

SGI Sustainable Governance
Indicators 2009

Turkey report



Executive summary

Turkey, in almost every aspect –politics, culture, economics and society – presents a contradictory outlook that makes it difficult to arrive at a consistent conclusion. The organization and conduct of elections in Turkey are basically fair and impartial. However, nomination is both undemocratic and exclusionary, media propaganda favors cartel parties and the electoral registry is not healthy. While media freedom is guaranteed by the constitution, media ownership is oligopolistic and the government party controls most public media broadcasts. Many substantive improvements in terms of constitutional, legal and civil rights and practices have been achieved in tandem with the EU body of law. Despite constitutional guarantees for equality, gender discrimination is especially widespread.

The government exercises a considerable amount of discretion in the implementation of laws. Courts are not fully independent to control the conformity of the executive within the law. While legal and institutional structures provide sufficient instruments to struggle against corruption and clientelistic practices, general poverty and a lack of leadership feed corruption in the administration.

Although the costs of providing security have been substantial for Turkey, the country's security forces have been able to protect citizens against security risks and safeguard the national interest. Turkey is the only candidate country which maintained a customs union since 1995 with the European Union before the accession process began, but was excluded from the European Security and Defense Policy (ESDP). Turkey's military capacity and its contribution to NATO peacekeeping efforts cannot be overlooked.

Strategic planning has become a component part of all ministerial structures but is still ineffective. The prime minister and the Prime Minister's Office are the sole coordination and responsible authorities in governmental activities. All actions are conducted in a hierarchical manner in each ministry. RIA has not been implemented effectively, due to its restrictive scope.

In the unicameral Turkish Grand National Assembly, government-sponsored bills have a greater chance to become law. Former President Sezer vetoed almost 25 percent of government-sponsored bills adopted by the Assembly. The

Constitutional Court partially annulled three out of 250 bills.

Despite legal improvements, local administrations still lack financial resources to fulfill required services and uphold standards. The central administration is still not ready to decentralize powers to local governments. The government in 2004 and 2005 pushed through a program to reform and modernize local administration, and has made great efforts to collaborate with international actors such as the European Commission, the OECD and the World Bank. The government's strategic capacity for institutional reform, however, faces obstacles within administrative culture.

There are five political parties in the Assembly at the time of writing. The Turkish party system in recent decades was characterized by a cartel mentality. Associational life is not democratic, pluralist or financially equal. Only business associations and trade unions can exercise pressure on the government and offer input in decision-making.

Economically, Turkey has not yet completed the transition from an inward-looking economy, directed by state actors according to long-term planning precepts, to a more outward-looking economy that acts according to the conditions of a global market. Much has been achieved by Turkey in recent years, including the adoption of a customs union, the implementation of reforms in agriculture, services and networking industries and the introduction of policies to stabilize the economy. However, much remains to be done on both macro- and micro-economic fronts. Traces of the old model are still evident in the economy, as seen in the distribution of state revenues to particular economic actors and the close historical, cultural and social links between the old political and bureaucratic elite and certain economic actors. Signs of a new model of economic actor are the enhancing integration of Turkey in the world economy, the emergence of new (Anatolian-based) economic participants and the birth of a new economic, political and cultural elite.

Accession to the European Union will require Turkey to adopt and implement the whole body of EU legislation in all areas, which has been and will be a challenge for the economic bureaucracy.

Turkey's vacillation over authoritarian and liberal politics as well as its dichotomous economic state is strongly related with societal upheaval, namely tremendous internal migration and urbanization and the last waves in the conclusion of its demographic transition. Rural out-migration enhances real political participation, sweeps a mixture of traditional and modern values and symbols into the public space and threatens old elites, lifestyles and established

state-citizen relationships.

This is the reason for the inextricable conflation of politics and economy with culture that irritates the foreign observer and produces stalemates for Turkey's political actors. Beyond legal reforms, new strategies for good governance and far-sighted diplomacy, Turkey needs to conclude its religious secularization by adding cultural secularization to it. The task is to cut the links between region and ethnicity on one hand and political attitudes on the other and to establish political frontiers that rest on social groups, rather than identity.

Strategic Outlook

Turkey has grappled with a series of political and economic reforms to improve the quality of its democracy and to integrate the country effectively in the global market. The Copenhagen criteria of the European Union and IMF requirements have been the major drivers behind reforms. Turkey's capacity for reform improved rapidly as part of this process. However, domestic issues (a young, quickly growing population, regional economic disparities, the threat of terrorism, a lack of sufficient financial resources and an inefficient bureaucracy) and external issues (the conflicts with Kurds in northern Iraq, a divided Cyprus and strained EU relations) mean the country faces several hurdles to functioning normally.

The most immediate problems facing Turkey are as follows:

- Security. It is essential that Turkey end the cycle of terrorism and related loss of life. Solutions are not easily agreed upon. However, the current level of insecurity is not sustainable and is a serious obstacle to basic reforms such as further democratization, the enhancement of cultural rights and the total elimination of human rights infringements and abuse.
- Foreign relations. Accession negotiations with the European Union are proceeding slowly. In addition, the prospect of full membership appears less of an option, and this gives negative feedback to negotiations. Relations with the European Union will have to be more clearly defined and mutual expectations more elaborately stated. U.S.-Turkish relations took a serious negative turn after the occupation of Iraq and have only improved since the second half of 2007. Great care should be taken to avoid any further crisis.

- **Economy.** Structural reforms, budget discipline and a better solution to the foreign trade deficit are the main economic issues that need careful attention. Unemployment continues to be a serious problem.
- **Education.** The educational system presents problems at all levels. Literacy and enrollment levels as well as the overall quality of education are unacceptably low. An all-out mobilization is needed in the field of education.
- **Constitution.** The government seems to be determined to replace the existing constitution with a completely new text. This is bound to stir deep controversy.

These are only some of the very short-term problems Turkey needs to face.

Looking forward, the following concrete reforms would be highly desirable:

- **Bureaucratic efficiency.** Bureaucratic “red tape” is an obstacle to entrepreneurship and results in high transaction costs. The emphasis on e-government applications wherever possible could help reduce bureaucratic obstacles.
- **Government transparency.** Neither transparency nor accountability is at satisfactory levels. Elected and appointed officials at all levels must be fully accountable. The obvious first step is the removal of parliamentary immunity. This would be a telling sign of the system’s capacity for reform.
- **R&D spending.** More resources are needed for education and for R&D activities.
- **Environment.** Specific and effective environmental protection measures should not be delayed any further. While there clearly is a political cost to immediate action, the consequences of ignoring the problem could be disastrous.
- **Social ills.** Turkey cannot afford the luxury of neglecting measures to improve social cohesion. A visionary plan which balances needs and resources should be drawn. Dire poverty and hunger should and can be totally eradicated.
- **Taxation.** Measures should be taken to improve income distribution. An equitable taxation system for all citizens is an important step in this direction. A related problem is the so-called gray (unrecorded) economy. The government has made numerous pledges to reduce the size of this economy, but so far has not been very successful.
- **Learned democracy.** Starting from nursery school through the university level, “education for democracy” should be a major instrument in encouraging democratic values, tolerance and trust.

Status Index

I. Status of democracy

Electoral process

*Fair electoral
process
Score: 6*

Turkish law stipulates that every adult citizen has the right to stand as an electoral candidate, with some legal exceptions which are similar to those of other countries. However, registration procedures seem to be designed deliberately to discriminate against candidates and parties that pursue a political solution to Turkey's Kurdish question, particularly pro-Kurdish parties.

Turkey is the only country in Europe that applies a nationwide 10 percent minimum-vote hurdle for political parties, a rule which was introduced after a military takeover in 1980. This hurdle aims to impede the representation of pro-Kurdish parties in the Grand National Assembly.

For example, in the 2002 election, 50 percent of the electorate in ten southeastern provinces voted for pro-Kurdish parties (expanded to 16 provinces, such parties received 10 percent of the vote) but at the national level, such parties only received 6.2 percent of the vote. Had the minimum been set at 5 percent, for example, the pro-Kurdish party at the time (Democratic People's Party, or DEHAP) would have gained 30 to 40 seats in the Assembly.

As a result, these seats went to the ruling AKP (Justice and Development Party), and, to a much lesser extent, to the main opposition party, the Republican People's Party (CHP). Thus the AKP in the 2002 elections was able to generate an almost two-thirds majority in the Assembly, out of a voter share of just 34 percent.

*Fair electoral
campaign*

Electoral candidates and political parties are guaranteed by law equal access to media outlets. Turkey's media covers the whole political spectrum, from the far

Score: 5

left to nationalist parties and the religious right. However, individual media groups usually have their own biases, with some biases more pronounced than others. Coverage provided for opposition or minor parties in print varies from newspaper to newspaper, but in general a greater voice is given to the ruling government party, which controls the political agenda together with leading media organs.

