

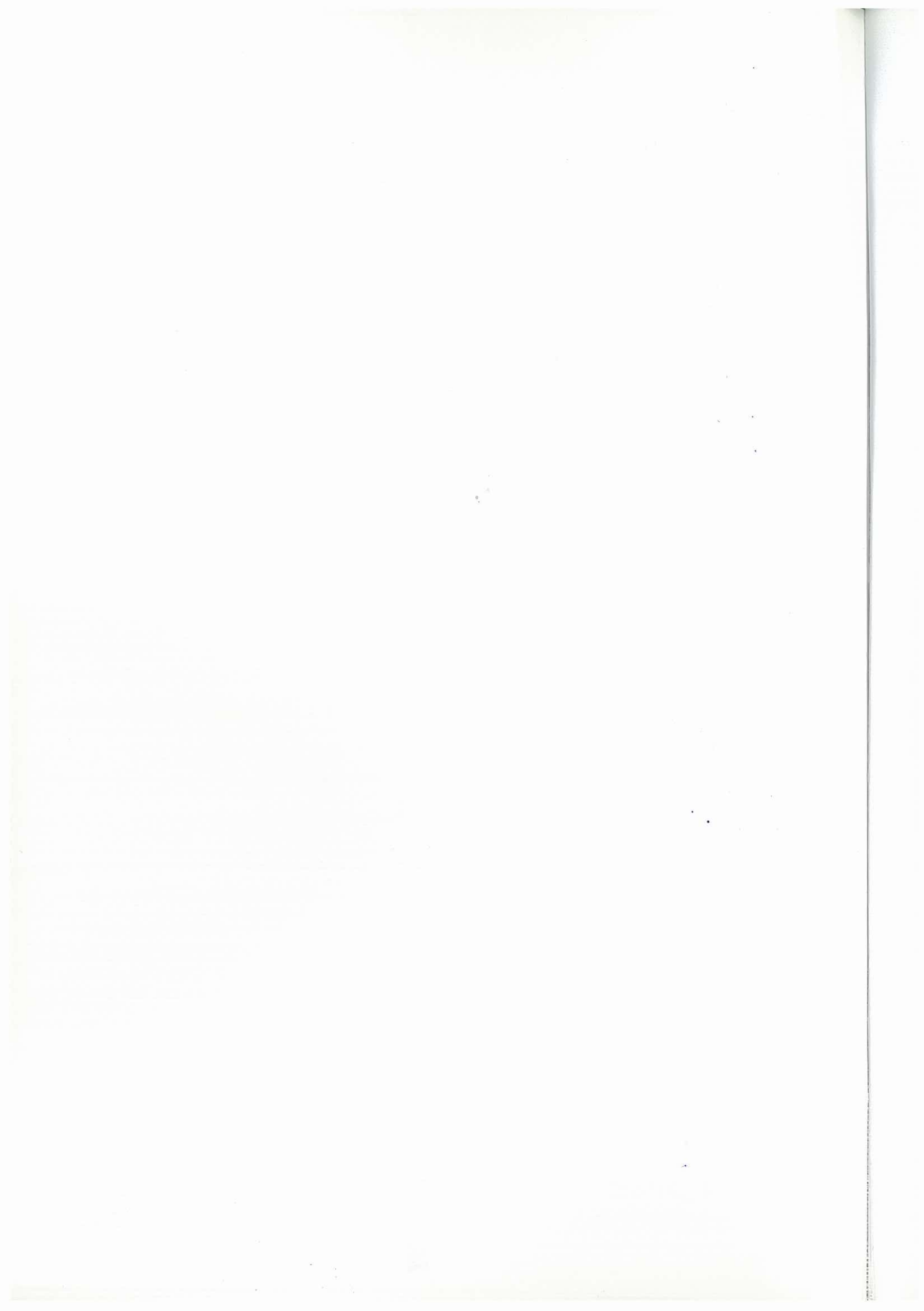
HUMAN  
DEVELOPMENT  
REPORT

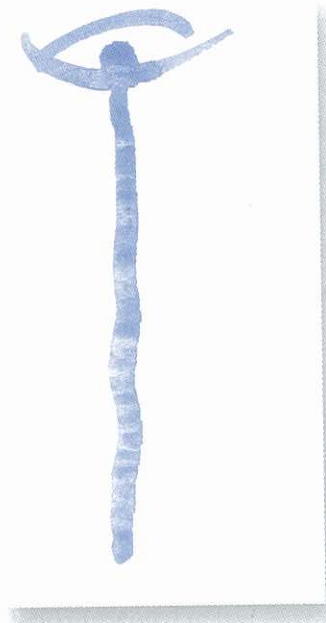
**TURKEY**

1997



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HUMAN  
DEVELOPMENT  
REPORT

**TURKEY**

1997

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Global Human Development Reports, released annually by UNDP, respond to changing challenges encountered in the development processes of countries and their people. At a time when global events are giving new forms to the relationship between the public and the private sectors and the rising civil society, the global Human Development Reports reassess development thinking in order to identify and tackle the overriding challenges to development.

The 1997 Human Development Report focuses sharply on poverty. Poverty eradication has become an overarching goal of international action and of the United Nations system's work in the follow-up to the UN conferences and summits of this decade. This year's global report builds on commitments made at these conferences and summits. Its most important message is that poverty is no longer inevitable. The world has the material and the natural resources, the know-how and the people to fully eradicate poverty in less than a decade. The Report reaffirms the recognition of countries that people centered development is the key to the achievement of the goal of poverty eradication.

In Turkey, National Human Development Reports have been prepared annually since 1992. They seek to identify and propose solutions to the changing challenges of development at the national level.

With this aim in mind and similar to the previous years' reports, the 1997 National Human Development Report for Turkey provides an overall assessment of Turkey's human development performance. This year's report points out that policies for human development were weaved into the making of the Republic in the 1920s and 30s. However, the report states, poli-

cy making of the following decades all the way into the 1990s, has been at times inconsistent and unsystematic in promoting human development, despite enviable advances made in economic growth. Thus, Turkey entered the 1990s with an unbalanced economic development which has accounted for the developmental disparities between regions, in terms not only of income, but also other key indicators.

The present report provides a Human Development Index for Turkey which goes beyond the province by province disaggregation of data presented in last year's report. Noting that women often lag behind men in terms of educational attainment, social, economic, political and personal opportunities, this year's report presents a human development index which illustrates the performance of Turkey based on data disaggregated by gender.

It has been established that throughout the 1990s, financial constraints of states have led policy makers to redefine the role of the state in promoting economic, social and human development. While states remain the principal engines for promoting social and human development in most countries, their involvement in the sustainable human development process is constantly being reconsidered at the interface of a growing and dynamic private sector and an expanding civil society. Chapter 4 of this Report probes this redefined role of the state in promoting economic and social opportunities for the people.

Social Cohesion is the underlined concept in this year's report. The centrality placed on social cohesion stems from the increasing awareness that there is a vital connection between participation and achieving the goal of sustainable human development. Both the legitimacy and the competence of a government and its devel-

opment initiative depends on the existence of a participatory process. These issues are dealt with in detail in Chapters 3 and 5 of this Report on "Citizenship, Legitimacy and Social Cohesion."

Finally in its concluding chapter, the Report proposes measures for the achievement of sustainable human development in Turkey in light of the country's performance in fostering the social environment vital for accomplishing this goal and based on the policy proposals emanating from the Anti-Poverty Strategies Dialogue Panel which convened in Diyarbakır, Turkey on 29-31 May 1997.

UNDP is grateful to the Ministry of Foreign Affairs and the State Planning Organization for supporting the preparation of this Report and to the Turkish Economic and Social Studies Foundation (TESEV) for its excellent organization in bringing together the team of independent experts who provided the analyses presented in the Report.

**Paul van Hanswijck de Jonge**

UN Resident Coordinator and  
UNDP Resident Representative  
Ankara, Turkey



As in the previous year, The Turkish Economic and Social Studies Foundation (TESEV) has undertaken the task of preparing the 1997 Human Development Report-Turkey, in coordination with the United Nations Development Program (UNDP) which has recently launched an international version that focused on poverty. The global report of 1997 vividly demonstrates the fact that poverty is becoming reversible more than ever in this revolutionary global era where a free and expansive flow of information nourishes the quest for democracy and the will to procure social, economic, political and cultural affluence.

The national human development reports have acquired colossal importance in that they provide policy makers with a useful tool to depict and compare the country's human development performance to that of other nations in the world. Furthermore, they constitute an efficacious model which the State Planning Organizations and Statistical Institutes may utilize in formulating similar indexes that reflect the situation of the various provinces and districts in the country.

The 1997 National Human Development Report-Turkey, focuses specifically on the links and interaction of social cohesion, human development and political institutions. The multi-disciplinary team of distinguished academicians and experts have analyzed the latest trends by conducting research in the economic, political and social spheres. With the aid of this year's Human Development Index, the report demonstrates the large variation in human development levels among regions, between men and women, in rural and urban areas in Turkey. It also pinpoints that rapid migration and urbanization, budget deficits, a large informal sector

and the increasing disparities regarding income, literacy, social security services and quality of life stand as massive obstacles that block Turkey's development process and signal the possible emergence of civil unrest if not addressed in the short term.

Thus, it seems that current policy measures may either invigorate or deter the construction process of social cohesion. The demonstration of specific development dilemmas and the pertinent recommendations comprised in the report aim at offering policy makers data and methodology to create prolific synergy evolved through the relationship between income, health, education, status of women, social participation and the activation of civil society.

I would like to express my gratitude to the authors, the special contributors for their scrutinizing approach in producing this valuable work and to the Ministry of Foreign Affairs, the State Planning Organization and the United Nations Development Program for their valuable contributions. We genuinely hope that the report amplifies awareness in Turkey and serves to project methods to attain sustainable human development.

**Dr. Can Paker**

Chairman of the Executive Board

Turkish Economic and Social Studies Foundation







The preparation of this report would not have been possible without the support and valuable contributions of a large number of individuals and institutions.

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Illustrating the obstacles to social cohesion in Turkey from a sociological perspective **Dr. Aydın Uğur**, **Dr. Sema Erder** and **Dr. Füsün Üstel** have combined their intellectual wealth in drafting Chapter 3. Without the work and contributions of this team, the central theme of this report -social cohesion- could not have been established.

For his invaluable work in contextualizing public

and private sector relations within a social cohesion framework as presented in Chapter 4 special thanks go to **Dr. Merih Celasun**.

For presenting in Chapter 5, an analytical assessment of the role and responsibility of the state in fostering social cohesion in Turkey, TESEV wishes to express gratitude to **Dr. Bülent Tanör**.

This Report benefits greatly from the analysis presented on issues of importance to the social and political development of Turkey. Rural to urban migration, the content of formal education in Turkey, women and family life, politics of Islam, the toll inflationary economics takes on social cohesion are the topics that are all dealt with through the special contributions by prominent Turkish intellectuals and presented in the Report. For their willing contributions, TESEV wishes to thank **Dr. Mübeccel Kiray**, one of the leading professors of Sociology in Turkey, **Dr. Çiğdem Kağıtçıbaşı**, professor at the Koç University and Deputy Chairperson of AÇEV, **Dr. Burhan Şenatalar**, professor at the İstanbul University and Chairman of Association of Academicians, **Dr. Şevket Pamuk**, professor at the Boğaziçi University, **Dr. Yeşim Arat**, Head of the Department of Political Science at the Boğaziçi University, and **Tarhan Erdem**, former Minister of Industry.

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Thankful for all the support it has received, TESEV assumes full responsibility for the opinions expressed.



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**A**s Turkey faces rapid transformations that are fundamentally affecting the fabric of its political, social and cultural life — human development is the way to steer change towards opportunity.

The 1997 Human Development Report - Turkey focuses on the interaction between human development, social cohesion and the role of the state. It points out that high levels of inequality, whether economic, political or social, slow the rate of economic growth and human development. Socio-economic fragmentation, characterized by high levels of poverty, growing income disparity and the marginalization of specific groups (such as women, youth, or religious and ethnic identities) only weakens the ability of Turkish society to respond coherently to new challenges on the horizon.

The effects of economic and social instability are clearly taking their toll on Turkish society. The growth of the informal economy, high inflation and under-employment, social unrest, and low civic participation are widening the divide between the groups even further. This report argues that weak social cohesion and increasing inequality are especially dangerous as traditional norms begin to disintegrate under the pressures of urbanization, migration, unemployment, and illiteracy. Filling the void with the strength of participatory and inclusive institutions can prepare the country to withstand the pitfalls of change.

## Human Development in Turkey

Over the years, Turkey has made notable advances in human development. Infant mortality rates today have dropped to a quarter of their

1960 levels. More than 80% of the population now has access to safe drinking water and basic sanitary conditions. Economic opportunities and the rush toward enterprise are pervasive.

Despite these advances, however, the 1997 Human Development Report - Turkey shows that inequality among people is worsening and will continue to do so unless immediate steps are taken to target marginalized groups and reverse the decline. In a country where more than half of the total income is concentrated among the top 20% of the population, economic insecurity and poverty are forming the roots of social instability. The differences in quality of life are particularly evident in the booming urban areas where social and economic barriers to integration have isolated a growing underclass of urban poor.

It is encouraging that today 50% of Turkey's population is living in provinces that have attained levels of "high human development." The 1997 Human Development Index (HDI) tracks the progress that Turkey's provinces have made in the main components of human development — increasing educational attainment, income, and life expectancy.

However, regional differences still persist in all categories and the East and South-east regions consistently fall behind. Variation in educational quality, low access to social services, and traditional income structures are the main factors impeding the integration of marginalized groups to mainstream employment opportunities and greater social acceptance.

The 1997 HDI also reveals sharp differences in human development between Turkish men and women. While female literacy and life expectancy rates are catching up to those of men, income

disparity continues to grow. This keeps women's human development prospects, and that of their children, lower. This year, 30 provinces can claim to have achieved "high human development" for their male populations but only one province can also boast high human development for its female population.

The 1997 Human Development Report - Turkey points out that general improvement in education and health conditions together with Turkey's future demographic trends are sure to result in higher and higher values in the Human Development Index. This rise in the index's value, however, should not mislead policy makers into thinking that the better rating is due to significant qualitative improvements in the human development of Turkish citizens or the social cohesion of society. Investments targeted towards women, youth, and minority groups should be reinforced by consistent policy implementation in the areas of educational attainment, health, and income distribution. Social benefits to be gained from such policy interventions will have a long-term impact, yet will be of vital importance to the attainment of human development.

## Prospects for the Future

Poverty is the force that most threatens the bonds between social cohesion, institutions and human development. The 1997 Human Development Report - Turkey argues that Turkey must define concretely the characteristics of poverty that it considers most threatening in order to make alleviation strategies an attainable priority.

Turkey's social safety nets are under increasing pressure. It is evident that social security and tax systems are inadequate in the face of significant

demographic shifts and the pressure of a growing informal economy. This report offers several suggestions as to how social welfare programs can be reassessed through a partnership of public, private, and civil society institutions.

The inconsistent efforts to integrate marginalized groups into the formal structures of political, economic and social life have led to disappointing expectations and lowered confidence in the ability of institutions to respond to citizens' needs. Such disillusionment has led to a reluctance, among the general public, to participate actively in the processes of civic life. Several studies point to a pervasive attitude in Turkish society that expects social welfare to be provided for by central authorities and not by individual initiative.

Yet signs of the growing involvement of civil society groups, representing a wide range of social concerns, is one of the most promising developments for the future. As these groups gain experience they provide an outlet for the participation and expression of Turkish society. Also, they are a critical partner to public and private sectors as they see quickly upcoming changes on the political and social horizon. The 1997 Human Development Report - Turkey discusses how these organizations are critical for reaching groups on the periphery of society such as poor women and children, the elderly, or religious and ethnic identities.

Is Turkey fulfilling its human development potential with the resources at hand? This important question is often overlooked perhaps due to the uncertainty of forecasting what "could" be. Yet inexpensive steps can be taken in the political, economic, and social spheres to begin making changes now.

The Seventh Five Year Plan is one blueprint that

comprehensively integrates the vision of human development throughout its proposal for reform. Efforts should be made to take decisive steps forward and monitor the impact of reforms. A comprehensive range of international agreements also exists that maps steps for achieving human development in the 21st century. Not all of the recommendations put forth in these global agreements require funding. In many cases, political will is a more essential element.

Turkey's challenge is to recognize the dangers of growing gaps among its people and to take action. Improving human development requires

consistent effort and attention to the distribution of progress. In this way, stability and predictability will be strengthened in Turkey's domestic and international relations. The current dynamism in Turkish society is a test of the adaptability of governmental institutions and of the Turkish people themselves. Will they be able to respond quickly and effectively to the changes around them? To benefit from the forces of globalization and liberalization within the country and in the regions, Turkey's key asset is the human development of its people.





HUMAN  
DEVELOPMENT REPORT  
1997 TURKEY



PART ONE

**Human  
Development Index**





**H**uman Development Reports, first published by the United Nations Development Programme in 1990, have been instrumental in focusing attention on the relationship between economic development, wealth, education, health, the status of women, freedom of the individual and the quality of life in general. Although there seems to be a close correlation between these variables, and it can be said that the more prosperous societies are, by and large, the better educated, healthier, more democratic, and so on, frequently there are divergencies and differences which make it necessary to examine the question more thoroughly in order to shed more light on these relationships, and provide insights for policy makers responsible for development. Human Development Reports serve as useful tools for those dealing with these questions.

It can be said that policy makers everywhere, and in Turkey too, could be more effective and could contribute more to the enhancement of the quality of life in their countries to the extent that they are familiar with them, and can make good use of the Human Development Report and the Human Development Index (HDI) it utilizes.

Although the HDR first appeared in 1990, concern for human development goes back to the creation of the UN. Already in its preamble, the Charter of the United Nations makes reference to the promotion of "social progress and better standards of life in larger freedom" and to the employment of "international machinery for the promotion of the economic and social advancement of all peoples." Human development issues are also included in Article I of the Charter dealing with the purposes of the UN. In its very first years of existence the UN became seriously involved in the business of development with the establishment of the program of technical assistance and the Special Fund. The awareness of the different dimensions of development was also reflected in other United Nations' activities. Gradually in the 1960s and 1970s the issues of

the environment, the human habitat, women's rights, population and others started receiving increasing attention. These developments culminated in the Human Development Report which, each year, has given us a chance to analyze the ranking and development efforts of countries in relation to others in much greater detail and clarity.

UNDP's Human Development Report has also had an impact in Turkey by contributing to the level of awareness of politicians, scholars and others of the issues dealt with in the report. The indexes of the HDR have provided policy makers with a handy tool to compare the country's performance with other countries at a similar level of development and to discover those areas where Turkey has performed relatively well in addition to the areas where it should have done better.

The HDR has also provided a useful model for the State Planning Organization (SPO) and the State Institute of Statistics (SIS) to compile similar indexes reflecting the situation of the different provinces and districts of Turkey.<sup>1</sup> The published material has provided academics with a wealth of material to analyze the state of human development in different parts of Turkey. The media have also used this material extensively and helped in bringing it to the attention of public opinion. It is as a result of this process that the level of awareness of the issue of human development has registered a marked increase in recent years.

The Turkish Republic has not been a stranger to the concept of human development. The proclamation of the Republic in 1923 was a first step in a revolutionary process. The leaders of the country were determined to transform all facets of life in a traditional society to make them conform to successful contemporary models. In addition to economic development, a determined effort was made, with very limited financial means, to achieve social development. Within 15 years, tremendous strides were made in the fields of

education, health, gender equality, the arts, sports, and so on, and a basically peasant society was set on the course of integrated political, economic and social progress. Even when the revolutionary élan of the 1920s and 1930s had worn out in the grim days of World War II, the country embarked on a major effort to bring primary education to all children under the slogan "Mobilization for Primary Education" (İlköğretim Seferberliği).

After the war, there appeared to be a shift of emphasis. A big highway-building program was launched in 1947 and, soon afterwards, Turkey became a beneficiary of the Marshall Plan. Agricultural production increased with more land being brought under cultivation and the introduction of modern production methods. Different regions of the country were being integrated economically as the road network developed and major infrastructure projects such as hydroelectric power plants and irrigation systems were being undertaken with newly available external loans. In 1951, 1952 and 1953, the economy grew by 12.8%, 11.9%, and 11.2% respectively. Although these growth rates proved to be unsustainable, it can be said that 1950-1960 was the decade of infrastructure projects and expanded production rather than of human development.

This situation changed with the establishment in 1960 of the State Planning Organization with its strong Social Development Department. This decade saw new social legislation such as the granting to workers of the right to strike and the spread of social security to new groups. The Five-Year Development Plans and the Annual Programs with their social development targets were taken seriously by the governments of the day and plan discipline was observed quite strictly.

The decade of the 1970s started well with good economic growth which peaked at 10.2% in 1971. However, the oil shock of 1973 and the inability of governments to make the necessary

adjustments soon led to double-digit inflation. This and political instability resulted in social unrest which had a most disruptive effect on the economy and especially the educational system. The decade ended with negative growth and triple-digit inflation. Both economic development and human development were the losers.

The decade of the 1980s started with overdue economic reforms which eliminated many regulations, liberalized the economy and opened it to outside competition. This liberalization and the reduction of the role of the state in the economy had both a liberating and a galvanizing effect on the private sector. In this period, exports soared, the chronic foreign exchange shortage became a thing of the past and, on the whole, healthy economic growth was achieved. Nevertheless, privatization was not carried out systematically, inflation remained endemic and further structural adjustments, which were still necessary, were not made. In this atmosphere, the human development of the masses tended to be neglected perhaps because more and more citizens were now able to afford private education and private health care. Income disparities between different brackets of the population grew at alarming rates and the same was true for disparities between the richer and poorer regions of the country.

After these ups and downs in the awareness of the human dimension of development in Turkey, the decade of the 1990's started with the arrival of the Human Development Report. Although Turkey's place in the per-capita GNP league was, relatively speaking, not bad, its poor rating in such areas as school enrollment ratios or infant mortality, even when compared to some much poorer countries, caused concern and disappointment. These areas had obviously been neglected and the media and public opinion concluded that more was needed to be done to remedy a situation which was not right and also constituted a brake on Turkey's economic development and a threat to social harmony.

Since the 1970s there has been a three-fold increase in Turkey's per-capita income in dollar terms. However the rate of improvement in the condition of the poorest segment of the population is clearly unsatisfactory. The income of the richest 20% of the population is 11 times that of the poorest 20%. This disparity is greater only in Brazil, Colombia, Mexico, and Chile. In many developing countries of Asia, as well as Europe, this ratio varies between 4 and 6. In Italy it is 6 times, in Israel 6.6, in Jordan and the Philippines 7.3 each. In fact, the richest 5% of the population in Turkey accounted for no less than 30.3% of the nation's income in 1994, while its share had been 23% in 1987. This rise in the share of the richest 5% has been at the expense of all the other segments, making up 95% of the population which have seen their share decrease during the same period.

In addition to this disparity, there is also a tremendous disparity between the different regions of Turkey with the highest ratio of poor households in the Southeast and the lowest in the Aegean. As would be expected, these disparities are not confined to income and also include the other HDI indicators.

This is clearly brought out in the data of the State Institute of Statistics and the State Planning Organization reflecting the situation in the provinces and districts. From these tables, it is possible to see that while some provinces in Turkey are at European levels of development, the poorest are on a par with some of the poorer sub-Saharan countries. Obviously, Government policies in recent years have failed to address these serious problems with sufficient vigor. Perhaps the factor most responsible for these disparities is the persistently high level of inflation which has its worst impact on the weakest segments of society. Income and other disparities are bound to persist, and get worse, as long as nothing effective is done to combat inflation.

Another factor keeping Turkey's position low in

the human development ranks is the neglect of education. Although there has been general agreement for the last quarter of a century that Turkey can and should raise the compulsory basic education period from 5 to 8 years. Until 1997 no effective step has been taken to make this possible. The new coalition government that obtained a vote of confidence in parliament on 12 July 1997 raised the period of compulsory education to 8 years starting in the fall of 1997. The question has been linked to the future of the religious schools at the junior high school level (6th to 8th years inclusive) bringing about much political controversy and turning an issue of expanding educational opportunity for the masses into an emotionally charged issue which political parties find difficult to grapple with. Under the present system, there is a sharp fall in the number of boys and an even sharper fall in the number of girls attending school after the fifth year.<sup>2</sup> The implications of this for the economic, social and cultural development of society in general and for the status of women in particular are obvious and need no elaboration.

The percentage of the budget set aside for education in Turkey is also low in comparison with countries at a similar level of development. This reflects in the quality of the education and has resulted in parents who can afford, it sending their children to private schools where the standard of education is considered to be higher. Even parents whose children go to public schools spend considerable sums of money to send their children to private classes where candidates for the university admission exam are tutored. These university preparatory courses have become a major industry and most successful university applicants have taken these courses. Obviously, this is contrary to the principle of equality of opportunity.

The unsatisfactory level of public funding for education applies also in the field of health. Again, the share of health spending in the budget is quite low which is reflected in poor health

care at public health institutions resulting in more and more individuals with the means, opting for health care in private institutions. Although the infant mortality rate has seen a substantial drop in recent years from a very high level with a corresponding fall in fertility rates, Turkey still has a lot of ground to cover to reach European levels, especially in the less developed Eastern and South-eastern regions. Much more needs to be done in the field of preventive medicine, and in undertaking educational campaigns to improve dental care, combat smoking and bring family planning information to couples. Questions like AIDS prevention or sex education are issues that are still at the discussion stage.

The concept of human development has received proper emphasis in the Five-Year Development Plan covering the period 1996 to 2000 as well as in the Annual Program for 1997.<sup>5</sup> In the chapter dealing with Basic Structural Reform Projects in the latest Five Year Plan, the first item is the development of human resources consisting of sub-items dealing with education reform, population and family planning, health reform and increasing employment and efficiency of the labor market. Other items in the Plan dealing with tax reform, social security reform, establishing regional balances, the environment, and so on, are indirectly but also closely linked with human development. The Plan's chapter on Basic Objective and Principles contains the phrase "This new Plan shall be the principal document guiding the democratization process". To live in a free, democratic society is an important part of human development and it is a cause for satisfaction that this fact should find its reflection in the Plan.

Balanced and comprehensive as the Plan may be in its approach to human development, it must be pointed out that in recent years, the life of governments in Turkey has been measured more in terms of months than in years. This unstable situation has prevented governments from properly tackling longer-term reform projects. Most

government actions in favor of the poor have dealt with providing subsidies or concessionary loans to regions or groups which are declared or perceived to be needy, but it is not always certain that the benefits go to the neediest. In any case, the policies of the government are influenced less and less by the Plan and more and more by the situation of the budget which has an unmanageable deficit. Debt servicing is met by new borrowing at exorbitant rates of interest while the bulk of spending is barely able to cover salaries and wages, other current expenditures and the deficits of the social security system and loss-making public enterprises. In these circumstances, the chapters of the Plan dealing with human development as well as economic development are mostly of academic interest and without much practical relevance to government policies and actions.

Whatever the shortcomings in Turkey's performance may be, the concept of human development is very much a part of the intensive national debate that is going on in connection with the country's development. Turkey's performance in education, health, economic growth, distribution of wealth, and so on is constantly compared with that of other countries, both developed and developing and conclusions are drawn. The statistics for making these comparisons are available in great detail, even though the reliability of some statistics might be questionable. Comparing educational data may also be difficult without adopting a common methodology that takes into account curriculum, class size, quality of teachers and so forth. Furthermore, as more and more private schools and hospitals come into existence, comparing figures like the percentage of the budget devoted to education or health may not yield sound results. Another factor that has to be kept in mind is the size of the informal economy in Turkey. This has been estimated to account for from 10% to 25% of the GNP. There is little doubt that most of the statistics tend to understate the true size of this economy.

