

EMPLOYMENT PROBLEMS IN TURKEY

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Introduction

Today, regardless of their economic and social development levels, unemployment is still the most important problem in all societies as it was in the past. The existence of unemployment creates serious problems both at the society and individual levels.

In general, in the countries where there are employment problems, unemployment is like a nightmare and becomes the main source of anxiety and stress for all people. It is evident that, this problem is more important for the people who are out for work. However, unemployment also affects the employed people and makes them feel anxious for their jobs, insecure and uneasy for their future instead of being happy and secure in their working lives. Therefore, in each economic structure, the existence of unemployment would have negative effects both on the ones who are already being employed and the others having no jobs at all.

Furthermore, the growth of unemployment implies an increase in the number of dependents for whom the productive population is responsible as well.

It would also not be false to call unemployment as the most important criterion for the development level and the indicator of a balanced economic and social order of a country. As L.G. Reynolds (1969) states: «A successful growth can be expressed in a better way not only in terms of increases in production but both in employment and production. The most important indicator of success in growth is the constant decline in unemployment.»

It is a fact that the economic planners of today have started to get more interested in the relations between the employment and the

other development objectives. Furthermore, even in many of the developing countries, due to influence of various reasons, creating more employment opportunities in the short-run has become a more important objective than maximizing the income in the long-run.

While the developed countries are trying to keep their employment at a high and consistent level, the developing countries, in the meantime, within their economic and social balance, are trying to involve more people in the productive employment. Thus, they wish to increase the income of the country by expanding the employment and, at the same time, achieve a more equitable redistribution of income and welfare.

As it is known, working is a way of living for the human beings. Working must never be considered only as a necessary means of gaining income. An individual when he is working develops a sense of selfreliance and respect. He is proud of creating something and realizes a stronger feeling of belonging to the society when he has a job. Under these conditions, when a person has no job opportunities, he would manifest some negative psycho-sociological behaviour patterns such as undesirable ethical values, increased hostility towards the social and economic systems, unhealthy family relations.

Unemployment has been considered for many years as the personal problem of an individual. It has also been believed that it arises from the personality traits of certain individuals or from the lack of one's abilities, and eventually from his being not capable of finding a job for himself. Therefore, people felt doubtful about unemployment and considered it as the personal responsibility and fault of the unemployed person. Then started to use the word «unemployment» to express the condition of the lazy and idle people.

In recent years, this opinion has been disregarded and unemployment has started to be considered not as an individual case but as a consequence of the whole economic process. Today, some sensitive criteria for the balanced functioning and development of an economy are basically being followed through the unemployment statistics.

Besides, unemployment has also been considered as an indispensable component of dynamic and rapidly growing market economies. As a logical consequence of dealing with the subject in such a manner, the society has taken the responsibility of assuring everybody, whether employed or unemployed, of the employment and income security through unemployment insurance systems.

Actually, in a enormous part of the world's population today, the problems of many people with low income and faced with poverty because of not having jobs any timeduring their lives are more important than the problems of the ones who had once productive and high income-offering jobs but now lost them.

Nevertheless, the increasing urbanization due to the changing economic, social and demographic conditions, has brought the low income and poverty stemming from the «underemployment», to the attention of the people living in the cities. This made the issueof unemployment an obvious and strongly felt problem in the developing counties.

Thus, the unemployment which can be defined in the developed countries as someone' problem of losing his job due to various reasons, has appeared in the developing countries as a problem of a large group of people whole are unable to attain productive jobs.

THE NATURE OF UNEMPLOYMENT IN TURKEY

Particular reference has to be made to phenomena that determine the importance and characteristics of unemployment in Turkey in the period of Republic :

1) The first of these is the process of internal migration to urban areas after 1950's. Rapid urbanization and population growth in this period made unemployment problems more obvious.

2) The following period, like the rings of a chain, came after a decade, and with the beginning of planned period parallel to the beginning of outward-migration in 1960's to the «European or EC's» countries an intensive discussion of employment problem was started in Turkey.

3) In 1970's, with intervals of 10 years as before, and with the effect or «World Energy Crisis», while on the one hand Turkish economy became stagnated internally and had deficit in her terms of trade as well as foreign debts, on the other hand, in external circumstances the crisis eliminated the probabilities of labor-flow to foreign countries and even the tendencies for immigration of Turkish workers were strengthened.

