

The Process of Change in the Understanding of Planning in Türkiye by Periods

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Abstract

In this study, the changing process of planning understanding in Türkiye from the past to the present has been evaluated in terms of periods. The study has evaluated the agriculture-industrial-oriented change of the planned development steps implemented since the Ottoman Empire period and the political and economic factors affecting this change. The State Planning Organization (SPO) and development plans prepared by it, which played an essential role in determining the government policies that have been in power since the 1960s, and industrial plans before the 1960s have been the reference sources that will help the subject. According to the research, the understanding of planning in Türkiye coincides with the political thought shaped by the influence of internal and external cyclical factors. At this point, it is seen that the theoretical frameworks prepared are policies that are compatible with the economic and political perspective of the period and that the deteriorated financial balance and stability depend on the success or failure in implementation regardless of the plans.

Türkiye’de Dönemler İtibariyle Planlama Anlayışındaki Değişim Süreci

Öz

Bu çalışmada Türkiye’de planlama anlayışındaki değişim süreci geçmişten günümüze dönemler itibariyle değerlendirilmiştir. Çalışmada Osmanlı İmparatorluğu döneminden bu yana uygulanan planlı kalkınma adımlarının tarım-sanayi odaklı değişimi ve bu değişimi etkileyen siyasi ve ekonomik faktörler ele alınmıştır. 1960’lı yıllardan itibaren iktidardaki hükümet politikalarının belirlenmesinde önemli rol oynayan Devlet Planlama Teşkilatı (DPT) ve hazırladığı kalkınma planları ile 1960’lar öncesi sanayi planları, konuya yardımcı olacak başvuru kaynaklarını oluşturmuştur. Araştırmaya göre Türkiye’deki planlama anlayışı, iç ve dış konjonktürel faktörlerin etkisiyle şekillenen siyasi düşünce ile örtüşmektedir. Bu noktada hazırlanan teorik çerçevelerin dönemin ekonomik ve siyasi perspektifiyle uyumlu politikalar olduğu ve bozulan mali denge ve istikrarın planlardan bağımsız olarak uygulamanın başarı veya başarısızlığına bağlı olduğu görülmektedir.

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1. Introduction

The basis of planning thought in Türkiye dates back to the Ottoman Empire period. The process in which effects of administrative, military, institutional, and social changes have also been felt in the economic area, with the Tanzimat Reform era representing a period in which industrialization movements also accelerated. However, the basis of the economy in the Ottoman Empire has based on the agricultural sector. One of the most important developments in the field of agriculture is the New Land Law (Land Code) enacted in 1858. With the law, a new era has begun in which property rights are redefined and farmers' rights and freedoms are legally protected. The period of the Ottoman Empire, which experienced both economic and social collapse with the wars fought towards the end of the 19th century and the beginning of the 20th century, has entered a new era with the establishment of the Republic of Türkiye.

The process from the Ottoman Empire to the Republic is not a break, but a continuation of continuity. It is seen that the New Türkiye, which came out of the war period with the policies followed under the leadership of M. Kemal Atatürk, the founder of the Turkish Republic, has entered into a rapid development process in many areas. The foundations of the understanding of development in economy has been laid with the 1923 Izmir Economics Congress, which is represented by economic actors from all over Türkiye and from different branches of activity. In the process of adopting the principles of development through industrialization, it has aimed to support the agricultural and industrial sectors and pave the way for the private sector with the investments to be made under the leadership of the state. On the one hand, it has aimed to protect the small producers and on the other hand, it has aimed to establish factories that would meet the needs of the country with the economic reforms made by the state. However, in the period of 1923-1929, when the desired results could not be achieved, the economic environment that would mobilize the private sector has not been not occurred. The economic depression experienced in 1929 led to a change in the method of economic policies, and a new period has been started in which the idea of statist industrialization is dominant within the framework of the planned industrialization approach. The First Five-Year Industrial Plan, prepared in 1933, as the name suggests, is a plan that aims to develop on the basis of the industrial sector. Successful moves in the First Plan have accelerated the preparation of the Second Five-Year Industrial Plan since 1936, but the plan could not be put into practice due to the Second World War.

1950s refers to the years when the agricultural sector has been brought to the forefront and agricultural development was adopted by moving away from the planned development approach. With the planned economy approach that became institutionalized in the 1960s after a ten-year unplanned period, development plans have been prepared in periodic processes by the SPO, which is an independent institution from the state, until 2011. The planned period continued until the end of the 1970s, and by 1980s, it has marked the beginning of the years when the effects of neo-liberal policies were felt in Türkiye as well as all over the world.

Liberalization policies and economic policies have been shaped around liberal economic thought, especially since those years when the dissolution in the field of agriculture accelerated. At that time, development plans continued to be prepared. During the 1990s, which is the continuation of the 1980s, Türkiye has been entered a high inflationary period in an unstable political conjuncture and after the 1994 crisis, it has been survived successive crisis periods in 2000 and 2001.