Turkey's economic growth and human development have been, despite shortcomings, quite impressive over the last 3 or 4 decades. The nation, as a whole, is not only much wealthier, healthier and better educated in absolute terms, it has also improved its relative position in comparison with some other nations. Despite much political uncertainty and a lack of good management at the macroeconomic level, the country has continued to grow at a satisfactory, if not a spectacular rate. The importance of education is widely appreciated by the population and vast sums are being spent by many to compensate for the shortcomings of the public school system. The same holds true for health care. The fall in the rate of infant mortality and the rate of population growth are quite remarkable even though there is more to be done in these areas. With an extension of medical services, improvements in education and increasing urbanization these rates should get even better. Already there has been a drop in the number of children reaching school age and the decreasing pressure of the number of children entering the school system should gradually result in smaller classes and higher standards.

As the country gets wealthier, it will become relatively easier to tackle income disparities among individuals through tax reform and other redistributive measures. The disparities between regions have much to do with geographic isola-

tion, topography and climate and these cannot be changed. But it can be hoped that once the serious security problems afflicting the Eastern and South-eastern regions are eliminated, the resumption of normal economic activities will do much to improve the condition of these regions. The resumption of the transit trade with Iraq and the expansion of irrigated areas within the Southeast Anatolia Project should also help improve the situation of the region. However, East-West disparities are bound to persist in Turkey just as North-South disparities exist in Italy despite huge efforts on the part of Italian governments over the last 40 years. The strength and resilience of the Turkish economy have been demonstrated in the recent past since the customs union with the European Union came into effect. Even without the benefit of the promised financial assistance, Turkish industry has, in general, been able to withstand the added competition from Europe. With better economic management and once the necessary structural adjustments and reforms have been made, there is every reason to expect the Turkish economy to increase its average annual growth rate from the traditional 5% to 7%, 8% or even 9%. At such rates, the per-capita income of the population would easily double in a decade and this would be fully reflected in accelerated human development. All the necessary ingredients are in place to achieve these objectives. What is now required is the political will.

## NOTES

- 1 SIS, *Statistical Yearbook of Turkey 1995, 1996, 1997*, Ankara, 1995-97; SPO, *Main Economic Indicators*, Ankara, January, 1997; and SPO, *İller İtibariyle Çeşitli Göstergeler, (Provincial Indexes)*, Ankara, April, 1997.
- 2 SIS, *National Education Statistics: Formal Education 1994-1995*, Ankara, February, 1995.
- 3 SPO, *Yedinci Beş Yıllık Kalkınma Planı (1996-2000)*, Ankara, Temmuz, 1995.



This chapter examines the HDI and its components at the regional and provincial level. Where possible gender differences are also investigated. We use the same regional and provincial breakdown as in the Human Development Report-Turkey (NHDR) 1996. The provinces included in each of the five regions, and the estimated mid-1996 populations are given in Table 2.1.<sup>1</sup>

The indices reported here are meant to capture the conditions as of 1996. As in previous years, recent data were not always available at the level of disaggregation needed for the purposes of this chapter. When possible we updated the projections used in NHDR 1996 to achieve our goal. The details of the methodology are explained in the Technical Annex.

The caveats below are meant to alert the reader about potential shortcomings of the data.

(i) Enrollment data by gender at the provincial level used in this report are from the school year 1992-93, the same as those used in NHDR 96. As a consequence the enrollment component of the education index is the same for years 1996 and 1997.

(ii) The literacy data reported in NHDR 96 were for 1994. We updated these for year 1996. Hence the differences in the literacy indices for 1997 and 1996 actually reflect two years of (linearly projected) change.

(iii) Income data broken down by gender at the provincial level, based on the most recent 1994 Household Consumption and Income Survey were unavailable at the time of writing. One option was to rely on the breakdown used in NHDR 96, which is based on the 1987 Household Consumption and Income Survey. The other was to rely on the 1994 male-female income ratio for Turkey as a whole. We chose the latter and constructed the provincial income figures by gender by applying this single ratio to provincial per capital GDP data for 1996. Consequently intraprovincial differences in income inequality by gender could not be examined.

## 2.1. Human Development by Region

The regional values of the HDI and its components are given in Table 2.2. The Aegean-Marmara region which hosts about a third of Turkey's inhabitants, boasts the highest values of the aggregate index (.84) as well as all its components. The lowest values are encountered in the East-Southeast. The HDI for this region stands at .585. The smallest regional gap (difference between maximum and minimum values) is in the life expectancy index (.75 vs. .68), while the largest gap is in the income index (.95 vs. .44).

The regional gap as measured by the HDI is wider in 1997 (.255) compared to 1996 (.23). Given the data related caveats issued earlier, we refrain from comparing the components over time.

## 2.2. Human Development by Province

The HDI and its components have been calculated separately for the 76 provinces. These are reported in Table 2.3, where provinces have been put in descending order using the HDI values given in the last column. We followed the UNDP convention and classified the provinces as having attained low ( $HDI < .5$ ), medium ( $.5 \leq HDI < .8$ ) and high ( $.8 \leq HDI$ ) human development. Using the figures reported in Table 2.1, we find that 50 percent of Turkey's 1996 population lived in 21 high human development provinces. Those who lived in 52 middle human development provinces constituted 48 percent of the total. The population share of Şırnak, Ağrı and Muş, the three low human development provinces, was two percent.

Descriptive statistics on the provincial HDIs and their components are reported in Table 2.4. Note that the mean values are unweighted, and are thus not necessarily the same as the respective index values reported for Turkey in Table 2.2. If

## Family, Women and Children

**H**uman Development means development with a human face. Therefore, aggregate indices of economic growth should not be allowed to mask more subtle human issues. Among the latter, the state of women and children in society is of crucial importance.

The plight of women and children are intertwined, yet this is not adequately addressed in policies which deal with them separately. For example "women in development" programs have typically focused on the needs of women and at times have even refused dealing with children's needs on the assumption that this would reinforce the traditional "homemaking" roles of women they try to avoid. Yet a great deal of accumulated evidence from applied research and service programs points to the necessity of integrating the intersecting needs of women and children. For example, if children's needs are not adequately addressed in programs for women, women's participation in these programs and their overall effectiveness decrease. This is because if programs do not provide care for children while mothers are at work, mothers tend to leave work to attend to their children. Similarly, if the focus is solely on children and, for instance, young children are provided with early education in centers without parental involvement, the gains from such services are usually not self sustaining, given that the children's non-stimulating family environments, especially mothers, remain unchanged.

Thus, most impact is seen in multipurpose multitarget programs serving both women and children, with extended benefits to the family as a whole. An example of such a program which is expanding in Turkey is the "Mother Child Education Program" conducted by a local NGO (Mother Child Education Foundation) and the Ministry of Education (Directorate of Apprenticeship and Non-Formal Education). This program empowers women in child care, production of health in the household, improved communication skills, higher self esteem, coping with problems, and so on, and through the mothers it provides early enrichment to young children. Evaluations of the program point to benefits for both children and mothers. Further gains in family functioning are also evidenced. There is a need to develop similar sustainable programs focusing on diverse needs and reaching more and more families, women and children.

The main factor pulling down Turkey's Human Development Index is the low educational attainment of women, particularly in the less developed regions. This is an urgent problem of great proportions; it can be remedied by strong political will and investment in women's education in both formal and non-formal education. Such investment in women's education has far reaching benefits which go above and beyond the solely economic ones involving women's greater economic participation. Women are multipliers of well being for their children and families, thus investing in women is the most effective way of promoting a people's well-being. There is much evidence, for example, which shows that increases in women's income get channeled much more readily toward better nutrition and health of children than corresponding increases in men's income, and women's educational attainment is the best predictor of lower fertility and child mortality.

For too long women and children have been almost invisible in development planning. This has to change; women and by extension children and families must be put at the center. Human development can be better achieved with such a shift in emphasis. Of crucial immediate importance is extended basic education. The universal implementation of eight years of compulsory education promises to go a long way to counteract the traditional patriarchal ideology depriving girls of education and confining them to a subordinate status in family and society.

Investing in women and thus investing in children and families is the most rational and efficient route to promoting societal well-being. Those who are involved in development policies must understand that there is no short cut to societal development without such investment

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we use the standard deviation as a measure of inequality, the largest dispersion is found in the income index. Based on the range (maximum minus the minimum) the enrollment index yields the largest gap. These summary measures are helpful, but it is worthwhile to examine the frequency distributions graphically to capture the patterns of variation within, and across the indices. We therefore turn to the histograms in Figures 2.1-2.6.<sup>2</sup>

We find that the distribution of life expectancy is left-skewed (Figure 2.1). Thirty-two provinces have values below the mean. Inspection reveals that 13 of these are in the East-Southeast. Turning to literacy, we find that the distribution of the index is bimodal (Figure 2.2). All of the provinces which form the small mode to the left are in the East-Southeast. By contrast the enrollment index displays only slight asymmetry (Figure 2.3). Note, however, that there are outliers under either tail. Ankara, the province which contains the capital city and the national government, boasts the highest value (.89). At the other extreme Kars, and three recently created provinces, Şırnak, Ardahan and Iğdır, have enrollment index values which are one-third that of Ankara. All four lagging provinces are in the East-Southeast.

The bimodality seen in the literacy index carries over to the combined education index (Figure 2.4).

Examination of the income index reveals three modes (Figure 2.5). Şenesen (1997) examined time series data on provincial GDP and observed that the trimodal pattern emerged in the 1990s. Filiztekin (1997) also used provincial GDP data but examined the growth rates instead. His investigation did not provide any evidence in favor of convergence.<sup>3</sup> What is remarkable for our purposes is the fact that the trimodality of the income index carries over to the HDI (Figure 2.6). Evidently indicators of health and educational attainment that are also included in the HDI do not alter the patterns of inequality cap-

tured by the income index. Finally, we note that the provincial gap in the HDI reported for 1997 (.88 - .48 = .4) is essentially the same as that reported in HDR 96 (.393).

## 2.3. Human Development by Gender

Tables 2.5.a and 2.5.b. respectively give the male and female HDI and its components by region, and also for Turkey as a whole. Starting with the aggregate figures, the gender gap measured by the HDI in 1997 (.834 - .64 = .194) is higher than that in 1996 (.176). To a large extent this is a consequence of the fact that male per capita income is almost two times that of female per capita income.<sup>4</sup> Comparison of the 97 and 96 index figures reveals that the gender gap in life expectancy in favor of females has been closed. Females, in turn, continued to catch up in literacy. Recall that the enrollment figures used here are the same as those used in HDR 96. Thus the gender gap in the enrollment index is constant by construction. However other data sources reveal that females are catching up in enrollment as well.<sup>5</sup>

Turning to the regional figures, we see that while the most advanced Aegean-Marmara region boasts a small gender gap, the differentials in the other regions are sizable. Recall that the income index had a major shortcoming: Gender differences in income across the provinces are not captured by the available data. Thus any variation in the gender gap across regions is due to the other components of the HDI. Conversely, if incomes could be distinguished further by gender, we would expect the gender gap to be larger in regions where agriculture predominates, such as the East-Southeast.<sup>6</sup>

The provincial HDI figures by gender are reported in Table 2.6. The provinces have been ranked according to the male-female-differential, starting with the highest value of the gap.

Artvin, located in the Black Sea region, has the highest gap (.209), while Kocaeli in the Marmara region has the lowest gap (.047). The correlation between the provincial HDI and the provincial Male-Female gap is not statistically different from zero. However, if the provinces are broken down into two groups as high human development (HDI  $\geq$  .8) and medium and low human development (HDI  $<$  .8) then a strong pattern emerges. We find that the correlation is negative in the former group (-.65) but positive in the latter (.59). This suggests that gender inequality initially goes up as provinces evolve through the low and medium levels of human development, but then starts to decrease after a threshold is crossed.

## 2.4. Human Development Trends

We conclude this chapter with a brief overview of population trends and their implications for human development. Examination of the historical data reveals that the declines in fertility, childhood and adult mortality which marked much of the republican period will be sustained for some time.<sup>7</sup> This suggests that life expectancy in Turkey will continue to improve. Education statistics in turn point toward higher rates of enrollment. Over time older generations which contain the bulk of the illiterates and carry a smaller weight in the population, will be replaced by better educated younger generations who carry a larger weight in the population.

Consequently educational attainment will also improve. Thus two of the three components of the HDI figure for Turkey has nowhere to go but up.

There is reason to be optimistic about income growth as well. Population projections indicate that the share of the prime age population (ages 20-54) in the total will register a dramatic rise over the period 1990-2010.<sup>8</sup> If the productive capacity of this population segment is properly utilized through job creation, per capita income is also likely to rise.

It is evident then, that the conditions are ripe for Turkey to continue to make progress in human development. What is not evident is whether the full capacity for improvement will be realized. Instead of being content with an assessment of what has been achieved, it would be useful to complement the HDI with measures which evaluate the degree to which the capacity for improvement has been realized.<sup>9</sup> Also imperative is the issue of catch-up. It appears that females have made significant strides in some areas, but it is not clear whether the catch-up process is as fast as it should, or could be. Finally, the trends in intraprovincial inequality cast a big, long shadow over the optimistic picture being painted here. It appears that the fruits of growth will not be shared equally unless new and perhaps radical policy measures are designed and implemented. In this vein a careful reassessment of the Southeast Anatolia Project (GAP, as known by its Turkish acronym) emerges as a priority.

## NOTES

- 1 UNDP, "Technical Annex," *1996 Human Development Report Turkey*, Ankara, 1996, pp.119-120.
- 2 The interval size was set equal to one-half the relevant standard deviation. The boundaries of the interval around the mean were calculated as the mean  $\pm 0.25$  times the relevant standard deviation.
- 3 Şenesen, Ümit, "Kişi Başına Gayrisafi Yurtiçi Ürünün İllere Göre Dağılımı: Bir Ön İnceleme" and Filiztekin, Alpay, "Türkiye'de İller Arasında Yakınsama". Both papers were presented at the *Third National Econometrics and Statistics Symposium* held in Uludağ, Bursa, May 29-30, 1997.
- 4 The calculation is explained in the Technical Annex.
- 5 Tunalı, İnsan, "Eğitim ve İşgücüne Katılım," presented at the *Basic Education Panel* held by the Turkish National Academy of Science in Ankara, June 20, 1997.
- 6 A careful examination of male-female earnings differentials, and the shortcomings of various methodologies may be found in HDR'96.
- 7 Shorter, Frederick, "The Crisis of Population Knowledge in Turkey," *New Perspectives in Turkey*, Spring 1995; and State Institute of Statistics, *The Population of Turkey, 1923-1994*, Ankara: State Institute of Statistics Press.
- 8 The sources cited in the previous note.
- 9 This is essentially a call to heed the warning issued by Şen, Amartya, *Inequality Reexamined*, Russel Sage Foundation, Harvard University Press, 1992.

**Table 2.1** Estimated 1996 Populations by Province and Region

Marmara-Aegean	Population
Aydın	911.373
Balıkesir	1.029.204
Bursa	1.942.723
Çanakkale	438.938
Denizli	843.104
Edirne	411.958
İstanbul	9.130.833
İzmir	3.135.339
Kocaeli	1.178.129
Kırklareli	316.510
Manisa	1.264.989
Sakarya	762.280
Tekirdağ	546.257
<b>TOTAL</b>	<b>21.911.637</b>

Mediterranean	Population
Adana	2.164.145
Antalya	1.434.076
Burdur	255.965
Gaziantep	1.347.023
Hatay	1.223.795
Isparta	493.302
İçel	1.552.763
Muğla	652.024
<b>TOTAL</b>	<b>9.123.094</b>

Central Anatolia	Population
Afyonkarahisar	816.085
Aksaray	348.131
Ankara	3.587.792
Bilecik	190.193
Bolu	593.916
Çankırı	289.795
Çorum	604.885
Eskişehir	681.310
Karaman	222.246
Kayseri	1.023.535
Konya	1.958.939
Kütahya	604.674
Kırıkkale	315.112
Kırşehir	242.857
Nevşehir	296.344
Niğde	320.680
Tokat	750.717
Uşak	307.266
Yozgat	607.243
<b>TOTAL</b>	<b>14.075.209</b>

Black Sea	Population
Amasya	3453.490
Artvin	186.522
Bartın	201.045
Giresun	481.088
Kastamonu	371.440
Ordu	891.890
Rize	301.003
Samsun	1.192.670
Sinop	234.970
Trabzon	782.406
Zonguldak	876.397
<b>TOTAL</b>	<b>5.862.921</b>

East-Southeast Anatolia	Population
Ağrı	444.761
Adıyaman	612.028
Ardahan	112.653
Batman	416.600
Bayburt	100.953
Bingöl	253.231
Bitlis	358.824
Diyarbakır	1.284.359
Elazığ	501.764
Erzincan	287.911
Erzurum	808.086
Gümüşhane	153.079
Hakkari	153.079
İğdir	139.290
Kahramanmaraş	937.279
Kars	302.574
Malatya	729.350
Mardin	634.323
Muş	416.049
Siirt	255.985
Sivas	735.619
Şanlıurfa	1.258.855
Şırnak	318.599
Tunceli	104.615
Van	743.135
<b>TOTAL</b>	<b>12.124.218</b>

**TURKEY TOTAL 62.753.589**

## Conditions, Contents and Quality of Education

**E**nrollment ratios are the most commonly used indicators with respect to education. However, these ratios are too general and reflect neither the conditions nor the quality of education services. It is beyond any dispute, that the generally stated benefits of education are closely related with the conditions and quality of education. Economic returns to education and the influence of education on values and behaviours and also on civic participation and democratization will depend upon the conditions, methods and contents of education.

Turkey's enrollment ratios come close to 100% at the primary level, but are far from satisfactory at higher levels, i.e. approximately 70% and 50% at junior and senior high school levels, respectively. In higher education the ratio is below 13%, excluding the Open University System.

The extremely limited enrollment ratio of less than 8% at the preschool level is another serious obstacle. This ratio differs between 55-95% in the EU countries. Enrollment at the preschool level is especially important in forming the base for the primary level and also in shaping values and attitudes.

In addition to the insufficient enrollment ratios, there are many factors limiting the benefits of the education system.

a) The fact that compulsory education has until 1997 been only 5 years was a shortcoming in itself. In spite of the enrollment ratio approaching 100% the influence of a 5 year schooling was certainly very limited. International comparative research shows that there are thresholds in the returns to education. Extending compulsory education to 8 years is a top priority for Turkey to obtain a quantum jump in the returns to education. In 1997, the new coalition government raised the compulsory basic education period from 5 to 8 years.

b) Another factor limiting the benefits of education is the widely implemented method of "combined classes", i.e. allocating one single teacher to a school of five grades. According to the Ministry of Education in 1995 in approximately 12,000 primary schools more than 400,000 pupils received their education from one teacher in a group of five grades in one single class. This problem is especially acute in rural areas.

c) A similar handicap is the "teacher deficit" for specific courses at the secondary level. In many cases the solution to this problem is making use of "substitute teachers" who are professionals in other activities but not trained to work as teachers.

d) The size of the classes is also one of the important factors determining the quality of education. Average size of classes is above 30 pupils at the primary level and between 50-60 at the secondary level. These figures are considerably higher than the EU averages.

e) The time spent at school is another important factor. In approximately 13,000 schools at different levels two "shifts" make use of the same school building in one day. This means shorter class hours and intervals and also less time for extracurricular activities, which should be considered as an integral part of education.

f) As a consequence of factors such as large classes, short class hours, quantitative and qualitative insufficiency of teachers. The number of pupils repeating the same class is quite high. In the 1993-94 school year close to 600,000 students had to repeat the same class, which obviously is an inefficient use of resources.

g) One of the important factors determining the quality of and benefits from education is the amount of financial resources allocated to education. The ratio of budget expenditures in education to GNP has always been low in Turkey compared with many developed and developing countries. For the period 1981-1995 the average of this share was 2.7% reaching 4% in only two of the years.

Due to the lack of financial resources libraries and laboratories are very poor and this seriously lessens the contribution of specific courses.

h) One of the fundamental reasons for the limited quality and success of education services is the shortsightedness and populism in political life. Two examples should suffice: The share of religious schools at the secondary level is far beyond the need and these schools have by far surpassed the scope of vocational institutions. The outcome is an inefficient use of resources and in many cases a negative influence concerning secularization and democratization.

The other example of shortsightedness is the opening of a university or at least a faculty in almost every province. Consequently universities and faculties have been extremely scattered, causing economic losses and preventing any scale economies and benefits of cooperation.

The rapid increase of universities was accompanied by a faster growth in the number of students, but not by a sufficient increase in the financial resources. As a result the amount spent per student in higher education has fallen considerably in recent years. The expenditure per student in 1995 (in constant prices) was 23% less than that in 1990, even 17% less than the amount in 1975.

All of the problems mentioned above are much more serious in rural areas and especially in Eastern and Southeastern Turkey. In these regions and under the existing circumstances economic benefits and social influences of education, especially the role of education in attaining social cohesion and a transformation in values and attitudes, will be very limited, maybe insignificant. A radical change can only come with a radical change in policy.

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**Table 2.2** HDI by Region, 1997

Regions	Life expectancy		Educational attainment					Income		HDI
	Life exp.	Index value	Literacy rate (%)	Index value	Enrollment rate (%)	Index value	Education Index	Adj. PPP	Index value	
Aegean-Marm.	70.1	0.75	89.9	0.90	65.8	0.66	0.82	5446	0.95	0.840
Mediterranean	69.8	0.75	84.3	0.84	57.4	0.57	0.75	5355	0.87	0.789
Central Anat.	68.7	0.73	87.5	0.87	65.8	0.66	0.80	4696	0.76	0.763
Black Sea	68.7	0.73	82.5	0.83	56.8	0.57	0.74	38.85	0.63	0.698
East-South-east	65.9	0.68	70.1	0.70	49.3	0.49	0.63	2777	0.44	0.585
TURKEY	68.6	0.73	84.3	0.84	59.8	0.59	0.76	5698	0.92	0.804

**Table 2.3** HDI by Province

High Human Development										
Province	Life expectancy		Educational attainment					Income		HDI
	Life exp.	Index	Literacy rate (%)	Index	Enrollment rate (%)	Index	Education Index	Adj. PPP	Index	
Ankara	70.6	0.760	92.8	0.928	89.3	0.893	0.916	5935.3	0.964	0.880
İstanbul	70.6	0.760	92.7	0.927	70.9	0.709	0.854	5937.0	0.964	0.859
Eskişehir	69.3	0.38	91.5	0.915	77.0	0.770	0.867	5862.8	0.952	0.852
Kocaeli	59.0	0.733	90.7	0.907	64.8	0.648	0.820	6051.4	0.983	0.845
İzmir	69.0	0.733	89.3	0.893	70.8	0.708	0.832	5939.3	0.965	0.843
Bursa	69.3	0.738	59.8	0.898	65.5	0.655	0.817	5920.2	0.961	0.839
Kırklareli	70.3	0.754	90.2	0.902	58.9	0.589	0.798	5933.2	0.964	0.839
Bilecik	70.3	0.754	90.4	0.904	54.9	0.549	0.786	5929.8	0.963	0.834
Tekirdağ	70.1	0.751	89.5	0.895	58.4	0.584	0.791	5904.1	0.959	0.834
Kırkkale	70.4	0.757	87.2	0.872	60.1	0.601	0.781	5902.8	0.959	0.832
Antalya	71.5	0.776	88.3	0.883	51.9	0.519	0.762	5884.0	0.955	0.831
Muğla	70.7	0.762	89.1	0.891	80.8	0.508	0.764	5922.4	0.962	0.829
Edirne	59.9	0.748	85.8	0.858	70.6	0.706	0.807	5619.6	0.912	0.822
Balıkesir	70.1	0.751	86.0	0.860	62.1	0.621	0.780	5934.8	0.931	0.821
Bolu	68.3	0.722	86.3	0.863	60.8	0.608	0.778	5867.2	0.953	0.818
Adana	68.8	0.729	82.9	0.829	65.5	0.655	0.771	5855.8	0.951	0.817
İçel	60.9	0.733	87.0	0.870	54.3	0.543	0.761	5891.0	0.957	0.817
Manisa	71.4	0.773	83.0	0.830	51.0	0.510	0.723	5861.8	0.852	0.816
Aydın	70.3	0.754	84.1	0.841	52.7	0.527	0.736	5847.3	0.949	0.813
Karaman	67.8	0.713	88.0	0.880	50.8	0.508	0.756	5842.5	0.949	0.806



Medium Human Development										
Province	Life expectancy		Educational attainment				Income		HDI	
	Life exp.	Index	Lit.r.(%)	Index	Enr.r.(%)	Index	Ed.ind.	Adj.PPP		Index
Sakarya	69.4	0.741	88.0	0.880	56.6	0.566	0.775	5402.8	0.876	0.797
Artvin	68.0	0.717	83.7	0.837	62.2	0.622	0.765	5348.6	0.867	0.783
Denizli	70.7	0.762	87.5	0.875	53.8	0.538	0.763	5087.3	0.824	0.783
Burdur	71.1	0.768	87.5	0.875	59.4	0.594	0.781	4914.8	0.795	0.782
Nevşehir	69.2	0.736	84.6	0.846	56.2	0.562	0.751	4954.5	0.802	0.763
Kütahya	67.6	0.710	85.0	0.850	55.8	0.558	0.753	5076.5	0.822	0.762
Trabzon	73.3	0.804	85.0	0.850	63.3	0.633	0.778	4284.6	0.691	0.758
Hatay	69.9	0.748	81.2	0.812	60.4	0.604	0.742	4739.6	0.766	0.752
Rize	73.1	0.801	83.2	0.832	59.0	0.590	0.751	4357.9	0.703	0.752
Zonguldak	65.7	0.678	86.1	0.861	52.4	0.524	0.749	4908.7	0.794	0.740
Konya	70.1	0.751	88.0	0.880	56.1	0.561	0.774	4169.5	0.672	0.732
Kayseri	68.6	0.726	86.6	0.866	65.2	0.652	0.794	4149.3	0.669	0.730
Elazığ	68.6	0.726	79.1	0.791	66.6	0.666	0.750	4371.8	0.706	0.727
Malatya	70.4	0.757	85.4	0.854	63.4	0.634	0.781	3926.7	0.632	0.723
Gaziantep	69.0	0.733	77.8	0.778	55.9	0.559	0.705	4357.9	0.703	0.714
Samsun	67.0	0.701	81.1	0.811	61.9	0.619	0.747	4233.9	0.683	0.710
Uşak	66.6	0.693	84.4	0.844	58.6	0.586	0.758	4210.8	0.679	0.710
Isparta	71.5	0.776	88.4	0.884	52.5	0.525	0.765	3652.4	0.587	0.709
Kırşehir	70.3	0.754	86.2	0.862	64.9	0.649	0.791	3524.3	0.566	0.704
Niğde	66.6	0.693	84.1	0.841	57.1	0.571	0.751	4111.8	0.663	0.702
Amasya	65.8	0.680	83.7	0.837	62.8	0.628	0.767	4077.1	0.657	0.701
Çorum	63.8	0.646	78.7	0.787	55.4	0.554	0.709	4600.4	0.743	0.700
Kastamonu	67.8	0.713	76.7	0.767	56.9	0.569	0.701	4104.7	0.661	0.692
Kahramanmaraş	69.7	0.744	79.3	0.793	52.7	0.527	0.705	3739.8	0.601	0.683
Erzincan	69.2	0.736	86.2	0.862	45.5	0.455	0.726	3349.9	0.537	0.666
Tunceli	71.2	0.770	79.6	0.796	57.3	0.573	0.722	2953.4	0.471	0.654
Giresun	71.4	0.773	80.1	0.801	53.3	0.533	0.711	2978.2	0.475	0.653
Tokat	65.1	0.668	80.7	0.807	53.4	0.534	0.716	3416.8	0.548	0.644
Afyonkarahisar	67.0	0.701	87.0	0.870	48.2	0.482	0.741	3036.4	0.485	0.642
Sivas	64.9	0.665	83.9	0.839	58.3	0.583	0.754	3122.9	0.499	0.639
Sinop	64.9	0.665	78.2	0.782	55.1	0.551	0.705	3234.0	0.518	0.629
Çankırı	67.8	0.713	84.2	0.842	45.2	0.452	0.712	2869.6	0.457	0.628
Aksaray	67.5	0.708	82.9	0.829	54.1	0.541	0.733	2697.2	0.429	0.623
Bartın	65.7	0.678	86.1	0.861	52.4	0.524	0.749	2706.0	0.430	0.619
Diyarbakır	67.3	0.704	61.2	0.612	48.1	0.481	0.568	3544.1	0.569	0.614
Ordu	70.4	0.757	81.8	0.818	47.7	0.477	0.704	2357.9	0.373	0.611
Gümüşhane	68.0	0.717	83.7	0.837	50.4	0.504	0.726	2462.2	0.390	0.611
Yozgat	66.6	0.693	81.4	0.814	52.5	0.525	0.718	2602.0	0.413	0.608
Adıyaman	68.8	0.729	74.0	0.740	55.3	0.553	0.678	2554.0	0.405	0.604
Erzurum	62.7	0.628	79.1	0.791	51.0	0.610	0.730	2741.6	0.436	0.598
Şanlıurfa	71.5	0.776	66.2	0.662	43.7	0.437	0.587	2587.9	0.411	0.591
Bayburt	65.8	0.680	83.1	0.831	44.2	0.442	0.701	2161.0	0.340	0.574
Kars	70.6	0.760	76.1	0.761	29.9	0.299	0.607	2238.1	0.353	0.573
Ardahan	70.6	0.760	76.1	0.761	29.9	0.299	0.607	2151.2	0.339	0.569
Mardin	69.4	0.741	61.5	0.615	43.9	0.439	0.557	2569.2	0.408	0.568
İğdir	70.6	0.760	76.1	0.761	29.9	0.299	0.607	2049.2	0.322	0.563
Batman	68.2	0.720	62.7	0.627	47.7	0.477	0.577	2416.9	0.383	0.560
Siirt	66.4	0.689	57.8	0.578	43.5	0.435	0.531	2770.9	0.441	0.554
Hakkari	68.2	0.720	60.1	0.601	41.2	0.412	0.538	1984.8	0.311	0.523
Van	64.3	0.654	61.0	0.610	47.1	0.471	0.564	2120.3	0.334	0.517
Bingöl	63.8	0.646	65.6	0.656	47.2	0.472	0.595	1775.0	0.277	0.506
Bitlis	65.8	0.680	67.3	0.673	39.5	0.395	0.580	1597.9	0.247	0.503

