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EDITORIAL

Ferhat Topbas

ARTICLE(S)

BOOK REVIEW(S)

VOLUME 1 ISSUE 2

EDITORIAL

The Editor-in-Chief and the Editorial Board are proud to present the second issue of the Focus on Research in Contemporary Economics (FORCE). We are driven to establish FORCE which is dedicated to create a well- established venue for high quality research in contemporary Economics. Its content mirrors widespread scholarly approaches and interests within the dimensions of Economics, Finance, Accounting, Banking, Business Administration, Marketing, Management, and other related areas in Social Sciences. Therefore, FORCE's contributions are not limited to a specific disciplinary philosophy or a particular approach.

Our second issue features three research articles, two review articles and a book review that report essential findings and implications in Contemporary Economics. In the first article, Ertuğrul and Unat (2020) focus on relationship between economy and moral philosophy. This study analyzes the aforementioned relationship through some fundamental principles.

In the second article, Aslan (2020) explores the gender poverty gap in Turkey. In doing this, population subgroups disaggregated by individual, family structure, and labor market characteristics are probed. The findings of the study reveal a significant gender poverty gap in Turkey.

In the third article, Kaya and Özyazıcı Erdoğan (2020) probe into the economic contributions of cycling festival on tourism sector with a special focus on cycling festivals in Turkey. Herein, Canakkale Bicycle Festival is taken into consideration for the fieldwork, and the results indicate that expenditures are on accommodation, transportation, food-beverage, and other services.

In the fourth article, Çil (2020) maps out the importance of Key Activation Technologies (KETs) in smart strategy expert. Herein, she evaluates the EU countries and Turkey through country significance indicator in order to make a generalization.

In the fifth article, Unat (2020) reviews the Malthusian theory of population within the scope of human capital. Thus, the validity of the theory is probed in terms of the advances in the history, and noted.

Turkey" (edited by Doğanyılmaz Duman & Duman, 2020) in probing into seven chapters within. In his review, Kavaklı analyzes the overall book in order to provide an understanding of the concept of migration in Turkey by means of examples in policies, reactions, and discussions.

I would like to thank our authors, reviewers, and readers for their continuous support.

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FORCE

FOCUS ON RESEARCH IN CONTEMPORARY ECONOMICS

HARMONIZING THE FUNDAMENTAL PRINCIPLES OF ECONOMY AND MORAL PHILOSOPHY

Cemil Ertuğrul, & Ebru Unat

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FOCUS ON RESEARCH IN CONTEMPORARY ECONOMICS

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HARMONIZING THE FUNDAMENTAL PRINCIPLES OF ECONOMY AND MORAL PHILOSOPHY

Cemil Ertuğrul, & Ebru Unat*

ABSTRACT

In its simplest form, morality refers to the value judgments that we define as "good" or "right" in human relations. Here, questions arise such as “what is understood from good?, what is the criteria?, and what is good for whom?”. Basically, morality has formed the basis of value judgments in almost all religions. Being moral is a phenomenon that should also be present in economic thought as it is present in every place in life. The conditions of free competition essentially provide the necessary situations for being moral in economics but it is not possible to ensure morality in terms of production and distribution under monopolistic structures. Taking these into concern, this review article attempts to prove that economics and morality are not independent from each other and both of them complete each other by means of fundamental principles in economy; and thus, provide suggestions.

KEY WORDS: Moral philosophy, morality, value judgments, economic structures.

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1. INTRODUCTION

The "invisible hand" explanation of A. Smith, who is a moral scientist beyond being the founder of the science of economics, predicts that while individual

benefit is maximized in the free market, social benefit will be maximized automatically, even if it is not intended. Such an individual benefit maximization, which also maximizes social benefit, is moral and assuredly virtuous in its results.

Market systems need to be examined according to their moral aspects. It is sure that market system based on free competition with the definition of Classics, or perfect competition with the definition of Neo-classics is the best economic system not only from economic point of view but also from moral point of view.

The imperfect market systems (especially monopoly), in which freedom and competition are limited, or not at all, are required to be examined from moral and economic efficiency point of views. In today's conditions of globalization, imperfect competition, especially monopolization increases and becomes more serious problem day by day. Therefore, we will especially focus on imperfect competition, especially monopolization in this study.

As a market system, the free competition market, which is free from state intervention and monopolies as envisaged by A. Smith, enables the use of freedom (independence, and/or liberalism) in economic life in the broadest sense, and is effective and moral in terms of its results. The main problem here is that the free competition market turns into a rare, even an utopian market form in real life due to the increasing prevalence of other market systems, especially monopolistic markets, against the ideal market type of free competition. As being moved away from the free competition market as a result of monopolization, it is not possible to talk about efficient use of resources, and fair income distribution. Under these conditions, both economics and morality are abandoned, and the ability of the "invisible hand" to maximize the benefit of the individual and society as a whole is lost.

It is not proper to assert that economists, including Marxists, have any significant criticism of the free competition system. The main criticisms are directed against other market systems, especially monopoly. In monopolistic market conditions, it is not possible to talk about liberalism together with the existence and virtue of the free competition market in this context. It is necessary to consider the differences between free competition market and monopoly.

The unfair profit aimed by monopolistic structures is neither economic nor moral since it leads to a departure from efficiency in production as well as fairness in distribution. As a different understanding to send own customers to another tradesman, who could not make the first sale of the day, in the guild (*lonca*) system of Ottoman Empire, which aimed at solidarity as well as profit, was a virtuous behavior in terms of morality even if it was against to the concept of profit maximization of economics. This behavior also proves that ambition for unfair profit is not the exact rule every time, for every individual as well as for every society.

Based on the view that economics is an independent field of science, while particular importance is given to concepts such as rationalism and efficiency in economics, the importance of morality has been ignored (Zelizer, 2007). Asserting that there is no close and direct relationship between the science of economics and moral philosophy since economics is an independent science, and morality is a hindrance to the development of economics is an approach that help the operation to protect and develop their existences in the development process of the monopolistic market system as well as to masquerade their economic and moral problems. It is neither scientific nor moral to cover up the probable mistakes of the economically and morally wrong aspect of monopolistic market system, and to separate economics and moral philosophy from each other. It is an inevitable responsibility that especially economists and moral scientists intervene in this process within the framework of their interests.

Institutions such as culture, law and politics are also closely linked to economics. They also should be included in economic in some aspects, but they are fully ignored by Orthodox-oriented approaches. These institutions are closely related to economy, and should be included in thought of economy in contrary to Orthodox thought of economy. For instance, unemployment insurance are the practices originated from social policies but it also has economic aspects. Orthodox Economics adopts an incomplete and wrong approach due to its narrow and myopic view that ignores other disciplines.

The perspectives of Orthodox Economists that purport no close and direct relationship between economics and morality, and assert that economics is an independent science is not regarded as valid. The existence of a relationship

between economics and morality cannot be denied. It is, thus, inevitable that the economic system should be placed on a moral basis. However, it is very difficult to establish such a connection and harmony.

Indeed, Sen (1987) stated that the convergence of ethics and economics involves significant difficulties, and argued that the reward of such an effort is only be obtained by looking at the subject from a broader perspective. There is a definite and unavoidable relationship between economics and morality.

With these in mind, this article attempts to prove that economics and morality are not independent from each other and both of them complete each other.

1.1. The relationship between moral philosophy and economics

In its simplest form, morality refers to the value judgments that we define as "good" or "right" in human relations. Here, questions arise such as “what is understood from good?, what is the criteria?, and what is good for whom?”.

Morality has formed the basis of value judgments in almost all religions. F. Bacon and other proponents of the secular understanding of morality have argued that an individual can reach morality even without religious beliefs and rules (Aktan, 2020).

Weber endeavored to prove that the economic system could be determined by belief systems, and belief systems could be determined by the economic systems, as well. According to Weber, the ideological element in the formation of capitalism is the "Protestant morality", which advises people to take it as their duty and work for their worldly gains. The spirit of Capitalism is the spirit of Protestantism, and at the same time, it is the morality as well as the rules of conduct of the believers. The tolerant and encouraging approach of the Protestant morality has been an effective factor in the adoption and development of the market system in terms of profit, wealth, financial success, rationality, interest, and speculation compared to other beliefs, especially mystical beliefs allow Protestants to be wealthier than other belief segments. The Protestant morality has adopted working, saving, capital accumulation, avoidance of luxury, successful economic activities, and profits as religious and moral activities. Emotionalism should give way to rationalism in

competitive conditions. In the beginning, while Protestant morality was an effective factor in determining the market system, later Capitalism became one of the effective factors in determining Protestantism. Weber interpreted the transformation of religion from the determining position to the determined position as "disrupting the magic of the world" (Weber, 1985; Weber, 1993; Torun, 2002; Yüceol, 2013).

"Is there a harmony or contrast between moral philosophy and the principles of economics?", "If there are contradictions, should they be harmonized with each other?", "If a harmony is to be achieved, which one should match the other?", and similar questions are important topics of discussion. In this context, it is necessary to contemplate without hesitation with "decency" as Yunus Emre put forward. In all sciences, including economics, it is regarded as an inevitable necessity of thought and behavior to be moral. Economics should definitely not isolate itself from morality, and if there is an opposition between economic thought and morality, economics should seek ways of being compatible with morality. Virtuous thoughts and behaviors that are based on moral basis, and have moral consequences can be a source of sustainable prosperity and happiness on an individual and social scale. If a thought and behavior is not based on morality, its consequences are unlikely to be beneficial on an individual, and in general, on a social scale.

Defining the rational individual as defined by Orthodox Economics as a mechanical actor with unlimited needs and acting only with the motive of personal benefit maximization-cost minimization is a definition that may create dilemmas. It is not moral to ignore that Neo-Classical economics also have the moral side of the individual, and when there is a conflict between individual benefit or profit and morality, it inclines to choose the moral, not the benefit or profit maximization. In this context, it is a wrong and misleading definition to define the individual as an economic actor who has unlimited desires, and never ignores rationalism and utilitarianism in order to accomplish these desires. To view the individual as merely an individual utilitarian-costist, and to ignore that s/he can be socially utilitarian-costist is a humiliation, and disrespect to the individual.

The number of individuals who have unlimited consumption desires (or ambitions) in social life, and in this context in economic life, cannot go beyond the individual benefit, and can even go through psychological problems. Psychological, educational, cultural, and institutional supports that may be necessary for these individuals to attain a healthy (and moral) mentality, to establish a positive balance between individual benefit and social benefit, and to their own peace and happiness should be provided to this segment of the society.

However, the main problem here is that rationalism is usually handled with a micro-level approach on an individual scale. Nowadays, it has become more evident that negative consequences of individual rationality are more than its positive results. Many approaches, which are seen as individual rationality in the short term, can turn into individual irrationality when they conflict with social rationality. Rationalism should be considered not only at the individual but also at the social scale. The rationalism approach should take the individual cost and benefit into account more importantly than the social cost and benefit. In case of a conflict or incompatibility between individual cost and benefit, and social cost and benefit, a balance based on moral basis should be sought that will not ignore either the individual or the society.

It is not always the case to seek economic rationality and utilitarianism in the Orthodox sense in individual and social behavior. As a matter of fact, as a deviation from economic activity and rationalism in social life, in cases where market rules cannot be practically applied (such as in the lighthouse where free service is provided), or considering the moral, social, cultural values and institutions (as in the example of free services provided for the disabled), the benefits of another group can be sacrificed for the individual economic benefits of one segment. It is a proof that the individual and society do not act only with the Orthodox sense of economic activity, rationalism and utilitarianism under all circumstances, and even more, it does not ignore moral, social, cultural values and institutions, hence in a sense, economics and ethics are in harmony even if they are not originated from the discipline of economics but from other disciplines. This situation, which is defined as market failure in Orthodox Economics, should be redefined by seeking a harmony between economics and morality, and explained by more acceptable concepts such

as "social rationality" and "social benefit". The harmony between economics and morality is further expanded in economic life with new concepts. Since a closer bond between economics and morality is established, it is viewed that every economic behavior has a moral basis and result. Approaches that do not ignore either individuality or sociality, and do establish a healthy balance between individual rationality and benefit, or social rationality and benefit should be sought.

Both morality and rationality lace individuals with the idea of what to do, and not to do. In the case where morality and rationality overlap, there would be no problem. On the other hand, if they do not, should we choose “the moral one” or “the rational one” in our decisions? If there is a public opinion poll, the moral one will be mostly preferred (Demir, 2003, p.82-84). In fact, instead of defining rationalism as pure cost-benefit analysis as defined by Orthodox Economics, it is necessary to redefine rationality by adding morality, and even conscience to rationality and considering social benefit as well as individual benefit. With the redefinition of the "economic mind" instead of "the moral, or the rational one?" approach, it may be possible to prefer both "moral" and "rational".

1.2. The necessity of harmonizing some principles of economics with some principles of moral philosophy

Morality (moral philosophy) is a phenomenon that needs to be dealt cautiously in every field, especially in the field of science (Kazgan, 2006). The concept of morality is emerging as a concept that is more and more interested in all social sciences such as philosophy, religion, economics, sociology, law, and politics. In fact, it is inevitable that every science and every behavior has a moral basis (Aktan, 2020). Some economists claim that redefining economic principles by harmonizing and integrating them with the principles of moral philosophy can contribute significantly to the economic problems, and many social, political and social problems fed by such economic problems.

Contrary to these views, some Orthodox Economists argue that economics is a separate discipline with its own rules and techniques, and that it has no close and direct connection with moral philosophy. According to the opinions put forward in this

context, “morals determine the goals” and “economics determine the tools” for decision-makers to achieve their political goals; however, this does not mean that there is, or should be a close and direct relationship between morality and economics. According to Orthodox Economists, putting economics into a pattern of philosophy, especially a pattern of moral philosophy, and looking at economics through the glasses of moral values is an approach that can prevent economics from being an independent and scientific discipline.

Even if different opinions were put forward by both economists and moral scientists about the relationship between economics and morality, the views which argue that economics and morality are dependent on each other, and that it is necessary to harmonize some principles of economics and morality are becoming more widespread. Especially, Institutional Economists have made serious criticisms against Orthodox Economics by highlighting individual and social moral values by arguing that economics is not independent from moral value judgments.

When economics and morality are dealt together, some difficulties may arise in the harmonization of these two concepts. When economics focuses on issues such as efficiency, consumption, distribution, and the transfer of assets, it is not possible to focus attention on moral issues (Zelizer, 2007). The transfer of the concept of morality to the theory of economics has long been met with suspicion, and even with underestimation by Orthodox Economics by the idea that it has moved away from the scientific criteria that dominate the discipline of economics. The basic assumption of Orthodox Economics "everyone should rationally pursue their own benefit" was effective in the emergence of such a situation. The morality of economic theory took the form of Selfish Morality. Orthodox’s current point of view, on one hand, takes the morality as a chattering subject that is directed towards different ways, and on the other hand, regards "utilitarianism" as the most appropriate form of behavior to ensure human welfare (Insel, 2000). Although economics and morality were dealt together in the beginning, economics became independent from morality over time, and especially after the marginalist revolution, by isolating itself from other social sciences, it was dealt with the subject in a narrower area, and remained away from the subject of morality. However, in recent years, the convergence of Morality-

Economics has gained importance again (Hausman & McPherson, 1997). The issue of ethics is no longer a subject imprisoned in normative economics, and the necessity of addressing ethics with a heterodox approach, and now, within the framework of positive economics is getting stronger.

Considering the classification and opinions of Hausman and McPherson (1993), who are prominent in this field, moral theories that stand out in economics are briefly explained below. Hausman and McPherson discussed these theories under four headings: (1) economic efficiency, and Pareto optimality, (2) libertarian theories, (3) utilitarian and consequential theories, and (4) contractual theories.

Economic efficiency is divided into two as "efficiency in resource use" and "efficiency in resource allocation". Efficiency in resource use defines the production process that minimizes production cost, especially with the effective use of labor and technology besides the complete use of resources. Efficiency in resource allocation, also defined as the Pareto optimum, defines resource allocation where it is not possible to improve the situation of another of these actors without worsening the situation of one of the market actors.

Considering that free competition market provides efficiency together with the Pareto optimum, it is supposed that it is an economically efficient, and at the same time, a morally virtuous system. However, even if achieving the Pareto optimum is theoretically possible under free competition conditions, it is not possible to reach the Pareto optimum since free competition cannot be achieved especially under the conditions of dominant monopolistic structure. Market failures encountered in the monopolistic market system may lead to departure from free competition, and therefore, from the Pareto optimum. Hence, today's dominant monopolistic markets emerge both an economically and a morally objectionable situation.

Liberal theories are theories that predict the development of individual freedom in the economic life as well as in other fields as a basic human right, and the restriction of the state's intervention in economic life. These are the views that envisage individuals who are the decision-makers of economic life to freely enter into free

enterprise, make free agreements, have equal opportunities, and act together in forms of partnership, cooperation, solidarity, and the like. Freedoms have positive effects on increasing economic efficiency, and also being based on a moral basis. If the intervention of the state in the market causes a departure from the free competition market, a decrease in efficiency, and deterioration in income distribution, it is then regarded as a negative intervention in both economic and moral terms.