The only development in this period, though quite weak, is the flow labor-force to «oil producing Middle-Eastern» countries. Today,

the number of Turkish migrant workers in these countries, namely Saudi Arabia, Iraq and Gulf States, approaches to 250.000.

4) Finally, towards 1980's, with the policies of «export-oriented market economy» through which cooperation in the economy expanded, the attention was once more given to employment problems.

5) It is obvious that analysis of the unemployment matter in Turkey where the related data are very uncertain and limited is rather difficult. It is understood that the arguments relating to unemployment in our country originate from fact that the data in hand and the various approaches are not very well known.

6) In spite of all the efforts exerted during the planned development period, when the social and economic analyses regarding unemployment first commenced, the same old issues were repeated without gaining further improvement. In other words, although the expansion of unemployment is a well-know fact today in our country, some specific matters such as the volume and the nature of unemployment and the necessary measures that have to be taken have not gained enough certainty and clarity.

7) When we take the above points into account, the number of unemployed people which is about 2.5 millions (% 16 percent) has to be considered not as unemployment but as «labor surplus» which has been pointed out by the planners on the macro-level as the difference between the labor supply and demand. We must not consider this number as the group of «disguised unemployed» people who stay out of employment process and get unemployment insurance as in the industrialized societies. This figure has to be regarded as a «surplus» that resulted from macro analyses and calculations.

8) The second point that has to be emphasized is that this loss does not always have to occur in unemployment conditions. In fact, in many cases unemployment exhibits itself in such kinds of artificial forms of employment as low incomes, the increase in the number of «peddlers» etc.

9) From the viewpoint of employment problems, the overall economic and social structure of the country and the employment problems in the modern sector also have to be distinguished. The employment problem of the modern sector almost resembles the ones in the industrialized societies. It is more affected by the economic factors such as wages, costs, prices, exports, money and credit policies, con-

sumption, stocks and etc. or investment preferences such as the choice of technologies. As for the employment problems in the general structure of the country, they are completely related to the level of social and economic development of Turkey.

10) The two dynamic factors which carry the employment problems from traditional to modern sector have to be considered with great care in the employment analyses. These factors are rapid urbanization and the spread of education.

11) However, these two main factors, while acting as an impetus in the change of social structure, also causes an «unhealthy urbanization» due to insufficiency of job opportunities in the modern sector. On the other hand, resembling the one in the traditional sector, a new employment structure arises in the modern sector.

12) Two different groups of people constitute the population of the big cities and make the structure display a dual character. Namely, the first group included the people who work in the industry and services and live in modern houses. The other group, living in slums and working in the «unorganized sector», are more crowded than the first group in some of the cities.

13) Besides these structural issues, we have to consider the problems of the «migrant workers» and their «re-integration.» Their number is approximately 800.000. These people, upon their return, prefer to work independently or in the modern cities of Western Turkey instead of going back to their old towns or working in the traditional sector.

14) Although some of the migrant workers going to foreign labor markets from Turkey return to their home country with their own preferences, many of them are forced to leave their jobs due to unemployment prevailing in the Western labor markets. In the 1960's the insufficiency of labor force in the Northern Europe caused the migration of millions of people from South to North. However in the 1970's the energy crisis in Europe gave rise to a drop in labor force demand causing unemployment. Thus, unemployment continued to be the fate of the post-industrial societies.

The most dramatic consequence of this process has been various disadvantages for Turkey. Because the returning migrant workers, while decreasing the rate of unemployment in the host countries, have added more serious dimensions to the problem of unemployment in Turkey.

15) The number of these migrant workers and their families is about 2.5 millions. 800.000 of this figure constitutes the «second and the third generation» of the migrant workers' children whose employment and education problems must be dealt with within the same framework as mentioned above.

16) As a results of discrepancy between industrialization and manpower (education) policies in Turkey, there are so many young people whole have left their formal education or only finished the intermediate levels of schools without having any vocational training or skill. In addition to this group, there is a group of higher education graduates who unfortunately have no chance of having their skills and professions to be utilized in any period of the development of the country.