Inclusive electoral process

Score: 8

Voter registration is in general fair; if registration authorities fail to register an eligible voter, the voter is able to easily correct the oversight. There is no observable discrimination of individuals or groups in exercising the right to vote. An independent judiciary deals with all voter complaints; opposition parties have not at the time of writing raised any serious claims of voting irregularity.

The Supreme Board of Election is the sole authority in the administration of Turkish elections. The General Directorate of Electoral Registry prepares, maintains and renews the national electoral registry. The electoral registry is, however, not reliable. There are complaints over its management and a considerable number of citizens are not registered. Despite a constitutional statute establishing the voting method for Turkish nationals abroad, this statute at the time of writing is still not regulated by law.

Access to information

Media freedom

Score: 5

Government influence over state-owned media (national television and radio) has always been problematic in Turkey. According to several constitutional articles, Turkish media should operate freely and independently, and such freedoms can only be restricted by law. However, financial ties between the government and media through company privatization, public procurement, concessions, privileges and royalties raise questions over media independence.

The Supreme Board of Radio and Television, mainly because of the procedure with which the Grand National Assembly selects its members, is far from complying with legal provisions in guaranteeing “impartial” and “fair” broadcasts. The government also appoints the general director of the Radio and Television Institute of Turkey, an institution which governs public broadcasts. Overall, the government’s tutelage over the administration of the public media is relatively secure.

The government has no direct control over privately owned media; harsh criticisms of the ruling party, its officials and policies appear daily in print and on the air. Government influence over private media is more indirect, and it is commonly asserted (although rarely proven) that this influence includes the

*Media pluralism**Score: 5*

awarding of government contracts or the conducting of extraordinarily detailed financial audits, among other measures.

The ownership of private media is highly concentrated, as some 85 percent of all newspapers, magazines and important TV and radio stations are owned by four big companies. Ownership of so-called religious media, however, is more distributed. The strongest outlet in this sector is Fethullah Gulen, which owns a number of television and radio stations as well as a newspaper. Other mainstream media groups are much smaller. There are a number of independent television stations, and some stations promote viewpoints that could be deemed nationalistic. Therefore, it is fair to say that all political viewpoints find some voice in the media, but there are no institutional guarantees to prevent the predominance of certain political opinions in media coverage.

Often media ownership is regarded as a convenient instrument in influencing political or public actors to the benefit of a holding company's primary economic interests. Dogan-Holding, which owns and operates three of the six largest newspapers in Turkey, controls at the same time the country's largest petrochemical conglomerate; Ciner-Holding, which publishes Sabah, one of Turkey's daily newspapers, is a big player in the energy sector.

*Access to government information**Score: 6*

A law governing a citizen's right to information has been in effect since 2004. It grants citizens, legal bodies and foreigners the right to access government information, with the principle of reciprocity spared. Government bureaucracy is obliged to respond to requests in 15 working days. If information is withheld for any reason, appeals can be made to a Review Board in charge of information access.

The Board's decisions can be subject to appeal at the administrative court level. Non-performance may be sanctioned per the country's penalty law. As of June 2005, government ministries were in compliance with the new law. However, the list of exemptions to the law is both extensive and vaguely defined. Many public records fall out of the scope of the law, such as state secrets (or confidential state information), information on intelligence and issues of national interest or individual privacy. Most public offices over which the law is applied maintain a group which deals with requests for information.

Additionally, general methods in addressing access to government information have yet to be settled. The judiciary is in general unfamiliar with the law and its ramifications, the definition of state secrets is still in flux, and the Review Board still needs to establish and publish basic guidelines to assist in the law's interpretation.

There are two large hurdles to the proper functioning of the law. One, the Review Board lacks a Web site; and two, the Turkish penalty law effectively sanctions state officers for the divulgence of “state secrets,” yet there is no guidance on what exactly determines a state secret. The total number of applicants requesting information from public institutions by the end of 2006 practically doubled, totaling 864,616.

Civil rights

Civil rights protection

Score: 3

Civil rights, such as the right to security, access to justice, freedom of movement and settlement and freedom to own property, are by and large protected. However, members of the population that do not accurately match the image of an “ideal citizen” of the Turkish republic (ideologically defined as an individual who maintains a secular outlook, speaks Turkish as a native language and whose religious affiliation is Hanafi Muslim), suffer civil rights infringements.

Most often these infringements include those of freedom of religion, the free expression of cultural or linguistic identity, freedom of property ownership and general equal treatment before the law. People who speak Kurdish (or Arabic) as their native language, who are Alevi Muslim or belong to one of the small, non-Muslim minorities are most often targets of discrimination. Independent organizations have reported rights violations and even the torture or ill-treatment by state officers of these groups.

Article 42 of the Turkish constitution says that Turkish is the only language to be taught as a mother tongue to Turkish citizens. This prescription is understood not only as limiting state services but also outlawing private language courses. Kurdish or other languages related to the Muslim faith (excepting Arabic and Persian, which are taught in religious schools) are practically non-existent within the school system. Despite reforms enacted in May 2007 as part of the framework of the EU membership process, a municipal mayor and his council still were relieved of their posts by a court decision, as they had published information brochures in Kurdish and Aramaic, the language of Christian Assyrians in the country’s southeastern region.

The country’s small, native non-Muslim communities do not fully enjoy the religious and cultural freedoms that were granted to them by the Lausanne Treaty (1923) and have only limited disposition to property. Neither these groups nor Turkish Protestant church organizations constitute recognized legal bodies. Sunni Muslim women who wear the headscarf are denied the right to public education at the university level.

The situation of illegal immigrants and asylum seekers constitutes another area where civil rights are at issue. The judicial system has been strengthened by the adoption of structural reforms, and significant progress has been made with the passing into law a new code for criminal procedures, relating to the enforcement of sentences and establishing regional courts of appeal. In incorporating these new laws into the Turkish system, judges and prosecutors will play a considerable role.

Non-discrimination
Score: 3

The Turkish constitution guarantees equal treatment for all citizens and explicitly bans discrimination. Although Turkey does not have an all-encompassing act to assist in combating the many forms of discrimination, certain provisions to tackle discrimination are included in a number of laws, such as the labor law, the law on disabled people, and the penal code and so on. Nevertheless, in practice various forms of discrimination are frequently observed. There is little progress in improving the status of disadvantaged groups, such as women and children. Gender discrimination in the workplace is still a major issue.

The plight of street children has been a special agenda item for the state ministry for women and families. The situation of Alevi, Romany and some religious minorities officially accepted (Greek, Armenian and Jewish groups) have been repeatedly brought to attention through EU progress reports. The Turkish legal system does not abide by any special representation or autonomy rights.

The average wage for women is considerably lower than the average wage for men. Although the government, the private sector and a number of NGOs have made efforts to enroll more girls in school, cultural barriers still play a role in certain regions (particularly rural areas) in keeping girls out of school. The illiteracy rate is much higher among women when compared to that of men.

Very little is done for those who are physically disabled, and people who suffer from severe disabilities are in general unable to participate in social activities, and employment opportunities for this group are very limited. Religious minorities face discrimination and have little, if any, chance of occupying a bureaucratic or governmental post. Homosexuals are the object of not official or legal but rather of deep cultural and practical discrimination.

In tandem with the abuse of the rights of minorities is the extreme zealotry toward the protection of “Turkishness” (as outlined in paragraph 301 of the penal code). This code is still cited in the prosecution of writers, journalists and politicians.

Rule of law

Legal certainty

Score: 4

According to the constitution, all administrative procedures and actions must comply with constitutional guidelines and legal principles and are subject to administrative review. However, the government may exercise a considerable amount of discretion in implementing procedures, through decrees which carry the force of law, circulars or statutes.

Yet it is important to note that there are still certain double-standards in the implementation of laws. Bureaucratic malpractice is sometimes neglected by higher authorities and is not subject to legal inquiries, or the prosecution of bureaucratic ill-treatment is inconclusive. The number of appeals to the European Court of Human Rights (ECHR) which resulted in rulings against the Turkish state is clear evidence of the existence of administrative malpractice. In 2005, the ECHR ruled against the Turkish government in 269 out of 290 cases.

A basic issue is the limited nature of government transparency and accountability. Contradictory decisions are often made but remain under the radar; yet when such decisions do come to light (often through media coverage), the legal system can neither quickly nor efficiently address the issue. In most areas, and especially with respect to legal regulations, the situation is one of overregulation rather than underregulation. Usually strict or rigid rules encourage administrators to look for loopholes, sometimes with good intentions (to get things done) yet sometimes not (to seek favoritism or illegitimate gains). It is commonly asserted that it is impossible to get anything done in or with the Turkish government unless one finds a way around the established rules.

Judicial review

Score: 5

The courts are to a large extent independent, and are vested with the power of reviewing all administrative decisions. Laws enacted by the Grand National Assembly can be reviewed by the Constitutional Court (not by individual request, however, but rather by parliamentary political parties, by certain deputies or the president). It is not unusual for the courts to overturn administrative decisions or rulings.

