

Report No. 102016-TR

# QUALITATIVE ASSESSMENT OF ECONOMIC MOBILITY AND LABOR MARKETS IN TURKEY: A GENDER PERSPECTIVE

December 2015



# **QUALITATIVE ASSESSMENT OF ECONOMIC MOBILITY AND LABOR MARKETS IN TURKEY: A GENDER PERSPECTIVE**

*A2F Consulting*

This report was prepared by A2F Consulting. The team would like to express their special thanks and appreciation to

Dr. Anna Trifilova for her valuable contribution, to Dr. Cagla Okten, Dr. Dilek Cindoglu, and

Bulgu Arastirma ve Halkla Iliskiler Ltd. Sti. for the field research

© 2015 International Bank for Reconstruction and Development / The World Bank  
1818 H Street NW  
Washington DC 20433  
Telephone: 202-473-1000  
Internet: [www.worldbank.org](http://www.worldbank.org)

**Standard Disclaimer:**

This volume is a product of the staff of the International Bank for Reconstruction and Development/The World Bank, and it has been produced as part of the “Increasing Women’s Access to Economic Opportunities in Turkey” Project (2012-2017) which is funded by the Swedish International Development Cooperation Agency (SIDA) and implemented by the Ministry of Family and Social Policies (MoFSP) of the Republic of Turkey and the World Bank. The findings, interpretations, and conclusions expressed in this paper do not necessarily reflect the views of MoFSP, SIDA, the Executive Directors of The World Bank or the governments they represent. The World Bank does not guarantee the accuracy of the data included in this work. The boundaries, colors, denominations, and other information shown on any map in this work do not imply any judgment on the part of The World Bank concerning the legal status of any territory or the endorsement or acceptance of such boundaries.

**Copyright Statement:**

The material in this publication is copyrighted. Copying and/or transmitting portions or all of this work without permission may be a violation of applicable law. The International Bank for Reconstruction and Development/The World Bank and the Ministry of Family and Social Policies (MoFSP) of the Republic of Turkey encourages dissemination of its work and will normally grant permission to reproduce portions of the work promptly.

## TABLE of CONTENTS

<b>ABBREVIATIONS:</b> .....	<b>4</b>
<b>Executive Summary</b> .....	<b>5</b>
<b>1. Introduction</b> .....	<b>7</b>
<b>2. Hypotheses and Research Approach</b> .....	<b>9</b>
<b>2.1 Hypotheses</b> .....	<b>9</b>
<b>2.2 Research Approach</b> .....	<b>10</b>
<b>2.3 Profile of communities interviewed</b> .....	<b>11</b>
<b>2.4 Profile of women and men interviewed</b> .....	<b>12</b>
<b>3. Research Findings</b> .....	<b>13</b>
<b>3.1 Economic Mobility and the Middle Class</b> .....	<b>13</b>
<b>3.1.1 Economic Distribution and the Middle Class</b> .....	<b>13</b>
<b>3.1.2 Causes of Upward and Downward Economic Mobility</b> .....	<b>18</b>
<b>3.1.3 Education and Training</b> .....	<b>18</b>
<b>3.1.4 Women’s Economic Mobility</b> .....	<b>20</b>
<b>3.2 Access to Labor Markets and Entrepreneurship Opportunities</b> .....	<b>21</b>
<b>3.2.1 Job Preferences</b> .....	<b>22</b>
<b>3.2.2 Barriers to Entrepreneurship</b> .....	<b>25</b>
<b>3.2.3 Women’s Access to Labor Markets</b> .....	<b>26</b>
<b>3.3 Barriers and Removing Barriers to Economic Participation</b> .....	<b>29</b>
<b>3.3.1 Education and Training Seen to Increase Economic Participation</b> .....	<b>29</b>
<b>3.3.2 Removing Barriers to Economic Participation for Women</b> .....	<b>32</b>
<b>3.3.3 Secondary Barriers to Economic Participation: Social/Political Contacts, Access to Credit, and Lack of interest</b> .....	<b>34</b>
<b>3.3.4 Social Assistance Programs</b> .....	<b>36</b>
<b>3.4 Impacts of Labor Market and Social Assistance Policies</b> .....	<b>38</b>
<b>4. Conclusion</b> .....	<b>39</b>
<b>Annex 1: Turkey Country Context</b> .....	<b>42</b>
<b>A.1.1 Political, Social and Economic Context</b> .....	<b>42</b>
<b>A.1.2 Women’s Role in Society and Economy</b> .....	<b>44</b>
<b>A.1.3 Labor Policy Reforms in Turkey</b> .....	<b>46</b>
<b>Annex 2: Community Profiles Key</b> .....	<b>48</b>
<b>Annex 3: Bibliography</b> .....	<b>49</b>

**ABBREVIATIONS:**

ALMP	Active Labor Market Program
CPI	Consumer Price Index
ECA	(Eastern) Europe and Central Asia
EPL	Employment Protection Legislation
EU	European Union
FAO	Food and Agriculture Organization
FDI	Foreign Direct Investment
FLFPR	Female Labor Force Participation Rate
GDP	Gross Domestic Product
HDI	Human Development Index
HDR	Human Development Report
IFAD	International Fund for Agricultural Development
ILO	International Labor Organization
IZA	Forschungsinstitut zur Zukunft der Arbeit (Research Institute for the Future of Labor)
LFP	Labor Force Participation
MDG	Millennium Development Goal
MENA	Middle East and North Africa
MIST	Mexico India South Korea Turkey
MSME	Micro, Small and Medium sized Enterprises
OECD	Organization for Economic Co-operation and Development
SME	Small and Medium sized Enterprises
TVE	Technical and Vocational Education
UN	United Nations
UNDP	United Nations Development Program
WB	World Bank
WDR	World Development Report

## **Executive Summary**

1. Turkey has recently experienced significant population growth, GDP growth, and modernization. The economic structure in Turkey has been changing rapidly due to privatization and global growth. The distribution of skills in the labor force, however, has not developed in parallel with this economic structural shift, and female participation rates in particular have declined.

2. Therefore, this report examines men and women's perception of factors that are perceived to shape their economic mobility, access to labor markets, and entrepreneurship opportunities across multiple community contexts in Turkey. Relevant literature and data was first reviewed to inform the hypotheses and survey analysis. The survey, described further in section 2, included focus group sessions, in-depth interviews, and individual life stories from five communities in Turkey. Research findings are presented in section 3, and relevant policy recommendations and areas for further research are outlined in the conclusion section.

3. Based on the review of the relevant literature, it is expected that in terms of the middle class overall, men and women would report a lack of education and appropriate skills as barriers to both employment and entrepreneurship opportunities. It was expected, further, that traditional views of women's roles would be reported as having a significant negative impact on women's labor force participation. The primary findings of the survey, which generally support the hypotheses, are as follows:

- Both men and women generally agree that their communities are more prosperous than 10 years ago; however, women are much more pessimistic about the overall economic standing of their communities.
- Despite the perceived rise in prosperity, finding a job is increasingly difficult. Respondents – both employers and employees – report that the working class currently lacks the skill sets demanded by the labor market; thus, training is seen as extremely important for increasing access to employment.
- Education/training and new jobs were the two main factors cited as essential for a household's upward economic mobility. In addition, many survey participants described that higher education is especially important for rural women, since women with low education levels have no hope to advance their economic situation independent of men.
- Unemployment was the main factor cited as a cause of downward economic mobility. Secondary factors were the rising cost of living, and debt or lack of credit.
- Lack of capital is one of the most severe limitations to entrepreneurship opportunities. Many individual business owners reported turn to their families for start-up capital. Lack of capital is also considered a significant risk of downward mobility in general.
- Many respondents consider large shopping malls and outlets to be damaging to the success of small businesses. This is especially seen in the more well-off communities. This is perceived to limit entrepreneurship overall.
- Respondents are unaware of most recent policies affecting the labor market or social assistance institutions available to them. The one policy that most respondents are aware of was the requirement of 6 months of paid maternity leave; there are concerns that this new policy would discourage employers from hiring women.
- The most significant policy change that is seen to have potential for improving women's economic mobility is subsidized or incentivized childcare. Women overwhelmingly reported that the cost of childcare completely counteracted the benefit of employment.

- Cultural gender norms are the most significant hindrance to women's participation and opportunities in the labor market. Husbands usually have control of finances, while childcare and taking care of the house are typically seen as women's responsibilities. This limits women's access to education, employment opportunities, and capital.
- There is a major gap in perceived entrepreneurship opportunities for men and women. A majority of respondents said that starting a business would be easier for a man than for a woman, in terms of familial support and business credibility. Because women rarely have control over or even access to household finances, lack of credit is a severe detriment to their entrepreneurship options.
- However, respondents report that younger girls' opportunities for education and for employment are increasing, and it may be possible that a shift in women's equality with the younger generations will bring about sustained improvement in overall economic mobility for women. Even respondents who relayed personal stories about being denied an education by their parents, or discouraged from working by their spouses, mentioned changing opinions among the younger generation regarding women's roles in education and the workplace.

## 1. Introduction

4. Turkey, an upper middle-income country that began accession membership talks with the European Union (EU) in 2005, is located in the strategic geographic position controlling the Turkish Straits that link the Black and Aegan Seas. Its largely free market economy is increasingly driven by its industry and service sectors, although its traditional agricultural sector still accounts for about 25% of employment.<sup>1</sup>

5. Turkey is officially called the Republic of Turkey, and its Capital is Ankara. It is a Republican democracy, with a population of approximately 74.9 million, and covers 783,562 square kilometers.

**6. Turkish social structure is largely defined by regional differences between the East and the West, where the West is more industrial in character, and the East is more rural and less developed.** Internal migration has had a direct impact on the population distribution within the country, as three out of four citizens now live in cities. In addition, the population is young, and about 25% of the population is of compulsory schooling age<sup>2</sup>, contributing to the reasons why the educational sector has gained particular significance in shaping the country's future. However, secondary and tertiary education completion rates are still low, and girls are still disadvantaged by the educational system.

**7. Turkey is known as one of the new "it" economic blocs in town**, standing along Mexico, Indonesia, and South Korea in the group collectively known as MIST. Turkey is seen as a new haven for investment after markets in the BRICS (Brazil, India, China, and South Africa) have slowed recently. Turkey ranked as the world's 24<sup>th</sup> most attractive destination for Foreign Direct Investment (FDI) in 2014, according to the A.T. Kearney FDI Confidence Index, with FDI inflow to Turkey at USD 12.5 billion, compared to USD 9 billion in 2010. However, Turkey faces challenges in terms of poverty, unemployment, wellbeing, and living standards. In the medium and longer term, Turkey meet hurdles as it competes with other emerging economies, and one of its key challenges is its inability to productively employ its human capital.<sup>3</sup>

**8. The economic structure in Turkey has been changing structurally, from agriculture to industry and services, because of urbanization, privatization, and global growth in its competitive sectors of clothing, agribusiness, cement, and others.** This structural shift, however, has not been paralleled by shifts in the skills of the labor force. This study argues that Turkey could improve productivity by looking to other emerging economies, including Malaysia, Korea and Brazil, and emulating relevant strategies, such as making significant investments in the education and skills of its workforce. In addition, the findings suggest that businesses in the country would do best to invest in the future pipeline of talent, reaching out to educational institutions in the country to help shape the learning needs of the future. In addition, female participation rates have been declining during the past twenty years, contrary to global trends, and this is further complicated by the fact that agriculture is the largest sector for female employment despite its shrinking size in the economy.

**9. In spite of these challenges Turkey's medium-term economic growth and reform prospects are good**, notwithstanding vulnerabilities to further global financial turmoil. It is suggested that key areas for Turkey to focus on in its future economic strategy are promoting the development of micro-, small, and medium-sized enterprises (MSMEs) and enhancing the competitiveness of the Turkish industry, particularly focusing on high value-added industries, and sectoral value chains outside metropolitan areas.

---

<sup>1</sup> CIA Factbook, 2013

<sup>2</sup> CIA Factbook, 2013

<sup>3</sup> "Ready for Takeoff," The 2014 A.T. Kearney Foreign Direct investment Confidence Index



**10. In recent years, changes in the governance structure have taken place in Turkey, as a consequence of structural reforms resulting from changing priorities relating to the country's development that are in line with its EU aspirations.** One reason that Turkey's economy has thrived in the past decade is due to the steps the government has taken toward greater political openness. These changes have helped propel it from the world's 26<sup>th</sup> largest economy to the world's 17<sup>th</sup> largest economy<sup>4</sup>. The country has brought its inflation rate down from 25 percent in 2003 to 7.5 percent in 2013 and made its last IMF payment in May 2013.<sup>5</sup> Turkey would like to become one of the 10 largest economies by 2023. In order to continue progress towards this ambitious goal, the country must put in place policies that facilitate economic mobility, support a thriving labor market, and create an enabling environment for entrepreneurs.

**11. Economic mobility, supported by a thriving and open labor market, targeted policies and an enabling environment for entrepreneurs, is a key requisite for improving living standards, wellbeing, and the reduction of unemployment and poverty.** Turkey experienced remarkable economic growth rates over the last decade, along with near eradication of extreme poverty and significant reduced poverty and unemployment rates. The unemployment rate was an average 10.81 percent between 2005 and 2013, and hit a low in January of 2012 at 8.1 percent<sup>6</sup>.

**12. While rural poverty has declined in the country over the past ten years, extreme disparities of income and poverty levels persist across Turkey.** Although absolute poverty in Turkey is low based on an international standard, economic vulnerability is a widespread problem. Although Turkey has made considerable progress in improving the quality of life of its citizens over the past two decades, it ranks low compared to the OECD averages of household net-adjusted disposable income, the labor participation rate of people aged 15 to 64, and in the percentage of adults aged 25-64 who have earned the equivalent of a high school degree<sup>7</sup>.

**13. At the same time, the labor force is characterized by a huge gender gap with low female participation and low employment opportunities for women.** Currently, 76 percent of men are in paid work, compared with 32 percent of women<sup>8</sup>. Thus, this report on Economic Mobility and Labor Market Opportunities in Turkey has a special focus on gender inequality. The report is the result of field research in Turkey carried out by A2F Consulting and its partners in June and July 2013, on behalf of the World Bank. It investigates three specific topics: (i) economic mobility and the middle class; (ii) access to labor markets and entrepreneurship opportunities; and (iii) the impacts of selected labor market and social assistance policies.

**14. The research team carried out extensive stakeholder consultations including interviews and in-depth focus group discussions on these topics.** To cover diverse social and economic backgrounds, the sample encompasses five communities ranging from a middle class urban neighborhood with high portions of formal employment to poorer urban and rural areas, where informal employment dominates. Interviews and focus groups encompass sex-disaggregated focus group discussions with wage earners and unemployed adults to discuss economic mobility and the labor market; selected individual interviews with key community informants to provide insights into the local context; and in-depth interviews with employed adults, unemployed adults, and entrepreneurs to enable a more detailed analysis.

---

<sup>4</sup> CIA Factbook, 2012

<sup>5</sup> World Bank Development Indicator, Inflation – Consumer Prices (Annual %), 2003-2013

<sup>6</sup> Eurostat, Unemployment Rate by Age and Sex Groups, monthly average %, 2013

<sup>7</sup> World Bank Development Indicators, 2012-2013

<sup>8</sup> World Bank Development Indicators, Labor Force Participation Rates for men and women, (% of populations age 15-64), 2013

**15. The report is structured in three main sections, with one annex:** The first section describes the research approach and defines hypotheses, which are later addressed using the qualitative survey information. The second section presents the results and findings derived from the analyzed information and data. The final section summarizes the main conclusions and provides recommendations for policy makers. Finally, the annex covers an overview of the country context with special emphasis on the labor market in Turkey, women's roles in society and economy, and labor policy reforms in Turkey.

## **2. Hypotheses and Research Approach**

### **2.1 Hypotheses**

16. To summarize the preliminary research done, it was found that important factors that influence the economic mobility are: education, familial wealth, family structure and traditional gender roles, health, formal employment and general issues, like economic growth, and labor policies. The research and review of relevant literature informed the analysis of the survey data with a number of hypotheses:

#### **Economic mobility and the middle class**

17. Based on the literature review, the hypothesis would be that survey respondents will report that their communities are more prosperous than 10 years ago. However, as Turkey has a much lower female labor participation rate than the OECD average<sup>9</sup>, it is expected to see significant discrepancies among men and women in job preferences and perceived economic opportunities. It is also expected that education and training will be considered the most important factor for upward economic mobility. It is equally expected that women will have lower education levels, and that this will have inhibited their economic mobility and job prospects.

#### **Access to labor markets and entrepreneurship opportunities**

18. Based on the literature review, the hypothesis will be that formal employment will be reported as much more desirable than informal employment, due to higher and more secure wages<sup>10</sup>. Since, in the literature review, it was learned that more women work in the informal sector, it is expected that surveyed women prefer part-time work more than men do. It is expected that barriers to entrepreneurship are similar to barriers to employment opportunities: lack of education and proper skills.

#### **Removing barriers to economic participation**

19. Based on the literature review, the hypothesis will be that increasing access to higher schooling and skills are critical for expanding entrepreneurship and business success, especially among women<sup>11</sup>. In addition, it is likely that traditional views on gender roles serve as barriers to women's economic participation in Turkey, and in particular that intra-household decisions on female labor market participation depend on social and cultural background. Thus, participation in Active Labor Market Programs should be one way for people to better be prepared to participate in the economy. It is also believed that social assistance such as subsidized or required childcare will also help support women in the labor force. In general, it is believed that although social assistance programs do benefit men and women, they may provide perverse incentives, and thus limit or reduce labor force participation.

---

<sup>9</sup> World Bank Development Indicators, Labor force participation rate, female (% of female population ages 15-24)

<sup>10</sup> Turkish Statistical Institute, Employment and Wage Statistics: Gross Wages and Employment index increased from 2005-2012.

<sup>11</sup> World Bank, "Female Labor Force Participation in Turkey," 2009.