This second group either works in jobs where they can not fully use their skills and capacity, thus expanding the under-employment or prefer to go abroad, thus causing the problems of «brain drain.»

17) As for the agricultural sector, we have a rather complex structure there. For example, because the agricultural production is carried out with family units and under retarded technologies, this sector shows a labor surplus of 30 % which can never be decreased. This surplus and inability to lower it require some special employment policies to solve the problems of the sector.

18) The fundamental point which has to be stressed in the employment policies of Turkey is that in the planned development period, the labor force coming to the urban areas from the rural areas cannot find employment opportunities in the modern sector. Then, they, by entering the service sector, increase the forms of unemployement in distorted, unhealthy and unproductive ways.

19) As a natural results of this change, although employment expands rapidly in the service sector, the national income cannot increase at the same rate. We can interpret this structural change as «unemployment within employment». Today in Turkey as well as in other developing countries, employment forms which are unproductive, inconsistent, offering low income and marginal opportunities are increasing considerably and in a deluding manner.

20) All these structural issues lead us to analyze the structure of employment in order to understant the unemployment problem in our country. The analysis of the employed people regarding their productivity and utilization of time determine the dimensions of the same

problem. The inconsistency between the labor supply and demand in our country displays itself not as a «visible and involuntary type of unemployment» which we meet in the developed societies, but as a misleading employment expansion which hides the labor force as a source of waste for the the country itself and provides no production and income increase.

THE EMPLOYMENT POLICIES IN TURKEY

1) Today in our modern world, it is certain that population increase and employment are the most important issues in some countries. According to the long-term analyses, the problems of employment and population will continue to exist at an increasing rate by the end of the century.

2) Since population, labor force and employment increase in the developing countries, the fundamental strategy of their development and employment policies will be to analyse the relations among these factors: they include ways of increasing the labor supply, the methods of expanding employment volume rapidly as a dynamic factor, and, at the same time, the means of enlarging productive employment.

3) A country which wants to realize the economic and social development as a whole, must at first involve more people in the economic activities and let them participate in the production process as «full-time units» at «full-capacity». In other words, such countries must try to get rid of all the forms of unemployement, especially the underemployment. Additionally, the labor force must be utilized with a high rate of capital, thus enabling the production to be increased more rapidly with tecnological development.

4) During the «planned period», that is since 1963 remarkable issues as far as the unemployment problems are concerned display themselves in the employment policies. Within this framework, population and planning, preference of labor-intensive technologies and sectors, emphasis on the tourism sector, acceleration of sending workers to foreign labor markets, social development programs, the improvement of domestic handicrafts of the villages, animal breeding, fruit and vegetable production, fishing, forestry, and reform and realization of a balanced urbanization are propals which are considered to bring viable solutions to unemployment problems.

5) In the «Fourth Five Year (1979-1983) Plan», it has been sta-

ted that some rational solutions must be found for the unemployment problem which is one of the most important problems of the country.

Therefore, the following points have been mentioned as remedies for such a vital problem: establishment of employment policies in congruence with the industrial and technological policies; employing people in productive ways consistent with appropriate wage policies; removing unbalanced conditions for the labor force in the intersectoral and interregional distribution of the labor force before and during their employment period; training semi-skilled workers; reducing the overcrowded workforce in the «State Economic Enterprises» which causes the reduction of productivity in such organizations; giving priority to infrastructural activities and construction work in cities; encouraging the industries employing low-skilled workers to move to less developed areas where there is plenty of labor force; to decrease the disguised unemployment in the service sector by increasing the number of workers' shifts and work capacity.

6) In the fourth five year plan it has been claimed that the final solution to disguised unemployment in the agricultural sector can not be achieved in this planned period. However, in order to reduce the disguised unemployment which shows seasonal characteristics in the cities, this plan proposes to establish certain labor-intensive development programs and projects in the rural and urban areas. But when economically necessary, it does not avoid the use of capital-intensive technologies either.

7) In addition to the above proposals, the same plan, in its preparatory studies, in order to enlarge employment, suggests to reduce the weekly working hours; to increase the number of shifts; to avoid the over-time in the enterprises; to extend the period of annual vacation with pay; to protect the small-sized enterprises and to use new technologies.