With the Justice and Development Party, which came to power with the elections held in November 2002, it has not taken long to achieve economic stability in the country where political stability was achieved. During the period of rapid growth, Turkey's macroeconomic balance has begun to deteriorate with the global crisis that started in the USA in 2008-2009 and affected the whole world. State Planning Organisation (SPO), which is assigned to prepare development plans during the AKP rule, was closed and the task of preparing the plans is given to the Ministry of Development. The referendum held in 2017, with the transition from the Parliamentary System to the Presidential Government System, the task of preparing the development plans is given to the Strategy and Budget Directorate under the Presidency.

2. Planning Approach in Türkiye from the Late 19th Century to the Atatürk Era

The Land Code of 1858, the first stage of the transition to the agricultural system based on small land ownership during the Ottoman Empire, is the first liberal law in which the practices related to land ownership were carried out legally. The main purpose of the law is based on the protection of the small farmer and the improvement of the government-farmer relations (Barkan, 1940: 377). With the Land Code, which is one of the first examples of planning in agricultural lands, has been tried to create a system that allows the farmers to obtain the right to rent, lend or sell their lands in the lands where the property is in the state but the farmers have been given the right of legal possession and the freedom to plant. In addition, in order to ensure the sustainability of social order and economic activities, it is aimed to protect the social existence and integrity with the necessity of choosing the first buyers of the producers who want to sell or rent their land from the same community (Padel & Steeg 1904 as cited in Quataert, 2008: 59).

The law not only obliges the cultivation of agricultural lands, but also requires sustainability through relevant inspections. There have also been clauses in the law that prevent the fragmentation of the lands to such an extent that agriculture cannot be practiced in the regulations regarding the inheritance system, sales, rental and all kinds of structured activities.

In the Land Code of 1858, the main purpose of which was the protection of small producers, the law has turned into a structure that allowed significant land ownership in time because of some ambiguous statements about the change of the

land, various economic reasons such as the emergence of financial difficulties and the inadequacy of land controls.

On the other hand, due to the state's encouragement of mechanization in large land lands and the need for income, the activities of transforming state have landed into private property left the functionality of the law in the background (Quataert, 2008).

With the Republic, it is seen that economic policies have also been shaped by the idea of national unity and independence. The period of 1923-1929 was founded on an economic understanding based on the development of the private sector, which lacked the necessary knowledge, experience and capital, by the state. The development goals to have been realized through statist policies and public power has determined within the framework of the "National Economic Principles (*Misak-ı İktisadi İlkeleri*)" adopted at the Izmir Economics Congress convened in 1923. Large investments with high risks have been planned to be led by the state (Eroğlu, 2007: 68) and to encourage the private sector to invest. Policies related to agriculture, which is the main field of activity of 80 percent of the population¹, have been put into practice through the state in this way (Erkun, 1998). While Ziraat Bank, which was established to support farmers in this period, increased the number of branches and funds from 110 to 300 in 1923², the legal infrastructure of agricultural organization was regulated by enacting the "Agricultural Unions Law (*İtibar-i Zirai Birlikler Kanunu*)" in 1924 (Çıkin, 2003: 28). In this period when industrialization has been adopted as the basic principle of development, the Encouragement Industry Law, which was enacted in 1913, was made comprehensive in 1927 and although moves have been made to encourage domestic industry and capital accumulation, most of the enterprises benefiting from the law consisted of small-scale enterprises dealing with mining, agriculture and animal livestock (Özçelik and Tuncer, 2007: 258) have hindered the industrialization steps to from reaching sufficient levels.

While the Aşar tax, which was one of the most important steps taken in the agricultural field, was abolished in February 1925, various legal arrangements were made in 1927 and 1929 regarding the landing of the landless peasants. Between 1923 and 1934, 711 thousand hectares of state land has been distributed to peasants and immigrants (Kepenek, 1990: 37). During this period, while agricultural loan supports have been expanded through Ziraat Bank, the farming schools and trial stations opened, and the experts sent abroad (Şahin, 1995: 41) became an indicator of the importance given to agricultural education. While the Reputation Agricultural Unions Law (*İtibar-i Zirai Birlikleri Kanunu*), enacted in 1924, was transformed into the Agricultural Credit Cooperatives Law (*Tarım Kredi Birlikleri Kanunu*) in 1929 (Çıkin, 2003: 28). Also, Agricultural Credit Cooperatives and

¹ According to the agricultural census made in 1927, more than 4 million people, which constitute 81.6 percent of the occupational groups, are employed in the agricultural sector (Kepenek, 1990: 37).

² www.ziraatbank.com.tr

sample farms have been established in the name of cooperatives (Durmuş and Aydemir, 2016: 160).

