

Poverty and Social Stratification at the Regional Levels in Turkey

Ercan Dansuk^{*}
Mehmet Ozmen^{**}
Güzin Erdogan^{***}

Abstract

This study presents a starting point in examining the issue of poverty in Turkey as related to social strata at the regional basis. It focuses on the patterns of poverty in Turkey and its relations with social stratification and regional income inequalities. The definition of the social stratification is based on Marxist conception. The variables used are the income level, occupation, employment status, land ownership, economic sector, types of income, and company structure. The source of data for analysing poverty is the Household Budget Survey conducted by SIS between 1 January and 31 December 2003. Turkey is divided into 15 social strata and this article analyses poverty in 26 statistical regions in Turkey. Sources of poverty are examined through the analysis of social strata. The results indicate that not only income but also social classes and their sub-stratum are unequally distributed among the regions. Income inequalities in non-owners strata are high like income inequalities among all social strata.

Keywords: poverty, social stratum, regional income inequalities

^{*} Ercan Dansuk, State Planning Organisation, Turkey.

^{**} Mehmet Ozmen, Turkish Statistical Institute, Turkey.

^{***} Güzin Erdogan, Turkish Statistical Institute, Turkey.

1 Introduction

This article analyses poverty in Turkey in terms of social stratification and regional income inequalities. There are two main questions:

- to what degree and in which social stratum can we find poverty and
- what are the relations between poverty and regional inequalities.

By analysing social stratification and regional income inequalities we can see the specific reasons behind poverty in Turkey. This paper will show that unequal distribution among the regions is not only applicable to income but also to social classes and their sub-stratum. From this standpoint, poverty can be seen as an example of regional inequalities and social structures.

The main contribution of this study is its explanation of poverty based on social stratification and its Marxist perception of class. The conclusions of this study can be seen as a guide (intended especially for policy-makers) which would define poverty and try to explain it on the basis of social stratification.

1.1 Literature Review

In Turkey, poverty was generally perceived as a social problem dealt with through art (literature and cinema) and in the political arena in which sharp conflicts had been experienced during the modernisation period (especially in the last 60 years). Perceiving poverty as a social problem means that the lowest strata can become a distinct object of scientific research. However, until the 1980s it was very difficult to see such an understanding of poverty in the social science studies and, when discussed, poverty was put in relation to regional and social class inequalities. It is difficult to find studies that explain poverty, regional inequalities, social stratification or social class at the same time.

We can divide the existing studies on poverty on those made before, during, and after the 1980s. The critical concept behind this division is that of social class or social stratification. We could also divide them according to whether they were made around class inequalities. In the Turkish social science studies, poverty was examined from the problematic view of inequality without directly mentioning it (Dansuk,

2007). One of the reasons why there are so few studies on poverty in Turkey can also be due to the limited amount of data. Inequality and social classes were important analytical concepts for explaining and solving the problems of Turkish society before the 1980s.¹ However, the new approaches to poverty, which have ignored the concepts of social class and inequalities, were proposed in the 1980s and were increasingly used in the 1990s. Moreover, these concepts tried to replace the concept of poverty. There have also been attempts to combine the two different approaches to the issue of poverty (combination of the studies before the 1980s, which did not regard poverty as an issue, and the studies from the 1980s till today, which have ignored social class relations).

The studies on poverty and inequality in Turkey could also be divided in two groups according to their methodological approaches. The first group consists of empirical ones. These studies generally address issues such as income distribution, measurement of poverty and the poverty line. They were largely motivated by the surveys on income distribution, carried out by the State Institute of Statistics² (SIS).³ In these studies, poor people were defined only in terms of the income level. In fact, they were not defined as *people* or even as *humans*. Rather, these studies saw the poor only as *numbers*. Because these studies were just descriptive and empirical, it was not considered important who the poor were and where they lived. The studies had no political agenda on poverty reduction. The second group consists of qualitative studies and among them are many Ph.D. theses on poverty. These new studies (made after the 1990s) have specific data on poverty and try to qualitatively explain political, social and economic reasons, and the results of poverty. Moreover, they try to accept the Western understanding of the concept of poverty and adapt it to the Turkish context. Within this group, Turkish society is analysed, often using the World Bank, Marxist and feminist approaches, in concepts of underclass, social exclusion, and the culture of poverty.

¹ This part is summarised from Dansuk's unfinished Ph.D. thesis. The studies related to this division are found in the thesis.

² SIS (State Institute of Statistics) and TUIK (Turkish Statistical Institute) are the same institution. The name SIS was changed to TUIK in 2005. Since the data produced before 2005 were generally used in this study, the name SIS was used in this paper.

³ These surveys have been conducted in approximately 10-year intervals between 1960 and 2000. They have provided researchers with a rich data-base on poverty in Turkey in the last two decades. SIS has started a new survey, which is annually done and, since 2002, harmonised with the international standard.

This study formally consists of both quantitative and qualitative analysis as it tries to explain poverty in terms of social strata.

The next section gives a simple comparison between Turkey and Europe to show differences in poverty rates.

1.2 Poverty in Turkey and the EU Countries

When compared with the EU countries, it can be seen that poverty in Turkey is a fundamental problem (Erdogan, 2003). In the EU-15, the lowest poverty rate is 9 percent (in Sweden) and the highest 21 percent (in Portugal). For new accession countries, the lowest rate is 8 percent (Czech Republic) and the highest 21 percent (Slovakia). Turkey's poverty rate of 25 percent is the highest among all of the EU members and candidate countries. This rate was 23 percent in 2003. Average poverty rate for the new accession countries is 14 percent, whereas it is 15 percent for EU-25.

Countries	%	Countries	%	Countries	%
Sweden	9	Austria	12	Italy	19
Denmark	10	Luxembourg	12	Spain	19
Germany	11	Belgium	13	Portugal	20
Finland	11	France	15	Greece	20
The Netherlands	11	United Kingdom	17	Ireland	21
EU15 - 15 %					
Czech Republic	8	Latvia	16	Bulgaria	16
Hungary	10	Cyprus	16	Romania	17
Slovenia	11	Lithuania	17	Turkey	25
Malta	15	Estonia	18		
Poland	15	Slovakia	21		
New EU Countries - 14 %				Candidate Countries - 23 %	

Source: Eurostat (2004).

The poverty rate, which is calculated on the basis of median income, shows how much poverty there is in a country. This rate can, in a certain sense, also show the level of income inequality. The Gini coefficient, which is used for calculating income

⁴ The poverty rates in Table 1 were calculated according to 60 percent of the equivalised median income consisting of transfer incomes and all other incomes.

inequality, is parallel to the poverty rate (Eurostat, 2004a). In the EU-15, Denmark, with 0.22, has the lowest Gini coefficient, while Portugal, with 0.35, has the highest. In the new EU countries, Slovenia has the lowest score, 0.22, while Estonia has the highest, 0.35. The Gini coefficient in Turkey is 0.44. This shows a high inequality, not only for Europe, but worldwide. This inequality is analysed in terms of social stratification and regional inequalities on the basis of poverty. In fact, poverty seems to result from inequality and vice versa.

In the following sections, Turkey's specific characteristics of poverty, social class structure, regional inequalities, and the relations among them are explained. In the next section, we will describe the methods used for measuring poverty, and our concept of social stratification.

2 Methodology

This study is based on empirical methodology. The data comes from the Household Budget Survey 2003 (HBS) conducted by SIS. We mainly use the poverty line and social strata in our class analysis of poverty.

2.1 Defining the Poverty Line

Defining the poverty line is very important in terms of political and social problems. However, there is no purely scientific basis for defining this line. Every society, all national and international institutions determine poverty lines according to their own political and social needs.

The poverty line used in this study is defined by Eurostat as 60 percent of the equivalised median income (Ozmen, 2004). There are two reasons for choosing this poverty line. The first one is statistical. The median score is less affected by highest and lowest scores in a distribution and explains the middle of the distribution (Eurostat, 1998: 16-17). The score under this level is accepted as the low level of income distribution (Eurostat, 1998: 17). However, the percentage of median is arbitrarily chosen (Sallila and Hiilamo, 2004; Bradshaw, 2001: 5). There are no scientific reasons for choosing the cut-off point. It can be changed according to social, cultural and political aims or conditions. The second reason is to make an

international comparison for Turkey in terms of poverty in the process of possible EU accession. We wanted to make this comparison because poverty became one of the main topics in the EU with the endorsement of the Laeken Indicators in December 2001 (Eurostat, 2003). There are 10 indicators related to poverty and inequality among the 18 of the Laeken Indicators, which are monitored for the policies of combating poverty and social exclusion for all EU countries.