Low Human Development										
Province	Life expectancy		Educational attainment					Income		HDI
	Life exp.	Index	Literacy rate (%)	Index	Enrollment rate (%)	Index	Education Index	Adj. PPP	Index	
Şırnak	70.1	0.751	47.2	0.472	25.2	0.252	0.399	1832.4	0.286	0.479
Ağrı	65.3	0.672	58.1	0.581	48.1	0.481	0.547	1391.4	0.213	0.477
Muş	63.6	0.643	58.5	0.585	46.9	0.469	0.546	1378.9	0.211	0.467
TURKEY	68.6	0.727	84.3	0.843	59.8	0.598	0.761	5697.8	0.925	0.804

**Table 2.4** Descriptive Statistic on Provincial Data

	Life Expect Index	Literacy Index	Enrollment Index	Educational Attainment Index	Income Index	HDI Index
Mean	0.726	0.807	0.547	0.720	0.652	0.699
Median	0.733	0.838	0.552	0.749	0.666	0.709
Standard Dev.	0.040	0.100	0.100	0.090	0.240	0.110
Minimum	0.628	0.472	0.252	0.399	0.211	0.466
Maximum	0.804	0.928	0.893	0.916	0.983	0.880

**Table 2.5.a** Male Human Development Index by Region

Region	Life expectancy		Educational attainment					Income		HDI
	Life exp.	Index	Lit.r.(%)	Index	Enr.r. (%)	Index	Ed. ind.	Adj. PPP	Index	
Aegean-Marmara	67.9	0.76	94.9	0.95	69.7	0.70	0.86	5920	0.96	0.861
Mediterranean	67.5	0.75	91.6	0.92	62.4	0.62	0.82	5497	0.89	0.820
Central Anatolia	66.5	0.73	93.8	0.94	75.8	0.76	0.88	4899	0.79	0.802
Black Sea	66.5	0.73	91.2	0.91	65.7	0.66	0.83	4189	0.68	0.745
East-Southeast A.	65.6	0.72	83.2	0.83	59.3	0.59	0.75	2992	0.48	0.649
TURKEY	66.4	0.73	91.7	0.92	66.7	0.67	0.83	5870	0.95	0.839

**Table 2.5.b** Female Human Development Index by Region

Region	Life expectancy		Educational attainment				Income			
	Life exp.	Index	Lit.r.(%)	Index	Enr.r. (%)	Index	Ed. ind.	Adj. PPP Index	HDI	
Aegean-Marmara	72.3	0.75	84.6	0.85	61.6	0.62	0.77	4254	0.69	0.734
Mediterranean	72.0	0.74	76.7	0.77	52.2	0.52	0.69	3192	0.51	0.646
Central Anatolia	70.8	0.72	81.2	0.81	57.4	0.57	0.73	3000	0.48	0.645
Black Sea	70.9	0.72	74.3	0.74	48.3	0.48	0.66	2174	0.34	0.574
East-Southeast A.	69.8	0.71	58.3	0.58	38.8	0.39	0.52	1555	0.24	0.488
TURKEY	71.0	0.73	76.7	0.77	52.6	0.53	0.69	3186	0.51	0.640

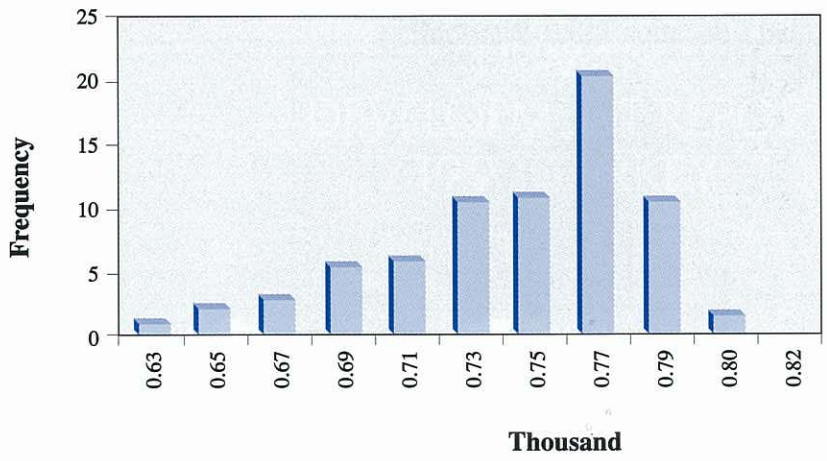
**Table 2.6** Overall, Male and Female HDI by Province \*

Province	Total HDI	Male HDI	Female HDI	Male minus female
Artvin	0.783	0.835	0.626	0.209
Elazığ	0.727	0.788	0.580	0.207
Sakarya	0.797	0.844	0.642	0.202
Diyarbakır	0.614	0.678	0.477	0.201
Kütahya	0.762	0.810	0.612	0.198
Rize	0.752	0.809	0.612	0.198
Zonguldak	0.740	0.790	0.595	0.195
Nevşehir	0.763	0.811	0.616	0.195
Çorum	0.700	0.751	0.558	0.193
Şiirt	0.554	0.621	0.428	0.193
Adana	0.817	0.844	0.652	0.193
Hatay	0.752	0.801	0.609	0.192
Bolu	0.818	0.846	0.655	0.191
Kastamonu	0.692	0.747	0.559	0.188
Manisa	0.816	0.842	0.654	0.188
Gaziantep	0.714	0.764	0.576	0.188
Balıkesir	0.821	0.848	0.660	0.188
Trabzon	0.758	0.809	0.622	0.187
Aydın	0.813	0.837	0.650	0.187
Niğde	0.702	0.756	0.569	0.187
Karaman	0.806	0.830	0.643	0.186
Edirne	0.822	0.853	0.667	0.186
Burdur	0.782	0.825	0.639	0.185
Eskişehir	0.852	0.877	0.692	0.185
Denizli	0.783	0.824	0.639	0.185
Samsun	0.710	0.760	0.578	0.181
Hakkari	0.523	0.586	0.410	0.175
Uşak	0.710	0.755	0.580	0.175
Kayseri	0.730	0.775	0.602	0.173

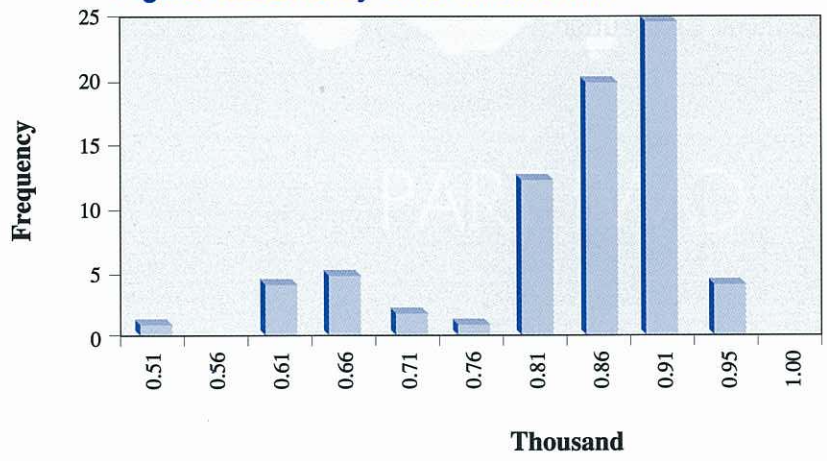
\* In descending order of male minus female differences.

Province	Total HDI	Male HDI	Female HDI	Male minus female
Konya	0.732	0.777	0.605	0.172
Mardin	0.568	0.628	0.457	0.172
Van	0.517	0.581	0.410	0.171
Şanlıurfa	0.591	0.649	0.479	0.170
Amasya	0.701	0.745	0.576	0.169
Malatya	0.723	0.767	0.601	0.166
Kahramanmaraş	0.683	0.729	0.563	0.165
Kırıkkale	0.832	0.859	0.695	0.164
Antalya	0.831	0.849	0.686	0.163
Erzurum	0.598	0.653	0.490	0.163
İçel	0.817	0.838	0.675	0.162
Şırnak	0.479	0.536	0.378	0.159
Kırşehir	0.704	0.748	0.590	0.158
Ağrı	0.477	0.542	0.387	0.155
Tokat	0.644	0.688	0.533	0.155
Giresun	0.653	0.701	0.546	0.154
Sivas	0.639	0.685	0.532	0.153
Muş	-0.467	0.528	0.377	0.151
Adıyaman	0.604	0.653	0.506	0.147
Isparta	0.709	0.745	0.599	0.146
Sinop	0.629	0.671	0.525	0.146
Erzincan	0.666	0.704	0.559	0.144
Bitlis	0.503	0.557	0.413	0.143
Aksaray	0.623	0.669	0.527	0.142
Çankırı	0.628	0.668	0.530	0.138
Afyonkarahisar	0.642	0.681	0.543	0.137
Gümüşhane	0.611	0.655	0.519	0.136
Bingöl	0.506	0.556	0.421	0.135
Bursa	0.839	0.861	0.726	0.134
Tekirdağ	0.834	0.846	0.712	0.133
Tunceli	0.654	0.690	0.557	0.133
Bartın	0.619	0.659	0.527	0.132
Yozgat	0.608	0.648	0.517	0.132
Ordu	0.611	0.650	0.525	0.125
Bayburt	0.574	0.615	0.490	0.125
Kars	0.573	0.614	0.489	0.124
Çanakkale	0.832	0.849	0.725	0.124
Ardahan	0.569	0.608	0.487	0.122
İğdir	0.563	0.602	0.483	0.119
Muğla	0.829	0.844	0.725	0.119
Bilecik	0.834	0.853	0.738	0.115
Ankara	0.880	0.898	0.792	0.107
İzmir	0.843	0.860	0.762	0.098
Kırklareli	0.839	0.850	0.754	0.096
İstanbul	0.859	0.874	0.778	0.096
Batman	0.560	0.621	0.541	0.080
Kocaeli	0.845	0.865	0.818	0.047
TURKEY	0.804	0.839	0.640	0.199

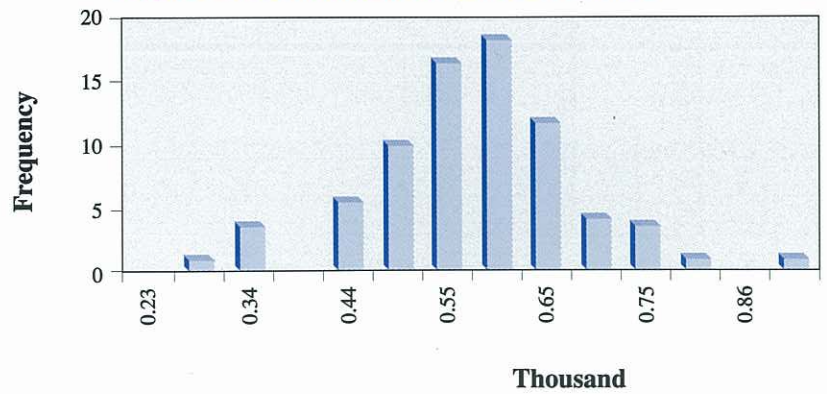
**Figure 2.1 Life Expectancy Index Distribution**



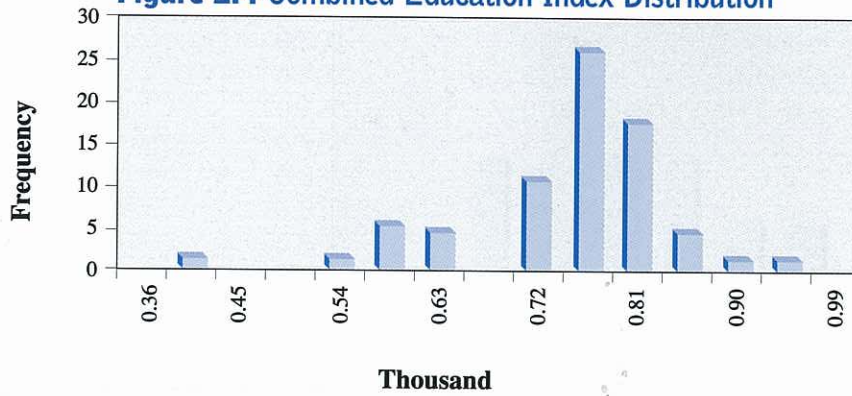
**Figure 2.2 Literacy Index Distribution**



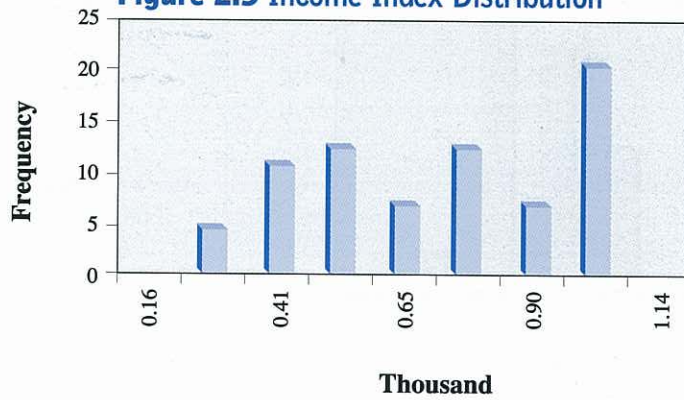
**Figure 2.3 Enrollment Index Distribution**



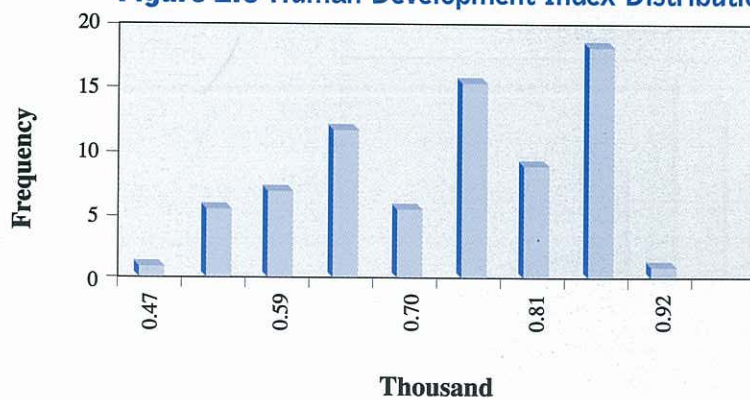
**Figure 2.4 Combined Education Index Distribution**



**Figure 2.5 Income Index Distribution**



**Figure 2.6 Human Development Index Distribution**



HUMAN  
DEVELOPMENT REPORT  
1997 TURKEY



PART TWO





The presence of problems related to social cohesion in a given country signals that the number of people who are deprived and unable to benefit from the opportunities offered by that country's system is getting to an alarming level. Consequently, any research that analyzes the problem of social cohesion needs to focus on the areas and processes of exclusion and on the excluded groups themselves. In developed Western countries, the theme of social exclusion is used with reference to welfare state policies. It highlights practices where the welfare state either makes no progress or simply regresses. However, in Turkey the existence of problems related to social cohesion is not because of the withdrawal of the welfare state from certain areas, but because of its absence. No doubt, Turkey has experienced important achievements in terms of human development since the establishment of the Republic, however, in the face of the depth and breadth of the actual societal problems these achievements remain insufficient. Due to the fact that these achievements were largely products of a climate dominated by an authoritarian modernization process and that the state was unable, in comparison to the West, to accommodate new social demands, the number of cleavages in society has increased and the areas of conflict deepen the unrest. The problem of social cohesion in Turkey is multidimensional. In order to deconstruct its multidimensional nature this section bases its analysis on three elements that constitute the social background of the problem: migration, urban change, and revindications based on identities. The analysis focuses on the influence of these three elements on four particular groups: children/youth, women, the elderly, and ethnic/religious communities. The processes of exclusion of these groups is conceptualized within the frame of a triangle formed by the state, the individual and civil society.

### 3.1. Main Characteristics Specific to Turkey

The size, structure, composition, geographical distribution and density of the population in Turkey has changed significantly since 1955. The population of the country has increased 2.5 times with a parallel increase in both the number and significance of the child and youth populations. Turkey has shown tremendous dynamism in the population's mobility. The percentage of urban population increased from 22.5% in 1955 to 56.3% in 1990.

This dynamism was due not only to migration from rural areas to cities but also to international migration and population movements between cities. As a consequence, the population flow from the rest of the country to the West and Southwestern parts has brought about population pressure and has had negative effects on the equilibrium between regions.

This transformation has taken place in an atmosphere characterized by traditionalism, authoritarianism and an imbalance in the relations between state and society. On the one hand, increasing mobility, diversification, differentiation, and the formation of new patterns in urban areas are observed. On the other, traditional patterns, values and institutions continue to resist change. These contradictory effects have created new forms of exclusion and increased the number of marginalized groups. Despite accelerated social mobility and diversification, the influence of traditional and authoritarian tendencies prevail both in daily life and in the political environment. This transformation is evident in the existing gender inequalities within society and in the tendencies towards a denial of the participation of younger generations in the decision making processes. Traditional, rural family and kinship relations, based on age and gender, are being transformed under new urban conditions. However, the lingering effects of traditional values causes difficulties for a transition to new types of organizations capable of responding to the new demands that society poses.

## Abandonment of the Land and Transformation to Urban Life

**S**tarting from the 1950s and coming up to the year 2000, the life styles of the peasants who migrated to urban areas have undergone major changes over every decade. At the first stage of their arrival in the cities the newcomers were engaged with low quality housing and small marginal sector entrepreneurship. The composition of the family was shaped in compliance with the new state of being turned away from the land and traveling back and forth to the village every 3-4 months, and a solidarity among family members was formed due to the need for security.

In the 1970s, we witnessed a period where kinship solidarity was replaced by relationships based on "fellow country men" (hemşerilik) and gradually this network was transformed into a patronage system. The Patronage relations can be considered as asymmetrical power relations. The person in the patronizing position supports his dependents and the people whom he patronizes give in return for certain services such as house construction, business development and personal business at the hospital or police station. This relationship well known by the migrants can be considered as one of those face to face primary contacts.

Reaching the 1980s, a patronizing environment which was more extensive than that of fellow country men had emerged; the Political party patronage system came to be more effective than "fellow country men" relations. At this phase, we can observe an improvement in housing quality, assembling of settlements which went beyond traditional coffee shops, and small markets. By the construction of schools, mosques and local health centers, the creation of a nucleus center is noted. In addition, emergence of a certain kind of social stratum and the breaking up of groups are seen at this stage.

As these developments became visible, the political party patronage system lost its influential power particularly with respect to finding jobs and house building.

Approaching the 1990s, we notice a new patronage system composed of religious organizations, and sects which took over the role of problem solving. For years, patronage relations have been perceived as a way of solving problems at the local level without letting these problems become more complicated. However, today it is realized that the patronage relations approach to problem solving has damaged the legal system, has led us to take illegality and unlawful and improper action for granted. If this issue is deeply analyzed, we can realize that the determinant factor is that the patronage system has failed to adapt to the conditions of urban life, and consequently, made urban life more problematic and furthermore has demolished it.

Today in these settings on outskirts of the cities (varoş) instead of squatter housing (gecekondu) with a more appropriate conceptualization- the income per household has now caught up with the city average and furthermore exceeded it. However, due to the existence of a patronage system, second and third generation migrants started comparing themselves with the urban middle and upper class instead of villagers. Hence, even though, they are experiencing relative poverty and moreover infringing the law, a feeling of unfairness is expressed and demonstrated by them. This attitude leads them to question their patronage system and environment.

Moving the year 2000, Turkish society has changed even more, has become more organized and interaction between the institutions has considerably increased. Today, we are aware that traditional relations in society create more problems rather than solving them. Hence, society reacts to this situation. It can be claimed that within the past five years, urban life has reached a new stage.

During the preparation of the National Report at the United Nations Habitat Conference, held last year, almost 200 civil society organizations were influential at different levels. Within the last two years, the think tanks and voluntary organizations such as TÜSİAD, Women Organizations, Lions, Supporting Modern Life Associations have started to become influential in society. It is necessary to distinguish these organizations from traditional organizations like sects, since these new formations are neither autocratic nor authoritative. They actively participate in urban life. A more striking development is that during recent years, in addition to these associations, Trade Unions, Chambers, Business Associations and similar associations have come together and are trying to rearrange an instituted composition. It is necessary to expect that gradually, these kinds of organizations will replace the patronage order based on personal relations and conceivably they should be encouraged.

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**Table 3.1** Urban and Rural Population Growth in Turkey and the Percentage of Urban Population (1927-1990)

Census Date	Total for Turkey		10,000+		<10,000		10,000+
	(thousands)	r*	(thousands)	r	(thousands)	r	%
1927	13,648		2,236		11,412		16.4
1935	16,158	2.1	2,735	2.5	13,423	2.0	16.9
1940	17,821	2.0	3,203	3.2	14,618	1.7	18.0
1945	18,790	1.1	3,442	1.4	15,348	1.0	18.3
1950	20,947	2.2	3,782	1.9	17,165	2.2	18.1
1955	24,065	2.8	5,425	7.2	18,640	1.6	22.5
1960	27,755	2.9	7,308	6.0	20,447	1.9	26.3
1965	31,391	2.5	9,383	5.0	22,008	1.5	29.9
1970	35,605	2.5	12,754	6.1	22,851	0.8	35.8
1975	40,348	2.5	16,707	5.4	23,641	0.7	41.4
1980	44,737	2.1	20,330	3.9	24,407	0.6	45.4
1985	50,664	2.5	25,890	4.8	24,774	0.3	51.1
1990	56,473	2.2	31,805	4.1	24,668	-0.1	56.3

\* r = annual growth rate for inter-census period

Source: SIS, *Turkish Population, 1923-1994*, Ankara, 1996, p.44, Table 5-1.

This situation owes its contradictions to the globally dominant trends of both "individualism" and "neo-conservatism." The average Turkish citizen is still under the realm of "holism" rather than that of "individualism". Individuals still consider the idea of "community" primary to that of "individual." The mobile structure of Turkish society, therefore, reproduces its urban relations within the frameworks provided by kinship and non-modern (in the classical sense of the word) patterns such as quasi-kinship relations, solidarity networks based on province of origin (*hemşehricilik*), clientalism and other informal organizations. The formation of such blurred patterns prevents the state, townships and upper strata of society from monitoring newly marginalized groups that may be hidden in the deeper layers of society. Hence, social cohesion is not achieved through the current tools available to the state.

Mechanisms immune to the contaminated patterns are not developed to promote better politi-

cal participation, but a more serious problem is that of the state's authoritarian and centralist conviction which feeds into a similar parallel perception within society. Thus, political parties fail to provide room for women and young people to participate politically. There are many obstacles in the institutional and legal framework which do not allow citizens to benefit from the right to organize, to have meetings and to stage demonstrations. Grassroots initiatives are rather scarce and weak, and when they happen to emerge, they do not find, in most cases, an efficient interlocutor in the form of local institutions. This is due to the fact that these institutions are not endowed with the necessary decision-making capabilities. It is quite obvious that in Turkey, a country that has a wide range of regional and cultural differences, to leave the solution of local problems to local processes would contribute greatly to efficiency and to social cohesion. Although political parties have a consensus on the idea that "local governments should be

strengthened" there have been no concrete attempts to do so.<sup>2</sup> Turkey needs to improve with respect to governance that makes more use of cooperation between civic initiatives, central and local governments. Inadequacy derives from the weak position of local governments and from a lack of consensus on the idea of partnership among local citizen initiatives. The central government perceives the empowerment of local-level initiatives not as a way of increasing efficiency but as a threat to its homogenizing goals. Thus, Turkey, a country with a multi-ethnic, multi-confessional and multi-cultural society is drawn into internal tensions that deteriorate the conditions for social cohesion.

### 3.2. Social Exclusion: Areas and Subjects

Contextualizing social exclusion within the issues of migration, urban development and identity movements leads to a focus on four excluded groups: Women, children/youth, the elderly and ethnic/religious communities.

#### 3.2.1. Gender and Exclusion

The Gender-related Development Index (GDI) is a statistical tool developed by the United Nations that measures the comparative opportunities available to males and females. According to the United Nations Development Program, 1997 Human Development Report, Turkey is the lowest among European countries and in the GDI ranks 59th among 146 countries. Another index developed by the United Nations is The Gender Empowerment Measure (GEM) designed to measure the political, economic and vocational opportunities for women in all countries. Turkey ranks 82nd in the world behind Algeria, Tunisia and Iran.<sup>3</sup>

Women in Turkey, with regard to a lack of equal opportunities, constitute the largest of the excluded groups. The Seventh Five Year

**Table 3.2** Male/Female Ratio of Students (1994-95 Scholastic Year)

(Male/Female Ratio)	
Pre-school Education	1.105
Elementary School	1.109
Middle School	1.598
Vocational Middle School	1.246
High School	1.396
Vocational High School	1.898
<b>Total Turkey</b>	<b>1.278</b>
Some selected provinces	
Ankara	1.151
İzmir	1.155
İstanbul	1.167
Gaziantep	1.326
Diyarbakır	1.607
Mardin	1.618
Şırnak	2.173

*Source:* SIS, *National Education Statistics 1994-1995*, Ankara, 1997, Table 1, pp.1-3 and Table 2, pp. 4-23.

Development Plan underlines the need for the improvement of indicators of "women's conditions concerning education, health, social security, and employment."<sup>4</sup> Although the Plan states the need for certain regulations, there have been no serious attempts made towards reaching this goal.<sup>5</sup> The most fundamental obstacles hindering the participation of women in public and political life are a set of ideological and psychological reasons with their origin in the traditional family structure and value system. The basic characteristics of this family structure are a) the priority of men in decision-making roles within the family and b) the fact that women have a position which very easily becomes subjected to violence.