The Great Depression that emerged in 1929 and the insolvency of the liberal economic approach in the face of the crisis caused the idea of development to be directed from private enterprise to the state through the example of the Union of Soviet Socialist Republics (USSR) with the understanding of statism and successful planned development practices, along with the transition to Keynesian policies; as in almost all countries of the world, the efficiency of the public sector in the economy has been increased in Türkiye as well. In the economy, where public interventions increased in Türkiye as well as in the rest of the world after the Great Depression, the statist understanding prepared the ground for the political economy understanding that is being adopted more and more every day.

In this period, the First and Second Five-Year Industrial Plans (1933, 1937) - (1938-1942) were prepared to develop domestic industrialization investments. In the periods when the First Five-Year Industry Plan was implemented, new steps regarding agriculture have continued to be taken. The way Atatürk's statism principle has been applied in agriculture based on research farms to be established by the state and bringing new technology to agriculture (Hiç, 1998: 3287).

During the period of the 7th İnönü Government in 1935-1937 in which the issue of the agricultural organization has been handled carefully and also the financing and organization problems of the farmers were resolved by the state (Bilgin and Tanıcı, 2008: 142). Also, Agricultural Sales Cooperatives and Unions Law was enacted in 1935 due to the reflection of the global problems experienced in the export of agricultural products due to the Great Depression in the field of credit and marketing. Among the four organizations planned to be established in Iğdır, Kars, İzmir and Thrace, which has been included in the 1937 Government Program, İzmir-based TARIS was established in the same period. Another significant development was the transfer of the task of Ziraat Bank, which was assigned to purchase wheat in 1932, to a new state-owned enterprise established in 1938 under the name of Turkish Grain Board³.

At the beginning of the most critical steps taken regarding the issue of education, which is at the base of agricultural development, the village institutes established at that time. The grad teachers has been trained spread all over the country with the intention of, on the one hand, increasing the education and socio-cultural level of the people, on the other hand, introducing and teaching modern agricultural production methods to the villagers. In this regard, tools and equipment provided free of charge to teachers by the state, various seeds and saplings, and instruments such as farm animals (Akandere, 2019: 425) have been valuable efforts to bring new agricultural techniques to rural villages.

³ www.tmo.gov.tr

Although the deterioration in the agricultural terms of trade of the countries affected by the depression relatively affected Türkiye, it has remained at a certain level in Türkiye due to its limited foreign trade and self-sufficiency based on export diversity (Başkaya, 2004: 74). Despite this, the decrease in the prices of agricultural products due to export restrictions and the restricted imports in areas such as sugar and textiles have signaled the realization of industrialization with industries that should be established by the state itself (Ercan et al. 2008: 228). The statistism understanding applied in Türkiye represents a mixed system that prioritizes the private sector and applies the state intervention in areas where the private sector is not sufficient to encourage the private sector. The 1930s, when the statist understanding of economy began to prevail, was also the year when the idea of planning emerged. The idea of statist economy, as it has been based on an understanding on development through statist industrialization and makes the state intervention actually valid, has brought along the application of the experience of planned development and industrialization.

The planning process, which started with the 'Report on Our Economic Situation' (*İktisadi Vaziyetimize Dair Rapor*) prepared by the Ministry of Economy (*İktisat Vekaleti*) for the first time in 1930, has been combined with expert opinions and financial support from the USSR which is the model country in the planned economy of the period, the First Five-Year Industrial Plan (1934 -1938) was implemented (Dikkaya et al., 2008: 79).

The First Five-Year Industry Plan has covered the investments to be made in the paper, chemical and stone-soil (Karakayalı, 2003: 77) industries, of which 36 percent belongs to the textile and 23 percent to the mining (Kepenek, 1990: 63). It has been a plan for the development of the industrial sector, in which the services and agricultural sector has been excluded (Özçelik and Tuncer, 2007: 260).

During the Second Five-Year Industrial Plan (1938-1943), which could not be implemented due to World War II, despite approximately 82 percent of total employment, 40 percent of GNP and 80 percent of foreign trade revenues were in the agricultural sector, but only 10 percent of total investments have been separated to the sector (Durmuş and Aydemir, 2016: 165). Despite this, while cultivated lands were 4.86 percent of the total land in 1927, it has increased to 10.2 percent in 1934 (Şahin, 2002: 69). In the period of 1934-1938, efficient planting could not be realized due to the uneven distribution of state lands to the peasants for the purpose of lands the farmer; this situation has constituted a serious obstacle in front of capital accumulation in the agricultural sector (Parasız, 2003: 68).

3. Planning Approach in Türkiye from the National Chief Era to the 1960s

The Second World War between 1939-1945 interrupted the development steps in Türkiye as well as in the whole world. Also, The Economic Development Plan, named as the 'Vaner Plan' in 1947, was a plan that determined agriculture as the main starting point of development and constructed other sectors to support

agriculture (Tekeli and Ilkin, 2009: 16). The plan has been based was the principle of ensuring that private enterprises operate freely. The plan could not be put into practice because external resources could not be obtained.