2.2 Defining Social Strata

In sociology, defining social strata can be very complex. In general, the conceptions of stratification may be divided in two groups; one is the structural/functionalist approach developed in the USA and the other is the class approach based on Marx and Weber (Kalaycioglu et al., 1998: 126-127). In these approaches, the definitions of social stratum are made according to social, economic, political and cultural variables. Social differentiations are drawn in terms of basic sociological concepts: social role, status, and class.

In this study, a very broad definition of Marxist social stratification is used. The focus is mainly on “class positions” of social groups. For Marx, social class is determined by the ownership and control over of the means of production (Marx, 1996). Because of this, we tried to choose the variables which are related to ownership and control over the means of production. We found it difficult to use the Weberian class concept. For Weber, social stratification has three dimensions: economic relationship, status and political relationship (Weber, 1920). Although Weber agreed that class is important for social stratification, he did not put class into the centre of his analysis of social stratification. In Weber’s theory, class is defined according to market situation and is related to a person’s life chances of getting an income and his/her position in the labour market. The relations between class and the ownership of the means of production are, in a certain sense, determined by market situations, power and status. However, for Marx, social stratification is determined by class, and other factors function under class relations. Therefore, in this study we try to use the variables which would form a class.

The variables used to form social strata are income level, occupation, employment status, land ownership, economic sector, type of income and company structure. By using these variables, the social differentiation would seem to mirror the social class

differentiation. However, based on these variables, it would be very difficult to see whether these social strata form pure social classes. These variables include only objective factors (such as material conditions) (Parkin, 1990)⁵ and do not say anything about subjective factors (such as consciousness). The data is completely composed of numerical values produced by SIS in Household Budget Survey 2003 and the database does not give a pure analysis of social classes. That is why our variables are more suitable for defining a social stratum than a social class. Therefore, this study does not focus on a pure class analysis of poverty. This study, as mentioned earlier, may be seen as an analysis of poverty on the basis of social stratification, which is formed by class inequalities.

We see class analysis as an important tool in analysing society, such as Turkey, which is still in transition to a pure capitalist mode of production. It can also become very important in explaining poverty in such a society. There are social classes, which are still in a dissolving process and do not fully belong to a capitalist society.⁶ The process of class dissolving is one of the sources of the impoverishment process. The impoverishment process, in which the people from these classes live, can be called *historical poverty* (Dansuk, 2007). There is a second type of poverty produced by a capitalist economy, and this can be referred to as the *capitalist impoverishment* process. In this process, the worker, who is the essential part of capitalist production, becomes poor (Dansuk, 2007). We found it more suitable, especially for the (dissolving) social groups, which are, according to their socio-economic positions, heterogeneous, to use the concept of stratum in this period of transition. It should be mentioned here that income and employment status are used only to create social strata. The data used is too limited to define a pure class. Therefore, the effort of this study to form social strata can be labelled as “empiricist class definition” in Marxist terms. By analysing social stratification we can perceive different impoverishment processes. Therefore, it is important to emphasise the role of social stratification in the studies of poverty along with the class analysis of capitalist system.

As stated above, seven variables in differentiating social groups as stratum are used: the income level, type of income, occupation and employment status, size of owned land, economic sector and company structure. Households, as a unit of analysis, are used for creating strata, because the data is available only at the household level. The

⁵ For details about the relations between stratification and class, see Parkin (1990).

⁶ For the discussion of Turkish capitalisation process, see Seddon and Marquies (1984).

database of the Household Budget Survey 2003 can be formed in two levels. The first level is based on households and it encompasses the whole population. Since the data are designed according to the head of the household, all members of a household share the same social position in this study. Although there may be different occupations and types of incomes in the household, the household head's occupation and income represent its social position. Therefore, some aspects of the household were avoided. At the same time, we used the type of income as a control variable to measure reliability and validity of the defined social strata.

In the class analysis, the structure of Turkish labour market was also problematic. The labour market has not sufficiently developed in a capitalist way. The worker's wage rate is far behind the EU countries: while their average rate is above 80 percent (ILO, 2005), Turkey's rate is just 50 percent. There is a huge part of the population that is not present in the labour market. In that way, a person can economically survive in the household and this is, at the same time, appropriate to the structure of the Turkish family. Family and its tradition is still strongly valued in the Turkish society (Aytaç, 2002). The household budget is still more important than the individual budget.⁷ Consequently, the analysis of income could only be made from the household income, not the individual one. These deficiencies were taken into account in all steps of the analysis of social stratification. Therefore, choosing the household as a unit of analysis seemed more appropriate for this kind of studies.

We can identify three researchers whose studies can be used in conceptualising social stratification on the basis of class: Yerasimos (1986) Boratav (1991 and 2004) and Köse (2005). Köse's and our studies benefited largely from Boratav's concepts and methodology.⁸

Firstly, we divided the population of the Household Budget Survey (HBS) in two groups: the capitalist class (employers and the self-employed) and the working class (salary and wage earners, casual employees, and unpaid family workers). Thus, the division is based on the fact whether the head of the household owns the means of production. Then, they were labelled as owners and non-owners.

⁷ *The average wage level is just half of the national poverty line in Turkey. Therefore, it is very difficult to live alone with only one wage. For details see, the Statistics of National Accounts by SIS and the studies poverty by Turk-Is.*

⁸ *We would especially like to thank Boratav for his critical reading and useful comments on this article.*

2.2.1 Non-Owners: Workers

The non-owner social stratum was divided into eight strata: Highly-Skilled Workers, Skilled Workers, Unskilled Workers, Pensioners, Self-Employed, Small Farmers, Landless/Small Property/Agricultural Workers and Non-Active People. We created these eight strata from the Survey (HBS) according to their status on the labour market, level of income, occupations, types of income and economic sector. The first three strata are part of an active working force in non-agricultural sectors. They are divided from each other according to their levels of income and skills of their occupations. Pensioners are not part of the labour market and they live on their pensions.

The Self-Employed may, in fact, be seen as owners. However, the definition of Self-Employed in this study is different from the HBS's conception. The Self-Employed were, in HBS's conception, divided into Big Tradesmen, Small Tradesmen, Professional, and the Self-Employed. In this study, the Self-Employed were extracted from HBS' concept of people who employ themselves in their fields of activity. These were defined as the Self-Employed, but not as owners.

The Self-Employed people deal with small-scale artisanship and trade. In fact, they possess the means of production in non-agricultural sectors. However, they use old technology, domestic labour (Ayata, 1991; Ecevit, 1999; Komsu, 2005) and the fundamental aim of their production process is not to create and maximise surplus value. They can only survive by using unpaid family workers. This stratum is a transitional stratum; they are neither completely workers, nor capitalists. Most of them will, in the near future, become workers (proletarians). They resist being without property by concentrating their labour-time and adding domestic workers into their production process. Being without property and then becoming part of the proletariat means impoverishment of this stratum. This process of impoverishment and proletarianisation for the Self-Employed is the same as for the Small Farmers (Ecevit, 1999; Ecevit and Ecevit, 2002). They possess the means of production (small estate), and produce for the capitalist market, but they can survive only by utilising the same strategy as the Self-Employed. This stratum is also a transitional stratum and will most probably become poor in the near future.

The stratum of Landless/Small Property/Agricultural Workers consists completely out of the poor who can live only by selling their labour force. The last stratum consists

of Non-Active People. They do not engage in any economic activity and have no income. Non-Active People consist of the unemployed, women, and old people who are the head of the household. Their income generally comes from other members of the household.

2.2.2 Owners: Capitalists

There are four employment categories in HBS. Two of them belong to the stratum of owners. The stratum of owners was created from the Self-Employed and Employers. The owner social stratum in this study is thus divided into seven strata: Employers, Big Tradesmen, Small Tradesmen, Big Landowners, Small Landowners, Professionals and Landlords. In HBS, the Employer is defined as a person who employs at least one person in his/her field of activity (SIS, 2005). Besides this aspect, the Employer is in this study defined as a person whose income is six times bigger than the national average income. HBS defines the Self-Employed as a person working in his/her own business by him/herself or together with unpaid family workers. As mentioned above, this category is divided into four parts: Big Tradesmen, Small Tradesmen, Professionals, and the Self-Employed.

Big Tradesman is a person who employs 4 persons or more and his/her income is twice the national average. Small Tradesman is a person who employs two or three persons and his/her income is at the level of the average. The difference between the Employer and the Tradesman is the type of labour used. The Employer buys the labour force he or she needs. The Tradesman uses unpaid family labour along with labour from the market. Professional is a person who employs only him/herself. Professionals are composed of highly skilled people such as doctors, engineers, lawyers, etc. They are, in fact, self-employed. However, they are totally different from the Self-Employed in the non-owners stratum. The reasons why we defined Professionals as a separate stratum will be elaborated later.