## **Impacts of labor market and entrepreneurship support policies**

20. Given the current disparate participation rate of women in the labor market, the hypothesis will be that the extension of paid maternal leave to six months will benefit women and increase their labor market participation. However, to do so, it is important that laws be enforced to protect women from discrimination in hiring and layoffs. It should also be the case that application of worker's rights and other labor policies should foster the movement of people from the formal to the informal sector.

## **2.2 Research Approach**

**21. The report used individual and focus group interviews as the main instruments to explore factors and processes that shape economic mobility and labor market opportunities of men and women in Turkey.** The qualitative survey put a special emphasis on understanding reasons and barriers for female labor force participation. The fieldwork was preceded and complemented by a comprehensive literature review on the labor market, economic mobility, and entrepreneurship in Turkey, focusing particularly on the literature that presents sex- disaggregated data and analyses. These topics have been examined from a gender lens to better understand the context, and to gain a deeper understanding of the roles men and women play in the labor market and business environment. The study also reviews the institutional dimension of labor market opportunities for men and women in Turkey, including culture and society, political and economic systems, business support infrastructure, legal and regulatory codes, and policy and support measures.

**22. The research program is based on the World Development Reports 2012 and 2013 on Jobs, and Gender Equality and Development (2012a, 2013a).** Based on these reports, the study in Turkey focused on the following three thematic areas with a particular emphasis on the perspectives of men and women, and youth:

1. Economic mobility and the middle class: What factors do women and men perceive to be most important for households to improve or maintain their economic conditions?
2. Factors and processes influencing the access to labor markets and entrepreneurship opportunities, including the influence of cultural and social norms on female labor participation, and possible policies to promote women's economic mobility and access to employment opportunities.
3. Assessment of selected labor market and social policies on employment, employability and socio-economic mobility in Turkey.

**23. Interviews and focus groups took place in five communities of diverse characteristics to include the impact of community and individual characteristics on employment.**

The study approach is a hybrid between open- and closed-ended data collection methods, which features three data collection tools:

1. **Focus group discussions** – In each community 4 focus groups were interviewed. The groups consisted of 8 respondents each, and were split by both gender and employment status (i.e., a group of employed men, a group of unemployed men, a group of employed women, and a group of unemployed women). Focus group discussions covered topics such as economic mobility and the middle class, access to, or constraints in accessing, labor markets and entrepreneurship opportunities, as well as the impacts of labor market policies, and perceptions of social assistance.
2. **Selected individual interviews** with key community informants, such as employers, community leaders, and public assistance office workers, to gain a better understanding of the local context, and as an opportunity to delve in more detail on the topics under study, from both the demand and the supply side.
3. **Case studies** in each community to capture more in-depth life stories of both unemployed and employed women and men.

24. The qualitative research on the five communities provides background and anecdotal evidence of economic mobility and labor opportunities of women and men in Turkey. The data cannot be considered conclusive to draw general and definitive patterns about employment opportunities in the overall population, but they enable more comprehensive insights into employment opportunities.

### **2.3 Profile of communities interviewed**

25. To protect participants' anonymity during the survey, specific community names are not used and the names of respondents have been changed.

**Community 1:** Community 1 is a poor rural community outside of a major city near the southeastern border of Turkey, the only rural community surveyed in this study, and the poorest community of the five surveyed. People in Community 1 mainly work in the informal sector in agriculture, and so resources like land and livestock are most commonly used to measure economic opportunity and wealth. The community is predominantly made up of the poorer and middle classes, without people in higher income levels. One of the main obstacles to development in Community 1 is that it is in a protected area, due to its important archeological sites as an important Roman fortress city. As a result, building in the village is not allowed.

The fact that Community 1 was rural provided a new set of challenges and observations during the research. First, there were less employment opportunities overall, and so the women in the employed focus group sold for the most part farm products (mainly dairy) from their house in addition to working in the home. Additionally, surveyors noted that the women in Community 1 were significantly less educated than those from the urban communities, understood the questions less well and had less to contribute to the conversation generally. Many of the women were also looking after their children (and had more children on average than in other communities) during the discussions and interviews, and were often distracted by them. Additionally, due to the conservative nature of rural communities overall, having men agree to allow their wives to participate was often difficult.

**Community 2:** Community 2 is a poor urban community in the southeastern part of Turkey. Workers in Community 2 are mostly employed in the informal sector and usually earn less than the minimum wage. Construction is an important sector in Community 2.

**Community 3** is a poor urban community located in the periphery of a northwestern city in Turkey. It represents about the mid-level of economic status among the 5 communities surveyed. It is a suburban area, with a mix of salaried workers and informal sector workers. According to the community leader in Community 3, the village was a Greek village in the past, and was founded 95 years ago. The entire community is made up of about 50,000 people. Up to 35 years ago, residents were predominantly immigrants from Greece. Most young immigrants have settled in other neighborhoods, and the ones remaining in Community 3 are mostly older people. The main jobs in the community are related to construction and wholesale, as well as small-scale shops.

**Community 4:** Community 4 is a well-off urban neighborhood near the center of a northwestern city in Turkey. Community 4 boasts a younger population and a large formal sector. A booming construction and real estate sector in Community 4 allows owners of shanty houses to sell their land to contractors in exchange for apartments in high-rise buildings.

**Community 5:** Community 5 is a well-off urban neighborhood near the geographic center of Turkey. It is considered the wealthiest community surveyed. Residents in Community 5 are largely formal sector workers and entrepreneurs. Community 5's main engine of economic growth has been the construction sector, as government initiatives turned shantytowns into middle and upper middle class apartments. However, growth opportunities in the construction sector for the future have been exhausted, and there is a trend now in the city towards building shopping malls in high-density areas, which may result in a disadvantage for small business owners.

2.4 Profile of women and men interviewed

26. **Marital status and head-of-household status:** Of 80 men, 74% (59) described themselves as head-of-household, while only 9% (7) of the women did. Additionally, 18 of the 21 men who were not head-of-household were still sons in their household, and may presumably attain head of household status once they move away from their parents. 86% of the women were the wife of the head-of-household; additionally, all 7 women who reported themselves as head-of-household were employed, and 4 of them were single, divorced, or widowed.

Figure 1: Marital status of 160 focus group respondents (N=40 for each pie chart).

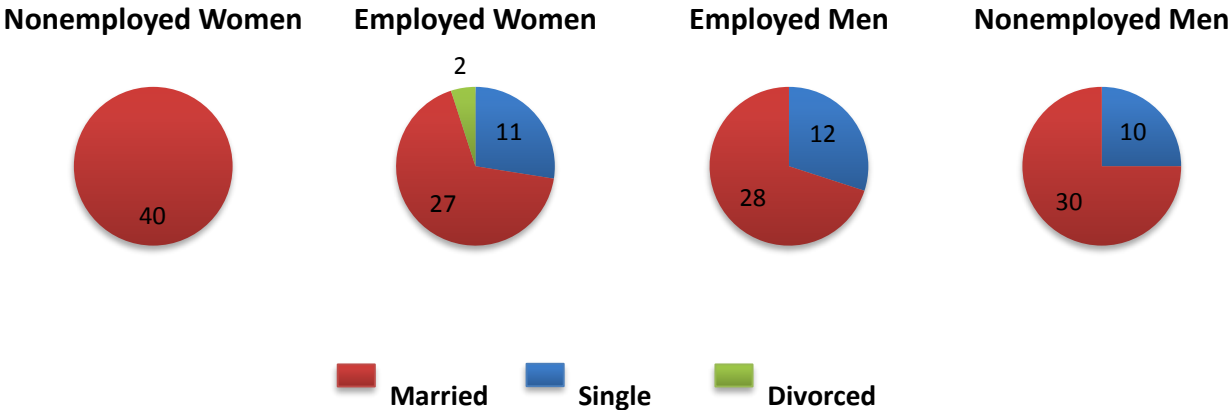


Table 1: Education levels of 160 focus group respondents

	Employed		Unemployed		Total	
	Women	Men	Women	Men	Women	Men
None	13%	5%	28%	5%	20%	5%
Primary	35%	25%	10%	30%	23%	28%
Secondary	43%	43%	48%	58%	45%	50%
Tertiary	10%	28%	15%	8%	13%	18%

27. **Education levels of respondents:** Overall, 20% of the 160 female focus group members were uneducated; only 5% of men were. This difference was more pronounced among the unemployed respondents – 28% of women in that group were uneducated, and 5% of men were. There was also less of an obvious connection between tertiary education (college or university) and unemployment – while only 8% of unemployed men had a tertiary-level education, 15% of unemployed women did, even though men overall were more likely to have achieved a tertiary education.

### 3. Research Findings

#### 3.1 Economic Mobility and the Middle Class

28. All of the focus group respondents were asked whether they thought their communities were more or less prosperous than they were 10 years ago. Respondents generally agree that their communities have increased in prosperity over the last 10 years. However, even while women follow this trend, they tend to rate their communities as less prosperous overall (see Figure 3)..This may be due to that women face more obstacles to the work force and to education, and are thus more aware of hardships within the community.

29. Education and new jobs were the two main factors cited as essential for a household's upward economic mobility. Women were more than twice as likely as men to cite new jobs as a key factor; this suggests that women especially feel constraints regarding employment opportunities.

30. The limitation of women's employment is mostly due to societal gender norms. Accepted gender roles cause families to discourage women from both working and seeking education. Women who are denied education are less likely to find work, and women in general are likely to be discouraged by their husbands from working. This is especially a problem considering the fact that having two household wage earners is a major factor in moving upward from the middle class to the upper class; as middle class women are prevented from achieving education and work experience, the entire family misses a key economic opportunity for growth.

##### 3.1.1 Economic Distribution and the Middle Class

31. As part of the survey, employed respondents estimated the distribution of living quality by placing the population on a series of "ladder steps." First, respondents were asked to define different ladder steps representing different levels of economic standing in their community.

32. The similarities in the ladders of life constructed by the five diverse communities are striking. They are aggregated here:

- Typically the bottom step – **Poverty** – is composed of people who work at temporary jobs in the informal sector, lacking social security insurance or living on social assistance. This was considered the lowest level of economic stability.
- The ladder step **At Risk** is considered to be just above the bottom of the ladder, and is typically composed of minimum wage earners in the formal private sector. These were described as people who rent a home, and often have difficulty making ends meet. Some focus groups categorized the second step as below the poverty line; others, like the men's group in Community 5, did not consider this step below the poverty line, though they described it similarly to the poverty level. Some groups considered the *At Risk* level to include people who may receive social assistance, and who usually are less educated than the higher classes. Generally, the *At Risk* level was the very lowest portion of the middle class, in terms of economic power.
- The **Middle Class** is composed of public sector employees and mid-level employees in the private sector. These people were described as typically owning a home, and possibly a car. In Community 1, which is a rural community, land ownership was an important characteristic of the middle class. Entry-level public sector workers were usually put into this category.
- The **Very Rich**, at the top of the social ladder, were characterized by home ownership, multiple car ownership, and, most importantly, 2 incomes in a household. These members of society were said to be able to take vacations, to possibly own multiple homes or luxury apartments, and to have only 1-2 children. In Community 1, the group at the top of the social ladder was most significantly identified by large amounts of land.

**Table 2: Summary of Ladder Step Descriptions by Focus Group Respondents of Different Communities**

	Very Rich	Middle Class	At Risk	Poverty
<b>Community 5</b>	<ul style="list-style-type: none"> <li>- 2 incomes</li> <li>- Own house(s)</li> <li>- Own luxury car(s)</li> <li>- Rent luxury apartments</li> </ul>	<ul style="list-style-type: none"> <li>- 1-2 children</li> <li>- Not dependent</li> <li>- Public sector</li> <li>- Own a car</li> </ul>	<ul style="list-style-type: none"> <li>- Minimum wage</li> <li>- Difficulty making ends meet</li> </ul>	<ul style="list-style-type: none"> <li>- Live in slums</li> <li>- Only one worker / unemployed</li> <li>- Jobless men</li> <li>- Receive social assistance</li> </ul>
<b>Community 4</b>	<ul style="list-style-type: none"> <li>- Own land</li> <li>- Own house(s)</li> <li>- Own luxury car(s)</li> <li>- Take vacation</li> <li>- High level jobs</li> </ul>	<ul style="list-style-type: none"> <li>- 2 incomes</li> <li>- Own a car</li> <li>- Work in public or private sector</li> </ul>	<ul style="list-style-type: none"> <li>- Minimum wage</li> <li>- Receive social assistance</li> <li>- Low education</li> </ul>	<ul style="list-style-type: none"> <li>- Minimum wage</li> <li>- Rent or live in slums</li> <li>- 5-6 children</li> </ul>
<b>Community 3</b>	<ul style="list-style-type: none"> <li>- Own house(s)</li> <li>- Own car(s)</li> <li>- Rent luxury apartments</li> <li>- Work in trade</li> <li>- 1-2 children</li> </ul>	<ul style="list-style-type: none"> <li>- Work at a middle level or own a small enterprise</li> <li>- Own a house</li> <li>- Own a car</li> </ul>	<ul style="list-style-type: none"> <li>- Rent</li> <li>- Low education</li> <li>- 3+ children</li> <li>- Minimum wage</li> </ul>	<ul style="list-style-type: none"> <li>- Live in slums</li> <li>- Women clean part-time</li> <li>- Receive social assistance</li> </ul>
<b>Community 2</b>	<ul style="list-style-type: none"> <li>- 2 incomes</li> <li>- Own house(s)</li> <li>- Own car(s)</li> <li>- Take vacation</li> </ul>	<ul style="list-style-type: none"> <li>- Low-level public sector</li> <li>- Rent</li> <li>- 1 income</li> </ul>	<ul style="list-style-type: none"> <li>- Low-level private sector</li> <li>- Minimum wage</li> <li>- Rent</li> <li>- Not dependent</li> </ul>	<ul style="list-style-type: none"> <li>- Receive social assistance</li> <li>- Can't afford rent/utilities</li> </ul>
<b>Community 1</b>	<ul style="list-style-type: none"> <li>- Own much land</li> <li>- Employed</li> </ul>	<ul style="list-style-type: none"> <li>- Own some land</li> <li>- Own a small house</li> <li>- Own an old car</li> <li>- Employed</li> </ul>	<ul style="list-style-type: none"> <li>- Live in shanty</li> <li>- Have occasional part-time work</li> </ul>	<ul style="list-style-type: none"> <li>- Live in shanty</li> <li>- Unemployed</li> <li>- No land</li> <li>- 5-6 children</li> </ul>

33. Most importantly, the responses about what the “middle class” constituted were mostly consistent. A family in the middle class would most likely have one wage earner (the husband) working in a public or steady mid-level private sector job; they are not dependent on others, do not often struggle to make ends meet, but do not boast the luxuries of the upper class (such as frequent holidays, expensive purchases, etc.). Middle class families may either rent or own a home, and have about 2 children (as opposed to more). The most defining factor illustrated by the focus groups is that middle class families do not require social assistance.

34. After defining the middle class and the other ladder steps of economic status, focus groups were asked to estimate how their community was distributed across these ladder steps at two points in time: 10 years ago and currently. The results are displayed in Figure 2 below. Each group reported their collective perception of the distribution of the ladder steps.

**Example**  
**Ladder Shares in Community 1:**

In Community 1, the most important indication of economic status is land. Poverty is characterized by an out-of-work husband and a lack of land ownership.

Wealth is associated, obviously, with large amounts of land and regular employment, but also with retirement benefits. As in many communities, having many children was characteristic of the lowest class.

In the poorest parts of the community, focus group participants said that women would support their families by knitting, sewing, and selling dairy products. No other part-time jobs for women were mentioned.

Having a regular job is what was considered to bump families up above the poverty line, as well as having retirement benefits.

**Example**  
**Ladder Shares in Community 4:**

In Community 4, a well-to-do urban community, the occupations are various, and thus the state of the very rich and the very poor are more varied than in Community 1.

In Community 4, those living in poverty earn minimum wage or less, live in slums, have 5-6 children, and are often immigrants or seasonal workers (from Anatolia or elsewhere). A low education is considered to prevent one from moving upward to the middle class.

