

La balsa de piedra

Revista de teoría y geoestrategia iberoamericana y mediterránea



La balsa de piedra, n° 12, enero-junio 2016

ISSN: 2255-047X

"The Analyses of AKP's First Period's Economic Policies and Their Effects"

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Resumen: Éste artículo pretende describir de una manera objetiva la labor real desde una perspectiva marxista del diseño actual, y descubrir en realidad la función que éste cumple dentro del sistema de producción actual, así como a los intereses a los que acaba sirviendo el diseñador contemporáneo. Haciendo un análisis ideológico breve sobre las influencias del diseño actual así como el contexto histórico que propician esas condiciones ideológicas. También explicar la necesidad de la existencia del diseño para el sistema productivo capitalista como proceso en la fetichización de la mercancía. No pretende ser un juicio moral del mismo, eso queda a disposición de los lectores.

Palabras clave: Marxismo, Capitalismo, Diseño, Fetichismo, Diseñador.

Abstract: This article aims to describe objectively the actual place from a Marxist perspective of the current design process, and actually show the role it fulfills in the current production system, as well as the interests that, in the end it, serves the contemporary designer. Making a brief ideological analysis of the influences of modern design and the historical context that leads to such ideological conditions. Also explain the need for the existence of design for the capitalist production system and its process

in the commodity fetishism. Not intended as a moral judgment of it, that is up to the readers.

Keywords: Marxism, Capitalism, Design, Fetish, Designer.

I. Introduction

The economic crisis in 2001 was one of the most important events that changed the economical, the political and the social structure of Turkey. During and after the crisis, Turkish politics as well as the Turkish economy have changed significantly. For example after the crisis, despite the secular government concern, Justice and Development Party (AKP)¹ won the general elections with a rate of 34% and came to power alone; this party is also called AK Party and it is Islamic and National Vision (Milli Görüş) based.

The main topic of this work is economic policies of AKP between 2002 and 2007. It is necessary to explain that AKP came to power after the economical and political instability of 90s. What's more, in that moment Turkey was going through an important economic crisis that had started in 2001. In this sense, the main aim of the first part of this investigation will be to find the origin of these policies, the implementation and the differences from the previous economic policies. During the examination, a comparison will be done between two programs: Thr Transition Program to a Strong Economy and transition programs of AKP's policies.

On the other hand, this work also analyses the reflection of AKP's economic success into society which was observed in the basic macro-economic indicators between 2002 and 2007. More specifically, the effects of the high economic growth on income distribution, unemployment, wages and social expenditures will be evaluated.

¹ Abbreviation of the name of Justice and Development Party is an issue in Turkey. Recep Tayyip Erdoğan who is the founder and former president of the party does not want to use the name AKP. Instead of this, he wants to use the name AK Party as abbreviation. The meaning of "AK" is white in Turkish but generally was used to mean honest and clean.

Source:

http://www.tdk.gov.tr/index.php?option=com_bts&arama=kelime&guid=TDK.GTS.550edcff50fff3.86852754

II. General Situation of Turkey Before 2002

a) Economic and Politic Situation

Turkey has changed 28 governments between October 27, 1965 and December 31, 2001. The average tenures of the governments were only sixteen months. These government changes generally occurred by extraordinary elections. There are many reasons of the economic instability of Turkey but political instability is one of the most important ones. In this sense, it can be said that sixteen months is neither enough to solve any macroeconomic problem nor to create any economic program (Kibritçioğlu,2001).

As it has been mentioned before, in 2001 Turkey went through an economic crisis and the effects of this crisis can be observed in the early period of AKP. These effects were the determinants of the economic situation because it was the hardest economic crisis in Turkey's history. The starting point of 2001 crisis was the discussion that occurred at the National Security Council between the Prime Minister, Bülent Ecevit, and the President, Ahmet Necdet Sezer. After 12 days of that discussion, in 21st February 2001 the interbank overnight rate went up to 6200% and in 23rd February 2001 The Central Bank's foreign exchange reserves went down to 22.58 billion dollars from 27.94 billion dollars. The costs of the crisis were -9.4% negative growth in economy, 68.5% inflation rate, 8.4 % unemployment rate, 84.9 billion dollars domestic debt stock and 37.8 billion dollars external debt stock (Bayrak & Kanca, 2013).

Another consequence of the crisis was the market selling rate of dollar. Turkish government changed the exchange rate system and started to use floating exchange rate system in 22nd February 2001. Therefore at that date the US dollar gained 40% in value against the Turkish lira (Berument, 2002).

The period between 2000 and 2002 was a restructure interlude period that can be called a totally external model. The supporters of that period were IMF, WB, EU, NATO and USA. At the same time it was a political restructure period that started the discussions about full membership negotiations with the EU (Özdemir, 2013).

It is important to underline that AKP came to power under these hard economic conditions. At the same time, the party also had problems because the real leader of the party, Recep Tayyip Erdoğan, was banned from politic speeches by court; as a

consequence, Abdullah Gül was the leader of the party in that days. One year later, in 9th March 2003, one city, Siirt celebrated elections again. Recep Tayyip Erdoğan became a deputy of Siirt and at the same time he became the prime minister of Turkey with the abolition of political ban (Presidential official page). With this event the real period of AKP started.

b) Economic Structure

In 14th April – 15th May 2001, the government of Turkey decided to implement the IMF stabilization program in spite of the bad economic situation. In the beginning, the name of the program was the “National Program” but later the name was changed to “Transition to a Strong Economy”. The main aim of this program was to separate politics and economics from each other. Another purpose of it was to change the negative ambiance which occurred after the 2001 crisis, with the increase of employment and the rise of productivity (Kol & Karaçor, 2012).