However, the composition of the Supreme Council of Judges and Prosecutors, in which the justice minister and ministry undersecretary are members, stands as one major obstacle against the independence of the courts. The question of judicial independence has also been reviewed at the time of writing by the head of the Court of Cassation, Turkey's higher court of appeal. Therefore courts have little recourse to ensure the conformity of executive actions within the letter of the law. It was observed that some prosecutors and judges were appointed by the Ministry of Justice to district courts while they were prosecuting or

*Corruption prevention**Score: 4*

reviewing important cases. Yet judge appointment procedures to higher courts in which the Turkish president has influence, including the Constitutional Court, has also been disputed.

Most measures to prevent the abuse of power or corruption are either non-existent or ineffective. For example, party finances are largely unregulated. Asset declarations are required from public officials, but they are strictly confidential and submitted in sealed envelopes which cannot be opened unless a court order is obtained. Public procurement systems are highly regulated but still face charges of corruption. Citizens in general have little access to information and the media must make a special effort to gain access to information in the prosecution of corruption cases. Furthermore, there are political (or partisan) influences in the dealings over charges of corruption. The accountability of government officials and of members of parliament is seriously compromised.

Article 83 of the constitution is much disputed, as it grants legal immunity to all MPs, which means deputies are free from prosecution or trial over any and all offenses while serving a parliamentary term. To remove this immunity requires a vote by the Grand National Assembly and is extremely unusual. Therefore, a good number of charges brought against deputies cannot be taken up by the courts.

In addition, bureaucrats also have varying degrees of legal immunity. However, beginning a judicial process against a bureaucrat is much easier and is usually dependent on the permission of a supervisor or departmental director. Inquiries against a mayor require the permission of the interior minister, while inquiries against high-ranking bureaucrats require the permission of the Prime Minister's Office or respective ministry.

In 2006, the chief prosecutor of the High Court of Appeals (Yargıtay) said that he had asked permission to inquire about 58 high-ranking officials, yet in not one case had permission been granted. At the same time, 209 cases against members of parliament were pending. There is no transparency with regard to the actions of the country's security forces, which includes the military, the police, the gendarmerie, the coastal police and the so-called village militia, which is often used in the fight against the Kurdish PKK.

II. Economic and policy-specific performance

<i>Basic socioeconomic parameters</i>	<i>score</i>	<i>value</i>	<i>year</i>
GDP p.c.	1	7711 \$	2005
Potential growth	7.86	5.3 %	2008
Unemployment rate	4.08	10.1 %	2006
Labor force growth	4.52	3.7 %	2007-2008
Gini coefficient	2.19	0.439	2002
Foreign trade	2.53	-15.11	2005
Inflation rate	1	8.6 %	2007
Real interest rates	1	9.1 %	2007

A Economy and employment

Labor market policy

Score: 5

As of 2006, the country's unemployment rate was 9.9 percent. The country faces a low employment-participation rate, mainly because few women are active in the labor force. To increase employment opportunities over time, Turkey must preserve the flexibility of its labor market and maintain a relatively high but sustainable GDP rate over the next decades.

Despite a respectable growth rate for five successive years, government policies have failed to remedy the unemployment problem. Parallel to a serious unemployment problem, there is a shortage of well-trained and skilled employees such as mid-level managers, technicians, computer programmers and other personnel. The minimum wage was raised at the end of 2007 but remains below €300 per month.

One common complaint is the employer's tax burden. Total taxes and deductions on the minimum wage amount to almost 30 percent of the total wage. Therefore, the cost to the employer on a minimum monthly wage of

€300 paid to an employee is about €415. This is important in considering the increase in illegal (unrecorded, untaxed employment with no social security benefits) levels of employment. Collective bargaining is no longer a driving force in labor negotiations as trade unions have lost both members and bargaining power in recent years. Over time, Turkey has sustained the flexibility of its labor market through the lax enforcement of laws on taxes and social security. But this policy is not sustainable. The country has to engage the related problems which are the large wedge between labor costs and workers' disposable income, due to high taxes and the varying quality of the legal system.

Enterprise policy

Score: 5

Despite shortcomings, recent years have witnessed significant strides in Turkey's international competitiveness, and the country's volume of exports has risen consistently, exceeding \$100 billion in 2007. There are two main obstacles to the success of enterprise policies. First, despite significant efforts, bureaucratic red tape continues to reduce entrepreneurial efficiency and discourage innovation. Second, Turkey's R&D levels are very low, and both the public and the private sector do not invest sufficient funds toward R&D activities. The number of patents originating from the country is shocking; according to the Human Development Report 2007, only one patent was granted per million residents between 2000 and 2005.

Privatization has become a prominent part of the Turkish structural adjustment program since 1983 and gained momentum in recent years. The state completely withdrew from the fertilizers and mining sectors (electrometallurgy, chromium, aluminum, salt, silver and copper), iron, steel and oil refineries between 2004 and 2006, and transferred its leading position in the telecommunications market to the private sector.

Recognizing innovation as an important factor that contributes to competitiveness, state support is given to technology development zones and technology centers. Companies in technology development zones are exempt from corporate and value-added tax until the end of 2013, while exemption from all kinds of taxes is also provided for researchers working in these zones. Some 40 percent of R&D expenditures for companies that operate outside of these regions are deducted from a base of income and corporate taxes. Moreover, e-government applications are spreading, and these are certain to reduce red tape (and, of course, bribery and corruption which results from complicated bureaucratic hurdles) and increase efficiency.

Tax policy

Score: 2

Turkish tax policy is not equitable or competitive. The taxation system creates a heavy burden both on wage-laborers and on business. The share of taxes (without social security contributions) amounts to 29.3 percent of GDP. The OECD average is 27.5 percent; and among low-income countries, the ratio is just 17 percent.

For wage earners, taxes and social security contributions total 42.7 percent of income, which represents the highest taxation rate among OECD countries. High taxes are one of the main reasons for the country's large, informal employment sector that constitutes 32 percent of Turkey's overall economy – a situation which skews the competitive landscape.

Another serious source of inequity is the level of indirect taxes (for example, a tax on consumption rather than income or assets) which are paid equally by the poor and the wealthy. This includes value-added tax and various consumption taxes. Indirect taxes constitute about 70 percent of Turkey's total tax revenue (the EU average is around 35 percent).

Tax evasion is widespread and has grown in recent years. The ratio of actual tax control does not exceed 2 percent.

Budgetary policy

Score: 7

In the last legislative period in the years under review – the first term of the Justice and Development Party (AKP) – fiscal discipline and a sustainable budgetary policy was after a long absence finally established in Turkey. In 2002, the proportion of the budget deficit to GNP was 14.6 percent. In 2007, it fell to 0.8 percent, as a result of strict budgetary discipline. As explained by the finance minister in a speech to the Grand National Assembly, this level represents a lower figure than that held in countries such as Germany, Greece or Italy, and is well in line with the Maastricht criteria.

The budgetary deficit, in relation to GDP, was reduced from 16.5 percent in 2001 to 0.7 percent in 2006, also well below the Maastricht criteria. However, in absolute numbers, Turkey's foreign debt increased from \$118.5 billion in 2001 to \$206.4 billion in 2006, and among developing countries, Turkey was most affected by international financial shockwaves in May 2006.

Despite this situation, real interest rates for Turkey's domestic debt fell from 12 percent in 2003 to 7.41 percent in April 2007; however, this rate is still extraordinary per international levels. Moreover, the positive outlook of

previous years darkened in the second half of 2006 due to growing domestic pressure on the government. Immediately after the parliamentary elections, however, fiscal discipline was again pursued.

Current obligations are paid. However, by all accounts, the country's social security system is not sustainable, and with its present (and generous) rules, the system is headed for bankruptcy. The government is painfully aware of this situation and is taking steps to reduce the various burdens on the system. These include the raising of the retirement age and the elimination or substantial reduction of certain benefits.

B Social affairs

Health policy

Score: 4

In 2006, Turkey introduced a law that established universal health insurance, strengthened the institutional capacity of the social security system and established a better infrastructure for health and social security services. Health services are to be provided under a common standard, and the compulsory Universal Health Insurance system is to cover the whole population. According to the law, premiums are to be collected according to the individual's ability to pay, and health insurance premiums of those who cannot pay will be paid by the government.

While the number of patients per doctor was 792 in 2000, this number fell to 715 in 2005. However, this figure is still far above the EU average of 288. Furthermore, there are imbalances in health care provisions and services at regional and urban-rural levels. Total health expenditures, which accounted for 6.6 percent of GDP in 2000, reached 7.6 percent in 2005. Insufficient infrastructure, unqualified personnel and overall poor quality at the primary level of health services and an inefficient referral system has caused patients to seek out secondary or tertiary level health services which come with higher service costs, which in turn overcrowds such services, decreasing the quality of services in hospitals overall.

