REGIONAL DEVELOPMENT IN TURKEY

An Evaluation of Public Policy Since 1923

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ABSTRACT

REGIONAL DEVELOPMENT IN TURKEY, An Evaluation of Public Policy Since 1923 by Malcolm D. Rivkin

Submitted to the Department of City and Regional Planning on Feb. 7, 1964 in partial fulfillment of the requirements for the degree of Doctor of Philosophy.

In early stages of a nation's economic growth, industry, commercial activity, educational institutions, and other forms of modern development tend to concentrate at one or two large urban centers. The growth process becomes localized in these "national" centers, from which few modernizing influences penetrate to other parts of the country. This concentration and the problems to which it leads are reviewed. Western experience is compared with that of contemporary developing nations, and distinctions are drawn. Characteristics of regions experiencing sustained growth are described. Two principles are established as a basis for government efforts to create new growth regions outside national centers; (1) selective concentration of investment and attention in a few areas of high resource potential, (2) continuous effort over long periods of time to guide the selected regions through the growth process.

Ever since the Republic began in 1923, Turkish government has emphasized extension of development from the traditional centers of Istanbul and Izmir. The objectives and organization of public programs during this period are discussed and their results evaluated. Creation of Ankara as a viable national capital and cultural center is cited as the single most successful effort. Outside of Ankara, development activity was widely dispersed. Government did not follow a consistent policy of providing certain regions with sufficient complementary advantages for sustained growth to occur. Istanbul, Izmir, and Ankara continued to draw the bulk of modern economic activity and the modernizing elite, despite heavy public expenditures elsewhere.

Zonguldak Province, a coal-and-steel producing area, is analyzed as an example of a region which received extensive public investment since 1923. Zonguldak's failure to achieve sustained growth is traced to larger national weaknesses in policy formation and organization.

Lessons on policy and organization for regional development are distilled from the Turkish experience for possible application to other nations.

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INTRODUCTION

I. The Problem Summarized

A. Focus of Research

This is a study of one nation's efforts over a generation to spread urbanization and economic development beyond the small area where most of its modernizing influences had been concentrated. Although a specific analysis of Turkey, it is also relevant to the many developing countries that are today adopting programs to promote decentralized growth. Our chief concerns are:

1. The nature of Turkish governmental policies towards decentralized development between 1923 and 1962.
2. The degree to which these policies resulted in activation of new growth regions (outside the traditional centers of Istanbul and Izmir) whose economic and social transformation possessed a dynamic and self-generating character.

Primary theoretical interest lies with the process whereby governments can attempt to change backward areas into growth regions. The case of Turkey is employed

to illustrate some general principles on this question which are put forth in Chapter One.

B. Urban Concentration and Alternative Responses

In the early stages of a nation's economic growth, industry, commercial activity, educational institutions and other forms of modern development tend to concentrate at one or two large urban centers. The growth process becomes localized in these "national" centers, from which few modernizing influences penetrate to other parts of the country. As a consequence, severe social, economic and political strains arise both between the national centers and the hinterland and within the national centers themselves.

A government confronted with this geographic concentration of its dynamic modern sector has an option of adopting one of two basic approaches to the spatial allocation of new investment.

1. Continuing the trend towards concentration by making its major capital expenditures and other efforts to encourage development within the national centers.
2. Attempting to stimulate the emergence of new growth areas in other parts of the nation by decentralizing development efforts.

The decentralized approach can itself take a form somewhere between two extremes of broad, overall policy:

1. Dispersion. Investment resources and incentives are spread widely over the nation. Some modern activity is given to a great number of locations in the expectation that this "seeding" process will result in activation of new growth regions.
2. Selective Concentration. Only a few areas with relatively high development potential are selected for special treatment. Many forms of related industrial, agricultural, educational, transport and other public programs are concentrated in these areas in an attempt to overhaul thoroughly their economic and social structure.

Concern with the problems of concentration at national centers and with appropriate policy responses to its occurrence are among the most pressing issues that face developing nations. In the postwar period, several such as India, Pakistan, Brazil, Venezuela, Israel, and Nigeria have embarked on attempts to stimulate decentralized growth. These efforts are relatively recent and any evaluation must perforce be made on a tentative basis.

II. The Relevance of Turkey

Turkey is a rare example of a developing country with a long history of government policy directed towards decentralized urbanization and economic institutions.

Before the collapse of the Ottoman Empire and the Kemalist revolution of 1919, Constantinople (Istanbul)

had been "the center of all Turkish affairs, economic, political and industrial as well as military. There was no other city in the country to replace it, no network of roads and railways which would have enabled the Army and the government to have rapidly regrouped in another place." (1) Only the agricultural export center of Smyrna (Izmir) on the Aegean coast was able to offer some competition. Constantinople held a virtual monopoly of the modern industry, commercial activity and education that existed in Turkey. Smyrna took most of what remained.

Once the Republic was established in 1923, the new government began to devote major energies and investments to a build-up of urban centers in the Turkish interior. Four specific programs were attempted:

1. Creation of a new administrative and cultural capital at Ankara.
2. Transformation of many provincial towns into modern cities by making them governmental and cultural centers for their respective hinterlands and by initiating extensive municipal construction projects.
3. Extension of railroad lines to provicial towns, connecting them with Ankara and the Western coast.
4. Establishment of large industries, owned and operated by the state, in many interior centers.

After Ataturk's death in 1938, Turkey continued to pursue decentralization programs. Although the programs' character underwent changes, and the degree to which they were emphasized by subsequent governments differed, there is enough evidence to conclude that decentralized growth has been a significant aspect of public policy from 1923 to the present day.

Turkey's experience is particularly relevant to problems of developing nations outside the Communist Bloc, since private enterprise has played an important role in the modern state. Indeed, much of the public decentralization effort was undertaken to open a way for private entrepreneurs to follow.

Thus, Turkey provides a period of almost 40 years in which it is possible to analyze the goals, priorities, and organization of a country's conscious effort to extend development beyond initial points of concentration. Chapters Two-Four will deal with this analysis.

For a full understanding of the Turkish experience, we should examine specific regions which were targets of decentralization measures. Unfortunately, data for most of these areas are lacking. However, it is possible to analyze in detail the outcome in one province, clearly backward in 1923 and subsequently the focus of intensive development efforts. This is Zonguldak, a coal-and-steel producing area, the subject of a 1961-62 Ministry of Reconstruction study in which the writer participated.

Chapters Five and Six will treate Zonguldak as a case region where public activities, similar to those applied elsewhere in the country, were aimed at creating economic growth.

III. Some Signs of Change

A superficial glance at available statistics is enough to demonstrate that urban and industrial decentralization have indeed been significant during the Republic's existence.

Turkey's first census was taken in 1927, four years after Ankara was officially declared the capital. Total population of the country was then 13.6 million (2). About 16 percent lived in cities over 10,000 in population, and 8 percent in cities over 50,000.

Istanbul (691,000) and Izmir (154,000) were the only cities over 100,000 in size.*

Istanbul, its suburbs and the other towns of the Marmara Region** accounted for 43 percent of the nation's

---

*Ataturk abolished the Greek names of Constantinople and Smyrna. According to Akçura's estimate (3), at the turn of the century, Constantinople's population was over 1,000,000 and Smyrna's 300,000. War, the exodus of Greek and other minorities, plus the transfer of government to Ankara had reduced the population in these two centers by 1927. Ankara, a town of 25,000 in 1919, was already 75,000 at the time of the census.

**The Marmara Region comprises those provinces which border on the Sea of Marmara plus the remainder of Thrace. See Appendix A for a discussion of the breakdown of gross geographic regions used in the study to illustrate population change.

populace in cities over 10,000 and 72 percent in those over 50,000. Two of the country's five cities over 50,000 (Istanbul and Bursa) were in the Marmara Region.

By the census of 1960, total population had slightly more than doubled and stood at 27.8 million. Population in cities over 10,000 had tripled and had increased three-and-one half times in cities over 50,000.

Istanbul (1,500,000) was still the largest city but had grown roughly at the same rate as the national population itself. The Marmara region now had only 31 percent of Turkey's population in cities over 10,000 and only 39 percent in cities over 50,000. Ankara (650,000) had passed Izmir (400,000) to become the country's second largest city.

Marked urbanization had occurred in the interior regions. These regions now held a substantially higher proportion of Turkey's urban population, even though their share of total population was roughly the same in 1960 as it had been in 1927.*

By 1960 a total of 27 cities had passed the 50,000 mark, only five of which were in the Marmara Region. Seven of the nine communities that had reached 100,000 or more were outside Marmara.

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*Demographic information is discussed in detail in sections of Chapters Two, Three, and Four dealing with changes to the pattern of urbanization. The reader is invited to examine maps and tables in these sections.

Turkey remained a predominantly agricultural nation throughout this period; nevertheless, it underwent important industrial expansion as the result of government and private investment. Istanbul was still the largest industrial center, but in 1956 contained only 30 percent of the plants with over 10 workers, as contrasted with its near monopoly of manufacturing at the Republic's start. (4) Izmir was the second largest seat of industry, but Ankara and interior cities such as Adana, Kayseri, Sivas, Karabük, Malatya and Erzurum now had major national factories.

IV. A Basis for Evaluation

These and other available statistics can illustrate that significant decentralization has occurred in Turkey since 1923. Yet such figures provide only the bare bones of analysis. They are unable to tell us how "effective" Turkey's decentralization efforts have been. Nor are they sufficient indicators of the degree to which measures implemented in Turkey might possess transfer value for other nations interested in decentralization policies.

Are the new urban and industrial areas in reality fountainheads of dynamic economic and social development? To answer this question we must first have some criteria for judgment. Chapter One reviews the problems of urban concentration in detail and proposes a basis for evaluating the effectiveness of decentralization policies.

CHAPTER ONE

A THEORETICAL FRAMEWORK

> "Urbanization is a critical process in the development of the modern nation state. Historically, all complex and advanced civilizations have sprung from the city, and in the contemporary world, urban life is the dynamic basis for most of the activities and processes we associate with modernity and economic progress. Therefore, any systematic effort to transform traditional societies into modern nations must envisage the development of cities and modern urban societies."
>
> - Lucien Pye (1)

This study is based on the assumption of an intimate relationship between urbanization and economic growth. Our first order of business will be a review of factors leading to concentration of modernizing institutions at one or two large urban centers during the early stages of a nation's economic development.

I. Concentration at National Centers

A. The Pre-Industrial Period

Kingsley Davis, in a pioneering analysis of urbanization rates for many countries, both developed and developing, reached two fundamental conclusions

regarding urbanization during a nation's pre-industrial period. (2)

1. During this period the proportion of urban to rural population is quite small.
2. The rate of change in urban population (increase or decrease) is relatively slow.

Before industrialization, the bulk of a nation's populace is agricultural. Primitive peasants are tied to the land, their horizons bound by the boundaries of their fields, their aspirations couched to the vagaries of rainfall, drought, and tax collection. They have little need or thought of cities. Oscar Handlin paints a picture in The Uprooted (3) of the fatalistic peasant whose life is governed by the rhythm of the seasons that could fit the Turk, or Persian, or Indian as well as the pre-industrial European whom Handlin describes.

Towns do arise in this period, however; for market, religious, administrative, or military reasons. Their functions are primarily those of control or commerce. Their populations tend to be small and confined to soldiers, clergy, artisans, merchants, landowners, tax-collectors and other government officials. (4) In Turkey, over centuries a thoroughfare for east-west caravans, many of these towns served as stopping-places a day's journey apart along the principal caravan routes.

The pre-industrial market towns exerted a "non-competitive" influence over villages in their hinterlands. Any business that the villagers had to do was done in the town or with its residents. The town was the sole or principal contact point between the peasant culture and any other form of civilization.

As a result, a nation was frequently one whose citizens felt small allegiance to a central government or national purpose. It was rather more a collection of these individual market towns and their rural hinterlands, each self-contained as to economic and social activity. Friedmann (5) terms this spatial pattern one of <u>isolated regional economies</u> and notes that it was prevalent in Venezuela before the 20th century exploitation of oil.

> "Venezuela can be said to have consisted at the beginning of the oil period of a number of more or less closed regional economies which had but little commerce among themselves and which could be governed from the center only with difficulty."

Vernon (6) describes a similar pattern for 19th century Mexico,* and Robinson's picture of Turkey before

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*Vernon comments: "In the case of Mexico, the tendency to regionalism was aggravated by the country's disconcerting geography.. The geography of the country not only handicapped the overland movement of goods, but also encouraged the retention of major linguistic and cultural differences. The physical scene was such as to challenge the authority of any central government. Local rebellion was easy; and wherever local rebels gained autonomy, they usually imposed the only kind of law they knew--systems of monopoly and personal privilege.... At times, too, the local authorities levied taxes on goods that tried to leave their areas.... Mexico was divided into an infinite number of tiny markets."

the Republic (See Chapter Two) depicts a practically identical situation.

One or two large cities may exist during the pre-industrial period. A country or Empire may have foreign trade, and entrepots are necessary. A royal government must be headquartered. A colonial power needs a central base of control. In many cases, the locus of functions for international trade, national government and artisanry coincided to result in large, fairly stable urban centers before the industrial revolution. (7) London, Paris, Rio, Peking, Bombay, Buenos Aires, Djakarta were but a few. Like Constantinople before the Republic, each of these was "The Town" of its nation.

B. Industrialization and the Center

When Industrialization begins, enterprises not bound to raw materials sites, tend to concentrate at a few points. These are usually the few large, diversified centers established during the pre-industrial period. A 1954 United Nations economic survey of continental Europe and the Mediterranean points out the high degree of coincidence between older administrative and trading centers and heavy concentrations of industrial employment in modern times. (8)

Several reasons account for this early tendency to agglomerate.

1. Entrepreneurship comes often from the commercial and trading classes already established in the centers and who have been most exposed to contact with other, more advanced societies.
2. If the new industries rely on importation of raw material or machinery, location at the port or other major transportation junction is most accessible to sources of supply.
3. The few financial and commercial institutions that exist in pre-industrial times are usually in the largest centers.
4. Access of entrepreneurs to high government officials (for a variety of reasons, from obtaining permission to build plants to offering bribes for import permits) is often essential.
5. The existing large cities offer a more concentrated and immediately accessible market than elsewhere. (Peasants with low income are unlikely to provide an early market for manufactured goods.)
6. The labor supply, while not necessarily trained for industrial pursuits, nevertheless contains artisans and others with skills who can form a nucleus for an industrial labor force.

A significant factor of risk exists to influence entrepreneurial choice. Entrepreneurship involves

assumption of risk for the long-run chance of profit. Particularly in the early stages of industrial growth, with undeveloped markets, untrained labor, and little in the way of infra-structure, with communication to outlying regions rudimentary or non-existent, risk is minimized when maximum accessibility to the best opportunities for markets, labor, transport, and utilities is maintained.

1. External Economies

Once the pattern of industrial concentration takes effect, it tends to become self-reinforcing. If industrial investment shows signs of profitability, more industry proceeds to agglomerate with the first. Gunnar Myrdal (9) offers the following explanation of the process:

> "In the centers of expansion, increased demand will spur investment which in its turn will increase incomes and demand and cause a second round of investment, and so on."

External economies are created which act as further incentives to concentration:

Hirschman notes (10) that industrial demands for services and utilities in the large centers result in major governmental infra-structure investments, which make these centers even more attractive for new industries.

After the initial spurt of development, a labor force becomes trained and available to train other workers. New credit institutions may be established, reinforcing the center's position as the main or sole source for financing of enterprises.

The very reasons that brought development of manufacturing to the city or region it dominates are now magnified; and growth of new operations at this focus of national development leads to a populace with an increasing diversity of skills and interests.

Education is necessary to staff the top echelons of the enterprises, as well as of government and commerce, themselves faced with increasing complexities of function. Therefore, it is at the center that creation of universities, training schools and other specialized institutions tends to take place.

Here too is the market for theatres, museums, and other sophisticated forms of entertainment; and the major hospitals and law offices; the service enterprises which can build a clientele where substantial basic employment and income levels exist.

Development at the center reaches out to produce changes in the nearby rural hinterland as well. The growing urban market exerts pressure on subsistence agriculture for conversion to cash-crop farming which can supply its needs for milk, perishable vegetables and fruits where climate and soil conditions allow. Capital from the center also becomes available for hinterland agricultural investment. According to Myrdal and the UN European survey, the greatest impetus to modernize agricultural practice occurs in the vicinity of the large urban center. (11) This conclusion parallels

findings of Nicholl and Tang (12) in the Southern USA that most diversified and profitable agricultre is conducted near the industrial cities.

In some nations these great centers of development have been single cities and their hinterlands, such as Buenos Aires for Argentina, Athens for Greece, Lisbon for Portugal. In others two or more city regions may vie for dominance--Rio de Janeiro and Sao Paulo in Brazil, Cairo and Alexandria in Egypt. But in most cases of early industrial growth, whether the magnets be one or a few, countries seem to be similar in that the major impetus for and institutions of development are "localized" in a relatively small area.