The economic crisis of 2001 can be a milestone in terms of the struggle with the inflation. After the crisis the law of the Turkish central bank was changed and it became autonomous. The main purpose of the Turkish central bank was to determinate and to provide the price stability. With this law the central bank would use the monetary policy instruments independently from political authorities. At the same time, the central bank would support the policies of the government which do not contrast it’s policies. For example, in 2002 the central bank decided to apply “inflation targeting regime” and between 2002 and 2005 the implicit inflation targeting regime was applied. In 2006 the central bank started to apply explicit inflation targeting regime (Yılmaz & Arı, 2013).

III. AKP's Economic Objectives

The economical part of the party program of AKP, which was described in 2002, explains the main economic aim of the party and it is the most important source of the economy policies of AKP. According to the program, the reasons of the high inflation, the low economic growth, the huge public debt, the unequal distribution of income and the high unemployment were unrealized reforms that took place because of the wrong policy and management mistakes. The party program says that Turkey needs a consistent and public participation program to reduce the inflation rate and the public debt. At the same time, Turkey has to pass a new economic growth model to reach a high and stable economic growth. In their opinion, Turkish economy needed to

increase productivity in order to reach this new model, direct foreign investment and production of goods in international standards. Finally, they explained the necessity of some reforms to realize all these objectives. Those are the restructuring of public system, the acceleration of privatizations, the improving of the environment for domestic and foreign investments, the renewal of the financial sector and the social security system and increasing the productivity in agriculture (AKP'S Declaration of election, 2002).

Even more, according to the declaration of AKP, the program of Transition To A Strong Economy was not enough and needed to be replaced (Declaration of AKP in 2002). But, as it will be seen in the following paragraphs, the purposes of the Program of Transition To A Strong Economy and the economic program of AKP were not very different. For example, the main economic objective of AKP was to change that negative situation, to reduce the high inflation and the public debt and to reach high and stable economic growth (Declaration of AKP in 2002). As it has been previously described, the purpose of the program of Transition To A Strong Economy was the same. On the other hand, the program of Transition To A Strong Economy was an IMF based policy and when AKP came to power, this program continued to be implemented (Özdemir, 2013).

IV. Economic Events of Akp Between 2002 and 2007

Once the main context has been studied and explained, it is possible to start analyzing how were AKP policies from 2002 and also how the Turkish economy progressed.

a) The Inflation

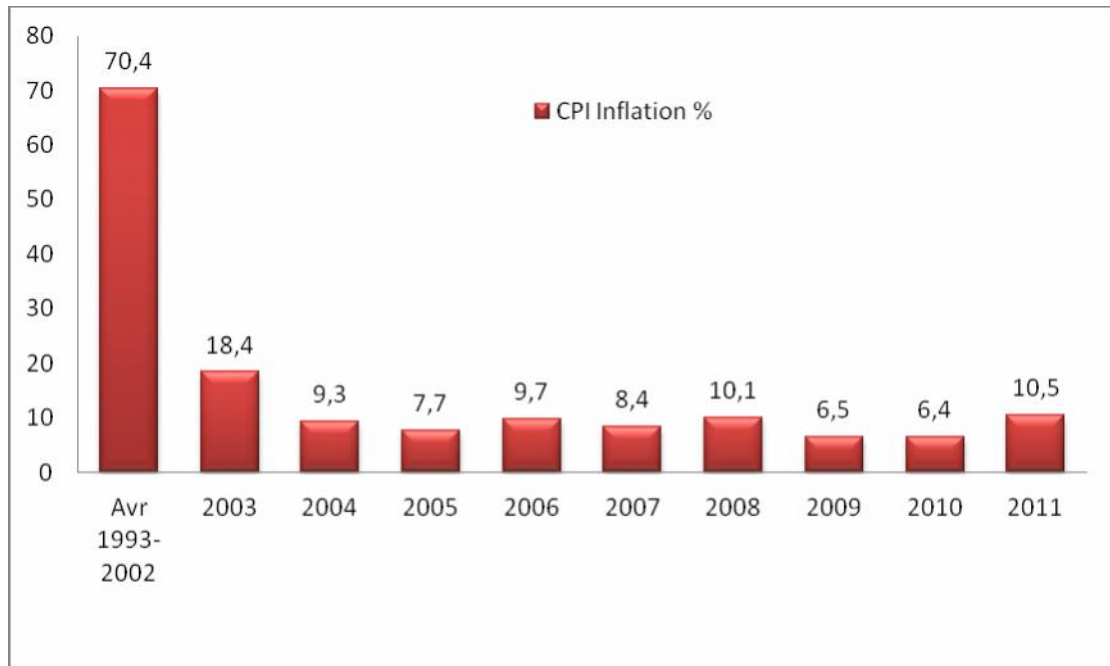
Inflation can be defined as the increase of the general level of prices in an economy and at the same time this increase must be steady. For example, if prices go up for once because of the tax increases or inefficiency in agriculture with rigors of the weather, it cannot be defined as inflation. Inflation affects economy and the actors of economy. The actors like workers, employers, consumers, savers, government and institutions want to find alternatives to be protected from inflation. According to the speed, there are four different types of inflation. Those are creeping, walking, galloping, and hyperinflation (Birinci, 1989).