8) In 1980's many discussions have been made both in press and in public opinion regarding the increase of employment. Some of the issues of these discussions can be listed as follows: acceleration of labor flow to oil-producing countries; improvement of construction firms serving in foreign countries; decisions and discussions about abortion; increase of productive capacity in industry; the comments of the Minister of Industry and Technology on «Roosevelt Plan»; the encouragement of small and middle sized industries; revitalization of construction work; extension of obligatory education period; lowering the retirement age and taking new measures to facilitate the retirement;

preventing the retired ones from entering the labor market again; providing job security for workers.

9) The assurance of the part-time and flexible working hours implementation by the Labor Law, the projects providing transportation and employment to the villages; reorganization of the Labor Office, are the additional issues that were discussed and some of which have been already put into effect.

10) Starting from 15th June 1981, the Labor Office has begun to offer priority of higher education graduates. In other words, if such a person cannot find a job in the local market, after a waiting period of four months, he can try the job opportunities in the foreign markets. This system, however, has put some restrictions on some of the professions that are needed in the development of the country in order to avoid brain-drain.

11) In the light of such developments, starting from the spring of 1981, a clear emphasis by the government on the employment problem has been observed. The government and the State Planning Organization are much more concerned with this matter now compared to the earlier practices.

12) If we want to give some specific evidence for these efforts, we can mention the attempts of the «Specialized Committee on Human Resource Employment and Manpower» within the State Planning Organization by its set of projects called «The projects that can be urgently applied for unemployment during temporary periods». The same organization has requested the comments of the related ministries and institutions in this respect.

13) The purpose of all these projects is to make preliminary studies for the Fifth Five Year Development Plan (1984-1988) as well as finding workable solutions to the unemployment problem which has increasingly been more widespread and gaining importance.

Thus detailed approach to the employment problem has been made for the first time in the planned period. As a matter of fact, within these projects 10 subcommittees were formed, and besides those subjects closely related with employment problem such as industrial peace, wages, taxation, the social politics of unemployment, formation of human-resources and various educational forms of it, efficiency, agriculture, forestry and husbandry, industry, construction, infrastructure, and technology selection, exports and tourism, foreign employment, population, migration, housing, production, consumption, labour mar-

ket and its organization, employment policies for the public sector, urgent implementation of projects in temporary periods for the unemployed, and defence services have been examined one by one in terms of development and employment in the regions that have priority for development.

14) Furthermore, one of the Ministers of State has been named as the responsible authority to deal with problems of unemployment. Thus, his Ministry is now in charge of developing new employment projects through continued research and publication in coping with the problems of unemployment in Turkey.

Conclusions

1) It is doubtless that the most terrifying social sickness in the world in the 1980's is unemployment.

2) The solution of the unemployment problem in developed as well as in the developing countries in the short-run seems to be difficult, if not impossible. Besides the unemployment problems of the industrialized countries, the rapid growth of population and a rather low development rate exhibit the two main dimensions of the problem in developing countries. The actual determinant of the problem is certainly the rate of development. Because, as it is known, in the long-run the rate of development influences and shapes the growth rate of the population.

3) As for the determinants of unemployment in our country, one is the rapid growth of population which is an internal factor; and the second which is an external factor is the energy crisis and foreign economic relations which threatened the rate of development since 1970's.

4) Since Turkey cannot achieve in the short-run the higher income and lower population growth model, some additional measures have to be taken. The influences of expansion of education and urbanization on reducing the growth rate of population can be stronger with «population control and family planning» measures.

5) In solving the unemployment problem, the main determinant is certainly the realization of rapid development. The practices in the world have shown that no special development model could be successful without rapid economic development. Therefore, Turkey should not depend much on a special project except the rapid development in order to solve this problem.

6) The unemployment phenomenon in Turkey shows a very interesting change in its nature which can be observed also in some of the developing countries. The unemployment issue changes into an employment issue by trying to solve its problems by itself. Due to this fact, the unemployment problem, instead of increasing the number of unemployed people, changes the structure of employment in a «sponge-like» nature.

7) Today, Turkey should expect less from the studies regarding the measurement of unemployment. Instead it must concentrate on the employment policies. In other words the empirical and concrete suggestions in this respect should receive greater emphasis than the academic and theoretical solutions.