The decade-long process, which started with the Democratic Party that came to power in 1950, started a new process that prioritized the agricultural sector and began to experience innovations and changes in agriculture with foreign aid, with the break with the planning approach. In the new order established by the USA after World War II and shaped by its support, the liberalism trend, which has started to rise again all over the world instead of protectionist policies, also affected economic policies in Türkiye in the same direction. With the Marshall Aids financed by the USA, Turkey's agriculture has expanded its cultivated areas by showing rapid development thanks to the purchase of new vehicles and tractors (Pamuk, 2014: 227-228). This period, in which most of the state-owned lands and pastures were distributed to small producers and landless peasants within the framework of the 'Law on Landing the Farmer' adopted before the Democratic Party government constituted half of the lands opened for production throughout the 1950s. The amount of cultivated land, which increased by 10 percent between the post-World War II period and the 1950s, increased by 50 percent in the 1950s, and agricultural production doubled in 1960 compared to the pre-World War II era. In the last 200 years of Turkey's history, there is no other period in which the cultivated area and agricultural production have increased at this rate (Pamuk, 2014: 228-229).

Towards the end of the 1950s, the problems experienced in the rollover of foreign debts, the failure to achieve the growth rates experienced in the past, the decline in agricultural production due to high inflation and bad weather conditions paved the way for the crisis in 1958. The process in question brought with it the idea of taking a concrete step toward the necessity of transitioning to a planned economy model. In the context of foreign relations, the main motives that prepare the planned development process have been especially the negotiations on the connection of agricultural activities to a plan. After the military coup of May 27, 1960, the planning studies continued by the National Unity Committee, which were assigned to govern, were put into practice primarily to regulate the agricultural sector and against the local forces formed by large landowners (Yenal, 2010: 112). The State Planning Organization (SPO) was established with the decision of the Official Gazette dated 5 October 1960 to carry out the planning activities in an orderly manner.

In this period when Keynesian policies have been dominant in the economy, while the welfare of the people has been increased with the effective power of the public on the one hand, the necessary investments for national capital accumulation have also been made by the state. The common feature of the plans put into effect until the 1960s is that they were made to plan and implement public investments rather than a holistic economic approach. At the same time, a relevant institution has not

prepared the programs in question, and there is no framework for implementation methods (Ministry of Development, 2014: 13).

4. Institutionalization Period in Planning

At the end of the 1950s, the belief that the Turkish economy should have entered into a planned economic restructuring process to control the use of capital in the fight against foreign debt payments and inflation began to become widespread (Kepenek and Yentürk, 2012). In order to realize the planned development, the First Five-Year Development Plan covering the years 1963-1967 was put into effect with the decision published in the Official Gazette dated 3 December 1962. The State Planning Organization, which was established under the Prime Ministry on September 30, 1960, has been assigned to the Development Plans, which were decided to be implemented on a legal basis with the 1961 Constitution.

Agricultural objectives, basic policies, production and investment targets have been determined in the plan, and it has aimed to meet the increasing raw material needs of the industry with the increase in industrialization and exports by increasing agricultural production. While it has been stated that the increase in agricultural production is an effective sector in solving social problems such as internal migration as well as economic; It has been also pointed out that resources should be used effectively and efficiently in order to ensure a long-term balance in land use (FFYP). The experience gained by both the government and the public in planning at the end of the plan period (Tokgöz, 1998: 12) has been an important gain for the following periods.

In 1960 and after, economic and cultural development was one of the main aims of the politics of the period as a matter in itself. In these years, when a total understanding of development has been adopted, the principle of developing import substitution policies and strengthening the private sector by the public, with the support to be transferred from the public to the private sector in order to make the market economy functional within the framework of the basic rules established by the Development Plans.

The first report prepared by the State Planning Organization (SPO), which was one of the first steps of the planned development process in the 1960s, presents a fifteen-year economic perspective. In the first article of the plan, which has included the plan objectives and strategy determined by the High Planning Council Decision, the statement *“A development plan will be made that will ensure and maintain the highest development speed within the democratic order that is the way of life chosen by the Turkish society”* (Official Gazette, 1961: 4530). After these lines, in which the plan's main objective has been explained, the basic strategy of the Development Plans is included in other articles. Accordingly, it has stated that Development Plans covering 15 years with 5-year intervals will be prepared and these plans will be implemented within the framework of the targets determined by considering the relationship between population growth rate and development rate (Official Gazette, 1961: 4530). In the plan, which has been stated that the Turkish economy was a mixed economy model consisting of state and private sector

cooperation, the state would assume the role of encouraging private sector investments and the savings rates needed to realize the investments should be increased. In this regard, it has been emphasized that both the private sector, the public and individuals should show maximum care.

The Second Five-Year Development Plan, covering the years 1962-1968, was implemented by the Justice Party government, which was the ruling party of the period. Similar to the First Plan, it has been stated that the main target of an average of 7 percent growth in national income would be realized through the development in the industrial sector rather than the simultaneous development of agriculture and industry. The development of the industry has been based on the idea of undertaking the production of intermediate and investment goods by the public sector and strengthening the private sector capital (Kepenek, 2012).