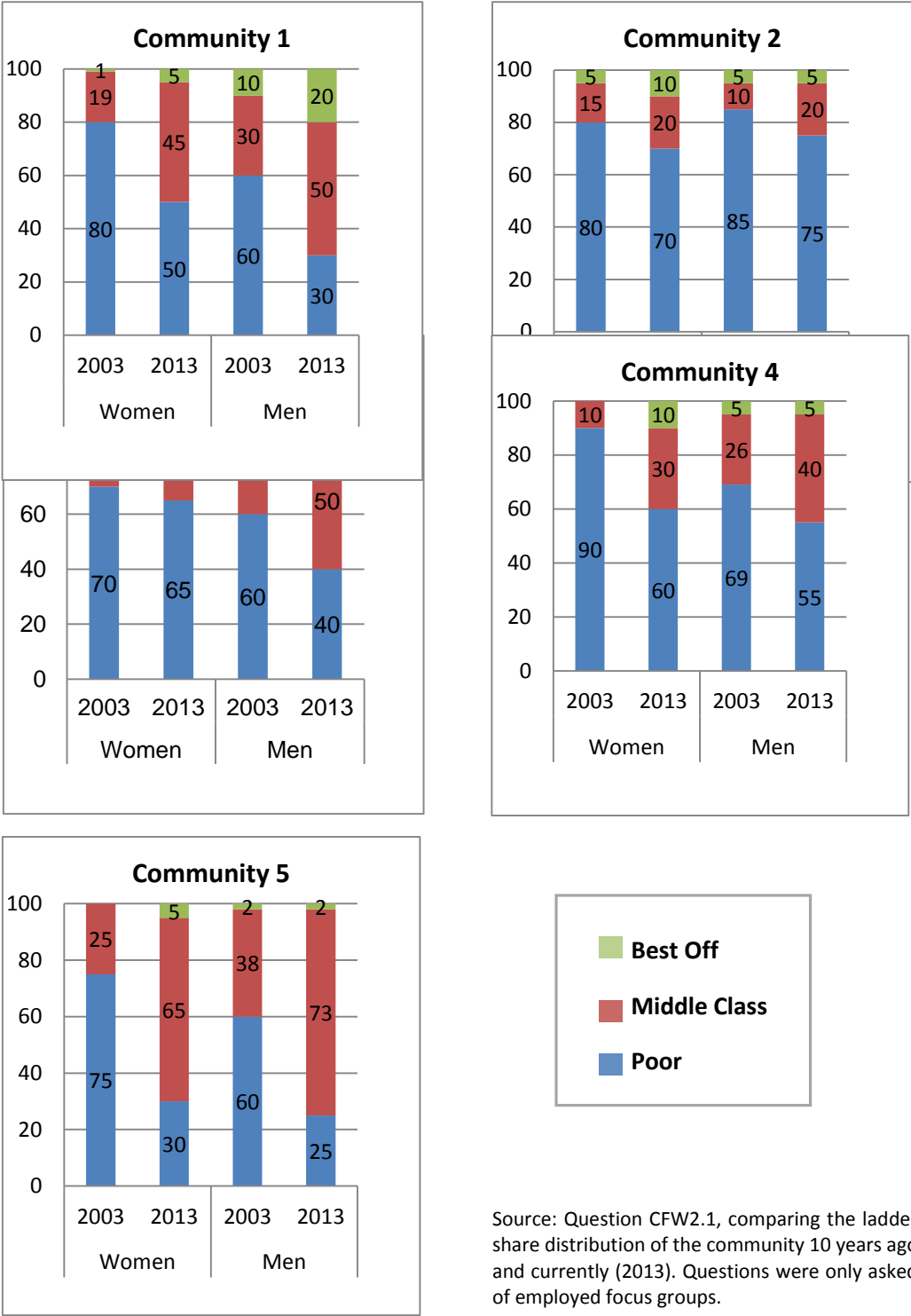
The very rich, on the other hand, were high-level (administrators, owners) in the private and public sector. Many worked in the construction sector.

Even though Community 4 is considered well-to-do, focus group participants estimated that more than half of the community was living under the poverty line.

35. Overall, both men and women see the population today as residing on higher steps in the economic ladder versus 10 years ago (Figure 3). This is consistent with macroeconomic indicators such as the average yearly GDP growth rate of 8.8 percent registered during 2003-2007 and 2.2 percent registered during 2008-2012 (World Bank National Accounts Data). There are more differences between communities than between genders. Only one focus group, the women in Community 3, perceived substantially less mobility than the male focus group there.



**Figure 2: Estimated Ladder Shares for Each Community (Estimates by working focus group participants, n=16 for each community)**

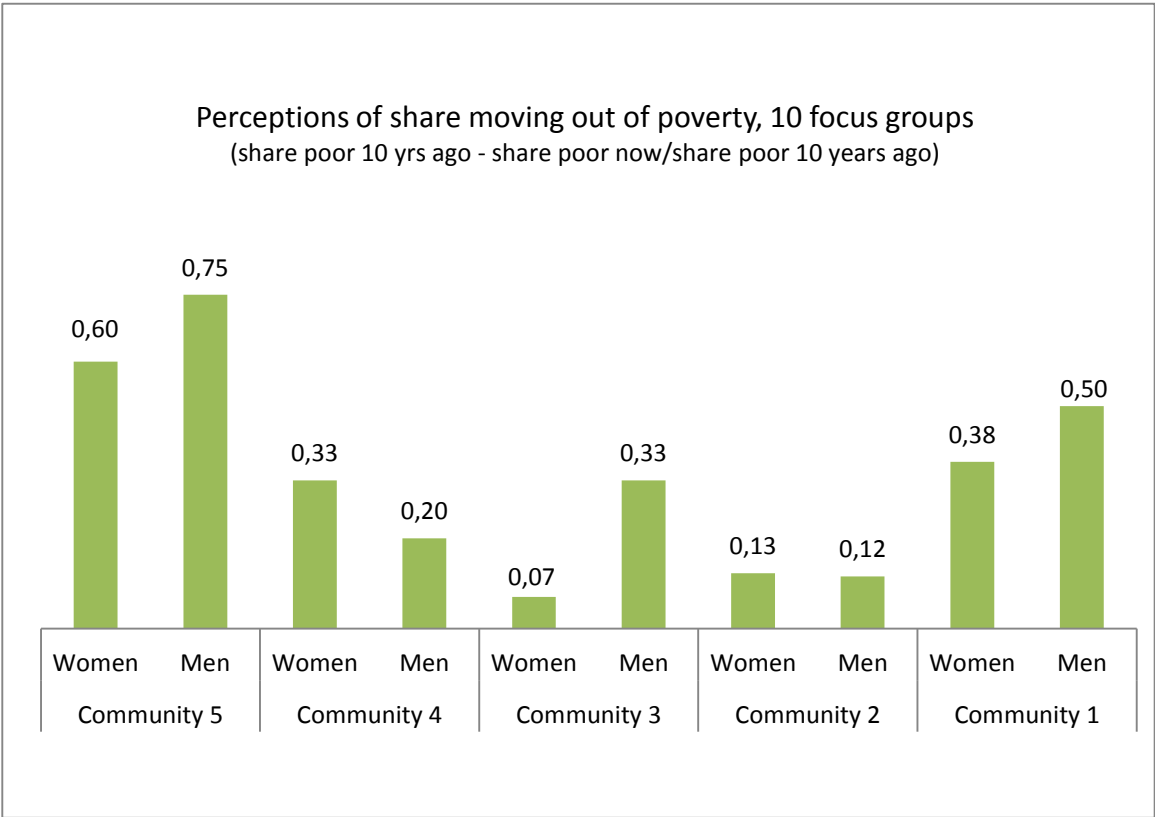


Source: Question CFW2.1, comparing the ladder share distribution of the community 10 years ago and currently (2013). Questions were only asked of employed focus groups.

36. However examining the latter share distributions in figure 2, it is seen that women still rate the economic standing of their community overall lower than men. That is, female focus groups in 4 out of the 5 communities estimated that more people lived in poverty in their communities, even though they agreed that there was significantly less poverty than 10 years ago. This discrepancy may be due to the fact that the men’s focus groups were only considering men in their estimates, or tended to be involved in social groups with people of higher economic status. It’s also possible that because women have less opportunities in the economic market, they have a bleaker view about the state of the economy as a whole.

37. While ladder share distributions indicate that respondents believe that, overall, their communities have less poverty, all but 2 of the 10 employed focus groups said that **the gap between the very rich and the very poor had widened over the last decade**. One employed man in Community 3 said, “The person who had 10 houses 10 years ago now has 30, but the one who was renting is still renting today.” Ayhan, from Community 4, and Oz and Arslan, from Community 5, made the same observations: “There is very rich and very poor now; no one is middle class”... “There isn’t a so-called middle class in Turkey any more.” When asked if they thought inequality had increased or decreased, only male focus groups in Community 1 and Community 2 said that inequality had either decreased or stayed the same. In discussion, all other employed focus groups – including all 5 groups of employed women – said that inequality had increased, and that the middle class had effectively shrunk in the last 10 years. This conflicts with the findings from the class distribution estimates. This may be due to a changing conception of the middle class and poverty (there were no findings related to the perceptions of classes as they change over time).

Figure 3: Perceptions of Share Moving out of Poverty,



Source: Ladder Shares responses and classifications of “middle class” and the poverty line (see ladder shares table and Figure 2 for reference)

### **3.1.2 Causes of Upward and Downward Economic Mobility**

38. Respondents generally agree that their communities have increased in prosperity over the last 10 years. However, even while women follow this trend, they tend to rate their communities as less prosperous than men. This may be due to that women face more obstacles to the work force and to education, and are thus more aware of hardships within the community.

**39. Education/training and new jobs were the two main factors cited as essential for a household's upward economic mobility.** Women were significantly more likely than men to cite new jobs as a key factor; this suggests that women especially feel constraints regarding employment opportunities. This was not expected, according to the literature review; a lack of job opportunities was not expected to be a major concern, especially considering Turkey's overall economic growth.

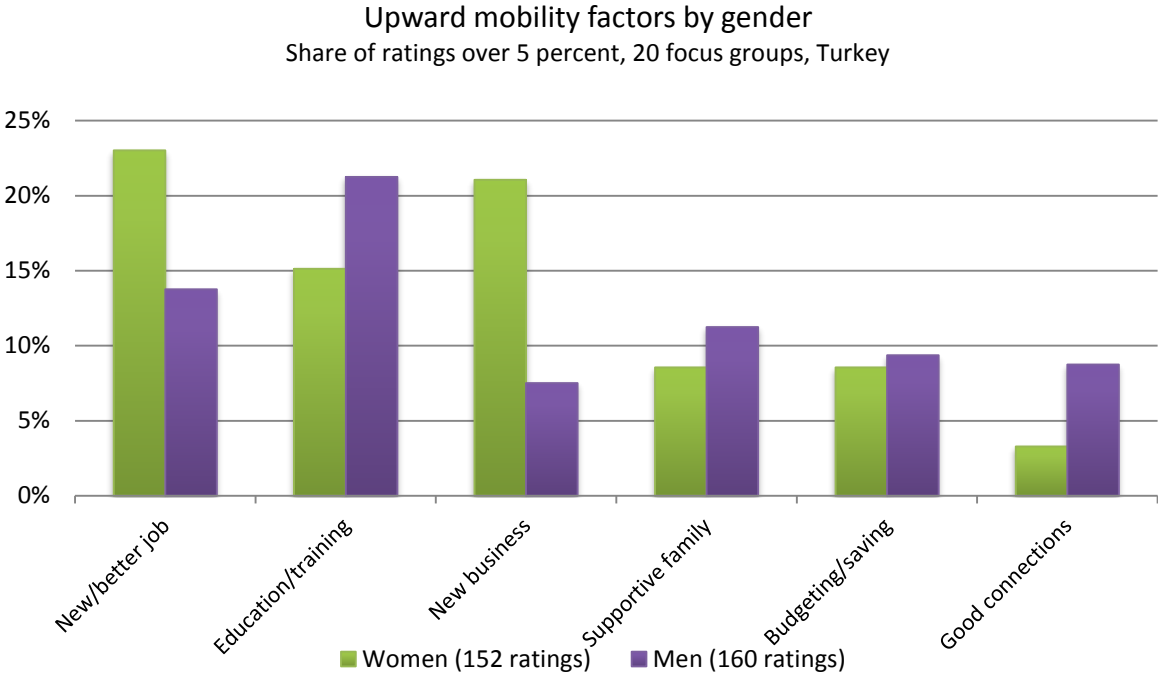
The main factor cited as a cause of downward economic mobility was, unsurprisingly, a lost job or unemployment. Secondary factors cited were the rising cost of living, and debt/lack of credit. Debt was mentioned a few times in focus groups as well. One man from Community 5 went so far as to describe the middle class as "Those who are in debt." He went on to say "Some people don't pay their debts and their houses are levied; In Turkey, everyone is in debt."

### **3.1.3 Education and Training**

**40. Training is considered extremely important for finding employment for both women and men.** The community leader in Community 5 listed lack of training as the main constraint to both men and women's employment. Respondents agreed, and said that the demand for skilled workers has risen: "They want people with training. Even for a home patient care. Firms look for trained individuals, individuals with skill." The employer in Community 4 similarly noted that finding workers with the appropriate skills was a significant problem for his business. Unemployed respondents and men rated training as the most important factor for upward mobility (see Figures 4 and 5).

**41. In addition, many survey participants described that higher education is especially important for rural women,** since women with low education levels have no hope to advance their economic situation independent of men. Their economic fate depends on their fathers, husband and brothers, since in general they are not allowed to work outside of the family farm. While education is also important for urban women, in large urban areas in Turkey, informal jobs such as cleaners, nannies, and cooks are available to these women, even if they have not been educated.

**Figure 4: Upward mobility factors by gender<sup>1</sup>**



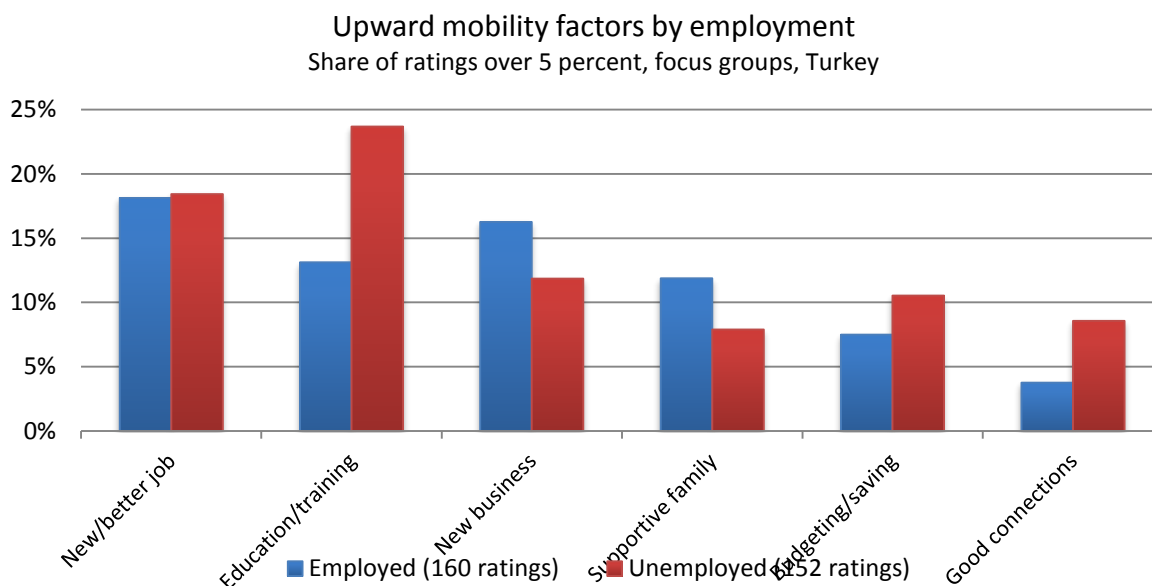
Source: Questions CFW2.4/CFN1.1: “What two factors do you think have been the most important for the [sex of focus group] of this community who have moved their household up the ladder?”/ “What two factors do you think are most important for a [sex of focus group] to help themselves and their household to get ahead in this community?”

**42. While education improves opportunities for employment, women report being discouraged from seeking it.** Two women in Community 5 remembered that it was their fathers, when they were younger, that prevented them from seeking education. Yesim, 34, said “I actually was successful at the university exam, but my dad forbade me from attending because the university was outside of town.” A woman from Community 2 reported that her husband ridiculed her when she sought education, calling it unnecessary: “I took a reading and writing course for two months, and my husband said to me, ‘What job will you get at this age? Anyways, you’re not out in the cold or hungry.’”

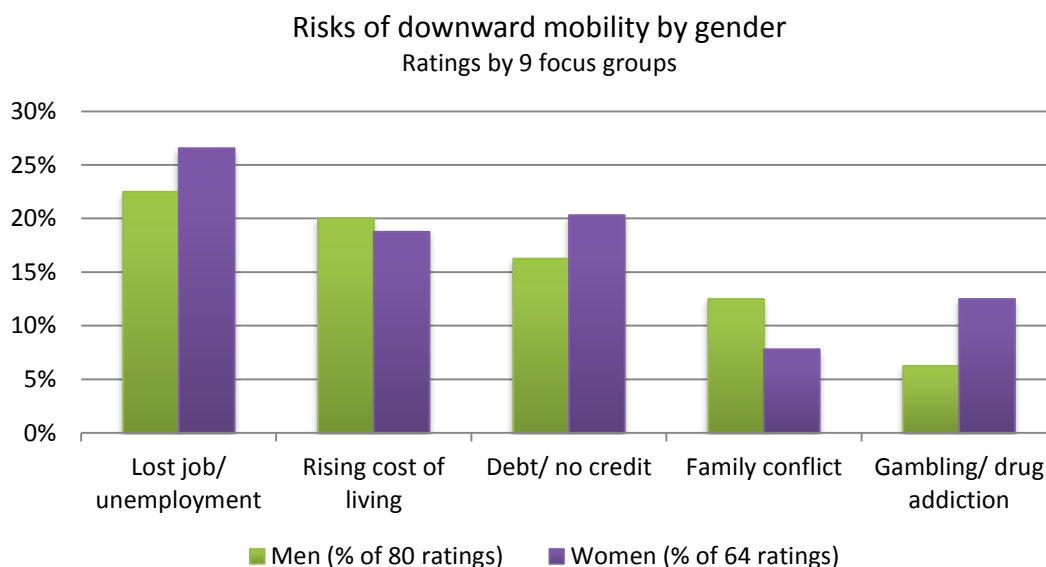
43. Two women in Community 2 were illiterate, and said this hindered their employment possibilities. “If I were literate, I would have worked.” “It is hard if you don’t know how to read or write. I can differentiate the letters, but I can’t read.”

<sup>12</sup> N=152 for women and unemployed responses due to the unemployed women’s focus group in Community 1 rating only the top factor, not the top two factors

**Figure 5: Upward mobility factors by employment - Share of ratings over 5 percent, focus groups, Turkey**



**Figure 6: Risks of Downward Mobility by Gender<sup>2</sup>**



Source: CFW2.5, asked of employed focus groups only: “What two factors do you think have been the biggest risks facing especially the [sex of FGD] in this community, and have resulted in bringing their households down the ladder to a lower step?”