According to the work of Kibritçioğlu (2002) the reasons of inflation of Turkey can be evaluated in five different dimensions: The first is the public sector deficit and money supply increases to finance this deficit. The second reason is the political instability.

The third one is high inflation projections, the fourth one is the depreciation of Turkish lira and the last one is the price increase in imported inputs and goods (Kibritçioğlu,2002).

The inflation rates of Turkey were very high before 2002. According to the graphic 1 the average inflation rate was 70.4% between 1993 and 2002. After this date it began to decrease and after the 2003 single-digit rates of inflation were observed.

Graphic 1 : CPI Inflation Rates Throught 1993 to 2011



Source: Turkish Statistical Institute

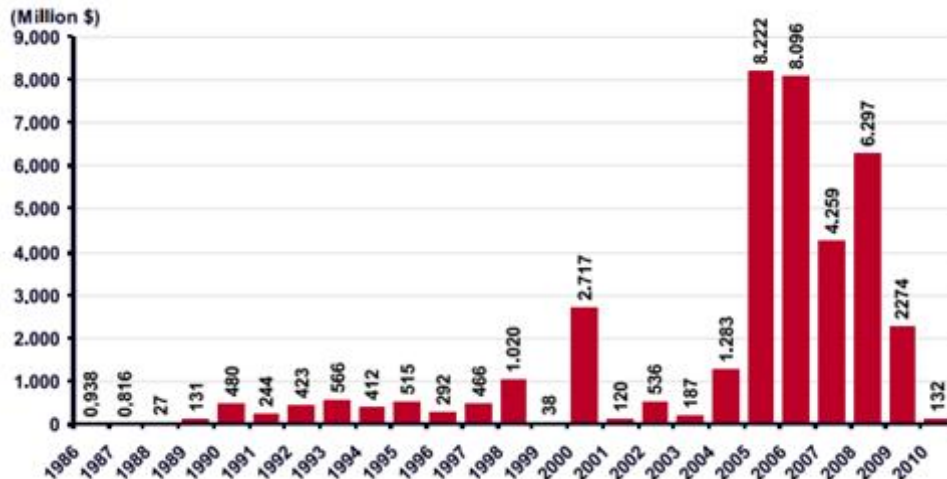
Turkish economy had a galloping inflation period between 1975 and 2002. However, after 2002 Turkey achieved success in it's fight against inflation with the Program for Transition To A Strong Economy. This program was applied by AKP in 2002 to pass the impacts of the economic crisis of 2001 and the situation in global economic conjuncture (Yılmaz & Arı, 2013,).

As explained before, the economic crisis of 2001 can be a milestone in terms of the struggle with inflation because after the crisis the structure of the central bank was changed with the law and it has been an independent organization (Yılmaz & Arı, 2013). Moreover, the influence of AKP should not be ignored because although it didn't create a new policy, this party implemented the program of Transition to A Strong Economy.

b) Privatization, Economic Growth and Unemployment

Another main policies done by AKP were related to privatization. According to the declaration of AKP (2002), acceleration of privatizations was one of the major needs of Turkish economy. Therefore the government of AKP accelerated the process. The bar chart shows the differences between the period of AKP and before.

Graphic 2: Privatization Implementations by Years



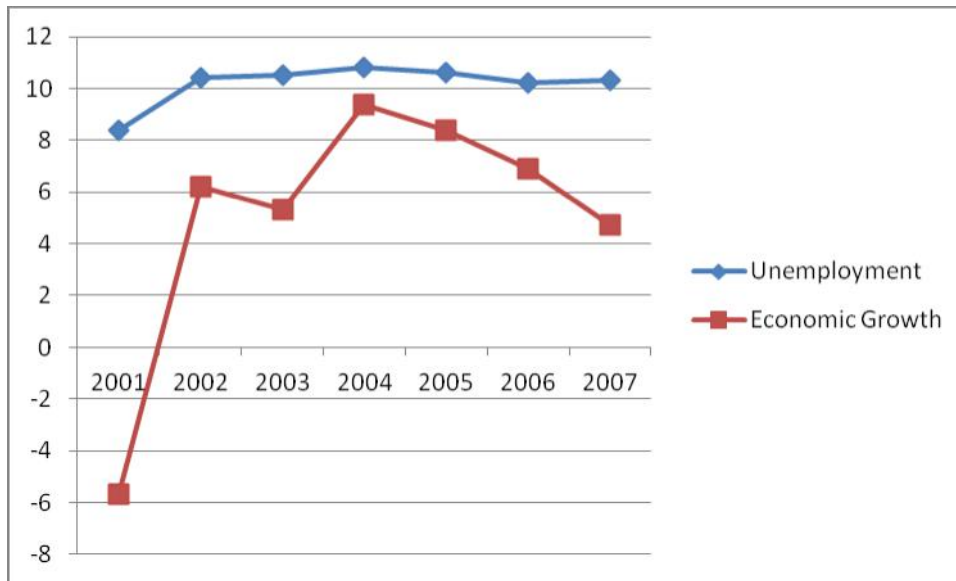
Source: Annual Report 2009, (2010), Republic of Turkey Prime Ministry Privatization Administration

After 2002 the privatization rates and therefore the privatization revenues highly went up if they are compared with the previous period (Graphic 2). According to The Republic of Turkey Prime Ministry Privatization Administration (2010), most profitable privatization processes were privatization of Turk Telekom (Telecommunication sector) with 6.5 billion USD in 2005 and privatization of TUPRAS (Refinery sector) with 4.1 billion USD. Apart from these, many privatizations were carried out by AKP. For example the tourism sector, the energy sector and the petrochemical industry are the sectors which made privatizations (Annual Report 2009, 2010). Ten billion USD revenue was obtained between 1992-2002 from privatization but during the AKP period total privatization revenue was highly increased. Between 2003-2013 total revenue of privatization was 50.5 billion USD. AKP has achieved privatization. Period between 1986-2002, the 86.25 % of the revenue of privatization that made during the history of Turkish republic, was realized by AKP (AKP official web site).