The government under Prime Minister Recep Tayyip Erdogan united the country's two hospital groups, the SSK (Social Insurances Agency) and state hospitals run by the Ministry of Health (SB), under public ownership. This step relieved the legacy pressure on the SSK and led to more balanced services for broader parts of the population. Additionally, the government removed policies

that granted special benefits to state officials. Those insured by public insurance now have direct access to the higher-quality health care of university hospitals. At the same time, the government eliminated waiting lines in front of public pharmacies.

In tandem with all these actions was the establishment of a single Social Security Agency (SGK), which replaced the big three public social insurance agencies (Emekli Sandığı, SSK and Bag-Kur), Policy holders and services were integrated through the elimination of obvious differences in terms of services and contributions.

Social cohesion

Score: 3

As national statistics show, poverty is still a significant social ill. Rural poverty leads to increased rates of migration to urban centers, which only expands existing slum areas, creating problems of integration and escalating already severe levels of unemployment. From 2002 to 2005, the Gini-coefficient for Turkey fell from 0.44 to 0.38.

This progress, however, was not achieved as a result of targeted socioeconomic policies but as a by-product of economic growth. Economic progress also led to a slight improvement of income distribution, with the Turkish middle class benefiting the most. For the first time, however, low-income groups (villagers and the urban lower classes) ceased to be the majority group of the Turkish population.

Absolute poverty during the period under review, however, has remained unchanged and has not been addressed by governmental efforts but only through the incoherent and often disjointed activities of municipalities, administrative districts and local NGOs. Poverty affects particularly the youngest generation. One-third of Turkey's 2.5 million children under 6 years old live with the threat of poverty, and 100,000 children are assumed to live in families that earn less than \$2 per day.

The established economic chasm between the wealthier provinces in the west and poorer neighbors in the northeast and southeast (as confirmed by the Human Development Index) combined with the ethnic dimension of poverty was neither on the government's agenda nor a subject of public debate. Enthusiasm over the retrogression of the national Gini-index eclipsed the perception of poverty in the country and effectively dismissed any discussion of the issue.

Family policy

Score: 4

Although certain policies do exist to provide infant and child care for working mothers, the Turkish system is still largely dependent on care provided by family members, especially grandmothers. The government opposition has accused the ruling party of enacting policies that encourage women to stay at home rather than seek employment, an accusation that is denied by the government.

To strengthen the position of women in society, the government passed a new civil code and a new penal code, removing the remaining vestiges of legal discrimination against women and applying a modern perspective on gender issues. Both laws were drafted under strong pressure from secular women's NGOs. At the same time, conversations over women's rights began also among conservative Muslim groups, and the Government Board of Religious Affairs arrived at a relatively liberal reading of the religious law, that is in legal terms insignificant in Turkey. National and international women's NGOs carried out campaigns in the eastern provinces to strengthen equality and the concept of "women's leadership." Successful businesswomen are presented as role models for the younger generations.

Many main issues, however, remained unresolved. The "same work, same wage" principle is still not followed in Turkey, where a wage difference between the sexes of 64 percent was reported as part of the 2005 UNDP Human Development Report. There is now legislation to further the establishment of part-time work, which is considered an important first step for mothers in gaining effective full-time work. Preschool education and extra-family child care is still in its infancy. In 2002, there were only 352 preschools, which accounted for a preschool education level of 9 percent. In 2007, the number of preschools rose to 713, which satisfies 19 percent of the age group under consideration. One of the reasons for the low number of preschools is tied up with the country's legal statutes, which forbids the running of preschools by municipalities, primarily to prevent illegal religious education.

Despite the widespread rhetoric of gender equality, thus, government labor policy has not focused on this goal. Another fact to support this statement is the low number of women in leading public-sector positions; while 28 percent of overall employees are women, only 10 percent of the higher echelons in companies are staffed by women.

Pension policy

Score: 4

Although the Turkish pension system covers every individual who has paid premiums for a certain period of time (the actual number of years keeps changing), except for higher-level civil servants, pension payouts are extremely low and fall even below poverty limits. It would be a miracle for a former blue-collar worker to survive only on his pension income during retirement. Nevertheless, the system suffers from large deficits (currently 4.8 percent of national income is transferred to the social security system) for two reasons. One, the retirement age is very low. For some time, it was possible for a 38-year-old woman, for example, to retire and draw pension income for the rest of her life. Two, the system offers extensive benefits. To give but one example, unemployed daughters (who are unemployed by choice) are entitled to a proportion of their father's pension, regardless of their age.

According to government statistics, 62 percent of pensioners (excluding white-collar public servants who have their own social security system) are below the age of 60. This situation, over the long term, is not financially sustainable.

With the aim of ensuring financial sustainability and achieving long-term actuarial balances in the retirement system, amendments were made in basic rules related to retirement with a law introduced in 2006. Changes include the increase, on a gradual basis, of the retirement age; the reduction of replacement rates; the linking of retirement salaries to premiums paid; the inclusion of all income elements in the base of a pension premium, especially for civil servants; the increase of the number of premium payment days for workers from 7,000 to 9,000 days, on a gradual basis following a transition period of 20 years; and the consideration of income statements rather than income levels in the calculation of the premium base for the self-employed and farmers. In addition, the principle of government contributions to disability, old age and death insurance premiums and health insurance premiums was established.

Additional pressure stemmed from the realization of the aging Turkish population and a demographic "window of opportunity" that presented the possibility for the government to collect additional resources for the social security fund. The new Social Insurances and General Health Insurance law, however, met with fierce resistance by the government opposition and labor unions.

C Security and integration policy

Security policy

External security

Score: 7

Turkey draws the attention of the entire world as a bridge between Asia and Europe, a byway between the Black Sea and the Mediterranean and geopolitical center point for Central Asian, Caucasian and Middle Eastern nations involved in natural energy resources. The region is politically unstable and will probably remain so for some time. Although security costs have been substantial for Turkey, it should be emphasized that Turkish security forces have been able on the whole to protect citizens against security risks and have effectively safeguarded the country's interests.

Turkey is also a founding member of NATO, and the Turkish armed forces have joined peacekeeping operations in Bosnia, Somalia and Afghanistan as part of the International Security Assistance Force (ISAF), a multinational force under NATO. Despite these demanding conditions, the percentage of defense expenditures in the general consolidated budget in 2006 was below 10.

The Turkish military is regarded as the strongest military force in the region. It maintains the second-largest army in NATO and is praised for its collaboration with international allies in peacekeeping in the Balkans, Afghanistan and Lebanon. It has also managed to ensure that the Kurdish guerrillas of the PKK are no longer a major military threat to the country.

However, this performance is paid for dearly with an extraordinary burden of military expenditures and with the active and influential participation of the armed forces in Turkish politics. The country's "national interest" is defined in meetings of the National Security Council (NSC), in which the military until July 2003 exerted significant control over government representatives.

Even after reforms, enacted as part of the EU membership process, the Grand National Assembly is not involved during the consultation over or drafting of the National Security Policy Document (NSPD) or Red Book (Milli Güvenlik Siyaseti Belgesi, or Kırmızı Kitap) that functions as the basis for political decisions and other governmental measures. To the contrary, the NSPD is held secret and is not divulged to members of parliament. Additionally, the very concept of national security in Turkey is somewhat authoritarian in its definition, concentrating not upon the security of society or its citizens but on the security of the state.

*Internal security**Score: 4*

Turkey is a country in transition, in terms of its social and economic structures, as well as a country that acts as a transit corridor for international goods and for people. The country's internal security is easily affected by all these factors. It is hard to say that Turkey's current security efforts are sufficient, but Turkey is considered to be a safe country by the consultancy groups iJet Intelligent Risk Systems and Control Risks. The relevant security authorities in Turkey have access to international groups such as Interpol. The responsibility of providing internal security lies with the Ministry of Internal Affairs. The General Directorate of Security, the Gendarmerie General Command, the Coast Guard Command and the General Directorate of Civil Defense are the basic units of internal security in Turkey. For years, the major problem concerning intelligence has been the fact that the gendarmerie has its own intelligence unit, in addition to the National Intelligence Organization which is affiliated with the Prime Minister's Office. The fields of duty for the police and the gendarmerie are clearly defined, but sometimes coordination conflicts or overlapping duties occur. According to 2006 figures, the share of internal security expenditures, including the National Intelligence Organization, was about 4.9 percent of total expenditure. The percentage of allocations to the Ministry of Internal Affairs, to which the police and gendarmerie belong as the country's major security forces, to total government allocations is 0.006. However, it is still argued that Turkey is among one of the safest countries in Europe, according to a recent European Crime and Safety Survey (EU ICS). Nevertheless the police have been accused of not protecting its ranks against the infiltration of religious organizations, particularly the Fethulla Gülen movement, viewed as inimical to the republic by the military. Closely linked to the armed forces and the General Staff by virtue of training, advancement, the use of conscripts and a common military mentality, the gendarmerie is caught between the civil and military authorities and forms in fact an instrument toward the limitation of power exercised by civil authorities. Some analysts claim that contrary to what the law says, the gendarmerie tends to oversee governors and not vice versa.