When the figures that make up the Gender-related Development Index (e.g.: average female life-

expectancy, schooling, literacy, and income rates) are considered individually, it is evident that in all cases except average age, women are in a secondary position in Turkish society. According to 1989 data, the life expectancy rate at birth for women is 66 years and for men 63 years. The life expectancy rate for a one-year old female baby is 69 years and 67 years for males.<sup>6</sup> According to the 1994-1995 preliminary data only 88.6% of females of primary school age attend primary schools.<sup>7</sup> Female attendance at secondary and high schools is 52.5% and 39.5% respectively. The percentage of female students at university level is 13.8%.<sup>8</sup> A large proportion of women, 30.7%, was not literate in 1990. For Turkey, a country which has mandated compulsory primary education since the establishment of the Republic, a view of the regional distribution of literacy rates gives an even worse picture: the rate of illiteracy among women in East and Southeastern Anatolia is 48.35%.<sup>9</sup>

The Gender Empowerment Measure, which examines women's access to professional, economic and political opportunities, indicates that Turkey's low rank is due to gender discrimination. Women in Turkey are mostly outside the labor market and those who are within the market are subject to unfair wage policies, less social security and unfavorable working conditions. The most direct consequence of the exclusion of women from the labor market is their failure to become significant public actors.

The findings of a research project, called the Improvement of Women's Employment Project, started in April 1994 by the State Office for Women's Status and Problems (Kadının Statüsü ve Sorunları Genel Müdürlüğü-KSSGM) also reflects the unequal position of women in the labor market. According to the research: a) 60% of women living in cities are unemployed, b) only 14% of women in urban areas look for a job, c) 79% of women not looking for a job are married and have children, d) only 54% of working women have social security, and e) 51% of women want to be protected against sexual harassment at work.<sup>10</sup>

As a part of the Improvement of Women's Employment Project, another study was conducted between April 1995 and November 1996 to consider the "socio-economic and cultural dimensions of women's inclusion in employment in urban areas." This states that almost half (48%) of women in urban areas have only primary school education. In Turkey, where a 5-year primary school education is compulsory, the illiteracy rate among women is 15%. In addition, women end their educational career at two points; either they stop after primary school or after high school. According to the findings of the same study, women who have never been employed remain outside the work-force basically because of traditional family values and the patriarchal culture. After migration to metropolitan areas, women of rural origin experience pressure from the social environment that is created by a community from the same hometown and they are dissuaded from joining the labor market. Hence, those women who are not able to work outside, engage in "work at home" that is remunerated with economic incentives but still keeps them within the informal sector.<sup>11</sup>

On the other hand, another study based on a sample of 6,643 women chosen from 10 districts and 5 sub-districts of Istanbul, finds that the main reasons for women's exclusion from work are marriage, child-rearing and the low level of wages. Almost half of those women who had worked at least once in their life left their job because of marriage. One in six of those who remained in the job after marriage left in order to raise their child. But one of the fundamental reasons for the exclusion of women from the labor market is low wages. Thus, one in six employed women think that the wages they get by no means correspond to the value of their labor.<sup>12</sup> The conclusions of the two studies mentioned above demonstrate the fact that women who seek jobs resort to the informal network of "relatives-friends" instead of the State Employment Office (İş ve İşçi Bulma Kurumu). The office is considered to be "ineffective". It became quite clear that the "quasi-kinship" network of rela-

tions that is still predominant in the 1990s determines, to a large extent, the ways in which women are employed.

In addition to the basic characteristics of a labor market that marginalizes women and the other impediments created by the patriarchal culture and family structure, the government's failure to implement policies targeted at the improvement of women's employment both qualitatively and quantitatively aggravates the exclusion of women from the market. In 1985, the Turkey signed the United Nation's Declaration of the Committee for Elimination of Discrimination Against Women (CEDAW). This was followed, in 1989, by the European Social Charter concerning equal earnings between men and women as well as the International Labor Organization's Acts on women's labor. However, no serious measures have been taken to comply with these international agreements.<sup>13</sup> In 1985 the CEDAW decree was confirmed in principle, however, due to some legal incompatibilities some of the disputed articles were signed with reservation.<sup>14</sup>

Women are not only excluded from the labor market, but also from the political sphere. There are a number of reasons for this situation. The dominant culture considers women to be in a position of the "guardian of private life". Political parties lack the capability of conceiving of women as more than just voters. In other words, political parties approach female citizens as significant "depots of votes" yet they do not also pave the way for their place in politics. The result: women parliamentarians in Turkey constitute 2.4%. As it was stated in the Human Development Report - Turkey 1996, unequal representation is not limited to the national level. At the local level, women also suffer in this regard. The percentage of women who were successful in entering Local Assemblies was 1% in 1994.<sup>15</sup>

The increasing number of women attaining parliamentary positions in several countries as part of the achievements of women's movements

spurred Turkish women to establish non-governmental organizations in 1997 in order to attain parity in political representation.<sup>16</sup>

In addition to the absence of women in the labor market and their under-representation in the public-political sphere, some of the current laws impede women from enjoying the benefits of proper citizenship. The Civil Code, which was adopted in 1926, made improvements in some laws such as the ban on polygamy, laws of divorce and equality in inheritance. However, the subordinate position of a woman with respect to her husband has not yet been eliminated throughout the legal text. In this respect, Article 8 of the Civil Code declares equality for both women and men regarding access to civil rights. However, Article 152 recognizes the husband as the head of the family and gives him the right to determine the place of residence. In addition, according to Article 153 the woman has the duty to "take care of the home" which is a non-egalitarian male-centered statement. Article 263 of the same code, gives guardianship to the father in case of marital dispute during a marriage that is still binding. In May 1997, a slight change was made to the Civil Code that allows a woman to use her maiden name in addition to her husband's last name.

Other codes have similar problems. Article 440 of the Penal Code interprets penalties against extra-marital relations by favoring the husband. The Tax Code is also biased by discriminatory tendencies.

In addition to all these negative conditions, the physical, economic, sexual and psychological violence directed towards women should be underlined.<sup>17</sup>

It must be emphasized that there is an urgent need to create mechanisms that will diminish if not eliminate entirely violence and the bias within legal arrangements about violence against women. The 113th item of the Beijing Declaration, the result of the United Nations Fourth World Conference on Women, states that

violence against women is an obstacle to equality, growth and peace, and that the current practice of laws either violate or make it difficult for women to enjoy "women's human rights". The shortcomings of the legal system combined with the widespread conception of a male-centered family and low levels of education have led to a situation in which violence towards women in the family is perceived as a domestic problem.

With regard to the scope of the problem, the attempts made in recent years are weak and insufficient. Among these attempts the first independent initiatives to establish safe-houses for victimized women were launched by the Women's Solidarity Foundation in Ankara (1993) and by the Mor Çatı Women's Shelter in İstanbul (1995). The only other initiative in this respect is a total number of 7 women's safe-houses opened by the Prime Ministry's General

Directorate of Social Services. It is evident that these by no means respond to the need.

### 3.2.2. Youth and Children

In 1990 the median age in Turkey was 22.2 years.<sup>18</sup> This young population, which has increased 2.5 times in the last thirty years, is the most dynamic and mobile section of society. However, youth of all age groups and from every strata of society do not have the same access to fundamental resources available in society such as education or new urban jobs.

According to the official statistics, for the period 1994-95, overall educational attainment rates are as follows: for preschool children (ages 4-6) 5.1%; for compulsory primary education 100%; for secondary schools 65.6%; for high schools 53 %; and for universities 12.5%.<sup>19</sup>

**Table 3.3 Economically Active Children and Youth by Age Group and Gender (1990)**

		Total %	Male %	Female %
<b>12-14 Yrs. Age Group</b>				
	Economically Active	34.07	34.18	33.95
	Working	31.96	30.99	33.00
	Seeking Employment	2.11	3.19	0.95
	Non-Active	65.91	65.78	66.04
	Student	55.81	62.75	48.39
	At Home	7.75		16.03
	Other	2.35	3.03	1.62
	Unknown	0.02	0.04	0.01
	Total	100.00	100.00	100.00
<b>15-19 Yrs. Age Group</b>				
	Economically Active	57.39	66.11	48.34
	Working	51.04	56.76	45.09
	Seeking Employment	6.35	9.35	3.25
	Non-Active	42.59	33.86	51.65
	Student	26.52	31.79	21.05
	At Home	14.45		29.45
	Other	1.62	2.07	1.15
	Unknown	0.02	0.03	0.01
	Total	100.00	100.00	100.00

Source: SIS, 1990 Census, Ankara, 1995, Table 37, pp.112-113.

As can be seen in the figures above, in Turkey, the five year compulsory education has reached all sections of society and thus illiteracy is not a hot issue. On the other hand, educational attainment at other levels of schooling is not equally achieved by all segments of the population. For example, the preschool education facilities are limited to some of the upper strata working mothers with urban jobs. In addition, higher education, which opens the door to the modern and more distinguished urban jobs, is limited mainly to the children of upper income families. As the State Planning Organization has noted, each year nearly 1.4 million children, mostly girls, abandon the formal educational system after primary school.<sup>20</sup>

While this report was being prepared, the Government has passed a new law which raised the period of compulsory basic education from 5 to 8 years. Hence, there is no clear view how the new law will have an impact on the groups who have been excluded from the formal education after primary school so far.

The group of youth that abandon the formal education system most frequently come mainly from families of rural origin. These also form the poorest segments of society. While waiting to reach a marriageable age, girls from these families work either as "unpaid domestic workers" in villages or stay confined to their "homes" in the cities. According to the results of the 1990 Population Census, there are 1.2 million teenage girls who are idle at "home," meaning that they are either out of the educational system or the job market.<sup>21</sup>

On the other hand, boys are usually guided towards a working life from early childhood. These boys are also working as "unpaid domestic workers" in villages or as "child workers" in the numerous informal workplaces found in cities. There are miscellaneous sources of statistics on the concrete size of the "child labor" force. For instance, the 1990 Population Census states that 4.7 million children, out of a total 10.3 mil-

**Table 3.4** The Ratio of Labor Force Participation by Age Group and Gender (1994)

Years	Male %	Female %	Total %
6-11	4.5	3.8	4.2
12-14	23.1	14.5	19.0
15-19	54.2	32.4	43.1
20-24	85.0	37.4	58.1
25-49	95.4	32.5	64.3
50+	53.6	20.3	37.1
Total	61.4	25.2	43.3

*Source:* SIS, *Child Labor, 1994*, Ankara, 1997, p.21, Table 1.1.

lion youth in the 12-19 yrs age group, are working.<sup>22</sup> Another official source on child labor estimates that 18 out of 100 children, ages 12-19, are working.<sup>23</sup>

The processes of urbanization, internal migration and hence social change, have resulted in the dissolution of some traditional institutions such as "domestic work" and "traditional apprenticeship." Thus, the entrance of children into the new informal urban labor market has occurred in an environment where formal education, protection and control facilities are completely lacking.<sup>24</sup>

Nevertheless, this new situation of working children is on the agenda of official institutions, particularly, since the enactment of the "Universal Declaration for Children's Rights." The Ministry of Education has been given the responsibility for the protection and education of working children through "Apprenticeship Teaching Centers" established under new legislation passed in 1986. This law aims to regulate the practice of apprenticeships, however, the centers have managed to reach only 5%, of all working children since then.

In this respect the International Labor Organization has been working to form collaboration among state agencies, local governments, and some



## Spirit of İstanbul HABITAT II

The Second United Nations Conference on Human Settlements- commonly known as Habitat II- remains in the memories of the UN family and the national and international development community as the highlight of 1996. Its memorable significance is not just in the new conference halls and facilities that İstanbul gained- the state of art Lutfü Kırdar Conference Hall being one example. Rather, HABITAT II became a milestone event, in fostering global and national awareness of the problem facing human settlements and above all in promoting a sustainable partnership-between governments, NGOs, CBOs and the private sector.

The so called "City Summit" with participation of more than 15, 000 decision-makers, political and social leaders, experts and professionals, as well as representatives of local governments, NGOs, CBOs and the private sector, resulted in the formulation of the Habitat Agenda, statement of principles and commitments, and a global plan of action, together with the İstanbul Declaration for Human Settlements through which governments committed themselves to the Agenda and pledged their mutual support for implementation. Habitat II successfully enable all those partners to voice their concerns and propose solutions for better human settlements around the world, hence the Spirit of İstanbul- partnership in human settlements development.

Turkey had a dual role- and a challenging one at that-in preparing for Habitat II. As the host country, organizational and logistic preparations were carried out to prepare İstanbul to better service all the official and parallel events. At the same time, the Government undertook the establishment of a National Committee and the design and adaptation of the Habitat II National Report and Plan of Action addressing priority human settlement issues in Turkey. The Housing Development Administration (HDA) coordinated and implemented these national preparations, both in logistical and substantive fields.

UNDP Turkey actively responded to the preparation carried out by the Government, which identified housing and urbanization among Turkey's top priority issues. Under an umbrella program titled "Assistance for the Preparatory Process of Habitat II" UNDP supported the preparation and organization of the Conference at the national levels well as the substantive drafting of the National Report and Plan of Action. Other UN agencies in Turkey also contributed to logistical and other preparations in their own field of expertise.

HABITAT II marks a success in terms of NGO participation, facilitated through the work of the NGO Host Committee. UNDP Turkey had a role in the NGO Forum as well, supporting the network capacities of national NGOs, in addition to arranging for much needed volunteer services of the youth in the daily operations of the Forum. Several technical sub-projects were also carried out under the UNDP Habitat umbrella program by the NGOs in the areas of urban environment, community participation, housing and shelter, including the preparation and publication of an acclaimed NGO data bank and catalogue.

In line with the objectives of the UN System Conference Action Plan, the UN System in Turkey is now aiming to achieve substantive and operational partnerships at the local level to follow up on Habitat II as well as the other recent UN conferences.

UNDP, in close cooperation with the various agencies of the government, is currently developing a comprehensive program on urbanization in the follow-up to the Conference. In "following-up on the spirit of İstanbul" projects are developed that focus on establishing new partnerships, capacity building of existing partners in human settlement development and supporting the preparation of local Habitat Agendas.

UNDP also aims to cooperate with the central and local governments, particularly in the Eastern and Southeastern Anatolian Provinces, as well as other "partners" in developing technical projects dealing with Turkey's human settlement issues.

Also in process are Habitat activities in Turkey that are of regional dimensions. The establishment of a Best Practices Center in Turkey is among those proposals under consideration by the Turkish Government.

NGOs in order to raise awareness on this important issue and in order to develop efficient measures and instruments for preventing child labor. Since 1992, various projects have been in operation, as part of the IPEC (International Program on the Elimination of Child Labor) Project, that are aimed at raising awareness in the general public, among education experts and other related official agencies.

In contrast, the findings of some field surveys reveal that entering the informal market as a child worker may still have some advantages. It is widely observed that young unqualified migrants of rural origin are more successful in finding jobs than adults of the same origin.<sup>25</sup> Thus, the migration of children from rural to urban areas is still occurring. Unskilled migrants of rural origin and child migrants are entering the informal market either incidentally or by using existing informal networks such as kinship or townsmanship relations. Solidarity networks, such as family, kinship, quasi-kinship relations and those which are constructed in urban areas prevent the consequences of migration from becoming traumatic. It is evident that these networks constitute one of the most important institutions available in urban areas to the poorest of rural migrants.

However, it is also possible that these networks may fail to fulfill some types of exigencies or may exclude some migrant groups. Moreover, the process of settlement in an urban area, which has been problematic for rural migrants, has resulted in some radical changes in the nature and meaning of solidarity ties, such as patronage relations, and in changing values. It is becoming more difficult to benefit and make use of these informal networks for some segments of newly arrived child migrants and for some segments of second generation migrants.

These new tendencies have resulted in an increase in the number of homeless "street children" roaming around outside the usual traditional environment and found working in the

streets of big urban centers. "Street children" constitute a newly emerging excluded group in Turkey. Since it is such a new issue, there are not enough statistics on the number of "street children." The estimates of some NGOs indicate that there are nearly one million children in need of protective services.<sup>26</sup>

The official agency, the Office of Child Protection, is able to offer services to only about 23,000 children. It is estimated that around 10,000 children in Istanbul and another 2,500 in Diyarbakir are suffering alone in the streets.

Even though Turkey has gone a step further by signing the United Nations Declaration on the Rights of Children, there has not yet been significant progress made on this issue. Although legislative measures exist and there are official institutions related with the subject, such as the General Directorate of Social Services and the Office of Child Protection, there are no concrete efforts being made in reality. A further example can be drawn when considering that although legal arrangements regarding juvenile delinquency were renewed in 1979 and gave support to the establishment of Juvenile Courts, the number of such courts is still below the need.

The inadequacy of kinship and townsmanship relations in producing solutions has been widely and concretely observed during the recent compulsory migration movement. The consequences of massive and sudden migration movements of citizens of Kurdish origin, coming from Eastern and Southeastern Anatolia have shown the fragility and powerlessness of informal solidarity. Victims of this compulsory migration, both adults and children, are unable to provide for their daily needs such as finding food, shelter and jobs in urban areas. However, no signs are appearing of public regulation to accommodate the victims of compulsory migration. This new migration movement, which is bringing with it the poorest sections of the rural areas, is an important and urgent aspect of social cohesion which should be readily addressed.

### 3.2.3. Elderly

Migration and the rapid change in the composition of the population do not only affect the situation of children, youth, and poor peasants but

**Table 3.5** Distribution of the Population According to Age Group (1990)

Age	%
0-14	35.5
15-64	60.5
65+	4.0
Total	100
II. Median Age	22.21
III. Age Dependency Ratio	
Total	64.68
65+	7.06
0-14	57.62

*Sources:* SPO, *Seventh Five Year Development Plan 1996-2000*, Ankara, 1995, p. 35, Table 7.

SIS, *General Census 1990*, Ankara, 1993, p. 10, Table 2.

SIS, *General Census 1990*, Ankara, 1993, p. 11, Table 3.

also that of adults and elderly people living in urban areas. The increasing pressure of the existing young and dynamic population coupled with an early retirement age results in the rapid exclusion of the adult population from the labor market. The situation of the adult population is becoming more problematic due to insufficient retirement funds, lack of retraining organizations, changing family relations and shifting traditional values. On the other hand, due to the disequilibrium in the rate of active/passive members, the social security institutions are being faced with a serious crisis and the possibility of bankruptcy. There seem to be no solutions for the problems of retirees and elderly in the coming future unless necessary regulations are made in the retirement age and the system of social security contributions.<sup>27</sup>

It is widely believed that the needs of the elderly are solved or should be solved within the traditional family and kinship relations of the society. Thus, retirement homes and other social security systems for the elderly are not developed. For example, the total capacity of retirement homes in Istanbul, the biggest urban center in Turkey, is only 2,691 persons which encompasses 5 public and 21 private retirement homes.<sup>28</sup> Another obstacle is the resistance by people of traditional ways towards these homes which means that

**Table 3.6** Social Security Services in İstanbul

Social Service Institutions Type	Public		Private	
	Number	Capacity	Number	Capacity
Orphanage	2	180	-	-
Kindergarden	8	1,200	-	-
Retirement Homes	5	718	21	1973
Day Care Center	3	525	293	*
Women's Shelter	1	16	-	-
Rehabilitation Centers	2	35	8	*
Children's Clubs	-	-	-	-

*Source:* İstanbul Valiliği, İl Planlama ve Koordinasyon Md., *Sayılarla İstanbul*, 1996  
(\* ) Not available

those who have no other alternatives only stay in them as a last resort.

It is observed, however, that many elderly persons do not wish to reside in these dwellings, even if they need to do so, because of persisting traditional values. Thus, the homes are only providing services to those elderly persons who have no relatives and are living alone.

### **3.2.4. International Migration and Refugees**

Turkey is a dynamic country in terms of international migration. The total number of migrant workers and their families who are living abroad reached 3.1 million in 1994.<sup>29</sup> Due to the rigid measures governing international migratory movements, Turkish workers living abroad face various problems regarding their social and political rights, for example, that of voting rights in their home country and abroad.

Located in a highly contentious geographical position, Turkey is faced with huge emigration and refugee movements. In recent years, Turkey has had to deal with different waves of refugees caused mainly by the ethnic conflicts in neighboring countries such as Bosnia, Bulgaria, Iran and Iraq. It is noted that most of these refugees consider Turkey a temporary stop and they tend to leave the country at the first available opportunity. However, the need is urgent to reorganize the existing institutions and regulations that deal with the problems refugees face during their residence in Turkey. The State Planning Organization also recognizes the need for a regulation that will allow foreigners to work in the country during their stay.<sup>30</sup>

### **3.2.5. The Negative Effects of Migration on Quality of Life: Informal Housing**

As it was emphasized in the previous 1996 Human Development Report, the poorest segments of migrant groups generally settle in infor-

mal housing areas located on the periphery. In this way, informal settlements become a main source of supply to the housing shortage.<sup>31</sup> Essentially, some of the problems of the informal housing areas such as physical conditions, infrastructure and property rights, have been on the agenda of central, local governments and political parties for a long time. During the debates in these circles, some rehabilitation projects have been developed. However, it has been difficult to implement these projects because of the structural weakness of local governments with regard to legal and financial instruments.

There is some public awareness about the physical and legal conditions in the peripheral areas. However, no attention is paid to the characteristics of social organization or daily life in these areas. In this regard, the characteristics and limitations of the informal networks, which have been developed in the urban areas by the poorest migrants for survival purposes, should be investigated. Some field surveys on the subject are already beginning to give clues that help to understand the nature of daily life in these areas.<sup>32</sup>

The informal networks, based mainly on affinity through place of origin, have led to the formation of new groups based on ethnic, religious and cultural similarities. The interest of these groupings has shifted from helping to arrange housing or a job to controlling the activities of daily life. For instance, informal religious education has widened its scope to include the socialization and education of children. Since the settlements are outside legal jurisdiction, these areas are completely different from other parts of the city, not only in physical condition but also in terms of the quality of daily life.

The impact of these areas and the differences in the conditions of daily life are expected to reveal themselves especially among the second generation of migrants. Since parents are so preoccupied with bread-earning activities, they cannot share enough time with their children. In addition, the same social control mechanisms that were pre-

sent for these children when they were in their villages are now lacking in these areas. The poor quality of basic educational institutions and the absence of professional organizations in the peripheral areas of big cities augments the effects of the informal network of relationships on children and teenagers. These youngsters are experiencing a process of socialization completely different from that of their parents or youth living in other parts of the city.<sup>53</sup>

### 3.2.6. Ethnic Identity and Exclusion

Ethnic and religious communities constitute significant areas of tension with respect to social cohesion. Like most other countries of large populations, Turkey's ethnic composition is not homogeneous. Studies exist which identify more than forty different ethnic groups in Turkey, of which, no doubt, the majority is of only anthropological interest.<sup>54</sup> However, Turkish legislation does not recognize minority groups. The category of "minority" is limited to the non-Muslim groups recognized by the 1923 Treaty of Lausanne in ethnic, cultural and national terms. Minorities can equally enjoy political and civil rights and have status as citizens. Both minorities specified in the Treaty of Lausanne and other ethnic and cultural groups enjoy the legal (*de jure*) equality emanating from citizenship. However, legal equality does not always mean effective (*de facto*) equality. In the case of Turkey, this is partly due to the process of the formation and structure of the nation-state. The transition from an empire to a nation-state took place under an atmosphere that both induced a concept of citizenship independent of ethnic origin and, at the same time, aimed at attaining cultural homogeneity. The unitarian state perspective which assumes cultural homogeneity in Turkey led the Turkish state putting the Turkish language and culture at the heart of the collective identity. With such a background, the Turkish Constitution and laws ignore the existence of distinct collective identities and provide no chance for their expression in the public sphere. The more ethnic groups living in Turkey have access

to better education, attain higher incomes and internalize the collective identity presented, the more they become incorporated into the system.

Citizens of Kurdish origin constitute the largest ethnic group in Turkey. The basic characteristic of this population is its heterogeneity. They are dispersed in numerous ways, for example: on the basis of region, rural-urban divide, language, sect and economic well being. Before the 1950s, the overwhelming majority lived in the Southeastern region, but now as a consequence of both internal migration spurred by economic incentives and compulsory migration at the end of the 80s, they also live in Istanbul and other metropolitan areas. The scattered and heterogeneous structure of the population of Kurdish origin causes those citizens to benefit from public benefits such as education and welfare at different rates. The integration of the Kurdish identity into the system is intimately related with different strategies of identification and it is an important task for the attainment of social cohesion in Turkey. Social cohesion gets weaker when ethnic identity corresponds to the conflict in the Southeastern region and a cultural division of labor is created when non-prestigious jobs are allocated to 'low prestige groups'. The economic underdevelopment of Southeastern Anatolia, the region which has the highest density of citizens of Kurdish origin, prevents the integration of the population in that region with the rest of the country. In 1995, GDP per capita (according to 1987 prices) for the Southeastern region was half that of GDP for all of Turkey.<sup>55</sup> Overall GDP for Turkey increased by 11.70% from 1987 to 1995 whereas for the same period, the Southeastern region had a GDP increase of only 0.59%. Another indicator is the size of population per health service personnel. For Turkey overall there were 494 persons per health service staff in 1994, however, in the Southeastern region the number almost doubles to 943.<sup>56</sup> According to 1995 statistics, the literacy rate in the Southeast region was 60.42% whereas it was 80.64% for Turkey in general. These outcomes are partly shaped by the circumstances of conflict in the region in recent years.

## Before It Gets Too Late Reforming the Administrative Structure

### Significance of Administration

States, throughout history, have been powerful and persistent, in accordance with the success of their rulers. In a sense, administrative systems and rulers are signs of the welfare, the well-being and the continuity of societies. The existence of factors that change only in the very long run, such as geographical conditions, natural resources, or the quality of human assets, indicates the relativity of "social welfare". The sustainability of the maximization of this relative welfare is a function of the effectiveness of the administrative system.

### End of the Ottoman Era

The Ottoman Empire lived its last century with the struggle between those who viewed the "change in government" as a survival problem and those who wanted to preserve the ruling class and the existing system. The Sultan and his entourage, from time to time, "seemed" to accept changes, nevertheless -explicitly or implicitly, but always- resisted any real transformation that meant sharing power. Those who wanted change were not successful in adapting to the peculiar conditions of society nor in applying the systems borrowed from the West. They failed because they believed that the system could change by rhetoric or simple decree. Thus, the small victories won sporadically through the rhetoric of change turned out to be disappointments. The un-reformed government approached its demise step by step. The 19th and 20th century Ottoman administration, with its government systems, is an instructive example of the relationship between the sustainability of the states and the happiness of its citizens.

### The Target of the Republic

The founders of the Republic made radical changes in the central mechanisms of the administration inherited from the Ottomans. They were successful in reinstating the ministries in Ankara, in restoring and empowering the central government, and in structuring and installing the "Rule of Law". The municipalities and the provincial local governments, having been only partly corrected and renovated without any structural reform, survive to-date.

Could a one-party government, in a country freshly out of its war of independence, demolish the central authority, permit the formation of political will in lower levels and then evolve into an organization that, in content and form, adhered to the principle of superiority of public initiative? Answering this question "Yes, after a preparatory stage!", The Republic waited for the end of World War II to declare the end of this "preparatory" stage.

### Our "democracy"

People became experienced and political institutions flourished within a democratic political life, initially defined as "increasing the number of political parties" and "holding general elections." Nevertheless this improvement did not include the administrative systems. Despite the fact that rapid urbanization, an increase in income inequality, developments in communication, the experience of democracy and so on, all urged reform in administrative systems, piecemeal solutions were considered sufficient; and the political parties "beat about the bush". In fact the system is in a shambles. For the last twenty-five to thirty years, the happiness of citizens has diminished, the relationships between individuals, society and the state has become a set of unresolvable problems that has blocked the functioning of the state during the past decade.

### The Need for a New Administrative System

Although it would be possible to claim that those responsible for the situation of the country today are those unqualified individuals who set their personal priorities above political targets, one should bear in mind that it is this system that has given responsibility of executive powers to them. The small successes that we see every now and then are temporary, attained by those who obtained public support by circumventing the system. It is not possible, even for competent and skilled people who wish to govern the state by using this system, to achieve sustained achievements. No matter who is at the helm, it is no longer possible to manage this country with its current structure. For those who want to gain time by making minor improvements, the perceived time saved will in fact be time lost. The required system is nothing short of the definition of full democratic political life and the results of this definition.