Turkey has achieved high economic growth between 2002 and 2007 according to the economic growth figures but the most discussed topic is the effects of this economic

growth. The high economic growth between 2002 and 2007 could not affect the employment. According to the data of Turkish Statistical Institute, Turkey provided an economic growth of respectively 9.4%, 8.4%, 6.9% and 4.7% between 2004 and 2007. At the same time the unemployment numbers of Turkey were respectively 10.8%, 10.6%, 10.2% and 10.3% between same years (Graphic 3). The unemployment and the economic growth numbers demonstrate that the economic growth did not create employment.

Graphic 3 : Unemployment and Economic Growth



Source: The World Bank & Turkish Statistical Institute

Turkey reached 7.4% economic growth between 2002 and 2006 but the origin of this economic growth was not production and productivity; the origin was import and at the same time this economic growth did not create employment. Therefore it was not a real economic growth because it was a “speculative growth”(Altıok, 2007).

The driving force behind economic growth of Turkey, can be seen as “hot money” that came to Turkey with good economic conditions and the construction sector is the leading sector of economic growth (Can & Artık, Ets., 2015). According to another idea, unemployment issue cannot be evaluated only with the economic growth because it is a deep and a multifaceted problem (Yılmaz, 2005).

The origin of the AKP’s economic model cannot be the only reason. For example according to another idea, the contractionary fiscal policy which was applied during the

period was effective in the fight against inflation but it had reduced investment expenses and therefore unemployment was adversely affected (Bayrak & Kanca, 2013).

c) Banking Sector

At the beginning of the 2000s the problems of the Turkish banking system were explained as the lack of equity, the smallness of sector, the public banks, the lack of internal check, the lack of transparency, the high sensitivity to market risk by Banking Regulation and Supervision Agency of Turkey. These problems were related to country's economic and political situation. Therefore this autonomous institution which was established in 31st August 2000 said that the problems of country were the macroeconomic instability, the public debts, the effects of public banks. Even more, the lack of management had effects on the problems of the banking sector. The main purposes of establishment of agency were to protect the rights of citizens, to improve the sector's resilience, to reduce the negative effects of the economic sector and to increase confidence in the banking sector (BDDK, 2001).

Because of that situation, Turkish government decided to negotiate with the IMF and the WB about the banking sector and they decided to restructure it in 2001. This reconstruction had four different aims. Those are, restructuring of state banks, strengthening the financial structure of private banks, improving the management of sector and to find solutions to the banks that were under the control of the Savings Deposit Insurance Fund. To achieve these goals, necessary reforms were determined, for example, to protect banks from exchange rate risks, the provision for credit losses, the implementation of risk management, the implementation of control and changing the banking laws and so on (TKB, 2006).

After the economic crisis of 2001, many reforms were made to develop the Turkish banking sector. All of these reforms were fulfilled as legislations, regulations and communique. Except one or two, all of these reforms were made before AKP (Annex 1). For example, the banking Law No. 5411 was legislated in 2005 by AKP and again the purpose of this law was to ensure the transparency and to provide the infrastructure for the development of the banking sector (Annex 2).

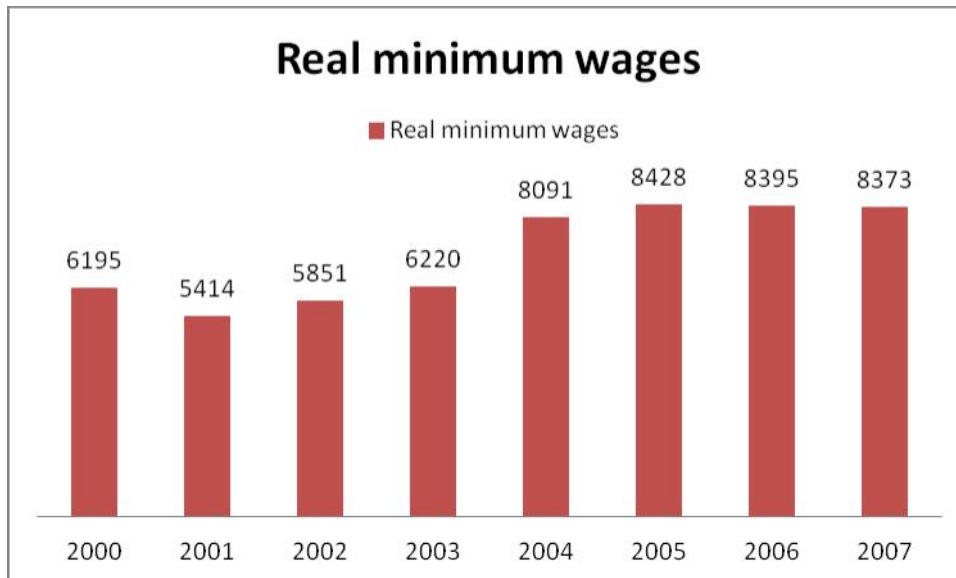
As in previous issues, AKP did not create a new policy; the fact was only the enforcement of the policy which was identified before AKP. On the other hand it is undeniable that these policies are implemented by AKP in a good way.