Big Landowners and Small Landowners are defined according to the size of the land they own, level of income, and the person whose occupation and economic sector are in agricultural production. Both produce for the capitalist market. The difference between them is the level of income (surplus value) produced according to the level of technological and intensive agricultural production, and the size of land. Their productivity is not calculated from the data. The result of their productivity can be

seen as the level of income per capita. The size of land for Big Landowners is a minimum of 100 acres. Small Landowners own between 0 and 200 acres. In fact, in forming the agricultural strata, land size is an important variable. It functions with the level of income per capita. However, there are some exceptions in the categorisation of Landowners. For example, the group possessing only 10-19 acres of land is included in the Big Landowner stratum. On the other hand, the group possessing 100-199 acres is included in the stratum of Small Farmers. Criteria such as the concentration of technology, type of product, irrigation, and the form of labour used affect the inclusion in a particular stratum. Therefore, it is very difficult to divide agricultural strata based only on the size of land. The last stratum is the one of Landlord whose income mainly comes from interest, dividend, and rent.

2.3 Database

The source of data used for analysing poverty is The Household Budget Survey conducted by SIS between 1st January and 31st December 2003. This survey was conducted with the sample of 25,764 households using face to face interviews. The survey's results are given on the scale of Turkey, urban, rural, NUTS-Level 1 and NUTS-Level 2.⁹ The data is analysed at scale of NUTS Level 2 as seen in Table 2.

In the survey, 12 types of income are calculated for the total income:

- salaries and wages;
- daily wage,
- trade income;
- manufacturing income;
- agricultural income;
- construction income;
- service income;
- real estate income;
- movable property income (interest and dividends);
- unilateral transfers and donations from the State;
- unilateral transfers and donations from abroad;
- unilateral transfers and donations from private sector.

⁹ NUTS (Nomenclature of Territorial Units for Statistics) is made at three levels in Turkey. Level 1 is composed of 12 regions, Level 2 of 26 regions and Level 3 of 81 provinces.

Territorial Code	Name of Territories	Regions in the Territories
TR10	Istanbul	Istanbul
TR21	Tekirdag	Tekirdag, Edirne, Kırklareli
TR22	Balıkesir	Balıkesir, Canakkale
TR31	Izmir	Izmir
TR32	Aydin	Aydin, Denizli, Mugla
TR33	Manisa	Manisa, Afyon, Kutahya, Usak
TR41	Bursa	Bursa, Eskisehir, Bilecik
TR42	Kocaeli	Kocaeli, Sakarya, Duzce, Bolu, Yalova
TR51	Ankara	Ankara
TR52	Konya	Konya, Karaman
TR61	Antalya	Antalya, Isparta, Burdur
TR62	Adana	Adana, Mersin
TR63	Hatay	Hatay, Kahramanmaras, Osmaniye
TR71	Kirikkale	Kirikkale, Aksaray, Nigde, Nevsehir, Kirsehir
TR72	Kayseri	Kayseri, Sivas, Yozgat
TR81	Zonguldak	Zonguldak, Karabuk, Bartin
TR82	Kastamonu	Kastamonu, Cankiri, Sinop
TR83	Samsun	Samsun, Tokat, Corum, Amasya
TR90	Trabzon	Trabzon, Ordu, Giresun, Rize, Artvin, Gumushane
TRA1	Erzurum	Erzurum, Erzincan, Bayburt
TRA2	Agri	Agri, Kars, Igdir, Ardahan
TRB1	Malatya	Malatya, Elazig, Bingol, Tunceli
TRB2	Van	Van, Mus, Bitlis, Hakkari
TRC1	Gaziantep	Gaziantep, Adiyaman, Kilis
TRC2	Sanliurfa	Sanliurfa, Diyarbakir
TRC3	Mardin	Mardin, Batman, Sirnak, Siirt

The total individual income is calculated by combining income in cash and income in-kind. Disposable household income is calculated by combining the individual income of the household members. The equivalised personal total net income was used in order to make an international comparison possible. The equivalised individual income is calculated from the following formula:

$$\text{Equivalised individual income} = \text{Total household income} / \text{Equivalised Number of Persons.}$$

The Equivalised Number of Persons is offered by OECD and is calculated from:

$$\text{The Equivalised Number of Persons} = 1 + 0.5 \times (\text{NPH (14 +)}) + 0.3 \times \text{NPH (13 -)}, \text{ where}$$

NPH (Number of Persons in the Household) (14 +) is the number of persons aged 14 and more, and NPH (Number of Person in the Household) (13 -) is the number of persons aged 13 and less.¹⁰

According to these assumptions, poverty line in the study is 60 percent of the median equivalised total income accepted by Eurostat. The basic indicators for this study are given in Table 3.

Table 3 Basic Indicators in Household Budget Survey, 2003	
Population	69,195,565
Median Income per Capita (at the scale of OECD, TL annually)	3,128,571,429
Poverty Line (TL annually)	1,877,142,857
Number of the Poor	16,250,288
Rate of Poverty (%)	23.48
Population	69,195,565

Source: SIS (2004).

As seen in the table, poverty line is about 1,877,142,857 TL per year for an individual. Persons with the income under this line are perceived as poor. Thus, the number of the poor in Turkey is 16,250,288, which means that almost one fourth of the population in Turkey can be perceived as poor. In the next section, we will show how income is distributed among social strata.

¹⁰ The SAS program is used for calculating and data analysis.

3 Analysis of the Social Stratification of Poverty

In this section, the relationships between poverty, regional inequalities, and social stratification are examined. The income distribution among social strata is presented first, after which poverty distribution is examined.

3.1 Social Stratification and Income Distribution

The actual social stratification, according to the income in Turkey, is shown in Table 4. The first five strata are the richest ones. Their average income is 2 or 7 times higher than the national average income. As expected, the last five are the poorest strata. Their income is lower than the national average income. The last five strata, almost two thirds of the population (63.63 percent of the total population), can be categorised as poor, while the first five, 5.62 percent, as very rich. The five strata in the middle have a moderate income.

Table 4 shows some structural peculiarities of the Turkish society. These peculiarities can also give some explanations about poverty. The agricultural strata makes around 18 percent of the total population with the income from agricultural production. The rural population in Turkey comprises around 40 percent (SIS, 2005a). This means that 22 percent of the rural population earns from non-agricultural sectors in rural areas. Despite this, half of the active labour force is employed in the agricultural sector (SIS, 2005a), and this is one of the main factors contributing to poverty.

The stratum of Landless/Small Property/Agricultural Workers is very important for the poverty analysis. This stratum, according to the studies of agricultural inventory (SIS, 2004a), makes around 1 to 2 percent. According to the VII General Agricultural Inventory (SIS, 2004a), there are 54,321 landless enterprises and, according to the Labour Force Survey 2003 (SIS, 2004b), around 400,000 agricultural workers. However, the number of the lowest strata in agricultural sector is about 8.5 million. The difference in numbers is due to different methodology. The inventory measures only physical conditions of agricultural land, not socio-economic variables. The number of 8.5 million is more realistic for the agricultural lowest stratum. In fact, it involves people who will, most likely, be dissolved from agricultural production. The impoverishment process in the agricultural sector will direct most of them to urban or industrial and service sectors in the near future. However, the Small Property

people can, if only for a while, still resist this process of dissolving, and survive in rural areas due to their ownership of small plots of land, the intensification of their domestic labour and labour time (Ecevit, 1999). The Unskilled Worker is another problematic stratum in Turkey. The rate of 29.25 of this stratum shows that the level of education is very low in the Turkish labour market.

Social Strata	Number of Households	Population	Distribution of the Population (%)	Average Income per Capita (TL annually)
Employers	79,798	280,864	0.41	14,698,547,346
Highly-Skilled Workers	470,336	1,632,237	2.36	7,472,790,478
Professionals	35,565	110,475	0.16	7,039,783,379
Big Tradesmen	395,655	1,747,507	2.53	5,932,018,895
Big Landowners	21,673	112,727	0.16	5,221,444,002
Landlords	165,913	450,787	0.65	3,637,443,647
Skilled Workers	1,543,136	5,935,230	8.58	3,261,933,696
Small Landowners	117,027	583,532	0.84	2,861,549,619
Small Tradesmen	935,846	4,396,695	6.35	2,782,385,560
Pensioners	2,926,594	9,916,165	14.33	2,481,394,092
Self-Employed	1,152,634	5,100,117	7.37	1,986,234,222
Unskilled Workers	4,653,894	20,239,433	29.25	1,603,918,255
Non-Active People	1,870,226	6,871,146	9.93	1,520,444,865
Small Farmers	625,702	3,332,848	4.82	1,545,975,652
Landless/Small Property/ Agricultural Workers	1,750,495	8,485,803	12.26	1,273,698,572
Total	16,744,495	69,195,565	100.00	2,339,868,646

Source: SIS (2004).