### 3.1.4 Women’s Economic Mobility

**44. Views about women’s place in the home, and in the economy, as well as the lack of affordable childcare options, serve as significant barriers to women’s economic opportunities.** These are perhaps even more significant factors for women than education and training, although these are related issues. The fact that women named “new/better jobs” as the most important factor for their

<sup>13</sup> There are only 64 ratings for women because the women’s focus group in Community 5 (rural) did not respond to the question.

economic mobility indicates that they face a severe lack of employment opportunities. This, according to the respondents, is caused by both familial responsibilities (childcare) and lack of education. Women who are denied education are less likely to find work, and women in general are likely to be discouraged by their husbands from working. The community leader from Community 3 said, “As a culture, people do not want women to work. They prefer to see her sitting at home and taking care of the children.”

**45. Gender disparity was also illustrated by the head-of-household status of the respondents.** While 15 of 16 employed men in Community 5 and Community 2 served as the head of their household, only 5 of the 16 employed women were the head of their household. Three of these women were divorced or single. These examples illustrate anecdotally that in Turkey, men are more likely to be heads of household than are women, and thus are seen to be the main source of economic productivity. Such views support the hypothesis, outlined in the literature review, that females may be non-employed due to the traditional division of gender roles and family responsibility in the household. For example, in Community 2, men admit that they tend to put pressure on women to stay out of the labor force because of social pressure. One interviewee in Community 2 explained that, “When people migrate (to big cities), they (men and women) all work, because people in those areas do not know one another, but in your neighborhood, this cannot happen.” Even female focus group participants expressed an unwillingness to work, expressing that, if the family is getting along well, there’s no reason for the woman to work.

46. Respondents also reported that unemployment is more difficult for men to cope with, which further indicates the presence of gender expectations surrounding the work environment. Ebru, a 36 year old employed woman, stated that this was the case because “he will feel like he cannot meet his family’s needs.” Gonul, 46, also stated that this puts stress on the family, explaining “Couples fight. My neighbor is unemployed. They fight all the time.” However, none of the men identified any difference in how men and women cope, except for stating that it is often easier for women than for men to find part-time work (presumably as nannies, housekeepers, or part-time positions); this seems to be because of a social standard that discourages men from cleaning houses for pay; Munire from Community 5 said “If men are unemployed they stay at home and ask their wives to go clean houses, they say men can’t do this but women can.”<sup>47</sup> In the communities, some women were discouraged by their husbands, families, and even by other women from getting an education, working, or opening a business. Fears of sexual harassment, the burden of childcare, and the prevailing view that the primary (if not sole) responsibility for providing for the household falls on the man, all influence the barriers to women in participating in the economy. In addition, secondary factors in economic participation, such as access to credit and social contacts and political power, were also harder for women to come by, as will be discussed in the next section.

### **3.2 Access to Labor Markets and Entrepreneurship Opportunities**

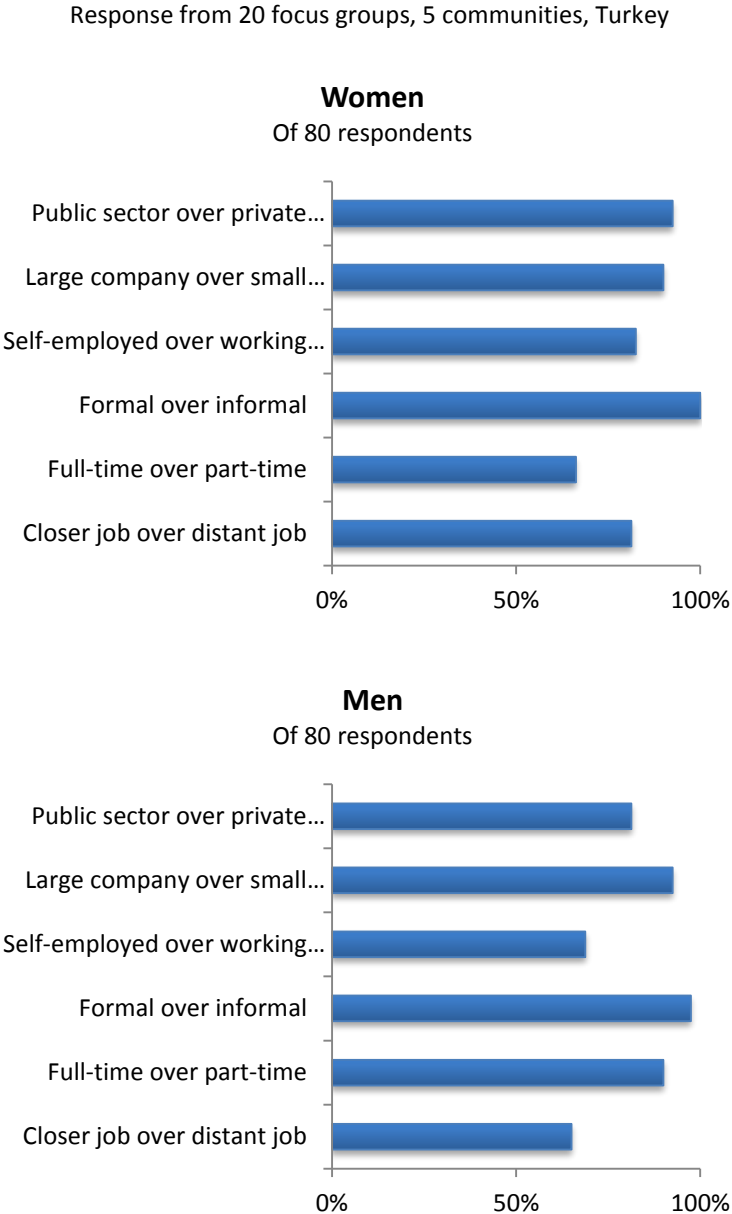
47. It was found that respondents overwhelmingly prefer full-time, formal, public sector jobs. Respondents said that public sector jobs, while they might not always have as high a salary as some private sector jobs, offer dependable hours and benefits, while private sector jobs are often informal and irregular.

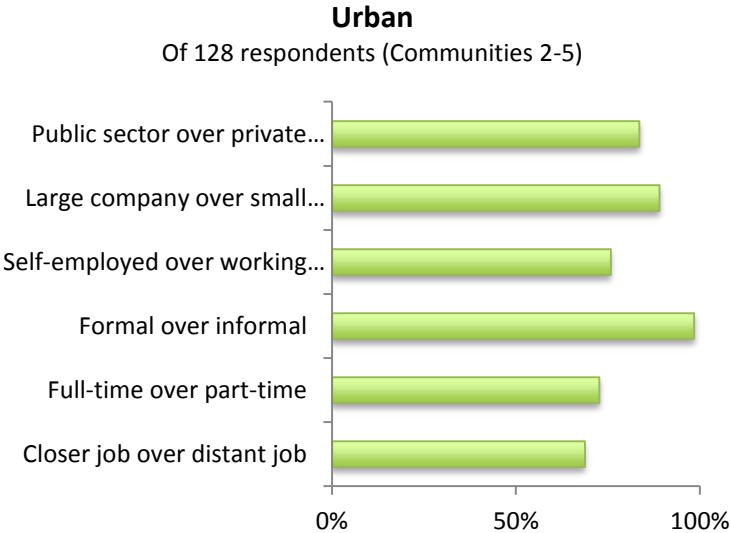
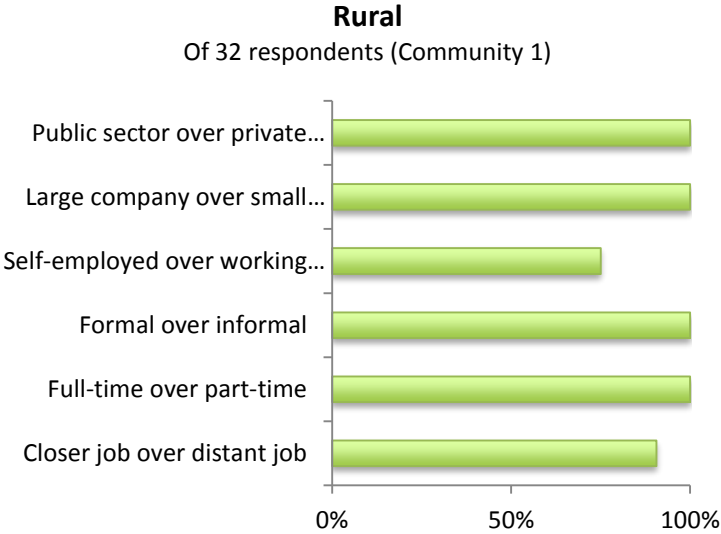
48. Regarding entrepreneurship, there are multiple reports from communities that large conglomerates and outlet stores take business away from smaller, newer business, and that this inhibits peoples’ entrepreneurial endeavors. Women, it was found, faced even more barriers to entrepreneurship, including a lack of capital and, more pervasively, a lack of family support due to gender norms and childcare responsibilities.

3.2.1 Job Preferences

49. Focus groups were next asked to describe what kinds of jobs were most appealing to them, and why. Answers were surprisingly consistent: respondents preferred full-time as opposed to part-time, formal sector instead of informal sector, public instead of private, and at a large company instead of a small company (Figure 7). The only significant discrepancy between men and women’s responses was that women were more likely than men to prefer a part-time job over a full-time job (overall, the majority of women still preferred full-time employment); this confirms the hypothesis, and further supports the idea that women with children feel that they cannot afford to be working full time. Respondents in rural areas and urban areas responded similarly; the only difference was that less of the rural group disagreed with the majority.

Figure 7: Preferred Job Characteristics





Source: Questions OFW3.17-OFW3.22 and OFN2.36-OFN2.41: “Next we would like to get your views of which types of jobs you would most prefer. Please raise your hands to show your preference. Is it preferable to work in a job [choice A] or [choice B]? Why?”

50. It is interesting that respondents overwhelmingly preferred a public job over a private one, considering that in the ladder step exercise discussed in the last section, people at the highest economic steps in the community were described as working in the private sector. This is most likely because of the high value placed on steady work and benefits. In fact, when asked about their ideal job characteristics, respondents said that stability was more important to them than a high income. Women were almost twice as likely as men to cite stability as an ideal job characteristic (Figure 8).

**51. Respondents said that in private sector jobs they felt that their futures were at the whim of a single employer.** In addition, participants in Community 5 stated that the public sector in general is perceived to be a more trustworthy employer for women. Indeed, in Community 2, the length of the working hours in the private sector is named as a reason why women do not participate in the labor force. One employed male interviewee there stated, “In the private sector working hours are too long, in public sector it is 8 hours. In private sector it is 12-14 hours. If she works that long and comes home tired she cannot do housework.” One man, Dag, said that in the private sector, employers often hire

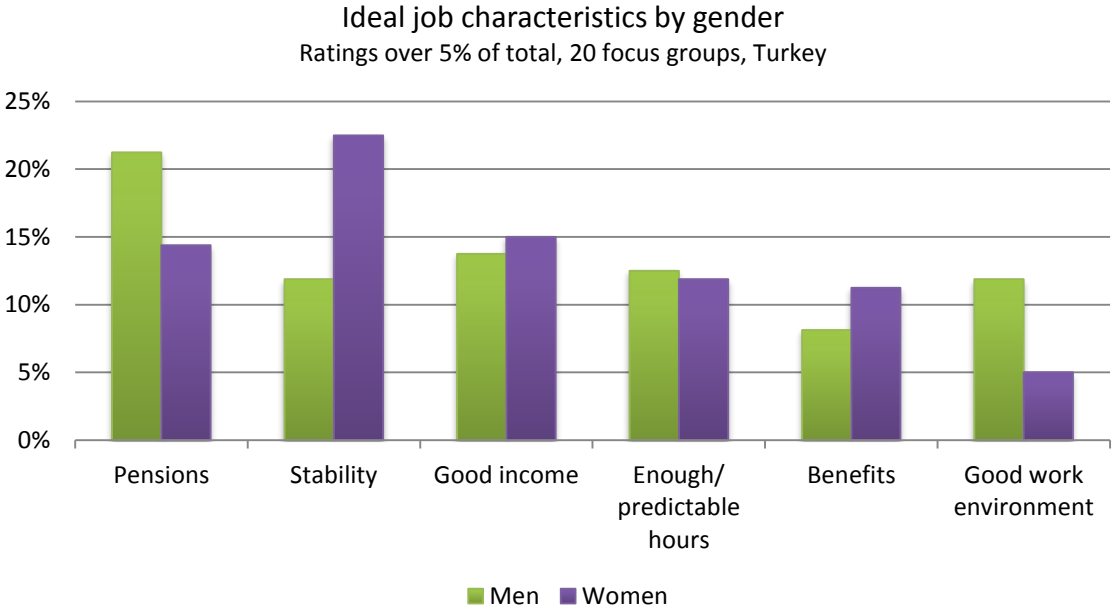


workers for only short periods of time: “Even if they are good employees, employers do not want to pay severance pay to long time employees, so they change them frequently.”

**52. While jobs in the public sector are considered desirable because of their stability, male focus groups and the community leader agreed that jobs in the public sector are given more often to candidates who agree with the political party in power or who have special connections within the government.** When asked about public employment opportunities, Adil, the Community 5 community leader, said: “If you are my man, you’ll be employed; otherwise not.” This was not a factor anticipated in any of the hypotheses, but many respondents – mostly male – reported that it greatly affects employment opportunities in the public sector. The community leader explained that finding a job in the public sector was much harder than 10 years ago; “If you have someone powerful backing you, you can get a job in the public sector. Otherwise, you have slim chances.”

**53. Citing similar reasons about job stability, respondents also overwhelmingly replied that they would prefer to work at a formal job, in a large company, and full-time.** The hypothesis that formal employment is associated with higher and more secure wages was overwhelmingly supported, with all 8 respondents in a majority of the focus groups saying that they would prefer a job in the formal sector over a job in the informal sector. This is probably because jobs in the informal sector are associated with poverty. For example, in Community 5, study participants explained that the implicit assumption is that cleaning houses, working as nannies, cooking pastries at home and selling them outside, and other similar pursuits are employment opportunities for poor women. This aligns with the research that demonstrated that more women than men are employed in the informal, part-time sector.

Figure 8: Ideal Job Characteristics by Gender



Source: Questions CFW3.2 and CFN2.3, “Please select the two characteristics on the chart that would be most important to you when seeking a job.”

**54. Informal jobs provide less stability, less possibility for vacation days, and are less often salaried than jobs in the formal sector.** When asked about their ideal job, focus groups responded that they would prefer a job in the formal sector over the informal sector (see the figure above). In discussion, focus groups reported that informal sector jobs were often short-lived; employers would pay employees under the table so they could fire them at will, often after a very short period of employment.

55. Interestingly, **the formal/informal sector jobs seem to line up along a public sector/private sector divide**. The public sector is regarded as the only provider of regular and permanent jobs; this suggests that most jobs in the private sector are irregular and impermanent. Men from Community 2 confirmed this suspicion, saying that it is very common for employers to pay a part of wages in “envelopes” – i.e., not reported. It is also very common to not register workers in the social security system. While it was anticipated that the formal sector would be in general more desirable, such a stark contrast between public sector and private sector job preferences was not anticipated.

### 3.2.2 Barriers to Entrepreneurship

56. With regards to entrepreneurship, it was anticipated that barriers faced would be similar to barriers to employment; namely, education and training. However, respondents reported a set of difficulties different than that of employees. The employer in Community 4 cited lack of training and debt as the most important reasons for new businesses to close, and the employer in Community 3 said that finding workers with experience is a severe problem for his own business. However, there seem to be more general market problems - many respondents (the community leader and male focus groups in Community 5, the employed women in Community 2) also **blamed monopolies in the private sector** – the “presence of big markets,” “outlets, etc.” – for the difficulties and closing of small businesses. There was a consensus that customers do not patronize small business when larger stores are available, and large enterprises like malls and shopping centers inhibit entrepreneurship in their sector. Additionally, such large private stores are reported to be more common than 10 years ago – the community leader and employer in Community 3 emphasized that while business 10 years ago were small and locally owned, today’s businesses are much bigger and operated by people from other neighborhoods. As the community leader said of the new businesses, “The people of this neighborhood do not have much of a role there.”

57. A lack of capital was also reported as a barrier to entrepreneurship. Most of the working interviewees had borrowed money, usually from family, at some point, and many said that limitations on their amount of capital directly limited their ability to expand or start their businesses. One business owner in Community 5 estimated that “if we had capital, we could realize twofold of the work we are currently doing.”

**58. The unemployed men in general seemed to have a poor view of the way that businesses were developing in their communities.**

One man, Yuzugullu, explained that migrant workers who return after working abroad may open a new business in the community – but that these migrants tend to simply build large buildings (for rent) and maybe open an outlet. They may hire a few people, but don’t create broader industry in the community, and merely profit off of the rent from the building without adding significant value to the community. Another unemployed man, Gungor, explained that in his experience, when private companies come into a community to open a plant or factory, they don’t respect the local community, or their customs and beliefs. These large private factories eventually close or are sold, and all the people who had worked in the plant see no lasting rewards – this considerably lowers the morale and diminishes the return of working in this private sector. This reflects trends seen elsewhere in the survey that emphasize the desirability of the public sector employment over the private sector in Turkey. Dilmac, a young man (28) from Community 5, the wealthy community in the capital, suggested that part of the problem is related to worker’s rights, and that the government should support the people as much as it supports businesses, or, as Dilmac said, “Otherwise Turkey will explode, just like the explosion in Egypt”.

**“Small markets, shops, and hair dressers cannot increase quality because their capital is too low, and people go to big shopping malls to shop. Small stores close because their quality of service is low, and they lack capital to get bigger.”**

*- Öz, an employed man from Community 5*

### 3.2.3 Women's Access to Labor Markets

**59. A majority of respondents said that starting a business would be easier for a man than for a woman.** Unemployed focus groups were asked to imagine two scenarios; one in which a husband (Victor) decided to open his own business, and one in which a wife (Ana) decided to open her own small business. When asked if Ana and Victor would receive family support in their venture, **all respondents agreed that the husband would be much more likely to receive strong support.** Zerrin,

**“Women have always been oppressed, and they do not trust themselves as a result.”**

*- Zerrin, an employed woman from Community*

a woman from Community 5, said: “That’s to say they [women] have been always oppressed within the community. There is even a certain pressure on girls - ‘You may not get education,’ ‘You may not work.’ It has always been thought that men can do those things better. Women

have been always oppressed, and they do not trust themselves as a result.”