V. The Social Situation and The Social Policies of Akp

In the first part of the work, the success against inflation, high rates of economic growth and consequences, banking sector and finally high privatization rates have been analyzed. As it has been explained, there were some different comments and critiques about the economic growth and its origin. Another debate is about the reflection of the economic growth on people. Because of that, in the following part this investigation will analyze the social aspect of the economic growth. Specifically wages, income inequality and social expenditures will be the main topics of this part. These important topics will be a comparison between European Union countries and Turkey because Turkey began full membership negotiations with the European Union in this period.

While Turkey had economic growth rate of 9.4%, 8.4%, 6.9% and 4.7% between 2004 and 2007 there was no any significant rise at the wage claims (Graphic 4). Despite high economic growth there were reduction in the minimum wage in 2006 and 2007.

Graphic 4: Real Minimum Wages

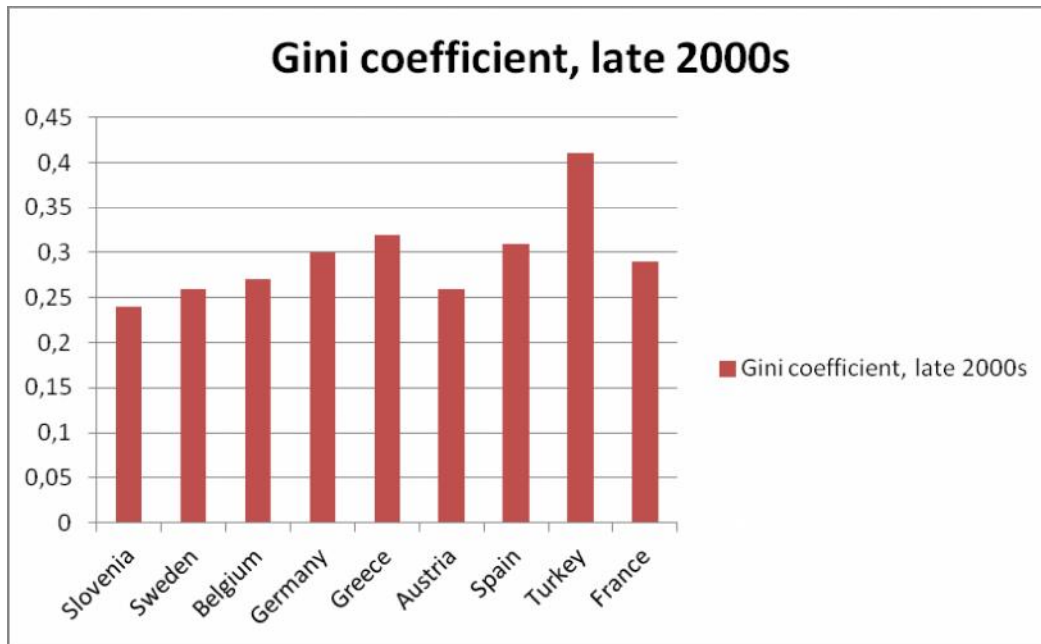


Source: Organisation for Economic Co-operation and Development (OECD)

During the disinflation process wages depended on the anticipated inflation but actual inflation rates were higher than anticipated inflation. Therefore there was a decline in real wages. During this period the decrease in real wages and the contractionary fiscal policy reduced the domestic demand but the cost of fighting against inflation was paid by workers (Yılmaz and Arı, 2013).

However, the distribution of income in this period is striking another social abyss. As it is known, the most commonly used parameter about the income distribution is Gini coefficient. The comparison between the European Union countries and Turkey in terms of the Gini coefficient shows that Turkey has more inequality in terms of the income distribution (Graphic 5). According to the numbers of Turkish Statistical Institute Turkey had 0.40 and 0.38 Gini coefficient in 2004 and 2005.

Graphic 5: Gini Coefficient, Late 2000s



Source: Organisation for Economic Co-operation and Development (OECD) Despite 0.2 points decrease of Gini coefficient in 2005 according to the distribution of household annual disposable income, Turkey again had very high income inequality (Table 1). The results of 2005 demonstrated that the household expendable income of first quintile was 6.1% and the income of fifth quintile was 46.2% in total expendable income (Table 1).

Table 1: Distribution of household annual disposable income by quintiles, 2004-2005

Quintiles	Turkey		Urban		Rural	
	2004	2005	2004	2005	2004	2005
Total	100.0	100.0	100.0	100.0	100.0	100.0
First quintile ⁽¹⁾	6.0	6.1	6.4	6.4	6.3	6.1
Second quintile	10.7	11.1	10.8	11.5	11.2	11.3
Third quintile	15.2	15.8	15.2	16.0	15.8	15.9
Fourth quintile	21.9	22.6	21.4	22.6	22.7	22.6
Fifth quintile ⁽²⁾	46.2	44.4	46.1	43.5	43.9	44.2
Gini Coefficient	0.40	0.38	0.39	0.37	0.37	0.38