Some of the strata is unexpectedly positioned, as we can see in Table 4. The theoretical division between capitalists and workers or stratification among themselves is probable, as presented in the left column in Table 5. However, the right column shows very complicated and problematic stratification. The abnormal listing of social stratification positions comes from the positions of Highly-Skilled Workers, Professionals, Skilled Workers and Pensioners. Highly-Skilled Workers make the second richest stratum in Turkey. Professionals are richer than Big Landowners and Big Tradesmen. Skilled Workers are richer than Small Landowners and Small

Tradesmen. Pensioners are richer than Self-Employed people. It is very difficult to explain this extraordinary stratification. The reasons for this situation may be explained at two levels: one is methodological, the other is socio-economic.

Theoretical Stratification	Actual Stratification
Capitalists/Owners	
Employers	Employers
Big Tradesmen	Highly-Skilled Workers
Big Landowners	Professionals
Landlords	Big Tradesmen
Small Landowners	Big Landowners
Professionals	Landlords
Small Tradesmen	Skilled Workers
	Small Landowners
Labourers/Non-Owners	
Highly-Skilled Workers	Pensioners
Skilled Workers	Self-Employed
Self-Employed	Unskilled Workers
Pensioners	Non-Active People
Unskilled Workers	Small Farmers
Non-Active People	Landless/Small Property/Agricultural Workers
Small Farmers	
Landless/Small Property/Agricultural Workers	

There are methodological differences between the studies based on national accounts and HBS, and they consist of different variables. Therefore, there is a very huge gap between the results (Yukseler, 2004; Karakas, 2004). HBS 2003 could cover only 50.6 percent of GDP in 2003 (Yukseler, 2004). The only comparable item in both studies is the compensation of employee in GDP and labour income in HBS. This makes 68,000 trillion TL, and the compensation makes about 65,000 trillion TL, respectively (Yukseler, 2004). The HBS was very accurate for the worker income. The main problem between the two studies is the size of “operating surplus” (profit, rent, social security premium, tax). Its definition is very different in HBS and GDP accounts.

Therefore, HBS could cover only half of the operating surplus or 144,000 trillion for 2003 (Karakas, 2004).

The other deficiency of HBS is that the survey could not cover the amount of financial and property assets (such as rent, interest and dividends). Although these assets increased from 47.3 to 106.7 in GDP between 1994 and 2003, there was a decrease in Household Budget Surveys (Yukseler, 2004). One reason behind this would be that the interviewed persons did not mention their real income. The other one would be related to the understanding of HBS on these assets. If the interest income and dividends are not realised before the interview, HBS does not take into account these incomes. These kinds of incomes are considered wealth. HBS asks only about items related to the disposable income. There is no critique of HBS because financial and property incomes in Turkey in the last three decades have not been derived from the production process. It can be summarised that an extraordinary increase in urban real estate profits, widespread unregistered economy, and huge domestic debt stock are the reasons resulting in the lack of production. This fact is, for example, supported by The Survey of the Biggest 500 Industrial Firms. The income from other economic activities of these firms in their total profits increased from 19.6 percent in 1983 to 80 percent in 1998 (Bilen and Yumusak, 2004) and decreased to 71 percent in 2003 (Gurses, 2004). Consequently, since HBS, in their survey of capitalist income, could not see the complete capitalist income in GNP, the confusion occurred.

We can mention many socio-economic reasons for this extraordinary stratification. These reasons can also be used to explain poverty. For example, Highly-Skilled Workers appear to be the second richest people in Turkey. Highly skilled occupations function like a means of production in Turkey (Cirhinlioglu, 1996). They have a very high income (Table 4), and this stratum is generally in the registered economy. As a result, their responses are more accurate than the responses of others in the survey. Professionals have the same peculiarities. This is why the Professionals were separated from the other self-employed strata. The positions of the two strata show that the skilled service sectors are very important for upward mobility in Turkey. As for the situation with Big Tradesmen and Big Landowners, the existence of unregistered economy plays an important role. Their income seems smaller as compared to Professionals and Highly-Skilled Workers. It may be assumed that the result of their real income is overestimated.

Skilled Workers earn more than Small Landowners and Small Tradesmen. This means that skills, i.e. education, are much more important than the small ownership of land or small-scale production and trade. Pensioners' advantage comes from the fact that they are present in the registered economy and the social security system. However, the Self-Employed are deprived of that or benefit less from the system. This stratum is, in fact, full of potential workers. Consequently, the abnormal stratification can be caused by the following factors: skills, unregistered economy, incomes received from economic activities other than the production (manufacturing and services), etc.

3.3 Social Stratification and Poverty

Social stratification creates poverty because inequality is the basis of stratification. This means that there is a close (organic) relation between poverty and social stratification. In Turkey, there is an additional factor for poverty that is 'abnormal' for the process of social stratification.

Table 6 Population, Income and Poverty Rate in Social Strata

Social Strata	Population	Population (%)	Income (%)	Number of Poor	Poverty (%)	Distribution of Poverty
Employers	280,864	0.41	-	-	-	-
Highly-Skilled Workers	1,632,237	2.36	-	-	0.95	0.09
Professionals	110,475	0.16	-	-	-	-
Big Tradesmen	1,747,507	2.53	-	-	-	-
Big Landowners	112,727	0.16	-	-	-	-
Landlords	450,787	0.65	-	92,825	20.59	0.57
Skilled Workers/Labourers	5,935,230	8.58	-	-	4.51	1.65
Small Landowners	583,532	0.84	-	-	14.76	0.53
Small Tradesmen	4,396,695	6.35	-	-	10.14	2.74
Pensioners	9,916,165	14.33	-	-	8.51	5.19
Self-Employed	5,100,117	7.37	-	-	22.73	7.13
Unskilled Workers	20,239,433	29.25	-	5,486,745	27.11	33.76
Non-Active People	6,871,146	9.93	-	2,781,550	40.48	17.12
Small Farmers	3,332,848	-	-	1,117,373	33.53	6.88
Landless/Small Property/ Agricultural Workers	8,485,803	12.26	6.90	3,953,253	46.59	24.33
Total	69,195,565	100.00	100.00	16,250,289	23.48	100.00

Source: SIS (2004).

As seen in Table 6, the last five strata may be considered critical in analysing poverty. The poorest strata are the Landless/Small Property/Agricultural Workers, Non-Active People, Small Farmers, Unskilled Workers, and the Self-Employed. The reason for this “abnormal” stratification stems from this order. The strata that have skilled labour and own the means of production are not faced with poverty. While Small Landowners and Small Tradesmen have gradually entered into the impoverishment process, Self-Employed and Small Farmers are, to a certain degree, already poor. This means that 13.4 million people are faced with a very high risk of poverty. The impoverishment of Small Farmers and Landless/Small Property/Agricultural Workers is very important because their poverty is directly related to migration. This can create a very big pressure on urban areas and industrial and service sectors.

Of course, the most critical stratum is that of Unskilled Workers, which comprises of almost 34 percent of the total poverty in Turkey. The result of migration towards cities has created the concentration of unskilled and less educated people in the cities for the last 50 years. The dissolution of agricultural structure pushed the people to cities. Thus, the number of Small Farmers has declined. They are faced with a risk of entering the stratum of Unskilled Workers. The other two strata (Non-Active People and Landless/Small Property/Agricultural Workers) are also critical. These three strata create 65 percent of poverty in Turkey.

4 Regional Distribution of Poverty

This section examines social stratification in regions and how poverty is distributed by regions and strata. As mentioned, there is a close relation between regional inequalities and poverty. Regional poverty is, in a certain sense, a type of regional income inequality. Table 7 shows the distribution of regional poverty at NUTS Level 2. The regions are listed according to their rate of poverty.

4.1 Regional Poverty

According to Table 7, any level of regional development determines the poverty level. When the income per capita is taken into account, the level of regional development becomes clearer. The developed regions, such as Istanbul, Antalya and Ankara, have a very low level of poverty. On the other hand, undeveloped regions have a high risk of

poverty. The last four regions are especially problematic. Thirty years ago, the government has started a regional development program (GAP)¹¹ for the last two regions, while another regional program (DAKAP)¹² for Van, Agri and Erzurum is planned.