According to utilitarian or consequential moral theories, if there is no alternative with better results, an action, rule, or policy then can only be considered moral, or right. Here, the question stands out: "What is a better result?" Utilitarian and consequential moral theories are approaches that views the goods in the benefit.

The contractual approach is based on the requirement that the members of a society make a rational, moral and acceptable contract, and those members of the society should act in accordance with this contract. Here, rationality is based on maximizing common and mutual benefits expected to stand for all members of the society in case of compliance with the contract, and the maximization of average individual benefit by equating the rights fairly. Such an approach is moral besides its acceptability for everyone. It faces the problem of remaining as a theoretical approach before the contractual approach is able to be applied in the case where common and mutual benefits of the society are ignored, and the maximization of individual benefit comes to the fore instead of maximizing average welfare.

According to Sen (1997) and Polanyi (1944), economic activity and economic policy should be handled according to moral values. Sen (1987) argued that an individual takes moral values into account in his economic decisions, and that his economic decisions should be taken into account in addition to individual benefits and motives such as altruism, or not considering individual benefits. Sen also argued that the issue of morality should be the subject of not only normative economics but also positive economics. An important step in the moral issue gaining a practical place in economics was the definition of altruistic behavior as a conscious and logical concern. In this case, it seems possible to determine a different function of "altruistic satisfaction" from the function of individual utility, and to maximize the function of

individual utility, and function of altruism utility together (Insel, 2000).

According to Rowen and Dietrich (2004), and Encinar et al. (2006), if individuals act in accordance with their own benefits, the role of morality remains limited in the economic decision-making process of individuals, and society. The concepts of "utility" and "rationality" are basic concepts in decision-making, and can be useful in determining the role of morality in the decision-making process. Rowen and Dietrich (2004) have also argued that individuals may consider their own benefits when making decisions (self-interested), and that individual's self-interest behaviors may not mean that the individual is selfish (egoist), or does not behave morally. Selfishness can only be the case when ignoring the others' benefits for the sake of their own benefits.

If the individual acts by considering social benefits within the framework of values such as morality, tradition, law, and the like besides his own personal benefit, it can maximize social benefit legitimately and morally, as well. Even if we assume that immoral and unlawful behaviors such as tax evasion, fraudulent product, unfair profit, harsh competition, and the like can maximize the personal benefit of some individuals, it is unlikely to think that they also maximize social benefit. In Smith's "invisible hand" system, there is no such idea of individual benefit (Hazlitt, 1999).

According to Hausman and McPherson (1993), some incompatibilities between rationalism and moral values may arise especially within the framework of the theory of "utility". Today, the "economic person" (homo economicus) is viewed as the "rational person". The economist should look at events not only from the concept of individual utility, which is seen as a requirement of economic rationality, but from a more comprehensive perspective that includes both rationalism and self-sacrifice for moral responsibility. Rationalism actually does not exclude moral values albeit it has significant overlapping aspects.

Highlighting moral behavior may allow other important developments to emerge in economics. Gambetta (1988) has suggested that there are many studies emphasizing the moral framework of behavior as an important tool in achieving

economic success. The effect of morality on economic behavior is mostly evident in workers' motivation to work, and firm organization (Hausman & McPherson, 1993). Moral attitudes such as the existence of moral principles, the fairness of the authority (firm), equality in distribution, trust, primitiveness, working and cooperation based on social and cultural relations generally affect the performance of workers in a positive way (Akerlof, 1984).

2. RESULTS AND RECOMMENDATIONS

Smith predicted in his work “The Wealth of Nations” that the state should not interfere with the economy, and there should be no monopolies in order for the free market economy to function effectively. Therefore, it is stipulated that a free market system, which is based on free competition, and does not have monopolies and state intervention, as envisaged by Smith, is efficient in production, and fair and moral in terms of distribution. However, the current situation is that monopolies become widespread, and the state intervenes in the economy in a way that supports monopolies.

In the process of the market economy adventure, a structure dominated by giant companies and finance capital has emerged, albeit not free competition. As it is experienced today, as the free competition is distanced and the system turns into a state-sponsored monopoly system, efficiency and justice in production and distribution are being distanced. Although Orthodox Economists ignore it, and some even do not find the moral aspect of the issue worthy to take into consideration, the market system has now turned into a system that is both irrational and immoral, which is far beyond what Smith put forward once.

Morality is one of the most desired institutions in economic life as well as in social life. The dominance of morality in markets will allow many problems in economic life to be solved automatically. As long as all decision-makers of the free market economy such as firm, household and state behave morally, the existence and effective functioning of the free market system can be enabled. Morality has a significant cost-lowering, production-increasing and saving effect. Morality also helps the market to function effectively and fairly by limiting the use of nonmoral power in

the market. Morality predicts honest and hard work in terms of production; therefore, affects production positively. It does not tolerate excessive consumption but increases savings. Economic life will be more effective under conditions where there is no ambition for unfair profits from the employer's side, there is no idea of loafing from the side of the worker, and the product is produced and distributed fairly. Under the conditions where morality is dominant in the society, costs such as inspection, security, courthouse, bureaucracy, advertisement, environment, and so on and so forth will be almost nonexistent.

The increasing dominance of the monopolistic market system in national and global dimensions leads to ineffectiveness in economic life, loss of wealth, unemployment, injustice in distribution, and also causes serious problems in social, political and moral sides in addition to its economic aspects. In order to reduce these problems, it is inevitable to include the concept of morality among the basic concepts of economics more clearly, and to ensure a harmony between the concepts of economics such as rationality and utility together with the concept of morality. In this context, in order to increase and spread social welfare, it becomes a necessity to move away from monopolistic market structures that are the source of important economic and moral problems but to direct state support in a way that will reduce the negativity of monopoly, and strengthen the free (even social) market system.

As the economic life becomes more complex, the economic problems are diversified and enlarged, and the interactions with other disciplines become widespread, it emerges as an inevitable necessity for economics to adopt morality as one of its starting points, and to harmonize its original principles with the principles of moral philosophy. The harmonization of economic principles with moral principles, and taking an attitude towards the realization of economic behaviors and activities based on these principles will surely contribute to the solution of many existing complexities and problems as well as a healthier interaction and integration with other disciplines related to economics (sociology and political science besides moral philosophy).

Being moral is a phenomenon that should also be present in economic thought as it is present in every place in life. The conditions of free competition essentially provide

the necessary situations for being moral in economics but it is not possible to ensure morality in terms of production and distribution under monopolistic structures. The concept of rationalism should be redefined in a way to comprehend society as well as the individual. The aim should be maximization of the social benefit, and fair income distribution as well as the maximization of the individual benefit. Competition rules and institutions should work effectively in order to restrict monopolistic structures that survive through unfair earnings, and illegitimate use of power. Methods such as tax and price determination for monopolistic structures should be effectively applied for the sake of the society.

Economics should see the individual not only with its economic rationality aiming at maximizing individual profit, and benefit expressed by the Orthodox economic approach, but also with the moral, social, political, cultural, emotional, and such aspects which determine the welfare of the individual and society together with the economics. The definition of economic rationality should be based not only on individual profit, and maximization of the benefits, or as a narrow definition of rationalism based on cost-benefit analysis, but also on the discipline of ethics, philosophy, social science, political science, and the like besides the discipline of economics, aiming at the individual and social welfare altogether.

In such monopolistic market conditions, enriching a small segment otherizes the big segment, leaving them starved, unemployed and impoverished. For a significant part of the population, this also leads to committing crimes, being the source of conflicts, and even wars at all levels, or being among the most important causes of environmental pollution and global warming problems. Besides, it may continue to exist as a habitual crisis against the existence of a social benefit, a healthy economic thought, morality and conscience which is acceptable to everyone without question. It is becoming more evident day by day that this economic, moral and unconscientious situation resulted by the monopolistic market is not suitable for a sustainable society, and the world. Thus, there is a need for a social rationalism to sustain our existence rather than the economic rationality that imposes a process that threatens our existence.

Institutions of morality, culture, law and politics should be oriented between the individual and the society in a way that enables the individual to exercise his/her individual rights and freedom as much as possible, and in a way that creates individuals who consider the benefit of society as well as their individual benefits. The realization of a more peaceful, fairer, more fraternal, more prosperous and happier world largely depends on the common will together with a strong cooperation of economists, moralists, educators, politicians, jurists, other social scientists, and even more, by all segments of society in order to accomplish this goal.

DISCLOSURE OF CONFLICT

The author(s) declare that they have no conflicts of interest.

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GENDER POVERTY GAP IN TURKEY

Gürdal Aslan*

ABSTRACT

Despite rising education levels and labor force participation rates in recent years, women are still at a disadvantaged position in the Turkish labor market relative to men, and Turkey is also one of the countries with a high level of gender inequality in economic participation and opportunity. Therefore, this study aims to analyze the gender poverty gap that might be one of the consequences of gender inequalities. In particular, we attempt to measure the size of the gender poverty gap using the data from 2018 Income and Living Conditions Survey (SILC). First, we explore the gender poverty gap across population subgroups disaggregated by individual, family structure and labor market characteristics. We find that the female poverty rates are higher than male poverty rates in all subgroups except formal employment workers. There is a significantly lower poverty rate for female formal workers than male formal workers. Second, we estimate linear probability models to measure the size of the gender poverty gap taking into account demographic and socioeconomic characteristics that may affect the gender poverty gap. Our findings reveal that a significant gender poverty gap exists in Turkey. This result is robust to controlling for individual, family and labor market characteristics.

KEY WORDS: Gender, poverty, Turkey, SILC.

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1. INTRODUCTION

The issue of poverty has been in the focus of economic development analyses over the last three decades, and the growing literature has revealed that this

issue has different dynamics. Indeed, poverty is a multidimensional phenomenon, arising from several economic, demographic, and sociocultural factors. Various concepts such as absolute and relative, objective and subjective, income and humanitarian, rural and urban, in-work poverty have been developed, and these have been used to explain and measure the poverty phenomenon and its causes. However, in recent years, gender inequality as a female poverty-increasing factor, gender poverty gap and feminization of poverty are concepts that have been frequently mentioned in the literature (Brady & Kall, 2008). In fact, these concepts are not new in the literature; for instance, the feminization of poverty concept was introduced for the first time by Diane Pearce in 1978 (Pearce, 1978) to point out that the majority of poor people consist of women in the US during the 1950s-70s.

The gender poverty gap and the feminization of poverty imply that women, who have unequal access to rights and opportunities in all areas of social life such as education, health care, employment and participation in policy-making processes, are also vulnerable against poverty (the poverty rates for women are higher than the poverty rates for men). Gender inequalities cause women to be disadvantaged in many aspects of economic and social life. Gender inequalities are structural in that they rooted in gendered representations and manifest the pervasiveness of male domination. Structural gender inequalities, one of the oldest and most widespread forms of inequality in the world, continue to exist in developed and developing countries in today's world. The persistence of inequalities results in this sense from stereotypes, which structure our mentalities, which both originate from and fuel the construction of the gender system, understood as the "system of hierarchical division of humanity into two unequal halves" (Delphy, 2001, p. 45).

Because of the aforementioned prevailing stereotypes, domestic work and childcare is still accepted as woman's work rather than men. The fact that domestic responsibilities are mostly fulfilled by women limits women's job opportunities and earn income (Şener, 2012). In economic area, the primary reason behind that gender inequalities increase women's poverty is income deprivation or low income. In almost every country, women usually work at low-paying jobs and low-productivity jobs and therefore, women have an unequal position in the labor market and tend to earn less than men (Esteban Ortiz-Ospina, 2018).

Due to these gender inequalities and differences, women experience a different and deeper impoverishment process than men, and the gender gap in poverty tends to widen (Baden & Milward, 2002; Bradshaw & Linnekar, 2003). Therefore, it is essential to determine such a trend and its dimensions in terms of reducing gender inequalities and the effectiveness of policies fighting against poverty. In this context, the current study focuses on the gender poverty gap in Turkey. Turkey is an interesting case to analyze because women are more likely to be at a disadvantaged position in the labor market[1], and it is one of the countries where the gender inequality is highest in the world[2].

The main aim of this study is to analyze the gender poverty gap in Turkey. In particular, we attempt to measure the size of the gender gap in poverty and investigate determinants of poverty status. The existing evidence in the literature indicates that poverty status and gender poverty gap are associated with demographic, family, and labor market characteristics. Therefore, we incorporate these characteristics into our analysis to explore their role in determining gender gap in poverty. For this purpose, we conduct an econometric analysis in which, following the methodology of Glassman (2020), we run linear probability models. These models predict the size of the gender gap in poverty, taking individual, family structure and labor market related factors into account. We employ the data 2018 Turkish Statistical Institute (TÜİK) Income and Living Conditions Surveys (SILC) and use the relative poverty measure with a poverty line defined in terms of 60 percent of the median household equivalent income. Since the poverty status is determined at the household level and thus poverty rates for men and women living in the same household are identical, we exclude married and cohabiting individuals from our sample. This restriction allows us to identify differences in the poverty status of women and men. Therefore, our final sample consists of unmarried adults aged 18 or older.

The current paper proceeds as follows. The second section discusses the related studies in the literature. Third section explains the data source and provides descriptive statistics. Section 4 represents results of econometric analysis. Section 5 concludes the paper.

2. LITERATURE REVIEW

The concept of feminization of poverty, introduced by Diane Pearce in 1978, was used to point out that women, especially those who are the household head,

constitute the majority of the poor in the US (Pearce, 1978). This concept has become widespread after it was included to the action plan of United Nations Fourth World Conference (held in 1995) that highlights the proportion of women among the poor in the world is 70 percent.

According to Chant (2006), the feminization of poverty is generally associated with three trends: the disproportionate share of women among the poor, the deepening of this trend, and women's increasing share of poverty linked with a rising incidence of female household headship. From a broader perspective, Mclanahan and Kelly (1999) discuss that the feminization of poverty is associated with economic changes, changes in public benefits as well as demographic changes such as the delay in the first marriage age, the rise in the incidences of divorce, single-mother families, one-person households and the increase in the life expectancy. In addition, studies focusing on feminization of poverty in developed countries point out that female-headed households are more likely to be poor compared to male-headed households (Moghadam, 2005, p. 10) and suggest that the gender differences in poverty rates, higher incidence of single-mothers and female-headed households lead the feminization of poverty in developed countries (Chant, 2006).

On the other hand, in fact, the veracity of the feminization of poverty concept in developing countries have been debated. Some researchers have reached different conclusions regarding the feminization of poverty in developing countries and suggest that female-headed households do not always constitute to a disproportionate share of the poor households in these countries. These findings might be explained by the fact that female-headed households are an extremely heterogenous category, and at the same time this category covers opposite cases. For example, wives of immigrants in this category might be less vulnerable against poverty because of the transfers sent by their husbands. In some countries (such as Mauritania) female-headed households might be in a better economic condition (Charmes & Remaoun, 2012). Using microeconomic data, some authors conclude that female household heads are not a specific poverty phenomenon and even their households belong to the middle- and upper-income population. For instance, Willis (1994) finds that 43 percent of female-headed households in

Oaxaca City (Mexico) are in middle-income category and also only 29 percent of them are in lower-income category. Menjivar and Trejos (1992) indicate that the poverty rate is 40 percent among households, and only 20.2 percent of poor households are headed by women in Panama. Medeiros and Costa (2008) investigate whether the feminization of poverty exists in eight Latin America countries and argue that poverty may be higher among women, but the evidence does not support the hypothesis of feminization of poverty in these countries.

Although there is a considerable amount of studies on poverty status of women in Turkey, the amount of empirical studies on gender poverty gap and feminization of poverty is limited. Existing studies focusing on women's poverty in Turkey have discussed, in general, the reasons behind women's poverty on the basis of gender inequality. These studies have indicated that the gender gap in wages, earnings, access to education and labor force participation deepen problems and poverty faced by women (Dikbayır, 2000; Selim & İlkkaracan, 2002; Adaman & Keyder, 2006; Dayıoğlu & Başlevent, 2012).

On the other hand, there are a few empirical studies, focusing on gender poverty gap and feminization on poverty, needed to be highlighted. The study of Gökovalı and Danışman (2010) reports the evidence of feminization of poverty between 2004 and 2006 in Turkey; however, they indicate that social, economic and demographic factors such as educational attainment and labor market characteristics are gender-neutral and universal determinants of poverty. Uysal and Köksal (2017) using the data from 2015 Turkish Income and Living Conditions Survey conclude that female-headed households are more likely to be poor. They find that approximately 40 percent of female-headed households are suffering from material deprivation compared to approximately 30 percent of male-headed households. A more recent study (Tekgüç & Akbulut, 2019) examines the gender gap in poverty using a multidimensional approach. Using the data from 2006 to 2015 SILC, they construct a four-dimensional poverty index (education, health, household living conditions and employment) and they find a significant gender poverty gap in the period 2006-2015.