Presence of opportunity at these cities make them chief targets for rural migration. Bauer's observations indicate that large, established centers experience the greatest amount of population increase during the early industrialization period. (13)

Yet population growth is not the most striking manifestation of the centers' attraction. Of much more fundamental significance is the continued concentration of a nation's modernizing institutions and influences to the virtual exclusion of most other areas.

2. Evidence of Concentration

Evidence has been gathered from a number of national centers to indicate their unusually high proportion of the nation's industry relative to population.* Yet the imbalance has been measured in other activities as well. The UN's European Economic Survey (17) comments on the heavy concentration of credit facilities and technical training schools in center regions with a commensurate paucity outside. Friedmann (18) cites the case of Rio de Janeiro and Sao Paulo with 20 percent of Brazil's population and 57 percent of its professional workers. The situation of pre-Republican Turkey, where Constantinople held every one of Turkey's secular institutions of higher education except some minor military academies, is by no means unique, even to the present day.

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*Baghdad, for example, in 1954 accounted for eight percent of Iraq's population. At the same time it held 20 percent of Iraq's industrial enterprises and 36 percent of its industrial workers. Even more strikingly, Baghdad possessed 51.5 percent of the industries with 100 or more employees each and 61 percent of the number of workers in these firms. It had 58 percent of the country's annual industrial payroll, and 66 percent of total value of machinery excluding that of the oil fields. (14)

Calcutta and Bombay between themselves held 14 percent of India's urban population in 1951, yet contained together almost one-half India's industrial establishments. (15)

Cairo and Alexandria, for another example, contained 16 percent of Egypt's population in 1947 and 54 percent of its industrial employment. (14) In neighboring Israel, Tel Aviv had 21 percent of national population and 40 percent of industrial employment. (16)

The large center is the incubator of modernization. Friedmann terms it the "central stage where the drama of socio-economic transformation is carried out." (19) Hoselitz, summing up what he considers the agreement among students of urbanization, suggests that

> ".. to the extent to which the process of modernization is mediated through urban centers, the larger cities play a more crucial role....in general, the larger the city, the more important is its general mediating function in the process of social change and acculturation. To some extent, therefore, the rapidity with which a country modernizes, or at least with which psychological attitudes favorable to modernization are created, is dependent on the growth of its cities and especially the large cities." (20)

II. The Center-Periphery Conflict

A. Economic, Social, and Political Strains

As the process of concentration occurs, severe economic, social, and political strains arise between the national center and the rest of the country. Similar problems faced wealthy Western nations in their initial growth periods, but the difficulties of newly developing countries in this respect appear to be more severe with less possibility of easy resolution.

Industrialization and the consequent accelerated movement of people from countryside to the national center magnify economic and social differences between the center and the nation outside. The faster the progress at and movement towards the center, the faster are differences magnified.

The national center develops increasing economic strength and cultural diversity, while hinterland regions, still engaged in their traditional form of life and economy, appear to stagnate.

Perloff, Friedmann and others (21) have graphically termed this a center-periphery relationship in which the entire nation becomes peripheral to the main urban centers, contributing men and material to their continuing progress and receiving little in return. Myrdal suggests that a "centripetal" process of investment, consumption, and re-investment begins to build up momentum for sustained

internal development of the center, leaving the nation outside in a backwater.

> ".. the ever-increasing internal and external economies interpreted in the widest sense of the word to include....a working population trained in the various crafts, easy communications, the feeling of growth and elbow room, and the spirit of new enterprise--fortified and sustained their continuous growth at the expense of other localities and regions where instead relative stagnation or regression became the pattern." (22)

Economic dualism occurs as a result of the increasing marginal rates of return on investment at the center and the perfection of its market in the face of stagnation at the periphery. The more attractive investment at the center becomes, the fewer attractions exist for investment in the periphery. Morris and Myrdal (23) cite great difficulties involved in attempts to industrialize Southern Europe because of its inability to compete successfully with the highly-urbanized production areas to the North. The UN European Economic Survey found that credit facilities for possible entrepreneurs in the poorer regions were practically non-existent (24) and concluded that education and even agriculture--the traditional economic activity--were making far slower progress outside of the central regions.

Per capita income is a significant indicator of economic dualism. Income and consumption levels of main urban centers tend to be far higher than elsewhere in the developing countries. No matter how marginal the

work which a city-bound migrant discovers, chances are that he will obtain higher material standards than the subsistence peasant. It is this factor of higher material standards that the Indian economist Chaudhuri cites in caution against too-zealous governmental efforts to restrict rural-urban migration. (25)

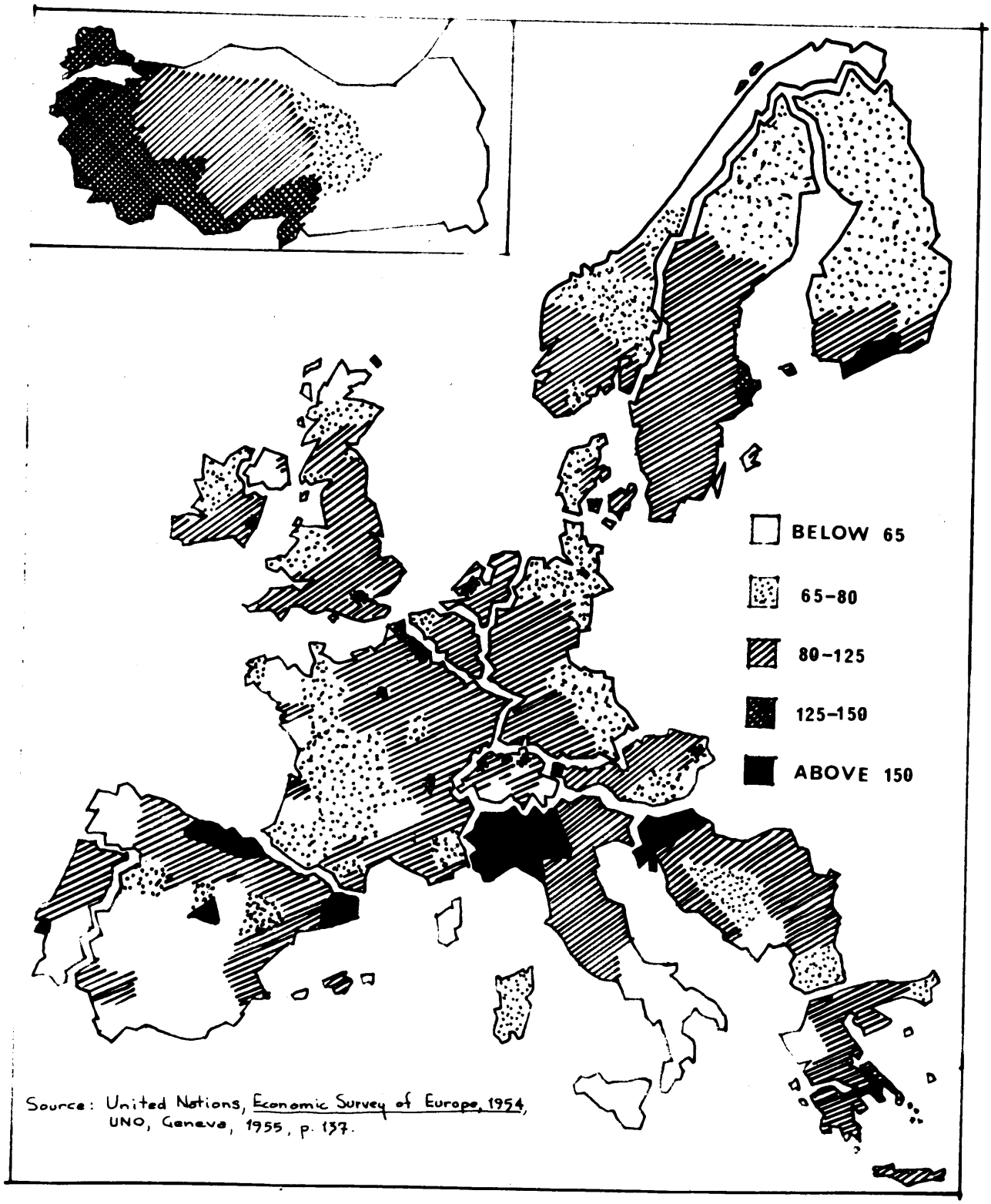
A most revealing picture of income imbalance is presented in Map I-1. Here the regional distribution of per capita income in the less-developed European and Mediterranean countries is contrasted with that of the wealthy northern nations. A presentation of results from the UN European Economic Survey, the map indicates far greater disparity of wealth between the large urban centers and the hinterland in Portugal, Spain, Italy, Greece, Yugoslavia and Turkey than in the northern countries. These richer nations have pockets of economic backwardness as well, but experience a significant spread of wealth from the center.

Economic imbalance is not entirely a question of imperfectly distributed natural resources or scarcity of capital. Many of the developing nations have rich, untapped resources of raw materials, water, and fertile soil in areas outside their national centers. Exploitation of these resources could bolster the economy by substituting for imports, providing new goods for export, or otherwise adding commodities for national consumption

MAP I-1

REGIONAL INCOME DISPARITIES WITHIN WESTERN EUROPEAN COUNTRIES

Estimated per capita *income in each region expressed as percentage of income in each country*



Source: United Nations, Economic Survey of Europe, 1954, UNO, Geneva, 1955, p. 137.

and providing jobs. Attempts to create new consumer markets might also be warranted. Such activity could well be profitable for the same entrepreneurs who invest in consumption industries and real estate at the centers. If the "frontier spirit" prevailed in developing nations, opportunities in the periphery might be mobilized more effectively.

Hirschman, however, suggests that entrepreneurs tend to "overvalue" the payoff at central locations even though they may possess objective information on profitable possibilities in the periphery. (26) Mistrust in the stability of government and a reluctance to leave the amenities of the large westernizing cities may bear on this unwillingness to look elsewhere. As the center continues to offer greater creature-comforts and a wider variety of services, the reluctance to risk outside intensifies.

The economic gap between center and periphery has a social counterpart, perhaps even more serious for a nation's long-run viability.

Attractiveness of the center works to drain the rest of the nation of its best and younger citizenry, those who could be the backbone of modernization in their own habitats. Big city spells opportunity for more easily mobile individuals of provincial towns and villages. They join the migration stream far out of proportion to their numbers. Bogue and Zachariah's study of migration

to the four largest Indian metropolises of Bombay, Madras, Delhi and Calcutta (27) indicates, for example, that between 50-70 percent of the male immigrants are between the ages of 15 and 29.

Presence of the younger and presumably more adventurous people in the metropolis reinforces its position as the vigorous center of new ideas, the training ground for new skills and associations.

Deprived of their own more vigorous elements, peripheral regions suffer. Those who might have tried to introduce new techniques have left. Rigid family patterns and social customs which act to prevent change are reinforced as the rebellious have opted for new opportunities in a different environment.*

But social problems of concentration are not confined to peripheral regions. They are perhaps of most immediate severity within the metropolis itself. The migrant, even when moving with others from his village

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*John B. Lewis makes the following comments on the social consequences of what he terms India's increased "metropolitan centering:"

> ".. Most disturbing of all, metropolitan-centering maximizes India's drift towards the condition of a polarized 'dual' society....Its effect is to gather the progressive elements in the society into metropolitan concentrations that, in terms of income and ideas pull farther and farther away from the traditional rural mass." (28)

as a group, has left security of home, family, and native habitat behind. Patterns of work and living in the metropolis are so different, even from provincial towns, that a difficult adjustment period must be faced. Often the peasant lacks education or skill for urban jobs that are vacant, and in general he is unable to read or write. Without the reinforcement of an environment he understands, without the skill to cope with challenges from the new environment, despair and dissillusionment await him.*

Those who do find work may indeed be better off than in poverty-stricken rural surroundings. But unemployment at the centers is severe.** If lucky, the unskilled migrant may become underemployed instead of jobless. The countless numbers of car washers, shoe-shine men, hawkers, and office-runners in the capitals of the underdeveloped world attest to a degree of unproductive

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*George Weaver (29) lists five major handicaps to the social integration of migrants to the metropolis:

"a. misinformation about job opportunities and cost of living

b. abrupt severance of ties with the home community

c. ignorance of institutions of the (new) urban community

d. impediments to communication with city people

e. educational deficiencies which in urban occupations and life represent insurmountable handicaps."

**Bauer (30) examined the same four Indian metropolises as Bogue and Zacharias and discovered that in 1956 the percentage of unemployment in these cities was double that of India's urban population elsewhere. Friedmann (31) reports an unemployment rate of 20 percent in Caracas.

employment perhaps without parallel in the early growth of the West (See page 33). It appears that the peasantry, as well as the urban entrepreneurs, may "overvalue" opportunities at the center.

Underemployment is not confined to the illiterate and encompasses many of the western-educated elite. Although peripheral regions desperately need their talents, the metropolis is often oversupplied with university graduates who, like the capital supply itself, are unwilling to flow out of their incubus to undertake risk or challenge.

In the face of employment problems at the metropolis and the slums and shanty-towns that seem to nurture the migrants and their social problems, one might well agree with Catherine Bauer that "the big centers are....almost as poor as they are rich." (32)

Economic and social strains both within the metropolis and between the center and its periphery lead to potentially dangerous political tensions.

The periphery is well aware of the center's bounty and its own stagnation and decline, yet feels it can do little (within the constraints of legitimate political conduct) to redress the imbalance. As the gap widens, peripheral areas afford breeding grounds for political agitation. The peasant leagues of Northeast Brazil who for several years have clamored for government investment in this vast depressed region; the discontented Bolivian tin-miners; the support for Viet Cong outside of Saigon

are all, to a degree, manifestations of tensions between a bountiful center and a barren periphery. In building up Anatolian support for his revolution, Ataturk dwelt heavily on feelings of resentment towards exploitation by the Ottomans and the foreigners in Istanbul. Whether the pressures take the form of open conflict or lobbying for more public investment in peripheral areas, they cannot long be ignored by a central government "because of compelling considerations of equity and national cohesion." (33)

Yet a large, discontented, underemployed metropolitan proletariat may be an even more risky political liability. Dissension in the countryside is scattered, as difficult to organize as the various regions and sub-regions are fragmented. A concentrated urban mass, however, physically close to the centers of national power, can become a tinderbox to give the leadership of developing nations cause for concern. Whether the dangers are real or imagined, the concern nevertheless exists.*

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*This is being written shortly after two events in national centers of developing nations which indicate how explosive such a metropolitan mass can become: the Buddhist demonstrations in Saigon and the destruction of the British Embassy in Djakarta by a mob of 10,000.

Tangri Shanti, an Indian political scientist, voices his fear that "if the educated unemployed provide leadership, these transients....the lumpen proletariat, provide the raw material for mobs. Political parties, trade unions, business and religious groups, displaced landlords, and princes willing to provide ideological, financial and organizational resources for making effective use of these two groups are not scarce in the cities." (34)

Footnote contd.

Footnote contd.

Wingo, who takes the more dispassionate view of a foreign observer, nevertheless concurs that "unless comprehended in the development policies, this vast, culturally pulverized proletariat can harbor the seeds of political instability which may preclude an orderly long-range development of the nation's economic potential and amplify the social disruptions which the development process should seek to mend." (35)

So long as opportunities for productive employment in the regions from which migrants come remain slight and so long as other areas lack the "image" of a better life that the national center conveys, political consequences of center-periphery conflict will continue to endanger national stability.

B. The Physical Consequences of Concentration

Heavy concentration of urban population and economic activity at these national centers results in manifold and costly physical development problems. These are, as urbanization itself, an inevitable consequence of economic growth. Any solutions which bring adequte relief at a stage of heavy concentration are extremely costly, particularly in view of the limited resources a nation has available for public works. Attempts at such solutions may indeed draw even more funds into the growth process at the center, leaving commensurately less for public investment in peripheral regions. Thus the center-periphery conflect can be intensified in still another way.

Most basic is the housing problem. Haar (36), for example, cites adequate housing as the single most significant and most ignored issue confronting the large cities of Latin America. In Calcutta, hundreds of people count a concrete strip in the main railroad station as home. Bombay, Rio, Djakarta, Cairo, etc. are all ringed for miles with shanty-towns, "favelas," "bidonvilles" that multiply and--at the very least--block an orderly pattern of urban expansion and present severe sanitation difficulties. (37) Evan San Juan, a much smaller national center than many, where the full weight of U.S. housing programs has been brought to bear, still has a large tin-and-tar-paper slum on a marsh bordering the central business district.

Along with housing is the problem of utilities, both for the people and industries. Fountains and septic tanks which could serve in less congested areas must be foregone for water and sewage systems. Residential and commercial electricity demands are so intense that expensive, high capacity installations present the only possible supply solution. Traffic congestion and the increasing journey-to-work distances require extensive investments in sophisticated transport networks.