The striking feature of the planning approach in the 1960s was that it was compulsory for the public sector and guiding for the private sector (Ministry of Development, 2014: 14). The welfare state or social state understanding adopted until the end of the 1960s after the Second World War has been described as the golden age in terms of national economies and social conditions (O'Connor, 2010: 693).

The Third Five-Year Development Plan to be implemented in 1973-1977 was prepared by the military regime, the Nihat Erim government. In a conjuncture where political turmoil has been at an extreme due to the short-term governments established between 1972-73, the oil crisis that emerged after the Israel-Arab Conflicts that started in 1973, and the Cyprus Peace Operation that took place in 1974, macroeconomic results have been encountered far from the targets. The external deficit problem caused by political behavior and the fluctuations in inflation and growth figures in the relevant period can be considered as the expected results of an unstable process. The Third Plan was prepared within the scope of the Additional Protocol (1970) signed with the European Economic Community, within the walls of customs has been planned to be abolished after twenty-two years, with a perspective on the production of intermediate and investment goods together with industrialization. While the share of industry from the GNP was determined as 35 percent in the plan, it has been aimed to allocate 53.4 percent to the services sector and 11.6 percent to agriculture. Although the agricultural sector grew by 3.5 percent on average, inflation reached double digits and the fluctuation in the average growth rate was due to the dependence of agricultural production on seasonal conditions (Tokgöz, 1998: 15).

The Fourth Five-Year Development Plan was implemented between 1979-1983, and continued to have been implemented as planned by two different governments before and after 1980. The stable execution of the plan was due to the fact that the economy bureaucrats continued their duties in both governments (Tüleykan and Bayramoğlu, 2016: 403). The main objectives of the Fourth Five-Year Development Plan have been based on a self-sufficient national economy,

developing technical and economic development together, meeting the energy needs with domestic resources, specializing in agriculture and realizing acceptable urbanization, paying foreign debts, progress in transportation and stability. (SPO, 1979: 656). The average growth was targeted at 8 percent in this period but was only able to reach the level of 2.6 percent.

The common feature of the first four plans is that they are plans to reach the targeted growth rates by accepting the production techniques as data and developing strategies to prioritize the industry sector (Kepenek, 2012: 140-141).

4. Planning under Neo-Liberal Policies

The 1980s were the beginning years of a new process dominated by liberal economic understanding. The economic reflections of the social transformation that started in Türkiye after the military intervention in 1980 brought along a series of economic regulations known as the 24 January Decisions. With the transition from import substitution policies to the export-based industrialization model, the process of opening up the economy has begun. Within the industrialization efforts, the private sector has been paved, and the necessary public support have been directed to the development of the private sector. Development Plans, which have progressed in the line of planned economic understanding until the 1980s, became draft texts in which the foundations of a new understanding were laid with the effect of liberal policies since the 1980s.

After the '*transition program*' prepared in 1984, the Fifth Five-Year Development Plan was prepared to cover the 1985-1989 period.

The 1990s, shaped by the influence of the neo-liberal policies of the 1980s, represented a ten-year period in which economic and political instability was experienced and various social divisions were experienced. In 1989, with the transition to external financial liberalization, the Turkish lira became convertible, and capital movements were liberalized, leading to increased foreign exchange inflows to the country and increasing interest rates. The increase in foreign exchange has brought with it an increase in imports.

Turgut Özal, who became the President in the last period of the Fifth Plan, prepared the Sixth Five-Year Development Plan within the framework of his own economic thoughts, but it was Yıldırım Akbulut's government that put it into practice. The first years of the Sixth Plan, which was prepared for the period of 1990-1994, witnessed large-scale movements in world politics. Iraq's invasion of Kuwait in 1990 and the liberation of Kuwait with the coalition forces formed under the leadership of the USA in 1991, the federations that gained their independence with the dissolution of the USSR, have also affected Türkiye closely with its political and economic results.

Due to the 1994 Crisis, which coincided with the last year of the Sixth Plan, negative growth figures were observed that year and the economy shrank by 4.7 percent. The rate of increase in CPI in September 1994 was 111.1 percent. 'Extraordinary Stabilization Measures' based on tight monetary and fiscal policies, which went down in history as the 'April 5 Decisions' in 1995 and described as the 'Economic

Liberation War' by the then Prime Minister Tansu Çiller ineffective against the liberalized financial capital in the country because they have been implemented without adequate economic infrastructure.

The preparations for the Seventh Five-Year Development Plan, which was planned to cover the years 1995-1999, were postponed due to the crisis in 1994, and the year 1995 was started with a 'transitional program'. The Seventh Five-Year Development Plan, covering 1996-2000, bears the first traces of a new understanding of development plans. The first year of the Seventh Plan period was also the beginning of the period when the Customs Union Agreement has entered into force and foreign trade between Türkiye and the European Union evolved into a new dimension. Growing above the average growth rate of 5.5-7.1 percent envisaged in the Seventh Plan, the Turkish economy completed 1996 with a growth of 7.1 percent, while inflation increases of 84.9 percent could not be restrained. The increase in imports from the EU within the framework of the Customs Union was above the increase in total imports. The financial crisis that started in Asian countries at the end of 1997 had a negative impact on Russia, one of Turkey's important trade partners, and indirectly on Türkiye.