Lastly, the feminization of poverty and the gender gap in poverty refer to the same concept in the international literature. Both concepts imply that poverty rates for women are higher than male poverty rates; however, feminization of poverty is related to the link between women's increasing share of poverty and rising incidence of female household headship and thus, studies examining the women's poverty have mostly focused on the female-headed households and their poverty status. Therefore, the current study aims to analyze the gender poverty gap with a broader perspective. We attempt to measure the size of gender gap in income poverty and its determinants in the case of Turkey. Based on studies discussed above, it is possible to conclude that poverty status and gender poverty gap are associated with demographic, family, and labor market characteristics. Hence, the secondary aim of this study is to explore the role of individual, family-structure and labor market characteristics in determining gender disparity in poverty status.

3. DATA AND DESCRIPTIVE ANALYSIS

To measure the size of the gender poverty gap in Turkey and to explore the role of individual, family structure and labor market characteristics in determining the gender disparity in poverty status, we use dataset complied by the Turkish Statistical Institute based on the 2018 Income and Living Conditions Survey (SILC). This survey is representative at the national level, and it provides information on each respondent's aged 15 and older individual and household characteristics, including the household income that allows us to determine poverty status of individuals.

In this study, we use the relative poverty measure to analyze the gender poverty gap and assume an individual as poor if his/her household equivalent income is less than 60 percent of median household equivalent income. The household equivalent income is calculated from the household total disposable income divided by the equivalized household size. To calculate the equivalized household size, we use Eurostat (2018) equivalence scale, which gives a weight to all members of the household. This weight is 1.0 for the first adult, 0.5 for other adults older than 14 and 0.3 for children younger than 14, and then these weights are added up to calculate the household equivalized size.

Since the poverty status by definition is based on household income and the composition of the household and thus poverty rates for men and women living in the same household are identical, following Glassman (2020), we restrict our sample to unmarried adults aged 18 and older (56962 observations). It means that we compare unmarried female and male adults in terms of their poverty status. The poverty rate among female adults in our sample is 21.8 percent and the poverty rate among male adults is 17.3 percent, meaning that women in our sample are more likely to be poor relative to men[3].

Table 1 provides descriptive statistics of variables used in the analysis and poverty rates for different population groups. According to Table 1, the majority of unmarried adults are aged between 18-24 (36.3 percent). Female adults in our sample on average are older than male adults[4]. The majority of male adults in our sample are aged between 18-24 (45.3 percent) and the majority of female adults are older than 55 (38.5 percent). Poverty rates are the highest among the youngest male and female adults, 23.8 percent and 27.9 percent respectively. In addition, the gender poverty gap is the highest among individuals aged between 35 and 44 with an 8.7 percentage points difference.

To delve deeper into gender disparity in poverty status by family structure characteristics, three variables have been used: marital status, the presence of child and household size. Marital status consists of two categories: never married and divorced or widowed. The largest share of male adults in our sample are never married (82.8 percent) whereas this share is 47.8 percent among women. For both women and men, never-married adults' the risk of being poor is higher than those who are divorced or widowed. The gender difference in poverty rates is 5 percentage points among divorced/widowed adults and 4.9 percentage points among never-married adults.

We also analyze the presence of children aged 14 and younger in the household. According to the Table 1, the majority of unmarried men and women in our sample are living in the households without children as expected. The presence of at least a child in the household also increases the risk of being poor both for women and

men. The poverty rate is 34.3 percent for female adults living in households with at least one child; the analogous rate is 32.7 percent for male adults. Moreover, the difference between male and female poverty rates is 3.9 percentage points for individuals living in the households without children. There is no significant difference between male and female poverty rates among individuals living at households with children. As seen in Table 1, the majority of women and men in our sample are living in the large families and the household size is positively associated with the risk of being poor for both women and men. The poverty rate among male adults living in two-person households is 10.5 percent, whereas this ratio increases to 30.8 percent for males living in households with at least five members. The analogous rates for female adults are 18.2 percent and 34.9 percent, respectively.

In all household size categories, the shares of poor are larger among women than those among men and the gender poverty gap is 4.1 percentage points for those living in households with at least five members and 5.5 percentage points in one-person households[5]. Note that women living alone are more likely to be poor when compared to men living alone: 12.7 percent and 18.2 percent, respectively.

In order to analyze the role of the labor-market characteristics, we include the educational attainment and the labor market status variables. We define education variable as the highest level of education attained by individuals and grouped into three categories: less than high school, high school, and more than high school education. As seen in Table 1, the education level of male adults in our sample is higher than that of women. The majority of women in our sample have less than high school education (60.9 percent) and men are more likely to be university graduates (21.2 percent against 18.1 percent). For both women and men, the higher educational attainment reduces the risk of being poor. The difference between female and male poverty gaps is significant among high school graduates (3.3 percentage points) and within the less than high school education category where the female poverty rate is 2 percentage points higher than male poverty rate. There is no significant gender difference in poverty rates among university graduates.

Table 1: Descriptive statistics and poverty rates

Variables		Male			Female			Poverty rate Difference (F-M)	All sample		
		# Obs.	Share (%)	Poverty Rate (%)	# Obs.	Share (%)	Poverty Rate (%)		# Obs.	Share (%)	Poverty Rate (%)
Age	18-24	3217	45.3	23.8	2589	29.1	27.9	4.1*	5806	36.3	25.6
	25-34	2127	30.0	10.1	1257	14.1	15.4	5.2*	3384	21.2	12.1
	35-44	699	9.9	9.9	797	9.0	18.6	8.7*	1496	9.4	14.5
	45-54	318	4.5	13.8	827	9.3	16.7	2.9	1145	7.2	15.9
	55+	738	10.4	18.2	3426	38.5	19.9	1.8	4164	26.0	19.6
Marital Status	Divorced or widowed	1219	17.2	14.8	4642	52.2	19.8	5.0*	5861	36.6	18.7
	Never married	5880	82.8	17.8	4254	47.8	22.7	4.9*	10134	63.4	19.9
Children	No child	5234	73.7	11.8	6294	70.8	15.8	3.9*	11528	72.1	14.0
	At least one child	1865	26.3	32.7	2602	29.3	34.3	1.7	4467	27.9	33.6
Household size	One person	806	11.4	12.7	1694	19.0	18.2	5.5*	2500	15.6	16.4
	Two persons	742	10.5	9.2	1338	15.0	13.2	4.1*	2080	13.0	11.8
	Three persons	1648	23.2	9.8	1689	19.0	14.3	4.5*	3337	20.9	12.1
	Four persons	1659	23.4	12.4	1584	17.8	16.0	3.7*	3243	20.3	14.2
	Five and more persons	2244	31.6	30.8	2591	29.1	34.9	4.1*	4835	30.2	33.0
Education	Less than high school	3301	46.9	24.5	5387	60.9	26.5	2.0*	8688	54.7	25.8
	High school	2248	31.9	13.5	1863	21.1	16.9	3.3*	4111	25.9	15.0
	More than high school	1489	21.2	7.3	1601	18.1	8.3	1.1	3090	19.5	7.8
Labor market status	Not in the LF/unemployed	3115	44.1	24.1	6636	74.7	24.5	0.3	9751	61.1	24.4
	Informal employment	1098	15.5	24.5	710	8.0	26.6	2.1	1808	11.3	25.3
	Formal employment	2853	40.4	7.2	1540	17.3	4.6	-2.6*	4393	27.5	6.3
Regions	TR1-Istanbul	773	10.9	6.0	938	10.5	4.1	-1.9	1711	10.7	4.9
	TR2-Western Marmara	402	5.7	14.4	474	5.3	17.3	2.9	876	5.5	16.0
	TR3-Aegean	903	12.7	9.5	1083	12.2	14.1	4.6*	1986	12.4	12.0
	TR4-East Marmara	631	8.9	5.7	742	8.3	9.7	4.0	1373	8.6	7.9
	TR5-West Anatolia	585	8.2	7.9	707	8.0	10.6	2.8*	1292	8.1	9.4
	TR6-Mediterranean	764	10.8	16.0	1020	11.5	24.3	8.3*	1784	11.2	20.7
	TR7-Central Anatolia	419	5.9	15.5	592	6.7	21.6	6.1*	1011	6.3	19.1
	TR8-West Black-Sea	640	9.0	13.4	918	10.3	15.0	1.6	1558	9.7	14.4
	TR9-East Black-Sea	193	2.7	10.4	286	3.2	15.0	4.7	479	3.0	13.2
	TRA- North-East Anatolia	496	7.0	30.7	560	6.3	31.8	1.1	1056	6.6	31.3
	TRB-Central-East Anatolia	486	6.9	35.8	626	7.0	40.7	4.9	1112	7.0	38.6
	TRC-South-East Anatolia	807	11.4	41.8	950	10.7	49.9	8.1*	1757	11	46.2

Source: 2018 TÜİK Income and Living Conditions Surveys (SILC) microdata; author's own calculations. (*Difference is significant at 95 percent confidence level.)

The labor market status is divided into three categories: not in the labor force or

unemployed, informally employed and formally employed[6]. 74.7 percent of female adults in our sample are unemployed or not in the labor force, while this share is 44.1 percent among men. In addition, the risk of being poor is higher for those not in the labor force/unemployed and informal employment workers than those working formally. The differences between male and female poverty rates among those are unemployed or not in the labor force and informal workers are not statistically significant. There is a significant difference between male and female poverty rates among formal workers. Here, the female poverty rate is lower than male poverty rate: 4.6 percent versus 7.2 percent. Compared to informal jobs, formal employment offers better-paid and permanent contracted jobs and provides social security coverage. We mentioned in the introduction section that a large share of women in Turkey do not participate in the labor force, and those in the labor force usually work at low-paid and informal jobs. The largest proportion of women working in formal employment are university graduates (55 percent in our sample) and working at relatively high paid jobs. However, formal male workers in our sample are heterogenous in terms of the education level and thus, their earnings are also heterogenous than those of female formal workers. This might explain why female formal workers' poverty rate is lower than their male counterparts.

Table 1 also shows that there is a significant variation in gender poverty gaps among regions at NUTS 1 level. Women have higher poverty rates in all regions except Istanbul, in which there is no significant difference between male and female poverty rates. Mediterranean and South-East Anatolia regions have the highest gender poverty gap (8.3 and 8.1 percentage points) among regions. While the regions with the lowest poverty rates for both men and women are regions such as West Anatolia, which are the most developed regions of the country in socioeconomic terms, the regions with the highest poverty rates are Mediterranean and South-East Anatolia, the least developed regions of the country in socioeconomic terms.

If we sum up the differences in the characteristics of women and men in our sample, women are likely to be older than men because of the overrepresentation of divorced or widowed women among unmarried older. Women are more likely than men to be divorced or widowed, slightly more likely to live in the households with at least one

child, more likely to have less than high school education and more likely to be not in the labor force or unemployed. On the other hand, female poverty rates are higher than male poverty rates in all population groups except formal employment workers. Formal female workers are less likely to be poor than male formal workers. It turns out that the most disadvantaged women groups in terms of gender poverty gap are women who are living alone, have less than high school education, aged between 35-44 and are informal employment workers.

4. RESULTS OF ECONOMETRIC ANALYSIS

The main aim of this paper to measure the size of the gender gap in poverty, to investigate the gender poverty gap when individual, family structure and labor market related factors are taken into account and to measure the extent to which these factors play a role in determining the gender gap in poverty. In line with these aims, we conduct a regression analysis in which we predict linear probability models.

Table 2 provides the estimation results of the linear probability model where the dependent variable is the poverty status which takes the value of 1 if the individual is poor and 0 otherwise. Our main interest variable is the female dummy variable and we will interpret its coefficient as the difference between male and female poverty rates or the gender poverty gap. As a point of departure, we specify a baseline model (Column-I) in which the female dummy is the only explanatory variable. In Columns (II) - (V), we add different variables to the baseline model.

Column (I) in Table 2 estimates the baseline model or the unconditional effect of gender on poverty status. The estimated coefficient of the female dummy is positive and significant, implying that the female poverty rate is higher than the male poverty rate. Column (II) expands the baseline model to include the age as a control variable. The estimated coefficient of the female dummy is still positive and significant, implying that the poverty rate among female adults is 5.37 percentage points higher than that among male adults. The coefficient of age variable is statistically significant and positive.

The model in Column (III) controls also for characteristics related to family structure:

According to the estimated coefficients in Column (III), living in the household with children increases the probability to be poor by 8.42 percentage points compared to live without children. The correlation between the household size and poverty status is significant and positive. An additional member in the household increases the probability to be poor by 4.06 percentage points. However, when we control for family-structure characteristics, the coefficient of the female dummy decreases from 0.0507 to 0.0355; however, it is still statistically significant. In other words, the gender poverty gap reduces to 3.55 percentage points. Therefore, it is possible to conclude that 34-percent reduction is driven by family-structure variables.

We add variables related to labor market characteristics as additional controls to the model in Column (IV). The educational attainment seems an important determinant of poverty; the relationship the educational attainment and the probability to be poor living in poverty is statistically significant and negative. Our results show that the labor market status is also a significant determinant of poverty. Being a formal worker decreases the probability to be poor by 3.33 percentage points and being an informal worker decreases the risk of being poor by 15.9 percentage points compared to being unemployed or out of the labor force. We also control for whether the individual is a student or continues to his/her education because our sample covers individuals aged 18 and older, and especially young students are more likely to live with their families. This case may mask the some of the gender poverty gap[7]. The estimated coefficient of student variable is significant and negative, meaning that students are less likely to be poor. Once we control for the labor market characteristics, the estimated coefficient of the female dummy is still positive and significant, albeit to a smaller magnitude. In fact, the gender poverty gap reduces from 3.55 percentage points to 1.61 percentage points. On the other hand, we add region dummies to the model in Column (V) to control for socio-economic differences across regions. The reference category for the regions is Istanbul, and the estimated coefficients of all region dummies are significant and positive. Individuals living in regions rather than Istanbul are more likely to be poor.

The results in Columns (I) to (V) in Table 2 show that the effect of female variable on poverty status is persistently significant and positive across the models specified;

however, there is a sizeable reduction in its magnitude, from 0.0388 to 0.0161. When we control for all individual, family-structure and labor market characteristics, the gender poverty gap decreases from 3.88 percentage points to 1.61 percentage points. Despite this significant reduction in the gender poverty gap after including individual, family structure and labor market variables, controlling for these characteristics does not completely eliminate the gender gap in poverty. Therefore, we conclude that the gender poverty gap exists in Turkey. In addition, our results show that individual, family structure and labor market characteristics are significant determinants of poverty status. This result is consistent with the existing evidence on the association between poverty status and gender poverty gap and demographic, family and labor market characteristics in the literature.

Table 2. Estimation results- SILC 2018

Variables	(I)	(II)	(III)	(IV)	(V)
Female	0.0388***	0.0507***	0.0355***	0.0161**	0.0161**
	(6.22)	(7.62)	(5.49)	(2.48)	(2.54)
Age		-0.000831***	0.00112***	-0.00127***	-0.00105***
		(-5.02)	(4.42)	(-4.63)	(-3.94)
Never married			0.00296	0.0356***	0.0208**
			(0.28)	(3.32)	(1.99)
At least one child in the household			0.0842***	0.0737***	0.0679***
			(8.91)	(8.02)	(7.59)
Household size			0.0406***	0.0311***	0.0196***
			(18.66)	(14.34)	(9.15)
Student				-0.0608***	-0.0428***
				(-7.61)	(-5.45)
High school graduate				-0.120***	-0.0987***
				(-15.15)	(-12.80)
University graduate				-0.127***	-0.113***
				(-16.39)	(-14.68)
Informal employment				-0.0331***	-0.0249**
				(-3.04)	(-2.33)
Formal employment				-0.159***	-0.132***
				(-24.18)	(-20.44)
TR2-Western Marmara					0.106***
					(7.88)
TR3-Aegean					0.0715***
					(7.88)
TR4-East Marmara					0.0293***
					(3.23)
TR5-West Anatolia					0.0446***
					(4.60)
TR6-Mediterranean					0.136***
					(12.64)
TR7-Central Anatolia					0.108***
					(8.27)
TR8-West Black-Sea					0.0683***
					(6.57)
					0.0583***

TR9-East Black-Sea					(3.62)
TRA- North-East Anatolia					0.194***
					(13.27)
TRB-Central-East Anatolia					0.248***
					(16.78)
TRC-South-East Anatolia					0.304***
					(23.49)
Observations	15995	15995	15995	0.1315	0.1788
R-squared	0.0024	0.0042	0.0798	0.1356	0.1827

T-statistics in parentheses (*p<.05 **p<.01 ***p<.001). Note: Reference educational level is less than high school. Reference category for marital status is widowed or divorced. The reference category for the labor market status is unemployed or not in the labor force. The reference region is TR1-Istanbul region. Robust standard errors.

