

POLS 309: CONTEMPORARY POLITICAL ECONOMY OF TURKEY SPRING 2022

Course schedule: WWTH 456 NH 201, NH 201.

Zoom ID for Thursday course (will be changed to face to face)

Zoom ID: <https://boun-edu-tr.zoom.us/j/97811948401>

Instructor: Professor Mine Eder

Office hours: Wednesdays and Thursdays after class

Telephone: In case you need to reach me through phone. We will be forming a Whatsapp group for communication.

Email: eder@boun.edu.tr

Graduate assistant for the course is Rabia Kutlu rabiakutlu@hotmail.com

Course description:

This course essentially uses Turkey as an example of a semi-industrialized, developing country in the world economy. Why is Turkey still an un(der)developed or semi-developed country? What are some of the barriers to its development? These questions will be discussed within the larger context of what development and economic growth. The first part of the course starts with some of the theoretical considerations and a brief review of the development literature. The fundamental debates and issues will be reviewed. The second part of the course is reserved for an overview of the major problems and prospects in Turkey's political economy. Here we will review major policy shifts and focus on persistent/lingering problems. The third section goes back to the origins of these problems and provides a historical overview. We start the single-party era and etatisme and Kemalist era, move on to "agrarian populism" and the DP era in the 1950s and the import-substitution era in the 1960s. The fourth section is reserved for an anatomy of the neoliberalism and export-led growth in the 1980s and 1990s. Here we will focus on several important questions: What are the consequences of premature liberalization? What were the reasons behind the financial crises? What is the position of labor unions? Who are the winners and losers in Turkey within a so called globalized economy? Why do regional and income inequalities increase continuously? We also focus on the twists and turns of Turkey's political economy under AKP. The last three weeks of the course where we discuss AKP's political economy will not be recorded. Since this is the section where we apply most of what we learned in the class, attendance to these sessions are mandatory.

Academic Honesty

The Department of Political Science and International Relations at Boğaziçi University has the following rules and regulations regarding academic honesty.

1. Copying work from others or giving and receiving answers/information during exams either in written or oral form constitutes cheating.
2. Submitting take-home exams and papers of others as your own, using sentences or paragraphs from another author without the proper acknowledgement of the original author, insufficient acknowledgement of the consulted works in the bibliography, all constitute plagiarism.
3. Plagiarism and cheating are serious offenses and will result in:
 - a) an automatic "F" for the assignment or the exam

- b) an oral explanation before the Departmental Ethics Committee
- c) losing the opportunity to request and receive any references from the entire faculty
- d) losing the opportunity to apply in exchange programs
- e) losing the prospects of becoming a student assistant or a graduate assistant in the department

The students may further be sent to the University Ethics committee or be subject to disciplinary action.

Readings:

All the readings will be available electronically on moodle.

Requirements of the course:

Here is how you will be evaluated.

- Scheduled two quizzes. 20%
- Discussion forum and overall participation 20%
- Midterm exam: 30%
- Final exam 30%

There is also the option of writing a term paper for this course. If you choose this option, you will have to give me a topic by **MARCH 9THⁿ**, and in a literature review by **APRIL 14TH**, and hand in a draft with your findings by **MAY 11TH and hand in your final paper on the last class, MAY24TH.**

If you choose the paper option, you will have a different grade distribution.

- If you write a paper your grade distribution will be:
- Two scheduled quizzes: 20%
- Discussion forum and overall participation 20%
- Midterm): 20%
- Paper: 20%
- Final exam: 20%

Those of you who plan to pursue graduate work are highly advised to write term papers as I only write recommendations for those good students who have written good term papers. Please do not request ANY recommendation if you have not written a good paper in the class, AND received at least BA from the course.

SYLLABUS

PART 1: UNDERSTANDING DEVELOPMENT

Week 1: February 23-24: Introduction

Why is economic growth not necessarily development?

Amartya Sen, (1983) "Development: Which way now?" *The Economic Journal* 93. 372: 745-752

Samuel Huntington, *Political Order in Changing Societies*, Part 1

W.W. Rostow, *Stages of Growth*, 1960 pp.123

Week 2: March 2-3 Pondering on method and classic debates: How do we study reasons of underdevelopment?