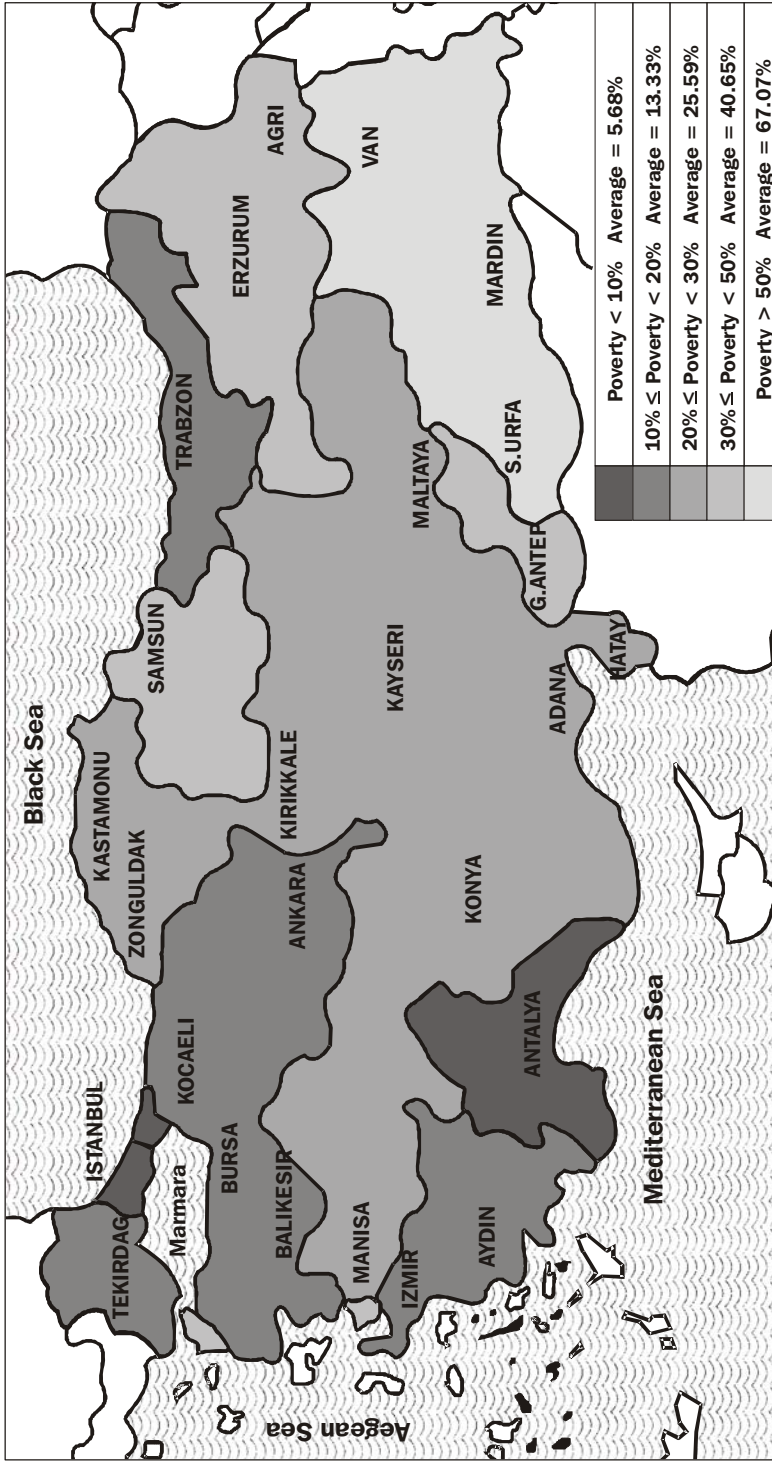
Codes of Regions	Regions	Population	Income per Capita (TL annually)	Number of Poor People	Rate of Poverty (%)
TR10	Istanbul	10,707,956	3,661,310,291	565,074	5.28
TR61	Antalya	2,535,363	2,581,810,923	187,667	7.40
TR51	Ankara	4,044,175	2,362,634,294	413,708	10.23
TR21	Tekirdag	1,339,887	2,870,185,864	144,659	10.80
TR31	Izmir	3,483,026	2,311,115,449	377,216	10.83
TR42	Kocaeli	2,789,950	1,774,515,389	356,365	12.77
TR22	Balikesir	1,535,328	2,518,143,771	203,843	13.28
TR41	Bursa	3,123,297	2,309,979,237	430,956	13.80
TR32	Aydin	2,597,724	3,111,922,218	442,303	17.03
TR90	Trabzon	3,111,287	1,827,938,551	567,854	18.25
TR81	Zonguldak	945,020	2,938,729,335	193,540	20.48
TR71	Kirikkale	1,715,913	1,964,405,518	390,956	22.78
TR62	Adana	3,691,600	2,046,209,690	873,817	23.67
TR33	Manisa	3,097,208	1,846,995,419	757,576	24.46
TRB1	Malatya	1,751,233	1,725,634,962	436,230	24.91
TR52	Konya	2,435,727	1,891,558,887	646,111	26.53
TR63	Hatay	2,766,317	1,862,658,508	784,246	28.35
TR72	Kayseri	2,537,035	1,486,790,405	732,334	28.87
TR82	Kastamonu	828,787	2,029,852,549	243,527	29.38
TRC1	Gaziantep	2,093,679	1,545,536,200	734,619	35.09
TRA1	Erzurum	1,333,751	1,413,199,782	499,014	37.41
TR83	Samsun	2,997,519	1,652,383,843	1,303,217	43.48
TRA2	Agri	1,120,369	1,059,872,721	530,007	47.31
TRB2	Van	2,015,285	1,252,456,329	1,164,255	57.77
TRC2	Sanliurfa	2,862,487	951,425,201	1,841,536	64.33
TRC3	Mardin	1,735,643	673,763,128	1,429,660	82.37
Total		69,195,565	2,259,371,407	16,250,288	23.48

Source: SIS (2004).

¹¹ For details, see <http://www.gap.gov.tr/>.

¹² For details, see <http://www.dakap.org.tr/>.

Figure 1 Regional Distribution of Poverty in Turkey



The Poverty Map clearly shows regional income inequalities and poverty. The poorest regions include Mardin, Urfa and Van. Agri, Erzurum, Gaziantep and Samsun follow. This map, in some aspects, shows the regional development level. When this map is compared with Table 8 and 9, the correlations between regional inequalities and poverty become more apparent. We can gather some interesting points by looking at the map, and this is why the regions should be analysed in details. The factors behind these high regional income inequalities are analysed in this section.

In Table 8, the regions are categorised according to socio-economic development index, GDP per capita, disposable income per capita, and poverty rates. In the first column, the regions are listed according to the regional socio-economic development index.¹³ The next column is listed in terms of their shares in GDP in 2001. In the third column, the regions are put in order from rich to poor, or according to the 2003 HBS. The last column ranks the regions according to their score (from the lowest to the highest) in the regional poverty rate.

There is a correlation between the first and the other three columns. This means that the rank of regions, with the exception of Gaziantep¹⁴, in the first column is consistent with the rank in the other columns. However, when regional GDP per capita, disposable income and poverty rates are compared, we can find some explanations concerning the roots of poverty.

The rank of a region in GDP and Disposable Income columns shows that the amount of income is equally distributed. While Kocaeli is the richest region in terms of GDP per capita, it is the sixth region in terms of the disposable income per capita. It appears that households did not benefit from the wealth of the region. Adana and Samsun are in the same position. The situation in Antalya and Trabzon, for example, is quite the opposite. Their rank in the list of disposable income per capita is much better than in the list of GDP per capita. The rest of the regions do not show a big difference between the two scores. The scores are parallel to each other; underdeveloped regions have lower rank in the list of disposable income per capita; the opposite is true for developed regions.

¹³ This index includes social and economic variables. The variables are related mainly to demography, education, employment, health, infrastructure, construction, agriculture, manufacturing, finance, and some indicators related to welfare (SPO, 2003).

¹⁴ Social conditions of Gaziantep are better than its economic level. For details, see SPO (2003).

