

Turkey's Social Assistance Regime – Is It Time For Basic Income?

TESEV Good Governance Debates aim to share with the public, different opinions and recommendations on issues that are under TESEV's working areas



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Founded on a rationale that is different than access to income and the benefits of social security systems such as pensions and health insurance which are earned in exchange for work, the importance of social assistances today is increasing both in the quantitative and in the qualitative senses. To what extent however is the present social assistances regime in Turkey that is fragmented, insufficient and based on debatable principles, able to respond to the changing face of poverty?

A universal basic income policy based on citizenship or residency may be the path to a more rights-based, systematic and inclusive social assistance regime.

Poverty: From the unemployed to the working poor

The dark shadow cast by unemployment which has become structural in the economy continues to be the most important factor behind the chronic problem of poverty. The negative consequences of poverty are in turn expected to be alleviated by the social assistance regime. The unemployment rate in Turkey has averaged 7.5% between 1980 and 2000, 9% between 2000 and 2010, and 10% in the period after 2010 (1). This reveals that unemployment in Turkey has been rising in secular fashion, independent of cyclical crises, in the neoliberal post-1980 period which has been marked by the transition away from employment targeting in favor of inflation targeting economic policy. Furthermore, the 11.4% unemployment rate reached as of September 2018 is forecasted to reach 12% in 2019 in the New Economy Program (2). This means that the long-term trend will be compounded by the negative effect of the crisis in the short term. This in turn suggests that the number of people who will need social assistance will only increase.

Today, in addition to the unemployed, the “working poor”, denoting those who are unable to escape poverty despite having a job, increasingly comprise the category of the poor.

The loss of rights suffered by those formally employed, the existence of a very large undeclared/informal sector and precarization (insecurity and discontinuity of work) of employment feed into this tendency. The poverty of workers, who appear to suffer poverty at a low rate, amount to a very large mass of people when the absolute number of workers are considered, thus complementing the classic poverty of peasants and the unemployed. The vital role of social assistances in reducing both the classic and this relatively new form of poverty can be seen in the table below.

While the noteworthy positive material effect of social assistances in softening the effects of poverty is a given, comprehending its total impact as a social

institution requires a more detailed and qualitative analysis. Ayşe Buğra’s *Capitalism, Poverty and Social Policy in Turkey* (2008), in which she traces the evolving logic of social assistance throughout the history of the Republic is foundational in this field. The Republic has had a painful history on this count: Child poverty has been approached within the context of the nuisance caused by beggar-tramps and unattended children have been forcefully delivered to their families or sent back to their villages in Anatolia (almost all of them have re-escaped), most sick babies who have been abandoned on to the streets with the hope that they will be found and delivered to Darülaceze [An institution analogous to a poorhouse] have lost their lives, and tolerance towards the building of shanty houses have at times been the only effective “social policy”.

Beyond all of these however, perhaps most important is that the organizing rationale of social assistance has never been fully based on a modern and systematic foundation.

Poverty Rates (\$4.3 Income Per Day Threshold) According to Employment Status in 2011

	Share in Total Poor	Poverty Rate Before Social Assistance	Poverty Rate After Social Assistance
Not Part of the Labor Force	3%	82,6%	7,4%
Urban Unemployed	9,1%	66,6%	14,3%
Rural Unemployed	7,8%	80,4%	25,8%
Landed Subsistence Peasants	14,9%	24,3%	14,5%
Landless Subsistence Peasants	6%	43,4%	26,2%
Agricultural Laborers	8,9%	35,3%	28%
Laborers	40,5%	14,8%	10,1%
Self-Employed	4,8%	8,4%	4,8%
Turkey Total		13%	5,7%

Data Source: Bahçe and Köse (2015) (3)

What should be the aim of social assistance? Who should be the receiver and the provider?