Deepak Lal *Poverty of Development Economics* Cambridge University Press, 1981, "The dirigist dogma" pp. 39-56.

Immanuel Wallerstein, "3 paths of National Development in the 16th century Europe." *Studies in Comparative International Development*. 7.2 (1972): 95-101.

Samuel Valenzuela and Arturo Valenzuela. "Modernization and Dependency: Alternative Perspectives in the study of Latin American Underdevelopment" *Comparative Politics* 10.4. July 1978: 535-557.

"Modernization theory revisited" Review by: Ian Roxborough Source: *Comparative Studies in Society and History* , Oct., 1988, Vol. 30, No. 4 (Oct., 1988), pp. 753-761.

PART II: CURRENT PROBLEMS IN CONTEMPORARY TURKISH ECONOMY

Week 3: March 9-10 Identifying problems in current Turkish political economy: **An overview**

Yeşim Arat and Şevket Pamuk 2019 *Between Democracy and Authoritarianism* Cambridge University Press, cp. 1 and cp. 5 pgs. 1-27 and 130-161.

Şevket Pamuk 2008 "Economic changes in the twentieth century Turkey: Is the glass more than half full?" in Reşat Kasaba ed. *Cambridge History of Modern Turkey*.

Turan Subaşat (2014) "The Political Economy of Turkey's economic miracle" *Journal of Balkan and Near Eastern Studies*, 2014 Vol. 16, No. 2, 137–160,

Güven, Ali Burak. 2019. "Political Economy." In *The Routledge Handbook of Turkish Politics*, eds. Alpaslan Özerdem and Matthew Whiting. London: Routledge, pp.151-162.

Fikret Adaman, Murat Arsel & Bengi Akbulut (2019) Neoliberal developmentalism, authoritarian populism, and extractivism in the countryside: the Soma mining disaster in Turkey, *The Journal of Peasant Studies*, 46:3, 514-536,

Ayşe Bugra and Çağlar Keyder 2006 "Turkey's welfare regime in transformation"
Journal of European social policy 16.3.

Karaçimen, Elif. 2014. "Consumer Credit as an Aspect of Everyday Life of Workers in Developing Countries: Evidence from Turkey." *Review of Radical Political Economics* 48 (2): 252–268.

Konuralp E, Bicer S. Putting the Neoliberal Transformation of Turkish Healthcare System and Its Problems into a Historical Perspective. *Review of Radical Political Economics*. 2021;53(4):654-674.

Bedirhanoğlu Pınar. "Global Class Constitution of the AKP's 'Authoritarian Turn' by Neoliberal Financialization." *Regime Change in Turkey* 68–84. Web.

"Evaluating the impacts of the COVID-19 pandemic on unemployment, income distribution & poverty in Turkey" 2020 Ayşe Aylin Bayar, Öner Günçavdı and Haluk Levent

Berk Esen & Sebnem Gumuscu (2018): Building a Competitive Authoritarian Regime: State–Business Relations in the AKP's Turkey, *Journal of Balkan and Near Eastern Studies*,

Recommended: Tim Dorlach (2019) Retrenchment of Social Policy by Other Means: A Comparison of Agricultural and Housing Policy in Turkey, *Journal of Comparative Policy Analysis: Research and Practice*, 21:3, 270-286,

İlkkaracan, I. (2012) "Why is there so few women in the labor market in Turkey"
Feminist Economics 18:1: 1-37.

Karatay A., Erdoğan E., Semerci P.U., Müderrisoğlu S. (2016) Turkey in Between: The Continuing Search for Development. In: Tiliouine H., Estes R. (eds) *The State of Social Progress of Islamic Societies. International Handbooks of Quality-of-Life*. Springer, Cham

MARCH 9THTH: Last day to hand in your paper topic proposal.

PART III: PROBLEM OF STATE FORMATION?

Week 4: MARCH 16-17TH: A question of state tradition? What is wrong with Turkey's etatisme?

Alexander Gershenkon. "Economic Backwardness in historical perspective." in A. Gershenkon, same title.

Peter Evans "State Structures, Business-Government Relations and Economic Transformation" cp.3 in Sylvia Maxfield and Ben Ross Schneider edited 1997 *Business and State in Developing Countries* 1997 Cornell University Press

Kiren Chaudry "The Myths of the market and the common history of Late Developers" *Politics and Society* 21:3 (1993): 245-273.