Regions by Socio-economic Development Index*		Regions by GDP per Capita 2001**		Regions by Disposable Income per Capita 2003***		Regions by Poverty Rate 2003***	
TR10	Istanbul	TR42	Kocaeli	TR10	Istanbul	TR10	Istanbul
TR51	Ankara	TR31	Izmir	TR61	Antalya	TR32	Aydin
TR31	Izmir	TR10	Istanbul	TR51	Ankara	TR81	Zonguldak
TR41	Bursa	TR51	Ankara	TR21	Tekirdag	TR21	Tekirdag
TR42	Kocaeli	TR21	Tekirdag	TR31	Izmir	TR61	Antalya
TR21	Tekirdag	TR41	Bursa	TR42	Kocaeli	TR22	Balikesir
TR62	Adana	TR32	Aydin	TR22	Balikesir	TR51	Ankara
TR32	Aydin	TR62	Adana	TR41	Bursa	TR31	Izmir
TR61	Antalya	TR81	Zonguldak	TR32	Aydin	TR41	Bursa
TR22	Balikesir	TR22	Balikesir	TR90	Trabzon	TR62	Adana
TR81	Zonguldak	TR61	Antalya	TR81	Zonguldak	TR82	Kastamonu
TR33	Manisa	TR33	Manisa	TR71	Kirikkale	TR71	Kirikkale
TR52	Konya	TR71	Kirikkale	TR62	Adana	TR52	Konya
TRC1	Gaziantep	TR52	Konya	TR33	Manisa	TR63	Hatay
TR63	Hatay	TR63	Hatay	TRB1	Malatya	TR33	Manisa
TR72	Kayseri	TR83	Samsun	TR52	Konya	TR90	Trabzon
TR71	Kirikkale	TR82	Kastamonu	TR63	Hatay	TR42	Kocaeli
TR83	Samsun	TRB1	Malatya	TR72	Kayseri	TRB1	Malatya
TR90	Trabzon	TR90	Trabzon	TR82	Kastamonu	TR83	Samsun
TRB1	Malatya	TR72	Kayseri	TRC1	Gaziantep	TRC1	Gaziantep
TR82	Kastamonu	TRC1	Gaziantep	TRA1	Erzurum	TR72	Kayseri
TRA1	Erzurum	TRC2	Sanliurfa	TR83	Samsun	TRA1	Erzurum
TRC2	Sanliurfa	TRA1	Erzurum	TRA2	Agri	TRB2	Van
TRC3	Mardin	TRC3	Mardin	TRB2	Van	TRA2	Agri
TRA2	Agri	TRB2	Van	TRC2	Sanliurfa	TRC2	Sanliurfa
TRB2	Van	TRA2	Agri	TRC3	Mardin	TRC3	Mardin

Sources: * SPO (2003), **SIS (2003) and *** SIS (2004).

In making a comparison between GDP and Poverty Rate columns, regions can be grouped into three parts. In Group 1 (Ankara, Bursa, Izmir, Kocaeli, Manisa and Samsun), the regions' rank in the list of poverty rates is higher than the rank in the list of GDP. While their GDP per capita is high, their poverty rates are low. These regions, with the exception of Samsun, are developed regions. There seems to be a correlation between a low level of poverty and development. However, regions in Group 2 (Antalya, Aydın, Balikesir, Kastamonu, Trabzon and Zonguldak) show the opposite. These regions can be thought of as "developing regions", and their poverty rate is also low. As expected, underdeveloped regions (Urfa, Erzurum, Mardin, Van and Agri) have the highest poverty rates.

Disposable Income and Poverty Rate columns show that Aydin, Kastamonu and Zonguldak, regions with a more equal income distribution, have low poverty rates despite their low rank in the list of disposable income per capita. Kocaeli and Trabzon show the opposite characteristics.

One of the striking points is the situation of Gaziantep and Kayseri, which are assumed to be good examples for economic development in Turkey. However, they are almost the poorest regions in terms of all three criteria. Trabzon is also an interesting case. Although the income appears to be equally distributed in this region, its poverty rate is very high. Since this region is considered as underdeveloped, it means that a more equal income distribution does not reduce poverty in itself.

It can be concluded that in order to reduce poverty in a region, an increase in GDP per capita is necessary, but this alone is not enough. Secondly, equal income distribution is necessary, but this is also not enough. The following section describes the poverty map and the scores in the table since the points made above need to be examined in more detail.

4.2 Social Strata and Regional Poverty

In this section, the regional distribution of poverty by social strata is presented. In Table 9, every social stratum has two columns: one shows the population of a social stratum in that region, the other shows poverty rate. For example, the stratum of Highly-Skilled Workers is 5.49 percent of the total population in Istanbul (TR10), and 1.56 percent of the Highly-Skilled Workers in Istanbul are poor.

The analysis of stratification in regions shows regional disadvantages. In Table 9, there is a clear-cut division between regions. In developed regions, the rates of the owner strata are higher than the national average. For example, the Employer stratum is 0.95 percent in Istanbul and 0.65 percent in Izmir, whereas there is no Employer stratum in the regions of Erzurum and Mardin. In the regions where poverty is very high, the rates of the poor strata are very high. For example, Unskilled Workers, Non-Active People, Small Farmers and Landless/Small Property/Agricultural Workers are drastically poorer in underdeveloped regions. In some regions, some of the strata are on the verge of poverty. In these regions, agriculture is, as expected, dominant. The

problems of irrigation, ownership, small-scale production, small property ownership, inheritance, and dispersed lands cause a very low level of productivity in agriculture.

The lowest stratum in the rural structure of Eastern and South-Eastern Anatolia¹⁵ is on the verge of poverty. At the country level, half of this stratum is poor. Small Farmers are on the verge of poverty in most of the regions.

Worker skills are directly related to poverty. The Skilled Worker earns twice as much as the Unskilled Worker (Table 4), whose income is below the national income average and poverty line. The example of Highly-Skilled Workers can show us that an increase in income follows an increase in the skill level. To have no skills can be seen as a direct reason for being poor. Poverty among Unskilled Workers has intensified, especially in underdeveloped regions.

The income of the Self-Employed is similar to that of Unskilled Workers. Their average income is under the national income average and just a bit above the poverty line (Table 4). Poverty in the Self-Employed stratum can generally be seen in underdeveloped and some developing regions, such as Konya (TR52) and Kayseri (TR82).

The Self-Employed generally work in unskilled economic areas. In their case, the production process depends on manual labour, not developed technologies. There is a similarity between the Self-Employed and Small Farmers. Both are just a step away from being a part of the proletariat. They are, in fact, in the process of dissolution (being without property). They still have their means of production, but they will probably lose them.

Poverty in the Landlord stratum is 20.59 percent. Normally, this stratum should be part of the rich class. However, this stratum is composed of the people who can generally subsist on the income of interest, dividend, and rent. Therefore, in HBS, their total income does not represent the total income of interest, dividend, and rent.

¹⁵ *The poverty rate for the Small Landowner in TRB2 region is 100 percent. This situation, of course, is not possible. There is only one sample of Small Landlords in TRB2. There are such difficulties or miscalculations found in HBS. Such cases were generally cleared in order not to deviate the calculations and estimations in this study. However, the sample of Small Landlords in TRB2 was used as it was in order to show this point.*