⁽¹⁾ It has lowest share of total income

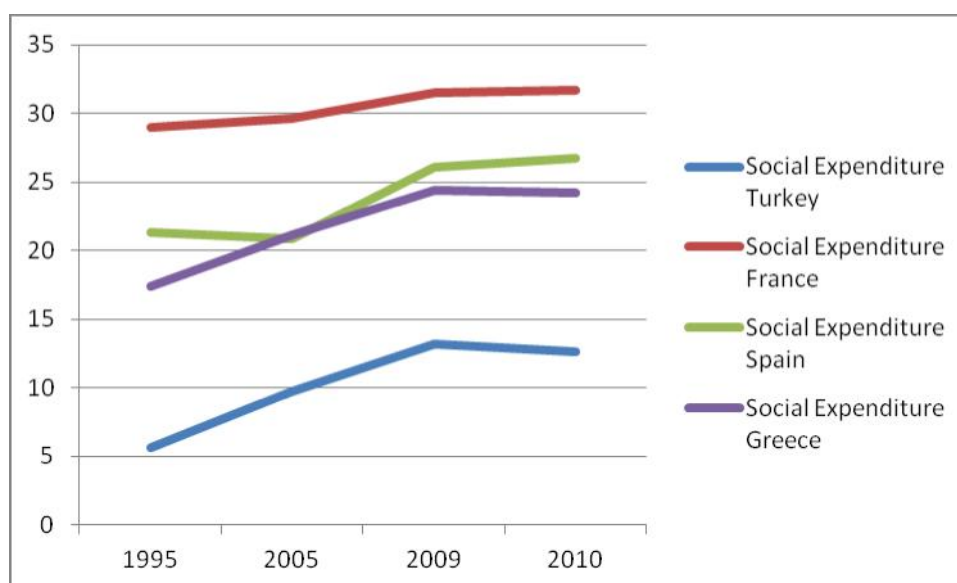
⁽²⁾ It has highest share of total income

Source: Turkish Statistical Institute

Finally, the tax policy in this period shows that the indirect taxes were taken without considering the income level as Private Consumption tax (ÖTV) and special communication tax (ÖİV) were increased. Moreover the share of the indirect taxes in total tax was 66 % in 2002, 73% in 2005 and finally 79% in 2007 (Altıok, 2007).

One of the ways to reduce the income inequality is supporting the people in terms of health, education and eldercare (Can & Artık, Ets., 2015). In this sense, the importance of the social policy and the social expenditure is increasing. Social expenditure is another issue for Turkey. Although the progress in terms of the social expenditure in 2000s Turkey lagged behind the European Union countries (Graphic 6).

Graphic 6: Social Expenditure

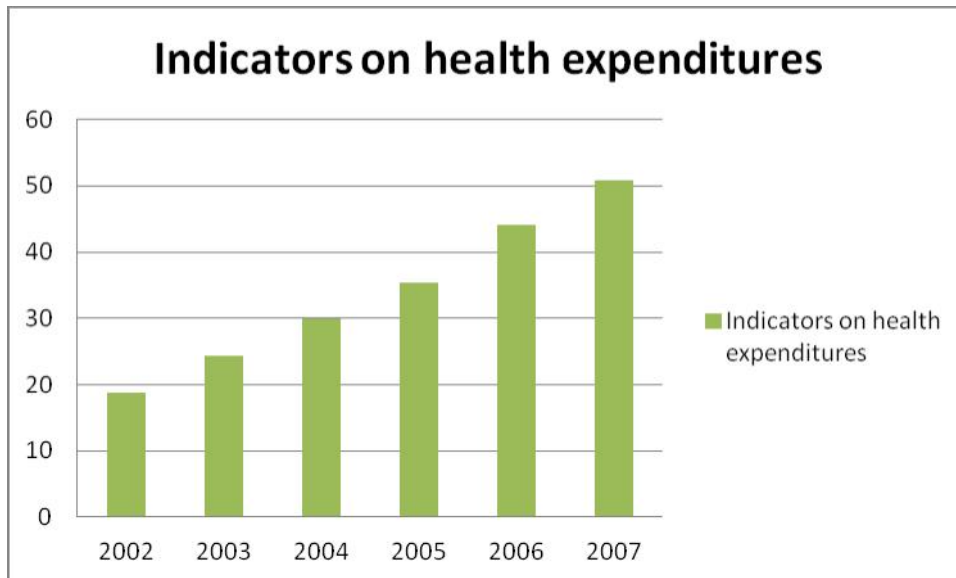


Source: Organisation for Economic Co-operation and Development (OECD)

This situation was not different in the pre-2000s, for example according to the data of OECD while Sweden had 26% social expenditure (% of GDP) in the 80s, Turkey only had 3.1% social expenditure and during the 90s while Spain had around 20% on average in social expenditure Turkey had around 5.5%. Despite the increasing social expenditure after the 2000s, Turkey could not reach the numbers which some European Union Countries had in the 80s.

Comparison with the European Union countries does not mean social expenditures went down during the period of AKP. According to Buğra and Adar (2007) public spending has slightly increased and it would not be wrong to say that the rise will continue; but as well as Turkey needs a social inclusion mentality change to reach the European Union countries in terms of the social expenditures.