*New security policy**Score: 3*

With 0.17 percent official development assistance in relation to gross national income, Turkey is well below the average of OECD states (0.38 percent) but exceeds the levels of Korea, Poland, the Czech Republic and Slovakia. In tariffs and duties on textiles and clothing, Turkey matches the OECD average. Regarding Turkey's disposal of rapid response forces, the country is in a dead heat with the larger countries of Europe (and also Greece) as well as South Korea, and the same is more or less true for the country's air and sea capabilities; its military command competencies seem to mirror the average of other more developed European countries. At the same time, the willingness of Turkey to cooperate with western countries to reduce security risks, such as

terrorism, organized crime and human trafficking, is beyond question.

However, to conclude that Turkey has arrived at a new security understanding would be misleading. Turkey's military performance and cooperation internationally is still motivated by a classic approach and the goal of establishing itself as regional power. To understand this strategy one does not need to analyze Turkey's policy toward failed states that could harbor or sponsor terrorists but look at Turkey's relationship with its own underdeveloped regions in the southeastern part of the country.

Turkey has done very little to address the socioeconomic, educational and political reasons for PKK terrorism but has relied almost exclusively on military measures, which often give additional life to organized crime and drugs and weapons trafficking. The institution of Temporary Village Guards (TVG) is a striking example. In 1983, approximately 58,000 guards had been deployed initially in 22 provinces, and then later in 35 of Turkey's 81 provinces, to assist in fighting the PKK. The TVG are based on semi-feudal tribal structures, a system that is still influential among Kurdish groups, and these structures, at the end of the day, decide an individual's loyalty. It came to pass that the introduction of TVG enhanced the traditional hostilities between different Kurdish tribes and clans.

Integration policy

Score: 4

Albeit a society familiar, both historically and currently, with foreigners and asylum seekers, Turkey does not consider itself a migration country and has no integration policy. Cultural, educational and social policies on the whole do not focus on integrating immigrants into society. But it should be emphasized that there is, compared to some EU countries, relatively little bias against foreigners living in Turkey. Foreigners do not have the right to vote, nor can they run for office. The only way for a foreigner to fully participate in the country's affairs is to acquire Turkish citizenship.

There is almost no gradual enhancement of residence rights or access to labor for residents (foreigners living legally in the country), and until 2003, many occupations were reserved exclusively for Turkish citizens. Even a new law over work permits for foreigners prevents their employment as physicians, engineers, or lawyers. The ill-treatment of asylum seekers at the hands of security units is another critical issue. Acquiring citizenship, at least on paper, has since 2006 been made easier and requires only five years of permanent residence in the country. Turkey permits dual citizenship.

D Sustainability

Environmental policy

Score: 3

Economic concerns in Turkey have always taken priority over environmental concerns. Occasionally it appears the government intends to enact limited environmental policies, yet this perception often proves false. Watersheds are not protected; construction is permitted dangerously close to water reservoirs in urban centers; industrial waste disposal is not controlled; air and water pollution is serious. Few measures have been taken (such as the introduction of unleaded gasoline) largely because of the necessity to conform with EU regulations. Turkey is not yet a signatory to the Kyoto accord over greenhouse gas emissions.

Within the EU harmonization process, even though progress has been achieved regarding waste management, nature conservation and protection and impact assessments over noise and environmental issues, many regulations are still needed. As of 2004, according to statistics obtained from 1,911 of 3,225 municipalities, 80 percent of the population within municipal boundaries have access to sewage services; 47 percent has access to wastewater treatment facilities; 93 percent has access to water for drinking and daily use; and 42 percent has access to drinking water treatment facilities.

According to one estimate, the cost of adjusting the country's infrastructure to meet EU environmental laws will fall between €28 billion and €49 billion. According to the OECD, Turkey's spending on environmental issues is around 0.5 percent of GDP. With EU accession this figure would have to double, or more likely, increase by a factor of three or four. In addition, a much higher level of current spending would also be required.

Research and innovation policy

Score: 4

Even though public resources allocated to science and technology have been significantly increased since 2005, the share of R&D expenditures with relation to the country's GDP is still lower than 1 percent. The number of full-time equivalent research personnel per 10,000 workers in Turkey was 13.6 in 2002, well below the OECD average of 66.6. Low public spending on R&D (0.6 percent of GDP in 2006) low private spending and poor cooperation between the private and public sector are at the heart of the problem.

In 73 firms that rank among the top 100 Turkish firms which spend the most on

R&D, spending did not exceed 1 percent of the firms' net sales. Turkey's biggest company, according to research by the Istanbul Chamber of Commerce, ranks only 97 in absolute R&D expenses. A list of 1,000 companies outside of the European Union that spend the most on R&D includes only one Turkish business.

In addition, while 73.1 percent of researchers in Turkey work in higher education, 70 percent of researchers in developed countries are employed in the private sector. Companies in technology development zones are exempt from corporate and value-added tax until the end of 2013 and exemption from all kinds of taxes is also provided for researchers working in these zones. For companies that operate outside technology zones, 40 percent of R&D expenditures are deducted from income and corporate taxes.

Education policy

Score: 2

Turkish education policy largely fails to deliver high-quality, efficient and equitable education and training. Regarding participation in primary, secondary and tertiary education, Turkey ranks 103rd among 177 countries of medium-level development. Literacy among those 15 years old and older is 87.14 percent; child labor (under 17 years old) ranks 5.9 percent; pre-primary school education participation falls at 19.9 percent; and the participation of girls in primary, secondary and tertiary education falls behind those of boys at 6 percent, 2 percent and 10 percent, respectively. Compared to the only modest results of the educational system, education expenditures are rather high. The public sector of Turkey spends 4.33 percent of GDP on education, while the private sector spends 2.46 percent of GDP.

Although in theory, education from first grade to postgraduate levels is free in public schools and universities, there are serious issues of overcrowding and educational quality. Sending children to school is still a serious financial burden on families with very limited resources. Schools are free (public universities charge a largely symbolic tuition) but feeding, clothing and transporting children are not. In recent years, textbooks for basic education have been distributed by the government free of charge, but other necessary items such as writing instruments and notebooks cost money.

There are a number of very high-quality schools (both public and private) as well as universities (again, both public and private) but the system as a whole fails on quality and cannot provide nearly the same education to children of low-income families. Private tutoring and private preparatory courses, which prepare students for high school and university entrance examinations as well

as providing remedial support for normal schoolwork, can be considered a major source of inequality in the system, as a student who does not take private tutoring and/or enroll in preparatory courses has little hope of being successful on highly competitive and selective entrance exams.

Management Index

I. Executive Capacity

Cabinet composition

<i>Prime minister</i>	<i>Parties in government</i>	<i>Type</i>	<i>Mode of termination *</i>	<i>Duration</i>
Recep Tayyip Erdogan	Justice and Development Party (AKP)	Single party government	1	03/03-07/07

** The following modes of termination should be distinguished: elections = 1; voluntary resignation of the prime minister = 2; resignation of prime minister due to health reasons = 3; dissension within cabinet (coalition breaks up) = 4; lack of parliamentary support = 5; intervention by head of state = 6; broadening of the coalition = 7.*

A Steering capability: preparing and formulating policies

Strategic capacity

Strategic planning

Score: 6

In the period under consideration, strategic planning was particularly important in the frame of the EU membership process and in the abatement of Turkey's heavy debt burden in cooperation with the IMF. However, in these cases, Turkey generally had to follow targets, precepts and guidelines designed outside of the country.

The enhanced integration of Turkey's economy into the world economy has contributed to the shift from long-term state planning to a greater flexibility toward precepts set by international institutions or global actors. The entering of new political actors, namely the Justice and Development Party (AKP), has contributed to seriously disrupting Turkish planning procedures.

Regarding the second AKP government (the first Erdogan government) which governed Turkey in the period under consideration, it can be said that no other party before has devised such a detailed, urgent action plan as well as realized most of its goals. Previous governments would publish only a

short list of preliminary goals to be realized in the first 100 days of office, but often such lists were not taken very seriously.

This new strategy was successful with the parallel weakening of the authority of Turkey's central planning unit, the State Planning Organization (DPT), which has been practically reduced to the position of a research institute, and its nine-year-plans now provide mere background data for overall policies that lack multidimensional process planning.

The decisive planning role for the government today is played by the ruling party itself, which took office in 2002 with the most detailed party program in Turkish history; the party also shares this planning role with several ministries. Economic planning, as one example, was previously carried out by the DPT, but has been since divided between three ministers. These ministers include: Ali Babacan, state minister in charge of the state treasury; Ali Coşkun, minister for industry and trade; and Kürşat Tüzmen, state minister for export development.