## The Individual as the Starting Point of the Administration

The design of a new administrative system can start by the definition of individual rights. Along with freedom of thought, belief, association and so forth, individuals' rights to decide about matters that concern them must be clearly defined in order not to be interpreted in different ways by different people; an individual's right to live wherever and however he or she desires, medical rights, heritage and testament rights are just a few examples.

Having accepted the primacy of self-binding decisions of an individual, we have to define the freedom of groups of two or three persons to decide matters about themselves. The right to work under conditions determined by each of the parties, to form partnerships, to jointly acquire property, to marry and divorce. In short the right of contract should be redefined while keeping worries about public order to a minimum. In our country the freedom of contract has been destroyed by interventions at every stage under the pretext of preserving public order.

It is difficult for the individual who lacks these freedoms to be considered the citizen of a "democratic state", and for that state to be truly democratic. It is not possible nor meaningful for an individual who is not a citizen to be a part of the relationship between the individual and the society.

## The New Administration

The individuals sharing the same district, street, or housing complex have the right to make decisions concerning their particular street or district and these decisions prevail in that entire street or district. These decisions made together and by majority vote cannot be transferred or altered by another institution.

Issues such as decision-making that is valid in a village or a neighborhood, the implementation of those rules by the inhabitants of that administrative unit and the unchangeability of the decisions by another institution must be considered as a continuation of individual rights.

The village and neighborhood authorities can take decisions which apply to all districts or streets in their territory, but, they cannot decide for a particular district, street or housing complex. General rules are followed by all neighborhoods or streets; the executive duty should belong to the village or quarter administration.

As a continuation of this mechanism, a main principle of an administrative system defined through the human rights is the ability of the assemblies elected by the inhabitants of a town, city or county, to make decisions about their own needs and problems, relevant to their local area, and their ability to implement those decisions by their own means. (\*)

Many of the country's problems have emerged and have persisted because this fundamental principle has not been observed. Only those who are confident in the ability of people to find their own solutions can trust in the validity of this principle. If confidence in people and in society is lacking, this principle, though it may be accepted, cannot be realized.

## Starting Principles for the Transition to a New System

We can summarize the basic principles of a transition to a new governing system for Turkey as follows:

- The administrative system must be restored by changing the Constitution within the constitutional order.
- All impediments to freedom of thought, belief and association, must be removed and it must be ascertained that the people take part in the discussion of the process of change.
- The general decision of each unit (individuals, little groupings, villages and neighborhoods, towns etc.) must be implemented for and by that group itself.
- A unit (town, city, county, municipality etc.) assembly must be able to take general decisions binding all of its sub-units (all villages and quarters)
- Each unit assembly must be able to apply those decisions by way of the executive branches that it forms.
- The principles outlined above must be applied to provinces, metropolitan areas, regions and the national assembly.

### Tarhan ERDEM

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(\*) For definitions and details see: *Demokratik Cumhuriyet Programı, Türkiye için Değişme ve Yenileşme Politikaları (Program for Democratic Republic, Policies for the Change and Renovation in Turkey)*, 4th edition, Gökhan Matbaacılık, İstanbul, May 1997.

The region faces problems due to the high electoral threshold, set by law, which leads to political under-representation. The current legal regulation about political parties bans the political representation of ethnic groups. This situation makes no contribution to the preservation of social cohesion.

In addition to the problem of political representation, there is a further issue that causes conflict between citizens of Kurdish origin and political elites. There is a problem regarding the recognition of cultural rights by the state. For example, there are legal obstacles to conducting general education in any local language spoken in the country other than Turkish or languages provided for legally. Article 10 of the 1982 Constitution recognizes everyone as equal before the law independent of his or her ethnic origin. According to Article 26, which sets forth, for the first time, the concept of a "legally banned language", "the expression and dissemination of thoughts by means of a legally banned languages" is outlawed. A similar expression in Article 28 on censorship states that "broadcasting in a legally banned language is forbidden". Article 42 reflects this idea in another example: "No other language except Turkish can be used as a teaching language for the education of the mother tongue". However, it is evident that the mother tongue is acquired from the family and the official language is determined by law. The Constitution states, in Article 3, that the official language of the Turkish state is Turkish. Therefore the aforementioned Article 42 ignores the fact that the development of a mother tongue is a natural phenomena, especially among groups of different ethnic origin, that cannot be curbed by a government decree of an official language.<sup>57</sup>

The first paragraph of Article 81 of the Law of Political Parties, approved in 1983, presents the same approach: "No political party can claim the existence of different national, religious, cultural, racial group, sect or minority based on difference of language on Turkish territories." The second

paragraph of the same article states that: "Political parties are not to state or act in support of the idea that there are different languages and cultures to be protected and improved other than the Turkish language and culture, and political parties cannot by these means create minorities". This approach is repeated in Article 5 of the Law of Foundations released in 1985.

Another vulnerable element on which social cohesion depends to a large extent is a group called the "Alevi". Alevi constitute an unorthodox sect with roots back to pre-Islamic periods that has remarkable differences from mainstream Islamic beliefs. Although no official data is available concerning the size of the community it is estimated that this group encompasses almost one quarter of the whole population. One of the main complaints of the group is that of non-representation of their beliefs and practices in the Office of Religious Affairs under the Prime Minister. They ask for equal and just representation. However, there are different Alevi groups some of whom not only ask for equal representation but also have demands for the conversion of the office, a public institution, into a more autonomous office where all religious groups will be represented equally and will have the authority to organize their own communal affairs. The community has complaints about compulsory courses on religion for the primary and high school level introduced by the 1982 Constitution. The existence of such a course in the curriculum is considered to be oppressive for the community. Another issue is the legal ban on the use of the word "Alevi" in clubs, foundations or any other civil organization. Therefore, foundations established by the Alevi are named by making reference to outstanding cultural or religious figures such as Pir Sultan Abdal and Hacı Bektaş.

### **3.2.7. Civil Society and the Difficulties of Participation**

It is not only ethnic and religious groups who suffer from legal and practical restrictions. One



may easily say that similar restrictions regulate, to differing degrees, the public life of any citizen regardless of his/her origins. The basic component of Turkish political culture has been an authoritarian and centralist idea of modernization despite its transition to a multi-party system after 1950. All decentralist proposals are considered as a threat to the unity of the country. Due to this characteristic, the Turkish state apparatus has been doing its best not to allow citizens to do anything contradictory to the expectations of the center and not to allow civil society to take root. That is why, civil society in Turkey managed to take root only after the 70s. Democracy is enjoyed with several limitations that are imposed by the laws and Constitution.

Since the beginning, the Republic has considered that she can and has to dictate to her citizens norms about the "good life." Contemporary liberal democracies leave citizens free to choose among different conceptions of the "good life" and let them organize freely at the level of civil society in accordance with this choice. Whereas, if there is a sphere where citizens are conceived of as "cleaned" of their "color" and "odor," and by this are equalized, this is the political space. Civil society's space, on the contrary, is where all the "colors" and "odors" are expressed and organized. In Turkey legal restrictions render very difficult, if not impossible the expression of this cultural diversity. Hence, since diverse cultural sensitivities cannot find a realm at civil society's level wherein to achieve themselves, they change channel and flow towards the political space. As a consequence, politics, not withstanding all the efforts aimed at sterilization, is nowadays colonized by the cultural problem. Politics in Turkey is no longer preoccupied by issues such as employment, housing, health and social security, that are common to every citizen; it is absorbed by the problematique of identities. The result is a tendency toward polarization instead of a search for consensus.

This said, from the early 70s, when it started to

proliferate, until today, civil society has grown to a significant level. This is partly due to an increase in education and income levels. What we are witnessing at the end of the 90s is a triple development. Islamic groups who were rather weak in their contribution to civil society, now have created many foundations around which they get organized for the "Islamization of society from below". Secularists who were in a relatively dormant position asking for intervention by security forces and magistrates now have mobilized considerable resources and a counter-civil movement from below. The success and coming to power of the Refah Party (RP) in 1996 relied very much on the support of civil societal units and organizations. Now, RP's removal from power in 1997 was possible with the significant role of secularist civil society organizations. Both of these organized groups have a common denominator. Their "raison d'être" is linked with the place and function of religion in public life. But, not all components of civil society have this theme as their main objective. Turkey sees the formation of a third sector with a goal of creating democratic mechanisms through which all related actors may participate to the solution of common problems. This is the platform formed during the preparatory period of the Second United Nations Conference on Human Settlements (Habitat II) by almost one hundred NGOs dealing with the issues of women, environment, consumer rights, human rights, disabled people and so forth. They are not only a reactive organization whose purpose is to reject, they can also present an alternative way of doing things. They favor partnership with local governments to identify, prioritize and solve problems.<sup>58</sup> The municipalities that are ready to cooperate with NGOs include: Çanakkale, İzmit, Bursa, Bergama and Foça but all these municipalities belong to either Western or Southwestern regions of the country. It is difficult to have the same sensitivity in other regions due to the lack of initiative on the part of people and also to the insufficient interest of the municipalities.

### 3.3. Policy Suggestions

It is getting more and more difficult to sustain social cohesion in a context of rapid global change and interaction. To overcome this difficult task, complementary policies should be mobilized in all areas. Turkey needs both a revision in some of its past practices and a vision of prospects for future policies. In all these attempts the focus should be the recovery of excluded groups. Primacy should be given to women, children, youth and cultural identities. To achieve these goals:

- a) Authoritarian and centralist emphasis, that gives priority to adult males, should be eliminated especially in laws that regulate family relations, work and political life.
- b) In light of the growing feeling of abandonment among certain social groups, awareness-raising campaigns, focusing on the negative conditions faced by women, children, youth and elderly, should be launched among the public to raise consciousness and strengthen social cohesion. Cooperation between public institutions and non-governmental organisations should be promoted for this purpose.
- c) Having raised awareness about excluded groups, welfare state policies should be developed and activated and the necessary resources for the attainment of these policies should be allocated.
- d) In parallel with welfare state policies local municipalities should be authorized and made responsible for implementing necessary changes, and in order to enable this process administrative reforms should be undertaken.
- e) The size of administrative units must be kept small in order to identify and solve local problems more efficiently within a framework of reform that will recognize the idea of local level democratic governance.
- f) In addition to local level democratic governance new mechanisms must be designed that enable partnerships of NGOs with public institutions for the solution of problems.
- g) In order to eliminate the existing crisis with respect to cultural identities: i) public campaigns should be made to promote the idea that diversity is an enriching quality, ii) textbooks should be revised and updated and the facilities of the Office of Religious Affairs must be mobilized in this regard; also cooperation between public institutions and the media should be encouraged, iii) certain regulations agreed to by Turkey in international agreements should be implemented quickly to enable citizens to enjoy the cultural rights recognized by the principles of these declarations.

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Besides requiring an enabling political and institutional environment, the process of human development needs to be sustained by steady growth of GNP and employment opportunities, and supported by sound public policies and social programs. In the attainment of the objectives of economic and human development, the role of the state gains a critical importance, exhibiting considerable variation over time and across countries.

Against the background of rapid integration of the international economy, increased global competition, and stronger worldwide concern with human development issues, the role of the state has been examined more extensively in recent years. In countries that have adopted a greater market orientation, the state is expected to play a more effective role in managing the macroeconomy, regulating non-competitive sectors, promoting human capital formation, and building up social cohesion.

As a middle-income developing country, Turkey has also been striving to respond to new external conditions as well as to overcome its internal structural weaknesses. In particular, the policy-regime changes to remove the foreign exchange constraint have been quite effective in the post-1980 era, but internal reforms to secure a financially viable development process have been lagging.

At present, Turkey's fiscal imbalances and high inflation generate considerable risks for the sustainability of GNP growth and the allocation of adequate public resources for social protection and poverty alleviation. Against the backdrop of such concerns, Chapter 4 provides an overview of the changing role and position of Turkey's public sector in relation to economic and human development with a view to delineating key problem areas, where reform initiatives are needed in the medium-run.

## High Inflation and Its Long Term Costs

For Turkey the last two decades have been more inflationary than any other Twenty year period in history. Annual rates of inflation have averaged over 60 percent since the late 1970s and 75 percent during the last decade. The basic cause of this problem has been the large public sector deficits that equal 8 to 10% of the GNP and the resulting expansion of the money supply. In recent years, a large public sector debt, both domestic and external, high rates of interest and the need to make large debt payments have further increased inflationary pressures even as public spending in many important areas are being cut back.

Some of the costs of high inflation are quite visible. The distribution of income has become much more unequal over the last twenty years. Some of the other costs, however, are either invisible or difficult to measure. Because we have not had a period of low inflation in recent years, for example, it is difficult to estimate the extent to which high inflation and high interest rates have been hurting investment and growth rates. Similarly, high inflation and macroeconomic instability are certainly having an adverse impact on the benefits Turkey could have reaped from its customs union arrangement with the European Union, but it is difficult to determine these costs. Equally invisible and away from public debate are the long term consequences of inflation on human development. As government spending on education, health and regional development are being cut back, the invisible long term costs are being raised dramatically. When the costs are invisible or difficult to measure, however, it becomes more difficult to debate and organize against inflation.

It may seem unusual that a society can live with such high rates of inflation for such long periods of time. In fact, the variety of mechanisms society has devised to cope with inflation have made it even more persistent. In recent years the well organized segments of society have all found ways of living with inflation, ensuring that their incomes and wealth keep up with the spiraling prices. Frequent adjustments of the salaries of public sector employees, price support programs for farmers, bank accounts with interest rates over and above the rate of inflation, bank accounts in foreign currency and many other similar measures have ensured that those with political muscle will manage to coexist with, and in some cases, even benefit from high rates of inflation.

At the same time, many of these groups believe that they will have to pay a price, at least in the short term, in any attempt to bring down inflation. Many of the ill conceived anti-inflation packages of the past have indeed exacted a price from some but failed to produce tangible results. Most groups thus prefer to live with the present rates of inflation rather than pay a price. These preferences are well reflected in the reluctance of politicians and weak coalition governments to meet inflation head on.

The experiences of many developing countries in recent decades have taught us that reducing inflation is, above all, a political process. It requires the emergence and maintenance of a strong political will, something which is still lacking in Turkey. Since the benefits of lower inflation are long term and invisible for many, and the price to be paid for bringing it down is immediate for most, an anti-inflation coalition has not yet emerged.

In the meantime, the long term costs in terms of growth, equity and human development continue to accumulate.

**Şevket Pamuk**  
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## 4.1. The Changing Size and Significance of Turkey's Public Sector

### 4.1.1 Public Sector and Development Strategy

From the early 1960s on, Turkey has structured its development effort within the framework of Five-year Plans and Annual Programs. The State Planning Organization (SPO) is the central government agency in the official planning process, and draws on private as well as a public sector expertise in the preparation of five-year plans.

Before the outbreak of a disruptive external debt crisis in the late 1970s and subsequent adoption of a more liberal and export-oriented policy framework in the early 1980s, Turkey pursued an inward-oriented development strategy, which relied on high protection of domestic industries and made heavy use of state economic enterprises (SEEs) for industrialization and regional development. Following the switch to an export-oriented strategy, the authorities embarked upon trade and financial liberalization with the support of the IMF and World Bank adjustment programs, which yielded a rapid economic recovery in contrast to prolonged recessions in Latin American economies facing similar dilemmas in the post-1982 debt crisis era.

In retrospect, the inward-looking development strategy in the 1960s and 1970s produced sizable gains in output and employment (e.g., 6.5% annual average GNP growth in 1963-77) and a substantial amount of institution-building in social and economic sectors. The flip side of the coin was, however, the accumulation of price distortions, allocational inefficiencies and a massive anti-export bias in the trade regime and productive structure. The correction of distortions to pave the way for an export drive in the 1980s involved, therefore, sharp changes in relative prices, which resulted in distributional shifts against labor and agriculturalists.

The unsustainable nature of distributional worsening in the late 1980s forced the policy-makers

to look for additional resources mainly for redistributive purposes and social expenditures. In 1990, the external capital account was liberalized to induce a large volume of capital inflows. In the absence of macroeconomic stability, the external resources came, however, in the form of short- rather than long-term flows causing real appreciation and loss of policy autonomy over the exchange rates. The inability to curb public deficits and mismanagement of domestic borrowing eventually led to the 1994 financial crisis, which spilled over to the real sector, resulting in unprecedented output losses in 1994. Meanwhile, Turkey proceeded with the import tariff realignments for the Customs Union with the European Union (EU), which came into force in late 1995.

Turkey's Seventh Development Plan (1996-2000) has been prepared in a spirit different from the earlier five-year plans, which paid a great deal of attention to sector-level commodity balances and capacity expansions. The latest plan is more concerned with the improvement of the institutional framework of the market economy, supervisory and regulatory role of the public sector, and human resources development.

The new plan identifies 20 structural reform projects, which are grouped into 5 major categories: (i) human resources development (family planning, education, health and labor market); (ii) agriculture, industrialization and integration with the world economy (including the improvement of the regulatory and oversight functions of the state); (iii) structural change to enhance efficiency (mainly reforms relating to the tax system, social security, local government and SEE sector); (iv) attainment of regional balance (with an emphasis on new arrangements for metropolitan areas); and (v) environmental protection and development. For each identified structural reform project, the plan gives a listing of legal and administrative measures to be taken in the 1996-2000 period.

The reform initiatives proposed by the new plan constitute a challenging national agenda. In this regard, three critical observations are relevant.

First, the human development concept and measures defined by the United Nations have not been sufficiently integrated into the methodological framework of the plan to enable the general public to evaluate progress on this front. Secondly, the policy range of the structural reform projects is exceedingly wide, pointing to the need for sharply defined priorities in the implementation process. Thirdly, the political ownership of the planned reforms remains unclear in the context of observed instability in Turkey's governance, which is a broader issue than the technical planning problem.

#### 4.1.2 The Size and Structure of the Public Sector

In a wider sense, the total public sector has two major components: (i) general government (including central government, local government, social security institutions and extra-budgetary funds) and (ii) state economic enterprises (comprising financial and nonfinancial SEEs). In cross-country studies, the shares of general government revenues and expenditures in GNP serve as indicators of the size of government. In the Turkish setting, general government accounts are not regularly published on a national income basis, although there are research efforts in that direction. However, Turkey's planning agency, the SPO, provides a distinct service by putting together and reconciling diverse sets of data to estimate total public sector revenues and expenditures in a format that yields public sector borrowing requirement (PSBR) on a consistent basis. Table 4.1 assembles such aggregate data for the benchmark years 1987, 1993 and 1996 to bring out the salient trends in overall public finance in percentage points of GNP in current prices.

Table 4.1 shows that the past decade has witnessed highly diverse developments in Turkey's overall public finance. From 1987 to 1993, as a percent of GNP, public expenditure increased from 28.5 to nearly 31, while public revenue declined from 22.5 to about 19, leading to

widened deficits, which eventually culminated in a severe financial crisis in 1994. During the 1987-93 subperiod, despite the observed rise in tax effort, the total public revenue declined mainly due to the massive loss of "factor income", which is essentially capital income (including depreciation) from state-owned assets.

The "factor income" loss had strong connections with the sharp deterioration of the financial position of SEEs under the post-1989 populist policies which attempted to redress the distributional worsening of the previous decade through generous adjustments in real wages and agricultural subsidies.<sup>1</sup> The rising interest burden of the SEEs also contributed to the deterioration of their finances. From 1987 to 1993, the rise in public expenditure was mainly in the form of increased public consumption, reflecting higher personnel expenditures.

Following a short-lived improvement in the overall fiscal position in 1995, the public expenditure/revenue balance again reached (-) 10% of GNP in 1996 with public expenditure remaining around 30%, one third of which comprises interest payments of the central government. In the 1997 Annual Program, the policy-makers aim to virtually eliminate the PSBR, but the proposed revenue-raising measures (mainly privatization and asset sales) are unlikely to be implemented fully.

Panel B in Table 4.1 gives a breakdown of tax revenue, as a percent of GNP, by the subcomponents of general government, where the consolidated budget subsumes practically all central government agencies, except the extra-budgetary funds which proliferated in the mid-1980s with the expressed aim of implementing specific programs such as mass housing, defense industry development, price stabilization and support schemes. Panel B data point to a modest rise in tax effort by the consolidated budget and local administrations, which has been mainly in the form of higher indirect taxes. The lagging tax effort is further reviewed in subsection 4.1.4.

**Table 4.1** Indicators of the Size and Structure of the Public Sector

	1987	1993	1996
A. Total Public Sector,% GNP			
1. Public revenue	22.5	18.9	20.5
a. Tax revenue	14.8	17.8	18.0
o/w Direct	5.8	7.1	6.6
Indirect	8.8	10.5	11.2
Wealth tax	0.2	0.2	0.2
b. Factor income	5.6	0.6	3.8
c. Non-tax revenue	1.8	1.4	0.9
d. Social funds, net	0.3	-0.9	-2.2
2. Public expenditure	28.5	30.6	30.1
a. Consumption	7.0	12.3	10.3
b. Gross investment	10.3	7.0	4.5
c. Transfers and other exp.	11.2	11.3	15.3
o/w interest payments	3.0	5.8	10.2
3. PSBR (2-1)	6.1	11.7	9.6
B. Breakdown of total tax revenue,% GNP			
Consolidated budget	12.1	13.2	14.9
Local administrations	1.7	1.9	2.3
Extra-budgetary funds	1.0	2.7	0.8
Total	14.8	17.8	18.0
C. Share of public fixed investment,%			
Consolidated budget	30.7	36.9	36.1
State economic enterprises	44.7	26.8	27.7
Local administrations <sup>a</sup>	15.9	15.7	22.0
Social security institutions <sup>b</sup>	2.2	1.3	1.9
Extra-budgetary funds	6.5	19.3	12.2
Total public sector	100.0	100.0	100.0

<sup>a</sup> Investments by the Bank of Provinces are included.

<sup>b</sup> Investments of the Revolving Funds are included.

**Sources:** SPO, *Yedinci Beş Yıllık Kalkınma Planı Öncesinde Makroekonomik Gelişmeler*, Ankara, 1995; SPO, *Ekonomik ve Sosyal Göstergeler (1950-95)*, Ankara, 1996; and SPO, *Annual Program*, Ankara, 1997.



In turn, Panel C in Table 4.1 presents the shares of public sector components in total public investment. The notable structural changes are the decline in the share of SEEs and rise in the shares of other components, except the social security institutions. These compositional shifts should be viewed, however, in the context of a falling share of total public investment in GNP, underlining the important point that widening deficits are not caused by investment spending for long-term development purposes.

Of further interest is the relative position of state economic enterprises in the Turkish economy. The post-1980 development strategy has de-emphasized the role of SEEs in the manufacturing industry, but continued to use them as a vehicle of capacity expansions in energy, telecommunications and air transport in the latter part of the 1980s. In value-added terms, the share of nonfinancial SEEs in GDP was 8.5% in 1985, declined to 7.0% in 1990 and further dropped to 6.4% in 1995. Their financial deficit averaged around 4.1% of GNP (somewhat exceeding budgetary expenditures on education) during 1990-92, but sharply declined to 0.2% in 1996 due to wage restraint, employment downsizing, investment cuts and subsidy reductions. The total number of nonfinancial SEE personnel was reduced to 484 thousand in 1996 from 643 thousand in 1990.<sup>2</sup>

Despite their narrowing scope in total value-added and employment, the asset holdings of SEEs remain substantial. Turkey's privatization effort has been very limited by international standards. From 1985 to 1996, the total gross revenue from privatization was about 3.45 billion USD, of which only 1.16 billion was transferred to the Treasury. The remainder was spent partly as privatization expenditures and partly used as capital injections to SEEs in the privatization portfolio.<sup>5</sup>

This review of the fiscal size of the public sector is based on available SPO data, which do not include social security spending on the expenditure side of the public-sector financial balance. The SPO presentation reports the net balance of social insurance institutions on the revenue side.

In 1996, the public social security expenditure was about 6% of GNP. With the latter adjustment, total public expenditure and public revenue figures would reach 36.1 and 26.5% of GNP in 1996, respectively. The interest burden on the public sector (10.2% of GNP in 1996) sharply reduces, however, the level of non-interest expenditure, which is a more operational measure from the perspective of public sector involvement in social and economic development. The adverse implications of large public deficits for macroeconomic sustainability are summarized in the following subsection.

#### **4.1.3. Public Deficits Distort the Macroeconomic Profile**

The longer-term development objectives need to be pursued within the financeable limits of external balance and internal balance at the macro level. The macroeconomic imbalances appear in various forms: high inflation, volatile growth rates, large trade gaps and fiscal deficits, debt build-up and rising debt service. Their correction often requires tax hikes and/or expenditure cuts, entailing substantial social costs in the adjustment process. In this regard, human development prospects in Turkey should be assessed with an awareness of the distorted macroeconomic profile in recent years. In a selective fashion, Table 4.2 presents major macroeconomic indicators from 1994 to 1996 with the understanding that the official estimates for 1996 are provisional.

As observed from Table 4.2, the output recovery from the 1994 crisis was rapid in 1995-96, but the rates of inflation remain at a very high plateau, compared with 20 and 13% average annual inflation rates in developing countries in 1995 and 1996, respectively.<sup>4</sup> The current account deficit also seems to have widened in 1995-96, but the balance of payments picture is blurred with the imprecise measurement of the so-called "luggage-trade" with neighboring countries. Nonetheless, the external debt stock (not shown in the Table) rose from 65.6 billion USD in 1994 to 78 billion in 1996 (September)

mainly in the form of increased short-term loans to the private sector and the banking system, which indirectly facilitates the domestic borrowing of the government.

The financial indicators shown in Table 4.2 also draw attention to a number of features peculiar to the Turkish setting. The size of Turkey's financial system is too small in relation to its GNP. The low

share of reserve money in GNP effectively limits the base for inflation tax with the implication that a partial monetization of the public debt would yield high rates of inflation. In turn, bond financing of deficits leads to crowding-out in the financial market, which has a relatively small size in the national economy, inevitably implying high interest rates in the context of heavy domestic

**Table 4.2 Major Indicators of Macroeconomic Performance**

	1994	1995	1996
<b>Annual change,%</b>			
Real GNP growth	-6.1	8.1	7.5
Inflation (WPI)	120.7	86.0	75.9
Real exchange rate <sup>a</sup>	-24.8	23.6	-2.7
<b>Billion USD</b>			
External balance on			
Trade account (fob)	-4.2	-13.2	-19.4
Current account	2.6	-2.3	-6.8
Capital account <sup>b</sup>	-4.2	4.7	10.0
<b>Percent of GNP</b>			
Gross domestic investment	21.5	24.8	25.1
Saving			
Public	-1.0	-0.4	-3.5
Private	24.0	21.9	23.1
Foreign	-1.5	3.3	5.5
PSBR <sup>c</sup>	-7.9	-5.4	-9.6
<b>PSBR Financing</b>			
Central Bank advance	1.3	1.2	1.2
Foreign borrowing, net	-1.8	-0.9	-1.4
Domestic borrowing, net	8.4	5.1	9.8
Reserve money	4.7	4.4	4.1
M2	15.5	15.5	18.0
M2Y	31.0	30.7	35.7
Total financial assets	46.4	47.2	n.a.

<sup>a</sup> Positive change denotes appreciation of domestic currency.

<sup>b</sup> Excluding net errors and omissions, and reserve changes.

<sup>c</sup> PSBR denotes total public sector borrowing requirement.

**Sources:** SPO, *Annual Programs*, Ankara, 1996 and 1997; Central Bank, *Annual Report*, Ankara, 1997; and Central Bank, *Monthly Statistical Bulletin*, Ankara, January 1997. The 1996 estimates are provisional.

borrowing. The unfavorable financial conditions are further aggravated by rigidities in inflationary expectations, resulting in short-term maturities in bond financing.

Turkey's fiscal dilemma requires a bold budget correction and sustained reforms in the tax structure and social security system as discussed further in the remaining parts of this chapter.