60. The women in Community 2 summarized the issue succinctly. When asked why Victor would receive more family support than Ana, they answered: “Because he is a man and she is a woman!”

**61. Women involved in the study across the board described a lack of support from their husbands and families in terms of getting an education or a job or starting a business.** The incident of women being actively discouraged from work seems to vary depending on the character of the husband, but is widespread. Even among employed women, this was the case. Kadriye explained that her mother taught her that a woman should be taken care of by her husband. As a result, when Kadriye’s sister was accepted to university education, her father would not let her go. Kadriye herself explained, “My husband did not let me work.” This was especially in true in Community 1, the rural community. The employer interviewed there acknowledged that many women are prohibited from working by their families; when asked about the leading constraints faced by women to being hired, he said “They’re doing housework, taking care of children; there is not need to work.”

#### **Women's Opportunities are Most Limited in Rural Communities**

In Turkey, many of the female survey respondents expressed that they felt that educational limitations and household responsibilities, such as caring for children, limited their employment opportunities.

This was especially true in Community 1, the rural neighborhood; there, divorce is rare and part-time work for women is almost nonexistent compared to the urban communities. None of the women in Community 1 were what the Turkish government considers “employed”; for the sake of the survey, moderators grouped the women in Community 1 according to whether they sold some of their farm products for money. The women surveyed in Community 1 had an average of 4.8 children; this is higher than the next-highest community, Community 2, at 3.8 children, and much higher than the women in Community 5, the prosperous urban community, who only had 1.6 children on average. None of the 16 women in Community 1 had received anything higher than a primary education; many were illiterate, and the survey moderator reported that the women had difficulty responding to the focus group questions because they were often surrounded by many of their children asking for help.

62. Likewise, employed and unemployed women agreed that not having support from the family makes it difficult for a woman to find work. A 30-year-old employed woman from Community 2, Cihan, explained “Husbands don’t let women work,” while a 29-year-old employed woman, Ayten, explained “I don’t have any men controlling me, so I can work. (...) The men want women to be dependent on them.” Sometimes husbands are concerned for their wives’ safety – “Husbands don’t allow us to work at private sector jobs, because there’s no social security and long hours. But it is not a problem for women”; “My husband has to make sure that the place I will work at is a decent, trustworthy place.”

63. In Community 3, a poorer urban community, the community leader suggested that the strict gender roles there were connected to the Community 3’s low economic status. “Women have less influence than men. Since this is a shantytown, in some families women do not have many rights, and men’s hegemony goes on. The culture of Southeast Turkey continues here.”

**64. Additionally, responses illuminated the nature of family budgets.** Pervasive gender norms regarding household budgets were widely acknowledged – even though some respondents said that decisions may be made by both husband and wife, very few respondents ever suggested that a woman would have control of even money she earned herself. **Women tended to say that husbands make most decisions about earnings, while men were more likely to deny this inequality.** The unemployed male focus group in Community 2 all agreed that, whether the money was made from the husband’s or wife’s business, the decisions were made together. However, the women’s focus group in Community 2 were more mixed; they tended to answer that with some husbands, the woman would be involved in the decision making, but with some husbands she would not. One woman said that when she asked about her husband’s budget decisions, he gets angry: “He says ‘Are you my father? Why are you asking?’ I don’t know how he earns money or if he has debt.” More men in Community 5 said that the husband was likely to make budgetary decisions himself. Women in Community 5 agreed; “Because that is what we are used to.” Additionally, while many respondents said that decisions might be made together if the wife earns the money, respondents overwhelmingly reported that if the man earned the money, he alone made budget decisions.

**65. This speaks to the second barrier to women’s entrepreneurship, after lack of familial support: capital.** When women’s economic independence is limited, and when women feel pressure to forgo finding employment to care for their children, they have severely limited capital. Gender norms in budgeting as discussed above inhibit women’s access to capital even more, which then further inhibits their employment opportunities, and especially entrepreneurship opportunities. Both, implicit family support and an explicit change in women’s equality in the home, then, are needed to support women’s entrepreneurial endeavors.

66. In addition, although being an entrepreneur seems to be more accepted in urban areas, they are still inhibited by social norms. For example, one employed woman in Community 2 stated, “you can’t go out in public if you are a woman, which is a problem when you want to start a business.” Tulay, a 44-year-old woman from Community 5, said, “I live alone and I cannot go out to the balcony.”

**67. Of the women in Community 5 that did own a business, all but one stated that she owned the business with her husband.** One of the men interviewed in the focus groups explained, “Husbands don’t want women to work. If his economic conditions are good, then he won’t let her work.” Similarly, in Community 2, one of the employed women, who was single at the time of the interview, explained that if she got married, she would want to work. However, she said, “at that time we’ll discuss together and if we need of course I’ll work. If we don’t need me to, and my husband’s income is enough for us, my husband will decide what happens.” Tulay, who owns a business with her brother, says that women often lack business credibility in public space: “I go somewhere in order to purchase goods, I talk with people, we reach the checks and bonds phase and they say ‘Where’s your brother?’. (...) There is my signature under that check. However, they want to see the man. **People engaging in business want to see the man.**”

68. Social norms may also affect women's treatment in the workplace. **All of the employed study participants shared the view that the majority of women share a risk of being sexually harassed in the workplace, and women cited this fear as a barrier to their economic participation.** The men and women explained that, even if women are not physically abused, they get dirty looks and inappropriate comments. One study participant explained "I lived in Erzurum for four years. They think a female university student deserves harassment." Another stated, "women who think that their boss or coworkers visually harass them, they quit." An employed woman in Community 2 explained, "I have been working for two years. The boss is good, but it is not like that in the other factory. Because of the chance that they could be harassed, women don't want to work."

**"Because of the chance that they could be harassed, women don't want to work."**

*- Ozner, an employed woman in Community 2*

**69. Fear of sexual harassment is seen as a barrier to women entering the workforce for the first time, as well as a problem that women who are employed, deal with.** For example, Aydan, an employed woman in Community 5, stated that women who are trying to obtain an entry-level position or their first job have a harder time than men, because they are worried that there will be men around at their new position. Employed men in Community 5 also felt that men would have an easier time than women in getting an entry level job, for similar reasons. Tulay, an employed woman who runs a business in Community 5, explains "When I call a potential employee (...) she asks 'Are there men down there? Will you also be down there? Would there be sexual harassment? Would I suffer sexual abuse?' They feel such fears. If they feel such fears, they do not go to work because of their fears, because there would be problems with their families, with themselves." The public employment officer noted that in Communities 2 and 3, it is not considered proper for women to work later in the afternoon, which many service jobs require. Gonul, another working woman, added, **"And some employers don't want to employ women.** I work at the work place of people from Mus (a province in the south east). They hire very few women. They treat women like objects, not like a human being. (...) They would rather not have female employees, but they do because they have to."

**70. Another issue, recognized by both men and women, is that childcare is not readily available or affordable, a barrier which ties back to the lack of family and social support for women to abandon their traditional roles as caregivers and enter the work force.** Women may worry about leaving their children behind to pursue employment. The women stated that having affordable, safe day care would make a big difference in improving their access to employment and entrepreneurship. One unemployed woman, Yasemin, stated "I saw on TV the other day, children were mistreated in day care." An employed woman, Sahinde, stated, "There is a baby factor. Someone having given birth recently doesn't want to leave her baby to a baby-sitter, to her own mother or to someone else. She wants to grow the baby herself. I think she thinks of working later on." However, many women also pointed out that, by the time their children grow up, women are too old to work. Additionally, childcare can be prohibitively expensive, even when it is available. The employer in Community 3 described this predicament faced by one of his employees: "She said she loved her job, and she did not want to quit, but to whom [could she] trust [her] child? She did not have the money to put the children in childcare. Childcare in her neighborhood cost 800 liras, and her salary was 1500 liras."

**71. Women's limited access to the labor force is especially a problem considering the fact that having two household wage earners is considered a major factor in moving upward from the middle class to the upper class;** as middle class women are prevented from achieving education and work experience, the entire family misses a key economic opportunity for growth.

72. However, respondents report that opportunities for the younger generation may be improving. A younger woman (29) in Community 2 said that she was working and engaged, and that her fiancé accepted that, and that she planned to continue working when she was married. One woman reported that “Some men do not let wives work,” but asserted that the problem was generational: “Young people do not have this problem, but our generation still does.” One of the women in Community 3 explained how the perception of the value of education has changed over time: “My parents were not conscious; they did not let me receive education. As I was depressed because of that when I was younger, I want to give my child to a kindergarten and pre-school so that she or he can have a profession.” Hamide echoed this statement, explaining, “Our parents thought that girls don’t have to receive education, but we don’t think the same way.”

#### Changing view of education for women

Emine, a 41-year-old woman from Community 2, described the difference between her and her mother’s access to education.

When Emine’s mother passed the teacher’s training school exam, her grandmother tore up the test results and forbade her mother to attend school. When Emine wanted to attend college, her mother encouraged her, saying “Though I was not able to go to college, at least you can.”

**73. Overall, women’s access to the labor force in Turkey is limited in myriad ways, and this inhibits the economic mobility of families;** discussions revealed that a family was more likely to be upper class if both the husband and wife were employed. Communities that discourage women from working only constrain the economic mobility of the women’s families.

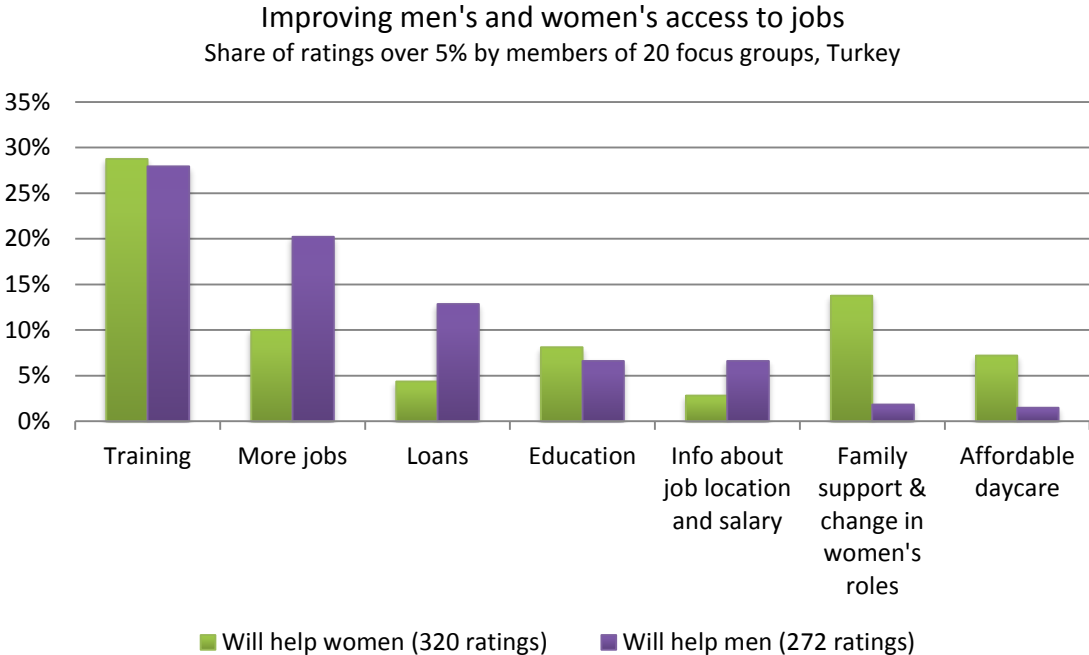
### 3.3 Barriers and Removing Barriers to Economic Participation

74. The primary barrier to economic participation in Turkey for both men and women, identified by focus group participants, was a lack of training. People consistently identified more vocational and business training as keys to enabling economic participation, for both men and women. Respondents tended to see higher education as more worthwhile for the younger generation than for themselves. In addition, both men and women identified gender norms, and related lack of family support and affordable childcare, as crucial barriers to economic participation for women in particular. Secondary factors identified as barriers included not enough jobs, needing social and political connections to gain employment, and lack of interest. Each of these factors is considered in more detail below, before turning to a discussion of existing social assistance programs that help people while they are unemployed.

#### 3.3.1 Education and Training Seen to Increase Economic Participation

**75. As discussed above, the most important factor for improving access to jobs was proper training.** This was seen as the most important factor for both men and women (Figure 9). The second most important factor for improving men’s access to jobs was more jobs, followed by access to loans; for women, unsurprisingly, family support and a change in women’s roles was the second most important factor,

**Figure 9: Improving men's and women's access to jobs**



Source: CFW3.9 and CFN2.10: “Which two areas listed in this table would make the biggest difference in improving women's access to employment and entrepreneurship here? And men's?” Each gender was rated separately. The N values are uneven because the employed focus groups in Community 5 and the employed women’s group in Community 1 only responded for what would help women.

**76. For men, the unemployed women emphasized that vocational or business training made a bigger difference than formal education in improving men’s access to employment and entrepreneurship, because jobs require increasingly more specific qualifications.** When unemployed women spoke about vocational schools for themselves, they tended to view these as “beauty classes” and stated, “women usually go to these to pass time, as a hobby. It does not give any job results.” The public employment agency official from Community 3 confirmed this: there, the most popular programs are by far the vocational training courses.

**77. Interviews with all four public employment agency officials interviewed support the conclusion that training programs are critical for increasing men and women’s access to labor markets.** The public employment agency official from Communities 2 and 3 said that lack of skills and craft qualifications/certifications was the factor that most negatively affected his agency’s ability to place workers in jobs. The public employment agency officials from Community 4 and Community 5 cited lack of qualifications as the factor, which caused the most difficulty in placing job seekers. The agency official from both Communities 1 and 2 said that this also affected young people, who have not had enough job experience to be qualified in specific skills. The officer from Community 3 noted that employee qualifications had improved in his community, but that training programs were still the most popular that his agency offered. This insight may support the hypothesis that youth (and women) benefit from active labor market programs (ALMPs) more than men. A related issue, which will be discussed in further detail in the section on social assistance programs below, is that most people don’t seem to be aware of jobs counseling or placement programs, and do not feel they have benefitted from these types of programs. Thus, there may be a real disconnect in Turkey between workers’ skill and education, and the skills and education that employers want, and as there is no effective intermediary to bridge this gap, it persists.

**78. Women also stated that more, or better quality, formal education would improve women's access to employment and entrepreneurship.** University education in particular is seen as important. All of the employed women in Community 5 agreed that there is no opportunity left for high school graduates. Tulay, a 44-year-old employed woman in Community 5, explained, "The fact is that we have no qualification. The number of those having graduated from university is limited in our age group."

#### **For the Younger Generation, Education is the Key**

**When asked about hopes and advice for the next generation, all of the men and women, employed and unemployed in Community 5 emphasized education.** Sahin, one of the unemployed men, stated, "Training is a must, absolutely." Nalci, another unemployed men, echoed him, stating, "There isn't any other alternative to training," and another unemployed men stated, "I only say three words, read, read, and read." Yesim explained that, if a worker is young, and educated, then he or she could work at a good place using his or her expertise. Adise echoed this need for education, especially in working for someone else. The unemployed men stated that young people need, "good education; prepare for public sector entrance exams. High school is no longer enough."

Likewise, in Community 2, unemployed women emphasized that they hoped that young men and women would get an education and a good job. However, they also added for women they hoped for "a good husband, and a happy family." One woman closed by saying, "girls are unlucky, and boys are lucky."

**79. Interestingly, however, respondents seemed to see higher education as more important for enabling economic participation for the younger generation than for themselves.** Although they emphasized the importance of education and training throughout discussions, when asked if it meant sense for someone in their community to get a university education right now, employed men and women in Community 5 stated that it did not make sense at the moment. But almost unanimously, all of the men and women whether employed or not stated that their hopes for the future of boys and girls in their communities was that they should get a university education. The employed women said "we hope this for both boys and girls, but more for girls."

**80. The fact that people do not view education as helpful for themselves as for younger generations could be related to a mismatch between higher education and available jobs.** For example, Arslan, one of the employed men in Community 5, stated, "You graduate from a major, then end up working at something different." The women also explained that "employers look for more education for a job than is needed for that job." One woman stated that when she applied for a cleaning job at a hospital, they asked for a 2-year college degree. Another participant then pointed out that educated people don't want those jobs. Other factors, such as the dominance of gender norms, the need for family support, and the feeling that one needs social and political connections to land a job may also diminish the worth of a university degree to people today, even though they view it as a pivotal tool in economic mobility for their children.



### 3.3.2 Removing Barriers to Economic Participation for Women

**81. Views of the male as the primary provider of economic security in the family need to change to improve women’s access to the labor markets.** All of the study participants believed that women needed the husband’s or the family’s support to work or start a business – this view transcends genders and is widely accepted by the women’s focus groups. Respondents expressed that they believed that a change in gender norms was possible. For example, Oz, an employed man in Community 5, explained, “I think traditions are dominant. For example, in Kayseri, women make “manti” (Turkish ravioli) and sell it. But this is more like a hobby. But the man thinks ‘What should I do?’. Girls are not asked to think like this. **Girls think, ‘I will find a rich husband.’** If this idea of working starts in the family early on, ‘Come on my daughter, find a job,” then she will think ‘What should I do?’”