In the Turkish economy, which was under the influence of the political and economic depressions of the 1990s, the Long Term Strategy and the Eighth Five-Year Development Plan covering the 2001-2005 period were accepted and approved by the Turkish Grand National Assembly in 2000. After the crisis of November 2000 and February 2001, the Justice and Development Party, which has come to power alone, entered a stable transformation process in the Turkish economy. This process was also reflected in the Development Plans.

5. Planning Approach in Türkiye during the Justice and Development Party Era

The 2000s in Türkiye were when the restructuring activities of the economy and the 'regulatory' mission of the state became concrete with the neo-liberal policies that have been tried to be implemented since the 1980s. The success of macroeconomic policies, which have been created with the main goal of ensuring price stability, excessive cheapening in the exchange rate and the increase in foreign goods demand, have brought the current account deficit problem together since the mid-2000s.

The Justice and Development Party, which formed a government alone as a result of the general elections held in 2002, coincided with the first period of the Long-Term Strategy and Eighth Five-Year Development Plan, which was currently being implemented. The main macroeconomic objectives of this plan have been reduce inflation to a level compatible with the EU, to realize sustainable growth and to increase competitiveness and adaptability toward the goal of full membership in the EU (SPO, 2001: 27). In the Plan, with the realization of the structural

transformations envisaged in the process leading up to 2023, the target of entering the world's top ten economies has been determined. It has stated that steps would be taken to redefine the place of the state in the economy, full membership to the EU and to increase efficiency in the Eurasian Region, to become a regional power after 2010 and a global power beyond 2020. The annual growth rate has aimed to be achieved to 7 percent and the national income per capita to the equivalent level of European countries (SPO, 2001: 22).

It has been stated that within the plan period, the Maastricht Criteria would have been fully fulfilled, from budget discipline to reducing inflation to single digits, and the necessary structural and institutional reforms would have been implemented in this context (SPO, 2001: 25). According to 1999 data, although the share of the agricultural sector in GDP was relatively low, such as 15 percent, The Plan has drawn attention to the fact that it has been a significant part of the total employment, but a relatively low level of income (SPO, 2001: 131,132). It has been stated that the situation limited the effective functioning of the labor market (SPO, 2001: 102). For this purpose, it has aimed to create a qualified workforce that will enable the employment structure to turn to non-agricultural sectors and to ensure efficiency in the labor market (SPO, 2001: 103).

The Ninth Development Plan, which was the 2007-2013 period, has been prepared with a broad perspective covering seven years, based on the priorities determined in individual and institutional areas, from Turkey's integration process with the EU to structural and institutional transformations. In the introduction part of the plan, it has been mentioned that development plans are a much more important tool today compared to the past and that they should be redesigned within the framework of changing conditions, and it has been emphasized that the role of the state in the economy should also be redefined (SPO, 2006: 1).

Strategic objectives, which have been defined as development axes in the plan and determined as the main theme of the policies to be implemented: Increasing competitiveness and employment, strengthening human development and social solidarity, ensuring regional development and increasing the quality and efficiency of public services (SPO, 2006: 2).

During this period, the SPO, Turkey's agency responsible for planning and above the ministries, was closed in 2011 and transformed into the Ministry of Development. With this step, the Ministry of Development has undertaken the task of being responsible for preparing and following up the Medium Term Program, strategy and action plans in addition to the Development Plans and Annual Programs for which the SPO is responsible (Decree Law, 2011: 641). While the SPO was an institution responsible for planning at the national level, the Ministry of Development has become the planner of regional development with the committees established within it. The umbrella institution, thought to be established in the Ninth Development Plan to carry out regional policies, has been realized with the establishment of the Ministry of Development.

The GDP, which grew by an average of 4.4 percent annually in the Eighth Plan period with the impact of the economic crisis, has been set at an annual average of

7 percent in the Ninth Development Plan period. With the target of increasing the per capita income above 10,000 dollars, the target of becoming the 17th largest economy worldwide has been determined (SPO, 2006: 54). In this context, growth and an average annual employment increase of 2.7 percent have been expected to be led by the industry and services sector, while the share of the agricultural sector expected to continue to decrease.

With the new Decree, the organizational structure of the SPO and the Ministry of Development has also changed. While the SPO Undersecretariat has been abolished with the transformation into the Ministry, the High Planning Council and the Money, Credit and Coordination Board continued their existence with the change in their administrative structures. While all the High Planning Council members were elected from among the politicians, the number of bureaucrats in the Money, Credit and Coordination Board was reduced and transformed into committees within the ministry. With this difference in organization, it has been seen that a specialized planning understanding at the national level has been abandoned and the Development Plans and Annual Programs to be prepared enter into a structure that is likely to be affected by the political climate (Övgün, 2011: 274-275).