#### **4.1.4. Lagging Tax Effort and the Informal Economy**

Turkey's tax effort, measured as tax/GNP ratio, is definitely inadequate (18% in 1996) and well below the OECD standards (averaging around 28% in 1994). The tax mix has been shifting toward indirect taxes rather than direct taxes with adverse implications for equity and efficiency in the economy. Onaran (1996) shows that the progressivity of the Turkish tax system has declined in the post-1980 period.<sup>5</sup>

A recent study by ISO (1997) throws additional light on Turkey's lagging tax effort.<sup>6</sup> The latter research points out that Turkey's top 500 industrial firms contributed 52.8% of total value added tax (VAT) collection in 1995, whereas their share in the total value added (GDP) of the relevant sectors (for which VAT is applicable) was only 18%. The ISO study also estimates that the share of formal wages in GDP was about 27% in 1995, but the share of payroll taxes in total income tax was nearly 60%. The hypothetical tax losses calculated by ISO amounted to 12.3% of GNP in 1995.

The country's low tax effort is typically explained by widespread tax evasion in the informal sector, and generous tax exemptions and benefits granted to the formal sector with a view to promoting investments, exports and financial savings. There are no distinct and measured boundaries between the informal and formal sectors. Formal establishments are also reported to conceal part of their business volume and earn-

ings in order to lower their tax burdens.

The imprecise nature of public discourse on the content as well as extent of the informal/unrecorded sector is somewhat disquieting. The unrecorded income-generating activities outside the measured national income should conceptually be distinguished from economic activities within the measured GNP, which are not recorded properly in order to evade taxes and/or other legal obligations.

Yamak (1996) provides econometrically well-tested estimates for the size of the unrecorded (and totally untaxed) economy outside the measured national income. The estimates vary from 10% to 25% of GNP during the 1987-94 period, exhibiting a rising trend in more recent years.<sup>7</sup>

In turn, the appropriate criteria and methods to establish the boundaries and relative size of the informal sector within the measured national income are less clear and currently under investigation by the State Institute of Statistics (SIS). It is important to note that the bulk of employment is in rural areas and urban informal sector. As pointed out by OECD (1996), the entrenched position of the urban informal sector may be explained by a lower effective tax burden and absence of regulatory restrictions.<sup>8</sup> To speed up the transition from informal to formal sector, an integrated approach should be taken, involving downward adjustments in formal payroll taxes together with more effective provision of public services and support systems.

## **4.2. Employment Structure and Performance**

Turkey's sectoral structure of output is closer to cross-country standards than its sectoral allocation of labor. In the mid-1990s, the share of agriculture in total value added was 15%, but its share in total employment was around 45%. The structural mismatch between the sectoral mix of output and sectoral allocation of labor is the root cause of unusually wide productivity differen-

**Table 4.3** Labor Market Indicators

	1994	1995	April-1996
Population 15 and over (thousand)			
Civilian labor force	21403	21907	22212
Civilian employment	19664	20394	20821
Unemployment rate,%			
Turkey	8.1	6.9	6.3
Urban	11.8	10.2	9.2
Underemployment rate,%			
Turkey	8.2	6.7	6.3
Urban	8.5	7.3	6.5
Civilian employment (share of total,%)			
Agriculture	44.8	46.8	44.9
Industry	16.4	15.2	16.1
Services	38.8	38.0	39.0

*Sources:* SPO, *Annual Program* (Tables II. 5 and II.6), Ankara, 1997.

tials, the rapid pace of rural-urban migration and highly segmented labor markets.

Table 4.3 shows the labor market indicators from 1994 to 1996, which are based on the SIS household labor surveys. The sample size of these surveys is too small relative to the size of the population, and therefore the aggregate countrywide estimates are subject to a considerable margin of error. Nonetheless, the available indicators bring out the decline in unemployment rates which peaked in 1994 in conjunction with the drop in aggregate output in that year as a result of the currency crisis and sharp reduction in domestic expenditures.

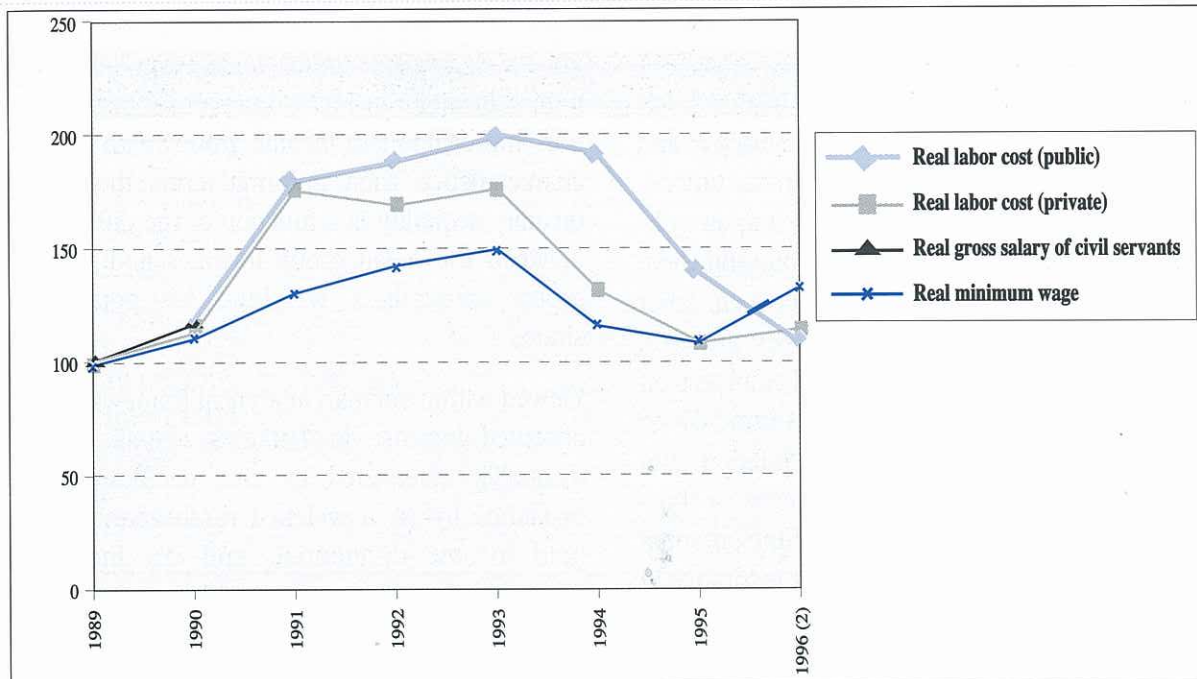
The rapid recovery of output and employment after 1994 may be explained partly by the downward flexibility in real wages, which evidently facilitates the absorption of cost shocks originating from real exchange rate depreciations and/or higher interest rates. Figure 4.1 shows the movements in real wages from 1989 to 1996, which

bring out the wage boom in 1990-93, followed by a sharp decline in 1994-96, particularly in the real cost of public sector labor, which strongly contributed to deficit reduction in the SEE sector as noted earlier.

The employment losses incurred in 1994 and subsequent erosion of real wages clearly underline the relevance of macroeconomic and financial sustainability to the welfare of the working population. This is the prime reason why the critical need for fiscal correction and macroeconomic stabilization has been stressed in section 4.1.3.

Table 4.4 provides documentation on the breakdown of the household working population by employment status, based on the 1994 SIS income distribution survey results.<sup>9</sup> The combined share of self-employed and "other" category (mostly including unpaid family workers) in total labor is nearly 64%, which may be taken as a broad measure of informal employment in

**Figure 4.1 Real Labor Cost**



Source: SPO, Annual Program (Table II.8), Ankara, 1997.

**Table 4.4** Number and Income of Household Members by Employment Status

	1994	
	Number	Income
Turkey	100.0	100.0
Wage earners	33.0	34.8
Self-employed	21.3	33.8
Employer	3.3	18.3
Other <sup>a</sup>	42.4	13.1
Urban	100.0	100.0
Wage earners	54.2	40.9
Self-employed	14.2	17.7
Employer	6.1	24.9
Other <sup>a</sup>	25.5	16.5
Rural	100.0	100.0
Wage earners	15.7	23.0
Self-employed	27.1	65.4
Employer	1.1	5.3
Other <sup>a</sup>	56.1	6.3

<sup>a</sup> Includes unpaid family workers.

Source: SIS, 1994 Gelir Dağılımı Anketi Geçici Sonuçları ile 1987 Gelir Dağılımı Anketi Sonuçlarının Karşılaştırılması, Ankara, 1996.

Turkey. While the share of "other" category in the total work force is about 42%, its income share is merely 13%. In the urban sector, the numerical share of wage earners (including daily workers) is 52.4%, but their income share is merely 40.9%. These figures indicate that a significant portion of Turkey's labor market comprises "working poor", who are willing to accept low-paying jobs in the absence of an adequate public social safety net.<sup>10</sup>

The official labor force surveys also provide information on the incidence of unemployment in urban areas. The survey results consistently show higher rates of unemployment among young people (particularly 15-24 age group) and urban females. Among the registered workers, the gross job turnover rates (separations plus hirings as percent of initial employment) are much higher in the private sector than public sector, reaching nearly 40% in private firms during the 1994 crisis.<sup>11</sup> The job security in the public sector is a key factor explaining the enormous number of applicants for the small number of vacancies requiring low and middle-level qualifications.

The Seventh Development Plan calls for new legal and institutional arrangements to broaden the scope for flexible hours and part-time jobs,

improve the organizational framework of the official employment agency for more active labor policies, establish unemployment insurance, and introduce a law on civil servants' trade unions. The Plan's vision for activist labor market policies seems to be in the right direction, and there should be closer co-ordination between labor market arrangements, industrial policy and skill upgrading initiatives with an overall emphasis on job creation in the formal private sector. Given the precarious nature of the fiscal situation, and existing system of severance payments, a thorough assessment should be made of the potential costs and benefits of unemployment insurance in comparison with alternative social protection and support programs.

### 4.3. Income Distribution and Poverty

#### 4.3.1. Recent Evidence

This year's report benefits from the recently available results of the 1994 household income survey by the SIS, and provides a comparison of the latter results with the findings of the previous SIS survey in 1987. The distributional statistics are summarized in Table 4.5.

The available evidence indicates that income distribution became more skewed in 1994. This should not necessarily be construed as a steady year-by-year distributional worsening from 1987 onwards. The 1990-93 subperiod witnessed a real wage boom (see Figure 4.1) and a steep rise in agricultural subsidies. In the crisis year of 1994, inflation peaked, output and employment dropped, and real wages sharply eroded. The index for real per capita GNP (at constant 1987 prices) increased from 100 in 1987 to 114 in 1993, but dropped to 106 in 1994. Nonetheless, the 1994 survey data seem to represent the distributional situation obtained in the mid-1990s, and warrant a close look at the measured trends.

For the analysis of countrywide income distribution, it is useful to break down the total population into component income groups with distinct characteristics. Then, in formal terms, the overall income inequality is a function of the differences between the mean group incomes and within-group inequalities weighted by population shares.<sup>12</sup>

Viewed within such an analytical framework, the observed increase in Turkey's overall income inequality (measured by Gini coefficient) is explained by (i) a widened rural/urban household income differential, and (ii) increased inequality in urban areas, which dwarfed the favorable impact of reduced inequality in the rural sector, because of the larger population share of urban households. Put differently, rural households became relatively poorer in 1994, and urban income distribution deteriorated.

How can the distributional worsening in urban areas be explained? One plausible explanation is that interest income (including all financial earnings) gained more significance as a source of household income in 1994, and it was captured mainly by the urban rich. The data on sources of income shown in Table 4.5 provide clues in this direction. In 1994, the interest rate policy was subordinated to the policy of maintaining the exchange rate as a nominal anchor for price stabilization, which resulted in very high interest rates on Treasury bonds and bank deposits. This issue needs to be examined more carefully, however, by differentiating the real and inflationary components of interest income, which could not be identified in the surveys.

Table 4.6 provides data on the regional dimensions of income distribution in 1987 and 1994. A clear trend emerging from the regional data is the significant deterioration of the relative income position of East and Southeast Anatolia, evidently reflecting the prolonged security problem in that region. In less pronounced terms, there has been some improvement in the Mediterranean

**Table 4.5 Household Income Distribution: SIS Survey Findings <sup>a</sup>**

	1987	1994
1. Gini Coefficient		
Turkey	0.43	0.49
Urban	0.44	0.51
Rural	0.49	0.41
2. Distribution by Quintiles (Q)		
Turkey-total	100.0	100.0
Q1 (Bottom% 20)	5.2	4.9
Q2	9.6	8.6
Q3	14.1	12.6
Q4	21.2	19.0
Q5 (Top% 20)	49.9	54.9
3. Household income		
Turkey	100.0	100.0
Urban	59.2	68.9
Rural	40.8	31.1
4. Household numbers		
Turkey	100.0	100.0
Urban	52.5	56.2
Rural	47.5	43.8
5. Number of household members		
Turkey	100.0	100.0
Urban	47.4	53.6
Rural	52.6	46.4
6. Sources of household income		
Total income (Turkey)	100.0	100.0
Wage income	24.1	28.3
Entrepreneurial income	51.5	42.4
o/w		
Agriculture	22.9	16.7
Industry and construction	8.2	6.1
Commerce and services	20.4	19.6
Rents	11.8	11.6
Interest and other financial earnings	1.8	7.7
Unrequited transfers	10.8	10.0

<sup>a</sup>The settlements with more (less) than 20,000 population are included in the urban (rural) sector.

**Source:** SIS, 1994 Gelir Dağılımı Anketi Geçici Sonuçları ile 1987 Gelir Dağılımı Anketi Sonuçlarının Karşılaştırılması, Ankara, 1996.

**Table 4.6** Regional Distribution of Household Population and Income

	1 9 8 7		1 9 9 4	
	Number	Income	Number	Income
Total	100.0	100.0	100.0	100.0
Aegean and Marmara	37.0	45.0	42.2	52.5
Mediterranean	13.4	10.7	12.5	11.1
Central Anatolia	24.3	21.5	17.9	15.4
Black Sea	10.6	8.9	12.8	10.8
East and Southeast Anatolia	14.7	13.9	14.6	10.2

*Source:* SIS, 1994 Gelir Dağılımı Anketi Geçici Sonuçları ile 1987 Gelir Dağılımı Anketi Sonuçlarının Karşılaştırılması, Ankara, 1996.

region (possibly due to more vigorous tourism), but a certain amount of worsening in Central Anatolia, which experienced a proportionally more sizable decline in its income share than its population share.

#### 4.3.2. Income-Poverty Measures

In Turkey, there is no officially defined poverty line for public policy analysis. There are two recent semi-official poverty studies by Dumanlı (1996) and Erdoğan (1997).<sup>15</sup> Dumanlı defines the income-poverty line as the purchasing cost of minimum (2400 daily calories) food requirement, and provides a detailed profile of poverty by region, sector and occupations based on the SIS 1987 household income and expenditure survey. In turn, Erdoğan derives two separate sets of poverty measures based on minimum food expenditure and cost of basic needs (including food and non-food items), using 1987 and 1994 surveys as data sources. At the countrywide level, the corresponding household poverty lines are 138 USD in 1987 and 198 USD per month in 1994.

The aggregate results of these two studies are shown in Table 4.7. At the national level, using the minimum food expenditure criterion, the estimates for overall poverty rates are somewhat similar in magnitude, and about 15% by Dumanlı

and 13% by Erdoğan for poor households in 1987. Under the lower poverty line, Erdoğan finds increasing (decreasing) poverty rates for urban (rural) areas, which is broadly in line with the within-group inequality trends shown earlier in Table 4.5. If the poverty line is based on basic

**Table 4.7** Relative Shares of Poor Households (%)

	1987	1994
Dumanlı (1996) <sup>a</sup>		
Minimum Food expenditure		
Turkey	15.2	17.3 <sup>b</sup>
Erdoğan (1987) <sup>a</sup>		
Minimum Food expenditure		
Turkey	13	11
Urban	4	7
Rural	20	11
Basic needs		
Turkey	31	28
Urban	22	28
Rural	38	32

<sup>a</sup> See note 13 for referencing.

<sup>b</sup> Projection not based on 1994 survey data.



needs, the Turkey-wide poverty rate reaches 31% and does not change from 1987 to 1994, but urban/rural trends are parallel to trends observed for the lower poverty line based on calorie requirements. The relative share of poor households is much larger in rural areas, but appears to have declined over the 1987-94 period. The estimated indicators show a rising trend of poverty in urban areas that have been under the pressure of internal migration, which shifts poverty from rural to urban settlements with limited job opportunities in the formal sector.

From a functional standpoint, "bundles of basic human needs" should be defined in conjunction with public support programs under consideration to facilitate target group identification. Turkey needs a more operational policy perspective on poverty related research with more active involvement of applied social scientists from academic and non-governmental organizations.

## 4.4. Social Security and Protection<sup>14</sup>

### 4.4.1. Structure and Coverage

Turkey's Constitution states that: "Every individual is entitled to social security. The state is charged with the duty of establishing or assisting in the establishment of social insurance and social welfare organizations." In addition to the direct provision of public health care, the state has endeavored to fulfill its obligations for social protection through two essential channels: public social security institutions, and limited social assistance programs. In 1996, the total expenditure of public social security institutions was 6.0% of GNP, of which pension payments constituted 70% of the total. The total spending of the government's two principal social assistance schemes (namely, Social Assistance and Solidarity Fund and social provisions to elderly citizens) was about 0.45% of GNP in 1996. The whole sector is dominated by the social insurance component, and public provisions for poor and

disadvantaged groups in the informal sector are too little. The social cohesion is sustained by traditional support systems, relying on various forms of family transfers.

The main features of the public social security and protection structures are as follows:

(i) There are three public social security institutions in Turkey: The Pension Fund (ES) for civil servants, Social Insurance Institution (SSK) for workers in formal enterprises, and Bağ-Kur for self-employed persons in nonagricultural sectors. Besides their mandated coverage, SSK and Bağ-Kur are allowed to include casual employees, paid agricultural labor and self-employed farmers on a voluntary basis. The public social security system is augmented by a number of private pension funds with limited coverage. For the benchmark years 1989 and 1995, Table 4.8 shows the numbers of active contributors, pensioners and their dependents together with relevant system-wide ratios. The total number of active insured reached 10.3 million in 1995, which is about 47% of the civilian labor force.

(ii) Besides including pension payments, the expenditure coverage of three social security schemes includes, in varying degrees, health care, sickness insurance and disability, occupational injury and maternity benefits. Furthermore, each scheme is required by law to provide social assistance supplements to augment pension benefits, which are not funded by the budget. These supplements have become an excessive burden on the pension system, particularly of SSK. In recent years, more than half of SSK's payments to pensioners are accounted for by these unfunded supplementary payments.

(iii) The aging population is not a causal factor behind the rising financial deficit of the public social security system. In Turkey, "there are more than 7 people aged 20-59 to those aged 60 and above".<sup>15</sup> However, the number of active contributors per pensioner is very low, and declined from 2.8 in 1989 to 2.3 in 1995. After the removal of the minimum retirement age in

**Table 4.8** Population Covered by Social Insurance Programs (Thousand Persons)

	1989	1995
1. Active Insured		
Total	7957	10260
Pension Fund (ES)	1500	1880
Social Insurance Institution (SSK)	3612	5640
o/w voluntary/agricultural	341	1229
Bağ-Kur	2762	2669
o/w voluntary/agricultural	819	878
Private Funds	83	71
2. Pensioners (Passive Insured)		
Total	2862	4427
Pension Fund	810	1156
Social Insurance Institution	1478	2338
Bağ-Kur	545	881
Private Funds	29	52
3. Dependents		
Total	28685	36501
Pension Fund	5948	7863
Social Insurance institutions	12826	18530
Bağ-Kur	9629	9940
Private Funds	282	168
4. Active Insured/Passive Insured		
Total	2.8	2.3
Pension Fund	1.9	1.6
Social Insurance Institution	2.4	2.4
Bağ-Kur	5.1	3.0
Private Funds	2.8	1.4
5. General Dependency ratio, ((3+2)/1 for totals)	4.0	4.0
6. Ratio of insured population to overall population, %	71.2	82.3
7. Ratio of insured population with respect to health, %	52.2	65.8

*Source:* For 1989, SPO, *Seventh Development Plan* (Table 17), Ankara, 1996 and for 1995, SPO, *Annual Program* (Table II.15), Ankara, 1997.

1992, the number of new retirees has sharply increased in SSK and ES, producing large distortions in the actuarial basis of the pension system.

(iv) Besides relying on three social security institutions, the government pursues its social protection objectives through a number of non-work related assistance programs. In this context, the principal vehicle is the Social Assistance and Solidarity scheme financed by an off-budget fund which provides benefits to needy people on a discretionary basis, administered by the representatives of the central government at the local levels. The Old Age and Disability Assistance scheme is administered by the ES in collaboration with local-level authorities, providing benefits for those over 65 years and for persons who are at least 40% disabled, which is measured strictly on the basis of medical criteria. In December 1996, the total number of beneficiaries under the latter scheme was about 880 thousand persons. The unofficial estimates for the scale of spending under these two schemes are 0.38 and 0.07% of GNP 1995, respectively. Another significant program is the Green Card scheme, which provides health care to persons whose monthly income is less than one third of the net minimum wage. In 1995, the cardholders under this scheme totaled around 5.5 million. Less than 20% of cardholders received free treatment in state hospitals and health centers in 1994.<sup>16</sup> The Social Services and Child Protection Agency runs orphanages and old people's homes, and provides small amounts of assistance to needy children and the elderly. The local administrations also manage minor discretionary schemes providing aid in-kind and occasional cash benefits.

#### 4.4.2. Reform Directions

The aggregate revenue/expenditure balance of the three social security institutions registered a modest surplus in 1989 (0.1% of GNP). With the more rapid rise of insurance spending relative to contributions, the financial balance deteriorated sharply, resulting in a deficit of 2% of GNP in

1996, which is about 70% of budgetary allocation for education. The observed deficit trends are alarming, and should be reversed by reforming the existing pension schemes.

As indicated earlier, the distorted actuarial basis and low contribution compliance are key factors behind the financial worsening. For SSK particularly, social assistance supplements also burden the pension system. Another structural weakness relates to the low-level of ceilings imposed on the contribution base, which results in declining effective contribution rates with higher wages.

The reforming of the social security system is a challenging national task, requiring a financially viable and socially acceptable balance between the responsibilities of the state, employers and insured individuals. This overview of the social security issues and trends suggests that prompt corrective actions must be taken in five main directions: raising the minimum retirement age, increasing the minimum contribution period, establishing a more equitable balance between contributions and benefits, improving mechanisms for premia collection, and shifting social assistance supplements to old pensioners with regular funding from the budget. If the deficit trends are not fundamentally reversed, the public resources available for education, health and poverty alleviation will remain inadequate and thinly spread over the relevant social programs.

### 4.5. Education and Health

Human Development Report - 1996 Turkey provided well documented assessments of main trends and issues in Turkey's education and health sectors. The over-time analysis of Turkey's HDI index brings out the favorable impact of improved educational and health outcomes on human development, while also pointing out the enduring regional and gender disparities. The observed inequalities in health are correlated with inequalities in education. Recent cross-country research provides ample evidence to show that returns to educational investment

are significant in developing countries, and higher for women compared to men.<sup>17</sup> For Turkey, Tansel (1996) shows that private returns to education rapidly increase with levels of schooling, which explains the excess demand for tertiary education.<sup>18</sup>

#### 4.5.1. Education

In the sphere of educational attainment, last year's report on Turkey, identified a number of structural characteristics and issues, some of which are worth repeating:

(i) "Of Turkey's labor force, 78.1% have primary education and less; 7% have graduated from junior high school, 9.7% from high school and a mere 5.2% are university graduates". These statistics imply the need to increase enrollment rates at all levels, and point to the potential benefits of well-structured non-formal education programs.

(ii) The preschool enrollment rate (7.2% in 1995-96) is extremely low, compared to some developing countries, eg., in Latin America and

the Caribbean, where the figure is 38%. To improve the prospects of school achievement, early childhood education requires greater private as well as public effort in the coming years.

(iii) The schooling rates show a sharp decline at the end of the fifth year, especially for girls. The extension of compulsory schooling to eight years, as targeted in the Seventh Development Plan, should be realized without further delay. In this context, the key political issue is the predominance of religious schools in the category of vocational / technical junior high schools. At the tertiary level, governments have not been able to resist popular demands to open new universities, which face serious difficulties in mobilizing qualified academic staff, and building up adequate infrastructure.

The most recent data on student numbers and schooling rates are shown in Table 4.9 together with official plan projections for the year 2000. Given the exceedingly low educational level of Turkey's labor force, the targeted pattern of schooling rates is in the right direction, but it is

**Table 4.9** Educational Levels and Schooling Rates

	1995-96 No. of Students (thousand)	Schooling Rates,%	
		1995-96	2000 Plan
Pre-school education	188	7.2	16.0
Eight-year basic education	9548	89.0	100.0
Primary schools	6897	103.5	
Junior high schools	2651	65.2	
High schools	2223	55.0	75.0
General	1277	31.6	40.5
Vocational, technical	946	23.4	34.5
Higher education	1150	22.4	31.0
Formal education	691	13.5	19.0
Open education	459	8.9	12.0

*Sources:* SPO, *Annual Program* (Table II. 1), Ankara, 1997, SPO, *Seventh Development Plan*, (Table 3), Ankara, 1996.

not clear how the required financial and manpower resources will be secured. Besides the expansion of physical capacities, more concerted efforts are also needed for quality improvement, enhanced efficiency in resource use, and establishment of performance evaluation systems in the education sector.

#### 4.5.2. Health

As shown earlier in Table 4.7, the proportion of population with medical coverage under the social security schemes and private insurance increased to 65.8% in 1995 from 52.2% in 1989. The uninsured patients rely largely on their own funding, and benefit from subsidized medical services provided by government hospitals and health centers. Table 4.10 shows the noteworthy improvements that have been achieved in the major indicators related to health infrastructure and manpower from 1989 to 1995.

The total national expenditure on health services gradually increased, in percentage points of GNP, from 2.9 in 1985 to 4.4 in 1993, but fell to 3.9 in 1995.<sup>18</sup> The share of the public sector (including all components in addition to the consolidated budget) in total health expenditure, also showed a decline from 68.2% in 1993 to 64.3% in 1995.<sup>19</sup> These trends suggest that the financial underpinnings of the proposed General Health Insurance scheme should be realistically assessed with particular attention to the nature of contribution compliance problems faced by public insurance schemes (namely, SSK and Bağ-Kur).

To crystallize further the declining trend of fiscal resources channeled to education and health services, Table 4.11 discloses recent data on the central government (ie., consolidated budget) actual expenditures for these two sectors. The observed fall in budgetary expenditures in rela-

**Table 4.10** Indicators Related to Health Infrastructure and Manpower

	1989	1995
Number of patient beds (thousand)	132.0	152.0
Public	126.2	143.1
Private	5.8 <sup>a</sup>	8.9 <sup>a</sup>
Bed occupancy rate, %	n.a.	58.0 <sup>b</sup>
Population per		
Physician	1190	925
Dentist	5484	4561
Pharmacist	3655	3471
Nurse	1281	921
Health officer	2945	1449
Midwife	1988	1446

<sup>a</sup> Numbers include patient beds in the hospitals of foreign entities, minorities and various associations, the total of which is about 2.8 thousand in 1995.

<sup>b</sup> Estimate for 1994.

**Sources:** SPO, *Yedinci Beş Yıllık Kalkınma Planı Öncesinde Sosyal Sektörlerdeki Gelişmeler* (Tables 15 and 17), Ankara, 1995; and SPO, *Annual Program* (Tables II. 3 and II.4), Ankara, 1997.