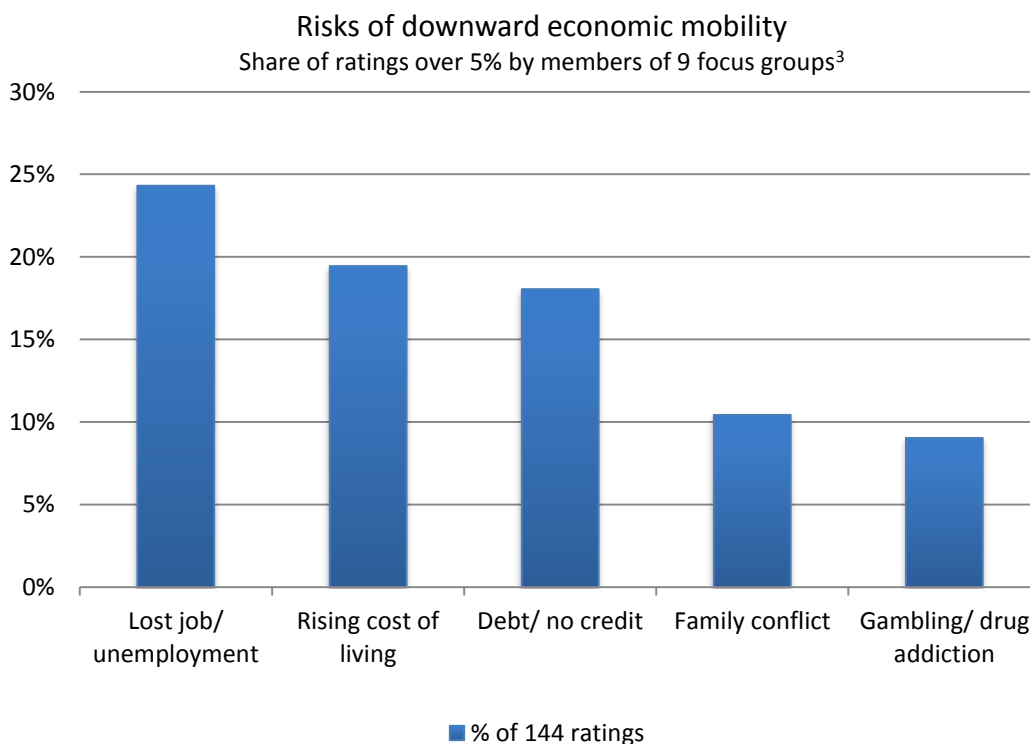
**“A man thinks, ‘What should I do?’. Girls are not asked to think like this. Girls think, ‘I will find a rich husband.’ If this idea of working starts in the family early on, ‘Come on my daughter, find a job,’ then she will think ‘What should I do?’”**

- Oz, an employed man from Community 5

**82. In general, both employed and unemployed women felt that having more supportive families, and a change in social norms for women’s roles, would make a big difference in improving their access to employment and entrepreneurship.** One in the focus group, Hayriye, felt that even some women would not support a woman trying to enter the work force, especially if her husband is not working. Even her mom may say, “your husband is sitting at home, why are you killing yourself?”

83. Opinions of women’s employment are counterintuitive to the fact that many focus groups identified having 2 incomes as a characteristic of a higher-income family. Similarly, job loss – and the loss of a source of income – was listed as one of the key risk factors for downward economic mobility (Figure 10).

**Figure 10: Risks of Downward Economic Mobility**



Source: CFW2.5, asked of employed focus groups only: “What two factors do you think have been the biggest risks facing especially the [sex of FGD] in this community, and have resulted in bringing their households down the ladder to a lower step?”

84. One of the unemployed women, Yasemin echoed this, stating that the woman's mother in law may not support her working if her husband is unemployed, as the woman may then begin to think she is superior to the husband. An unemployed woman in Community 2 expressed the same sentiment, stating that if women succeed, "the extended family can be jealous of you. They would be sorry if you become rich!" The gender norms seem to focus on the activities of married women; it is more common and accepted for younger, single women to look for employment; the community leaders of both Community 2 and Community 1 said that "married women do not look for jobs," and "only young women are looking for employment."

85. The difference in standards and norms between men and women exists across the community. For example, one study participant explained, "the community reacts to the woman when she returns home late in the evening at 9 or 10 pm. However no one says anything if the man returns home late in the night at 2 or 3 am. That's what I mean with the community constraints. There is somehow the question of freedom."

**86. A more supportive environment for girls in education and in the workplace may also combat sexual harassment issues** discussed in the previous sections. Sexual harassment most likely contributes to husbands' concerns about their wives working the private sector, or working more than 8 hours per day. Stronger enforcement of sexual harassment issues could increase the participation of women in the workforce by placating both women's and men's fears and concerns.

**87. Childcare responsibilities, whether socially enforced or personally felt, are a barrier to getting ahead for unemployed women.** Besire, one of the unemployed women in Community 2, stated, "I can open my business, but children are a problem. There is no family support. If you have a child you can not work." An employed woman echoed this saying, "I have kids. I can't work outside of the home, even if I wanted to. I only make handworks and sell them." Childcare was reported to be more readily available in Community 5, but still expensive relative to respondents' incomes.

#### **Even When Childcare is Available, it is Prohibitively Expensive**

In Community 5, although there is childcare available, it is prohibitively expensive for most people. Both unemployed and employed men and women stated that childcare is too expensive and wages for high school graduates barely cover the cost, whereas university educated people can afford it. The employed women's group stated, "(In Community 5), there are not affordable day care centers, many people use nannies instead. They are expensive."

Yuzugullu explained, "A woman will, for example, be paid up to a thousand liras in her first job after the course. Her employment makes no good if she pays TL800 out of her TL1,000 wage." Taskiran, another unemployed man, explained, "There are those who bring their children (to work). Some hire paid baby sitters. There are those who ask favors of their parents."

Employed men in Community 5 also echoed the statement that daycare was very expensive. Alan, one of the employed men, stated, "my rent is 500, daycare is 700 lira". Two other employed men, Arlan and Ozturk, pointed out that the cost of childcare is one of the biggest obstacles to women working in the community.

Altin felt that if the woman has a high salary, then it was not a problem, but Dag pointed out that this was the exception. Then Altin explained, "In my workplace, a female employee's mother was taking care of her baby. When her mother got sick, she had to hire a nanny. All her wages went to the nanny. We told her, it does not make sense, go home and take care of your child yourself. And that is why she quit her job."

**88. Thus, survey results support the hypothesis that childcare policies could foster female labor participation.** Survey respondents overwhelmingly agreed that childcare for a woman is a huge expense. Subsidized daycare was widely cited as a mechanism for increasing women's economic mobility, along with vocational training and more job opportunities.

### **3.3.3 Secondary Barriers to Economic Participation: Social/Political Contacts, Access to Credit, and Lack of interest**

**89. After lack of access to education and training, and barriers related to gender norms in the community, the other major barriers to economic participation were seen to be lack of social/political contacts, lack of access to credit, and lack of interest.** All of these were seen to effect both men and women, but women especially were less likely to have social/political contacts and access to credit that could help them better participate in the economy.

**90. Men in the focus groups and the community leader cited political discrimination as a problem with the public job market. A reduction in political preference in the market could assist unemployed people seeking jobs.** In Community 2 in particular, government initiatives that exist to encourage entrepreneurship are perceived as policies that benefit the rich.

91. One participant, Hayriye, stated, "Young people can find jobs only through connections." Husniye explained that the way to find a job is through contacts, friends, and relatives, because all of the advertised jobs require education or training. In Community 5, unemployed women felt lack of contacts make it difficult for men to find work. Employed women expressed that they felt that stronger links to professional networks would make a big difference in improving women's access to employment and entrepreneurship. Unemployed men in Community 5 echoed that having contacts is the only way for men to find jobs. Nalci, an unemployed man in Community 5, explained that if you want a job in public employment, you have to have political connections.

#### **A Combination of Factors: When Training, Capital, and Support are Not Enough**

One of the employed men in the study explained how **connections can make or break a business**, and this may play a role in the difficulties that women face in becoming entrepreneurs.

Altin explained that he knew a woman who received training from a foreign company, in order to open a franchise. Although the woman received materials from the corporation, and met with many representatives and firms in the industry, she could not get any support for her franchise, although other franchises of the same company were successful in Turkey.

Thus, although she had training, and capital, and support, she was not able to bring her business to market, and Altin stated that this was because of her lack of connections. Altin also explained that having connections was necessary in order for a woman to move up to mid-level and upper management positions within a company.

**92. In both Community 5 and Community 2, another important aspect of enabling economic participation was seen to be access to credit.** In Community 5, both employed and unemployed men and women felt that having access to and knowledge of credit was necessary to make it easier to enter the labor force for women and men. The unemployed women in Community 2 echoed this. However, one of the unemployed men, Dilmac, pointed out that women tend to have less access to credit than men; also, it is looked upon poorly by the community if the a man or a woman goes into debt to start a business and then fails. In Community 2, an unemployed woman explained, "people don't want to take risks; that is why they don't want to start their own business." 4 of the 5 community leaders

identified lack of capital and credit as the main constraint to opening a business in their neighborhood (in Community 1, where much of the land is a protected heritage site, government permission to build was listed as the main constraint). Among focus group participants as a whole, a lack of credit was one of the top economic risk factors for both genders (Figure 10).

93. Adil, one of the community leaders, reported that women's small businesses were less substantial than 10 years ago, due to lack of capital and credit, and usually closed very quickly due to lack of demand. Both of the working groups agreed that small businesses suffer from a lack of demand. In the interviews in Community 2, lack of capital are cited by employed females as barriers preventing women starting up their own business, although there is enthusiasm for entrepreneurship in the area.

94. Cetin, one of the company owners, also blamed a lack of available credit and insurance for reduced business opportunities, especially for workers returning to the community after gaining work experience and knowledge abroad or in another part of Turkey. Additionally, Cetin cited government practices as the major barriers to the growth and prosperity of his business. Specifically, tax rates, economic and political instability, and an anti-competitive legal system were among the factors causing the most problems for his business.

**95. Finally, lack of interest was another secondary factor described by both men and women as a reason why people did not participate in the economy.** In Community 5, unemployed women felt the main reason that men did not look for a job was lack of interest. One woman, Fatma, explained that her husband is retired, even though he is only 40. He does not want to work, because he states his wife's pension is enough. An employed woman in Community 5, Aydan, said that a lack of interest accounted for about half of unemployment.

#### **Gaining Confidence and Empowerment from Work Experience**

Aygul is a 37-year-old woman living in a poor urban community. As a child, she was only allowed to attend up to a primary level of education, though her brothers were sent to school through high school. 10 years ago, her husband worked as a trucker and she stayed at home.

In 2003, she found a volunteering opportunity at KEDEV, a local women's NGO. The next year, KEDEV began to pay her a small, irregular salary, and Aygul began to take knitting, sewing, and computer courses there as well. She bought a refrigerator with the money she earned, her first significant and independent purchase in her life.

When her husband went to prison, Aygul stopped working due to social pressures. "It wouldn't be appropriate in the community to go out to work while he was in jail." After Aygul's husband returned from prison, he only got intermittent work at construction sites and made less money. Aygul decided to borrow 500TL from her brother to start her own business, selling hand-made clothing.

"My mother-in-law and my husband were opposed to the idea [of her owning her own business], because they thought I wouldn't be able to make the food and take care of my children while I was working. But I believed in myself." Aygul says that she's earned a rise in respect in the community and an increased say in her family matters. As she candidly put it, "Until I started my business my thoughts were not considered at all, nor was I respected – like a doormat, you might say."

Aygul is now the main earner in her household and she is interested in taking entrepreneurship courses. "My confidence has grown a lot; I didn't think I'd be able to do anything before I started to work"

96. One woman, Husniye, also explained that lack of interest might be a factor for women as well. In the employed women's group, Zerrin explained, "women like to stay at home. They like to be comfortable. They think men have to take care of them." The same sentiment was expressed in Community 2, where a 31-year-old unemployed woman named Yasemin said that "maybe women are too comfortable in their homes as housewives." However, in Community 2, women generally saw lack of interest as less of a factor. The unemployed women there stated that a lot of women would like to be working. The group there hypothesized that because women lack working experience, they also lack self-confidence.

**97. Many of the unemployed men implied that lack of interest was a factor in people in general not having a job, especially youth.** Yuzugullu said that young people balk at taking training courses or working menial jobs or in the military to gain experience; he said that young people foolishly refuse courses offered by the municipality, which offer a spending money stipend and relevant skills training. The employer interviewed from Community 5 echoed this, saying that "making a fortune without working" is a popular idea in the country, "influencing the young people."

98. As another male participant, Laskiran put it metaphorically, "The best thing in the world is to eat, but first you have to chew to swallow." Gungor explained further about young people in the community: "They work if they feel like it. It's been three months since I completed my military service. But, you don't work, if you don't feel like it, as the brother says." In addition, the unemployed men explained that youth who cannot find work often are supported by their families, or take irregular work. They also talked about how the youth may gamble or steal instead. However, Isik, another unemployed man, disagreed with the others, stating, "Our youth are excellent. Not as they criticize. All they need is a little more training." The employer from Community 4 affirmed this observation: He said that "education and more opportunities" would help increase youth participation in the work force, and suggested that employers in manufacturing could work with vocational schools to provide young people with skills training.

### **3.3.4 Social Assistance Programs**

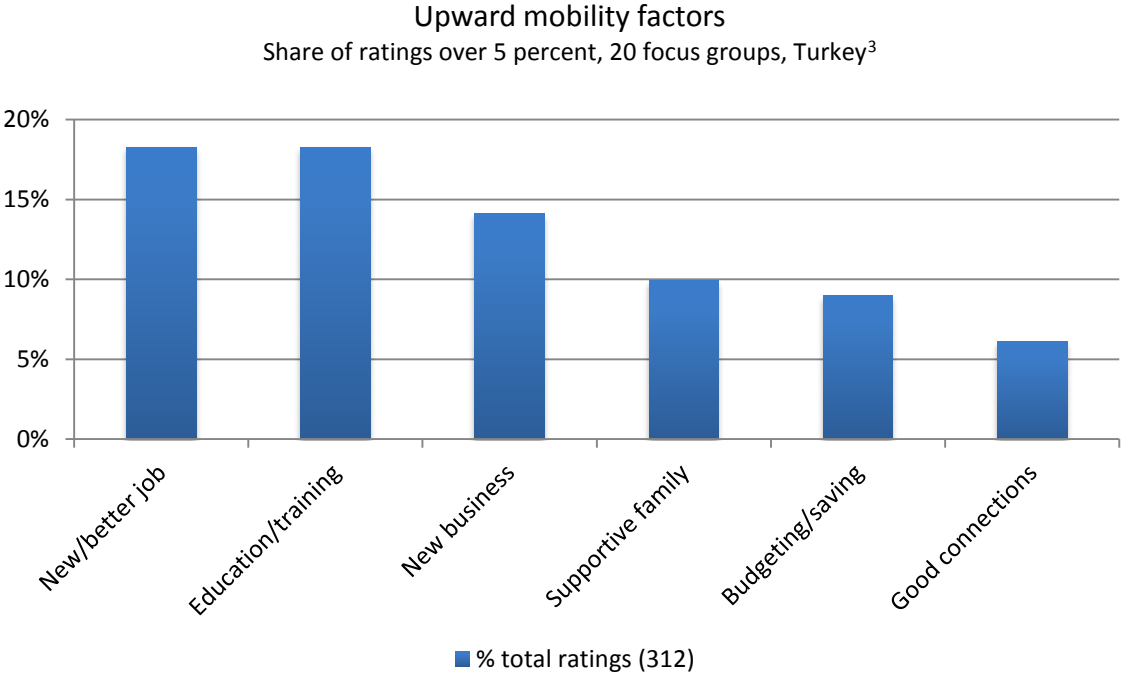
**99. In general, it seems that social assistance in Turkey takes the form of family and community support, more than anything else.** Formal government social assistance programs seem to be primarily provided by the local government, not the national, and include assistance such as coal, food, cleaning supplies, and rent subsidies. In general, there do not seem to be many transitional programs; you must be poor to receive benefits, and once you are no longer poor, the benefits will cease.

**100. In general, respondents felt that the Municipality and the local governor could most help local people in need.** They believed it was easy to get help from these entities if you had a need, and that women were more likely to apply and were better at explaining their situation than were men. They said that if a household was turned down, it might be because the household was not poor enough. **They also stated that the only condition they knew of to stay in the program was that you must stay poor.**

**101. In contrast to other communities, Community 2 lacks a municipality.** "There is no municipality here—there is no service. The governor's office doesn't do much work either." An unemployed woman explained, "We don't even have a park for children to play." Unemployed women stated that people who are unemployed in the community survive off of debt and credit. They later stated that the Government's official social assistance fund/organization, could help them, but that it was not all that effective. But when describing access to the programs, unemployed women in Community 2 said, **"I feel ashamed to go and apply for those assistances."** In general, the participants said that the programs did not make much difference, and that benefiting from the program did not change decisions in the household about whether to work outside the home or not. However, they did explain that if they started working, the benefits would stop.

**102. Public employment services provide resources, but applications are too low, and tend to employ men more than women. In addition, most people are not aware of these resources.** When asked about job counseling services for the unemployed, most people did not know what this meant. Some of the unemployed men were aware of counseling services, but others were not. Yuzugullu, one of the unemployed men in Community 5, dismissed the importance of institutions providing counseling services, stating, “The people will know where they will be more efficient. It is ineffective against the unemployment.” In general, it does not seem people use formal means, or job hunt services, to find careers. For example, in Community 2, one of the unemployed women explained that people find out about jobs “from ear to ear (...) you hear about it from friends, neighbors, relatives.” Additionally, ISKUR does not have the capacity to track the efficacy of their programs, which hinders efficiency and improvement.