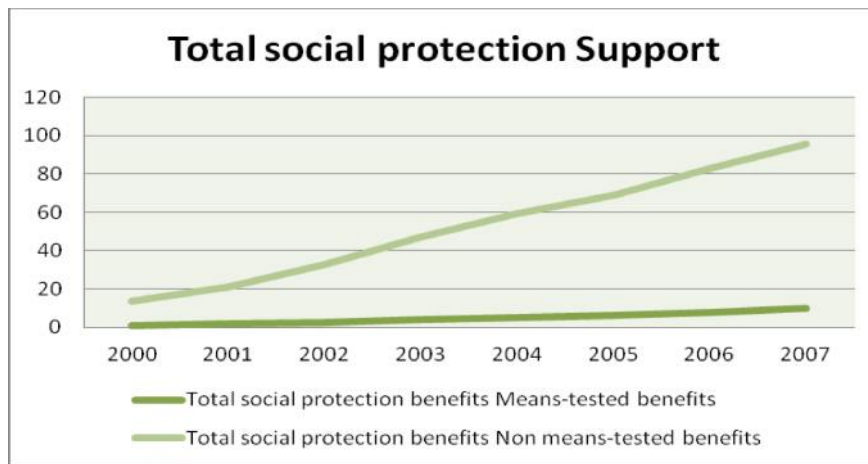
Graphic 7 : Indicators on Health Expenditures



Source: Turkish Statistical Institute

When Turkey’s social expenditures are analyzed more specifically, the remarkable increase in health expenditures can be seen during the first period of AKP between 2002 and 2007 (Graphic 7). The share of health expenditure in GDP (% of GDP) according to the numbers of the World Bank is, respectively 5.4%, 5.3%, 5.4%, 5.4%, 5.8% and 7.0% between 2002 and 2007. As mentioned before, during this period ,Turkey had high economic growth rates but although this economic growth, the share of health expenditure in the GDP did not go up remarkably.

Graphic 8: Total Social Protection Supports



SOURCE: Turkish Statistical Institute

Total social protection supports have two different parts as being conditionally and unconditionally. Although conditionally did not highly go up, unconditionally highly went up (Graphic 8). In another aspect these social protections consist of the following items; sickness/health care, disability, old age, survivors, family/children, unemployment and social exclusion. Finally when the share of social protection supports in GDP (% of GDP) according to the numbers of Eurostat are assessed, they were respectively 9.6%, 10.7%, 10.9%, 11.0%, 11.2% and 11.6% between 2002 and 2007. If it is compared with the economic growth rates in the same period it can be said that the share of the social protection supports in GDP did not go up highly .

VI. Conclusion

While Turkey had so hard days in terms of the economy and the politics at the end of the 90s, at the beginning of the 2000s the Transition to a Strong Economy program lead to drastic change in Turkish economy. Firstly, Turkey experienced one of the worst economic crisis in it's history and at the time the IMF based program was being applied. But in spite of this crisis, Turkey did not give up to implementation of the program.

Before the 2002 elections, the program was described by the AKP as inadequate and at the same time this party committed to change the program but this Transition To A Strong Economy program was applied almost completely. For example, the first aim was to fight against inflation by AKP, as it was also described in Transition to a Strong Economy program. As it has been explained in the work, in this sense Turkey has achieved success but the infrastructure of this success as autonomy of the central bank

was achieved before AKP. Nevertheless political stability that comes with the AKP and AKP's success in practice should not be forgotten.

At the issue of privatization, AKP made many significant advances and after the 2002 AKP broke the record in terms of the privatization and compared to the past with this way the public revenue was increased by AKP. Again, it should not be forgotten that to reduce the impact of the state on the economy with increasing the rate of privatization was one of the aims of Transition to a Strong Economy program.

Also the situation is not different in the banking sector because in spite of the contribution of AKP in implementation, they just followed the policies in terms of the infrastructure changes of the system which were determined before their arrival to power. As it has been explained in this investigation and in the annexes part, the infrastructure of banking system in Turkey was changed by laws in 2002, except one or two.

In the period between 2002 and 2007, Turkey has achieved a high economic growth trend. This growth was above the European average but it could not create employment because according to some studies the origin of this economic growth was not productivity growth and they called it “speculative growth”. According to other ideas unemployment and creating employment are different issues and cannot be associated only with economic growth. These two different thoughts reach up to the same conclusion that economic growth did not pass through people as employment. The economic growth did not have a reflection as employment at the same time it did not increase the real wages significantly; because the real wages were depended on the anticipated inflation. With this wages policy and with contractionary fiscal policy, people could not get a share from economic growth and moreover the cost of the inflation was paid by them.

The tax policy implemented in this process has not solved the problems of income inequality Turkey. As it has been told before, despite the slight decrease in Gini coefficient, Turkey was far away from the level of the European Union. If assessed in terms of the social policies there was a rise between 2002 and 2007 but at the same time the share rise of the social expenditures was not remarkable in GDP for a country that had high income inequality, unemployment problem and high economic growth rate.

To conclude, AKP could not create new policies on economy and at the same time they applied the old policies. Although there is not a new economic policy during the AKP period, the basic macroeconomic indicators said that AKP's success was in practice. In another aspect, the political stability at the period of the AKP had a positive impact on the Turkish economy. On the other hand this economic recovery which was in the basic macroeconomic indicators was not reflected in society in terms of the unemployment, wages, social policy and income distribution.