5. CONCLUSION

The fact that women, who have unequal access to rights and opportunities in all areas of social life, are also vulnerable against poverty, and the increase in gender poverty gap have become a global problem. The predictions that this problem will worsen and that the gender poverty gap will widen in the near future requires urgent policy measure to be taken.

United Nations Women and United Nations Development Programme (UNDP) predict that the COVID-19 pandemic and its social and economic effects could widen the existing gender poverty gap and increase the number of women living in extreme poverty by 47 million to 435 million and that this number may not fall back to its pre-pandemic level until 2030 (UN Women, 2020). Therefore, to determine the size of the gender poverty gap is essential to establish efficient policies fighting against the increasing female poverty and gender poverty gap. In this study, we examine the size of the gender gap in poverty and factors affecting the gender poverty gap in Turkey, which is one of the countries with a high level of gender inequality in economic participation and opportunity.

We use the data from 2018 Income and Living Conditions Survey (SILC). First, we analyze the gender poverty gap for different demographic groups via a descriptive analysis. The results of the analysis show that the male and female poverty rates, and therefore the difference between male and female poverty rates varies according to almost all variables related to demographic, family-structure and labor market

characteristics. Moreover, it is revealed that female poverty rates are higher than male poverty rates in all population groups except formal workers. It is also observed that increases in the number of children and the household size increase the poverty rate of women more than that of men, while a larger educational attainment and formal employment reduce poverty rate of women more than that of men. It turns out that the most disadvantaged women groups in term of gender poverty gap are women who are living alone, have less than high school education, aged between 35-44 and are informal workers.

Second, linear probability models are estimated order to measure the size of the gender poverty gap and explore the role of individual, family structure and labor market characteristics in determining the gender poverty gap. Our findings show that individual, family structure and labor market variables are significant determinants of poverty status, and the gender poverty gap reduces from 3.88 percentage points to 1.61 percentage points when we control for all these variables; however, its significance is robust to the inclusion of these variables. Therefore, our results reveal that is a gender poverty gap exists in Turkey.

ENDNOTE(S)

[1] According to Turkish Statistical Institute (TÜİK) statistics, male employment rate is 64%, male labor force participation rate is 73%, the informality rate among male workers is 32% while the analogous rates are 29%, 35% and 44% for women, respectively.

[2] According to World Economic Forum's Global Gender Inequality Index, Turkey ranks 130th among 153 countries (World Economic Forum, 2019). In addition, according to sub-dimensions of this index, Turkey ranks 136th in the category of economic participation and opportunity, 135th in the category of labor force participation, 106th in the category of equal pay, 13th in the category of access to education opportunities, 64th in the category of health and survival and 109th in the category of political empowerment (World Economic Forum, 2019).

[3] The female and male poverty rates among married adults are 20.1 percent and 19.7 percent, respectively. For married adults, the difference between male and female

poverty rates is not significant at the 90 percent confidence interval.

[4] The mean age of male adults is 31.3 while the mean age of female adults is 45.7.

[5] The mean household size is 4.0 for men and 3.6 for women in our sample.

[6] Informal employment refers to workers who are not registered at the Social Security Institution (SGK).

[7] In our sample, the proportion of students is 11 percent, and the majority of them are in the age category of 15-24 (80.8 percent).

DISCLOSURE OF CONFLICT

The author declares that he has no conflicts of interest.

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THE ECONOMIC CONTRIBUTION OF CYCLING FESTIVALS ON TOURISM SECTOR: A STUDY ON CYCLING FESTIVALS IN TURKEY

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FOCUS ON RESEARCH IN CONTEMPORARY ECONOMICS

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THE ECONOMIC CONTRIBUTION OF CYCLING FESTIVALS ON TOURISM SECTOR: A STUDY ON CYCLING FESTIVALS IN TURKEY

İsmet Kaya, & Gülcan Özyazıcı Erdoğan*

ABSTRACT

This study was carried out on cycle tourism which is one of the alternative tourism types within the scope of tourism. Both the sensitivity to nature and contribution to the economy of bicycle tourism have become important in recent years. Cycling tourism is very new concept in Turkey; however, it has gained importance in the world for last 50 years. Turkey's geography is suitable for events brought by this concept, and Turkey can compete with other countries after the completion of infrastructure and superstructure works on the bike. In this context, this work leads to the discovery of bicycle potential and cycling activity of Turkey. The main purpose of this research is to determine the amount of expenditures made during the festival by the individuals participating in the bike festivals in Turkey. These amounts are clearly given in many studies on other countries in international literature. However, data on expenditure in the bike festivals could not be reached in the context of Turkey. For this purpose, it is considered that this study will make a significant contribution to this context by eliminating the related gap in literature. The survey also examined whether expenditure trends changed according to personality traits. The fieldwork of the research was carried out on the participants of the Canakkale Bicycle Festival held between 24-26 March 2018. The study was conducted on 291 people determined by guided sampling method among the 3500 participants who participated in the festival. The results show that expenditures are made in accommodation, transportation, food-beverage and other services respectively.

KEY WORDS: Cycling, cycling tourism, cycling activity, cycling festival, five factor personality model.

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1. INTRODUCTION

Nowadays, events are one of the factors that are effective in deciding on destination selection. Destinations where individuals can perform their own unique activities are primarily preferred areas. Cycling activities within the scope of bicycle tourism have also become an important factor in deciding whether to go to a destination, or to choose a destination. The relationship with bicycle tourism has lasted until the 1870s, and has gained importance in the last 50 years, and started to take place in academic studies, as well.

Bicycle is a vehicle whose popularity is increasing day by day in terms of transportation, sports and recreation. The basis of this expansion stems from the fact that the bicycle operates within the framework of sustainability. Bicycle has a great contribution to the states, directly and indirectly, both in economic, health and social terms. In this context, states that are aware of the benefits of bicycles carry out studies on bicycles and provide various incentives to popularize the use of bicycles. Cycling activities within the scope of bicycle tourism, which have increased in recent years, have also mobilized researchers. Cycling events include the time spent by bicycle tourists participating in activities for common or different purposes and their expenses in the region in this process. Cycling activities, especially in rural areas, were noticed by destination planners and policy makers in terms of their social, environmental and economic importance, and efforts were made to improve the infrastructure and superstructure facilities related to cycling. Being aware of this importance, states make great efforts to ensure that cycling activities are to be increased both in number and quality.

Based on all these, cycling activities are the attraction of the destination and they also lead the marketing of that destination. Likewise, the activities within the scope of bicycle tourism are within the scope of sustainable tourism, and it is an alternative tourism type that helps the development of rural areas, and spreads tourism to 12 months by enabling the local people to gain new experiences, and also to improve the products of the local people. In this context, bicycle festivals (also races and tours) both spread the tourism in the country over months, and increase the recognition of the country or destination in order to make the region a brand in this regard.

2. THEORETICAL FRAMEWORK AND LITERATURE REVIEW

2.1. Bicycle as a concept

Bike was defined as a vehicle consisting of pedal, chain and two wheels (Sigurd, 2003). In other words, cycling is one of the outdoor sports types that unite the individual with nature, brings the individual away from the restrictions, relaxes spiritually and physically, brings them together with their freedom, gives the chance to watch nature alive, and has many benefits (Öztaş et al., 2014). Bicycle is used for both transportation and recreational purposes as well as being an outdoor activity. Also, having amateur and professional users of the bicycle differentiates its use. In addition, bicycle is used as a means of transportation. A study that supports this has been conducted in America has revealed that cycling is an important resting tool after walking and swimming activities (Sigurd, 2003).

2.2. Historical background

Although the date of Da Vinci's drawings about the bicycle is unknown, it is accepted that he invented the bicycle in 1493 (Ballantine, 2001). The first bicycle patent was given to the Frenchman Jean Theson in 1645 when he made a four-wheeled tool that two people could sit and move. In 1690, a pedalless bicycle with two wooden wheels called "Celerifere" was produced by the French nobleman, Count of Sivrac. In 1817, German Baron Karl Von named the bike "Draisienne" by placing a handlebar and a seat to the bicycle produced by Sivrac, which had two wheels, and presented this invention for the first time in Paris (Aydilek & Sarıçiçek, 2017). With the discovery of the pedal in 1839, the development of the bicycle accelerated. It is claimed that the first version of the modern bicycle was invented in France in 1860 by Ernest Michaux and his father Pierre Michaux. Ernest and Pierre, known by many historians as the first to invent the bicycle, developed the bicycle with a near-present appearance that placed the pedal in the front wheel hub of the bicycle.

2.3. Purposes of use

The changing and developing technology, which does not make any difference between the original purpose and its current purpose, has differentiated the use of

the bicycle. It is known that the bicycle is widely used for the purposes of entertainment, hobby and sports.

2.4. Benefits of use

The bicycle, which is used as a means of transportation, contributes to personal health and environment by meeting the daily movement, and not leaving greenhouse gas emissions (Dill, 2009). In addition, bicycle provides economic contribution to the country with business, income and employment opportunities (Weigand, 2008).

In terms of its economics benefits and impact on employment, it is estimated that the economic benefit of bicycles will bring commercial dynamism in city centers by reducing the use of natural resources, reducing expenditures on other transportation vehicles and providing flexible mobility (Öztaş et al., 2014). In a survey conducted by the New York City municipality, it was proven that the shops in the street with bicycle paths had 49% more sales than the shops in the street with no-bicycle-paths, (The CityFix Turkey, 2014).

It is assumed that bicycle stands are more profitable than car parks. In the project made in Texas (USA), 160 bicycle stands were built in the area where a vehicle could fit, and this area costed 12-thousand dollars (Seattle Bike, 2014). Portland contributes 800-million dollars to the local economy annually by using 20% less cars than other cities. Again in Portland, cyclists spend $76 per a month, pedestrians spend $66, and cars $61 (Seattle Bike, 2014). Bicycle use in Washington contributes 3.1-billion dollars to economy each year. Germany, on the other hand, earns 12-billion euros every year from cyclists who come to their country and take a vacation (Seattle Bike, 2014). The research of the World Health Organization has revealed that if the whole of Europe cycles as much as Copenhagen, employment opportunities will be provided for 76 thousand people (Salvi & Rodriguez, 2014).

Table 1. Countries' employment status related to cycling in terms of increase in the use of bicycle in countries

Country	City	Population	Bicycle Utilization Rate (%)	Number of Employment Related to Bicycle	Cycling-Related Employment Potential
USA	Washington	617.996	3	84	647
United Kingdom	London	7.826.000	3	1.069	8.196
Russia	Moscow	11.541.000	3	1.576	12.085
Spain	Madrid	3.265.038	1	149	3.717
Italy	Rome	2.761.477	0	50	3.219
Norway	Oslo	599.230	5	136	573
France	Paris	2.234.105	3	305	2.340
Germany	Berlin	3.501.872	13	2.073	2.073
Turkey	Ankara	4.890.893	3	668	5.122

Source: World Health Organization (WHO, 2018).

2.5. Bicycle utilization rate in countries

The importance of bicycles has been increasing day by day, and states are creating policies and networks related to cycling. It is purported that while developed countries continue to work on bicycles, developing countries have just started their investments.

Table 2. Cities with the highest rate of bicycle utilization

1. Copenhagen	11. Barcelona
2. Amsterdam	12. Berlin
3. Utrecht	13. Ljubljana
4. Strasbourg	14. Buenos Aires
5. Eindhoven	15. Dublin
6. Malmö	16. Vienna
7. Nantes	17. Paris
8. Bordeaux	18. Minneapolis
9. Antwerp	19. Hamburg
10. Seville	20. Montreal

Source: (Ilıcalı, 2018).

The first city that comes to mind when it comes to bicycle friendliness in the world is Denmark's capital city 'Copenhagen', and the first country that comes to mind when it comes to labelling one as the bicycle country is 'Netherlands'.

2.6. The concept of bicycle tourism, and factors affecting its dissemination

Bicycle tourism can be defined as the concept of tourism that enables individuals to lead a healthy life. It is used as an alternative for transportation in both metropolises and rural areas, albeit does not create traffic density since it is known as environmentally friendly. It also contributes to the country's economy as well as stimulating the rural economy, and pioneering the promotion of a region and/or place. When the studies on bicycle tourism were examined, it was seen that there was no common definition, and this concept was explained by means of different terms.

The most important factor in the development of bicycle tourism in a region is the improvement of physical infrastructure facilities. Thus, the utilization rate of the bicycles will increase, and as a result, a commercial revival will occur regarding the bicycle. The factors affecting the development of bicycle tourism are listed as follows (Çelik Uğuz et al., 2018):

- Natural Attractions,
- Stakeholders (Collaboration development),
- Bicycle Infrastructure (roads, routes and signs),
- Bicycle Friendly Tourist Services,
- Bicycle Support Services,
- Promotion and Marketing of the Bicycle Tourism.

2.7. Economic value of the bicycle tourism

The value of the bicycle tourism, which is one of the alternative tourism types, has been increasing day by day. It is noticed that as the number of people using bicycles increases, bicycle facilities has increased, and the bicycle tourism industry has been important in the local economy (Çelik Uğuz et al., 2018). Although bicycle industry is related to total sales, when employment provided and the amount of personal income generated, their combination has also been a driving force in developed countries (Weigand, 2008).

Table 3. The value of bicycle tourism in some countries

Place	Bicycle Economy	Number of Jobs Created	Value of the Bicycle Tourism
USA	$133 billion	1.1 million	$96.7 billion
Colorado	$1 billion	2.519	141-193 million
Iowa	$331.1 million	9.068	$165 million
Oregon	$400 million	4.600	$102 million
Washington	$3.1 billion	200.000	-
Wisconsin	$924 million	3.420	$533 million
EUROPE (EU-28)	$513.2 billion	-	€44 billion
United Kingdom	-	-	£2.9 billion
France	-	16.500	€5.6 billion
Scotland	-	-	£117.4-239 million
Canada/Quebec	-	10.000	1.2 billion CAD
New Zealand /South Island	$106.6 million	1.472	$76.1 million

Source: (Çelik Uğuz et. al., 2018).

The value of bicycle tourism in developed countries is listed in the table above. When the values are examined, it is seen that the bicycle economy in the USA is $133 billion whereas it is €513.2 billion in Europe. Likewise, New Zealand's bicycle economy is set to be $106.6 million. The value of bicycle tourism is as follows, USA ($96.7 billion), New Zealand ($76.1 million) and Europe (€44 billion) respectively.

2.8. Economic contributions of cycling activities

Bicycle tourism encourages investors in this area, as it is sensitive to local society and the environment since it protects health, and ensures that unused areas become operational (Çelik Uğuz et al., 2018). In this context, it is apparent that bicycle tourism has the potential to increase in the field of employment besides its social, environmental and health characteristics.

Table 4. Number of participants / audiences, and economic impact of some world famous cycling events

Bicycle Events	Country/City	Number of Participants/ Audiences	Economic Impact
Cape Town Cycle Tour (1978 - =>)	South Africa	35.000	-
Cyclone Festival of Cycling (2007 - =>)	United Kingdom	-	£1.5 million
Register's Annual Great Bicycle Ride Across Iowa/RAGBRAI (1973 - =>)	USA	10.000	$16.9 million
Taiwan Cycling Festival (2010 - >)	Taiwan	-	$140 million NT
The Lake Taupo Cycle Challenge/LTCC (1977 - =>)	New Zealand	7.000 cyclists +	$5.2 million
Tour de France (1903 - =>)	France	2 billion	-

Tour de France Grand Depart/TDFGD (2007)	London	900.000 - 1.4 million	-
Tour de Georgia (2003 - =>)	USA	2.3 million	$26 million
Tour Down Under (1999 - =>)	Australia	795.000	$49.6 million
Tour of Flanders (1992 - =>)	Belgium	16.000	€240 thousand

Source: (Çelik Uğuz et al., 2018)

3. METHOD

By determining whether the expenses of bicycle tourists participating in the Canakkale Bicycle Festival varies according to their personality traits, it was targeted to reveal that these expenditures would vary according to demographic characteristics, and it was explained with the inspiration of the existing methods.

4. FINDINGS AND RESULTS

9 out of 300 questionnaire forms filled in by the participants within the scope of this research were excluded due to their incompleteness and/or incorrectness. The data analysis was conducted on the data obtained from the rest, which was composed of 291 forms.

When the participants age range is examined, it is seen that the density is in the range of 26-35 years (40.5%), 36-45 years (31.6%) and 46-55 years (14.4%) respectively. Again, according to this study, the least participation belongs to the tourists aged between 25 and under (8.3%), and 56 and over (5.2%). The average age of all participants is remarked as 37.5. It is determined that 14.4% of the participants are female whereas 85.6% are male. When the educational status of the participants is examined, it is seen that 28.2% are the graduates of high school and below; on the other hand, 71.8% of them are graduates of university and above. When the income status of the bicycle tourists included in the study is examined, 27.8% of them have 5601 Turkish liras and above, 18.9% have between

4601-5600 Turkish liras, and 23% have between 2601- 3600 Turkish liras, respectively. In terms of the least income range, it appears to be 4.5% (1600 Turkish liras and below), 12.7% (between 1601-2600 Turkish liras) and 13.1% (between 3601-4600 Turkish liras). The average income level of all participants is estimated as 5016.19 Turkish liras. The figure for Turkey's minimum wage (£ 1.603) is appointed to be little higher than three times; therefore, it can be interpreted as a high level of income of cycling tourists who have participated in this study.