Scientific advice

Score: 6

The AKP government has integrated scientific advice in its rulings, particularly from experts in the humanities. In the second year in government, the AKP even invited Turkish and foreign intellectuals to speak at a party symposium designed to function as a brainstorming event for the drafting of a new understanding of the AKP as a conservative party of the center. The most obvious influence of governmental and non-governmental academics on Turkish politics doubtlessly has been the decision of the Turkish parliament to resist pressure by the U.S. government prior to the U.S.-led invasion of Iraq and to refuse the deployment of U.S. troops on Turkish soil, despite the traditional favorable leaning of Turkish foreign policy toward the United States.

Prime Minister Erdogan several times also invited non-governmental and critical intellectuals (as well as NGOs) to present their opinions on sensitive political issues. In this regard, he welcomed groups of academics to discuss Turkey's Kurdish question and the new formulation of regulations in the penal code that deal with the limitations on political expression. The prime minister also has asked a group of non-governmental academics to prepare a draft of a new and "civic" constitution to replace the present document that was formulated under the military in the years following the 1980 military coup.

The participation of women's NGOs in the drafting of the new civil code constitutes another example of the government's willingness to take scientific advice into account. The consulting of non-governmental academics, however, does not constitute a consistent theme in AKP politics.

The reform of the health system, for example, was carried out without almost any discussion and/or consultation with academics or health authorities.

Inter-ministerial coordination

GO expertise

Score: 6

The prime minister, as chairman of the Council of Ministers, ensures cooperation among the ministries and supervises the implementation of the government's general policy. The undersecretary of the Prime Minister's Office maintains the coordination and cooperation among and between ministries. The General Directorate of Laws and Resolutions of the Prime-Minister's Office examines the congruity of draft bills, decrees, statutes, regulations and the resolutions of the Council of Ministers to the constitution, laws, the general principles of law, development plans and programs and the government program. This unit leads in drafting and coordinating all legal regulations. It is difficult to say that all draft bills are the final outcome of expert knowledge.

It is almost impossible for a line ministry to propose a bill without the explicit or tacit approval of the Prime Minister's Office. The PMO does not have the facilities or the expertise to evaluate proposals from line ministries independently (the PMO has expert advisors on key policy areas, such as foreign affairs and the economy, but these are not permanent or institutionalized positions; rather, they come and go at the prime minister's will) and the need for such evaluation is not institutionalized.

One reason for the lack of expertise in the PMO is the poor relations between the incumbent prime minister and the political tradition he represents with the State Planning Organization (DPT), which is actually bound to the GO but viewed as an instrument of the centralized state.

GO gatekeeping

Score: 9

In strong contrast to its lack of expertise, the Prime Minister's Office exercises great political power and may easily return items out of political consideration. Particularly in single-party governments, ministers are almost totally under the control of the prime minister, and it is the established custom that the prime minister has letters of resignation from all his ministers at his disposal.

The PMO examines the constitutionality and the legality of government drafts, decrees, regulations, statutes and individual bills and manages the relations of the cabinet with the Grand National Assembly. In other words, the PMO has the right to stop or require changes to an initiative originating from a line ministry. The undersecretary of the Prime Minister's Office is in charge of fulfilling these functions. The Department of Laws and Resolutions

of the Prime Minister's Office provides technical support.

The authority of the prime minister over other ministers is closely related to the lack of democracy within the party. Ministers gain office by their personal relationship with the party chief, and can lose it if there is disagreement.

Line ministries

Score: 8

A draft bill independently prepared by line ministries without the knowledge or consent of the Prime Minister's Office is possible only in theory. In practice, any important legislation must have the approval (and if necessary, the coordination and cooperation) of the PMO if it is to be passed by the Grand National Assembly.

Two ministries, however, provide the exception: the Ministry of Defense and the Ministry of Foreign Affairs. The Ministry of Defense remains under the control of the military, and the General Staff is still legally responsible to the prime minister and not to the defense minister. The Ministry of Foreign Affairs also has long enjoyed a considerable degree of autonomy toward the Prime Minister's Office. Its bureaucracy had long been under the hegemony of "Kemalist" groups, or those loyal to the ideals that established the modern Turkish state as established by Mustafa Kemal Atatürk.

The domination of these groups was weakened for the first time since the establishment of the republic when the AKP government in 2004 managed to establish a new Cyprus policy and supported the Annan plan for the divided island nation against strong resistance by the military and the foreign affairs bureaucracy. As far as other ministries are concerned, joined party membership ensures the flow of information and discussion during the development of laws.

Cabinet committees

Score: 5

There are no legal guidelines in forming cabinet committees; overall there is no permanent cabinet committee system. However, both coalition governments and the single-party government of the AKP formed cabinet committees to work on draft bills and other governmental issues, or prepare a draft document for the entire cabinet if needed. In the preparation of the penal trial code, a cabinet committee was formed by the former cabinet of the AKP.

Senior ministry officials

Score: 8

Senior ministry officials make all the preparations for cabinet meetings, including collecting background information and data, policy choices and basic arguments. Ministers are not experts but politicians, and are dependent on the expertise of senior ministry officials for the presentation of their case at cabinet meetings.

Cabinet meetings, particularly in single-party governments, tend to seem an

institution more geared to rubber-stamp decisions rather than one of consultation and decision-making. In the same cabinet meeting, many different issues are passed through. Additionally, a lot of issues that are decided by subsidiary bureaucratic organizations in other countries, in Turkey have to be approved by cabinet meetings to become effective. The permission for a citizen to adopt a second nationality or the permission for a minority foundation to obtain new property are two such cases.

*Line ministry
civil servants
Score: 8*

Most line ministries have a reasonably competent and experienced group of civil servants who perform coordination duties more or less up to standards. Coordination is achieved by ad hoc committees composed of civil servants from various ministries.

Regulatory impact assessments

*RIA application
Score: 1*

A regulatory impact assessment is not applied during the legislative process. RIA activities are in general haphazard, not systematic and are not centrally registered. Often ideological taboos and constraints inhibit a frank discussion and analysis of the unintended impacts of reforms. The prolongation of obligatory schooling provides one example. Such reform was motivated not by educational concerns and considerations but was aimed at cutting the lifeline of state schools for the training of Muslim clergy.

*Needs analysis
Score: 1
Alternative
options
Score: 1*

Societal consultation

*Mobilizing
public support
Score: 5*

The government regularly consults economic actors, such as the two most influential business organizations, TÜSIAD and MÜSIAD, as well as the Union of Chambers and Commodity Exchanges of Turkey (TOBB) and economic organizations such as the transporters' union, groups related to private civil aviation, the exporters' union and tourism industry associations. Contrary to previous administrations, the government has also held talks with religious minority communities based in Istanbul.

On the other hand, the government has fought with and often avoids discussions with the Council of Higher Education (YÖK) and thus with universities, with most labor unions and with sectarian Muslim organizations

of the Alevi. All these organizations are strongly influenced by a Kemalist state ideology, which tends to view the current AKP government as threatening Turkey's political system and secular traditions.

At the end of the day, the government alone is responsible for carrying out its program and most attempts at public consultation are done for public relations rather than to seek a change in policies or draft laws. Frequently, economic and social actors such as business associations, trade unions, chambers of commerce, bar associations, medical associations and so on, complain that they are not consulted about decisions that concern their areas of interest or expertise.

Policy communication

Coherent communication
Score: 7

There is a spokesman for the Council of Ministers who makes public declarations on behalf of the Council. However, some important ministers also make contradictory private and public statements to other members of the government. A spokesman's office was also established for the prime minister, which caused further complications in the attempts at coordinating "one voice" in communications for the government.

In matters of economic, social and foreign policy, the government generally speaks in unison, and the prime minister is able to easily conduct and focus his communications. However, when it comes to cultural issues, such as religious identity, the meaning of Turkishness (in regard to Kurdish issues) or national history – issues that deal with state ideology – some members of parliament, ministers or even the head of parliament may act on their own and interfere in governmental politics.

B Resource efficiency: implementing policies

Legislative efficiency

Veto players

	<i>Total</i>	<i>Share</i>
Bills envisaged in the government's work program	346	
Government-sponsored bills adopted	346	100 %
Second chamber vetos	-	- %
Head of state vetos	61	17.63 %
Court vetos	12	3.47 %

Effective implementation

Government efficiency

Score: 7

During the period under review, the government has had an absolute (close to two-thirds) majority in the Grand National Assembly. It thus has had few problems in passing laws it wanted enacted. The government has also managed to pursue a pro-European Union course, even though the political dynamic in this direction lost momentum in the period under review due to contradictory signals from Brussels. Many adopted laws were not put into practice due to a lack of finances or technical support.