Lewis suggests that today the incremental costs of providing industrial services and utilities for the Indian Metropolises far exceed those in smaller

communities. (38) While India has perhaps drawn the most intensive study of urban development costs,* there is no reason to suppose that her basic situation differs from other nations in a similar position. As pressures for expansion of the centers accelerate, so do the physical problems and the price of their alleviation.

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*Catherine Bauer made one of the few studies of comparative urban development costs for cities of varying size and density and concluded that the cost of housing and services in the dense Indian metropolises is much greater than in smaller, less congested cities. (39)

III. Spread from the Center

A. Western Experience

If lessons from developed countries were alone the yardstick for measuring prospects, the new nations would have little cause to worry. They might expect an eventual spread of development from the center and a gradual equalization of income and opportunity as other regions increase their attraction power for investment and the modernizing "elite."*

A similar early process of concentration occurred in Northern Europe and the United States. Once a strong economic base operated within the large centers, however, demands grew for new markets, new sources of raw material and labor that could not be filled by the metropolis. Government's welfare and infra-structure activites also increased and broadened. Both urbanization and productive activity spread away from their initial incubi.

Myrdal's centripetal force of attraction to the center eventually became centrifugal and pulled more and more of the outlying regions into the stream of development.

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*In an attempt to establish general principles we may lose sight of the individual instances where great spurts of growth have occurred. One example is the transformation of Medellin and Cali into diversified industrial centers in Columbia. Another is Brazil's Belo Horizonte production area northwest of Rio de Janeiro. The characteristics of such development regions, whose occurence has thus far been rare, will be considered in the discussion of targets for decentralization policy on p. 43.

He suggests that pressures for attention from the periphery combined with the lure of entrepreneurial profit and a growing sense of governmental responsibility to reduce the inequities that had occurred:

> "...in the developed countries regional inequalities have been mitigated, and in a few of the richest and most advanced ones almost wiped out of existence by the spread of expansionary momentum and by policy interferences on the part of the national state." (40)

The income-distribution pattern of the Northern European countries depicted on Map I-1 indicates how wide a diffusion has occurred.

Perloff (41) describes a similar spread in the United States after the early establishment and concentration of production in major Eastern seaboard cities. Although the United States still has areas of depression and excessive unemployment, Bogue's studies (42) conclude that this country now is covered by a set of interlocking metropolitan areas, each with central cities exerting wide influence on the production and consumption patterns of their hinterlands.

John Friedmann (43) is evolving a development model of spatial structure in which he times the emergence of the large "monopolistic" center during the early industrialization period. Once its growth is well underway, Friedmann sees outlying regional centers materialize, each performing modern functions of production and administration and linked with a number of smaller

dependent towns and cities. These regional centers, which might specialize in certain phases of production suited to their resource environment, contribute to the diversification and expansion of the national economy--and provide alternate targets for investment and population migration to that of the national center.

At a highly advanced stage of development, secondary and service activity outdistance industry as the main source of employment. Agriculture becomes so mechanized as to require little labor. Then, according to Friedmann, the boundaries of national and regional centers will begin to flow together, eliminating remaining pockets of backwardness. What he calls an "integrated space economy" will have come into being on the national scale. At this stage, the spatial pattern of a nation is an interlocking and hierarchical network of metropolitan regions, similar to what Bogue depicts for the United States.

If developing nations echo Western experience and move towards a pattern in accordance with Friedmann's model, we might be more confident that major industry and other modernizing influences will eventually spread with force into the periphery. However, strong evidence indicates that the process of diffusion may be immensely harder than it was in Northern Europe or the United States.

B. Discouraging Prospects

Many developing nations are faced with a weaker economic structure in their large national centers than was the West at a comparable stage of urbanization. In these countries, industrial employment occupies a far smaller proportion of the labor force than it did in Europe at a time of similar urban-to-rural population balance. This means that the expansionary forces, which elsewhere reached out to encompass peripheral regions in the growth process, may not now be appearing.

Hoselitz shows that in Germany of 1882, 47.3 percent of the labor force in cities over 100,000 derived their livelihood from manufacturing and mining, whereas the comparable figure for India in the past decade has been 29 percent. Hoselitz takes a further sample of eight Western European countries,* whose proportion of urban population during the 19th century was similar to that of India during the 1950's (i.e. 10-12 percent in cities of more than 20,000) and computes their average percentage of labor force in manufacturing at 27.3 percent. In 1951, only 10.7 percent of India's labor force was in manufacturing. (44)

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*Austria, Ireland, France, Norway, Sweden, Switzerland, Portugal, Hungary.

To carry Hoselitz's findings further, we assembled the material in Table I-1 below. It contains estimates of industrial labor force in several other developing nations where concentration in a few large cities has reached enormous proportions. These nations, too, fall far below the 19th century European levels.

One might surmise that contemporary automation has reduced requirements of industrial employment so that newly established firms can operate productively with a smaller component of workers; thus releasing more people for profitable service trades. Yet in developing nations, much of the industry is characteristically labor-intensive and fragmented into small and inefficient operations. (45) Despite the larger, more efficient firms at national urban centers, most of the metropolitan workers are in marginal industrial operations or are underemployed in services ranging from office-running to shining of shoes.

A far higher rate of population increase and commensurate pressures on rural land, appears to have triggered the rural-urban population movements in developing nations at an earlier state of economic

Table I-1

Proportion of Labor Force in Industry for Selected Countries

Country	1 Pct. of "Economically Active" Pop. in Manufacturing	2 Pct. of Pop. in Cities over 20,000	3 Largest City's Prop. of Pop. in Cities over 20,000
Ceylon '53	10.0%	11.1%	47.0%
Egypt '47	10.0	36.9	32.5
Mexico '50	11.8	15.1	37.5
Morocco '52	6.9	27.0	32.0
Pakistan '51	6.5	8.0	16.8
Tunisia '56	10.0	18.2	59.5
Venezuela '50	10.0	31.0	31.5

Source: Col.1 percentages computed from totals of "Economically Active Population" in Yearbook of Labor Statistics," ILO, Geneva, 1962, pp. 14-61. Col. 2-3 percentages derived from United Nations Demographic Yearbook, 1960, U.N., N.Y., pp. 285-368.

growth than in the west;* e.g. before the national centers are strong enough to absorb the swelling flow of humanity into their productive processes.

Past experience has shown the need for a strong industrial and commercial base at the center before a spread effect can build up substantial momentum. If the economy of the center is indeed too weak to support adequately even the populace near at hand, then developing

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*Rostow (46) describes the comparative population picture as follows:

> "Historically, population rates of increase during the take-off decades were generally under 1.5% per annum. France was as low as 0.5%, Germany, Japan, and Sweden about 1%, Britain as high as 1.4% only in the two decades preceding 1820. Nineteenth Century United States (over 2.5%) and pre-1914 Russia (over 1.5%) are the great exceptions; but in both cases these rates occurred in societies rapidly expanding the area under cultivation. Aggregated annual rates for the major underdeveloped regions of the contemporary world are about as follows; Latin American 2.5%, South Asia, 1.5%, the Middle East, 2.3%, the Far East 1.8%, Africa, 1.7%."

This population pressure, a product of rising or stable birth rates and falling death rates is hardest in agricultural districts. Hoselitz (47) points out that the West European countries during the 19th Century had available from 3 to 5 times as much cultivatible land per farm family as in India today and that the early period of western industrialization and urbanization coincided with major rationalization of agriculture and productivity increases. A population to resource imbalance occurred in Europe, but came largely from improved technology requiring a smaller agricultural labor force. Yet agricultural technology in many developing countries with dense rural populations has not substantially improved productivity before emigration begins or even in the early stages of the process. The already intense migration presages an even greater one when/and/if attempts at rationalized agriculture succeed.

countries may be unable to rely on emergence of spontaneous drives towards new markets, resources, and labor which in the West set the spread effect in motion.

By no means all of the migrants go to the national centers. Many do gravitate towards provincial capitals and other smaller cities. But the flow of people to other "catch basins" does not in itself relieve a nation of problems stemming from concentration at the metropolis... since human migration is only one phase of the difficulties.

So long as the few large centers continue to attract a disporportionate share of industry, commercial activity, professional people, and modernizing institutions, the gap between metropolis and nation will widen. For there will be proportionately fewer industrial jobs for the migrants to smaller cities. There will be proportionately fewer education opportunities or chances to learn new skills. There will be proportionately fewer doctors, administrators, lawyers, teachers, etc. able to handle the service and organizational apparatus of the smaller cities or the rural regions.

In a way, these nations are faced with a particularly intractable dilemma. The center needs strengthening if its entrepreneurs and institutions are one day to expand in the periphery. Yet every investment to strengthen the center with infra-structure, housing, institutions, etc., widens the gap between it and the nation outside.

One conclusion, perhaps inevitable, is that far greater reliance must be placed on the activities of national governments than in the West....if a spread of growth from national centers is to occur, if idle resources and manpower in outlying regions are to be brought into the productive cycle, and if the negative aspects of the center-periphery relationship are to be softened. Only the governments of these nations possess power and funds at least sufficient for an effort to grapple with the issues.

With this by way of preface, we now turn to the policy alternatives open to governments confronted with the center-periphery pattern of development.

IV. Spatial Allocation of Investment--Basic Alternatives

A government faced with center-periphery problems can emphasize one of two essentially opposite alternative policies of investment allocation.*

1. Continuing the trend towards concentration by making its major capital expenditures and other efforts to encourage development within the national centers.
2. Attempting to stimulate emergence of new growth areas in other parts of the nation by decentralizing development efforts.

In actual practice, of course, a program may be designed to fall somewhere between the two extremes.

A number of reasons might motivate a government to emphasize continued investment at the center. Given a weak economic base at the center despite its disproportionate share of the nation's modern productive activity, a government might be justifiably concerned with making every effort to strengthen the central regions. It might well reason that existing nuclei should function at peak

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*The power and responsibility for phases of development differ widely among governments. We will assume, however, that "government" in this context has the responsibility to construct and operate major aspects of infra-structure; i.e. transport systems, electricity, schools, hospitals, etc. Further, we assume that government influences or controls location of basic industry (whether or not government owned) and has power to adopt incentives such as tax abatements, free land, industrial districts, special credits, etc. which might direct the location of private industrial and commercial activity.

capability before new areas requiring heavy outlays for basic services are brought into the growth stream.

Public authorities might conclude that attempts to stimulate the periphery would fare more successfully once the center's economy operates at peak capability and provides productive employment for the bulk of its labor force.

Social and political problems posed by the great metropolitan proletariats might also lead to high priorities for central public investment. Thus we find Haar (48) advocating major efforts to create housing in Latin American metropolises. A government, concerned with the welfare of peasants shunted into slums and fearful of possible revolutionary explosions may well put first attention to investments which alleviate distress of the metropolitan masses.

Other, less "economic" factors may also be involved. A dictatorship, desirous of consolidating power by aweing its populace, could set out to make a world show-place of its national center. Thus did the Jimenez regime in Venezuela and Batista in Cuba lavish millions on modern monumentality for their capitals.

Dictatorial aspirations aside, a government might be ill advised to abandon completely attention to the metropolis. Too much of the nation's economy is concentrated here, and the physical and social problems are too acute to be ignored. At least minimal investment to bolster

this economy and alleviate some of the physical problems will be required; and even minimal investment adds to the existing complex of advantages.

Yet a policy which involved concentration of public action at the center to the virtual exclusion of other regions might in practice prove unworkable. For it would result in heightening the strains which already mark the center-periphery conflict. The gap would widen. Migrant flows directed to the center would intensify, perhaps nullifying increases in housing and productive employment, and the resistance to investment elsewhere would easily continue. Raw material and human resources of peripheral regions which might make important contributions to national development would still lie idle. An even greater opportunity would arise for political unrest in the periphery. Public attention to the center must continue, but is exclusive at its own peril.

Let us instead assume government decides to narrow the center-periphery gap. Some form of public policy which promotes decentralized development is required. Some "push" by public authorities is necessary to set in motion for other regions that process of dynamic growth which has thus far been confined to the national center. Here again, the choice of strategy falls between two possible extremes.

1. Dispersion. Investment resources and incentives are spread widely over the nation. Some modern activity is given to a great number of locations in the expectation that this "seeding" process will activate new growth regions.
2. Selective Concentration. Only a few areas with relatively high development potential are selected for special treatment. Many forms of related industrial, agricultural, educational, transport and other programs are concentrated in these areas in an attempt to overhaul thoroughly their economic and social structure.

Given these alternatives of dispersion and selection, can some general principles be put forth to guide a nation's choice? True, each country offers a different amalgam of social, political, and economic circumstances, and attempts at broad generalizations are risky. Nevertheless, certain common elements in the process of regional development may offer clues to that basic form of public decentralization policy most likely to result in activation of new growth regions outside the national center. It is to this subject that we now address our attention.

V. Characteristics of Growth Regions

The concept of "growth region" is extremely vague and elusive. Perhaps the most effective approach, therefore, would be to isolate a set of characteristics by which any area in the process of dynamic economic and social development can be identified. Such a list could perhaps stand as the catalogue of targets for public decentralization policy. With the targets firmly in mind, we might be better able to propose an appropriate course for the policy.

Of course the national center is itself a growth region. Other areas might be unable to achieve its number and scope of activities, but they must nevertheless come to possess some of the center's basic attributes if their own growth is to be dynamic and self-generating.

A small body of post-war literature has dealt with the fundamental similarities between regions in the process of development. Perroux was among the first of the writers to turn his attention to the spatial context of development. He coined the expression "pole de croissance" or "growth pole" to describe areas within a nation where the process of economic growth has become self-sustaining. (49) A nation's development accelerates, he stated, as the strength and number of these growth poles increase. Hirschman, Friedmann, and Rodwin have accepted Perroux's main approach and added important insights of their own. (50) Their thinking is reflected in the following paragraphs.

1. Rapid urbanization that results in:
   a. Retention of population within the region who might emigrate in the absence of local economic opportunities.
   b. Attraction to the region of migrants from other areas.

We have assumed urbanization to be an essential and inevitable consequence of economic development. Discussion of the national center and its rise bore out this assumption. Other regions in the process of growth will, therefore, experience rapid urbanization as modern productive activities become established.

When work in industry and services replaces a dependence on agriculture, many residents of a region who might otherwise emigrate for new opportunities remain either in their native villages or in the urbanizaing areas. (51)

Presence of economic opportunity outside the national center relieves the latter from some of its population pressure. Other targets for migration become tangible. Peasants from the periphery learn of the employment prospects, and many move to the new opportunity areas. Managers, professionals, and investors from the center may even transfer their activities.

This does not mean, however, that all rapidly-growing cities are centers of growth regions. Landless peasants may be impelled to provincial towns out of desperation rather than any objective appraisal of work prospects. While urbanization is basic, the following factors are

perhaps more indicative of an area's development strength and potential.

2. Major industrial development, related to the region's resources, which is able to function profitably without prolonged subsidy.

Industries concentrated at the national center primarily because of its entrepreneurs, markets, and skilled work force rather than its natural resources. Prosperity achieved by the first industries pointed the way for further entrepreneurship and agglomeration.

In outlying regions, however, the main economic justification for development must be exploitation of natural resources whose transformation is of some significant value to the nation. Resource exploitation is perhaps the sole initial advantage these areas possess over continued concentration of investment at the center. Friedmann calls them "strategic sub-centers from which important peripheral resources are brought into the productive cycle of the national economy." (52)

Subsidy might be required to begin the cycle of resource exploitation. Factories, mines, and agricultural processing plants may need support during an initial shakedown period, or until the markets for their products are sufficient. Within a reasonable period of time, however, these operations must begin to show a profit--as did the first plants at the main centers. Unless profit appears, there is little advantage for additional invest-

ment. In a region whose growth process is dynamic, basic industry will serve to attract additional plants and commercial services, thereby expanding the region's economy and employment structure. Without profitable resource exploitation, however, few activities will be tempted to locate outside the main centers.

3. Existence of external economies which lead to the formation of industrial complexes.

Perroux considers existence of industrial complexes the single most significant indicator of a growth region. (53) It is a sign that the basic resource exploitation has led to further and more diversified rounds of investment. A "multiplier" effect has taken place. The area is indeed expanding in opportunity and employment.

Agglomeration could not occur, however, in the absence of certain fundamental external economies; e.g. sufficient capacity in systems of transport, power, water, other infra-structure and services to enable shared utilization by plants other than the original basic industries. Existence of industrial complexes is a sign that external economies have been created.*

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*Dyckman makes the following case for creation of external economies as the basis for industrial development:

> "...the heavy industries require large amounts of power, water, and transport and the light industries with much more modest requirements will share in the same electricity and water supply systems and transportation networks, Indeed one of the strongest arguments against the isolation of heavy industry in a developing economy is the argument that the overhead requirements of that industry are likely to be

Footnote contd.

Footnote contd.