Likewise, the participants have answered the question “How many people have attended the last bicycle festival?” The answers are estimated as 42.3% (for 1-2), 29.2% (for 6 and above), 28.5% (for 3-5) respectively. Bicycle festivals are a type of a festival that is formed with the community, and caters the community with fun. The individuals tend to go back to the festival with the people they can get along, have camped and/or have fun with. In general, participants of bicycle festivals join as groups. Likewise, bicycle festivals are known as the places where new friendships are born by bringing people from different cultures and geographies together. In this direction, bicycle festivals allow individuals to organize new festivals together. When the answers given to this open-ended question are examined, it is observed that group participation was either with at least 2 people (25.4%), or 15 people (4.8%) in maximum.

When the open-ended question "How many nights did you stay at the last bike festival?" is addressed to the bicycle tourists included in the study, the answers are as follows: 66.7% (0-2), and 33.3% (3 and above). It is determined that the bicycle tourists included in this study have stayed for 7 days at most, and the busiest days are 2 (37.5%). As a result, it is seen that the number of days allocated for accommodation is calculated solely with the days of the festival since bicycle tourists prefer camping area as their accommodation type, and their only purpose is to participate in bicycle festivals.

The main question, which is the purpose of the study, is "What is the total expenditure of the last bike festival you have attended?" is an open-ended

question. The expenditure groups of the respondents included in the research in the festival are respectively; 35.4% (₺400 and below), 34.0% (₺800 and above), and 30.6% (₺401-800). In general, the average of participants' expenditure is determined as ₺772. When the answers given to these open-ended questions are examined, it is seen that the least expenditure is ₺20, and the highest is ₺5000. This difference in expenses can be evaluated as organizing festivals in the city of the individual, staying with the acquaintance or participating in a daily festival. Using the accommodation preference for the camping area, and utilizing the food and beverage facilities provided by the festival reduce the amount of expenditure. On the contrary, preferring accommodation as a hotel, motel, hostel or daily house, and preferring eating and drinking in any service area of the region increase the amount of expenditure. Likewise, transportation is another factor that differentiates the expenses of people coming from close and distant places. Another factor is that festival entrance fees differ according to each festival, and make the expenditures vary from one to another. In addition, the fact that people spend according to their own wishes and needs has differentiated bicycle tourists' expenditures.

When the question, "What is your expenditure on the last bicycle festival you have attended? (specifying the festival entrance fee, accommodation, transportation, food and beverage, and other services separately) is directed to the respondents, the answers to the question are emerged in the table given below:

Table 5. Total expenditures of participants in bicycle festivals

Festival Entrance Fee (₺)	Food-Beverages (₺)	Accommodation (₺)	Transportation (₺)	Other (₺)	Total (₺)
29.490	33.858	72.615	45.735	14.699	196.397

It is seen above that the total expenditure of the participants is 196.397 ₺. According to this (196.397 / 291), the average expenditure of bicycle tourists per capita is calculated as 675₺. Festival entrance fees vary according to each festival.

It includes opportunities such as accommodation; hotel, motel, hostel, tent, etc. Transportation covers the total round trip transportation fee (transportation types such as plane, bus, train, individual vehicle, etc.) for accessing the area where the bicycle festival is held. Other expenses include expenses such as souvenirs, movies, books, clothes, etc.

5. CONCLUSIONS AND RECOMMENDATIONS

5.1. Conclusions

Bicycle is a means of transportation, sports and entertainment, whose importance and value has been increasing day by day, and it is also of particular importance for the tourism sector. While it directly affects the individual in social, health and economic terms, it also indirectly has an economic impact on the state. Therefore, the bicycle has a commercial revitalization task in city centers. In a survey conducted by the New York City municipality, it was proven that the shops in the street with bicycle paths had 49% more sales than the shops in the street with no-bicycle-paths, (The CityFix Turkey, 2014).

Due to the increasing population of crowded countries, the number of personal vehicles used has increased in recent years. This brought along the traffic and parking problems. In addition to its environmental and economic benefits, the benefits of the bicycle to health are also important. According to a report prepared by a Swiss university, osteoporosis is less common in individuals who perform activities related to cycling (Daily News, 2011). For this reason, the use of bicycles has been increasing day by day both in Europe, and in the world. As there is a slight development in Turkey in this direction, it is clear that this development is not at an adequate level. According to the results of the studies, it can be concluded that bicycle tourists spend more than other tourists, and contribute more to local regions. With these features, bicycle tourists are described as "Wheeled Wallet" (BFA, 1999).

It is determined that bicycle tourists spend $57.08 per day across Europe, $75 per day in Montana state in the USA, and $52 per day in Quebec province of Canada.

These expenditures differ by country. These differences are due to the existence of spending areas on the bicycle route. Another reason for the difference is that the spending of bicycle tourists varies according to the number of people they all attend together, and the number of days they stay. National and international events have started to take place in academic studies due to their economic contribution to the region. Looking at the cycling events organized around the world, they are regarded as important events that bring significant contribution to their regions like Tour de Flanders with an amount of €240.000, Tour Down Under with an amount of $49.6 million, Tour de Georgia with an amount of $26 million, and Taiwan Cycling Festival with an amount of $140 million. This shows the importance of how bicycle tourists can contribute to a region with respect to economy.

In this study, both bicycle and its effectiveness by its economic value in the world are revealed together with the cycling tourists' expenditures in the events organized in Turkey. In addition, in this study, the effect of personality traits of bicycle festival participants on festival expenditures are also examined. Accordingly, it can be said that bicycle tourists participating in bicycle festivals are individuals of compliance (3.97), open to experience (3.93), responsible (3.70), and extroverted (3.63). As a result, it is revealed that bicycle tourists who are outgoing and open to experience spend more. At the same time, as a result of the regression analysis, it is determined that the personality traits of bicycle tourists in cycling activities has explained 13.2% of the festival expenditures. In the study, it is also determined that female bicycle tourists spend more than male bicycle tourists (978.33), and the age group who spends most is the age group of 46 and over (1075. 09). Last but not least, people with higher income spend more as expected (5601 and over = 116.85), and the expenses vary according to the length of stay.

5.2. Recommendations

Recommendations based on all these are listed as follows: widespread use of bicycles in Turkey should be provided, and the perception of people who can use bicycle comfortably at any age, or gender should be established. Here, public institutions and related private organizations need to motivate and encourage bicycle tourists. While these are taking place, the infrastructure and superstructure

opportunities related to cycling should be improved, bicycle paths should be increased, and the rights of bicycle tourists should be protected both on the road, and in the law. As cycling activities cover one or more days, their wishes and expectations must be met as well as providing confidence to the participants with camping accommodation. In reorganized events, planned and scheduled routes should be prepared and participants should not be victimized on the time of the event. Participants should be informed about the festival routes before the event takes place by using technology. Access for the bicycle festivals organized in Turkey is provided in the website named “Bicycle Routes”. Instead, all the festivals that include the scope and content of a site hosting information related to any kind of bike festivals (such as Turkey Cycling Federation) should be developed. In addition, bike-friendly businesses need to be increased in number, and need to be supported. While organizing bicycle festivals, it should be prepared by paying attention to other festival dates. Promotional activities should be started long before, in order to achieve more participation in festivals. It would be beneficial to have logos for national and international festivals to become a brand. In order to change the perspective of the local people living in the region where bicycle festivals are held, various trainings should be organized and the local people should be encouraged to participate in these festivals. During festival times, traditional products of the region should be promoted, and stands should be opened where local people can sell them. Branding should be done in order for Turkey to take place in top-rankings in cycling events. The number of festival days can be increased, and thus, the days of accommodation together with the expenditure of tourists can be increased. The number of non-festival overnight days can be increased by catering opportunities such as accommodation, food and beverage, which are the alternatives in the areas where festivals are held. Likewise, by lowering festival prices and providing variety of products that can be spent, bicycle tourists can be directed to spend more. Promotion support can be obtained from the media on the date it is organized for each festival (publication of bicycle festivals on TRT). Bicycle festival organizers can go to branding with a higher quality program by getting sponsor support. In order to increase the number of female participants in bicycle festivals, more reliable accommodation with festival-specific pricing should be provided. Bicycle festival marketers should

analyze the process of who are the bike tourists participating in the festival, what personality traits they have, how they behave, and which products and services they will choose for participating in the festival, and organize them accordingly in the next festival(s).

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The author(s) declare that they have no conflicts of interest.

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THE IMPORTANCE OF KEY ACTIVATION TECHNOLOGIES IN SMART STRATEGY EXPERT: THE EVALUATION OF EU COUNTRIES AND TURKEY

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ABSTRACT

This study aims to, in line with the Smart Specialization, evaluate the distribution of KETs, which are used by the EU countries and Turkey, by using country significance indicator. The country significance indicator, which is one of the indicators considered to capture the performance of a country in the production of new technological information, represents the share of exports of goods related to KETs in total manufacturing industry exports. The data set used in the study was compiled from the European Commission Reports and covers the years 2002-2015. The countries included in the data set reported by the European Commission (2018) are EU member states. In addition to these countries Turkey was included in the analysis as a developing economy. To make a general evaluation; in order for Turkey to end foreign trade deficit, to find a place in the global competition and to realize the development successfully by using smart specialization, effective use of Key Activation Technologies is needed.

KEY WORDS: Smart specialization, key enabling technologies, regional development.

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1. INTRODUCTION

Nowadays, regions and/ or countries aim to achieve their development successfully by increasing their global competitive power. Development is essentially about making use of the resources owned effectively. In the development process, first of all, the competitive advantages of the region and / or the country should be determined. These advantages can be in the form of infrastructure, human capital, innovation capacity, social and economic networks, physical and informational capital, natural and cultural heritage (Gardiner, 2003). In this context, the European Union's 2014-2020 innovation policy "Smart Specialization Strategies" (S3) "was published by the European Commission in 2009 and contains the results of the pioneering work of Foray et al. (Foray et al., 2009). It is based on the "Knowledge for Growth" report. Intelligent specialization is an innovative “European Union (EU)” strategy that aims to identify and develop the competitive advantages of the region and / or country (S3Platform, 2016). The strategy in question aims to increase the competitiveness and economic sustainability of the region and / or the country in the most efficient way. The Smart Specialization Strategy can be possible with the combination of the unique knowledge of the regional economy with high innovation potential.

“Key Enabling Technologies (KETs)”, one of the tools of the smart specialization strategy, is positioned as the main driving force for the development of industries (European Commission, 2012). Key Enabling Technologies (KETs) are technologies that allow European Union countries to increase their competitive power and realize their smart specialization. KETs, which contain high R&D and intensive knowledge, also provide global opportunities and qualified sustainable employment opportunities to the region and / or country. The most effective KETs created based on current global research can be listed as follows (European Commission, 2009; 2012):

- Biotechnology and Industrial Biotechnology
- Nanotechnology
- Advanced Technology Materials
- Advanced Production Technologies
- Micro and Nano Electronics
- Photon and Photonics Technology

The use of these technologies in the EU region is not only strategically important, but also indispensable for reasons such as reducing poverty, creating new markets, increasing energy efficiency, grasping global opportunities and providing high-skilled employment (European Commission, 2009). The main purpose of the EU is to create a leverage effect by combining its competitive advantages with KETs. Thus, the region and / or country will be moved to the top in terms of competitiveness among other regions and / or countries and smart specialization will be realized. However, since it is difficult to analyze the advantages that countries have in terms of their scarcity or multiplicity, the goods exported by a country are regarded as the closest value that shows the competitiveness of that country (Hidalgo and Hausman, 2009). The fewer and / or simple goods a country's export basket consists of, the country in question will not be able to rank at the forefront of international competition. Such countries should either discover a valuable raw material or invest in high-tech areas such as KETs in order to find a place in international competition (Turkcan, 2019).

As it is known, Turkey is undergoing a structural trade deficit problem for many years (Stale et al., 2013). It is considered that KETs can be used to get rid of the said structural deficit problem by improving Turkey’s exports. Initiatives for KETs are generally located in the industry sector, which is one of the three sectors of gross domestic product, and concentrates around the manufacturing industry sub-sector. As a result of the leverage effect of KETs with high innovation potential, it is predicted that both the realization of smart specialization and the foreign trade deficit problem can be solved. In this context, if the export of goods intensive in terms of KETs is emphasized, it will converge to globally developed economies (Şahbaz et al., 2014)

Therefore, this study, "Smart Specialization Strategy, (S3)", aims to assess the use of KETs by Eu countries and Turkey through distribution of manufacturing exports. The rest of the study is designed as follows: Chapter 2 addresses the conceptual framework. In Chapter 3, the data set is introduced. Chapter 4 includes discussions of the study. Chapter 5 ends the study with a general evaluation and recommendations.

2. CONCEPTUAL FRAMEWORK

The EU defines the concept of smart specialization, which is its investment policy, as a strategy that will shift the resources of the region to activities with competitive advantage by differentiating from other regions (S3Platform, 2016). If a region that includes traditional textile, agriculture and industry sectors determines which technology and / or technologies it should use to be more efficient, the region may become globally competitive. However, the region in question here should not be perceived as the "best region" and / or "the region with the technology leader".

In a highly competitive product produced by today's KETs, many technologies such as nano technology, advanced technology materials, advanced production processes, micro and nano electronics are brought together.

Biotechnology, one of the KETs that help to realize smart specialization, is essentially a term that describes the use of biological order and processes (TUSIAD, 2000). Biotechnology, a technology based on living organisms or biological systems; It uses food products, textiles, industrial and other necessary materials to produce more sustainably. Biotechnology has basic areas such as environment, industrial, medical, agricultural and animal husbandry, food biotechnology. The shares of products produced with biotechnology in world markets are; for the food sector (77%), for antibiotics (12%), for pharmaceutical-kit production (7%) and for the agricultural sector (3%) (Kolankaya, 2016).

Nano technology, on the other hand, is a technology that can be reorganized by changing the shapes of atoms and molecules and can create completely different shapes, occupies much less space, consumes less energy, and has cheap and functional features. If it is necessary to give an example of nano technology; It can be said that the atoms that are well organized on the molecules are transformed into a special fabric that can better protect against heat or cold (Celep and Koç, 2008). The technology in question can be used in areas such as health, energy and environment. In addition, 1 nanometer means one billionth of 1 meter. While the first humans had a limited number of materials, materials evolved and developed over time with the discovery of new techniques. Today, the presence of technology-intensive materials has gained importance. These advanced technological materials are used in various fields such as aviation, transportation and healthcare services. KETs are key areas

that determine the position of EU countries in the global market. Investing in these areas will increase competitiveness, create jobs and support growth. Micro and nano electronics are also required for all goods and services that need control in sectors such as automotive, aviation and space (Şenel, Gürbüz, & Koç, 2015). With micro and nano electronics, the production, storage, transportation and consumption of electricity are managed more efficiently. Photon and photonic technology is a field that includes light production and management. In order to create renewable energy with sunlight, a technological basis is created with various electronic components. Given the rapid progress in science and research, the above technologies could quickly become globalized in the coming years, and other new technologies may emerge.

3. DATA SET

The data set used in the study was compiled from the European Commission Reports and covers the years 2002-2015. The countries included in the data set reported by the European Commission (2018) are EU member states. In addition to these countries Turkey was included in the analysis as a developing economy. Therefore, twenty-nine countries (Germany, Austria, Belgium, United Kingdom, Bulgaria, Czech Republic, Denmark, Estonia, Finland, France, Croatia, Netherlands, Ireland, Italy, Spain, Sweden, Cyprus, Latvia, Lithuania, Luxembourg, Malta, Hungary, Poland, Portugal, Romania, Slovakia, Slovenia, Turkey, Greece) are taken into consideration.

Countries should be able to export high-tech goods and services such as KETs in order to increase their competitive power. Initiatives for KETs generally take place in the industrial sector, which is one of the three sectors of gross domestic product, and concentrate around the manufacturing industry sub-sector. In this context, "Country Significance" indicator was used to represent the density of KETs in exported goods. The Country Significance indicator, which is one of the indicators considered to capture the performance of a country in the production of new technological information, represents the share of exports of goods related to KETs in total manufacturing industry exports. A high value in the indicator indicates that a significant share in the country's total manufacturing industry exports is reserved for exports of goods related to KETs. Therefore, it can be said that the country, which has a high level of country significance, is in an advantageous position in terms of the share of exports of goods related to KETs in total manufacturing industry exports. This advantage will also apply to

a country whose country significance tends to increase over time. Thus, it will gradually come closer to realizing its smart specialization.