The government has actively appointed its own people or party sympathizers to strategic positions in state administration. Moreover, several symbolic policies have been introduced by the government and by municipal governments while under government party control, such as food aid, solidarity and health services.

However, the ruling party faced some opposition from the president, who vetoed certain bills or sent them for review to the Constitutional Court. The Court declared some of the bills unconstitutional. Also, lower court decisions and resistance from certain sectors (universities, employers' associations and the armed forces) prevented the government from achieving some of its objectives. For instance, the government was not able to change the laws and legal rulings that prevent female students who wear the Islamic headscarf from pursuing a university education. Similarly, attempts to allow religious high-school graduates to enter universities on an equal basis with other high-school students met with stiff resistance.

Ministerial compliance

Score: 9

There is little or no chance for a minister to fight government policies or implement policies that are contradictory to the government's program, although this may depend on whether the government is a single-party or a coalition government. A single-party government with strong party leadership and a high demand for ministerial positions among peers may provide strong incentives for the promotion of the government's program. In the case of a coalition government, a minister primarily promotes his own electoral chances.

Compliance also depends on the charisma and authority of the prime minister, and may not be regarded as an issue of effective institutional design. However, ministers rather than their ministries fall under the control of the Prime Minister's Office, as the authority of a minister over his ministerial staff tends to be weak. Situations tend to suggest that ministers have only limited power to have their orders seen through. Thus, ministerial

staff appointments need the approbation of the head of state, and in many cases ministers announce an “opinion,” rather than an order, and leave the actual decision to senior bureaucrats.

Monitoring line ministries

Score: 7

The activities of most line ministries can come under scrutiny, if only for political reasons. This is not to say that the decisions of line ministries are reviewed by expert committees or bodies that are independent of the ministry, or by the PMO. Day-to-day activities are not usually monitored unless an issue is taken up by the media that could cause political harm to the government. However, major policy decisions by line ministries are rarely taken independently; if they are, they would be subject to the approval of the prime minister.

Monitoring agencies

Score: 7

During the period under review, tensions have existed among the bureaucracy, semi-autonomous agencies, autonomous agencies and the executive branch. Certain decisions by the executive were resisted by certain agencies. There were agencies which were autonomous and were expected to pursue independent policies (the Central Bank) and there were those agencies which were expected to follow government decisions and policies but resisted (Foreign Ministry bureaucrats). Ministries do monitor agencies in their task areas, and the incumbent government managed the problem by replacing most, if not all, high-level bureaucrats with people more in line with the party agenda.

The problem the government faced, however, was that appointments that required a presidential approval were frequently turned down by the president. Furthermore, when the president was able to appoint people to certain positions directly (such as the Supreme Educational Council), he chose against people who espoused the party line. After August 2007, however, the conflict of viewpoints between the president and the government was resolved in favor of the government, with the election of the government foreign minister as president.

Task funding

Score: 5

Local administrations, mainly municipal governments, do not have sufficient resources to finance the tasks assigned to them by national law. Many localities are essentially bankrupt, and their loan obligations constitute a large share of Turkey’s debt burden in the medium and long term. In short, the national administration (mainly through the Bank of Provinces) is still the major funding source for local administrations. As of June 2007, the total debt of municipal governments to the central treasury is about TRY 12.9 billion. Municipalities are used to working in a situation of financial bottleneck, and even crisis.

The share of local government spending as a percentage of GDP, which

exceeds an average of 15 percent in EU countries, is only 4 percent in Turkey. The dependency of local government on the central government is held up for criticism time and again in local elections. In general, the party that rules the country's capital, Ankara, will also be victorious in local elections. Partisan attitudes of the incumbent government toward municipal governments under opposition parties have been frequently questioned. Financial decentralization has been a major agenda item.

*Constitutional
discretion*

Score: 4

The high financial dependency of municipalities on the central government has often been used as means to maintain discipline.

According to the constitution, local administrative bodies act as public corporate entities, established to meet the common needs of local inhabitants of provinces, municipal districts and villages, whose decision-making bodies are elected by the people as outlined in law, and whose structures are also determined by law. However, the central administration has the power of administrative trusteeship over local government, in the framework of principles and procedures that are set forth by law with the objective of ensuring the proper functioning of local services in conformity with administration goals, securing uniform public service, safeguarding the public interest and meeting local needs.

Although the constitution says municipalities are allocated financial resources in proportion to their functions, they almost always lack money. Local government also requires the approval of the central government on many issues.

*National
standards*

Score: 2

To the extent that national standards for public services exist (and most often, they don't), these standards are not ensured by the central government. For instance, environmental standards (again, to the extent that they exist) are not enforced. The quality of public transportation, drinking water or sewage treatment varies widely from one place to another.

The gap between the western developed regions and the eastern underdeveloped regions is strongly reflected in the endowment and the performance of Turkey's municipalities. The central government has not taken any action to improve the situation, for example, by applying a sort of positive discrimination toward the poorer eastern municipalities.

C International cooperation: incorporating reform impulses

Domestic adaptability

*Domestic
adaptability*
Score: 8

Efforts are constantly made to adapt domestic government structures to fit EU requirements. One example is the statistical services used by many government agencies. Significant efforts have been made to adapt to EU standards in this area, to ensure that all government agencies deliver and use data in conformity with these requirements.

As part of structural administrative reform, the government has also started a program to reform and modernize local administrations. The program was launched between 2004 and 2005, through the adoption of new legislation for municipalities, metropolitan municipalities, special provincial administrations and unions of local authorities, as well as through a new law on public financial management and controls that was adopted in December 2003 (and which also applies to local administrations).

A new law over municipal revenues was, at the time of writing, scheduled to be adopted. These new laws encompass a number of reforms addressing all aspects of local administration and management, with the final purpose of enabling local authorities to provide better public services, manage more efficiently financial resources and engage more actively in policy-making with national authorities and create partnerships with other local authorities in EU member countries.

Almost all public governmental entities have a unit for EU affairs, and strategic planning units are included in all ministries. Some pilot studies have been conducted in public administration, including municipal governments under the supervision of the strategic planning department of the State Planning Organization. Transparency and accountability have a part in administrative culture, at least conceptually.

External adaptability

*International
coordination
activities*
Score: 7

The government frequently participates in the international coordination of joint reform initiatives. In its first term of office (during the period under investigation), the incumbent government changed the established “state policy” toward Cyprus and worked for the reunification of the island nation in the frame of the peace plan designed by then U.N. General Secretary Kofi Annan. Turkey in 2006 joined the United Nations Interim Force in Lebanon (UNIFIL), the scope of which was extended the same year. Turkish troops continued to participate in the International Security Assistance Force (ISAF) mission in Afghanistan under NATO. After 9/11, Turkey played a leading role in establishing a dialogue between the Islamic world and Europe. The country convened the first meeting between the Organization of Islamic

Countries (OIC) and the European Union, started an intercultural dialogue as part of the Ernst Reuter Initiative with the German foreign minister and inaugurated the “Alliance of Civilization Initiative” with the Spanish prime minister.

In the EU candidacy process, there has been legislative progress toward public administration reform. The government has put in a great effort to collaborate with international actors, mainly the European Commission, the OECD and the World Bank, for administrative reforms on a number of laws, such as the framework for public administration, a law over civil servants and new guidelines for associations and foundations.

*Exporting
reforms
Score: 6*

In exporting reforms, the incumbent government can be considered a “follower” and not always a prompt one. Perhaps a more relevant question is whether Turkey even has an agenda of building “transnational reform coalitions.” Rather, the government, sometimes willingly, sometimes reluctantly, has joined such coalitions yet only after a period of time.

In some aspects, Turkey’s experience as a nation has had a powerful impact on other states. The harmonization of an Islamic and national identity, the advent of a secular democracy and robust economic development has attracted much attention in the predominately Muslim Middle East. The AKP, particularly Prime Minister Erdogan and President Gül, have stated often that Islam and democracy are not contradictory but complementary. President Gül especially espoused this message prior to the U.S.-led invasion of Iraq, when he tried to establish closer cooperation between Turkey’s regional neighbors.

D Institutional learning: structures of self-monitoring and -reform

Organizational reform capacity

*Self-monitoring
Score: 4*

While rules exist, institutional arrangements for self-monitoring are not regular, and most often depends on the activities of the PMO. In addition to the formal and regular inspection of ministerial activities, the Office of the President encompasses a state supervisory council to monitor the practices of state institutions.

The Prime Minister’s Office also contains a high supervisory council of state and inspectors to fulfill such duties. Interministerial committees may also assess institutional arrangements. In preparing development or strategic plans, sectoral sub-committees prepare reports on effectiveness and

efficiency of governing. Given enduring political and ideological quarrels, particularly over the issue of laicism, institutional reorganizations tend to be viewed not as a way to enable more effective governance but as a move to gain strategic advantage by a certain political side. Before deliberating over technical or institutional arrangements, government has to overcome veto players who are not democratically legitimized and act on ideological grounds.