> so great as to require the installation of systems on which many small plants can profitably feed. If a modern plant were forced to provide its entire social overhead in isolation from such industrial complexes, the capitalized additional costs would be upwards of 40-50 percent of regular production costs." (54)

In a region where resource exploitation has been the initial basis for development, roughly five different types of enterprise are likely candidates for industrial complexes that might evolve. They are:

a. additional firms or plants to exploit the basic resources.

b. firms to provide inputs for the basic industries.

c. firms to further process the outputs or by-products of basic industries.

d. firms to exploit other regional resources which can now be brought into the productive cycle by virtue of national demand, the infra-structure installed to service the major plants, presence of trained labor, etc.

e. firms to provide consumer products for regional or other markets.

All of these are in some way related to the first major plants; as competing or complementary operations, as sharers of their infra-structure, or as purveyors to the markets the major plants and their employees help to provide.

4. Rising per capita incomes to support an increasing amount of service activity and employment.

A rise in per capita income is a basic goal for any nation's development program. This rise within a growth region may not come immediately. Low wage rates (relative to the center) may be part of an area's initial advantage for industry. As the plants begin to show profit, however, and as agglomeration takes place, wages will rise with the prosperity of the new industries.* Higher incomes will lead to the growth of profitable service enterprises, indicating that both the wants and ability to pay of the local citizenry have increased. Service operations will form a new source of employment, aiding in diversification of the region's economy. Friedmann considers a rising complement of services a sign that a region is moving into higher stages of development.

Higher incomes will also mean that the region is becoming a consuming area in addition to its functions as producer. It will begin to provide a market for manufactured goods produced in the national center and other areas and thus play a further role in expension of the economy.

5. A level of educational services substantially higher than the national average and a stock of other social overhead facilities (transport, power, housing, urban utilities, etc.) sufficient to enable continuing economic growth.

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*Low wage rates were part of the package of attractions which Puerto Rico offered for investors during the 1950's. Now, according to government officials, labor costs are roughly the same as those in the continental United States.

We have noted that the national center tends to monopolize the institutions for higher education. As an essential aspect of their attraction power, other growth regions will also come to offer extensive educational opportunities geared to supplying trained manpower for their industries and commercial firms. The chance to obtain specialized training and even university degrees within the region will help retain many potential "modernizers" who would gravitate to the national center were local training not available. Technical and vocational schools, secondary schools, in addition to a strong elementary education, will be the basis for raising the region's ability to undergo further economic expansion and cultural development.

External economies in other forms of infra-structure must also be sufficient to enable a continuing expansion of activites. Where blockages and shortages arise, they must be quickly identified and relieved or further growth will be impeded. Urban amenities (e.g. housing, entertainment) may have to equal or surpass those of the national centers both to attract and retain some of the key managerial and professional personnel.

6. Rationalization of agriculture and conversion from subsistence to cash-crop farming.

Modernization in growth regions is not confined to the cities or to urban activity, although industrial development furnishes the impetus for rural change.

By providing alternative employment for agricultural workers and by forming a market for vegetables, fruits, and other cash crops, the cities unleash pressures to transform agricultural practices in their hinterlands. Studies noting this effect have been cited above (p 15).*

7. An "atmosphere" within the region conducive to further spurts of growth and change.

The entrepreneutrial spirit appears to flourish in areas of dynamic growth. Hirschman talks of an "industrial atmosphere...with its special receptivity to innovation and enterprise." (57) There is a great willingness on the part of private individuals and government to innovate, not only in industry, but education, services and other activities. Aspiration levels are high as is the readiness to exert oneself in the achievement of aspirations. This "atmosphere for development" cannot be quantified. However, the degree to which the six other characteristics of growth are present will indicate whether or not a spirit of enterprise exists and is being tapped.

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*Clawson (55) considers modernization of agriculture one of the most significant consequences of urbanization. Rodwin looks for social and cultural changes in the rural hinterland as well.(56)

VI. The Case for Selective Concentration

The seven characteristics noted above may be considered indispensible attributes of regions in process of dynamic growth. Public policy directed towards stimulation of new growth areas outside the national center should of necessity consider existence of these characteristics as an ultimate goal.

For most peripheral regions, however, achievement of such a development level would require a major transformation of economic and social structure. A government must therefore ponder whether dispersion of public investment over a wide area or selection of a few key areas for concentrated attention is most likely to induce the necessary transformation.

Several considerations might lead towards a policy of dispersion. Equity is perhaps the most significant, In an effort to redress the imbalance between a bountiful center and a barren periphery, a government might wish to give many parts of the country some form of industry, infra-structure, educational facilities, and so on, as an indication of its concern. Political pressures from several directions within the periphery may also play a role.

A government lacking knowledge of its hinterland resources might scatter its investments in a probing operation and be willing to undergo risk that some will "take" and others not.

The romantic hope that a society can somehow undergo development yet remain rural may lead to a widespread village distribution of factories or creation of a number of small and scattered new towns in rural areas.

In the description of Turkey under Ataturk (Chapter Three) we will note that a certain amount of dispersed public investment came more from the government's desire to spread nationalistic feeling and consolidate power in the hinterland than from its goal of economic development.

However valid these objectives and concepts might be in a nation's scheme of values, dispersion of public investment has little fiscal justification. Gross inefficiencies may be involved in the spread of many isolated projects throughout the nation. Scattered factories require the expensive duplication of infra-structure. Often, government's energies are spread so thinly that essential elements of infra-structure for some plants are never constructed and the plants lie idle. (58) Complementarity between investments is lost. Given the paucity of funds available for investment, rare is the nation that can afford such a loss of efficiency.

Yet the single most important factor mitigating against a policy of dispersed investment has, to this writer's knowledge, not yet been cited in the literature. That is the role of the national center itself in developing countries where "frontier spirit" is lacking.

For the national center will continue to exert its attractive powers for modernizing institutions and individuals throughout the period in which decentralization measures are applied. Until such a time as the comparative disadvantages of other regions have been wiped out, a disproportionate amount of investment, professional people and migrants will continue to concentrate at the center. Any other area where the modernization process is attempted will have to fight against this competing pull. It will need a strong set of complementary assets to compete successfully.

Let us now examine some evidence leading to this conclusion and its implications for decentralization policy. Two examples where the center has consolidated its drawing power while major public decentralization efforts were in progress are cited below.

In the 10 years between 1950 and 1960, India undertook a wide variety of decentralization programs--from its emphasis on village industry to the construction of new steel towns, refugee cities, and Chandigarh, and a TVA inspired project for the Damodar river valley. A policy of spreading growth was explicit in the five-year plans employed during the peiod.

Bombay and West Bengal (Calcutta) had held 44 percent of India's industrial establishments in 1951. Despite the decentralization programs and the Indian government's intended use of licensing power to discourage further

agglomeration, 46.2 percent of all the new plants licensed between 1951-57 located in Bombay and West Bengal states. Thirty-five percent of the total came to the two metropolitan areas which had held 14 percent of India's urban population in 1951. Bredo comments on this situation:

> "..no major shift has occurred in the dispersion of industry from the concentration in these two large industrial complexes....economic growth seems to work in the direction of centers where there is already a clustering of industry or commercial activity." (59)

Nothing could be more of a contrast to India than tiny Puerto Rico. In 1950, the San Juan region held 63 percent of Puerto Rico's population and 48 percent of its industrial employment. During the "bootstrap" operations of the next decade, special incentives were offered to industrial firms for location in parts of the Island other than San Juan. Rentals for government owned plants were less outside of San Juan. Easier credit terms and special worker-training programs were arranged. A free trade Zone was established in Mayaguez. Transport and utility lines were improved. Yet by 1960, San Juan held 65 percent of all industrial employment on the Island, and three-quarters of all the new industrial jobs created during the decade went to the San Juan region. (60)

Inauguration of decentralization programs in most developing nations is of such recent vintage that further comparative data are difficult to obtain. Friedmann does

note, however, that the concentration of Venezuela's urban population in the Caracas region dropped only 4 percentage points between 1936 and 1960 (51% down to 47%) even while oil was being exploited in Maracaibo and industrialization of other areas such as Valencia and Guayana had begun to contribute to the nation's economy. (61) Israeli planners have told this writer of their concern with continued industrial concentration at Tel Aviv, despite successful efforts to develop industrial complexes elsewhere. Brazilian authorities are concerned that few Rio de Janeiro and Sao Paulo businessmen and even national government officials have been tempted to establish permanent bases of operations in the new interior capital of Brasilia. (62)

Strong pulls from the center continue regardless of public activity to spread growth. When government takes as objectives a broader distribution of urbanization and modern economic activity and the exploitation of hinterland resources, this is cause for real concern.

Turkey was perhaps the one nation where government made intense efforts to divert all possible investments away from the traditional center (Istanbul, during the Ataturk period). Yet material in Chapter Three reveals that Istanbul continued to draw the bulk of private investment even while it was losing its political functions. Istanbul's growth during the Ataturk period was far slower than might have been expected without the decentralization programs, but nevertheless exceeded most other regions.

If those funds and incentives which government can devote to spreading development are themselves extended over a wide area, any outlying peripheral region will be hard-pressed to amass enough necessary advantages to generate dynamic growth. The center would continue as the chief target for risk-conscious investors, cosmopolitan professionals, and the most ambitious from the migrant stream. Its physical and social problems would intensify. The economic gap to the rest of the nation would widen.

Thus a policy of selective concentration becomes essential if a nation expects to move any of its more backward regions out of peripheral status.* Some commitment should be envisaged, first to identify those few areas which seem to possess greatest resource potential and, second, to adopt programs of concentrated public action (in industry, transport, power, housing, agriculture, education, etc.) within these regions.**

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*Rodwin's concept of "concentrated decentralization" is similar but deals primarily with a build-up of metropolitan areas in the hinterland. We are, however, concerned with concentrated application of public effort to both urban and rural areas within a given region. (63)

**Such a view has led Tinbergen (64) to suggest that countries draw up inventories of regional assets and allocate investment on the basis of highest priority to regions of highest potential. Bredo and Harris (65) have criticized India's dispersed investment system and offered as an alternative concentrated attention to areas with medium sized cities where some entrepreneurial activity is already in existence. Friedmann (66) concludes that some of the outlying regions in Venezuela have much greater opportunity to become significant growth poles than others. He proposes that the Venezuelan government direct its major decentralization efforts to push these regions into advanced stages of development.

We cannot propose here a schema whereby any nation can identify its highest potential development regions. Such a schema would require major modifications in each specific case. Rather, our intent is to demonstrate that the principle of careful selection of a few areas for concentrated attention must form the basis of a decentralization policy bent on stimulating growth regions outside the national center.

Early development gravitated to the center because of its initial "bundle of advantages." Backward areas will develop strength only when government takes a leaf from the center's book, makes the most from its limited investments, and encourages new loci of concentration within the periphery.

Such a policy of necessity means that much of the periphery would be neglected--at least in the first stages of the decentralization process. Rarely would funds or personnel be available for projects in more than a limited number of districts. Political repercussions, therefore, from a decision to select few development areas can perhaps become severe. Why, asks one segment of the periphery, do others receive largesse while we continue to stagnate? A threat to stability can occur here as well, and government must weigh the danger of this threat in making its choices. Yet choices are essential, if development is to spread. Once the few high-priority sub-centers are enjoying dynamic growth, then public effort to reduce the periphery further can proceed.

VII. The Corollary of Selective Concentration--A Continuing Development Organization

Still another matter requires discussion before we turn from theoretical background to a detailed analysis of Turkey. That is the organizational approach to a decentralization program. For the problem is not merely one of investment allocation. Once a government decides to concentrate attention on a potential growth region, there is a corollary need to establish some form of continuing organization with long-term responsibility for furthering development in each selected area. This need stems from two considerations:

1. The growth process is evolutionary. No matter how concentrated and complementary are the initial investments, until a region's basic resources are actually being exploited, critical allied and secondary activities may not appear. A time lag is inevitable. One function of a continuing control mechanism is to reduce the time lag as much as possible.
2. The national center maintains its attractiveness for investors and professionals during the period when the growth region's complement of advantages is being constructed. Government may therefore be forced to exert continuous counter-pressure by providing special incentives within the target regions, timed to the emergence of new opportunities.

Unless a potential growth region receives some form of constant and special public attention, it may well sink back to peripheral status even after being vested with its first complement of modern economic activity and infrastructure.

The process which peripheral regions must experience in their drive for development can be illustrated by recalling the process which characterized early experience of the center itself. Dynamic growth at the center materialized only after the first tentative entrepreneurial efforts took root and indicated room for others to follow. A nucleus of commerce and artisanry accommodated the early probes at modern production, but a trained labor force and the bundle of services grew only as new productive investment made new demands on the other sectors. We remember Myrdal's comment in which he saw the center build momentum through a series of cycles or "rounds" stemming from earlier successes.*

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*Myrdal's concept of rounds bears striking similarity to Hirschman's view that development on a national scale occurs through a series of "imbalances." Broadly speaking, Hirschman believes that certain sectors of productive activity push ahead of the rest of the economy, and the shortages of related productive and service activities cause public and private sources to recognize that new investments can profitably fill the gaps. Imbalance is necessary, he submits, for without it the build-up of secondary investments would not occur. (66) Note the further similarity between Hirschman's unbalanced growth concept and Rostow's thesis that in any country some "leading sectors" move ahead of others and trigger the development process.(67)

> "In the centers of expansion, increased demand will spur investment which in its turn will increase incomes and demand and cause a second round of investment, and so on." (68)

Now if this sequence operates within the center, one might reasonably suppose it must operate in the outlying growth regions as well. Thus a "first round" of basic resource exploitation and infra-structure installation may be essential before allied industry and services can be established.

The second and subsequent rounds may be unable to follow immediately in the first: i.e. the basic industries must show possibilities of profitable operations; a trained labor force must be large enough to take on new assignments; potential entrepreneurs will want to ponder the type of investments they might undertake. A critical period ensues in which the region may move forward to further rounds of development or stay in place. If the basic investments have potential to generate linked activites,* then the

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*Hirschman makes the following comments about linkages.

> "Analysis of a prospective investment project should above all try to evaluate its effect on further development decisions instead of conventionally concentrating on its own prospective output and productivity. Specifically, every decision should be analyzed to discover its possible 'linkages' with other decisions that might follow it. For example, a prospective decision to encourage the importation of some consumer goods, such as radios, should consider not simply the economy's need for these goods but the probability that their importation will in time (underline mine) lead to a decision by domestic investors to assemble them locally, as well as the 'linkage' effects of such assembly operations of further domestic production decision." (69)

sustained interest of government is particularly needed to push the region through this critical period.

With the center in full flower of its attractiveness for investors and professionals, there is even more reason to fear that second and subsequent rounds of development in outlying regions will not occur. The center may well continue to offer a balance of advantages and amenities so great that growth opportunities elsewhere go begging--no matter how profitable they could prove to be. Entrepreneurs and other modernizers may continue to "overvalue" prospects at the core. A steel-producing area, for example, may begin to offer tangible prospects for secondary fabricators that are lost because investment in central city real-estate seems more profitable and secure. An added strain is placed on the potential growth regions which, without expanding complements of modern activity, can, over time, revert to peripheral status in relation to the continually expanding center.

Thus, government must be concerned both with the natural processes of growth which offer time lags to be overcome, and with the continued pull of the center which works to prevent expansion in the periphery. To compensate, government is almost forced to provide sustained attention to each growth region's development. As Albert Mayer puts it:

> "Intense concentration and continuity are required in building up new situations from the bottom....and programs have to be tailored to this iron necessity." (70)

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(p.62)

Effort of such a sustained character must provide each region with a continual set of "special advantages." The specific devices employed can take many forms; such as:

a. incentives to entrepreneurs and professionals for location in the region (subsidies, tax exemptions, housing, free land, special technical assistance and training programs for plants, etc.);*

b. further infusion of overhead investment and amenities;

c. direct construction and operation of new enterprises by government itself.

Each device chosen would be geared to provide the best possible opportunities for a region to move from one stage of growth to another--at least until such a time as the region possessed sufficient strength to generate spontaneous development on its own.

A government must therefore have a flexible enough administrative structure to establish some mechanism concerned with realizing the potential of each selected growth region. The actual form could vary a great deal, again depending on the particular country and its system of political and economic organization. Alternatives might range from TVA-type authorities to operate the basic industries and control infra-structure allocation in each region; to central government bureaus charged with expediting regional growth; to existing local administrative agencies infused with new sets of development responsibilities.

*The Israeli experience is particularly interesting in this respect. Officials have described to this writer a system of tax and import duty exemptions now being applied to attract shopkeepers and other service personnel to the desert industrial centers.

Our purpose in this chapter is to outline the concepts which might guide a nation bound on decentralized growth, not to prescribe a specific organizational structure which would hold in every case. The concept must be one of continuing effort and sustained attention to the regions selected for special treatment. Without such a concept and a means of implementation suited to the nation involved, attempts at spreading economic and social change may have little chance to take root.