Table 9 Poverty by Regional and Social Strata

NUTS Level 2	Employers		High Skilled Workers		Professionals		Big Tradesmen		Big Landowners		Landlords		Skilled Workers		Small Landowners		Small Tradesmen	
	Pop. %	Pov. %	Pop. %	Pov. %	Pop. %	Pov. %	Pop. %	Pov. %	Pop. %	Pov. %	Pop. %	Pov. %	Pop. %	Pov. %	Pop. %	Pov. %	Pop. %	Pov. %
TR10	0.95	5.49	1.56	0.40	1.04	-	0.98	-	9.01	1.35	-	9.01	1.35	-	6.48	1.71		
TR21	0.13	0.99	-	-	1.28	2.03	1.35	49.02	6.66	6.48	-	6.66	6.48	-	5.67	7.42		
TR22	0.49	2.10	-	0.13	2.87	0.86	0.66	23.95	10.07	2.39	-	10.07	2.39	-	7.40	10.43		
TR31	0.65	3.57	-	0.33	2.34	0.36	0.97	29.29	11.38	0.25	0.05	11.38	0.25	0.05	48.40	7.31	4.97	
TR32	0.47	2.13	-	0.34	0.83	0.13	0.73	35.23	9.30	5.69	0.37	9.30	5.69	0.37	6.63	6.80		
TR33	0.27	0.50	-	-	1.73	0.14	0.39	69.38	6.74	5.65	0.53	6.74	5.65	0.53	19.76	5.66	3.63	
TR41	0.26	2.20	-	0.09	3.66	-	0.58	34.54	8.16	6.92	2.10	8.16	6.92	2.10	10.69	6.41	0.48	
TR42	-	1.76	-	0.44	3.41	-	0.35	-	9.80	-	-	9.80	-	-	5.58	6.14		
TR51	0.52	4.65	-	0.35	2.64	-	0.57	-	13.92	1.93	0.36	13.92	1.93	0.36	4.95	6.36		
TR52	0.72	1.29	-	-	1.52	0.50	0.71	7.85	7.09	7.60	2.71	7.09	7.60	2.71	13.96	9.18	12.83	
TR61	0.93	3.23	-	0.18	3.48	0.12	1.17	10.15	8.92	0.77	0.52	8.92	0.77	0.52	6.06	5.50		
TR62	0.14	1.04	-	-	2.67	0.19	0.73	5.68	6.92	8.14	2.90	6.92	8.14	2.90	17.91	6.78	14.94	
TR63	0.30	1.29	-	-	4.61	-	0.99	-	7.61	4.90	0.18	7.61	4.90	0.18	28.94	8.45	16.39	
TR71	0.44	0.59	-	-	2.43	-	0.09	-	10.06	5.81	2.95	10.06	5.81	2.95	3.64	-	-	
TR72	0.15	1.31	-	0.08	1.83	0.13	0.60	11.99	6.78	5.17	1.78	6.78	5.17	1.78	5.01	11.33	-	
TR81	0.06	1.86	-	0.06	1.41	-	0.21	43.77	11.36	2.80	-	11.36	2.80	-	2.59	3.05	-	
TR82	0.28	1.47	-	-	1.19	-	0.09	-	7.18	4.64	0.88	7.18	4.64	0.88	4.40	16.89	-	
TR83	0.11	0.89	-	-	2.01	0.17	0.75	50.59	5.00	3.06	0.19	5.00	3.06	0.19	68.41	4.88	28.59	
TR90	0.14	1.95	-	0.04	2.60	-	0.39	13.09	8.94	1.25	0.02	8.94	1.25	0.02	9.50	-	-	
TRA1	-	0.92	-	-	0.17	0.17	0.33	66.22	6.11	11.22	2.83	6.11	11.22	2.83	8.76	21.15	-	
TRA2	0.30	1.35	-	-	1.70	-	0.79	66.63	12.56	2.03	0.49	12.56	2.03	0.49	7.86	12.96	-	
TRB1	0.08	1.22	-	0.39	1.86	-	-	-	11.79	4.90	-	11.79	4.90	-	7.53	9.38	-	
TRB2	0.21	0.94	-	-	0.95	-	0.34	33.85	7.93	13.61	0.53	7.93	13.61	0.53	100.00	4.61	30.36	
TRC1	0.25	0.77	-	-	3.42	0.15	0.46	34.49	9.28	16.92	-	9.28	16.92	-	7.39	16.47	-	
TRC2	0.23	1.49	4.80	0.02	0.79	0.92	0.17	60.94	5.70	16.36	1.83	5.70	16.36	1.83	34.46	5.50	35.65	
TRC3	-	1.38	17.69	-	0.58	-	0.65	100.00	2.17	21.83	1.04	2.17	21.83	1.04	46.15	3.41	47.99	
TOTAL	0.41	2.36	0.95	0.16	2.53	0.16	0.65	20.59	8.58	4.51	0.84	8.58	4.51	0.84	14.76	6.35	10.14	

Table 9 Poverty by Regional and Social Strata - continued

NUTS 2	Pensioners		Self-Employed		Unskilled Workers		Non-Active People		Small Farmers		Landless/Small Property/ Agricultural Workers	
	Pop. %	Pov. %	Pop. %	Pov. %	Pop. %	Pov. %	Pop. %	Pov. %	Pop. %	Pov. %	Pop. %	Pov. %
TR10	18,38	2,12	6,69	4,73	36,10	8,00	10,79	12,28	0,10	-	0,57	7,20
TR21	13,39	2,55	6,53	9,69	24,10	12,95	6,87	12,20	12,10	5,12	16,16	23,08
TR22	18,00	0,93	10,48	15,79	23,83	19,51	6,75	20,18	3,97	15,62	11,47	31,86
TR31	18,80	3,86	7,58	19,41	32,60	16,40	9,27	21,36	0,24	-	4,87	12,49
TR32	16,51	12,47	8,80	8,95	25,98	27,11	6,66	23,90	3,79	7,82	17,32	23,16
TR33	14,55	10,52	5,06	17,15	22,74	34,24	7,02	51,47	10,97	13,23	23,72	34,80
TR41	14,12	12,36	5,48	11,64	32,86	16,01	8,93	29,05	3,96	9,21	11,19	19,43
TR42	22,44	5,20	6,35	18,77	36,16	12,84	8,12	39,65	0,15	-	5,44	40,54
TR51	21,53	3,68	5,30	14,73	34,54	15,40	8,73	22,72	0,73	32,14	1,20	44,84
TR52	9,52	9,56	8,56	26,77	20,74	38,09	11,04	52,45	15,51	21,45	10,90	38,11
TR61	11,96	1,61	8,70	6,75	27,95	13,71	5,51	16,06	3,68	-	17,59	7,86
TR62	13,25	9,88	8,83	21,48	30,06	35,91	9,77	35,64	2,65	20,69	14,08	24,87
TR63	9,41	6,93	8,34	39,33	30,83	40,66	12,33	37,99	4,01	26,95	11,66	36,97
TR71	16,05	10,58	6,51	9,42	32,33	30,68	10,64	27,70	4,92	28,51	9,35	57,39
TR72	19,04	16,62	6,02	30,65	24,49	34,57	15,78	56,34	12,35	30,37	4,67	37,69
TR81	32,63	15,64	6,70	23,00	22,14	27,91	6,84	46,84	2,17	33,09	11,98	27,10
TR82	15,27	21,33	7,05	9,78	21,50	30,28	6,03	40,52	11,88	37,93	22,78	47,86
TR83	10,64	12,44	7,37	43,84	19,67	37,38	7,42	47,57	10,57	60,75	30,33	64,49
TR90	9,71	2,88	10,29	15,88	22,67	21,54	6,51	20,61	1,02	39,77	26,20	36,42
TR91	8,58	15,79	6,16	15,45	15,59	32,79	9,62	55,64	13,18	42,40	27,57	59,45
TR92	6,36	9,08	11,75	62,91	22,36	52,15	9,37	70,12	10,54	46,89	14,59	97,55
TRB1	10,66	14,95	9,81	11,42	26,23	25,72	11,10	58,65	3,65	15,66	15,68	45,17
TRB2	7,28	20,22	7,56	41,99	29,31	57,61	15,53	85,38	4,12	72,70	20,69	81,50
TRC1	9,53	22,15	8,89	40,93	43,80	43,42	12,48	43,03	1,55	21,76	2,03	82,26
TRC2	5,66	44,43	7,18	66,22	24,81	68,58	17,20	81,05	9,65	61,96	18,84	87,18
TRC3	2,33	61,51	4,66	74,24	32,72	87,64	12,70	90,94	11,55	73,79	26,80	94,16
TOTAL	14,33	8,51	7,37	22,73	29,25	27,11	9,93	40,48	4,82	33,53	12,26	46,59

Source: SIS (2004).

It is interesting to see high poverty rates in the Small Tradesmen stratum. It is clear that this situation stems from the fact that this stratum lives in underdeveloped regions. Pensioners form a high rate of population and a low rate of poverty in developed regions.

Non-Active People are the most problematic stratum. This stratum is generally comprised of women (55 percent of Non-Active People) and the elderly (25 percent). Non-activity stems from unemployment, old age, and gender inequalities. This stratum consists of the most vulnerable people.

Consequently, regional inequalities, occupations, demographic factors and gender inequalities have a very big impact on determining the social strata. There are close relations between social stratification and poverty. In fact, there is a vicious circle of social stratification, poverty, and regional inequalities.

Conclusion

The result of this study can be summarised as follows:

- The problematic social stratum in the development and modernisation process in Turkey should be identified according to their socio-economic positions and regions. In order to design policies to alleviate the problems of poor people in these social strata, it is necessary to identify them as certain socio-economic groups, not as numerically labelled groups;
- The main problems in the EU accession process will be regional inequalities, gender inequalities, employment structure, education, health, and social security. Poverty is closely related to these areas. Therefore, Turkey's accession to the EU can be directly connected to the policies of combating poverty;
- The core poor social strata are the Landless, or Small-Propertied People, Small Farmers from rural areas, the Self-Employed, and Unskilled Workers. The magnitude of these strata is a sign of increasing poverty in Turkey;
- Regional inequalities seem to be the most important factors in creating poverty;
- The main policies for combating poverty can be seen in the formation of capitalist labour force market by eliminating petty producers both in rural

and urban areas. In this elimination process, these strata should be transformed under the light of the policies of participation and localisation in order to decrease existing income inequalities.