Institutional reform

Score: 5

Changes in institutional arrangements are motivated by practical and political considerations rather than substantive reasons, such as institutional improvement. If or when institutional arrangements are changed or reorganized, it is usually to simply meet the needs of the day. For example, whenever a new cabinet is formed, responsibilities are reorganized and redistributed. These changes are justified on grounds of efficiency, productivity or strategic capacity.

However, for instance, in a coalition government, the new arrangement is almost invariably the result of hard-bargaining by coalition parties. Single-party governments are not immune from this sort of compromise arrangements, as the party leader also has to consider power balances and factional conflicts within his party.

II. Executive accountability

E Citizens: evaluative and participatory competencies

Knowledge of government policy and political attitudes

Policy knowledge

Score: 5

Most citizens are poorly informed about government policies. In fact, large groups have little knowledge about the country's political system and its constitutional arrangement even at the most fundamental level. In general, citizens are not informed about the content or development of government policies. Government officials always highlight policies from the start as a promising objective, but do not often provide follow-up announcements or status reports.

While there is no available survey that looks at how citizens are informed about government policy-making, it is evident that policy-making is not transparent, participatory or interactive. Many policies become known to the

public only after the implementation process has started. The level of public knowledge about government is as low as the level of satisfaction with the government, but people do not complain about this fact.

F Parliament: information and control resources

Structures and resources of parliament, committees, parliamentary parties and deputies

Number of deputies	550
Number of parliamentary committees	17
Average number of committee members	25
Average number of subcommittee members	14
Pro-government committee chairs appointed	17
Deputy expert staff size	1
Total parliamentary group expert support staff	5
Total parliamentary expert support staff	90

Obtaining documents
Score: 7

Parliamentary commissions can ask ministries to provide any information that is relevant to the legislation at hand. Committees (where governing party deputies are always in the majority) usually obtain this information without much trouble. There are no sanctions for not providing information. Yet one parliamentary inquiry committee on unsolved murders was unable to collect some information from security forces.

Summoning ministers
Score: 8

The prime minister or ministers can attend committee meetings as the representative of the government without invitation and may address the subject matter. However, the prime minister or minister may allow a high-ranking civil servant to represent the prime minister instead.

Moreover, all parliamentarians and members of the Council of Ministers can also attend committee meetings and participate, but have no right to submit an amendment motion or vote on the subject matter. If relevant, the

<p><i>Summoning experts</i></p> <p><i>Score: 9</i></p>	<p>committee may ask a minister to explain a dispute, but the minister does not have to comply with this invitation if there is no legal obligation to do so.</p> <p>Committees may call an expert to meetings, and they can use budget funds to temporarily employ an expert.</p>
<p><i>Task area coincidence</i></p> <p><i>Score: 5</i></p>	<p>Parliamentary committees are designed in parallel to ministerial structures but do not effectively monitor ministries independently. The major function of the committees is to examine draft bills. In discussions committees may also supervise ministry activities indirectly. Committees are not equipped with sufficient personnel to monitor the ministries regularly.</p>
	<p>Monitoring the activities of ministries can only be done through debates on the annual budget, final accounts of the ministries or other relevant public entities. This is an ex post facto control and ineffective. The planning and budget committee is the strongest in monitoring ministries, simply because all bills having to do with money land in the hands of this committee. Although committees are allowed to make their own agendas and when necessary express their own views on various issues, a statute (Article 35) outlines that “committees cannot tackle issues other than ones which are assigned to them by the Speakership.”</p>
<p><i>Audit office</i></p> <p><i>Score: 6</i></p>	<p>The Turkish Court of Accounts (Sayıstay) acts on behalf of the Grand National Assembly and presents reports to the Assembly. An amendment to the accounting law extended the court’s jurisdiction in examining whether spending is performed efficiently, effectively and economically.</p> <p>In the framework of EU reforms, military spending was included in the task area of the Court of Accounts. The Court remains outside parliamentary control.</p>
<p><i>Ombuds office</i></p> <p><i>Score: 2</i></p>	<p>In September 2006, a law for an ombudsman (the Office of Public Controller) was passed by the Assembly. The ombudsman handles petitions from citizens in relation to administrative acts. However, an ombudsman at the time of writing had not been elected.</p> <p>The establishment of this office is a priority of EU accession and an important step forward, as it creates an institutional framework for the monitoring of the public administration by Turkish citizens. The Constitutional Court decided on a stay of execution of some important articles of this law. Decisions of the president, the judiciary and the military remain beyond the competencies of the ombuds office.</p>

G Intermediary organizations: professional and advisory capacities

Media, parties and interest associations

Media reporting

Score: 6

Very few radio and TV broadcast stations offer in-depth analysis of government policies. This is basically due to government tutelage over state-run stations, and the rating objectives of privately owned channels. More in-depth political analysis could result in private media being placed on the “black list” of the government. The style of media reporting is also determined by its ownership, and relations between the government and private media stations are dependent on coverage. News or news analysis can frequently be used for manipulative purposes.

News programs are often pushed to later viewing hours and as such are changed into “infotainment” shows. However, there is an abundance of political talk shows that mostly stick to the educational style of Turkey’s political culture. Such shows present politicians, academics and journalists who speak for 10 to 15 minutes at a time while other participants sit quietly and listen. Although the programs are not exactly stimulating, they do offer a plurality of thought and useful information.

Fragmentation

Parliamentary election results as of 11/3/2002

<i>Name of party</i>	<i>Acronym</i>	<i>% of votes</i>	<i>% of mandates</i>
Justice and Development Party	AKP	34.28	66.00
Republican People’s Party	CHP	19.40	32.36
Independents (9)		1.0	1.64
True Path Party	DYP	9.5	0
Nationalist Action Party	MHP	8.4	0
Young Party	GP	7.2	0
Democratic People's Party	DHP	6.2	0
Motherland Party	ANAP	5.1	0
Felicity Party	SP	2.5	0

Democratic Left Party	DSP	1.2	0
Others		5.1	0

*Party
competence
Score: 3*

SGI Country Expert Günther Seufert analyzed four policy fields and concluded that with regard to traffic and transport policy, the proposals of most parties proved to be roughly sketched and were often discussed within ideological parameters (nationalism). As far as science and technology policies are concerned, parties tend to reiterate the submissions of state planning units without elaborating upon strategies for implementation.

None of the major parties have any concrete ideas about how to integrate the scientific community, let alone the citizenry, into the development of policies, and the parties' notion of science and technology cooperation is limited to the national level. On economics, opposition parties particularly tend to present a mix of liberal and state-planning policies that are not coherently linked. The presented aims often contradict each other.

All parties, however, come together over tax reform and the fight against the shadow economy. When it comes to EU policy, three of four investigated parties presented a clear position. The AKP argued for EU membership and supported EU reforms. The MHP strictly opposed EU membership and reform, and the Democrat Party (DP) and the True Path Party (DYP) (which is not represented in the Assembly) listed strict conditions for membership reforms. Only the Republican People's Party (CHP) promised adherence to EU membership policy by actually opposing liberal reforms in the economic, political and cultural sector.

*Association
competence
Score: 6*

There are a number of interest associations which propose policies that take facts into account and use a level of field expertise. For example, the business association TÜSIAD publishes policy recommendations that are often backed up by research reports. Clearly recommendations reflect the association's own viewpoint, but this is what is expected from an interest association.

On the other hand, labor unions, which are organized around three ideologically different federations, do not always meet standards in policy recommendations. For example, a coherent, realistic plan for the social security system which would protect the rights of workers but at the same time not result in the system's bankruptcy has not yet been proposed by labor unions. There are other interest groups such as medical or lawyer's

*Association
relevance**Score: 6*

associations which do offer reasonable policy recommendations that help to protect the interests of their members.

The government considers the proposals of business association TÜSIAD as long as they are related to economic issues, and also has strong links to the business association MÜSIAD. The relation of the government to labor unions is problematic. Both the economic liberalism of the government and its Muslim right-wing identity pose serious obstacles to cooperation. The center and leftist-union umbrella organizations openly opposed the current government during the election campaign. As the outcome of a cultural and political grassroots movement, the AKP ruling party and its government have excellent relations with small and medium-sized businesses, Muslim-conservative circles and most Turkish local administrations.

Regarding women's issues, the government offered a concerned ear to the demands of women's organizations during the drafting of new civil law and showed considerable effort not to present an image of a Muslim conservative association of males that would not take women seriously. The relations of the government with Alevi Muslim organizations are tense, and the government at the time of writing has still refrained from meeting leading figures from these associations. However, the government has established relatively good relations with smaller Christian communities.

This country report is part of the Sustainable Governance Indicators 2009 project, which assesses and compares the reform capacities of the OECD member states.

More on the SGI 2009 at www.sgi-network.org

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