VIII. Concluding Note

If the reader has borne with us thus far, our two main points--that decentralization efforts should be made on a selective basis in peripheral regions of the highest growth potential and that the commitment to decentralize involves a corollary commitment to guide the selected regions continually through the growth process--may strike him as both logical and elementary. These concepts might hardly seem profound or deserving of the extensive background provided. If not for the reasons stated earlier, a sheer shortage of skilled managers and administrators in developing nations would dictate selection of limited areas and attempts to provide continuity.

Yet elementary logic is not always the course followed in developing (or developed) nations. Decentralization may often be essayed through a governmental system which does not allow for the most efficient program. Political and other considerations may be stronger motivations for projects than the spread of development. The pattern of growth under which a country inaugurates its programs may not be one of "pure" center-periphery characteristics. A multitude of reasons can cause a nation to diverge from the principles presented above.

The principles are important, however, for they provide a framework within which the experience of a specific nation can be examined and evaluated.

Turkey's forty years of decentralization policy is the main subject of this study. In analyzing the policy--its genesis, changes, and effects--we will be particularly concerned with the degree to which concentrated attention and continuing development mechanisms were applied to the areas selected for investment. Lessons that the Turkish experience might hold for other developing nations more lately embarked on decentralization programs are also of significance and can conceivably suggest changes or modifications to the two basic principles that form our study framework.

It is well to point out that the statistical data available for an examination of Turkey are extremely sketchy and come from a wide variety of sources whose reliability can not be checked. The reader must, therefore, consider statistical material presented here as indicative of relationships and orders of magnitude, not necessarily an accurate presentation of facts. Problems are particularly acute for the period before World War II, when little except basic population data was systematically collected, and secondary sources will be relied upon heavily in reconstructing a picture of these early years.

CHAPTER TWO

THE BEGINNINGS

"The streets of Istanbul are paved with gold."
--Old Turkish Proverb

I. Spatial Distribution of Development at the Start of the Republic.

A. The Land

Modern Turkey has an area of 296,500 sq. miles or 780,000 sq. kilometers. (1)* It adjoins six other countries (Greece, Bulgaria, Russia, Iran, Iraq, and Syria), and is also bounded by three seas (Mediterranean, Aegean, and Black). Within its borders is the network of waterways (the Bosphorous, the Sea of Marmara, and the Dardenelles) which traditionally provided access between Russia's southern ports and Europe. Less than 4 percent of Turkish territory lies to the West of this water thoroughfare in continental Europe. The major part is in Anatolia and extends some 900 miles into Asia.

Boundaries of modern Turkey were mainly established under the Treaty of Lausanne, signed in 1923 by the victorious allies of World War I and Mustafa Kemal's

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*Since Turkish measurement data are available only in the metric system, aside from the mileage figures in this section, we will use the metric system throughout the text.

new Republican government.** Only a small portion of the former Ottoman Empire was deeded to the new state. During the early 19th century, the Ottomans held a domain of 1,880,000 sq. miles, encompassing most of the Balkans as well as large portions of Northern Africa and the Arab Middle East. National revolutions reduced this empire but, by the outbreak of World War I, Ottoman territory was still on the order of 700,000 sq. miles.

Turkey joined the German side and was defeated by the allies. The French, English, Italians, and Greeks then laid plans to divide the Empire further among themselves and leave only a small portion of Central Anatolia under Turkish Control.

In 1919, the Sultan sent Mustafa Kemal on a mission to disarm the remaining Turkish forces in the eastern highlands as part of the surrender agreement. Kemal, the general who had beaten the British at the siege of Galipoli, began a revolution instead. He organized the armies and the Anatolian citizenry to battle the Greeks, then moving inland from their enclave on the Aegean Coast in an effort to seize more of Anatolia. Kemal's forces pushed the Greeks to the sea. The Sultan was deposed in 1923, a republic declared with Kemal as President, and Anakara proclaimed as the new capital. Kemal's government refused to accept the earlier partition and negotiated the Lausanne settlement which gave the nation all of Anatolia and a part of European Thrace. (2)

**The only territory gained after 1923 was the southernmost province of Hatay, ceded by France in 1938.

The land itself was immensely varied in climate and topography. It ranged from lush, semi-tropical coastal littorals to high steppes and great mountain chains where even today people live a semi-nomadic existence. Thrace was gentle, rolling country. Anatolia was quite in contrast: On three sides--North, West, and South--were coastal plains, narrowest at the Black Sea. Behind them rose tall peaks, in whose center lay a vast and barren plateau.

> "The main feature of the Anatolian penisula is the high mountains surrounding it on all sides, which separate most of Anatolia from the sea and from the Asiatic mainland. The Anatolian peninsula has often been compared to a basin...The bottom of the basin lies at altitudes ranging from 800 to 1000 meters above sea level, whereas the bordering mountains in the north scale heights of 1600 and 2000 meters...Mountains approximately 3000 meters high form the (northeast) border of the plateau. The summits of Mt. Ararat, an exception, reach 5,000 meters and more." (3)

The highlands to the east and southeast melded with mountain ranges of neighboring countries (See Map II-1). Several large rivers flowed from this rim of peaks (among them the Tigris and Euphrates, the Seyhan, Yeşilirmak, Menderes, and Gediz) to the coastal plains and inner Asia.*

Except for the littorals that furnished export crops of tobacco, fruit, and cotton, this land had been of relatively little economic significance to the Ottoman Empire. For centuries, even before the Turks, it served mainly as a thoroughfare over which armies and caravans passed between Europe and Asia. (See maps II-3,4,5).

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*In 1958, Turkey was said to have the second highest hydroelectric power potential next to Norway among European countries. (4)

The Empire's riches came more from her far-flung territories than from Turkey itself.

Two major urban areas--Constantinople and Smyrna--had dominated this truncated remnant of one of the world's largest kingdoms. Both were on the far western coasts. Outside of these centers was a hinterland of 40,000 peasant villages, some completely isolated from contact with civilization; others oriented around market and military towns.

B. Istanbul and Izmir as Dominant Centers

Since 1453 and the fall of the Byzantine Empire, Istanbul (Constantinople) was both the Ottoman capital and the major commercial center. At the height of Ottoman power, Istanbul had such great cities as Baghdad, Jerusalem, Damascus and Beirut as satellities to the east; and Salonika, Sofia, Tripoli, and Tunis to the west and south. During the 19th century, when contacts with European culture increased, Istanbul also became the locus of most industrial development and westernizing influences within the Empire.

Industrialization came late to Turkey and was still rudimentary by the start of World War I. Tokin (5) places the number of firms at 282 in 1915, of which 55 percent were located in Istanbul and environs and 22 percent in Izmir (Smyrna). About 60 percent of these operations were engaged in food processing or textiles, all locally-consumed products. (6)

Most were owned and operated by foreigners or members of minority groups.* Turks themselves were rarely engaged in industrial pursuits, as entrepreneurs or workers, or in commerce. Indeed, lack of an entrepreneurial tradition was one of the most severe handicaps to establishment of a modern Turkish state. The Turk had been farmer, warrior, and civil servant--but rarely merchant, industrial worker, or entrepreneur. Moslem tradition held sharp strictures against engaging in activity for monetary gain, and the Ottoman elite looked down on those who worked with their hands or for profit. (7)

A few large Turkish operations did exist, however. All were government-owned, employing several hundred workers each and were located in Istanbul and vicinity. They had been

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*This small industrial development was primarily undertaken by Europeans whose nations had received economic concessions or by members of the large resident Greek, Armenian, and Jewish minorities of Istanbul and Izmir. Even the most productive olive groves, tobacco, and grape farms of the Aegean and Black Sea tended to be owned and operated by non-Turks.

The Armenians left during the period of pre-Republican persecution. After 1923, Kemal exchanged over 1,260,000 Greeks for 400,000 Turkish residents of Greece. The important community of Istanbul became the only Greek group for whom deportation was not compulsory. (8)

Many of this group remained and formed--with the Jews--a nucleus of private entrepreneurship under the Republic in Istanbul. The Republican government bought out most holdings of European foreigners.

inspired by the Empire's desire to equip itself with military supplies, although some civilian goods were also produced. (9)* The government also held a monopoly over the processing and export of Turkey's most important agricultural commodity, tobacco.

While its position as capital and main entrepot gave Istanbul prominence, the wealth of Izmir came from an agricultural hinterland. The Aegean was Turkey's most highly developed agricultural region, from which fruit, tobacco, cotton and other crops were sent abroad. Izmir was the export center for this produce and developed some related processing industries. Unlike the capital, whose population came from all corners of the Empire and Europe, Izmir was predominatly a Greek city with Greek commercial and industrial classes. Izmir was ravaged by fire during the Greek-Turkish conflict, so that by 1923 almost all of Turkey's remaining industry was at Istanbul.

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*These state-owned plants comprised the following:

Izmit--clothing, especially military
Feshane--clothing, fezs, blankets
Zeytinburnu--cotton, silk, striped cloth, hosiery
Basmahane--underwear
Hereke--velvet, damask, satin, taffeta
Beykoz--military shoes and books, cartridge boxes and sword belts
Tophane--rifles, small arms
Incirkoy--porcelain, glass, coffee and tea cups

Concentration of foreigners at Istanbul made the capital seat of Westernizing influences within Turkey. A number of secular institutions of higher education were established during the 19th century to prepare leaders for a modern society.* The first was a war college (1834); followed by an institute of public administration for training the bureaucracy, the law, medical and other professional schools, and in 1900 the initial unit of Istanbul University. (10)

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*Religious schools, or Medresse, for training the Moslem Clergy had long been established throughout Anatolia. Istanbul had, however, traditionally acted as the Empire's main secular training center. A characteristic that distinguished the Ottoman elite from most others in the history of empires was its emphasis on educational rather than family background as the chief means of entrance. This tradition dated back to the 16th century and Suleiman the Magnificent. Suleiman began the practice of selecting at an early age, young boys from all over the Empire to be trained in special schools for later service in the bureaucracy and army. The boys were to be chosen for their ability and intelligence alone. Many were non-Turks and many came from peasant stock. They were taken from their families, brought to Constantinople for training, and the most able given high posts. They remained, however, virtual slaves of the crown. Eventually, the system broke down through corruption, but relatively free entrance into the governing elite could still be gained at the Empire's demise. Thus Mustafa Kemal, son of a minor provincial government employee, could attend the military academies and achieve the rank of General. Frey (11) summarizes the picture as follows:

> "In general, few doors of opportunity were denied the Muslim youth of whatever origin, who could speak and write properly; on the contrary no talents ordinarily availed the youth who could not. The fundamental distinction between peasant and elite was that based on education."

Several foreign language high-schools or Lycees were founded as well. Two of the most prominent were the French-sponsored Imperial Ottoman Lycee, or "Galatasaray,"* and the American Robert College. These, and a few of the better provincial lycees and military academies, gave the first training to men who would proceed to the institutes of higher learning and eventually pass into the elite.

Kemal was himself a graduate of the War College, and many of his fellow-reformers had attended the institutions of Istanbul. Stimulated by their education, they were yet appalled by other aspects of the capital's atmosphere; the corruption and conspicuous display of the government, the presence of foreigners whose economic concessions gave them more rights and fewer responsibilities than Turks; the bureaucratic and powerful Moslem clergy. These men became aware of the great gulf between the life of Istanbul and the poverty and ignorance of the masses outside. Their revulsion against this life directly contributed to the later decision to build a new capital far from Constantinople on the Anatolian Plateau.

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*Bernard Lewis makes the following comment that categorizes the influence Galatasary came to possess.

> "As the need for administrators, diplomats, and others with a Western education and a capacity to handle Western administrative apparatus became more and more pressing, the graduates of Galatasary came to play a preponderant role in the politics and administration of the Ottoman Empire and, after it, of the Turkish Republic. The Imperial Ottoman Lycee has no playing fields, but not a few of the victories of modern Turkey were won in its classrooms." (12)

C. Internal Transportation and Communications

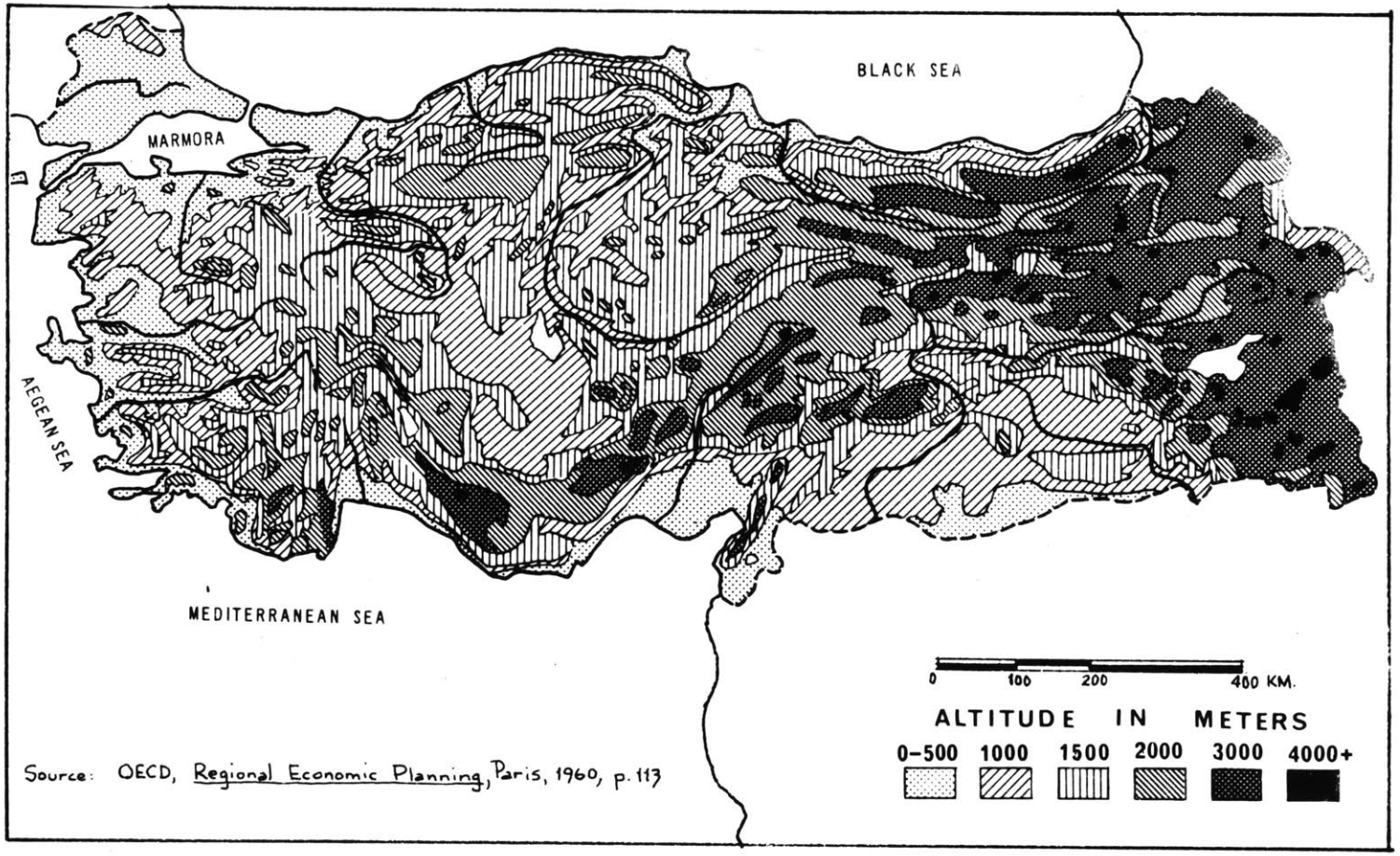
An extensive military telegraph network covered the Empire and put officials of all parts in communication with the capital. However, efficient overland transportation was limited and also served to perpetuate the dominance of Istanbul and, to a lesser degree, Izmir.

Turkey in 1923 possessed some 4,240 km. of single track rail line, almost all in the western third of the country. Since the mid 19th century a railroad had linked Istanbul with Europe. Later, German, French and English concessionaires built a line from the Asiatic side of the Bosphorous to connect Istanbul (via Eskisehir, Afyon, Konya, and Adana) with Damascus. (Map II-7). Two spurs extended, one east to Ankara, one west to Izmir and Bandirma. The only other length of track was from Kars in the east to the Russian border, built by the Russians themselves.