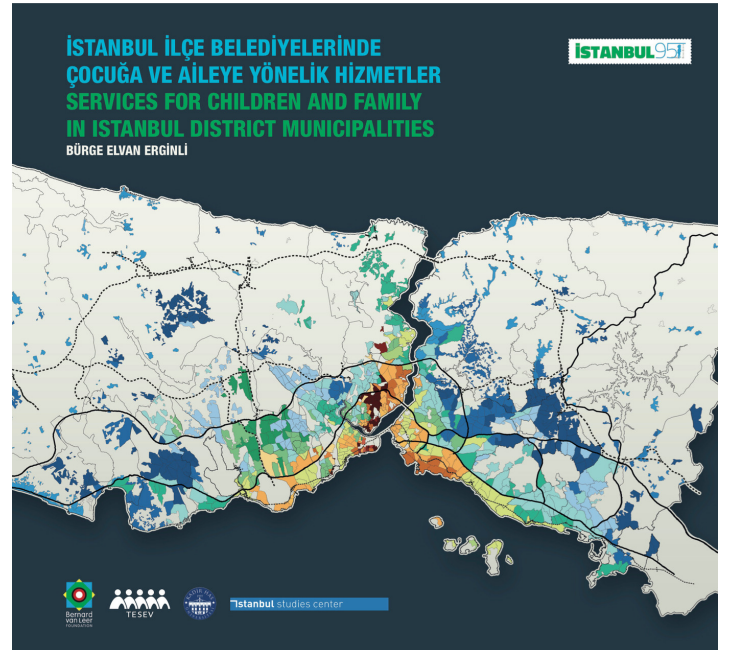
According to Buğra, perspectives on social assistances are shaped by a few parameters. The first of these concerns the way poverty is defined. Is poverty merely an issue of dropping below a minimum material level that can be expressed as “going hungry”, or does it go beyond that to become an issue of participation in society, manifesting as social exclusion? If we accept the latter position, then the aim of social assistances becomes not only fighting material deprivation, but lifting poor individuals into citizenship in the true sense. The second parameter is the extent to which the distinction between those who deserve and those who do not deserve assistance is valid. Attempting to distinguish between the “honest” poor who want to work but who cannot find jobs, who therefore deserve assistance versus the poor who have “made laziness and beggary into a profession”, who therefore do not deserve assistance, has always been an ethically problematic approach.

Today’s phenomenon of the working poor further invalidates this distinction. In Denizcan Kutlu’s edited volume *Social Assistance Recipients* (2018) which constitutes a highly original ethnographic contribution to the literature by presenting the subjective experiences and sentiments of people who make use of social assistances, we find that people who receive social assistance wish to work if they are unemployed, and if they are poor despite working, they wish to increase their income and stop receiving assistance as soon as possible. The issue which Buğra frequently underlines, of whether assistances are to be rights-based (as in human rights or citizenship rights, as opposed to the calculus of “deserving” mentioned above) and reinforcing of human dignity or if they are to be based on an arbitrary charity that gives rise to a subjectivity of gratefulness becomes paramount here. This in turn leads us to the third parameter: Who should be the provider of social assistances; volunteers activated on will, or the state which is to act on a sense of duty?

If we are to aim for a system of social assistance that can produce social inclusion, that can reach the entirety of the poor without discrimination and that will be provided by the state in a systematic manner based

on the right of the individual within modern society, we need to identify the position that NGO’s need to take correctly. On this count, the concept of governance that has found its way into the world in the 1990s, which has to some extent counterbalanced the mentality of assuming the market can cure all ills which prevailed in the 1980s, provides certain opportunities. In place of an operational approach to the functioning of NGO’s which attempts to fill the vacuum left behind by the state which is to completely abandon the fields of social policy, and which aspires to assume itself the provision of assistances with miniscule and irregular budgets, playing an unauthorized and unaccountable role (Buğra, p.95) that thereby leads to a democratic deficit, a campaigning mode of functioning which pressures the state and guides policies, ought to be preferred.

TESEV’s gathering and presentation of data regarding municipal services constitutes a positive example in this respect which motivates officials to perform certain tasks in a better and more efficient manner. It contributes to eliminating shortcomings of municipalities that may exist in terms of transparency, especially considering that their powers in this area have been expanded and their cooperation with volunteers has been encouraged (by providing usually religious foundations with a large space to operate in through coming up with half-baked concepts such as “the social nation” to complement the social state) in the Justice and Development Party (AKP) period. As we see in the study mentioned, the role of local administrations in distributing social assistances is very large.



Perusing the findings of the data gathering and mapping work which constitutes the foundation of the Istanbul95 project realized by the cooperation of TESEV, the Bernard van Leer Foundation and the Kadir Has University Istanbul Studies Center reveals the variety of social assistances provided by Istanbul district municipalities to be attention grabbing. In addition to conditional cash transfers and microcredit, there exist cash transfers directed at students, soldiers, babies, elderly, sick and disabled persons; in-kind assistances in the form of medicine, food, clothes and fuel (the monetary equivalent of which may be seen on the map); service assistances for housekeeping, hygiene, personal care, circumcision, funerals, touring and sports; consumption cards and other "projects", which constitute a fragmented plethora of social assistances (4). In additional comments and opinions, local administrators frequently state their intentions of identifying needs in further detail and reaching more persons in need to be among their future plans. It is evident that specialized means-testing for each of these varieties of assistances will create a significant amount of expert allocation and bureaucracy on the part of the assistance provider, and a permanent state of anxiety on the part of the assistance receiver due to potentially often changing needs and conditions.

The basic income alternative

Among its other benefits, a consolidated Universal Basic Income program to take the place of the cash and in-kind transfers among existing social assistances (the aim here is not at all to replace services that have collective and scale rationalities) can constitute an immediate and radical solution both to the overhead born of the diversity of assistances and satisfy the intention to reach more persons in need. The idea of a universal basic income, which has been introduced to the debate on contemporary social policy towards the end of the 20th century by thinkers such as Guy Standing and Philippe Van Parijs but which actually dates back to Thomas More who wrote in the 16th century, is based on society allocating a regular cash payment to every individual without needs assessment and regardless of employment, at a level that will not deter work (lower than minimum wage).