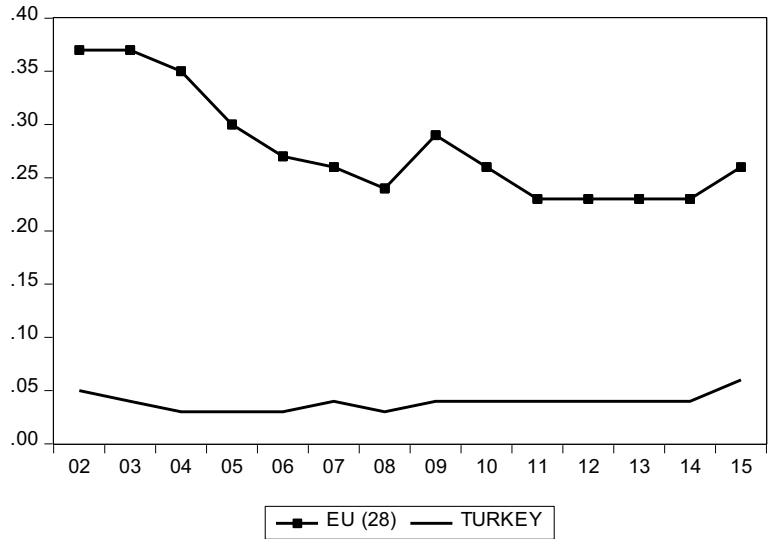
$$SG_{kit} = (E_{kit}/E_{it}) * 100 \quad (1)$$

In the equation (1) given above, (SGkit) represents the share of the export of the goods with which the relevant KET (k) is related in the year (t) for the country (i) in the total manufacturing industry export of the relevant country. Country significance indicators, were taken into consideration during the 2002-2015 period for each KET for Turkey and EU-28 average.

4. DISCUSSION

The country significance indicators that are calculated for industrial biotechnology, nanotechnology, advanced materials, advanced manufacturing processes, micro and nano electronics, and national significance photon photonics technology for Turkey and for the EU-28 average is presented below:

Figure 1: Industrial biotechnology country significance

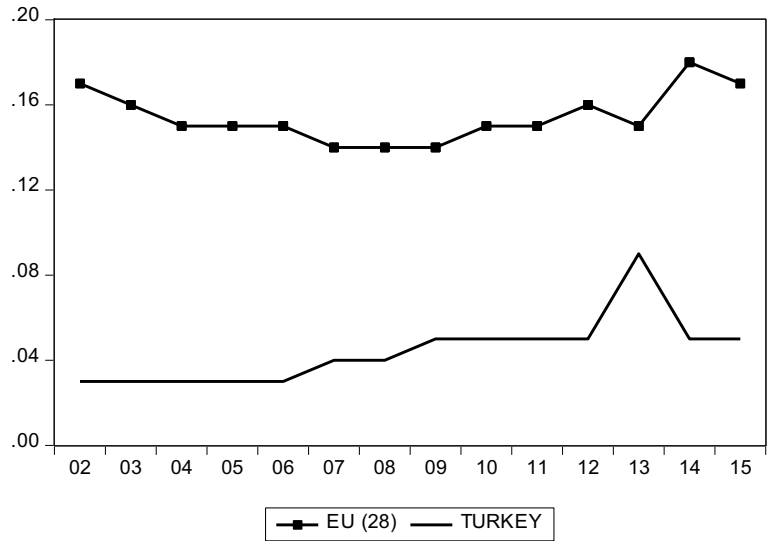


Source: ec.europa.eu (The figure is prepared by the author.)

As can be seen from the findings in Figure 1; industrial biotechnology significance for Turkey during 2002-2015 period, the country remained under a great deal of systematic EU-28 average. Industrial biotechnology country significance is 0.06 for Turkey in 2015 while it is 0:26 for the EU-28 average

level. While Industrial biotechnology significance of Turkey did not change, during the 2002-2015 period, there was a downward trend in the period 2002-2008 for EU-28. Thus, it can be said that Turkey, unfortunately, remains well below the EU-28 average in industrial biotechnology and a trend towards closing this deficit was not observed.

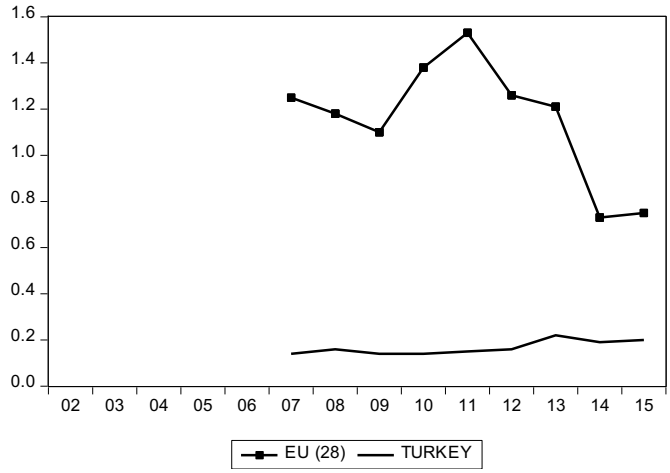
Figure 2: Nanotechnology country significance



Source: ec.europa.eu (The figure is prepared by the author.)

As seen in Figure 2, the findings show that nanotechnology country significance of Turkey during 2002 to 2015 was below the average EU-28 member states. Nano technology country significance of Turkey in 2013 had reached the highest level with 0.09, and 0.15 was realized for the EU-28 average. Nanotechnology country significance is frustrating, although in later years it showed a significant increase for the 2012-2013 period, Turkey has turned into a form of the old state. Despite this, nano technology country significance tends to increase from 2013 for the EU-28 average. Thus, Turkey's nano-technology significance, unfortunately, remains below the EU-28 average and said that the closure of this open attitude exhibited by the inadequate direction.

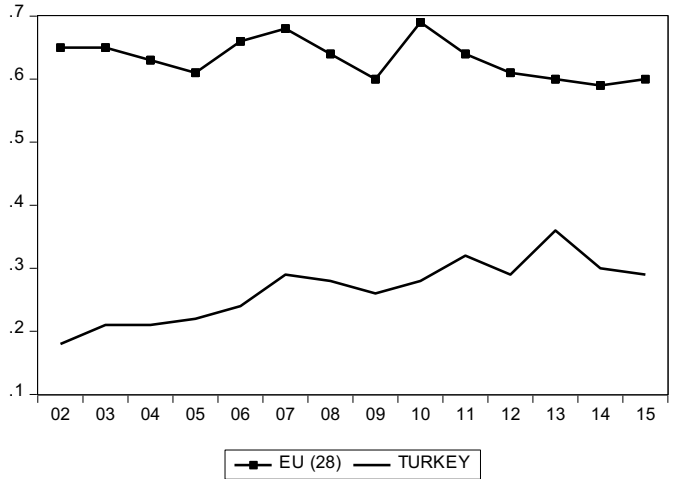
Figure 3: Advanced technology materials country significance



Source: ec.europa.eu (The figure is prepared by the author.)

As seen in Figure 3, Turkey systematically advanced technology materials for the 2007-2015 period the country is under a great deal of significance from member states of the EU-28. The pre-2007 data of the said KET could not be reached. High-tech materials country significance of Turkey in 2014 had reached the highest level of 0.19, was realized at the lowest level for the EU-28 with an average of 0.73. What is striking here is the country significance of advanced technology materials, Turkey remained unchanged for many, a downward trend during the 2010-2015 period, particularly in terms of the EU-28 is outstanding. Thus, Turkey on advanced technology materials, unfortunately, remains below the EU-28 average and a trend towards closing this deficit was not observed.

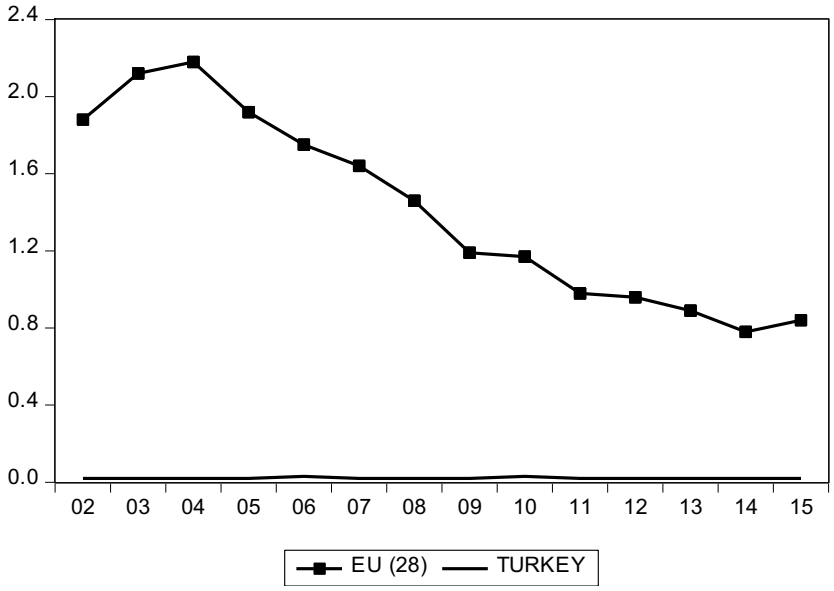
Figure 4: Advanced production technologies country significance



Source: ec.europa.eu (The figure is prepared by the author.)

As seen from the results in Figure 4, advanced production technology country significance for Turkey from 2002 to 2007, the period from 2009 to 2011 and from 2012 to 2013 remained below the trend but still tries to capture the EU-28 average. While the country significance of advanced production technologies was 0:29 for Turkey in 2015, was realized as 0.60 for the EU-28. The country significance of advanced production technologies, was on the rise in Turkey during the period 2002-2015, while the EU-28 average is unchanged. Thus, in advanced production technologies which remained below the EU-28 average, but said that Turkey's observed a trend toward closing this gap.

Figure 5: Micro and nano-electronics country significance

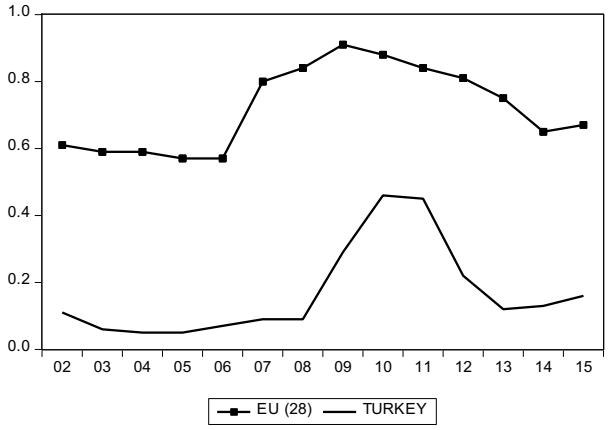


Source: ec.europa.eu (The figure is prepared by the author.)

As seen from the results in Figure 5, micro and nano electronics significance for Turkey in period 2002-2015 remained well below the EU-28 average. While the significance of micro- and nano-electronics is 0:02 for Turkey in 2015, was realized as the EU-28 average of 0.84. Micro and nano-electronics country significance is virtually zero in a disappointing way to Turkey during the period 2002-2015.

At the same time, for the EU-28 average, the country significance of micro and nano-electronics has decreased significantly between the mentioned years. Thus, micro and nano electronics significance of Turkey remains under EU-28 average and a trend is observed in the direction of closing this gap.

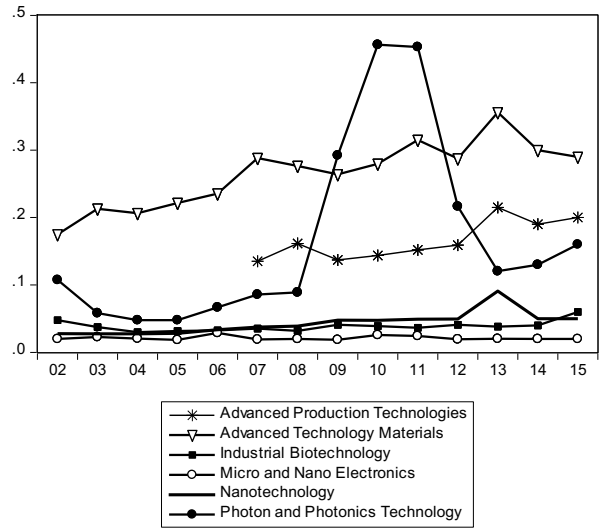
Figure 6: Photon and photonic technology country significance



Source: ec.europa.eu (The figure is prepared by the author.)

As seen from the data given in Figure 6, photons and photonics technology country significance for Turkey during 2002 to 2015 has fluctuated and remained below the EU-28 average. Photons and photonics technology significance was 0:13 for Turkey in 2014, a decrease of 0.65 was realized as compared to the previous year for the EU-28 average. Photons and photonics technology has provided increased country significance as promising for the period 2008-2010, but Turkey said the increase was insufficient to achieve the EU-28 average. Both for Turkey and EU-28 average significance of photon and photonics technology tends to decrease since 2011. As a result the photon and photonics technologies to remain below the EU-28 average, but said that Turkey's observed a trend toward closing this gap.

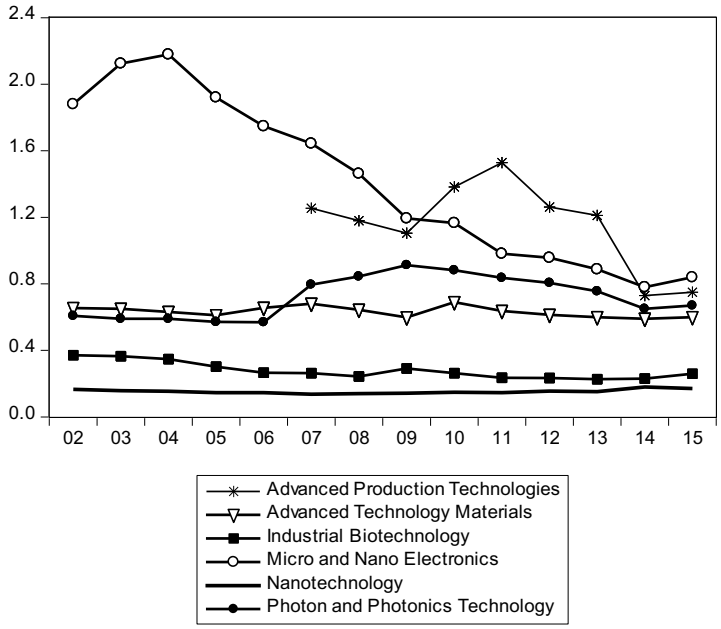
Figure 7: Country significance of KETs for Turkey



Source: ec.europa.eu (This figure is prepared by the author.)

The country significance of KETs for Turkey is given in Figure 7. As seen in Figure 7, the period from 2002 to 2015 for high-tech materials, it can be said that there is a relatively high significance of Turkey. On the other hand, a strong increase trend is observed in the country significance of advanced production technologies. According to Figure 7, it is seen that approximately 0.28 percent of the Turkish manufacturing industry exports were made up of products based on photon and photonic technology in 2015. In addition to this, Turkey's micro and nano electronics, industrial biotechnology and nanotechnology significance of the country is very low.

Figure 8: Country significances of KETs for EU-28 average



Source: ec.europa.eu (The figure is prepared by the author.)

The country significance of KETs for the EU-28 average is given in Figure 8. As can be seen from the findings given in Figure 8, it is concluded that the country significance of micro and nano-electronics is relatively higher for the EU-28 average in 2002-2009 and 2014-2015, and the country significance of advanced production technologies in the period 2010-2013. According to Figure 8, it is seen that products based on photon and photonic technology in 2015 constitute approximately 0.67 percent of the manufacturing industry exports in the EU-28 average. Besides, the industrial biotechnology and nano technology country significance of the EU-28 average is quite low.

5. CONCLUSION

According to Smart Specialization, which is an innovative European Union strategy that aims to develop by enabling the region and/ or country to develop its competitive advantages; The region and/ or the country can increase its competitive power and become economically sustainable by using the resources it has in the most efficient way. The industries that will change shape in the coming years are expected to consist of new goods and services, a significant portion of which is not yet known. “Key Enabling Technologies (KETs)”, the tool of the smart specialization strategy, are seen as the main driving force for the development of these industries. KETs, which contains high R & D and intense knowledge are technologies that help increase competitive power and realize smart specialization. These technologies can be listed as; biotechnology and industrial biotechnology, nano technology, advanced technology materials, advanced production processes, micro and nano electronics, photon and photonic technology. This study aims to, in line with the Smart Specialization, evaluate the distribution of KETs, which are used by the EU countries and Turkey, by using country significance indicator. The country significance indicator, which is one of the indicators considered to capture the performance of a country in the production of new technological information, represents the share of exports of goods related to KETs in total manufacturing industry exports. In this context, the KETs in Turkey during the years 2002-2015 compared to EU countries by effectively ballots remained well below the EU-28 average. To make a general evaluation; in order for Turkey to end foreign trade deficit, to find a place in the global competition and to realize the development successfully by using smart specialization, effective use of Key Activation Technologies is needed.

DISCLOSURE OF CONFLICT

The author declares that she has no conflicts of interest.