The concessionaires had received mineral exploitation rights along the system, but in general the railroad was intended to move goods and passengers through Turkey rather than to assist in domestic economic development. Inan's analysis of pre-republican railroad construction concludes:

> "...the railroads constructed in the territory of the Ottoman Empire were only partially in tune with the national interest. They were guided by financial and economic considerations that did not always correspond with the needs of the country." (13)

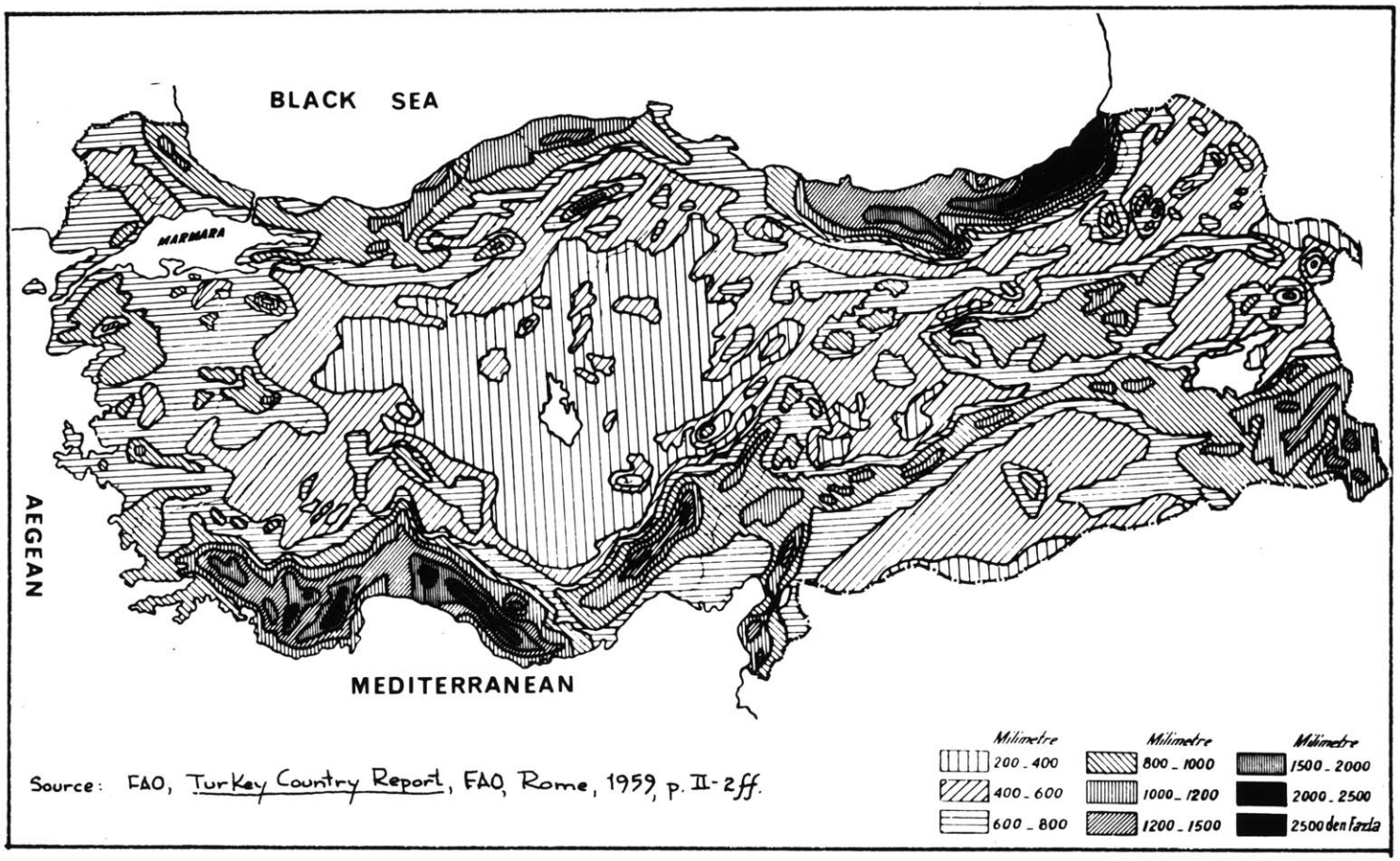
RELIEF MAP OF TURKEY



Source: OECD, Regional Economic Planning, Paris, 1960, p. 113

MAP II-1

Regional distribution of rainfalls in Turkey, 1950

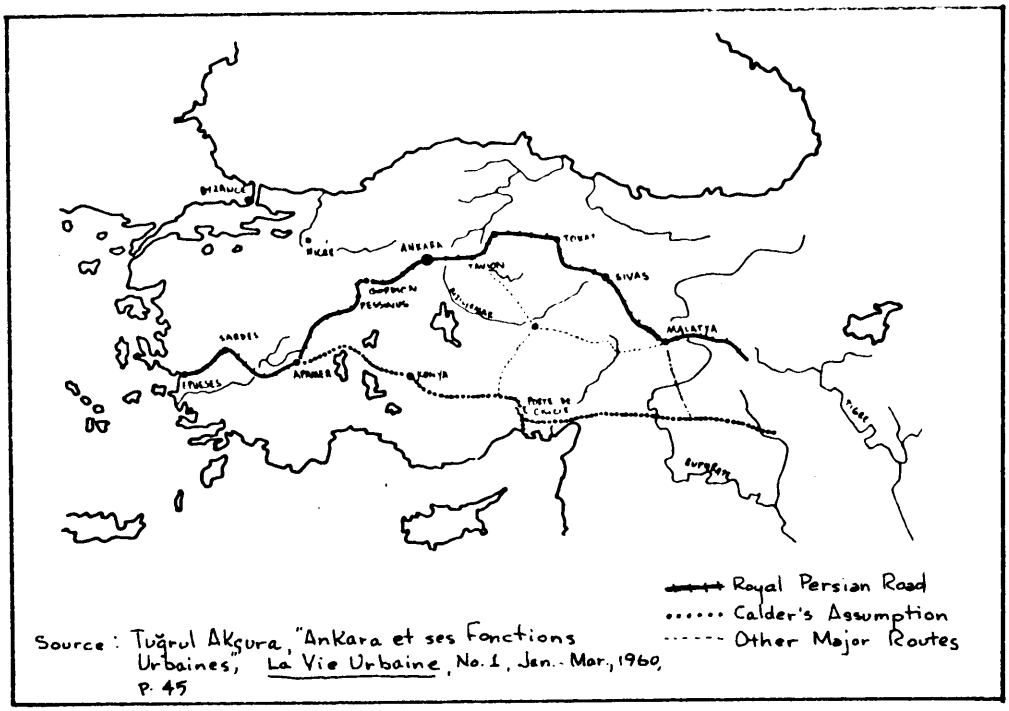


Source: FAO, Turkey Country Report, FAO, Rome, 1959, p. II-2ff.

MAP II - 2

MAP II-3

THE ROYAL PERSIAN ROAD

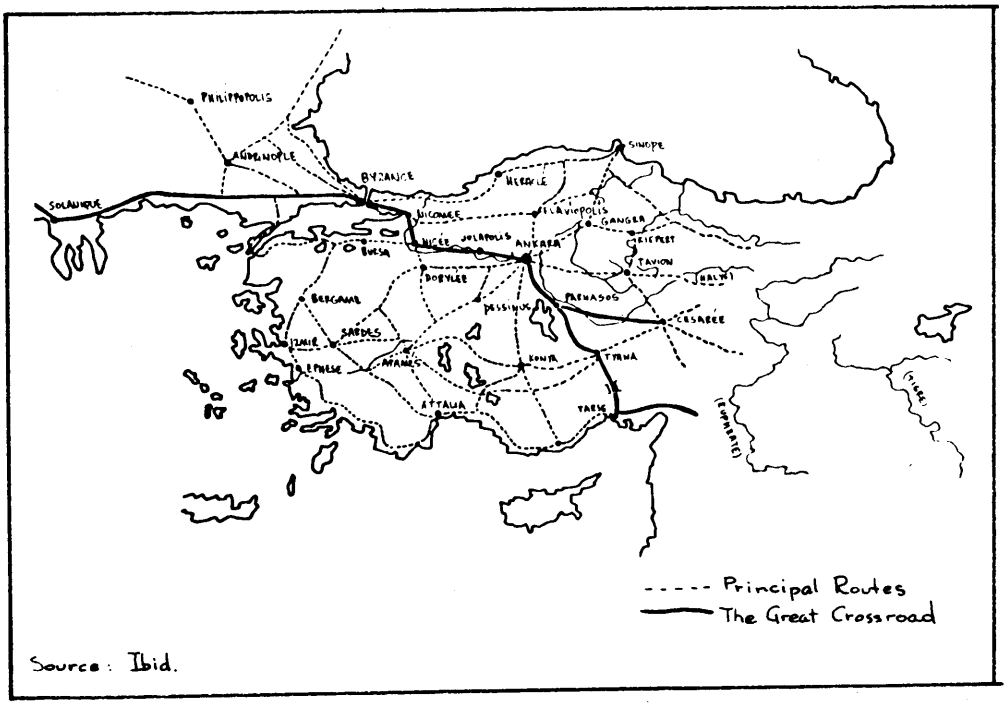


Royal Persian Road
..... Calder's Assumption
----- Other Major Routes

Source : Tuğrul Akşura, "Ankara et ses Fonctions Urbaines," La Vie Urbaine, No. 1, Jan.-Mar., 1960, p. 45

MAP II-4

ROMAN ROADS, 2ND AND 3RD CENTURIES

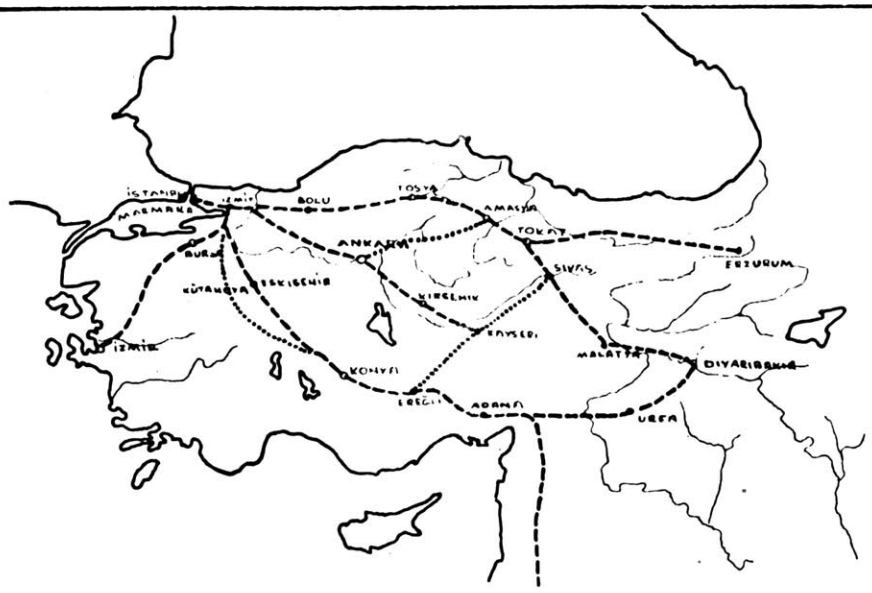


----- Principal Routes
——— The Great Crossroad

Source : Ibid.

MAP II-5

OTTOMAN ROADS



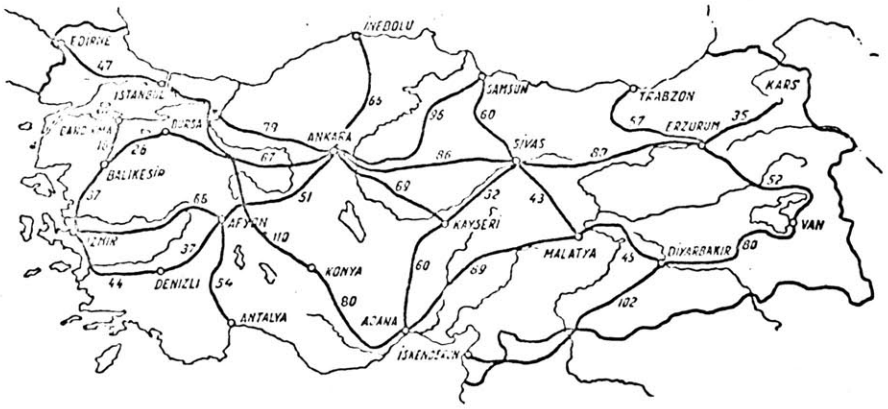
Source: Akçura, Op. Cit., p. 46

PRINCIPAL OTTOMAN ROUTES OF THE 17th Century

PRINCIPAL OTTOMAN ROUTES OF THE 16th Century

ROADS PASSABLE BY MOTOR VEHICLES CA. 1915

MAP II-6



Source: Besim Darkot, Türkiye İktisadi Coğrafyası, Sermet Matbaası, İstanbul, 1958, p. 165

102 - TRAVEL TIME BETWEEN POINTS (IN HOURS)

Roads, chiefly following the ancient caravan routes, connected the main cities and towns (Map II-6). However only 1,000 km (less than one-quarter the length of the railroad) were passable under all weather conditions, and the remaining 8,300 km were badly-broken tracks. (14) While the 350 km between Istanbul and Ankara could be covered in less than 24 hours by train, for example, in the best of weather a motor vehicle needed more than three continuous days for the trip. The farther east one went, the worse travel conditions became. Except for the telegraph (used only by the army and public officials), whole sections of the country were effectively isolated from the capital and from each other.

D. The Villages

Beyond the urban frontiers of Istanbul and Izmir, was a land peopled mainly by primitive peasants, only loosely bound together by the Moslem religion and forced service in the Ottoman Army. Despite the sharing of a common language, no sense of national identity or "peoplehood" existed before the Republic. According to Robinson:

> "Contemporary observers noted that the ordinary Turk asked who or what he was might answer 'I am a Moslem,' not 'I am a Turk.' An intellectual might declare 'I am an Ottoman,' but never a 'Turk,' a term of derision reserved for the country bumpkin." (15)

Isolation marked the life of the peasant and his village. Topography throughout Anatolia was rugged except in the coastal areas, and communications were poor.

One commentary on the scene states "instead of one Turkey there were a hundred--or a thousand--little Turkeys." (16)

In these villages, peasants tilled with a wooden plow, sowed by hand, and threshed with a threshing sled in the same fashion as did Anatolian peasants 2000 years before. Family fields averaged about 3-5 hectares, and provided about 10 people with work and sustenance. (17) Land was largely family-owned, except in areas (particularly along the coasts) where rich "Agas" held property on rights from the Empire and kept tenant farmers in serfdom. In context of Turkey's total agricultural picture, however, the fiefdoms of the Agas were far less than the territories of individual families. Robinson comments:

> "There was good reason for this private ownership of land, for land was in fact the only meaningful wealth of the Turk...It gave a person security of life despite war, economic crisis, unemployment, currency debasement, inflation. The land was still there; one could still eat." (18)

Rural overpopulation was hardly a problem at the beginning of the Republic. Villages were widely dispersed, and the country's overall population density was only 17.9 persons per km^2 at the first census of 1927.* When a family or village needed more land, land could be taken with impunity so long as the demands of the next village did not conflict. "The only limit on the amount of land a

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*There were, of course, variations from the general pattern. Central and Eastern Anatolia were more sparsely settled than the fertile coastal regions, particularly along the Black Sea.

farm family could cultivate was the animal and manpower it could recruit." (19) Both the aspirations and the expectations of Anatolian peasantry were quite low. So long as land could be obtained, there was no need or thought of moving to cities. Indeed, as we note in Chapter III, the Republican government was unable to attract enough labor to the urban industries it constructed.

Under the Empire, the peasants profoundly mistrusted government. For government betokened conscription and tax collection, both to be avoided. Mistrust heightened the peasants' desire for isolation. As a result, even where rail lines and roads existed, there was effort to shun contact with the outside world. Frey comments on the

> "pains taken in many instances to locate... villages in extremely isolated and inaccessible spots, where the tax collector, gendarme and conscription agent were less likely to make their presence felt. From government mainly harm was expected." (20)

We learn also that

> "tax revenues per capita and per square kilometer tended to decline in direct proportion as the distance from Constantinople increased, even after making necessary allowances for variations in natural resources and development." (21)

National allegiance did not exist. As a substitute, the Moslem religion, expressed by the hocas or priests, was the one binding force beyond allegiance to family and village itself. And the Moslem religion recognized no national boundaries or temporal states. All Moslems were one people whose allegiance went to the Caliph as Mohammed's messenger on earth.*

*The Ottoman Sultan was also Caliph of all the Moslems.

Kemal was therefore faced with an enormously difficult task of unification at the start of the Republic. On the one hand mistrust of government and the isolation of peasants had to be ended if Turkey were to survive as a nation.* On the other, an image of a temporal state had to be given sufficient appeal to supplant the image of an all-wise, universal Caliphate which Kemal had set out to destroy.**

---

*During the Ataturk period, there were many signs of unification difficulties; revolts from the Kurds of the eastern highlands, sporadic uprisings of religious fanatics, brigands looting in the southern mountains. (22) Government forces invariably conquered, but even as late as 1937, Linke points out the problems of subduing the mountain people, in this case Lazes of the Black Sea region:

> "...a wild mountain tribe who had for hundreds of years resisted all attempts to tame them. They lived in independent communities often in almost inaccessible valleys or hidden in the mountains; proud and hot-headed, all armed in spite of heavy penalties and upholding the law of vendetta. Now the government had taken up the challenge and was trying its utmost to make them submit to a higher order." (23)

**Although the position of Sultan was abolished with the Republic, the Caliphate remained until 1924 when in one stroke Kemal obliterated centuries of Moslem tradition. Further measures to contain the Moslem hierarchy and outlaw extremist sects followed. There was never, however, an attempt to ban the religion itself. Ataturk claimed to be a Moslem. He was against not the religion, but its excesses and interference in temporal affairs. (24)

E. The Towns

Istanbul and Izmir were the national centers of Turkey, but a great number of towns, some quite large, existed in Anatolia and Thrace. (Map II-7) They were distributed along the rail line and the caravan routes or were ports serving a limited hinterland. Although remote from the modernizing influences of the capital, these towns had at least tangential relations with the outside world. They were market centers for "isolated regional economies" and as such acted as the sole contact points between the villages and some form of civilization. All told, 67 communities over 10,000 in population existed at the 1927 census. Map II-7 indicates that these communities were distributed throughout the nation, with the heaviest concentration at the west and the sparsest to the east.