**Table 4.11** Consolidated Budget Expenditures On Education And Health

	Education	Health
Percent of Total Budget Expenditure		
1992	19.7	4.0
1993	16.5	3.9
1994	13.3	3.5
1995	12.2	3.3
Percent of GNP		
1992	4.02	0.95
1993	4.21	0.99
1994	3.01	0.79
1995	2.75	0.75

*Source:* SPO, *Ekonomik ve Sosyal Göstergeler (1950-97)*, Ankara, 1997, Tables 8.10 and 8.15.

tion to GNP from 1993 to 1995 was mainly due to reductions in real wages of government employees, and deep cuts in investment spending. These trends also persisted in 1996 with adverse implications for attracting qualified students to the fields of education and health services, particularly at the intermediate professional levels.

#### 4.6. Conclusion and Policy Implications

The redefinition of the role of the state in development is a controversial subject, and requires objective reassessments and informed public debate. Within the given space limitations, this Chapter has provided an interpretive review of the main trends in the changing relative position and fiscal capability of Turkey's public sector in maintaining an adequate economic performance and building up social cohesion. It has been noted with satisfaction that the latest five year plan (1996-2000) makes a strong plea for the improvement of the institutional framework of Turkey's market economy with greater policy

attention to human resource development issues. From the methodological standpoint, a more explicit analytical linkage seems to be needed, however, between the human development indicators and resource allocation guidelines to enable a more efficient monitoring of progress in the spheres of educational attainment, health outcomes and protection of the poor and disadvantaged groups in the society.

While pointing out the rapid recovery of output after the 1994 crisis, these assessments also draw attention to Turkey's disappointing record in inflation reduction, and mounting public sector imbalances. In the context of high inflation and the relatively small size of the domestic financial sector, a heavy reliance on short-term borrowing endangers the macroeconomic sustainability of Turkey's growth process. It also casts doubt on the fiscal ability of the State to implement development programs to boost human capital formation, improve urban infrastructure, redress regional imbalances, and alleviate poverty.

In a cross-country context, Turkey's current difficulties are not unique. Somewhat similar sets of issues are faced in a number of countries at intermediate levels of development. The recent cross-country experience (e.g., in Latin America) shows that high inflation can be brought down to acceptable rates by concerted efforts and credible policies that involve structural reforms in the public sector. Given the broadening capability of the private sector in production, trade and finance, and the growing scope of civil society organizations and their activities, the public sector can be restructured with a view to establishing a sustainable fiscal balance, and enhancing efficiency in the provision of public services.

Within such an optimistic spirit, the urgent need for reforms is underscored, especially in Turkey's tax structure, budget system and social security institutions, supported by privatization and more efficient arrangements for regional development and social protection. All reforms aiming at fiscal consolidation inevitably involve a certain amount of redistribution of fiscal burdens and

benefits, and therefore face a status quo bias in the decision-making process.<sup>20</sup> In Turkey's present situation, a long-term view is needed to establish more favorable institutional conditions for a socially responsible market economy system to reap greater benefits from integration with the international economy with domestic stability and social justice.

In Turkey's policy process, the reduction in the relative size of the informal sector gains a particular importance. As stressed in this chapter, the boundaries of the informal sector are not distinct, but evidence points to a large-scale tax evasion, and a persistently large volume of informal labor, receiving limited benefits from the government's social programs. The transition of informal enterprises to more formal establishments should be encouraged by a lower tax wedge in gross earnings of formal labor, reductions in statutory tax rates on non-wage incomes with minimal exemptions, and simplified bureaucratic regulations. The net impact of reduced payroll taxes

and a broadened tax base is generally expected to be favorable to the overall tax effort. The integration of the informal sector to the formal part of the economy may also be accelerated with the provision of less costly financing that would result from reversing deficit trends in the public sector. Hence, a more rapid public debt reduction through more vigorous privatization efforts gains an additional significance in the way of increasing the availability of financial resources for private sector development and expansion of formal employment opportunities.

Finally, attention must be drawn to the observed deterioration of regional distribution of income, pointing to a significant decline in the relative positions of East and Southeast Anatolia. Besides requiring a regional reallocation of public expenditures, this situation calls for more effective forms of international financial assistance and co-operation to re-establish the conditions of self-sustained output and employment expansion in these regions.

## NOTES

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- 15 World Bank (1996), op. cit., p. 31.
- 16 The sources of figures given in this paragraph are OECD (1996) and ILO (1995), op. cit., and unpublished estimates provided by the SPO.
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Aside from the functions it serves in economic life, the role of the state in promoting social cohesion consists of a series of arrangements which can be examined under the headings of human rights, political participation, and the judiciary. In this section, only the fundamental problems with regard to social cohesion will be taken up.

## 5.1. Human Rights

On the subject of human rights, Turkish law faces a number of questions, most fundamentally at the level of constitutional law. Both the Constitution and the laws impose restrictions on human rights and basic rights and freedoms as they are universally understood.

### 5.1.1. General Problems Stemming from the Constitution

The main legal basis of human rights is laid by the second part of the Preamble of the 1982 Constitution, under the heading "General Provisions".

Of these provisions, the following excerpt from the fifth paragraph is particularly striking: *"No protection shall be afforded to thoughts or opinions contrary to Turkish national interests, the principle of the existence of Turkey as an indivisible entity with its state and territory, Turkish historical and spiritual values, or the nationalism, principles, reforms and modernism of Atatürk; and as required by the principle of secularism, there shall be no interference whatsoever of sacred religious feelings in state affairs and politics..."*

This provision is binding in the overall application of the Constitution. This allows the legislature to impose further limitations in the field of human rights, drawing on the basis quoted above. The rulings of the Turkish Constitutional Court are also along the same line.

Most of the values whose protection is sought in the paragraph quoted have already been put under special guarantee in relevant articles of the Constitution: for example, indivisibility, Atatürk nationalism and its principles and reforms, secularism, separation of religion and state, separation of religion and politics, and the proscription against exploitation of religion are protected under such special provisions.

However, some of the terms which do not have clear legal definitions, such as Turkish national interests, Turkish existence, and Turkish historical and spiritual values, with their excessive emphasis on etatism, nationalism, and spiritual values, may create obstacles to social cohesion. In addition, the statement that "no protection shall be afforded to thoughts or opinions contrary" to these values constitutes an approach which is difficult to reconcile with democracy.

In the light of these considerations, and from the point of view of legal provisions for social cohesion, it is necessary to recommend the removal of the fifth paragraph of the Preamble from the Constitution. General provisions such as those of Articles 13 and 14, which give the legislature very broad powers to restrict basic rights and freedoms, possess technical legal attributes which negatively affect human rights. If we wish to improve the legal basis of human rights, it is necessary to do away with these general restrictive rules and to present the grounds for restrictions only in the particular articles of the Constitution dealing with rights and freedoms, and then only in a limited way.

### 5.1.2. Religious Freedoms

First and foremost among religious freedoms is freedom of belief. The Constitution and the laws afford sufficient legal protection in this matter. The Constitutional Court and the Court of Cassation have handed down rulings which reinforce this protection, such as those regarding members of non-revealed religions or the situation of the

Jehovah's Witnesses. One problematic matter is the requirement in the Population Law that each person's religious affiliation be shown on his or her birth registration. Regardless of the fact that the Constitutional Court has not found this provision to be unconstitutional, it is obvious that this requirement is pernicious from the point of view of personal freedom, freedom of belief, and the principle of secularism. Another problem stems from the implementation of the compulsory religious instruction stipulated by the Constitution. This provision of the 1982 Constitution is extremely detrimental to freedom of belief and consequently to social cohesion as well.

Another aspect of religious freedom is freedom of worship. Aside from certain limitations in the name of public order, there are no interferences in these rights and freedoms worthy of mention. Even though some instances of forced religious observance have been seen in practice, these have been very limited and in any case are against the law.

Religious education is also a very important topic among the religious freedoms. One of the issues in this area which is problematic for social cohesion, compulsory religious instruction in the schools, has already been mentioned above. Another practice which is deleterious because of its contributions to social polarization is the spread of High Schools for the Training of Religious Functionaries (Imam Hatip Lisesi, or IHL) to the point that they almost became an alternative to secular secondary education. Consequently, with regard to both secular education and the long-term reduction of social polarization, the acceptance of eight years of compulsory primary education — which brought with it the closing of the middle schools, including those associated with the IHLs, the reduction of IHL enrollments to levels commensurate with actual need for religious functionaries, and the restriction of IHL enrollment to male students — was a necessity. In this regard attention must be drawn once more to the importance of eliminating compulsory religious instruction.

### **5.1.3. Freedom of Thought**

With changes made in 1991, some laws specifying "crimes of thought" were repealed. Nevertheless, some laws defining crimes which include freedoms of thought and expression continue in force. The Anti-Terrorism Act, particularly in Article 8, defines several new "crimes of thought". Prosecutions and convictions of members of the press stem from these provisions. Although Article 312 of the Turkish Criminal Code, which specifies punishment for incitement of resentment and enmity among the people, based on class, race, religion, sect or regional difference, may appear to be a provision with positive effects on social accord, its implementation is not at all in this direction. Many writers have been punished on the basis of this article simply because they stated their views. The government bill which was approved by the parliament in August 1997, while it may not solve the problem entirely, is a positive development.

There is an obvious need to sort through the existing legal code with an eye to the goal of social cohesion. For example, Article 8 of the Anti-Terrorism Act, and Articles 132/3, 136/4 and 155 of the Turkish Criminal Code, need to be repealed. Other articles need to be changed in order to prevent punishment of thought and its expression.

### **5.1.4. Freedom of the Mass Media**

The restrictions mentioned above have negative effects on freedom of thought as expressed both through printed media and audio-visual broadcast media.

In addition, there are special restrictions which interfere with the free flow of news and opinion in the area of the press and other media. The most important of these are: suspending publication or broadcast and preventing distribution (Amendment 1 to the Press Law; Amendment to the Civil Law Article 24/A); the power given to public prosecutors to seize publications (Amendment 1.2 to the Press Law); provisions

giving the Council of Ministers the authority to ban the importation or distribution of materials published outside the country (the Constitution and the Press Law, Article 31); and the provision allowing for seizure and confiscation of tools and machinery used in printing (Amendment 1.3 to the Press Law). For democracy to develop and expand, and for pluralist democracy to be able to take root, it is essential that these types of provisions be repealed and removed.

One positive development in the area of audio-visual media is the change in Article 133 of the Constitution, which rescinds the monopoly of the state over radio and television broadcasting. Also, the reinstatement of the principle of autonomy in state radio and television broadcasting is another important development.

Discussion concerning freedom of thought and expression in the audio-visual media have centered on the composition and powers of the High Council for Radio and Television, which was established as a regulatory agency. Members of the Council are selected according to a system in which the majority party has the greatest weight. The powers of the Council include "conservative" regulatory mechanisms. Also, the Prime Minister or a minister designated by him/her for this duty has the authority to ban certain broadcasts. Removal of restrictions of this sort will be appropriate from the point of view of democratization.

### 5.1.5. Collective Freedoms

The term "collective freedoms" refers to freedoms which are used collectively. Three of these, freedom of association, freedom of meeting and demonstration, and trade union freedom, deserve special attention.

The 1982 imposed important restrictions on the establishment and activities of associations. Some of these were removed with the amendments to the Constitution made in 1995. Some examples of the improvements brought about

## Islamist Women Challenge the Boundaries of Citizenship

Since the 1980s, Islamist women have been active in Turkish politics. In defiance of the law prohibiting headcovers in public institutions, they have attended universities with covered hair in pursuit of an Islamic way of life. They resisted pressures coming from the administrators by organizing protests. They worked in the ranks of the Islamist Welfare Party as militants. Only in Istanbul, the women's commission of the party worked with eighteen thousand women, and met with two hundred thousand women face to face in the month before the 1995 elections. While these women might have been mobilized by an Islamic ideology, (victimized as some would see it), they were nevertheless significant political actors.

If citizenship involves the rights and responsibilities of membership to a state, Islamist women were contesting the justice of rights within the given legal framework. They wanted to have the right to cover their heads in universities with reference to their civil right to practice religion without the hindrance of the state. At one level, this was an innocuous extension of prevailing liberal rights. At another level, they were using their rights as citizens of the secular Republic as a means to promote their Islamic worldview. If this worldview aimed to replace the secular foundations of the Republic, it was a threat to the existing political order. The social contract that is at the root of secular citizenship rights does not exist in a holy community where rights and obligations are defined by God. If wearing the headscarves and covering the hair in public institutions means a propagation of this contract with God, then Islamist women are advocating a belief system where civil rights as such have no relevance.

At least at the discourse level, Islamist women have successfully challenged the limits of liberal secular rights in Republican Turkey. They are yet to define the limits of this challenge lest the context within which such challenges can be meaningful be shattered.

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include: the repeal of the prohibition of political activity by associations, or their cooperation with political parties; the relative democratization of the process of suspension of activities; the development of the role and security of judges in this regard; and the expansion of rights of civil servants. Nevertheless, not all of the changes in law required by the constitutional changes have yet been realized. Also, the administration continues to have restrictive powers over freedom of association.

Restrictions on the freedom to meet and demonstrate include the following, among others: broad powers given to the administration to determine places of meeting and routes of marches; broad powers of discretion regarding the postponement or interdiction of meetings, demonstrations or marches; the ban on organization of meetings or demonstration marches by civil associations for purposes other than the stated purposes of the association; and the ban on carrying posters, placards, banners, pictures and the like which are deemed illegal. The revision, indeed the complete rewriting of the provisions containing these restrictions, is in order.

The 1982 Constitution and the 1983 Trade Unions Law brought extreme restrictions to trade union freedoms. It can be said that the changes to the Constitution and the laws made in 1995 brought considerable relief in this matter. Among these changes was the reinstatement of the unionization rights of civil servants. On the other hand, some of the excessive restrictions of the law remain in force. As examples of the continuing restrictions, it is sufficient to point out the conditions for founding or serving in the administration of a union, or the state's regulatory powers over the administrative and financial affairs of unions. Some of these restrictions are in any case contrary to the Constitution since the amendments of 1995. Nevertheless, since the 1983 Trade Unions Law cannot be claimed to be unconstitutional (Temporary Article 15 of the Constitution), the Constitutional Court cannot eliminate the contrary portions of the law. It is

clear that any attempt at improvement in this area must come from the Parliament.

An important portion of collective freedoms are in the political area, such as establishing or participating in political parties. This topic will be taken up under the heading of "political participation".

### **5.1.6. The Kurdish Question**

In Turkey an important and unique issue regarding "social cohesion" is the issue known as the "Southeastern question" or the "Kurdish question". Here this issue will be taken up only in terms of its legal and human rights dimensions.

In Turkish law, no provision allows ethnic discrimination. Nevertheless, there are certain Constitutional and legal provisions, or implementations, which, even if only indirectly, may cause problems for human rights in this area.

Many policies of this sort, particularly in their practical applications, have undermined social cohesion. As examples, the following can be pointed out: the requirement that names given to children conform to the "national culture", with the result that Kurdish names cannot be given; the continuing replacement of Kurdish place names with Turkish names; the barriers to teaching the Kurdish language as a mother tongue; the restrictions placed on activities of associations and political parties; and restrictions on radio and TV broadcasting. It is clear that social cohesion will benefit greatly from a more democratic and egalitarian approach to these issues.

Even though legal prohibitions aimed at the Kurdish language have been repealed, some provisions in the Constitution and other laws remain in effect, and traces of these can be found in practice. Social cohesion would be enhanced by removing the relevant provisions of the Constitution and being more careful in the application of the relevant laws. In the same line, the repeal of Article 8 of the Anti-Terrorism Act,

which has, in its applications to date, been typical of "thought crime" enforcement, would be also be appropriate. In any case, in the relevant law there exists a provision regarding the crime of propaganda for terrorist organizations, and it is only natural that this should be preserved.

Another point which is debated with regard to the Kurdish question is the matter of citizenship status. The Constitution defines citizenship in the following way: *"Every person who is connected to the Turkish State through the bond of citizenship is a Turk"* (Article 66/1). This definition is strictly a legal formulation; one cannot derive from it a meaning such as, "Everyone in Turkey is an ethnic Turk." The formulation is strictly limited to the legal bond of "citizenship". From this point of view, it is not possible to agree with views which find fault with this formulation.

If Turkish identity has acquired elements of discrimination against other ethnic identities, it is not because of the legal definition quoted above but because of the accumulation of certain historical and political developments. What is necessary is the correction of the projection of this accumulation into the world of law. Outside of this, the legal definition of citizenship status in Turkey carries no element of ethnic or cultural discrimination or exclusion.

## 5.2. Political Participation

In today's world, the road to both the consolidation of social cohesion and modern democratic government is through the process of political participation and its basic components: parties, elections, the parliament, the governing system, and the organizations of civil society which could be called pressure groups.

### 5.2.1. Political Parties

In Turkey, regulation of political parties derives from the Constitutions of 1961 and 1982 as well as from the laws based on them. In both periods, parties were regarded as indispensable institutions of democratic life. Parallel to the election laws, Turkey's political life displayed, prior to 1960, a system based on two parties and majority rule, and after 1961, multiple parties and proportional representation.

The most noticeable feature of political participation through political parties is the limited nature of this participation. These limitations appear in three major categories: in the founding of parties, party membership, and party activities. Limitations on founding and membership apply to public servants and to those convicted of certain crimes. Although some of these limitations were lifted in the 1995 revisions to the Constitution, the necessary laws to go along with the Constitutional changes have yet to be passed.

The restrictions on activities are more in the nature of ideological restrictions. In this sense, Turkey has adopted the "struggle" model of democracy. Legal action to dissolve political parties must be taken to the Constitutional Court. Up to the present time, this high court has handed down approximately 20 decisions to dissolve political parties. Among these, a large portion are decisions on the grounds of behavior injurious to the indivisibility of the nation. Next in frequency are parties dissolved because of anti-secularist activities.

Regarding participation, one provision which is incompatible with democracy is the stipulation in Article 81 of the Political Parties Law that parties may not have among their aims the preservation of identities other than the Turkish language and identity.

### 5.2.2. Elections

The main features of elections in Turkey which determine their democratic character are those such as general suffrage, equal vote, the direct vote, fixed terms of elected office, secret ballot and public counting of votes, supervision by the judiciary, and the like. The problem arises from prohibitions which narrow the party spectrum.

The electoral system is the proportional d'Hondt system which sets a minimum of 10% of the national vote for a party to participate in the parliament. The 1995 amendment to the Constitution stipulated that election laws must be compatible with "the principles of fairness in representation and stable government".

The large number of established parties, many of them represented in the parliament, along with the instability of coalition governments, has given rise to a search for new electoral systems. In proposed changes which emphasize "stable government", preference has been given to two-round election systems.

As for those emphasizing "fairness in representation" rather than governmental stability, the proposal is to reduce the minimum national vote from 10% to the vicinity of 5%. Among the main arguments for this proposal is the view that in new democracies and in societies with deep divisions, proportional representation and fairness in representation play important roles in cohesion and unity.

In local elections, however, the single-round proportional system has a number of drawbacks. The most important of these is the fact that the candidate of any given party can, with a minority of the vote and by a very small margin, be elected as mayor. In local elections, particularly mayoral elections, the use of a two-round system

may be more fair and may also better serve the cause of stability.

### 5.2.3. The Grand National Assembly of Turkey and the Governmental System

The Grand National Assembly of Turkey (GNAT) is composed entirely of elected representatives. In this regard it is inarguably democratic. Under the 1961 Constitution there was a second chamber, the Senate of the Republic, which included non-elected members. The GNAT's transition, under the 1982 Constitution, from a bicameral to a unicameral composition does not constitute a weakness from the point of view of either democracy and representativeness, or social cohesion. Since Turkey does not have an aristocratic, corporatist, or federal structure, a bicameral legislature did not provide the expected benefits, but rather made law-making a cumbersome procedure. Moreover, the filtering role which a second chamber might be expected to play is fulfilled, albeit on a different level, by a judicial body, the Constitutional Court. Despite these positive developments, there remain problematic areas with regard to social cohesion and political participation. Some examples include: the ideologically loaded oath taken by deputies in the GNAT; the requirement that deputies with a labor union background cut their ties to their organizations; the use of parliamentary immunity as a shield for engaging in illegal activities; loopholes in the provisions authorizing the enactment of decrees with the force of law; and the absence of provisions to prevent delays in review decrees enacted with the force of law. Legal provisions to overcome these problems will contribute to social cohesion, help to consolidate democracy and political participation, improve the efficiency of the Parliament, and improve self regulation within the Parliament.

At a fundamental level, the Turkish constitutions have embraced a parliamentary regime. The 1982 Constitution, compared with earlier versions, allocated greater powers to the executive branch and to the President. Today, owing to constraints on political life and instabilities in representation, various suggestions for a presidential or quasi-presidential system are being explored.

### **5.3. The Judiciary**

One of the most important reasons for the existence of the state is the establishment of rules for the punishment of injustices and the implementation of sanctions. People's trust in the judiciary, which is just as important as economic welfare in determining their ability to look to the future with confidence, is also an important element in social cohesion. The two important issues with regard to the judiciary are independence and the function of judicial review.

#### **5.3.1. Independence**

Certainly, the concept of "independence" must be considered together with "impartiality" and "security of judges". With the 1961 Constitution, the Turkish judiciary appeared to have caught up with modern standards. Some of the provisions of the 1982 Constitution, between 1982 and 1997, have created certain problems, some of them quite concretely observable.

The first indication of departure from modern standards is the greater say given to the President in the appointment of high court judges. The second indication is the progressive deterioration of judiciary unity and the display of greater dependency and a less secure character by new branches of the judiciary, such as the High Military Administrative Court, within the Administrative judiciary, and the State Security Courts, within the general judicial jurisdiction.

Actually the greatest regression has been in the manner in which the Supreme Council of Judges and Prosecutors is constituted and operates. This Council, which has authority over appointments and other aspects of the professional lives of judges and public prosecutors, has been left dependent upon the Ministry in terms of its organization and operation, and decisions of the council are outside the process of judicial review. In addition, the Ministry of Justice possesses a number of mechanisms, all stemming from the 1982 Constitution, with which it can control and put pressure on judges and prosecutors.

This situation is all the more true for military judges. The military judiciary is much more closely bound to the military hierarchy and consequently much more dependent on its administrative powers. Moreover, military courts have jurisdiction over civilians in some cases. While this authority was established in the form of courts operating under martial law, it has been further expanded.

#### **5.3.2. Problems of Judicial Review**

One of the important elements of social cohesion, the freedom to claim rights, can be pursued by three avenues of recourse: appeal to administrative jurisdiction, appeal to Constitutional jurisdiction, and appeal to judicial jurisdiction.

The avenue of recourse to administrative jurisdiction is recognized by the Constitution and by laws. Certain barriers which made use of this avenue of recourse difficult in the past have been surmounted by rulings by the Constitutional Court and the Administrative Court. In this area only two deficiencies can be pointed out: the lack of recourse of contracted personnel to appeal to administrative jurisdiction, and the de facto exclusion from judicial review of decisions by the Council of Ministers to prohibit the importation of publications banned under Article 31 of the Press Law.

Citizens have recourse to Constitutional jurisdiction only through the means of a plea or contest. This requires the existence of serious indications that a provision of a law which is to be applied in a given case is unconstitutional. In this event, the case is sent to the Constitutional Court. Under no other circumstances do citizens have a right to contest the Constitution. While the 1961 Constitution recognized the right to file a suit for annulment of a law to certain institutions, organizations, and parties, the 1982 Constitution restricted this right to one-fifth of the members of parliament, or the party currently heading the government, or the main opposition party.

The primary obstacle to recourse to judicial jurisdiction is the provision in a 1913 provisional law which makes the trial of civil servants conditional upon the consent of the administration. In addition, the poor performance of the institution of providing defense counsel to the needy, and its negative impact on citizens with inadequate financial resources, is a problem which needs solution from the point of view of social cohesion.

The main problem in terms of administrative jurisdiction is the fact that the Constitution leaves certain administrative procedures outside the purview of judicial review. There is no appeal to administrative jurisdiction in the case of actions undertaken by the President on his own competence; rulings by the Supreme Military Council, the High Council of Judges and Public Prosecutors, or the Audit Court; or disciplinary warnings and reprimands issued to civil servants.

Two examples may be given to illustrate the gaps in judicial review in the area of Constitutional jurisdiction. The first of these is the impossibility of appeal to the Constitutional Court regarding the laws and decrees with the force of law issued in the period 1980-1983. This stipulation in Article 15 of the Constitution has left approximately 800 legal texts outside the bounds of Constitutional jurisdiction. Among these are a large number of laws governing political and public life. The second major exception is once again a Constitutional stipulation forbidding court review of laws and decrees with the force of law enacted during a state of emergency, martial law, or in time of war.

The principle of the rule of law requires judicial review of all actions and procedures of the state. A prerequisite for this is the assurance of independence of the judiciary. The improvement of societal welfare through economic and social measures is vital in the building of social cohesion and citizens' confidence in the future, but it is not by itself a sufficient condition. The judiciary, with its independence, promptness, and just decisions, can bolster both the effectiveness of the state and civic consciousness. Even though Turkey continues to experience some serious problems, both in terms of the independence of the judiciary and of judicial review, which is integral to the principle of the rule of law, steps taken in the direction of democratization and social cohesion will help to eliminate these problems.



HUMAN  
DEVELOPMENT REPORT  
1997 TURKEY



PART THREE

**CONCLUSIONS AND POLICY  
RECOMMENDATIONS**



**ANTI-POVERTY STRATEGIES PANEL  
29-31 MAY 1997  
DİYARBAKIR**





In the foregoing, the 1997 National Human Development Report presents a clear view of the present shortcomings of human development in Turkey. The main national development priority established by the findings of this report is the need to give precedence to the democratization process accompanied by an urgent social and economic development in the less developed regions of Turkey. As Chapters 3 and 5 illustrate in depth, sections of the population most affected by the negative impacts of economic liberalization and inter-regional disparities in economic development, are also those who have not benefitted from the development process on equal footing with the rest due to shortcomings experienced in a rapidly changing society.

Women, the youth, ethnic identities have had less access and limited means to effectively participate in the development process. Their de facto exclusion from political, social and economic opportunities, fosters their discontent and leads to weakening of the ties and disintegration at personal, family and national levels. This report emphasizes; therefore, that the role of the state in promoting the democratization process is called into urgent action so as to enable Turkey to surmount the challenges of development for all its citizens.

The civil society presents untapped opportunities for reaching out to the traditionally excluded. The free market mechanism allows for the private sector to provide the much needed inputs for increasing employment, spurring economic growth, and thereby alleviating the condition of poverty.

The Report, thus, points out that the role of the state in promoting the democratization process is re-defined at the interface of the growing civil society and a thriving private sector. Creating

favorable conditions for the effective functioning of the civil society and a truly free market economy will have benefits of invaluable impact in promoting social cohesion and improving human development in Turkey.

In calling in the State to promote the democratization process by institutionalizing the framework for civil society and market economy functioning, the Report also illustrates that the intervention of the State in the field of education and health, in other words in basic social services delivery, remains as its fundamental role. Investments targeted to the advancement of women, children and the poor are sure to bring improvements in human development and to strengthen social cohesion.

The Report also illustrates that regional disparities in development take heavy tolls on national economy and social cohesion, therefore, efforts to promote human development must focus on the elimination of these disparities.

The Anti-Poverty Strategies Panel held in Diyarbakır on 29-31 May 1997 provided the guidelines for the policy recommendations that emanate from the concerns raised in this Report. The solutions proposed in the Anti-Poverty Strategies Panel, as presented in the following pages should be seriously evaluated by the policy makers of this country as they reflect the shared concerns, expression of responsibility as well as capacity of a wide array of actors, including the private sector, corporate business, labor unions, academic institutions, public health experts, associations of trade, commerce and industry, local administrators, local governments and bureaucrats involved in planning and the people of Diyarbakır who had the opportunity to express their feelings and views on their own development during the 3 days of the panel.





Under the Poverty Initiatives Strategy (PSI) project supported by UNDP, the Anti-Poverty Strategies Panel convened on 29-31 May 1997 in Diyarbakir. The PSI project, implemented in many developing countries through special programme resources and trust funds put under UNDP's management is currently implemented in Turkey in association with the Turkish Foundation of Social and Economic Studies ( TESEV ) under the overall coordination of the State Planning Organization. The project strives to initiate in each country, a nation-wide debate on poverty alleviation strategies, create wide awareness on a new understanding of poverty as promoted by UNDP and to support a national "Programme of Action for Poverty Eradication" at the country level.