The Tenth Development Plan, prepared between 2014 and 2018, was a plan ready for the first time by the Ministry of Development during the Strategic Plan period covering the years 2009-2023 and prepared with the coordination of the public, private sector, and civil society (Ministry of Development, 2014: 1). Four basic principles has been targeted with the Tenth Development Plan. “Qualified People, Strong Society,” “Innovative Production, Stable High Growth”, “Liveable Spaces, Sustainable Environment” and “International Cooperation for Development” (Ministry of Development, 2014:15). *“To raise the international position of our country and to increase the welfare of the people with the structural transformations to be realized based on the basic values and expectations of our nation in the world that is being reshaped”* (Ministry of Development, 2014: 27) has constituted the main objectives and principles of the plan.

The Tenth Development Plan was prepared by taking into consideration the 2023 targets and accepting that Development Plans should be formed in line with long-term purposes (SPO, 2013: 1). It has been seen that the main objectives, priorities and targets in the plan have prepared in an inclusive and holistic framework. As stated in the introductory part of the plan, in the period when the private sector was at the forefront of the world economic conjuncture and regulation, supervision and coordination missions were assigned to the public sector, it was pointed out that the national plans should prepare with both strategic importance and a large participant mass (SPO, 2013: 2). In this context, the Tenth Development Plan has consisted of public policies that take into account inter-sectoral communication and determined the basic starting points and 25 transformation programs for priority areas.

The other targets set in the plan are to increase the GDP per capita to \$25,000 by 2023, to achieve a sustainable and stable growth performance, to reduce the unemployment rate to 5 percent, and to reduce inflation to single digits permanently. The GDP figure that has expected to be reached at the end of the plan period is 1.3 trillion dollars (billion in today's currency), the per capita income target is 16 thousand dollars and the unemployment figure is 7.2 percent (SPO, 2013: 27). The first of the main objectives have gathered under four main headings, "Qualified People, Strong Society", consists of policies for the realization of development through raising qualified people; The title of "Innovative Production, Stable High Growth" presents policies aiming at structural transformation in production; The title of "Livable Spaces and Environment" is aimed at raising the living standards in rural and urban areas and presents policies to eliminate regional inequalities; The title of "International Cooperation for Development" consists of policies that will ensure the realization of development by considering internal and external dynamics (SPO, 2013: 2).

Growing at an annual average rate of 7.2 percent in the 2002-2006 period, the Turkish economy grew by 3.3 percent in the 2007-2012 period due to domestic political problems and the global crisis during the Ninth Development Plan period. As of 2012, the share of agriculture in GDP has decreased to 7.9 percent. In the same period, the increase in value added in the agricultural sector was 2.1 percent, while it was 3.7 percent in the industry and 4 percent in the services sector (SPO, 2013: 20).

The Eleventh Development Plan, which entered into force on July 23, 2019, covers the period of 2019-2023 and is also the first plan of the Presidential Government System. Preparing the development plans, which the Ministry of Development has undertaken in the previous period, was given to the Department of Strategy and Budget and the Ministry of Treasury and Finance with the system change. The plan, which was prepared with a broad audience, established 75 special expertise commissions and working groups consisting of private sector representatives, universities, civil society, and other ministries and public institutions and organizations. To determine the development priorities, the views and suggestions of almost every segment has been included through 267 meetings and workshops held in 81 provinces, interviews with 12 thousand people, and the "citizen survey" conducted over the Internet with the participation of more than 19 thousand people (DSB, 2019: 3).

The main purpose of the plan has been determined as follows:

"To raise the international position of our country and to increase the welfare of our people, based on the basic values and expectations of our nation; Turkey's entry into the ranks of high-income countries and countries with the highest level of human development; In addition to the protection of fundamental rights and freedoms with a fair and fast-working legal system, where citizens can lead a happy, healthy and safe life, as well as providing easily accessible and citizen-oriented public services based on equal opportunities with a highly predictable public policy" (DSB, 2019: 26).

The principles of the plan to achieve the goal have been as follows:

“Making cities and rural areas offer better job opportunities and living environments in line with the dissemination of social welfare with a human-oriented development approach, raising individual and social competence levels, ensuring intergenerational equity and sustainability in the use of natural resources with social security regulations, and human-orientedness, participation, inclusivity, accountability, transparency and efficiency” (DSB; 2019: 26).

Within the scope of the Presidential Decree issued in 2018, the Ministry of Industry and Technology has been established by merging the Ministry of Development and the Ministry of Science, Industry and Technology. The authority to prepare development plans within the Ministry of Development has been given to the Department of Strategy and Budget (DSB). According to the Presidential Decree, the task of preparing the Development Plan, the Presidential Program, the Medium-Term Program, the Medium-Term Financial Plan, the Presidential Annual Program, and the sectoral plans and programs within the scope of the main goals, principles and objectives set by the President has been given the Department of Strategy and Budget with the Ministry of Finance (Official Gazette, 2018: 30488). The duties and authorities of the Ministry of Development for development agencies and regional development has been given to the Ministry of Industry and Technology and the Ministry of Trade in the new system. In this way, national and regional planning processes have been separated (Ağdemir, 2021: 96).