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ARI/200304063%20AK%20PARTI%20SECIM%20BEYANNAMESI%202002/200304063%20AK%20PARTI%20SECIM%20BEYANNAMESI%202002%200000_0000.pdf

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Annexes

Annex 1: Regulations on Improving Regulatory Framework

Regulation	Date of Issue
<ul style="list-style-type: none"> Regulation on Making Amendments to the Regulation on the Procedures and Principles for Determination of Qualifications of Loans and Other Receivables by Banks and Provisions to be Set Aside 	June 30, 2001
<ul style="list-style-type: none"> Savings Deposit Insurance Fund Regulation 	August 3, 2001
<ul style="list-style-type: none"> Communiqué on Statutory Reserve Ratios to be Set Aside for FX Deposit Accounts to be Taken over from Banks within the scope of the Savings Deposit Insurance Fund 	November 30, 2001
<ul style="list-style-type: none"> Law on Restructuring of Debts to Financial Sector and Making Amendments to Some Laws (4743) 	January 31, 2002
<ul style="list-style-type: none"> Regulation on Measurement and Evaluation of Capital Adequacy of Banks 	January 31, 2002
<ul style="list-style-type: none"> Regulation on Calculation and Implementation of FX Net General Position/Own-funds Standard Ratio in Consolidated and Non-Consolidated Basis by Banks 	January 31, 2002
<ul style="list-style-type: none"> Regulation on External Audit Principles 	January 31, 2002
<ul style="list-style-type: none"> Regulation on Authorization and Termination of Authorization Temporarily or Permanently of Institutions to Perform External Audit 	January 31, 2002
<ul style="list-style-type: none"> Regulation on Implementation Procedures and Principles of Banking Sector Restructuring Program 	February 1, 2002
<ul style="list-style-type: none"> Regulation on the Procedures and Principles for Special External Audit to be Conducted Pursuant to the Provisional Article 4 of the Banks Act Nr. 4389 	February 1, 2002
<ul style="list-style-type: none"> Regulation on the General Conditions Concerning the Approval, Acceptance and Implementation of Financial Restructuring Framework Contracts 	April 11, 2002
<ul style="list-style-type: none"> Accounting Practice Regulation and related Communiqués Communiqué on Uniform System of Accounts and Prospects Communiqué on Accounting of Financial Instruments Standard Communiqué on Accounting of Tangible Fixed Assets Standard Communiqué on Accounting of Intangible Fixed Assets Standard Communiqué on Accounting Standard on Leasing Transactions Communiqué on Accounting Standard of Transactions the Bank Performed with the Risk Group it is Included in Communiqué on Merger and Acquisition of Banks and Accounting Standard of Partnerships Acquired by Banks Communiqué on Accounting Standard of Value Decrease in Assets Communiqué on Accounting Standard of Provisions, Contingent Liabilities and Assets Communiqué on Accounting of Government Promotions and Explaining Government Assistance in Footnotes Communiqué on Accounting Standard of the Rights of Bank Employee Communiqué on Accounting Standard of Effects of Changes in Exchange Rates Communiqué on Accounting Standard of Net Profit/Loss of Period, Fundamental Errors and Changes in Accounting Policies Communiqué on Accounting Standard of Matters Arise after Balance-Sheet Date Communiqué on Accounting Standard of Preparation of Financial Statements in High Inflation Periods Communiqué on Preparation of Consolidated Financial Statements and Accounting Standard of Affiliates, Jointly Controlled Partnerships and Subsidiaries Communiqué on Accounting Standard on Preparation of Cash Flow Statement Communiqué on Financial Statements to be Announced and Explanation and Footnotes Concerning these 	June 22, 2002
<ul style="list-style-type: none"> Special Finance Institutions Special Current and Participation Accounts Trust Fund Regulation 	September 18, 2002
<ul style="list-style-type: none"> Resolution Annex Nr. 2002/4597 Banks Association of Turkey Status 	August 29, 2002
<ul style="list-style-type: none"> Law on Making Amendments to Some Laws and Decree Laws (4969) 	July 31, 2003
<ul style="list-style-type: none"> Law on Making Amendments to the Banks Act and Some Laws (5020) 	December 26, 2003
<ul style="list-style-type: none"> Decision of Council of Ministers Nr. 2007/12398 	July 13, 2007

Source : Banking Regulation and Supervision Agency, (December 29, 2009)

Annex 2 : Basic Goals the Banking Law Nr. 5411 envisaged

1. Restoring financial markets with an efficient, organized and transparent structure,
2. Protecting the rights of retail customers benefiting from financial markets,
3. Restoring corporate structure, duty and responsibilities of the BRSA with a flexible structure sensitive to the needs of market,
4. Gathering together the regulation and supervision functions regarding the activities of banks, financial holding companies, factoring companies, finance companies within the structure of the BRSA,
5. Furnishing administration and organization structures of institutions within the scope of the Law with a sensitive, flexible and dialogue based structure,
6. Rendering good governance by carrying out corporate governance principles,
7. Integrating Turkish banking system with international markets,
8. Integrating supervision and surveillance elements inside and outside the Agency,
9. Making establishment and operating licenses a part of prudential supervision,
10. Forming a regulation structure and a supervision and surveillance system with a sufficient flexibility that may respond to the changing conditions of financial markets,
11. Taking care of transparency and equality principles between the parties of financial system,
12. Establishing and expanding confidence and stability in financial markets,
13. Ability to predict risk generating developments in financial markets,
14. Decreasing transaction and intermediation costs in banking sector,
15. Strategies and policies of the Agency should be in conformity with road maps concerning financial markets,
16. Establishing information exchange of the Agency with the related authorities on specific grounds.

Source : Banking Regulation and Supervision Agency, (December 29, 2009)