Tables II-1, 2 and 3 depict the distribution of total and urban population by gross geographic region* for Turkey in 1927. Although this pattern basically existed in 1923, the reader should remember that figures for Central Anatolia include the new development at Ankara.

The figures underscore distinctions revealed in Map II-7. Most of the large-city population is in the Marmara and Aegean regions, with Istanbul and Izmir dominant. No cities over 50,000 are in the Black Sea and (before Ankara) the Anatolian regions. Yet each region has a fairly significant number of large towns, becoming sparser towards the East.

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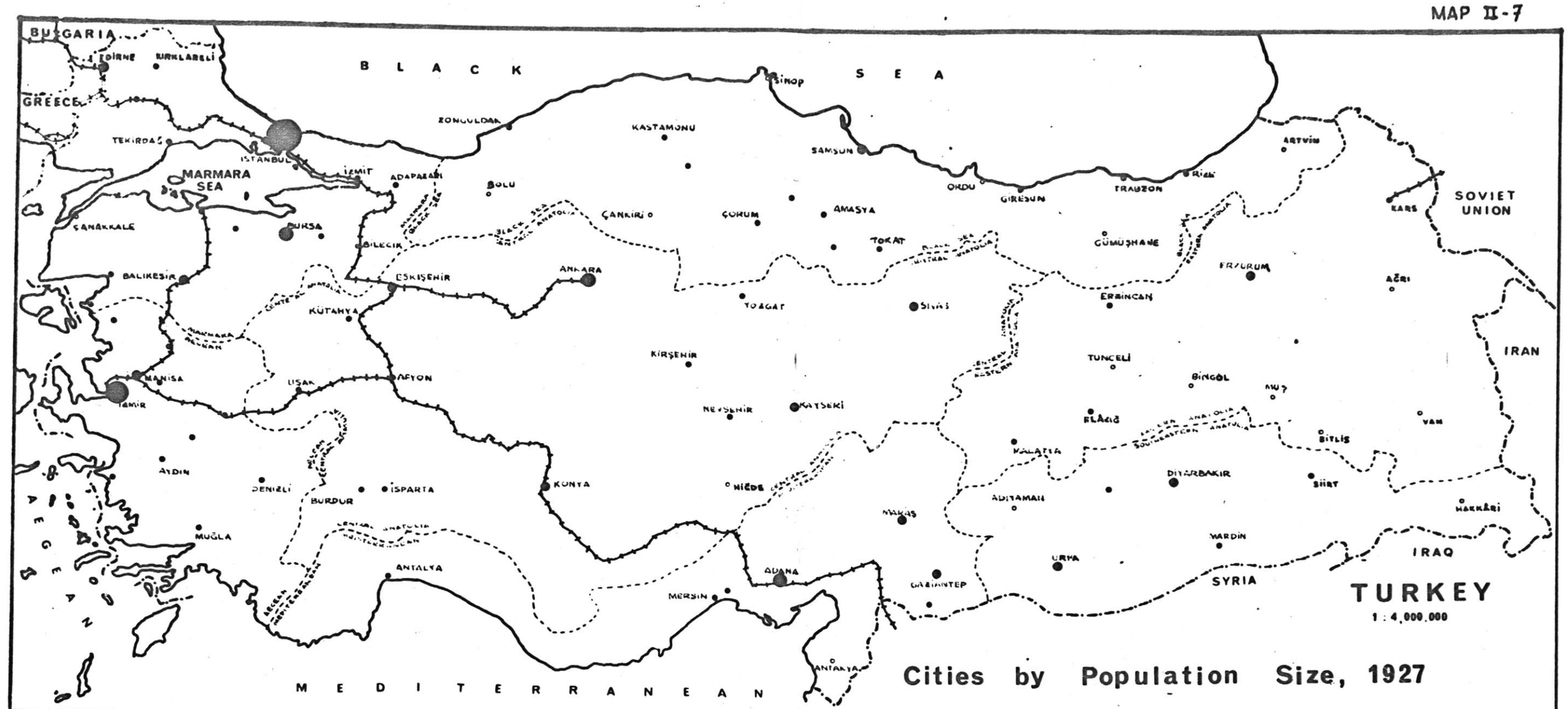
*Please see Appendix A for the rationale behind the breakdowns by gross geographic region.



Source: Population Census of 1927, in Ruşen Keleş, Türkiyede Şehirleşme Hareketleri, (Siyasal Bilgiler Fakültesi, Ankara : 1961), Appendix

Table II-1

Distribution of Population by Region in Turkey for 1927

Region	Total Pop. in 000	Pct. of Nation
Marmara	2,590	18.8
Aegean	1,533	11.2
Central Anatolia	3,127	22.7
Mediterranean	1,152	8.5
Black Sea	3,201	23.3
S.E. Anatolia	754	5.5
E. Anatolia	1,354	10.0
Total	13,711	100.0

Table II-2

Distribution of Population in Cities over 10,000 by Region for 1927

Region	Pop. in Cities 10,000 & over in 000	No. of Cities	Pct. of Reg. Pop.	Pct. of Nat. Pop. in Cities 10,000 and over
Marmara	953	14	36.5	43.0
Aegean	315	11	20.5	14.1
C. Anat.	346	13	11.1	15.4
Mediter.	222	7	19.3	9.9
Black Sea	183	12	5.7	8.1
S.E. Anat.	113	5	15.0	5.1
E. Anatol.	102	5	7.6	5.4
Total	2,234	67	16.4	100.0

Source: Census (Genel Nufus Sayimi) of 1927. Base figures above have been compiled and reproduced in Ruşen Keleş, Türkiyede Şehirleşme Hareketleri, 1927-1960, Faculty of Political Science, Anakara, 1961, Appendix, p. 85 FF.

Table II-3

Distribution of Population in Cities over 50,000 by Region for 1927

Region	Pop. in Cities 50,000 & over in 000	No. of Cities	Pct. of Reg. Total	Pct. of Pop. Urban	Pct. of Nat. Pop. in Cities 50,000 and over
Marmara	753	2	29.0	78.0	72.0
Aegean	154	1	10.0	49.0	14.6
C. Anat.	75	1	2.4	21.5	7.1
Mediter.	73	1	6.3	33.0	6.3
Black Sea	0	0	0	0	0
S.E. Anat.	0	0	0	0	0
E. Anatol.	0	0	0	0	0
Total	1,055	5	7.7	27.0	100.0

Source: Keleş, ibid

Many of the communities had roots stretching back for centuries to times when the cities of Anatolia and Thrace had been among the most flourishing of the ancient world. All had lost their former glory.* Some (Kayseri, Ankara, Sivas, Diyarbakir) had been main stopping places along the traditional east-west caravan routes. Several (Erzurum, Eskişehir, Ankara, Sivas, and Diyarbakir) were also major military bases for the Ottoman armies.

A number of the towns acted as distribution points for raw materials produced within their hinterlands and shipped overseas without significant consumption or processing inside Turkey. Thus was Adana a center for cotton-growing, Afyon for opium, Samsun for tobacco, Bursa for silk, and Ankara for mohair.

Others were centers of handicraft production, much of it conducted by non-Turkish minorities. Konya, Isparta, and Kayseri produced hand-loomed Turkish rugs of world fame, while Kuthaya made fine porcelain and Gaziantep work of beaten copper and brass. Zonguldak was a mining center for coal discovered in the region during the 19th century.

Productive activities in these communities illustrated that Turkey did have resources to be exploited outside of the comparatively developed Marmara and Aegean areas.

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*Such as: the ancient Greek colony of Trabzon; the Pontic capital of Amasya; Paul's Tarsus; Konya, capital of the Seljuk Empire that preceded Ottoman Turkey; Edirne, the Ottoman capital before Istanbul. Most of the Hittite, Phrygian, and Ionian cities of early history had fallen into ruin by Ottoman times.

Nevertheless, in Turkey of 1923 this production in no way resembled modern industry. It was either the work of individual skilled artisans or an exploitation of the earth with primitive technology.

The Turkish population of these provincial towns were military commanders and their staffs, Ottoman bureaucrats, landowning families, a few merchants, some artisans and the Moslem Clergy. They were quite different in orientation from counterparts at Istanbul. For few had been exposed to the more modern of the concepts slowly making their way into Turkey.

Indeed, it was the town, not the village where the greatest danger to Ataturk's campaign of national integration and reformism lay. For it was the town, not the village, where women were veiled with the "carsaf," and the town, not the village, where the strongest centers of Moslem tradition existed:

> "Heavily influenced by religious leaders and economically based on the status quo, these groups (the town elite) were resistent to social change. They tended to block national economic integration, for they feared outside competition and the challenge to their authority inherent in that competition. Their conservatism was supported by the larger landowners and religious leaders, who likewise gained authority and prestige in the relative isolation of the provincial town.
>
> Together, this small town "middle class" provided the hard core of reaction to Kemal's later social innovations." (25)

But the people of these interior communities and their hinterlands were also the bulk of the military and political support for the revolution. Most of this revolution had been fought on the Anatolian plateau, while Istanbul and Izmir were under allied occupation. The townspeople had no love for foreign domination or the economic hegemony of Constantinople, and here lay an element of strength on which Ataturk could capitalize. It was when the economic and cultural implications of Turkish nationalism began to dawn, that Ataturk stood to encounter resistance.

II. The Origins of a Decentralization Policy

> "...it was necessary to proceed by stages, to prepare the feeling and the spirit of the nation and to try to reach our aim by degrees, profiting meanwhile by our experience...Our general behavior has never deviated from the lines laid down by our original resolution, nor from the purpose we set out to achieve...but we never disclosed the views we held. If we had done so we would have been looked upon as dreamers and illusionists...The only practical and safe road to success lay in making each step perfectly understood at the right time...this is how I acted."
>
> ---Ataturk (26)

Thus spoke Kemal in reference to his conduct during the war of liberation. Ataturk was a military man who had mastered both the strategy and tactics of modern warfare. He was also to apply this sense of directing all efforts towards a larger objective in his carrer as civilian leader.

Kemal's goal, which he followed with amazing constancy for the 15 years from 1923 until his death in 1938 and the succession of Ismet Inonu,* was to create a Turkish nation, economically and politically independent of foreign domination, yet oriented towards Western Civilization. It was to be a nation in which Western concepts of education and culture played dominant roles. Given Turkey and the Turks as they existed in 1923--a battle-scarred, bankrupt land with a 10 percent literacy rate** and no

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*Inonu was a general during the War of Independence and had served as Ataturk's Prime Minister for most of the 1923-38 period.

**This was the figure obtained in the 1927 census.

tradition of national consciousness--this loomed as one of the most difficult modernization efforts ever attempted before or since. "No revolutionary leader," says Muller, "has gone faster and farther...on so many different fronts. None has had to contend with a more massive, hostile tradition." (27)

The development policies implemented over succeeding years were among the most important tools with which Kemal hoped to fabricate this modern, western-oriented nation.

Yet Ataturk's dream for peacetime Turkey was perhaps even more visionary than that of winning the war. He therefore continued his habit of rarely articulating the broad rationale behind specific actions. It is left to the critics and observers to interpret the meaning behind many of the bold steps taken. Four such steps were measures that promoted economic and cultural development outside the traditional centers of Istanbul and Izmir. They were:

1. Creation of a new administrative and cultural capital at Anakara.

2. Transformation of many provincial towns into modern cities by making them governmental and cultural centers for their respective hinterlands and by initiating extensive municipal construction projects.

3. Extension of railroad lines to these provincial towns, thereby connecting them with Ankara and the Western coast.

4. Establishment of large industries owned and operated by the state in many interior centers.

Although these programs comprised the major investment efforts of the Ataturk (and later Inonu) period, they were not expressed as part of a consistent decentralization policy. We must, therefore, "read between the lines" to re-construct the rationale for a development effort that appeared to be based on the spread of modern productive and cultural activity. Six factors are suggested below, roughly in order of importance.

1. The severe problem of unification and the need to bring all parts of the nation under the government's control. Wartime allegiance against a common enemy had begun to draw the Turks together. But now that the enemy had been defeated, new techniques were needed by which the nation could be held together and effective government established during peacetime.*

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*Many dictators faced with similar unification problems (i.e. Soekarno, Nasser, Castro in contemporary times) have tried to establish a "national" spirit by deflecting resentment against an imagined aggressor. It is a sign of Ataturk's genius that he did not choose this course after the Greek war. Instead he tried to concentrate energies exclusively on the internal build-up of the nation itself.

He said:

> "In order that our nation should be able to live a happy, strenuous and permanent life, it is necessary that the state should pursue an exclusively national policy and that this policy should be in perfect agreement with our internal organization and be based on it." (28)

2. The desire to Westernize Turkish culture and to introduce the education and value-patterns of a modern economic state. This end could be achieved only if modernizing influences spread out of their incubators in Istanbul and Izmir.
3. The imbalanced pattern of modern economic development depicted above. Industrialization had been confined to the two Western centers and their hinterlands. Kemal could choose to build on the already established base of these centers, but if he did, interior resources would probably remain unexploited. Little was known about these resources, yet small probes had indicated that interior Turkey was rich in minerals (coal, copper) and held greater potential for industrial crops (i.e. cotton for textiles) whose full development could lead the nation towards self-sufficiency.
4. The revulsion against Ottoman life and its symbolic seat at Istanbul felt by Ataturk and his close associates. Here there is a seeming contradiction. Kemal wanted to direct his people towards Western civilization and culture, but he intended to do it by "abandoning" the center of all previous Western influences. Yet one can not overestimate the degree to which the few intellectuals who made the revolution felt that

Turkey must start completely anew and eliminate those ties with its past which were decadent.*

A Turkish commentator summarizes this attitude:

> "The new Turkey completely rejects its history of the last six centuries, a history often glorious but one which carried too many bad habits, too many reactionary forces. Thus felt the new leaders.
>
> The cessation of functions of the old capital is a necessary condition of this rejection, this clean break. The new regime wants to have its capital where it can breathe, free of the atmosphere, of the structure, of the habits which are deeply anchored in the old." (29)

5. Fear of invasion. After the Treaty of Lausanne, Turkey and the allied powers still held each other in mutual mistrust. Russia, long an enemy, during its Bolshevik period was alternating between attempts to assist and attempts to subvert the new Turkish nation. (30) Thus, the government became security conscious (although again it did not use this fear to stimulate aggressive drives among the people). Istanbul and Izmir, as well as Thrace and the other coastal areas were in exposed positions vis a vis amphibious attack.

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*Ataturk by no means rejected the entire Turkish past, however. He tried to establish roots for the Turks in Hittite and Sumerian history, saying that these peoples were the true ancestors of modern Turkey and that the Turks were not really nomads from Central Asia who gravitated to Anatolia during the Middle Ages. The two main government development banks were called Eti (Hittite) and Sumer (Sumerian), and the Hittite lion was re-introduced as a national symbol. Today one can approach Ataturk's tomb along a great promenade flanked by stone replicas of the Hittite lion.

Defense was therefore a significant consideration in leading the government to develop the more sheltered interior. We see Celal Bayar (the Minister of Economy) in particular use it as an argument for location of state industry in Anatolia.

> "In extraordinary circumstances, for example in case of mobilization, we would have no factory which could produce goods for Central Anatolia." (31)

This xenophobia also contributed to the government's desire that Turkey become less dependent on industrial imports and move towards self-sufficiency.

It is the writer's own impression, however, that defense was often used as a "public" justification for location of investment that might otherwise be unpalatable to people in the western centers unsympathetic to interior development.

6. The wartime support of Anatolia. Here is where most of the Greek-Turkish conflict was fought. The townspeople and peasants of Anatolia supported the Kemalist armies. To them Ataturk owed a debt which was not lightly discharged.

Out of these considerations, a development policy emphasizing decentralization was eminently logical. Backed by vast numbers of dedicated followers, but armed with only a very few Istanbul and foreign-trained people to

carry out the modernization process, Kemal then faced the problem of designing a strategy for the effort. To a military man, the towns of Anatolia and Thrace provided excellent control points. If the bulk of his resources and modernizers could be concentrated in these towns, the towns might be transformed to a degree where they could radiate the message of New Turkey to the countryside. Once the mentality of the towns was changed, and once communications were improved among the towns and a national capital, then the reformist gospel might have a chance to spread.