**Figure 11: Upward Mobility Factors**



Source: CFW2.4 and CFN1.1: ““What two factors do you think have been the most important for the [sex of focus group] of this community who have moved their household up the ladder?”/ “What two factors do you think are most important for a [sex of focus group] to help themselves and their household to get ahead in this community?”<sup>14</sup>

**103. In general, people did not seem to think that the availability of assistance affected decisions to work.** In general, social assistance programs were cited as a way to subsist when one was jobless and/or homeless, but the major needs cited by all focus groups were more access to jobs and training – not more subsistence-based government help, especially the food and fuel program. However, Munire stated that if you tell authorities you are in a better situation now, they will terminate you from the program, and Hayriye explained that when it comes to rent, authorities will only assist you for three months, and then will check whether you still need assistance. There were some references to the food-and-fuel program inciting a lack of interest in continuing work, but opinions varied on this topic. Additionally, the benefit to economic mobility of a new job was highly emphasized over the benefit of received assistance in the aggregated focus group responses (Figure 11) and in individual interviews.

<sup>14</sup> N=312 due to the unemployed women’s focus group in Community 1 rating only the top factor, not the top two factors

**104. In rural communities, however, where women do not work outside of their household, monthly child support paid to the mother for each of her children may provide an incentive for these economically inactive women to have more children.** In general, in rural areas such as Community 1, people appear to expect more from the government in terms of social assistance and help, than they do in the urban areas of Community 5 and Community 2. For example, the “Green Card”, which is state provided health insurance for low-income people, is the method by which community members in Community 1 cope with health problems. In Community 1, the social assistance fund provided by the Turkish government makes monthly cash payments to mothers for each of their children. One focus group participant described the importance of this program for women in Community 1, stating, “families with a lot of kids get 300-400TL.”

**105. Some groups, such as the unemployed men in Community 5, felt, that sometimes social assistance programs give rise to apathy towards work.** But others questioned whether this was really the case, and emphasized that donations should be given to those who need them. Others opined that donations should be temporary, and that, if someone is able to work, instead of receiving donations, they should be provided with a job. The men seemed to think that if someone was not deserving assistance, perhaps because their economic status had improved, that the government would find out, and their assistance would be terminated. However, there was a lively debate about these aspects of social assistance. Gungor stated that the best way to help people was, “by teaching them how to fish instead of eating fish.” But Taskiran added, “Then they shouldn’t be thrown into the sea.” Thus, the unemployed men seemed in general to think that the poor should receive assistance, but that if they were capable of working or learning to work, they should, and that they should only be supported long enough to get on their feet.

**106. Finally, when asked about the government’s role in reducing poverty, most people stated simply that the government can create jobs.** In Community 2, however, there was more of an emphasis on capital, probably because entrepreneurship is more important there than it is in Community 5. Other suggested job creation strategies were that the government opens factories, lowers taxes on business, lowers customs restrictions, or increases the minimum wage. In general, the men in the focus groups expressed more ideas about how the government could create jobs than did women.

### **3.4 Impacts of Labor Market and Social Assistance Policies**

107. As has been outlined in the preceding section, the majority of social assistance in Turkey seems to come in the form of family and community assistance. In general, people do not seem to be well informed about worker’s rights, entitlement laws, and regulations, gender laws, tax or regulatory reforms, or other policies, although employed people are slightly more informed about these issues than are unemployed people. The one exception to this is the proposed law to mandate employers to provide 6 months maternity leave to women, which the majority of the study participants oppose. People also are not generally aware of employment placement services, or do not find them useful – the employers from Community 5 and Community 3 were the only of the 5 interviewed who were aware of all of the policies. It thus seems that, in addition to providing more relevant labor market and social assistance policies that would better address Turkey’s labor market needs, it is necessary for the implementers of these policies to do a much better job educating the public about them.

### **Opposition to Extending Maternity Leave**

The proposition to extend maternity leave to women to six months was the one policy proposal that most people were aware of, and overall, most were not in favor of it.

One of the employed men, Arslan, stated, “I should tell you that a woman taking maternity leave and not coming to work for 4-5 months is a problem for me. If it is going to be six months, then it will be a big problem. Many business owners terminate contracts when female employees become pregnant. They do this before they take maternity leave. They can’t do it after. In a previous place I worked, that is what the boss did. He let go of the secretary saying that his business will suffer if she takes a leave.” The employed men were split about whether this policy would make a boss unlikely to hire a female worker. Some said that the boss would not, while others said he would, but would let her go if she became pregnant.

However, Ozturk, another of the employed men, explained, “longer leaves are not good for business owners, but important for women. The boss may fire women that get pregnant.” Altin echoed this sentiment, stating “They would not want to pay premiums for six months.” However, Alan explained, “I think employers do not pay the premium, the social security system does. But the employer does not wait for the woman to come back. Instead he hires

108. When asked about laws, regulations and policies and their impact on the labor market, a few people mentioned the impacts of joining the EU, training courses run by ISKUR, government subsidies to social security premiums for hiring women, and hour limits on working in the private sector. However, none of these received any detailed discussion, and the regulation that people seemed to have the most information about, and a decidedly negative opinion on, was the proposition to extend maternity leave to be mandatory for 6 months.

## **4. Conclusion**

109. Research of the literature and appropriate indicators show that Turkey, as a country, has become more prosperous in the last decade. However, research and interviews with focus groups across the 5 communities surveyed indicates that workforce and labor markets are still adjusting to the rapid economic growth, and that there remains a significant gap between women and men’s economic opportunities.

110. Respondents placed more value in the stability of a job than a high income. Reflecting this, respondents reported public sector jobs as more desirable than private sector jobs, even though private sector jobs have potentially higher wages. This suggests that the private sector in Turkey is relatively unstable. In many instances, the private sector is equated with the informal sector, offering inconsistent work and few benefits.

111. Turkey in general seems to be struggling to expand its private sector successfully, which is reflected in respondents’ pessimism about the potential success of small businesses. Recent development in most communities was described as mostly composed of large outlet stores, which are not often owned by people from the community and which threaten the small business ventures of community members.

112. People overwhelmingly emphasize education and training as important, but do not seem to make a concrete connection as to how this will get them a job, or what specific things they need to learn, and don't seem to see it as worth it for themselves, but more something that is inherently valuable,



and more worthwhile for their children. This problem is reflected by the employers interviewed, who widely reported that finding workers with appropriate training was a significant problem for their businesses. This pattern may be due to an older generation of workers not prepared for the job market in Turkey's recently booming economy. Women especially tended to emphasize the importance of a higher education for the younger generation, but said that an education was not worthwhile for them to personally pursue. It may be that the next generation, with a focus on higher education and job training, will be better prepared to enter Turkey's labor market. Training programs offered by agencies such as ISKUR, if properly focused, offer an excellent resource for people seeking to enter the workforce.

113. More jobs were emphasized over public assistance programs as essential for economic mobility. Respondents were aware of public assistance programs, but generally viewed such assistance as a way to subsist while at the bottom or unemployed; increased job training and more job opportunities were much more highly valued as keys to economic participation.

114. The only recent employment policy that most respondents were aware of was the requirement of a 6 months maternity leave. While paid leave was acknowledged as essentially good for a woman, many respondents (especially employed respondents and employers) worried that this policy would make employers less likely to hire women in the first place.

115. What was more agreed upon as a universally beneficial policy for women was subsidized childcare. Safe, reliable childcare is not often available, and when it is, it is prohibitively expensive. Women overwhelmingly reported that the cost of childcare completely counteracted the benefit of employment. Subsidized or incentivized childcare was the most often cited policy which could significantly improve women's access to economic opportunities.

116. The factor most affecting women's participation and opportunities overall is the widely accepted standard for gender norms. Women are not traditionally viewed as working outside of the home, traveling for work, or starting a business; husbands typically have control of finances; and childcare and taking care of the house are typically seen as women's responsibilities. Therefore, women are less supported by their families and friends when pursuing education, employment, or entrepreneurship. These factors lower women's chances of having significant capital or sources of credit, which further limits their entrepreneurship opportunities.

117. However, gender roles for women may be changing; while respondents all agreed on women's limitations in society – even some who relayed personal stories about being denied an education by their parents, or discouraged from working by their spouses – they also mentioned the changing opinions among the younger generation. Women's roles, they said, are changing even among younger married couples today, and many women in the survey who reported being denied an education said that they were intent on sending their daughters to school. "10 years ago," said the community leader from Community 3, "people did not want women to work; they preferred to see her sitting at home and taking care of the children. There are still people who think like that, but not as many anymore."

118. Work can provide invaluable resources and a sense of self-esteem for women. Aygul (see her life story box on page 35) proudly shared that "[her family's respect for her] definitely increased," since she started working; "now the women that come to my shop ask my opinion on the stuff that they are going to buy, because they think I know more, now that I have my own business. Even the way my family treats me, has changed! Now I have a say! [...] I feel very confident in myself and I believe in myself. My confidence has grown a lot. I didn't think I'd be able to do anything before I started to work for KEDEV". Regarding education, Aygul answered without hesitation "of course, I would have loved to [study more]. I want to sign up for entrepreneurship courses if I can. Do you know any?"

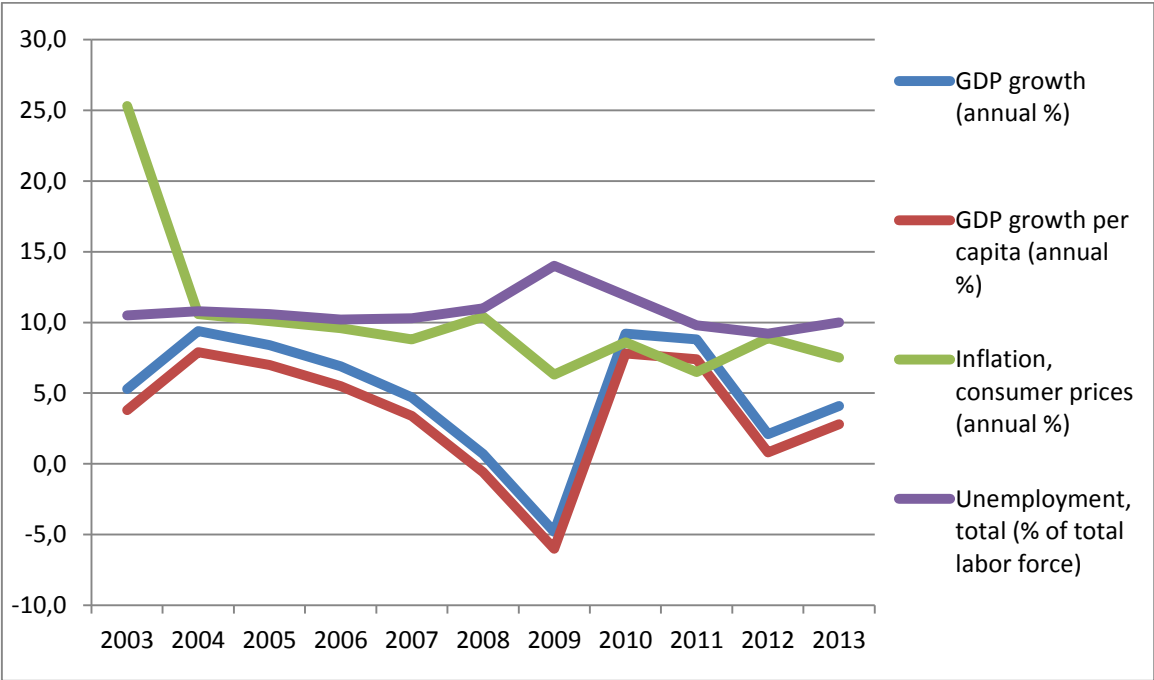
119. Aygul's story and the other life stories indicate that women's equality may be improving; if so, this could mitigate the problems involved in women's low job market participation, and should be expected to bring about sustained improvement in economic opportunities for women.

## Annex 1: Turkey Country Context

### A.1.1 Political, Social and Economic Context

**120. Turkey experienced an unprecedented rapid economic development over the last decade.** Today, Turkey is an upper middle-income country with a population of 75 million and a gross domestic product of US\$822 billion, making it the 17th largest economy in the world<sup>15</sup>. In less than a decade, per capita income almost tripled and now exceeds US\$10,000. Real GDP growth averaged nearly 7 percent during 2003-07 (see Figure 12) and after the slump during the global economic crisis, growth rates increased significantly and reached 4 percent in 2013. The economic growth has been supported by the decrease of inflation rates, from more than 20 percent in 2003 to 7.5 percent in 2013<sup>16</sup>.

**Figure 12: Development of Main Economic Indicators**



Source: World Bank Indicators; A2F calculation

**121. The mid-term economic outlook is positive, but internal and external economic risks still exist.** The continuing European debt and economic crisis could negatively influence the Turkish economy, as the EU comprises about half of Turkey’s external trade<sup>17</sup>. Conflicts in the surrounding region, namely in Syria and Iraq, could also negatively impact stability and the economy. In addition, the economic boom in Turkey has been mainly financed through external inflows, due to low domestic savings, which leaves Turkey’s economic development prone to volatile international capital flows. The current account deficit (CAD) is high at 7.9 percent of GDP, or US\$ 65.1 billion, as of 2013<sup>18</sup>. The CAD is primarily financed with volatile short-term inflows, which represents a critical vulnerability<sup>19</sup>.

<sup>15</sup> World Bank Country Report: <http://www.worldbank.org/en/country/turkey>

<sup>16</sup> World Bank (2013b)

<sup>17</sup> European Commission; Turkey Trade Statistics

<sup>18</sup> World Bank (2013b)

<sup>19</sup> *ibid.*

**122. Turkey’s business environment improved over the last decade but still remains relatively burdensome.** In the World Bank’s *Doing Business Report*, Turkey ranks 55 in comparison to an average rank of 68 for the Eastern Europe and Central Asia (ECA) region (see Table 3)<sup>20</sup>. Over the last decade, Turkey’s competitiveness ranking improved to position 43 in the World Economic Forum’s Global Competitiveness Index. Nevertheless, further improvements in the investment environment remain crucial to improve low labor productivity and to boost growth and exports. Regarding business obstacles, access-to-finance is a significant constraint especially in rural areas and among female-owned small and medium-sized enterprises (SMEs). Women-owned businesses represent almost 40 percent of all registered SMEs, which face significant constraints accessing financing: only 15 percent have access to credits<sup>21</sup>.

**Table 3: Ease of Doing Business in Turkey**

Topic Rankings	DB 2014 Rank	DB 2013 Rank	DB 2012 Rank
Starting a Business	79	72	62
Dealing with Construction Permits	136	142	154
Getting Electricity	34	68	70
Registering Property	54	42	44
Getting Credit	89	83	80
Protecting Investors	13	70	66
Paying Taxes	56	80	74
Trading Across Borders	90	78	73
Enforcing Contracts	38	40	52
Resolving Insolvency	109	124	126

Source: WB Doing Business 2014

**123. The regional and global role of Turkey has been growing significantly over the last decades.** The country is member of the OECD and the G20, and has been an EU accession candidate country since 1997. Turkey has also strengthened its relations with countries in the region (although, partly reversed in the wake of the situation in Syria), broadened its engagement with the Middle East, ECA and in Africa<sup>22</sup>. Other countries, notably in the Middle East and North Africa (MENA), are looking now to Turkey, as an interesting development model.

**124. Turkey’s economic growth has been aided by a long period of political stability.** In June 2011, the Justice and Development Party (AKP) won a mandate for a third-term of a single-party government, with 327 seats in Turkey’s 550-seat unicameral parliament.

**125. The decade long economic boom enabled gains in social outcomes, like health, education, unemployment and poverty.** In the Human Development Index (HDI), Turkey improved to rank 69 out of the 187 countries<sup>23</sup>. The decade-long economic boom has been also accompanied by large achievements in health and education. Remarkably, the health status of women and children improved significantly<sup>24</sup>. Also the access to education increased, particularly among girls: Turkey has almost achieved universal primary education and increased secondary school enrollment to 69 percent<sup>25</sup>. Relative poverty in Turkey decreased to 16.9 percent in 2010 and extreme poverty has almost disappeared. Due to the economic crisis, poverty increased by 1.9 percent but the rate is estimated to have fallen as the labor market - the main factor through which the crisis affected households -

<sup>20</sup> World Bank (2014)

<sup>21</sup> World Bank (2012)

<sup>22</sup> World Bank (2013a)

<sup>23</sup> UNDP (2014)

<sup>24</sup> Maternal mortality fell from 29 deaths per 100,000 live births in 2005 to 16.4 deaths in 2010, while infant mortality fell from 25 deaths per 1,000 live births in 2005 to 10.1 deaths in 2010.

<sup>25</sup> World Bank (2013a)

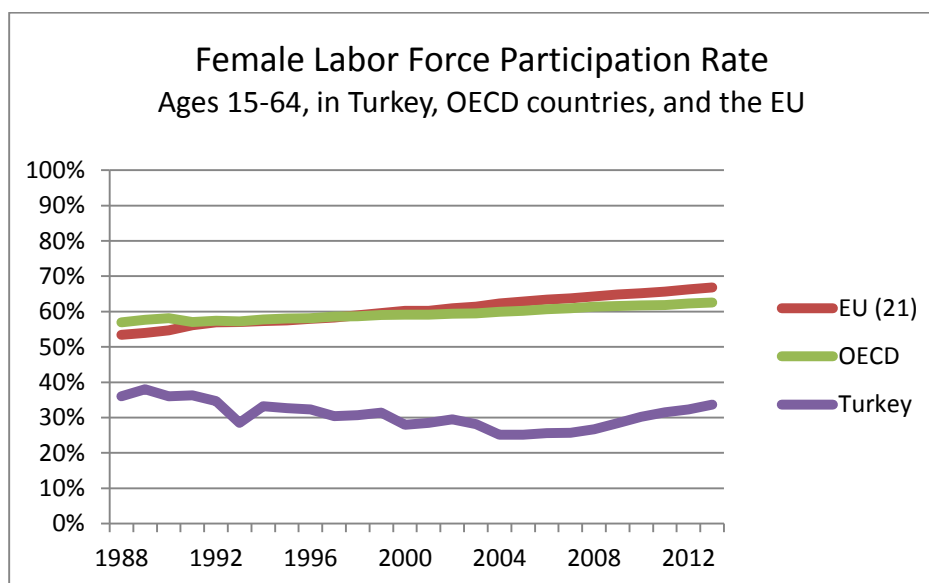
recovered quickly<sup>26</sup>. Unemployment increased to 16.1 percent during the economic crisis, but as the labor market improved, unemployment has already fallen to 10.5 percent in February 2013. Labor programs and reforms to increase employment mobility contributed to the lower unemployment rates.