David Waldner, (1999) *State Building and Late Development* Cornell University Press, cp.1-2.

Şevket Pamuk "Intervention during the Great Depression: Another look at Turkish experience" pp.321-339.

Çağlar Keyder "Populism and Democracy" in Keyder *State and Class in Turkey* 117-140.

Timur Kuran (2004) "Why the Middle East Is Economically Underdeveloped: Historical Mechanisms of Institutional Stagnation" *The Journal of Economic Perspectives*, Vol. 18, No. 3 (Summer, 2004), pp. 71-90.

March 17th: QUIZ 1 In class

Week 5: MARCH 23-24: Turkey's agriculture and roots of agrarian populism during DP era.

Robert Bates. "Governments and Agricultural markets in Africa." in *Towards a Political Economy of Development* pp.331-358.

Şevket Pamuk "Turkey 1946-1990" chapter in *History of Middle East Economies in the Twentieth Century* Roger Owen and Şevket Pamuk I.B Tauris, 1998: pp.104-126

Keyder, Ç. and Yenal, Z. (2011), Agrarian Change under Globalization: Markets and Insecurity in Turkish Agriculture. *Journal of Agrarian Change*, 11: 60–86

İlkay Sunar, (1990) "Populism and patronage: The Demokrat party and its legacy in Turkey" *Il Politico* anno V.pp. 745-57.

Islamoglu, Huri 2017 'Politics of Agricultural Transformation in Turkey' in Adaman et al. *Neoliberalism and its discontents*.

Tim Jacoby (2006) Agriculture, the state and class formation in Turkey's First Republic (1923–60), *The Journal of Peasant Studies*, 33:1, 34-60

Week 6: MARCH 30-31ST: Failed industrialization attempts: What went wrong with Turkey's ISI?

Albert O. Hirschman "The Political economy of Import Substituting Industrialization in Latin America" *Quarterly Journal of Economics*. LXXXII .1(1968): 1-32. (available in JSTOR)

Philip Oxhorn, "The Social Foundations of Latin America's Recurrent Populism: Problems of Popular Sector Class Formation and Collective Action." *Journal of Historical Sociology* 11.2 (1998): 212-246.

Henri Barkey 1990 *State and Industrialization Crisis in Turkey* cp.5

Rodrik, Dani (2005), "Notes on Trade and Industrialization Policy, in Turkey and Elsewhere", *METU Studies in Development*, Vol. 32, pp. 259-274

Pamuk S. (2009) Globalization, Industrialization and Changing Politics in Turkey" *New Perspectives on Turkey* 38.

Çeçen, A., Doğruel, A., & Doğruel, F. (1994). Economic Growth and Structural Change in Turkey 1960–88. *International Journal of Middle East Studies*, 26(1), 37-56. doi:10.1017/S0020743800059754

MIDTERM THURSDAY MARCH 31ST : 17:00 NOT DURING CLASS TIME

PART IV: ANATOMY OF TURKEY'S NEOLIBERALISM

Week 7: April 6-7^h:Özal years and beyond

Fikret Şenses " Turkey's experience with neoliberal policies since 1980s in retrospect and prospect" in Ozbay, Maral, Türem and Terzioğlu eds. *The Making of Neoliberal Turkey, 2016*.

Dani Rodrik "External Debt and Economic Performance in Turkey" in *Liberalization and the Turkish economy* ed. T. F. Nas and M. Odekon. (Greenwood Press, 1988)

Tosun Arıcanlı and Dani Rodrik "An overview of Turkey's experiment with Economic liberalization and Structural Adjustment " *World Development* 1990. pp. 1343-50.

Ziya Öniş 2012 Crises and Transformations in Turkish Political Economy *Turkish Policy Quarterly*

Yeşim Arat "Politics and Big Business: Janus-Faced Link to the state" in Metin Heper ed. *Strong State and Economic Interest Groups* pp.135-149

Murat Öztürk 2012 Selectipns from *Agriculture, peasantry and poverty in Turkey in the neo-liberal age*

"Öztürk, Murat, Joost Jongerden, and Andy Hilton. "The (Re)Production of the New Peasantry in Turkey." *Journal of Rural Studies* 61 244–254

Recommended: Aydın Z (2010) "Neoliberal transformation of Turkish agriculture" *Journal of Agrarian Change* 10.2: 149-187.