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A REVIEW OF MALTHUSIAN THEORY OF POPULATION UNDER THE SCOPE OF HUMAN CAPITAL

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FOCUS ON RESEARCH IN CONTEMPORARY ECONOMICS

Submission date: 13.12.2020 | Acceptance date: 30.12.2020 REVIEW ARTICLE

A REVIEW OF MALTHUSIAN THEORY OF POPULATION UNDER THE SCOPE OF HUMAN CAPITAL

Ebru Unat*

ABSTRACT

Although studies on population date back, the economic and sociological consequences of this phenomenon have still been the subject of many studies today. One of the most important studies on this issue is the pessimistic view of Malthus which purports that the food supply will remain at a limited level due to the fixed amount of agricultural land in the world, and the world population will increase faster than food production, and those situations such as hunger, poverty and death will occur in the society. However, with retrospect to our previous experiences in the current period, it is apparent that the views claim that the population increase will drag humanity into disaster due to factors such as technological progress and human capital are invalid. In this study, first of all, the validity of Malthus' views on population will be examined in terms of the developments in the historical process, and then, Malthusian Theory of Population will be reevaluated within the scope of human capital forasmuch as the population is considered only with the quantitative dimension in the model.

KEY WORDS: Malthus, theory of population, human capital.

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1. INTRODUCTION

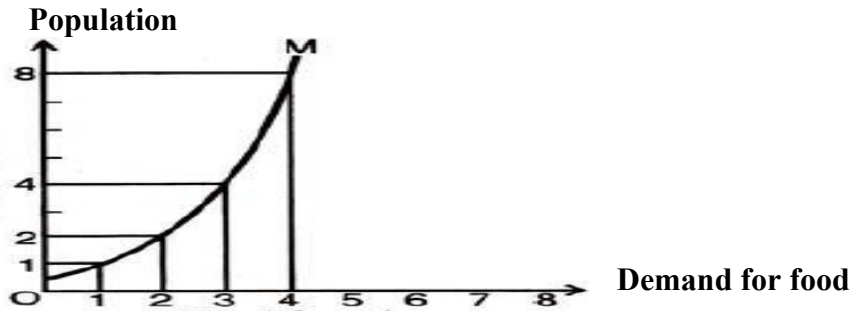
The concept of scarcity, which forms the basis of Economics, has brought many studies on this subject. The scarce resources within the scope of supplying the needs have led to the problem of distribution with the increase of the world

population, and this situation caused both policy makers and economists to focus on the issue of population. While politicians have been seeking answers to questions such as “what the population growth rate should be in a country?”, “the economic and social effects of population increase or decrease”, researchers have brought optimistic and pessimistic perspectives on the economic effects of population growth. One of the most controversial issue of study, which forms the basis of the views offering a pessimistic perspective by drawing attention to the negative aspects of population growth, is the approach of Malthus. It suggests that population increases will exceed the supply of food, and cause a damage to both society and economy.

1.1. Malthusian theory of population

Thomas R. Malthus, who became popular with his article "An Essay on the Principle of Population", wrote this work in 1798 to warn the citizens of the country about the disasters that would occur due to the increasing population in England. According to Malthus, as a result of the Law of Reducing Yields, the amount of food per capita tends to decrease as the population increases (Chowdhury & Hossain, 2018, p. 2-3). Malthus stated that the food production in the world will increase at an arithmetic sequence, and the population will increase at a geometric rate, and thus, the population will be doubled every twenty-five years if it is not controlled once (Malthus, 1798, p. 6-7). Assuming that a country's population requires 1 million metric tons of rice per day, according to Malthus's theory, after five years, the demand for food will double when the country's population increases as much as itself. However, according to this theory, it is not possible to produce more food in response to the increasing population (Rahman, 2018, p. 15). In Figure 1, geometric and arithmetic increase rates for food production and population are expressed.

Figure 1. Malthusian theory of population



Source: (Malthus, 1798, p. 8)

In Figure 1, the vertical axis expresses population whereas the horizontal axis expresses the food supply, and OM represents the balance between food supply and population growth. According to the theory of Malthus, it is seen that the food supply increases arithmetically in the form of 1, 2, 3, 4, 5, 6, 7, 8, while the food production increases in the form of 1, 2, 4, 8, and that is, geometrically.

The model introduced by Thomas R. Malthus, which is the first systematic attempt in terms of economic growth and determination of personal income (Ehrlich & Kim, 2005, p.1), is based on micro bases, since it includes factors such as fertility, death and the production side of the economy despite its strict conditions, and it consists of two basic elements. First, the existence of certain production factors, such as agricultural land, which has a fixed amount in the world, means decreasing return as to the scale for other production factors. Secondly, the increase in living standards positively affects the increase of the population. According to this model, if there is no change in technology or the availability of agricultural land, the population will balance itself. Additionally, even if available resources increase, the level of per capita income will not change in the long run. Because, technological advances or wider farmland will lead to the creation of a numerically larger but poorer population (Galor & Weil, 1999, p.150). That is, according to this view, even if there are technological developments that contribute to the increase of agricultural yield, and a temporary increase in living standards, this temporary improvement will disappear with the increasing population in the long term (Abramitzky & Braggion, 2003, p. 2).

In the 1900s, technological developments in the field of agriculture caused the supply of food products to increase rapidly, and hunger started to be no longer a problem in the world (Aysan, 2014, p.69). However, after the World War II, the increasing number of births and the increase in the ratio of the unproductive population to the general population caused the relationship between the population and the food supply to come to the fore (Turanlı, 1977, p. 83). In this context, some researchers in the field of Social Sciences, also known as Neo-Malthusian, who see population growth as a problem for social welfare, reevaluated Malthus' model. This group, which had great contributions to demography after

World War II, and played an important role in the decisions of various international organizations such as the United Nations, focused on the damage to the environment by population growth rather than the problems of food supply in the world, and, unlike Malthus, they supported modern birth control methods such as abortion (Aysan, 2014, p. 69).

1.2. Criticisms against the Malthusian theory of population

As an explanation of population-income interactions, the Malthusian model had a long period of success, covering most of human history in many parts of the world until the beginning of the industrial revolution (Weil & Wilde, 2009, p. 255). However, it was seen that Malthus was wrong about human reproductive behavior, and with “the Law of Declining Yields” he put forward in his model. With the Industrial Revolution in England, a period of continuous improvement in technology started, and while earnings exceeding the effects of decreasing returns in labor productivity were obtained, per capita income also increased. At the end of the 19th century, couples consciously placed emphasis on contraception, resulting in smaller family size. At the beginning of the 20th century, domestic economic and demographic characteristics such as stable but slow population growth, low fertility, continuous productivity growth and increasing consumption began to be established in modern industrial economies (Birdsall, 1989, p. 26).

Malthus' claim regarding the relationship between population growth and productive capacity has received harsh criticisms. Malthus stated that with a fixed amount of farmland and a growing population, marginal productivity decline would cause people to live at a constant subsistence level. A common criticism is that technological advances and capital accumulation are strong enough to ease population pressure, and even in the presence of a growing population, the possibility that the condition of individuals could improve is overlooked. One type of criticism is that the potential positive consequences of Malthus' population growth in the long run are ignored. Simon (1977), on the other hand, emphasizes the long-term benefits of population growth, and claims that population growth has a negative effect on living conditions in the short term due to reduced yields and temporary burden on society, but the population, which increased due to

developments and economies of scale, would have positive effects on living standards in the long run. Another criticism is that the fertility decisions of the parents are not emphasized in Malthus' model. This criticism has been addressed from three different points of view. The first is that in the modern era, the population of poor countries is growing faster than rich countries. Second, fertility rates are negatively associated with per capita income, and third, life expectancy at birth is much higher in countries with higher per capita income (Abramitzky & Braggion, 2003, p. 8-10). Moreover, in the model, it is emphasized that the growth rate of the population depends only on the economic growth rate, and the effect of other economic factors is ignored. In addition, other factors such as cultural structure and education level may affect population growth (Üzümcü, 2018, p.115).

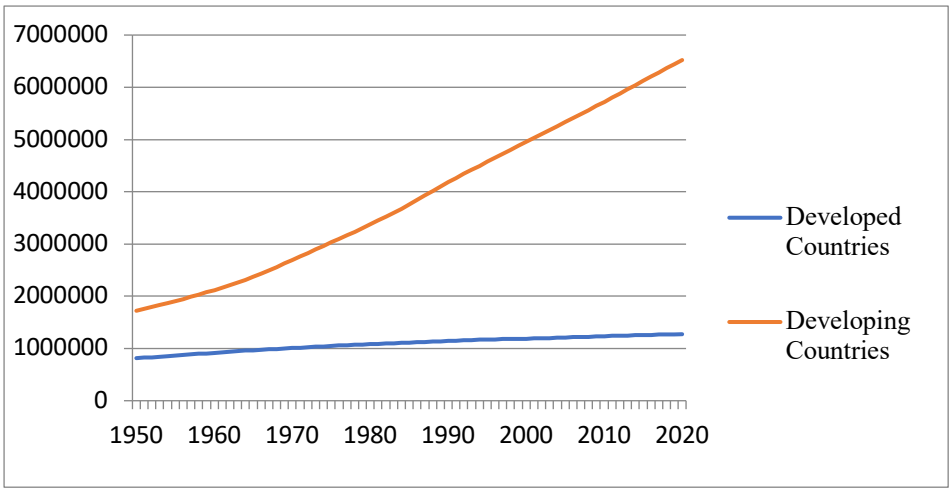
When considered in terms of recent developments, Malthus' views that food production increases arithmetically, and the population increases geometrically do not reflect the truth. Because, with the development of science in the 19th century, it was seen that production increased significantly with new production techniques together with the mechanization in agriculture. In addition, it has been observed that the population decreases as the quality of life increases. As an example of this situation, many of the developed countries of the western world have been facing a decreasing population problem. It is stated in the model that population growth is a bad situation, but population growth is an important factor in increasing the production of countries. Finally, Malthus dealt only with the numerical aspect of the population in his theory, and neglected the quality of the human factor, which would become a source of wealth for the country if the population was educated, and became productive and hardworking (Rahman, 2018, p. 19-20). Cooper and Block (2019, p. 36-37), in line with these criticisms, drew attention to the importance of the human capital factor in response to Malthus' model, drawing attention to the negative aspects of the excess population, and stated that technological developments increased exponentially in a much shorter time compared to population growth in recent years.

1.3. Validity of the Malthusian theory of population in history

Today, the phenomenon of population is regarded as a driving force for the countries' economies, but it is known that it affects economic performance depending on factors such as age, and quality of the country's population. With the effect of technological developments in the field of health, the world population has continuously been increasing from past to present.

The world population has been growing since 1950, albeit at a slower rate than ever. The world population reached 7.7 billion in mid-2019, with one billion people since 2007 and two billion since 1994. The growth rate of the population peaked in the period of 1965-1970 with an average increase of 2.1%. Since then, the global population growth rate has slowed down to less than 1.1% per year in the 2015-2020 period, and it is predicted that it will continue to slow down until the end of this century (United Nations, 2019, p.5). Although it is known that the world population is constantly increasing, this increase varies from one country to another. At this point, it is seen that the majority of the world population is composed of underdeveloped and developing countries. In Figure 2, the course of the population of developed and developing countries in the period between 1950 and 2020 is elaborated:

Figure 2. The course of the population of developed and developing countries between 1950 and 2020

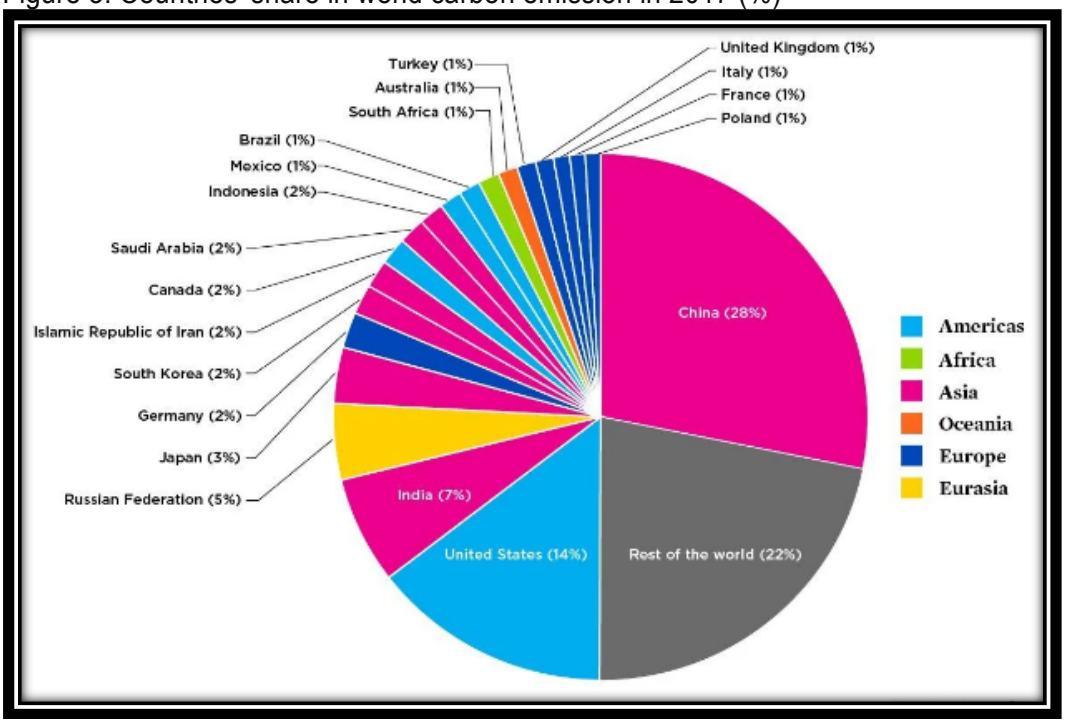


Resource: (United Nations, 2020)

In Figure 2, it is apparent that developing countries constitute the majority of the world population compared to the developed countries, and the difference between

them has increased significantly since 1950. It is known that especially China and India, which are among the developing countries, constitute the majority of the world population. By all means, it seems that this overpopulation also causes serious problems for our planet. With the industrial revolution, countries entering into an intense competition environment have caused a serious increase in the use of fossil fuels in the world. With the excessive use of fossil fuels, there has been a serious increase in world carbon emissions, and eventually problems such as global warming, environmental pollution and climate change have emerged. Figure 3 shows the share of countries in the world carbon emission for the year 2017.

Figure 3. Countries' share in world carbon emission in 2017 (%)

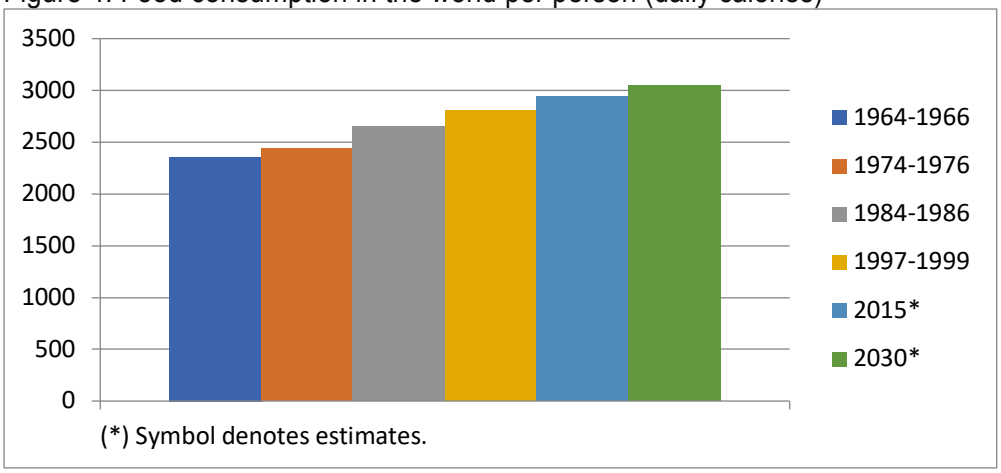


Source: (Union of Concerned Scientists, 2020)

In Figure 3, it can be seen that China, which is one of the countries with the largest population in the world, plays an important role in global carbon emissions with a share of 28%, which is followed by the USA 14%, and India 7% respectively. Notably, considering that carbon emissions originate from countries with large populations, it supports the claims of the Neo-Malthus view that population growth will cause global destruction.

Another proposition of the Malthusian view is the pessimistic view that the increase in the world population due to the limited amount of agricultural land will expose humanity to famine and hunger. In this context, considering today's world where we have much larger population, it will be useful to see how the world food consumption follows. In Figure 4, daily calorie values per person, which is an important variable used to measure and evaluate the development of food status at global level, are expressed over the years.