### A.1.2 Women’s Role in Society and Economy

**126. Female labor force participation in Turkey declined and is significantly lower than the OECD average but above female participation in the MENA.** In Turkey, the female Labor Force Participation Rate (LFPR) decreased from 36 percent in 1988 to 25 percent in 2004, and has slowly increased since then, to 33 percent in 2013<sup>27</sup>. These levels compare unfavorably to the OECD and EU averages, which were both above 60 percent in 2013 (Figure 13). Additionally, the ratio between female LFPR and male LFPR, at 41 percent, is significantly lower than OECD and EU averages<sup>28</sup>.

127. From 1995 to 2000, the share of urban population increased from 29 percent to 65 percent, but the female LFPR remained low. This may be due to the fact that rural female migrants had little to no education and experience besides farming, and thus experienced severe obstacles joining the formal urban labor market<sup>29</sup>. Additionally, Turkey’s labor force exhibits a sectoral gender gap, with men pursuing careers in science, technology, engineering and mathematics, while relatively more women work in humanities and medical sciences. Turkey is often compared to OECD and Europe and Central Asia countries but due to income, political and socio-cultural factors, Turkey might be rather comparable to countries in the MENA region, where the average female labor participation is slightly higher than 20 percent.<sup>30</sup>

**Figure 13: Female Labor Force Participation Rate**



Source: OECD Employment Database

<sup>26</sup> World Bank (2013a)

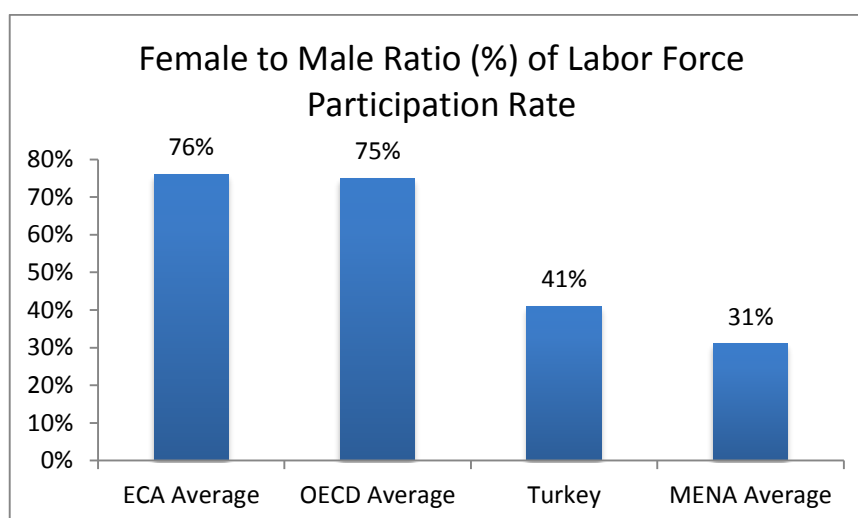
<sup>27</sup> OECD (2013)

<sup>28</sup> World Bank (2013b)

<sup>29</sup> Baslevant and Onaran (2004)

<sup>30</sup> World Bank Development Indicators (2011)

**Figure 14: Female to Male Ratio of Labor Force Participation Rate**



Source: World Bank Development Indicators (2013b)

**128. Female ownership participation seems to be relatively common in Turkey, but few women hold management positions in companies.** According to a recent Enterprise Survey, in Turkey, 41 percent of firms have female owners or co-owners but only 12 percent of firms have a female top manager.<sup>31</sup> However, this survey does not indicate whether women have a minority or majority share. Also, as most firms (with the exception of sole proprietorships) have multiple owners, their decision-making power is diluted unless they are actively involved in running the company. In smaller businesses, it may be that the female family members of the male owners have nominal ownership of the company, while most of the management is performed by men. Several initiatives are currently ongoing to support entrepreneurship among women. The Industry Development Organization (KOSGEB) has launched an interest-free credit program to encourage women entrepreneurship and facilitate women to establish their own businesses. IFC approved a USD 40 million senior loan to ABank to increase lending to women-owned small and medium enterprises as part of its “Banking on Women initiative” in Turkey.

**129. Women are rarely employers or self-employed, and many work in the agricultural sector.** According to International Labor Organization (ILO) labor statistics, only 12% of women are employees or self-employed. The most common occupation for women is as a skilled agricultural or fishery worker (32%), the vast majority of which are informal (90% in 2009). Men’s professions are more evenly dispersed, and they work at a higher rate than women in the craft and trade sector and as plant and machine operators.

**130. The informal sector employs a majority of working women (68.8 percent), but only 44.6 percent of working men.** This gender gap disappears, however, when a sample is taken of non-agricultural workers. Minus agricultural workers, only 33.4 percent of working women work in the informal sector, compared to 34.4 percent of working men. Therefore, it can be concluded that agricultural work accounts for a large amount of informal jobs, and also causes the gender difference in the informal sector.

<sup>31</sup> According to the World Bank Enterprise Survey. Female owners or co-owners were found by asking “Amongst the owners of the firm, are there any females?”. Data from Turkey was retrieved during 4 survey periods, including data from FY 2001-2007 with over 3,000 total surveys of firms completed (i.e., it is not clear whether firms may have been surveyed more than once during that period).

**131. Large but decreasing educational differences persist among regions and between boys and girls.**

In western, central or northern Turkey, 16 year-old girls are 1.5 to 3 times more likely to graduate from junior high school, compared to girls who live in the least developed eastern region. Whereas, no significant regional differences have been observed for boys<sup>32</sup>. The probability of completing higher education in Turkey was 16 percent higher for male students than for females in 2006, still high but an improvement from the 26 percent gap in 1988<sup>33</sup>. On the global scale, more women enrolled in tertiary education than male in 81 of 119 surveyed countries in 2008, which is also a common picture in all OECD countries, with the exception of Japan, South Korea, Switzerland, and Turkey<sup>34</sup>. A peculiarity of Turkey's labor market is that unemployment rates tend to rise with educational level, contrary to global trends. Recent research highlights that lack of job market preparation and short supply of technical and creative skills amongst graduates of vocational schools and universities are key factors behind it.

**132. In Turkey, social and cultural attitudes have a large influence particularly on female education and employment.**

Strong male dominant views of husbands are related to lower schooling and employment of their wives. In addition, children of women with unequal gender views are more likely to drop out of school after completing primary school, an effect, which is even more pronounced for girls<sup>35</sup>. In general, labor force participation rates decrease when women reach the age of marriage and childbirth and are significantly lower for married, than for single and divorced, women. Only 30 percent of married women participate in the labor force, whereas 50 percent of divorced women do so. In Turkey and MENA countries, fewer young women than men are employed, or have completed an education or vocational training<sup>36</sup>. One explanation could be the persistent male-breadwinner model among couples with children in Turkey<sup>37</sup>. Gender gaps in informal apprenticeship might be another reason, as girls are unlikely to be allowed by their families to work as apprentices in a male owned and operated small firm. The gender gap in education might also explain women's low rates of entrepreneurship.

**133. Public regulations and laws represent further barriers for female labor force participation.**

According to a recent study, the welfare system reduces incentives of female participation as state aid is specifically targeted to women, thus supporting the perspective that women's contribution to the household is by being the recipient of welfare benefits. This reinforces cultural perspectives that women should not engage in formal employment<sup>38</sup>.

**134. The discrepancy between men and women's opportunities is reflected at the level of national politics.**

Women hold only 14 percent of national parliament seats. This compares unfavorably to OECD and ECA averages (25 and 18 percent, respectively). Additionally, 1 percent of village governors and less than 1 percent of mayors in Turkey are women.

### **A.1.3 Labor Policy Reforms in Turkey**

**135. Turkey's Ninth Development Plan for 2007-2013 focuses on fostering development and sustainable growth.**

Priorities include: (i) macroeconomic and fiscal stability; (ii) investment climate, labor market, and skills reforms to increase competitiveness and create jobs, especially for women and youth; (iii) education, health and social welfare reforms to increase productivity and enable equal opportunities. In 2008, an action plan was introduced to reduce informality and the 2008 labor reform reduced non-wage labor costs and opened Active Labor Market Programs (ALMP) to all registered

---

<sup>32</sup> Aytac and Rankin (2004)

<sup>33</sup> Hisarciklilar, McKay, and Wright (2010)

<sup>34</sup> Pekkarinen (2012)

<sup>35</sup> Caner et al (2013)

<sup>36</sup> Rates for women (53%) are double those of men (24%)

<sup>37</sup> OECD (2012)

<sup>38</sup> Bugra A. and Yakut-Cakar B. (2010)

unemployed. Later, ALMP's coverage increased and they concentrated on vocational trainings.<sup>39</sup> Reducing disincentives to part-time work and expanding subsidies to new employees (particularly women and youth) are main priorities of the 2011 Omnibus Law.

#### **Lessons from another MIST Country: South Korea's Implementation of a Jobs Strategy**

South Korea launched a new job strategy "National Employment Strategy 2020" in 2010 to increase employment rates of the working-age population to at least 70 percent - the average of industrialized countries (World Bank, 2012a). The main motivation for the strategy was a mismatch between macroeconomic indicators, which showed an economic recovery and the challenges of individuals - especially youth - to find adequate employment. The strategy was based on four pillars:

1. Improved collaboration of the public and private sector to implement new economic and industrial policies in a job-friendly manner.
2. Increased job flexibility and fairness, through relaxed regulations on the duration of contracts for temporary workers and fixed-term contracts.
3. Implemented new models of permanent and part-time jobs, to expand labor force participation and skills development of women, youth, and older workers. The models supported parents to combine work and childcare; and allowed older employees to stay active through working shorter hours under a wage peak system.
4. Strengthened the welfare-to-work transition through the obligatory enrollment of unemployed in employment assistance programs and by reinforcing their obligation to pursue employment.

Similarly, Turkey's new National Employment Strategy focuses on making labor markets more flexible, while increasing the protection of workers, as described in more detail below.

**136. Turkey's new National Employment Strategy focuses on making labor markets more flexible while increasing the protection of workers.** Policies under discussion are partly based on the latest development plan and encourage more flexible contracting, including reduced restrictions or disincentives for part-time, fixed-term and temporary work. Further policies include the introduction of pre-funded severance accounts and an increased coverage of unemployment insurance. The enhanced enforcement of labor laws and awareness-raising seek to reduce informality. Also under consideration are efforts to further scale up employment activation programs and services, particularly among low-skilled youth and women, in a cost-effective way through better targeting and profiling. The Government is also focusing on early childhood education, getting basic skills through education, and building job-relevant skills through quality secondary and higher education, as well as upgrading skills and reducing employment barriers particularly for low skilled youth and women.

---

<sup>39</sup> World Bank, 2012b



## Annex 2: Community Profiles Key

<b>Community 1</b>	Rural Worst-off community surveyed Predominately informal sector employment Mainly agricultural – wealth measured by land ownership Land protected as an archaeological site
<b>Community 2</b>	Urban Poor community in southeast Turkey Predominately informal sector employment Mainly construction work
<b>Community 3</b>	Urban Moderately poor community in northwest Turkey Large population of older immigrants Mix of informal and formal sector employment Most common job sectors are construction and wholesale
<b>Community 4</b>	Urban Second most well-off community surveyed Younger population Predominately formal sector employment Booming construction and real estate sector
<b>Community 5</b>	Urban Most well-off community surveyed Predominately formal sector employment Large construction sector, driven by government initiatives Increasing amounts of new shopping malls in high-density areas Possible limitations for small business owners

### **Annex 3: Bibliography**

- Almeida, Behrman, and Robalino** (2012). *The Right Skills for the Job? Rethinking Training Policies for Workers*. Washington, DC: World Bank
- Aytac and Rankin** (2004). *Modernity, Traditionality and Junior High School Attainment in Turkey*. Social Indicators Research
- Baslevent and Onaran** (2004). The Effect of Export-Oriented on Female Labour Market Outcomes in Turkey. *World Development* 32 (8), 115-34.
- Becker and Tomes** (1986). *Human capital and the rise and fall of families*. Journal of Labor Economics 4, S1-S39.
- Bernabè and Stampini** (2009). *Labour Mobility During Transition Evidence From Georgia*
- Betcherman, Daysal, and Pagés** (2010). *Do Employment Subsidies Work? Evidence from Regionally Targeted Subsidies in Turkey*. Bonn: Institute for the Study of Labor (IZA)
- Blattman and Annan** (2011). *Reintegrating and Employing High Risk Youth in Liberia: Lessons from a Randomized Evaluation of a Landmine Action and Agricultural Training Program for Ex-Combatants*. Policy report 2011.1, Innovations for Poverty Action, New Haven, CT: Yale University
- Bosch and F. Maloney** (2010). *Comparative Analysis of Labor Market Dynamics Using Markov Processes: An Application to Informality*. Labour Economics 17 (4): 621–31.
- Boudon** (1973). *Mathematical Structures of Social Mobility*. San Francisco: Jossey-Bass.
- Brunori, Ferreira, and Peragine** (2013). *Inequality of Opportunity, Income Inequality and Economic Mobility: Some International Comparisons*. Bonn: IZA, Forschungsinstitut zur Zukunft der Arbeit/ Institute for the Study of Labor
- Bugra and Yakut-Cakar B** (2010). *Structural change, the social policy environment and female employment in Turkey*. International Institute of Social Studies
- Caner, Asena, Guven, Sakalli, and Okten** (2009). *Gender Views and Gender Gap in Educational Achievement: Evidence from Turkey*.
- Chioda, Garcia-Verdú, and Muñoz Boudet** (2011). *Work and Family: Latin American Women in Search of a New Balance*. Washington, DC: World Bank, LCRCE, LCSPP, and LAC.
- Corak, Curtis, and Phipps** (2010). *Economic Mobility, Family Background, and the Well-Being of Children in the United States and Canada*. Bonn: IZA, Forschungsinstitut zur Zukunft der Arbeit/ Institute for the Study of Labor
- Fields, Gary S.** (2005). *The Many Facets of Economic Mobility*. New York: Cornell University
- Fields and Ok** (1999). *The Measurement of Income Mobility: An Introduction to the Literature*. In Jacques Silber, ed., *Handbook of Income Inequality Measurement*. Kluwer Academic Publishing.
- Grawe and Mulligan** (2002). *Economic Interpretations of Intergenerational Correlations*. Journal of Economic Perspectives 16 (3), 45-58
- Han and Mulligan** (2001). *Human capital, heterogeneity and estimated degrees of intergenerational mobility*. The Economic Journal 111 (470), 207-243
- Hisarciklilar, McKay, and Wright** (2010). *Gender Based Differences in Educational Achievement in Turkey: What Has Changed Over Time?*

**Hungerford** (1993). *U.S. Income Mobility in the Seventies and Eighties*. Review of Income and Wealth 39 (4): 402-17.

**International Labour Organization** (2008). ILO Employment Status by Gender (Dataset). Accessed 24 June 2013.

**International Labour Organization** (2010). *Women in Labor Markets: Measuring Progress and Identifying Challenges*. ILO: Geneva.

**International Labour Organization** (2011). *Skills for Employment Policy Brief: Up-grading Informal Apprenticeship Systems*. Geneva: ILO

**International Labour Organization** (2012). *Economic Mobility and the Rise of the Latin American Middle Class: Preliminary Findings LAC Regional Flagship 2012*

**International Labour Office**. *Database on labor statistics, Laborsta*. URL: <http://laborsta.ilo.org/e>

**Long and Ferrie** (2005). A Tale of Two Labor Markets: Intergenerational Occupational Mobility in Britain and the U.S. since 1850. NBER Working Paper 11253. Cambridge, MA: National Bureau of Economic Research

**Maloney** (1999), "Does Informality Imply Segmentation in Urban Labor Markets? Evidence from Sectoral Transitions in Mexico", World Bank Economic Review, 13(3), 275-302

**OECD** (2012). *Economic Survey of Turkey 2012*. Paris: OECD

**Pekkarinen** (2012). *Gender differences in Education*. Bonn: IZA discussion paper

**Revenga, Riboud, and Hong Tan** (1994). *The Impact of Mexico's Retraining Program on Employment and Wages*. World Bank Economic Review 8 (2): 247-77

**Rodriguez-Planas and Benus** (2010). *Evaluating active labor market programs in Romania*. Bonn: Institute for the Study of Labor (IZA)

**Stiglitz** (2012). *The Price of Inequality: How Today's Divided Society Endangers Our Future*

**Tansel and Kan** (2012). *Labor Mobility across the Formal/Informal Divide in Turkey: Evidence from Individual Level Data*. Bonn: IZA, Forschungsinstitut zur Zukunft der Arbeit/ Institute for the Study of Labor

**Turkstat Statistics** (2012). *Data*. Accessed: 23 June 2013). URL: <http://www.turkstat.gov.tr/Start.do>

**World Bank** (2011a). *World Development Report 2012: Gender Equality and Development*. Washington, DC: World Bank

**World Bank** (2011b). *World Development Indicators 2011*. Washington, DC: World Bank ( Accessed: 23 June 2013). URL: <http://databank.worldbank.org/data/views/reports/tableview.aspx>

**World Bank** (2012). *The World Bank Group Country Partnership Strategy for the Republic of Turkey for the Period 2012 -2015*. Washington, DC: World Bank

**World Bank** (2013a). *Turkey Regular Economic Brief*. Washington, DC: World Bank

**World Bank (2013b) World Development Indicators 2013**. Washington, DC: World Bank (Accesses: 26 March 2015). URL: <http://databank.worldbank.org/data/views/reports/tableview.aspx>

**World Bank** (2014). *Doing Business 2014: Turkey*. Washington, DC: World Bank