Week 8: April 13-14: The debt crises of Turkey: The lost decade of 1990s and 2000/2001

The role of the IMF and the World Bank: What role do international institutions play in Turkey's political economy? The question of international finance: Why the debt crises?

Albert Fishlow. "Lessons from the past: 19th and 20th Century Capital Markets *International Organization* Summer 1985. (available in JSTOR)

Miles Kahler. "Politics and International Debt: explaining the crisis." *International Organization* 39.3 (Summer 1985) (available in JSTOR)

Robert Wade "From Miracle to Cronyism" *Cambridge Journal of Economics* 22. 1998 pp. 693-706.

Erinc Yeldan 2006 "Neoliberal Global Remedies: from Speculative-Led Growth to IMF-led Crisis in Turkey" *Review of Radical Political Economics* 38: 193-213

Korkut Boratav "Contradictions of Structural Adjustment: Capital and State in post 1980 Turkey" in A. Öncü, Çağlar Keyder, E. İbrahim and K. Boratav eds. *Developmentalism and Beyond*. 1994. American University in Cairo Press.

Cizre-Sakallıoğlu, U. and E. Yeldan "Politics, Society and Financial Liberalization: Turkey in the 1990s." *Development and Change* 31.2.(2000): 481-508.

Cömert H. and E. Yeldan (2018) A tale of three crises in Turkey: 1994, 2001 and 2008–09" - erc.metu.edu.tr

<http://erc.metu.edu.tr/en/system/files/menu/series18/1809.pdf>

Haşim Köse and Erinç Yeldan "Turkish economy in the 1990s: An assessment of fiscal policies, labor markets and foreign trade" *New Perspectives on Turkey*, 1998 - cambridge.org

Recommended: Akyüz, Y and K. Boratav. 2003."The Making of the Turkish Financial Crises". *World Development*, Vol. 31, No.9: 1549-1566.

April 14th: Literature review (OPTIONAL)

PART V. EXPLORING POLITICAL ECONOMY OF AKP

Week 9: April 20-21: AKP and neoliberalism, shifting coalitions and restructuring

Tim Dorlach & Osman Savaskan (2018) The Political Economy of Economic and Social Policy in Contemporary Turkey: An Introduction to the Special Issue, *Journal of Balkan and Near Eastern Studies*, 20:4, 311-317, DOI: 10.1080/19448953.2018.1385276

M Marschall, A Aydogan, A Bulut - "Does housing create votes? Explaining the electoral success of the AKP in Turkey" *Electoral Studies*, 2016, Vol. 42, p201-212.

Işık D Özel; 2018 Market integration and transformation of business politics: diverging trajectories of corporatism in Mexico and Turkey, *Socio-Economic Review*, <https://doi.org/10.1093/ser/mwy028>

Serdal Bahçe & Ahmet Haşim Köse (2017) Social Classes and the Neo-Liberal Poverty Regime in Turkey, 2002–2011, *Journal of Contemporary Asia*, 47:4, 575-595,

Yılmaz, K (2011) "The EU-Turkey Customs Union Fifteen Years Later: Better, Yet Not the Best Alternative" *South European Society and Politics* 16.2: 235-249.

Recommended: Basak Kus, (2014) "The informal road to markets: Neoliberal reforms, private entrepreneurship and the informal economy in Turkey", *International Journal of Social Economics*, Vol. 41 Issue: 4, pp.278-293

QUIZ 2: APRIL 21ST QUIZ 2 IN CLASS

PART V: VOICES FROM BELOW: WORKERS, PEASANTS and POLITICAL CONSEQUENCES.

Week 10: April 27-28: Winners and losers during AKP

Mark Tessler 2002 "Origins of Popular Support: A political economy analysis" in John Entelis ed. *Islam, Democracy and the State in North Africa* (Bloomington: Indiana University Press): 93-126

Cihan Tuğal. 2002. "Islamism in Turkey: Beyond Instrument and Meaning, *Economy and Society*, Vol: 31, No:1, pp. 85-111.