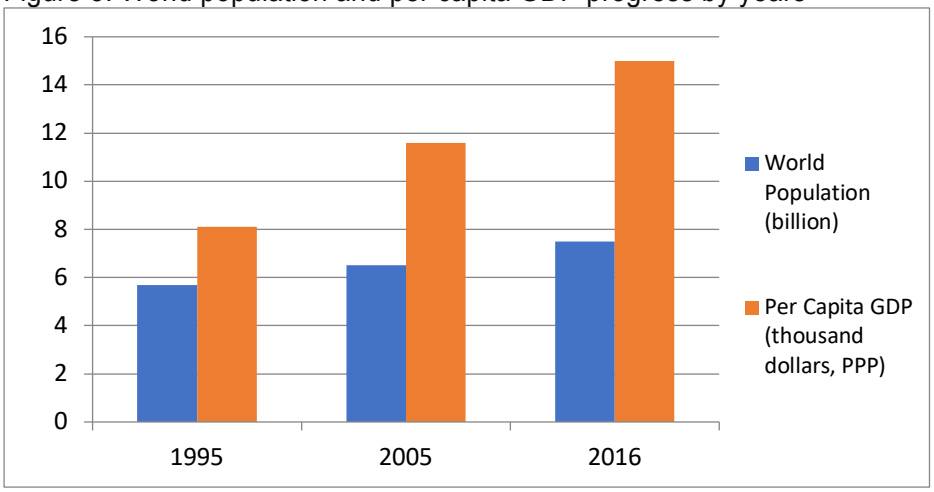
Figure 4. Food consumption in the world per person (daily calories)



Source: (WHO, 2009)

When Figure 4 is elaborated, it is a crystal clear fact that food consumption per capita in the world has continuously increased over the years. When today's world is evaluated with these developments, it is seen that the terrible scenario Malthus put forward for humanity in his theory has not materialized thanks to factors such as the improvement of unproductive lands, the transition from manpower to mechanization in agriculture, and the efficiency in the production of food products with the developments in technology. In addition to this, there is a claim in the model that world output is constant, and thus population increases will only cause people to earn less income. However, considering the recent developments, it has been observed that this is not the case at all. In Figure 5, developments in the world population and per capita GDP in the historical process are expressed.

Figure 5. World population and per capita GDP progress by years

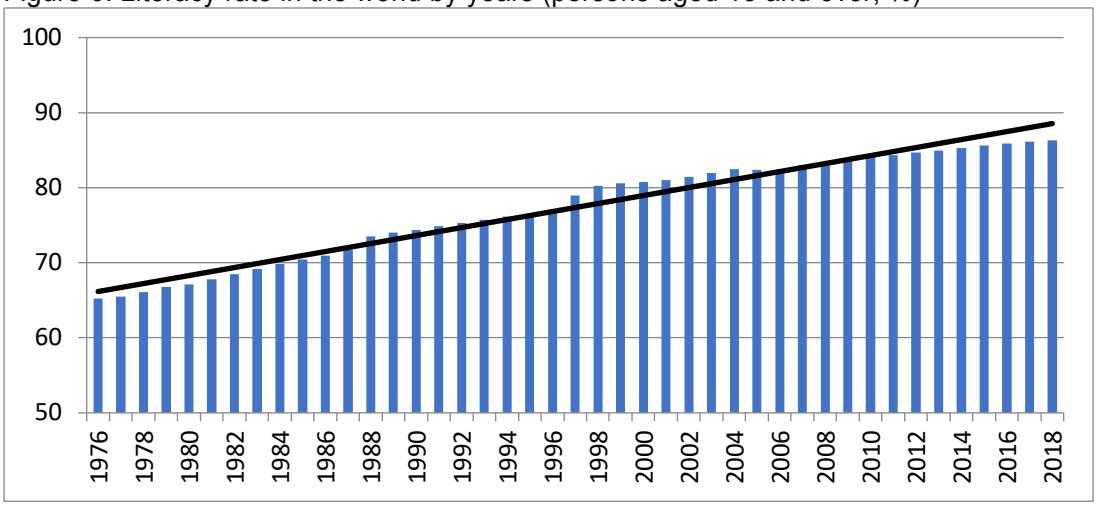


Source: (FAO, 2018)

In Figure 5, it is observed that GDP per capita increases in response to the continuous increase in the world population. The per capita GDP value, which was approximately 8 thousand dollars in 1995, increased to approximately 15 thousand dollars by 2016. The fact that the value in question has an increasing tendency in the historical process shows that the view that the world output is constant, which is put forward in Malthus' model, is invalid. Therefore, contrary to Malthus' model, while the world population is increasing, positive developments in income bring the concept of "human capital", which increases the efficiency of physical capital, and is an indicator of development.

Human capital, which expresses a set of knowledge and skills that have educational and economic value, is viewed as an important factor in contributing to economic growth, and the impact of education on human capital appears to be an important issue (Islam et al., 2016, p. 1723).). In this context, it is necessary to examine the development of human capital at a global level, which is ignored in Malthus' theory. Education, which is accepted as a human capital indicator in Figure 6, is discussed with the literacy rate dimension.

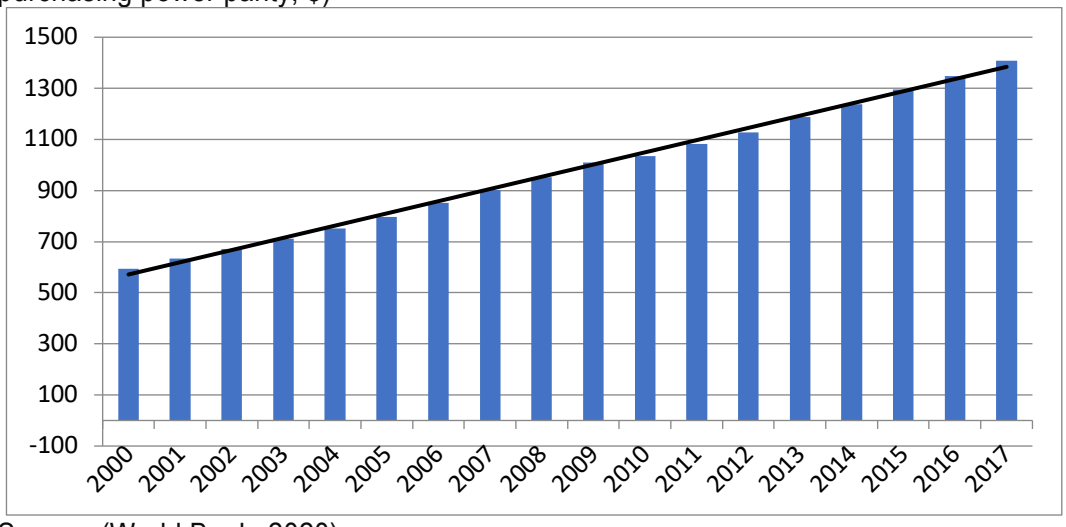
Figure 6. Literacy rate in the world by years (persons aged 15 and over, %)



Source: (World Bank, 2020)

Figure 6 shows that the literacy rate, which was 65% in 1976, increased to 86% in 2018. Therefore, it would not be misleading to say that the importance given to human capital, which has a high return for society and economy, has increased from past to present. One of the indicators to monitor the development of human capital is health. Since the health of a society will contribute to the development of this capital. In Figure 7, health expenditures in the world per capita between 2000 and 2017 are expressed.

Figure 7. Current health expenditures per capita in the world by years (according to purchasing power parity, $)



Source: (World Bank, 2020)

When Figure 7 is clarified, it is seen that health expenditures per capita have constantly been increasing, and therefore, the economies of the country are

increasingly attaching more importance to human capital for development and growth. In today' world, human capital is regarded as the keystone of a country's main wealth, and a society's social and economic development. For this reason, the concept of human development regards the human factor, which is at the center of the progress of civilization, as the main purpose of socio-political and socio-economic processes rather than merely as a tool. Undoubtedly, this importance given to human capital has an important role in increasing the growth rate of economies when compared to physical capital (Yakunina & Bychkov, 2015, p. 766-767).

2. RELATED LITERATURE

Malthus' pessimistic views on the population issue have been the focus of attention for researchers from past to present, and have been criticized from many perspectives. Today, although the effects of population growth on economic growth and development are still carried out in the axis of Malthus' model, it is seen that there is no consensus on this issue due to the reasons such as the economic structure of the country that is taken as basis, or the period under consideration. In this part of the study, the studies carried out within the scope of Malthusian population theory, and the studies accessible in the literature will be briefly mentioned.

Madsen et al. (2019) tested the Malthusian model by means of panel data analysis for 17 OECD countries using income and population variables in the period between 900 and 1870. In the study, income variable was represented by real wages and GDP per capita. The results revealed that fertility and demographic factors were important sources of economic recession during the period before the industrial revolution. Therefore, it is stated that overcoming the population problem put forward by Malthus in his theory is a key component in understanding the sources of modern growth and underdevelopment.

Chowdhury and Hossain (2018) examined the relationship by means of data covering the period between 1960 and 2017 in Bangladesh, and the GDP per capita per capita together with population growth rate by simple linear regression analysis.

According to the findings of the study, it was determined that there was a negative and statistically significant relationship between these variables, and when there was a 1% increase in population growth, there was a 1.95% decrease in GDP per capita. Therefore, the population growth negatively affected the economic development of Bangladesh, and this supported Malthus' theory. In addition, the study also noted that Malthus made a mistake by addressing only farmland and food production in examining the population issue, and that in addition, it was emphasized that the variables such as natural resources, human capital development, skilled labor exports, factories, industries, machinery, mines and other specialized industries should be also taken into account. Oladimeji and Hassan (2017) examined the relationship between population and rice production in Nigeria with data covering the period between 1960-2015 to test the validity of Malthus' population theory. The findings of the study showed that in contrast to the study conducted by Chowdhury and Hossain (2018) in Bangladesh, parallel to Malthus' views on population and food production, the population in Nigeria increased at a geometric rate, and rice production at an arithmetic rate.

In his study, Ozturk (2012) examined the relationship between fertility and poverty on a provincial basis for the economy of Turkey with the cross-sectional estimates made with data entailing the years between 1990-2000. According to the results of the study, a negative and significant relationship was found between the fertility rate and income of the provinces. Findings also showed that having more children caused poverty in provinces. In other words, while the income level was low in provinces with high total fertility rate, it was concluded that the income level was high in provinces with the total fertility rate at the lowest.

In a study carried out for the period between 1968-2006 in relation with the Turkey's economy, Telatar and Terzi (2010) examined the relationship between economic growth, population and education with the help of Granger causality test together with VAR analysis. According to the results of the study, contrary to the belief that the increase in living standards suggested by Malthus in his model had a positive effect on the increase of the population, the growth rate of population growth led to a reduction in per capita income in Turkey.

Eren (2020) analyzed the relationship between population growth and development in sub-Saharan African countries, which were among the lowest developed countries in the world, with data covering the period between 1990-2017 by means of panel data analysis. In the study, the Human Development Index (HDI) was used as an indicator of development, and the population growth rate as the variable of population. According to the findings obtained, it was found that there was a bidirectional causality relationship between population growth and development, and therefore, as well as population growth was important for development in this country group, development was also important for population growth.

3. CONCLUSION

Malthus' views on population issue have been the subject of many studies, and discussed for many years. Considering that Malthus evaluated his views on this issue for the period in 1798, it might not be possible to state that his pessimistic views on the subject of population were unfair. However, considering the world experiences in the historical process and especially the developments in today's age of technology, it has been apparent that Malthus' views that population increase will cause situations such as famine, hunger and misery in the world are invalid. Since the second half of the 20th century, the world population has continued to increase, and on the other hand, technical developments in the field of agriculture have increased the productivity of food products, and led to a further increase in food supply. Despite the fact that there are people dying of hunger although there is an in food supply in the world, and this view does not justify the views of Malthus. However, it is possible to confirm that this is due to the unfair distribution of income. As of the period examined, it has been observed that the population increase has stemmed from developing countries compared to developed countries. Considering that the majority of global environmental problems are caused by such countries with a high population, the Neo-Malthus view is justified by the claims that the increased population will mushroom negative effects for the goodness of the environment. In addition, it is observed that the population has increased at a low rate in developed countries with high per capita income, which is also contrary to the views of Malthus.

Another view of Malthus is that population increases will push people into poverty, considering that the world output is constant. However, considering the recent

developments, it is seen that the situation is quite the opposite. The reason for this situation is that Malthus' model handles the world population only numerically, and neglects the quality of the population. Today, the human capital factor, which expresses the quality of the population, is the basic building block for countries in both economic growth and development processes. Increases in human capital investments in recent years have indicated the importance of this factor, and showed that population is an important source of wealth for countries, which is also in contradiction with the views of Malthus.

DISCLOSURE OF CONFLICT

The author declares that she has no conflicts of interest.

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MIGRATION IN TURKEY: A BOOK REVIEW

Erdoğan Kavaklı*

ABSTRACT

This book directly addresses those who are interested in migration studies both locally and globally. The chapters in the book will also inform readers within the scope of migration studies ranging from policies, reactions and discussions entailing the fields of economics, health, education, politics, media, law, and social belonging in Turkey.

SUBJECTS: Migration, policies, reactions, discussions.

KEY WORDS: Migration, economics, review, Turkey.

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In 'Migration in Turkey', Doğanyılmaz Duman and Duman (2020) draw attention to the expanding scope of migration by virtue of policies, reactions and discussions entailing the fields of economics, health, education, politics, media, law, and social belonging. The book, therefore, offers a forum for researchers, practitioners, policy developers, educators, communication experts, health-care caterers, economists, and/or other beneficiaries in order to explore migration in Turkey that might impact their future practices. Undergraduate- and graduate-level students may also benefit from the book to understand current migration issues in Turkey.

The book fills the gap in the literature by means of seven chapters written in a format to ease the discussion of migration as a term in general through specific issues of concern. Probing into chapters, in the first chapter, a critical analysis

of a change within the scope of migration policies both in Europe and Turkey in the last decade is provided from diverging and converging aspects (Samuk Carignani, 2020). In this vein, the case of Syrian refugees in Turkey is penned down, which evidently signifies the temporariness of the Syrian refugees' settlement within the country. Besides, some good examples are presented from the policies of the European Union (EU) utilizing Migration Integration Policy Index (MIPEX) for providing a mainstream understanding of integration.

In the second chapter, the focus is directed towards post-migration by means of a terminological analysis. Since 'new minorities' are introduced in the Western Europe, there blossoms a distinction between national and new minorities. This distinction is elaborated by Kymlicka (2001) since new minorities are composed of a group of people who have left their homeland, and emigrate to a new society with their own decisions and/or those of families. However, this distinction is not preferred while labelling Syrian refugees residing in Turkey. Instead, they are accepted as the newcomers of a host country. Therefore, Akıncılar Köseoğlu (2020) tries to explain whether this distinction is valid for the case of Syrian refugees in Turkey by means of international law together with the legislations of Turkey.

In the third chapter, the interrelationship between poverty and migration in Turkey is clarified. Confirming that poverty is regarded as one of the significant factors in the development of economies, Turkey as a developing country is suffering from some major challenges due to low sharing levels of national revenue, unfair distribution of income, and economic crises (Gencel, 2020). Taking poverty as a starting point for migration, the author explains the reciprocal relationship between poverty and migration through descriptive survey method.

In the fourth chapter, state policies on health services provided to all foreigners in Turkey (including Syrian refugees) are elaborated with a broader perspective since such policies are developed in order to sustain public order and health of foreigners under temporary protection in Turkey (Bilgili, 2020). The author caters beneficiaries with the health services by representing how to finance, and use as to the conditions.

In the fifth chapter, insights and perspectives from the educational praxis are scrutinized together with the challenges faced by the Syrian school-aged students at Turkish schools (Kavaklı, 2020). So far, nearly 3.5 million Syrian refugees have been received in Turkey, meaning that nascent financial, linguistic, institutional, and social barriers are faced. Therefore, taking immigration as a focal point, the author describes the concept of Education in Emergencies (EiE) as a developmental approach that could fill the aspiration-attainment gap together with the incongruity between educational policy planning and implementation.

In the sixth chapter, the communication strategy of the Directorate General of Migration Management is embarked on by analyzing its official website, and posts on its social media accounts (Apak, 2020). Since it is an official institute that is responsible for enabling coordination between organizations and institutions in relation with the issues of migration, it is of utmost importance to seek for communication strategies with migrants to carry out activities, and actions for migrants' entry, stay-in, and exit from Turkey.

In the last (seventh) chapter, the public reactions of the Turkish people against refugees are analyzed to detect the general perception, if it is migrant-friendly, or hostile. In doing this, by means of a content analysis method, Ünür (2020) pinpoints the concepts of hate speech (e.g. xenophobia, and othering) by analyzing the comments of the social media users on refugee and/or immigrant content in a social media platform, named Onedio.

Last but not least, let alone these attributes, the book provides reader-friendly and helpful elaboration of the concept of migration with special interest to the case of Turkey. Thereby, it is possible to gain insights on the current policies, reactions, and discussions in migration by the book, and thus, it deserves a place on the beneficiaries' bookshelves.

DISCLOSURE OF CONFLICT

The author declares that he has no conflicts of interest.

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