References

Ayata, S., 1991, *Sermaye Birikimi ve Toplumsal Degisim (Capital Accumulation and Social Change)*, Ankara: Gündoğan Yayınları.

Aytaç A. Işık, 2002, "Tradition or Need? Reasons for Coresiding with Elderly in Urban Areas," *Turkish Journal of Population Studies*, 24, pp. 23-36, Hacettepe Üniversitesi Nüfus Etütleri Enstitüsü, Ankara.

Bilen, M. and I. G. Yumusak, 2004, "Gelir Dağılım-Beşeri Sermaye İlişkisi ve Türkiye Üzerine Bir Değerlendirme" (Income Distribution-Evaluation of Human Capital and Turkey), http://www.bilgiyonetimi.org/cm/pages/mkl_gos.php?nt=170#_ftn33 (accessed 12 December 2004).

Boratav, K., 1991, *1980'li Yıllarda Türkiye'de Sosyal Sınıflar ve Bölüşüm (Social Classes and Sharing in Turkey in 1980s)*, İstanbul: Gerçek Yayınevi.

Boratav, K., 2004, *İstanbul ve Anadolu'dan Sınıf Profilleri (Class Profiles in İstanbul and Anatolia)*, Ankara: İmge Kitabevi.

Bradshaw, J., 2001, "Methodologies to Measure Poverty: More Than One is Best," paper presented at the international symposium "Poverty: Concepts and Methodologies", Mexico City, 28-29 March 2001, http://www.bris.ac.uk/poverty/pse/conf_pap/mex01_jrb.pdf (accessed 18 July 2006).

Cirhinlioglu, Z., 1996, *Meslekler ve Sosyoloji (Sociology of Occupations)*, Ankara: Gündoğan Yayınları.

Dansuk, E., 2007, "Understanding 'Poverty' in Nar Village: Local, National and Global Perspectives," Ph.D. Dissertation, draft, Department of Sociology, University of Exeter.

Ecevit, M. C., 1999, *Kırsal Türkiye'nin Değişim Dinamikleri*, Ankara: Kültür Bak Yay.

Ecevit, M. C. and Y. Ecevit, 2002, "Kırsal Yoksullukla Mücadele: Tarımda Mulksuzlesme ve Aile Emeginin Metalasmasi" (Combating Rural Poverty: Unpropertiedness and Commodification of Domestic Labour), in Y. O. Todai, ed., *Yoksulluk Siddet ve İnsan Haklari (Poverty, Violence anf Human Rights)*, No. 311, Ankara.

Erdogan, G., 2003, *Yoksulluk Ölçümleri Üzerine Değerlendirmeler ve Avrupa Birliđi'nde Yoksulluk (Analysis of Poverty Measures and Poverty in EU)*, Istanbul: Deniz Feneri Derneđi.

Eurostat, 1998, 31st Meeting of the Statistical Programme Committee, http://europa.eu.int/estatref/info/sdds/en/ilc/ilc_spc_guidelines.pdf (accessed 8 July 2006).

Eurostat, 2003, Working Group "Statistic on Income, Poverty and Social Exclusion," Doc. E2/IPSE/2003, <http://www.pos.ie/eusilc/documents/Laeken%20Indicators%20-%20calculation%20algorithm.pdf> (accessed 10 July 2006).

Eurostat, 2004, *Statistics in Focus, Poverty and Social Exclusion in the EU*, Bruxelles: Eurostat.

Eurostat, 2004a, *Statistics in Focus, Monetary Poverty in EU, Accession and Candidate Countries*, Bruxelles: Eurostat.

Gurses, U., 2004, "Pazarlama Yanlıř" (Marketing is Wrong), *Radikal Gazetesi*, <http://www.radikal.com.tr/haber.php?haberno=123618> (accessed 30 December 2004).

ILO, 2005, *Labour Statistics*, <http://laborsta.ilo.org/cgi-bin/brokerv8.exe> (accessed 1 September 2005).

Kalaycioglu, S., F. Kardam, S. Tuzun and M. Ulusoy, 1998, "An Essay on Development of Socio-Economic Measurement Scale for Turkey," *Toplum ve Hekim*, 13(2), pp. 126-137.

Karakas, M., 2004, "Gelir Dađılımı Sonuçları Üzerine Bir Deđerlendirme" (An Evaluation of the Results of Income Distribution), Discussion Paper, No.1, Ankara: The Turkish Economic Association, <http://www.tek.org.tr/toplanti/toplantipdf/SUNUS-M-KARAKAS.pdf> (accessed 20 December 2004).

Komsu, U. C., 2005, "Informal Ekonomik Faaliyetler ve Türkiye'de Kent Yoksulluđu" (Informal Economy and Urban Poverty in Turkey), *Endüstri İliřkileri ve İnsan Kaynakları Dergisi*, 7(2), pp. 130-158, Ankara.

Köse, A. H., 2005, "Türkiye'de Faktör ve Varlık Gelirlerinin Sınıfsal Temeli Üzerine Gözlemler" (An Essay on Class Basis of Factorial and Wealth Incomes in Turkey), *Toplum ve Bilim (Society and Science)*, 104, November, pp. 22-47, Ankara.

Marx, K., 1996, *Capital*, Vol. I, in *Marx-Engels Selected Works*, Vol. 35, London: Lawrence and Wishart.

Ozmen, M., 2004, "Final Report of Traineeship about Statistics on Income and Living Conditions Survey," Athens Traineeship Report, unpublished manuscript.

Parkin, F., 1990, "Toplumsal Tabakalaşma" (Social Stratification), in T. Bottomore, R. Nisbet and V. Yayınları, eds., *Sosyolojik Çözümlemenin Tarihi (History of Sociological Analysis)*, Ankara: Kirmizi.

Seddon, D. and R. Marquies, 1984, "The Politics of Agrarian Question in Turkey: Review of a Debate," *Journal of Peasant Studies*, 11(3), pp. 28-59.

Salila, S. and H. Hiilamo, 2004, "Rethinking Relative Measures of Poverty," LIS Working Paper Series, No. 368, <http://www.lisproject.org/publications/liswps/368.pdf> (accessed 8 July 2006).

SIS, *National Account Statistics*, <http://www.tuik.gov.tr> (accessed 8 July 2006).

SIS, 2003, "İllere Gore GSYİH'nin Dağılımı" (Distribution of GDP by Regions), <http://www.die.gov.tr/TURKISH/SONIST/GSYIH/160503t5.gif> (accessed 11 September 2005).

SIS, 2004, *Household Budget Survey 2003*, <http://www.die.gov.tr/TURKISH/SONIST/HHGELTUK/140904/140904.htm> (accessed 8 November 2004).

SIS, 2004a, *Genel Tarım Sayımı (VII. General Agricultural Inventory)*, Ankara: DJE Matbaası.

SIS, 2004b, *Labour Force Survey*, Ankara: DİE Matbaası.

SIS, 2005, *SIS Data Dictionary*, <http://www.die.gov.tr/TURKISH/SOZLUK/dataa.html> (accessed 25 August 2005).

SIS, 2005a, *Türkiye İstatistik Yıllığı 2004 (Turkey's Statistical Yearbook 2004)*, Ankara: DİE Matbaası.

SPO, 2003, *İllerin ve Bölgelerin Sosyo-ekonomik Gelişmişlik Sıralaması Araştırması (Survey on Socio-economic Development of Regions and Provinces)*, SPO Publication, No. 2671, Ankara.

TURK-IS, Poverty Studies, <http://www.turkis.org.tr> (accessed 8 July 2006).

Weber, M., 1920, "Status Groups and Classes" in G. Roth and C. Wittich, eds., *Economy and Society*. New York: Bedminster Press, 1968, pp. 302-307.

Yerasimos, S., 1986, "Az Gelişmişlik Sürecinde Türkiye" (Turkey in Underdevelopment Process), 3, İstanbul: Belge Yayınevi.

Yukseler, Zafer, 2004, "1994, 2002 ve 2003 Yılları Hanehalkı Gelir ve Tüketim Harcamaları Anketleri: Anket Sonuçlarına Farklı Bir Bakış" (Household Income and Consumption Surveys, 1994, 2002 and 2003: A Different View on Surveys' Results), Discussion Paper, No. 23, Ankara: Turkish Economic Association, <http://www.tek.org.tr/tartisma/pdf/Z-YUKSELER-03ANKET.pdf> (accessed 30 December 2004).