Bugra Ayşe 2002 "Labor, Capital and Religion: Islamic Resurgence and Organized Interest Representation in Turkey" *Middle Eastern Studies* 38.

Ayşe Buğra, Osman Savaşkan. 2014 *New Capitalism in Turkey: The Relationship between Politics, Religion, and Business*. Cheltenham: Edward Elgar Publishing, 2014. Introduction and chapter 1, pp. 1-49.

Sukru mercan Bozkurt-Gungen (2018) Labour and Authoritarian Neoliberalism: Changes and Continuities Under the AKP Governments in Turkey, *South European Society and Politics*, 23:2, 219-238

Recommended: Ziya Öniş 2019 "Turkey under the challenge of state capitalism: The political economy of late AKP era" *Southeast European and Black Sea Studies* 19.2: 201-22

SPRING BREAK

Week 11: APRIL May 11-12^h : Political economy of democratic decline and review

Cemal Burak Tansel (2018): Reproducing authoritarian neoliberalism in Turkey: urban governance and state restructuring in the shadow of executive centralization, *Globalizations*, DOI: 10.1080/14747731.2018.1502494

Jennifer McCoy and Murat Somer (2018) "Toward a theory of pernicious polarization and how it harms democracies" *Annals of American Academy of Political and Social Science* 681.1:234-271

Yusuf Sarfati (2017) How Turkey's slide to authoritarianism defies modernization theory, *Turkish Studies*, 18:3, 395-415,

Akçay, Ümit (2018) : Neoliberal populism in Turkey and its crisis, Working Paper, No. 100/2018, Hochschule für Wirtschaft und Recht Berlin, Institute for International Political Economy (IPE), Berlin
<https://www.econstor.eu/bitstream/10419/175884/1/1015691811.pdf>

Sozen, Y. (2019). Populist Peril to Democracy: The Sacralization and Singularization of Competitive Elections. *Political Studies Review*, 17(3), 267–283.

Ellen Lust and David Waldner (2018) "Unwelcome change: Coming to terms with backsliding"

Esen and Gumuscu (2020) Why did Turkish democracy collapse? Party Politics

May 11Th: Last day to hand in your draft with literature review and findings (OPTIONAL)

Week 12: May 18: Rethinking crises Turkey's political economy

Evren Hoşgör, 'Islamic Capital/Anatolian Tigers: Past and present', *Middle Eastern Studies*, 47(2), March 2011, pp. 343–360.

Pınar Bedirhanoğlu 2021 "Economic Management under the Presidential System of Government in Turkey: Beyond the Depoliticization versus Repoliticisation Dichotomy" *Journal of Balkan and Near Eastern Studies*, 2021

Pınar Bedirhanoğlu 2021. "Cronyism through Financialization: Turkey's Neoliberal Transformation from Özal to Erdoğan" *Social Research: An International Quarterly*, 2021

Burhan Can Karahasan, Fatma Dogruel, and Ali Suut Dogruel 2016 “ Can market potential explain regional disparities in developing countries? Evidence from Turkey
The Developing Economies

Aykut Kibritçioğlu and L. Rittenberg 2018 “Causes of Inflation in Turkey: A Literature Survey with Special Reference to Theories of Inflation “Aykut Kibritçioğlu
Inflation and Disinflation in Turkey.

Selections from *Regime Change in Turkey: Neoliberal Authoritarianism, Islamism and Hegemony* edited by Errol Babacan, Melehat Kutun, Ezgi Pinar, Zafer Yilmaz

Yüksel Taşkın “Populism in TurkeyHistorical and Contemporary Patterns”
The Oxford Handbook of Turkish Politics

Recommended:

İlke Gürdal (2022) The Impact of AKP’s Foreign Policy on the Capital Accumulation Process in Turkey, *Journal of Balkan and Near Eastern Studies*, 24:1, 158-174, DOI: [10.1080/19448953.2021.1992187](https://doi.org/10.1080/19448953.2021.1992187)

FINAL EXAM TIME TO BE ANNOUNCED IN THE UNIVERSITY CALENDAR

May 24th: Last day of school: ALL PAPERS DUE THROUGH MOODLE (OPTIONAL).