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the problem of needs assessment. A transfer to be paid universally to each individual or household, to be later recouped from those who are not in need (these will primarily be individuals who are registered and formally employed) through taxation can efficiently and rapidly replace the difficult task of trying to pull out those "truly" in need out of an amorphous, unregistered and informal crowd (5). From what we observe in TESEV's study, local administrators who are conveying the assistances at times take pains to provide them discreetly - by making sure vehicles transporting the in-kind assistances carry no official emblems or markings for example - out of the valid concern that receiving assistance can be degrading. A basic income to be received by all citizens by right, or everyone living in the same society even if they are not citizens, such as immigrants (6) would also put an end to this issue of shame and the invention of decorous ways to avoid it.

Buğra and Sinmazdenir have calculated the fiscal cost of a basic income system set up in this manner for the year 2003 (7). In 2003, the poor, defined as individuals living on less than \$2.15 per day corresponded to 14% of the population. A \$65 per month cash transfer as basic income to households assumed to be comprised of four persons was equivalent to 0.56% of GDP and 1.25% of the state budget after interest payments. The evolution of this number, which corresponds to \$90 as of October 2018 has tracked a proportionate increase in the size of the budget in inflation-adjusted dollar terms, despite the 2018 currency crisis. This sum, which is in no way impossible to shoulder, can be further increased by

defining the poverty limit higher or by increasing the amount of assistance. Furthermore, the share in GDP of the "other" category, comprised of social services and assistances outside of pensions and health insurance, remains far behind that of developed countries (8).

The defenders of basic income wish to see its remedial effect on society go well beyond its accounting aspect. While it does have a redistributive dimension, it is hoped that reactions in society against this redistribution will be softened by the universality and legitimacy of its application which is derived from a citizenship right. We can expect it to play a depolarizing and reparative role concerning certain political fault lines in Turkey as well. For example, there is a common discourse regarding social assistances especially among those belonging to middle to upper income groups, which can be summarized as to "pasta and coal" grants, on the basis that these are but dubious means to gather votes from poor sections of the people for the government. From what can be gleaned from ethnographic studies, the perception that arbitrariness, favoritism and patronage relations are dominant in the distribution of social assistances is also echoed in the statements of assistance recipients themselves. Among themes that frequently emerge in the interview transcripts of the research by Kutlu et al. are the insufficiency yet indispensability of the assistances, reception of assistance taking place as a humiliating experience accompanied by shame and embarrassment, and a striking state of uncertainty and concern that assistances could be withdrawn at any moment. This situation, which can be interpreted as a sort of social hostage taking, causes assistance recipients to constantly worry about their livelihood and promotes a state of conservatism that can be summarized as "not making any noises" and being aversive to change as a coping mechanism.

The meeting of such an institutional arrangement with a non-empathic reaction in certain sections of society that are not poor has a corrosive effect on society as a whole. The replacement of the existing cash and in-kind assistance regime with a basic income program which all citizens or all individuals who reside in the country are part of and which is plain and transparent enough for them to understand will also be a factor that reduces tensions and increases unity in society.

Notes

1. <http://www.mahfiegilmez.com/2017/02/issizlik-artiyor.html> [Unemployment on the rise]
2. <http://www.bumko.gov.tr/Eklenti/11245.ovpsunumv11ingilizcepdf.pdf>
3. AKP'li Yıllarda Emeğin Durumu [The State of Labor in the AKP years] (2015), Bağımsız Sosyal Bilimciler [Independent Social Scientists], Bahçe and Köse (2015) in (p.187, 189)
4. <http://belediye.istanbul95.org/>
5. The importance of improving the performance of the state regarding tax collection and rendering the tax regime more just increases on this point.
6. While the assistance fund known colloquially as the Poor and Indigent Fund created in 1986 with the Law Promoting Social Assistance and Solidarity comes short and is problematic in many respects, it is noteworthy that it targeted "citizens who are in need, and when necessary, persons who have been accepted to or who have arrived at Turkey unconditionally".
7. "Yoksullukla Mücadelede İnsani ve Etkin Bir Yöntem: Nakit Gelir Desteği." [A Humane and Effective Method in Fighting Poverty: Cash Income Support.] Bir Temel Hak Olarak Vatandaşlık Gelirine Doğru [Towards Citizens' Income as a Basic Right] (2007), Eds. Ayşe Buğra and Çağlar Keyder
8. https://stats.oecd.org/Index.aspx?DataSetCode=SOCX_AGG



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TESEV would like to thank the Friedrich Ebert Stiftung for their support for this publication.