The Anti - Poverty Strategies Panel held in May 1997 in Diyarbakir was of a preparatory step towards the finalization of the national "Programme of Action for Poverty Eradication" for Turkey which will contain proposals to the Turkish government for the creation of a human focused policy environment for social and economic development.

Diyarbakir, a province in the relatively underdeveloped Southeast Anatolia region, home to 70 % unemployment and many of the problems of emerging poverty was chosen as the panel venue. Hailed by the national press as a first time event of its kind to be held in Diyarbakir, the Panel was able to bring together spokespersons of differing views under one roof for a purpose: the purpose of stalling the emergence of poverty in Turkey and accelerating social and human development in less developed parts of the country.

In opening the session, the UNDP Resident Representative in Turkey, Paul van Hanswijck de Jonge, highlighted the global dimensions of poverty by saying, "When we speak of poverty in poor countries such as Niger or Sierra Leone, we are addressing causes of poverty that can be

partially attributed to pauperization of nations due to global economic and political trends. When we look at Turkey, on the other hand, we see a thriving national economy, increased integration in global markets and a rising standard of living for many. Yet, the State Planning Organization's definition of poverty line - based on nutritional attainment - leads us to classify 14.2% of the Turkish population as poor. The poverty rate in Eastern and Southeastern Anatolia regions is high 30% compared to only 1.4% in the Aegean and Marmara regions. In the case of Turkey, what we are witnessing is not the pauperization of an entire country. Instead the incidence of poverty in Turkey is one that stems mainly from regional imbalances of development."

Although the panel was designed for focus on poverty issues of national dimensions, the prevalence of poverty among the people of Eastern and Southeastern Anatolian origins - be they in the provinces of these regions or in the peri-urban areas of cities such as Istanbul, Ankara, Kocaeli, Bursa, Adana and Izmir - steered the focus of discussions towards the specific problems of these regions. In addition, the indicators of social and human development as presented in his volume, all highlight that these regions lag behind national averages, further driving the content of panel discussions towards focus on the development issues specific to the East and South-east Anatolia regions.

The panel sessions covered many topics grouped under the main headings of Economic Development Policies; Policies for Social Development (Health, Education, Women and Poverty); Poverty in Rural and Urban Settings (Governance, Urbanization, Migration and Environmental Protection).

In the following a summary overview is provided on the findings of the Anti-Poverty Strategies Panel held in Diyarbakir on 29-31 May 1997.

## I. Session on Economic Development Policies

The session on Economic Development Policies was structured into three sub-sessions chaired respectively by İshak Alaton, Maharaj Muthoo, and Mehmet Özyayın. The panel was composed of representatives of corporate business, labor unions, and associations of producers, industrialists and tradesmen.

The session assessed economic growth and regional development at the interface of the changing relations between the public and private sectors as the world economy is decisively moving towards market principles. The need for the state to concentrate on fundamental roles such as internal and external security, defense, basic services delivery and education was highlighted.

The session also identified a need for the construction of an economic development model for Southeast Anatolia, complementing the Southeast Anatolia Development Project and encompassing the state and the private sectors as well as regional civil society organizations. A major concern standing in the way of development in the Southeast Anatolia region, however, was stated to be the ongoing conflict situation which the Panel concluded saying that could be resolved only through rapid social and economic development supported by a democratization process. The following recommendations were highlighted.

**1.1.** The session decided that impediments regarding structural reform of the national economy account considerably for the impediments to development both at the national and at the regional levels, establishing that disparities in income distribution must immediately be reduced through prioritizing tax and budget reforms.

**1.1.1.** The current subsidy policy of the government does not adequately respond to the needs of producers. The current subsidies should be pushed out of the system through the methods

implemented in the EEC. Moreover, with the adoption of a system similar to that of Europe, imported goods should be subject to fund.

**1.2.** The potential contribution to economic growth, sectoral focus and provincial breakdown of small and medium scale enterprises (SMEs) in Turkey must be further evaluated and analyzed so as to achieve meaningful policy and solution proposals on the contributions SMEs can make towards reducing unemployment, promoting job security and alleviating poverty.

**1.2.1** Nevertheless, it was established that in light of the higher incidence of poverty observed among women, support to all small scale enterprises and micro credit financed projects operated by women would have positive impacts on the income share gained by women in rural areas and that such support should become an integral element of an economic development policy targeting the poor population groups.

**1.3.** It is evident that prioritized job creation and new fields of employment are required to prevent the emergence of poverty in Turkey, especially in the Southeast Anatolia region. In this context, the tourism sector - the green industry - is a much untapped potential in the region, home to historical and cultural wealth.

**1.3.1.** Therefore, support to the build up of the tourism sector in the region will be an effective method to ameliorate the income disparities problem, establish social equilibrium and contribute to poverty alleviation.

**1.4.** It is clear that the Southeast Anatolia region features several un-exhausted advantages such as excessive manpower, low cost land, productive capacity, potential raw material resources and an unsaturated market.

**1.4.1.** However, it is not realistic to expect the private sector to invest in the region on an individual corporate basis.

**1.5.** Only a clearly visible, planned public entrepreneurship can mobilize the capacities in

the region and attain success.

**1.5.1.** One such public initiative is the replacement of the state of extraordinary jurisdiction in the Southeast Anatolian provinces by an urgent economic mobilization status.

**1.5.2.** In addition, a full and absolute tax exemption in the Southeast Anatolia region for a period of ten years will actualize rapid flow of investments in the region and hence contribute to the elimination of social conflict.

**1.5.3.** Also, a development fund should be conceived by adding 1% to nationally implemented VAT rates. The amount collected through the fund should be directed to the establishment of a foundation through which contributions of leaders coupled with the know-how of experts will be directed towards the development of Southeast and East Anatolia provinces.

**1.5.4.** Finally, although the session identified slow process of privatization nation-wide as accounting for impediments to national and regional development, it was agreed that Public Economic Enterprises (Kamu İktisadi Teşekküller-KİT), that provide employment opportunities in the Southeast Anatolia region should not be privatized.

**1.6.** Agricultural output has traditionally been conceptualized as the main engine for economic growth in the region and the availability of both man-power and potential resources reinforces this thinking.

**1.6.1.** However, for a meaningful contribution of the agricultural sector to the economic growth of the region, mechanization and agricultural education are prerequisites.

**1.6.2.** Also a prerequisite for meaningful contribution of the agriculture sector to the improvement of economic conditions in the region, is the handling of the agricultural potential of the region within the context of Turkey's integration with international agriculture markets.

**1.6.2.1.** Therefore, a comprehensive assessment of agricultural productivity is required to determine whether the foreseen agricultural outputs of the region will be able to compete in international markets at prices that can bring profits to the producers.

**1.6.3.** For the economic growth of the region within both the agricultural and industrial development contexts, railway transportation should be laid down for the region so as to overcome the difficulties presented by the relative inaccessibility of the region to the domestic and international markets.

**1.7.** Should agricultural modernization be realized in the region and the proposed industrialization of the region proceed as planned, the urbanization of the region will follow suit. Indeed, urbanization is already a reality in the region.

**1.7.1.** An urbanization strategy could be proposed for East and Southeast Anatolia regions, especially regarding the industrialization corridor starting from Adana and passing through Gaziantep, Şanlıurfa and Diyarbakır. (Section on Urbanization, Migration, Housing of this Panel report provides further information on this point)

## **II. Session on Policies for Social Development**

### **II. A. Health and Education Services**

The session on Policies for Social Development was held in two separate sub-sessions and assessed in general national policies for social development and their impact on the alleviation of poverty in Turkey. The first sub-session was chaired by the World Health Organization Representative in Turkey, Dr. Hannu Vuori, and assessed social services delivery to the East and South-east Anatolia regions of the country. Items number 2 and 3 below deal with proposals on health and education issues, respectively.

The overall assessment of the session focusing

on health and education was that there is need above all for instituting an efficient and functioning social security system. The state is responsible for building the institutional mechanisms comprising universal social security and social services delivery; as well as, social assistance to the under-privileged.

**2.** The institutionalization of universal health insurance would greatly alleviate the economic deterrent to the populations' ability to pursue healthy lives.

**2.1.** The session decided that universal health insurance must be compulsory.

**2.2.** An equitable geographic distribution nationwide of health personnel and health care facilities are currently being addressed by the Ministry of Health, however, these initiatives must be speeded up in order to bring health services to the underdeveloped regions of the country.

**2.3.** In addition to the above, the session underlined that the cultural accessibility of health-care is essential to effective delivery of health services to Turkey's multi-cultural population. Communication barriers between the health personnel and the patients must be improved.

**3.** Improvement of the education system was determined by the session as the overriding priority for attaining national and regional social development and reducing the impacts of poverty in Turkey.

**3.1.** Free access to 8 years of basic education must be ensured for all the citizens.

**3.1.1.** Pilot models, especially for the underdeveloped regions, must be developed to provide incentives to the families to send their children to school and to remedy current infrastructural and personnel related shortcomings of the educational services delivered to these regions.

**3.1.2.** Mass media tools geared towards extensive

education and special means of communication and civil initiatives were highlighted as means to address infrastructural and personnel related shortcomings.

**3.2.** The content of the currently implemented education system, at the levels of basic, secondary and tertiary education, emphasizes rote learning and was evaluated by the session as a deterrent to political, social and intellectual development of students.

**3.2.1.** The session proposed qualitative change in the education and learning methods.

**3.3.** Intensive and free of charge vocational programs and more incorporation of the young population within the education system are of utmost significance to the effort to enhance social development and reduce the impacts of poverty on the population.

## **II. B. Women and Poverty**

The second sub-session chaired by the UNDP Assistant Resident Representative, Dr. Seyhan Aydınligil, was devoted to women and poverty concerns with emphasis on the regional situation. This session assessed the prevalence of poverty among women and the impact of this on child development. In so doing, the session centralized labour conditions and the socio-political frameworks affecting women's status in society. Statistics regarding the labour, capital ownership, and educational level of women were introduced in the session. While only 34% of women are employed in remunerative jobs, 80% of those employed women lack social security. Women have very little ownership of savings or capital with only 8% of registered land in rural areas being in the ownership of women. The same figure is up to a modest 12% in urban areas. 1990 figures report an illiteracy rate of 31% for women in Turkey.



Among the recommendations that emanated from this sub-session have been the following :

4. The session established that poverty reflects not only an economic condition, but also the sustained impact of institutions and ideologies that position men and women differently and impose different meanings on their lives.

4.1. Therefore, strategies geared towards improving only the incomes of women will not suffice to solve the poverty problem on the side of women.

4.1.1. Ideologies must be fostered and institutional capacities must be built that target change in the perception of women by society at large.

4.2. Policies for preventing the emergence of poverty must be sensitive to gender related roles, realizing that men and women have different needs and interests both within the family and in the social context.

4.2.1. Therefore, special attention must be paid to the fact that centrally established policies have only reduced impact at the local level, where the ingredients needed for the improvement of the lives of women in special circumstances, rural women, and women in the less developed areas are absent, requiring special attention and approaches.

4.2.1.1. The session proposed development of poverty reduction models whereby the every day life of the society is enriched by including women and youth in local production mechanisms, both in economic and political realms.

4.2.1.2. "Neighborhood Day Care Centers" and "Neighborhood Mothers" models implemented by a national NGO in peri-urban areas of Istanbul was cited as a model for replication in other provinces as a successful method whereby the child-care problem of working women is solved; social organization and leadership roles of women are encouraged at local level paying attention to the specific cultural and political context; and, certain basic health care problems are addressed.

4.3. Economic liberalization is often experienced negatively by women, particularly those in the rural areas.

4.3.1. Therefore, poverty alleviation policies should target women especially in the form of providing loans to enterprises operated by women and for real estate purchases by women.

4.3.1.1. Special allocations should be devised whereby established rules for loans, credits and borrowing are waived for small scale female entrepreneurs.

4.4. The national democratization process and restructuring of the local governments should be supported through policies that target at enhancing the decision making power of women and by special policies geared at improving the candidacy capacities of women.

4.4.1. In this regard, UNDP's cooperation with the State Ministry for Women since 1993 was noted for its effective results achieved so far in line with the objectives of CEDAW ratified by the government; and for this project's new thrust during the period 1997-1999, for the advancement of women in the Southeast Anatolia region.

4.5. The UN Convention on the Rights of the Child, which the Government of Turkey has ratified, should be implemented.

4.5.1. In line with the callings of the above Convention, the Act for the Protection of Children should immediately be written into law, with special attention paid to the rights of the female-child and right to schooling in line with the 8 Years Compulsory Basic Education Act of 1997.

### III. Poverty in Rural and Urban Settings

The final session of the Panel, chaired by Icen Börtüncene, covered several topics under the broad heading of "Poverty in Rural and Urban Settings." Attended by representatives of local governments and municipalities; academics; and,

bureaucrats, the session focused on the centrality of local government and governance capacities to the sound development of the urbanization process. In this regard, the trend of migration arose as an issue to be reckoned with firstly because of the strains migration puts on the people in terms of poverty experienced in the urban setting. In addition, housing and human settlements needs of sprawling cities was assessed within this framework of emerging poverty in the urban setting. Finally, the changing economic production modes in Turkey in general were posed as causes for increased planning in the environmental sphere.

5. The session established that local governments are the only mechanism through which poverty can be combated at the local level. Local governments possess better information on the daily developments among populations and can better monitor and impact poverty inducing urbanization and population growth.

5.1. Therefore, the administrative structure of Turkey must be completely revised distributing power and authority to the provincial and district levels.

5.1.1. The session underlined the qualitative difference between distribution of authority and delegation of authority in regard to the relationship between central and local level governments. In the former model, the authority relationships are based on horizontal sharing of power. In the latter model which characterizes the traditional and current relationship between central and local level governments in Turkey, power and authority are delegated from the central level to the local, producing a vertically built authority relationship.

5.1.2. One requisite for administrative reform is empowering local governments through devolvement of urban assets and ownership of endowment and treasury land upon the local governments.

5.2. Administrative reform which empowers local

government will have positive impacts on the management of urbanization and population growth.

5.2.1. Local governments will, thereby, be able to respond to the infrastructural demands of urbanization more effectively, without having to resort to the central authorities.

6. The session assessed the trends of migration in Turkey, establishing that during voluntary rural to urban migration patterns, certain self functioning social security mechanisms survive through associational networks re-created in the urban setting and the maintenance of relations to the urban setting from which social and cultural support is derived. Such support is severed when the migration process is compulsory and the village of origin is no longer a viable place to live.

6.1. Therefore, the trends of compulsory migration to urban areas, due to security concerns in recent years has engendered a visible problem of poverty in the peri-urban areas of cities in the Southeast Anatolia region.

6.1.1. The session identified housing and shelter needs of the peri-urban populations as a first priority for poverty alleviation in the cities of the Southeast Anatolia region.

6.1.2. Administrative reform devolving income and property assets upon local governments (who could then deliver social services more effectively) was highlighted by the session as the effective method to address the social developmental shortcomings of the migrant populations in the urban areas.

7. In the field of environment, the session briefly assessed the developments that are in the making at the international levels that will lead to laws regulating international commerce. In this regard, the session briefly noted that the relationship between commercial enterprises and environmental responsibilities will gain more saliency in Turkey as well.

7.1. The session proposed strengthening the par-

ticipatory decision making processes for implementing and regulating environmental protection measures at the local levels as the most effective method through which a sustainable environmental policy can complement national commerce and economic development policies.

**7.2.1.** Therefore, public education on environmental issues must be promoted with environmental issues being incorporated into the curricula of formal education.

### **Final Special Session: “Political Perspectives”**

The final session on political perspectives was chaired by Can Paker of TESEV. This session was an attempt to bring under focus the perspectives of major political parties on the crucial issues of social and economic development and poverty alleviation that had emanated from the foregoing panel sessions. Attended by members of parliament from the 5 major political parties, the session assessed the political concerns and impediments to development. The session created an environment un-attempted in Turkey before, where representatives of political parties were challenged by the questions of both the technical experts in the audience and the populace at large. Often resulting in heated debates, the final special session produced policy and political consensus on a few but crucial issues.

**8.** Parliamentarians stated, on behalf of their political parties, acceptance of differing amounts of responsibility (for the periods their parties were in government) for the levels of social and economic development in Southeast Anatolia that are low relative to the national averages.

**8.1.** In recognition of the above, parliamentarians reached consensus that integrated socio-economic and urgent development assistance to the Southeast Anatolia region is a priority concern of the government.

**8.1.1.** The urgent developmental needs of the Southeast Anatolia region carry significance beyond all party politics.

**8.2.** The Parliamentarians reached consensus also on the fact that the social and economic development programmes targeting the region should be developed by paying increased attention to the multi-cultural character of the region and should heed the needs of a multi-cultural society.

**8.3.** Consensus was also reached on utilization of international technical cooperation programmes. Separate statements of the parliamentarians highlighted that technical cooperation programmes of international development agencies should support national efforts to bring the level of development in the Southeast and Eastern Anatolia regions on a par with the rest of the country.





The Human Development Index (HDI) for a province is calculated as the arithmetic average of three indices, namely life expectancy (IL), educational attainment (IE) and adjusted income (IY):

$$HDI = (IL+IE+IY)/3$$

All indices are calculated for males, females and total. Population weights of provinces in a region are used in calculating indices for a region.

Indices are based on the following data:

### 1. Life expectancy at birth (L):

Life expectancy for the year 1996 is calculated using the estimate for 1995, which is based on 1985 and 1990 census data.

$$L(96) = L(95) + (L(95) - L(90))/5$$

Index of life expectancy is calculated using the technical annex of HDR 1997:

$$IL = (L(96) - 25)/(85 - 25) \text{ for total}$$

$$IL = (L(96) - 22.5)/(85 - 25) \text{ for male}$$

$$IL = (L(96) - 27.5)/(85 - 25) \text{ for female}$$

### 2. Educational attainment (E) is composed of two indicators: literacy rate (R) and combined enrollment ratio (C):

2a. Literacy rates are taken from 1985 and 1990 population census results. The 1996 figure is an extrapolation of these results:

$$R(96) = R(90) + (R(90) - R(85)) * 6/5$$

Index of literacy is calculated as explained in the technical annex of HDR 1997:

$$IR = (R(96) - 0)/(100 - 0)$$

2b. Combined enrollment is the ratio of the number of students in primary, secondary and tertiary schools to the population between ages 7 to 21. The latest figure is taken from HDR Turkey, 1996.

Index of combined enrollment ratio is calculated as explained in the technical annex of HR 1997:

$$IC = (C(96) - 0)/(100 - 0)$$

Index of education is calculated as the weighted average of indices of literacy and enrollment as explained in the technical annex of HDR 1997:

$$IE = (2 * IR + IC)/3$$

### 3. Adjusted per capita incomes

OECD and UN regularly publish the real per capita gross domestic product of Turkey (based on purchasing power parity). The latest figure is for 1995. Using 1996 per capita growth rate in Turkey, GDP per capita calculated for 1996 is 5,698 PPP US\$.

Provincial gross product data are published by the State Institute of Statistics for the year 1995. The ratio (A) of per capita income of a province to that of Turkey is assumed to be the same in 1995 and 1996. 1996 provincial incomes are obtained as the product of (A) and per capita GDP:

$$Y(96) = A * 5,698$$

The State Institute of Statistics has published the results of the 1994 income distribution survey. Male and female incomes in urban and rural areas are also given. Using the number and income of these individuals, it is possible to calculate per capita incomes by gender and area: Urban male (UM), urban female (UF), urban total (UT), rural male (RM), rural female (RF), rural total (RT), Turkey male (TM), Turkey female (TF), Turkey total (TT). The ratio of per capita income in a group to Turkey total (TT) is assumed to be the same in all provinces. Male (M) and female (F) income in provinces are calculated using these ratios:

$$M = TM/TT * Y$$

$$F = TF/TT * Y$$

All the incomes are adjusted using the method of Atkinson as explained in HDR 1997:

$$AY = T$$

if  $Y < T$ , where  $T = 5,835$  is the threshold income

$$AY = T + 2(Y - T)^{1/2} \quad \text{if } T < Y < 2T$$

$$AY = T + 2T + 3(Y - T)^{1/3} \quad \text{if } 2T < Y < 3T$$

(Instead of (Y), (M) is used for male income and (F) is used for female income respectively)

Index of income is calculated using adjusted incomes as given in HDR 1997:

$$IY = (AY - 100)/(6154 - 100)$$

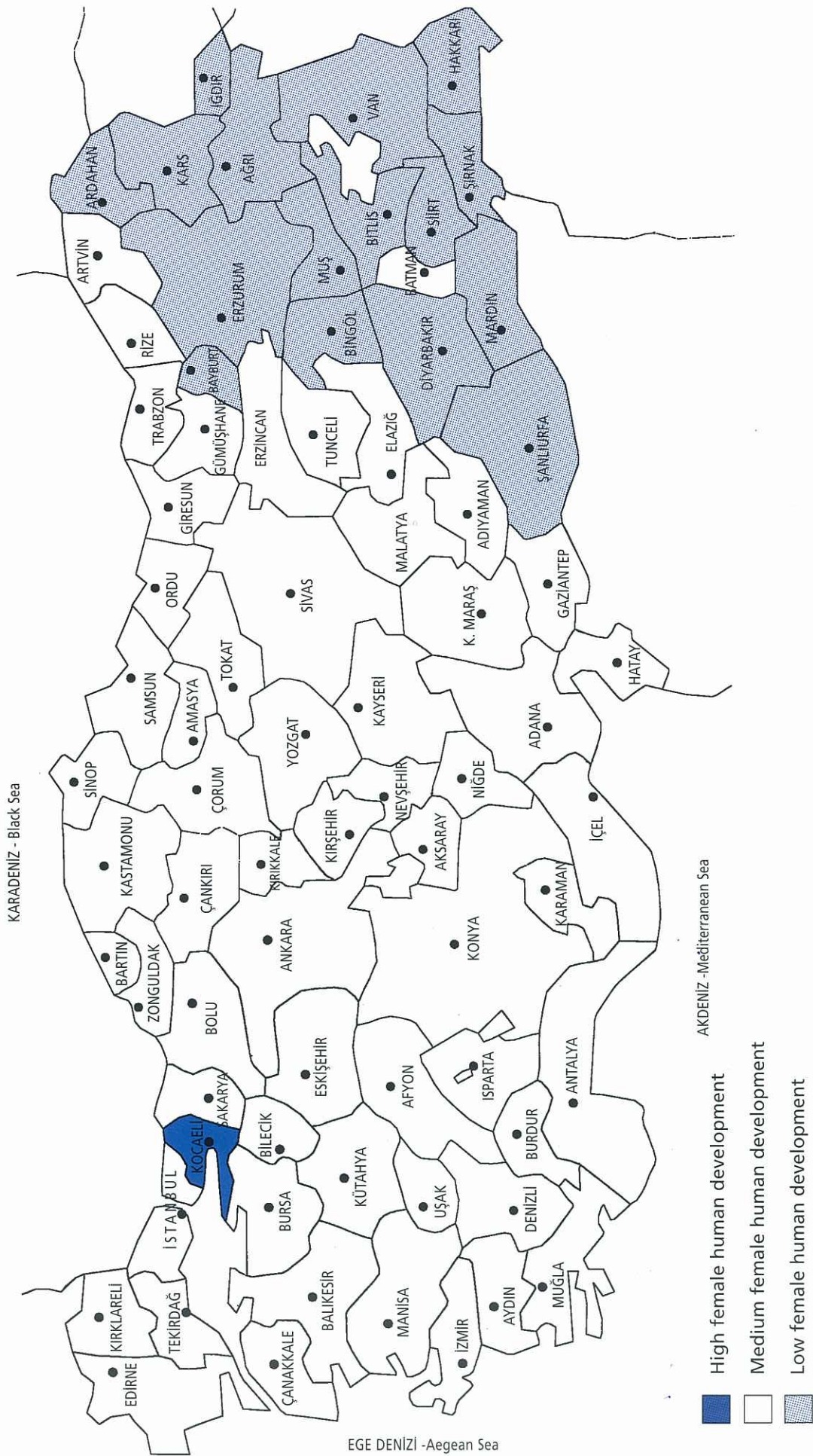


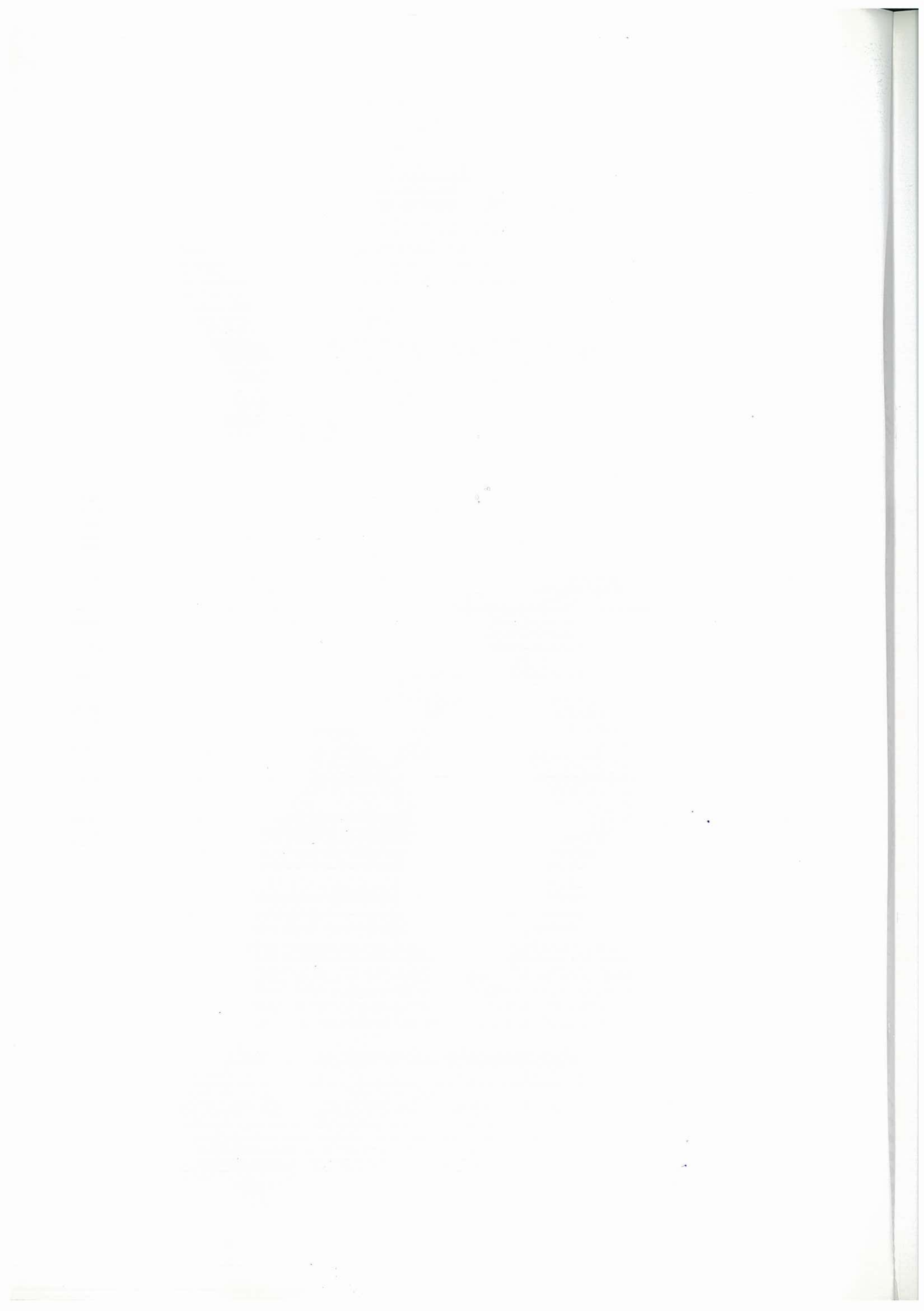






# Female HDI by Province









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