

# Turkey: Growing poverty and social inequality

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Income differences between social classes are deepening and becoming one of Turkey's major problems, a recent survey conducted by the Kum Company has shown. Turkey's richest families have upwards of 10.5 billion Turkish lira (TL) in monthly income—approximately \$6,360 at current exchange rates—while the poorest families try to survive on TL 132 million (\$80).

In 2001 Turkey suffered the most severe economic crisis the country had known in its modern history. The so-called "Disinflation Program," projected to last for three years covering the period 2000-2002, was implemented under the auspices of the IMF. At the end of only one year it turned out to be one of the greatest disasters for IMF policy.

In the last two years, increasing numbers of working people have found themselves in a state of exhaustion and desperation. Monthly income for an average low-income family varies between TL 200 million (\$ 20) and TL 500 million (\$300). Almost half, or 48 percent, of Turkey's population belongs to this low-income category while their share of the national income is only 32.5 percent.

After the financial crash of 2001 a new program was put into effect, creating even worse conditions for this segment of society. In the last three months, prices of products and services such as fuel oil, liquid gas, telephone service, electricity and other necessities like sugar and tea saw perpetual hikes and wage increases for working people were limited, accelerating their downward slide on the poverty scale.

The economic policy of the government can ultimately be defined as debt management exclusively, without any effort whatsoever at a revival of productive activity. This is almost a return to the Debt Administration of late nineteenth century under the

heavily indebted Ottoman Empire, through which imperialist interests came to control the allocation of public revenue to different uses, clear priority of course being given to the reimbursement of foreign debt. This whole situation is no doubt dictated by the crushing weight of foreign and domestic debt, totalling a staggering \$160 billion, exceeding the country's present gross domestic product (GDP).

The limited increase in wages coupled with the sacking of thousands of workers pulled down the welfare level of the poorest sections, who lived mostly in the underdeveloped suburbs of the metropolitan centres. Turkey has entered a process of rapid impoverishment, attested to by an increase in pickpocketing, theft and prostitution, bringing Turkey to the brink of a social explosion.

Turkey ranked fifth on the list of countries with the worst income distribution. And despite the ruling AKP's (Party of Justice and Development) promises, their program includes measures that will not only fail to correct the distorted income distribution but will in fact enhance it. The program includes austerity measures for farmers and lower-income groups. As public expenditure went down, workers' and civil servants' wages were kept low. Since the prices of agricultural products were increased only to a limited extent, due to agricultural policies dictated by the IMF, rural poverty began to increase.

In past years, the rural population was producing most of what it consumes, but this has changed. Electricity and telephone usage have become important consumption items in the countryside. People in rural areas purchase their bread from the town bakery. They use fuel instead of firewood. In other words, the countryside is becoming increasingly integrated into the capitalist market. Today Turkey has a countryside

that buys on the market and is aware of so-called market forces.

The real income of the rural population is eroding, and this has caused new waves of migration, which Turkish cities are not able to handle. Suburban metropolitan centres are swelling, and new problems are growing in the cities.

Average weekly food expenses for a four-member family are approximately TL 70-80 million (\$42-48) for a well-balanced diet.

Monthly apartment rents in big cities of Turkey (Ankara, Istanbul, Izmir) vary between TL 200 million (\$120) and TL 900 (\$545) million, according to location and size. Clothing prices also vary greatly.

Even the children go to a state school, there are many expenses such as textbooks, exercise books and uniforms.

More than TL 1.5 billion (\$910) per month is needed for an average four-member family to live a decent life. The poverty line for a Turkish family of four rose to TL 1.3 billion (\$790) in February, according to a survey revealed by Turkey's leading labour confederation, the Turkish Confederation of Labour Unions (Turk-Is) [<http://www.turkis.org.tr/Gida0203.doc>].

The minimum amount of money a family of the same size should spend on food increased to TL 421 million (\$ 248) in the same month, according to the survey.

The poverty line encompasses minimum food spending and other basic expenditures. Figures suggest that the minimum amount of money needed for subsistence is on the rise in real terms. Poverty in Turkey has increased after two consecutive economic crises in 2000 and 2001. According to information provided by the Turk-Is, more than 10 million people in the country are living in hunger.

Health services are one of major problems for working people. The limited number of state hospitals, and a vastly inadequate social security system, in general fails to provide sufficient health care for millions of people.

While poverty tended to be somewhat hidden, Turkey is now experiencing levels of poverty previously unknown. While there was poverty before the 2001 crisis, the closeness of the family unit and the connections in the religious community tended to cover it up to some extent. People watched out for each other in times of difficulty.

This is now changing. The economic crisis is causing the plaster covering poverty to crack and peel off, and society has entered a new stage. In other words, Turkey has entered a condition where the true face of poverty will be revealed.



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