In the Eleventh Development Plan, which was prepared by a department affiliated with the Presidency in the new system, the importance of a planned economy approach in the medium and long-term strategies of countries has been underlined as in the previous periods (DSB, 2019: 1). Similar to the previous plan, guiding basic development axes have been determined in the Eleventh Plan. “Stable and Strong Economy”, “Competitive Production and Productivity”, “Qualified People and strong Society”, “Livable Cities and Sustainable Environment” and “Rule of Law, Democratization and Good Governance” the development axes have gathered under it. The plan has aimed to realize the vision of *“Türkiye that produces more value, shares more equitably, is stronger and prosperous”* by the axes (DSB, 2019: 2). The plan has also emphasized that the fast and effective executive mechanism introduced by the Presidential Government System would increase efficiency in practice (DSB, 2019: 3).

In the plan, the increase in food demand and the negative impact of urbanization on natural resources and agriculture in connection with climate change, food security and efficient water use, which have been discussed under the heading of global developments and trends have been mentioned. Against possible risks, it has been stated that there is a greater need for qualified workforce and technology assets to produce plants and animals suitable for the climate, to protect the environment and biodiversity, and to carry out effective production (DSB, 2019: 11). It has been stated that Türkiye is in an effort to activate production according

to demand by making progress in the fields of sustainable resource use, prevention of agricultural population migration, rural development, use of technology and marketing (DSB, 2019: 13).

In the Eleventh Plan mentioned that the share of the agricultural sector in GDP in the previous period has decreased compared to the industry and services sector, according to 2018 data. The share of agriculture in GDP was 5.8 percent, while the share of the industry was 22.2 percent and the share of the services sector was 61.5 percent. In the Eleventh Plan period, the domestic product has been expected to grow by 3.1 percent annually on average, and the share of agriculture in the product will decrease to 5.4 percent. In comparison, the industry share is expected to increase to 24.2 percent and the percentage of services decrease to 60.1 percent (DSB, 2019: 35).

6. Conclusion

The planning process in Türkiye has started during the Ottoman Empire period and has come to the present day by going through various stages. The planning process, which started with the Land Code of 1858 during the Ottoman Empire and was shaped by agriculture-oriented policies, was founded on the understanding of development through industrialization and the establishment of the Republic of Türkiye, where industry-oriented policies were produced. In this period, which could be described as the liberal period, in which steps were taken to develop the private sector under the state's leadership, a new period began in which economic policies were adopted within the framework of the statist approach after the 1929 depression. The understanding of statism in Türkiye has been based on establishing an economic system in which the state and the private sector operate coordinated, unlike socialist regimes. Taking the Soviet Union as an example, two industrial plans were prepared to ensure industrial development after 1929, when planned industrialization moves were implemented in Türkiye. Despite its successful implementation in the First Plan (1933-1937), the Second Plan (1938-1942) could not have been implemented because it coincided with the Second World War. The 1950s was a period when liberal thought re-emerged. It refers to an agricultural sector where industrialization steps have been taken directly in agriculture and developed with foreign aid. The planned development period started again in the 1960s after a short period of ten years, was implemented until the 1980s with the five-year development plans prepared by the SPO. Since the process of opening up, which emerged in the 1980s, has been adopted without the necessary economic and institutional infrastructure works, the fragilities of the Turkish economy and the foreign deficit problems increased, has brought new decades with it. This period is the beginning of the process in which the planned economy approach is moved away and development plans are evaluated as plans on paper.

The unstable political conditions of the 1990s caused a new crisis at the beginning of the 2000s in the Turkish economy, where coups and crisis periods are experienced almost every decade. The beginning of the political stabilization

process in 2002 brought economic stability as well. The development plans, which started to be abandoned in the 1980s and did not find any response in practice, took on a new systematic that came under the partial control of the government and was shaped according to government policies as of 2011 with the closure of the SPO. Since 2017, development plans have started to function as an organ of political authority, starting to be prepared by an institution wholly affiliated with the Presidency. Periodically implemented economic policies and prepared development plans are typical indicators of not acting independently from domestic and foreign political and economic actors.

As for the Ninth Plan, it can be said that the coordinated action of the development plans shaped by the participatory policies of many independent actors and prepared in a broad perspective, theoretically contributed positively to the projects. The most fundamental deficiency of the planning tradition from the past and the planning understanding of today can be considered as the success or failure of the plans in practice, regardless of the institution that prepared the plan. Although it is seen that each plan period has consistent texts in terms of targets and decisions taken, the main problem is related to the effectiveness of the plans in practice.

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