Although the towns harbored the most articulate reaction to Ataturk's liberalizing ideas, these communities which were distributed throughout the nation and in reach of the rural masses, provided the only physical opportunity for the new regime to reach its people with the new gospel of nationalism, to govern them effectively, and to make a start towards a modern economic state.

The transformation would not begin with the peasantry.* Ataturk took a calculated risk that their low levels of

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*Frey points out: "It was by no means an immediate attempt to remold the society by starting with the peasant masses. Such an attempt was not in keeping with the history of the Turkish revolutionary movement or the psychologies of its leaders. Moreover, the task was simply too immense for such an approach. As in most emergent nations, a smaller handle was necessary, a lever more easily grasped." (32)

...the immediate goal was not the fundamental improvement of the peasant's lot or the grant to him of increased power. Those were for the future." (33)

expectation and their ability to expand farmland in sparsely settled country would keep the peasants from growing restive while the major task of building new urban centers was under way.* The Kemalist development was to be "forced from the top" via a network of modern urban centers throughout the land.**

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*This is not to say Kemal ignored the peasants. Indeed, many agricultural reforms were introduced. The authority of the Agricultural Bank and its lending power were increased. Several state industries (Ch. III) were geared to processing agricultural produce, and their demands, particularly for sugar, resulted in substantial improvement of nearby rural living standards. Special schools were established in the late 1930's (Village Institutes) to train teachers for rural work. However, relatively little actual investment was devoted to rural areas during the one-party governments of Ataturk and Inonu. Figures are difficult to obtain, but a U.N. survey (34) states that investment in agriculture did not go beyond 3 percent of total public expenditures annually, compared with 8-9 percent for railroads and a similar amount (after 1933) for industries.

**Frey terms the "essence" of the Ataturk revolution its "concentration on the extension and consolidation of this beachead to make it secure beyond all possible challenge. This effort involved the final expulsion of religion and the medresse-trained individuals from the temple of politics and the attempt to make the uncongenial cities and larger towns of Anatolia habitable for the new class of Westernized Turkish intellecturals." (35)

CHAPTER THREE

POLICY AND PROGRAMS UNDER THE REPUBLICANS, 1923-1950

I. Ankara as National Center

> "It was a question of the future legally to fix the seat of the Government of New Turkey. Considerations of all kinds categorically demanded that this seat could only be in Anatolia and at Angora. Geographic and strategic position was of the very first importance."
>
> ---Ataturk (1)

A. History

Ankara in 1920 was a mud-brick town of 25,000 people, subsisting on a declining mohair trade and its role as a military base. It lay well within the barren central plateau. No place could be a more unpromising capital for a new nation.

Ankara's history dates back to a village in the Hittite period. Under the Phrygians it received the name of Ancyra and then had several owners before becoming capital of the Roman province of Galatia. Ankara commanded a strategic pass on the main east-west trade route for the Persians, Romans, and later Ottomans (Maps II-3,4,5) and as such held some military significance.

Although it may have reached a population of 100,000 during the Roman period (2), in Ottoman times Ankara shrank back to an importance much less than Konya, Kayseri, and Sivas as a strong point on the plateau.

Ankara did have an important commercial position during the Empire, however. It became the center of mohair production, and the Angora goat takes its name from the region. Turkish mohair won world renown. The hand-loomed fabric was much in demand until competition from South Africa during the 19th century and the introduction of machined textiles to Europe.

In an effort to revive the mohair trade, European concessionaires extended a spur from the Constantinople-Damascus railroad to Angora in 1892 (3). But war was already near, and the rail line did not prevent further economic decline in the region.

B. The Decision

After the Balkan wars and subsequent defeats, about 1912 the Ottoman government thought seriously of moving its seat of control (4). The field of battle was coming closer to Constantinople, which was particularly vulnerable to attack.* Among the inland cities suggested were Konya, Kayseri, and Kuthaya. Angora was not even considered. Constantinople remained, however, the official capital of Turkey until the onset of the Republic..

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*Had the British fleet before the battle of Gallipoli in 1914 realized that the Turkish batteries on the Dardenelles were out of ammunition, they would have sailed up the straits to take Constantinople probably without a shot, thereby proving the government's fears correct. (5)

During the revolution, Kemal first assembled his political and military supporters in two successive "temporary" capitals, Erzurum and Sivas. But neither of these was close enough to the battle lines in Western Anatolia. They also had poor communications with Constantinople where other adherants of Kemal still tried to gain support from the Sultan and his assembly in the struggle against the allied surrender terms. Ankara was then chosen as the main control point for the Greek war because of its proximity to the front, its position on the railway, and the support of its people for the Kemalist movement. (6)

The assembly was dissolved at Istanbul in 1920 and joined Kemal at Ankara. In 1923, as part of the Republican constitution, Ankara was finally declared as the permanent capital.

This decision was not unopposed. Many members of the new Assembly, including those who regarded the revolution as a means of dislodging foreign invaders but were not prepared to eliminate the Sultanate, favored keeping Istanbul as capital. Several objected to Kemal's authoritarianism and felt that the physical presence of a government in Istanbul would curb his powers.

> "A return to the straits, they felt, would be symbolic of the continuity of Turkish governments. Once the Chamber of Deputies was re-occupied, the Ghazi's authority could be check-reined." (7)

Yet Ataturk prevailed. He was determined to wipe out any trace of Ottoman decadence in the new Republic. He was equally determined to give the Turks a capital in their own heartland, one which could be easily defended in conventional war, yet could stand as a symbol of Turkey for the Turks.* The surroundings of Ankara were barren and primitive. Farming might never be productive in the region, nor were there natural resources to provide a base for industrialization. Economically, the decision bordered on madness, but Ataturk's decision was not made on economic grounds.

He took a calculated risk on capturing the imagination of the Turkish people, and his choice paid off in an outpouring of national dedication. The prevalent Turkish view of Ankara was expressed by one civil servant who said to Linke:

> "We'll show the world that if we choose to do so, we can build a modern town right in the middle of the desert. They shan't ever call us uncivilized again." (9)

---

*This attitude bears striking similarity to the "frontier spirit" of American Westward expansion and the attitude of some 19th century Venezuelan writers who, according to Friedmann, believed that the true heartland of Venezuela lay not in Caracas but in the Guayana Region where one could grapple with nature free from the foreign influences of the capital. Yet there is also a distinct difference. For Ataturk looked to establish a new urban culture in interior Turkey and did not glorify the virtues of a "pure" rural society. Gates comments:

> "Istanbul had a foreign culture; it was not Turkey. While the revolution implied the adoption of much that was European, it could not have succeeded had its center been in the old capital. At long last, the government is at home amont its people." (8)

John Dewey, in an early visit to the new capital, expressed what he felt to be the climate of the city as follows:*

> "In comparison with the efforts being put forth, Constantinople seems not old but tired; here we get the impression that man and nature have met neither in harsh hostility nor in a surrender of man to nature, but in a challenge of athletic combat. The very immensity of the task, its seeming hopelessness, have awakened new and fresh vigor. We readily abandon ourselves to a mood in which everything that greets the eye becomes symbolic." (10)

Thus Ankara became the seat of new parliament buildings and government offices and housing for civil servants.

---

*In general, however, foreign reaction to the Ankara decision was extremely negative. Even though the government gave free land for embassies, in the early years few were built. Diplomats preferred to stay in their villas on the Bosphorous and make arduous weekly trips to Ankara for consultation. But this was not to last long, as more and more governmental functions developed in Ankara and forced foreign attendance.

Toynbee praises the effects Ankara had on Turkish politicians during the early '20's (It "turned their minds inward upon themselves and drove deeper into them the particular Western impressions they had already received") but concludes that on the whole the transfer of the capital had been a bad thing. He cites the decline and neglect of Istanbul which had become "a provincial seaport town" and castigates the substitution:

> "The removal of the capital to that outlandish spot if politically justifiable has proved to be economically questionable. Seldom has the political government of a state been so completely divorced from the commercial life of the country. Even two years after the establishment of the Republic, the President had not paid a visit to Constantinople...The result of this aloofness has been apparent." (11)

Not all the Turks were overjoyed either. Even such a staunch supporter as Halide Edib was skeptical about Ankara's permanence. (12) The parallel between these negative reactions and those of many Brazilians and foreigners to Brasilia as a replacement for Rio de Janeiro is striking.

C. Centralized Control--The "Natural Resource" of Ankara

Had Ankara been capital of a federated nation (the role played by Canberra, Ottowa, or Washington) in which regional and central powers were comparable, the area might not have experienced its subsequent growth and diversification. Kemal establisned, however, that all major public policy decisions would be made at Ankara and then carried out in the provinces by officials directly responsible to the capital. Thus, Ankara was endowed with a "resource" which guaranteed its dominance over national life. The mud-brick town on the plateau became the decision-making center of a nation.

Many of Ataturk's reforms were departures from Ottoman tradition; centralized government was not. This form of control was essentially the same as prevailed in the Empire during the 19th century and emanated from Istanbul.*

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*Bernard Lewis (13) has chronicled the struggle within the Ottoman hierarchy to determine an effective form of government for the Empire. Over the centuries, systems varied from centralization to extremely lax decentralized power with provincial rulers exercising control virtually independent of the Sublime Porte. During the 19th century "look towards the West," however, France and the French system of government appealed to the Ottoman rulers. This French system, under which an assembly and executive exerted strong central control carried out on a local level through appointed prefects and sub-prefects was finally adopted with some modifications. The Empire was divided into districts of varying sizes whose chain of command reported directly to Istanbul. The "professional bureaucrat," long an acceptable social role for Turks, took on new significance. But despite an Empire wide telegraph system, the generally poor communications cited earlier prevented central government from exercising effective power down to the local level.

The Republic retained centralization for three important reasons:

1. It existed. For the revolutionaries to attempt creation of a radically new state and a new form of government simultaneously would prove too immense a task. Ataturk was a visionary, but also a pragmatist.
2. Need for control. The country was not yet unified in spirit. Tight reins were needed over what decisions were made or not made, and parts of the nation could not be allowed to "go it alone."
3. The paucity of trained talent to carry out modernization. Only a few men and women were capable of producing plans and giving orders (in education and economic development as well as administration). They had to be concentrated at the center and in easy communication with each other. Field cadres had to be given limited responsibility and to report directly to the center to forestall mistakes about policy implementation.*

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*Akcura summarizes as follows:

> "The Turkish Republic deliberately opted for an extremely centralized regime...
>
> The State wanted to unify a country which politically had never been unified. It proposed to eliminate certain forms of life that had been apparent. But competent personnel were wanting. The suspicion against religious and social reaction was strong. Thus the "absolutist" attitude developed, opposed to every form of decentralization." (14)

At Ankara a single-chamber Grand National Assembly held complete legislative and executive powers according to Article 5 of the Constitution. In fact, Ataturk and later Inonu, as the Assembly-appointed President, wielded much of the power.

The main difference between this system and its Ottoman predecessor was the degree to which government actually penetrated everyday life in the provinces. Ataturk established welfare functions for the first time. The Ministry of Public Works was now to have responsibility for extending infra-structure to all parts of the country. New banks and development agencies were founded. Most of these operations would have representatives on the provincial level, responsible both to the parent agency and the provincial governor for carrying out programs developed in the capital. Ankara was the nerve center. When roads were built, all roads would lead to Ankara.

The hierarchy of local government which reported to Ankara began with the provinces or "Vilayets." There were 52 of these in 1923 (now 66), each with a Vilayet center and each governed by a "Vali" appointed by the Ministry of Interior in Ankara. Vilayets were divided into "Kazas" or counties, broken further into "Nahiye" sub units. Each of these had an Ankara-appointed administrator as well.

A "physical" result of this power centralization and the increasing role of the State, saw representatives of

central government established in just about every city and town, large and small, throughout the nation. Their dependence on Ankara for orders, approvals, and budgets further drew the countryside into contact with the capital and gave Ankara a form of effective political dominance over the nation which Istanbul had never possessed.* The railroad-oriented transport program (p. 132) was partially intended to solidify this dominance and bring the capital into easy contact with the outlying regions.

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*It is helpful to quote at length from Lewis' description of the hierarchical system:

"In the theory of Turkish law the vilayet and its subdivisions thus provide the local government of the country. In fact the control of the Ministry of the Interior in provincial affairs is very strict. The Vali, Kaymakam and others are all ministry-appointed permanent officials. The vilayet budget is provided from the centre; it may be supplemented by loans, but not by local taxation, which the vilayet council has no power to impose. The council, an elected body, meets normally for forty days in the year, under the presidency of the Vali.

The kaza is not a legal person, and has no elected assembly. Its administrator, the Kaymakam is a subordinate of the Vali, but is a central government official appointed from Ankara. The nahiye, the smallest sub-unit of the vilayet is administered by the Mudur, also a central government officer, but on a different ladder of promotion from the Kaymakam and Vali. He presides over a nahiye council, consisting of the local officials and technicians together with one elected representative from each village or municipality. Finally there is the village, established as a legal entity for the first time by the village law of 18 March 1924. The villagers elect a muhtar and council of elders, in which the schoolteacher and imam are ex officio members. Although the muhtar is an elected official who represents the villagers, he is also in effect and usually in the first instance, an administrative officer, representing the central government in the village and carrying out whatever instructions reach him through the chain of command." (15)

Yet Kemal was not content with giving Ankara political and administrative functions. If it were to replace successfully the image of Istanbul, Ankara must become a cultural capital as well.

D. The Cultural Center

Steps to transform Ankara into a national center of learning and culture had the characteristic élan of the Ataturk touch.

In 1926, Kemal abolished the Moslem laws and courts that had governed sectarian life. In their place came the Swiss civil law, the German commercial code, the French penal code, and the Italian health code...with some revisions but essentially the same as they existed in Europe. Few Turks could understand these, and lawyers became a necessity. Thus a new law school was established in Ankara to which any aspiring barrister was obliged to come.* Soon the Institute of Public Administration (Mulkiye) was taken from Istanbul and became a Political Science Faculty in Ankara to train the new bureaucracy.

By 1936 Ataturk could declare:

> "A medical faculty is now underway to lay a foundation for the future of higher education and Ankara University. I want now to envigorate a new connection with the fine arts. It will give me great pleasure to talk of a conservatory and a theatre academy in Ankara. Every phase of fine arts...brings great advances to the people of the Republic in their cultured and industrious life." (16)

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*Until the Istanbul curriculum was also revised, p. 164.

A conservatory and theatre did come in the '30's. They were followed by five museums, more university faculties, sport fields and stadia, a youth park, and an opera house, as well as hospital and medical facilities. Dominating all of these institutions, on a high knoll above the city, was the largest of Turkey's "People's Houses" (see p.126), a center for adult education which offered a wide variety of activities.*

Newspapers were founded and a state radio station inaugurated and allowed to play music only from the Western classics.

On the one hand, these operations provided many of the amenities of urban life which made existence in Ankara bearable and which even Istanbul did not possess. On the other, they were mutually-reinforcing in a successful effort to create a vigorous cultural and intellectual center for the new nation. Their personnel were cosmopolitan people who would not otherwise have come to Ankara, modernizers whose skills contributed to the permanence and growth of the city. (17)

Perhaps the only significant activity not fostered during the 1923-50 period was religion. No new mosques were constructed while the city was growing from 25,000 to almost 300,000 citizens.

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*Kemal employed a great number of foreigners in establishing these educational and cultural institutions such as John Dewey for education, Paul Hindemuth for Music, Sadlers Wells Ballet for the Ballet, prominent European jurists for the law.

1. The Plan

As part of his concern with the "symbolic" contribution of Ankara, Ataturk wanted the city itself to be an example of planned, Western-style development. A special competition among selected European architects was held in 1927 for a master plan, and the Austrian Dr. Herman Jansen received the award. He then supervised construction of the city according to the plan until the outbreak of World War II. (18)

Jansen's scheme lacked the grandeur and architectonic beauty of Brasilia and Chandigarh. Indeed, the 1930 Germanic architecture to which it led was quite undistinguished. But his concept of broad avenues, low density, and much green space was completely new to Turkey and about as antithetical to the twisted streets and congestion of Istanbul as any scheme could be.

Jansen laid out sites for public, institutional, and private uses and programmed utilities for a 1980 population of 300,000.

The government also established a continuing Ankara planning commission, directly responsible to the Minister of Interior, with complete power over development, including the right to expropriate and subdivide land. Jansen was made a member of this commission. During the 1927-1950 period both public and private construction had to be approved in accordance with the plan. Ankara was a boom town under enormous expansion pressures, but

the government was able to achieve some success in directing and channeling its growth.*

E. Agriculture and State Industry

Despite the seemingly poor prospects for agriculture or industry in Central Anatolia, the government decided to attempt at least some diversification of Ankara's economic base.

Ataturk was particularly concerned that the capital be provided with produce and that technical assistance be given to peasants in the region. He therefore established a large demonstration farm and forest at Ankara's northern boundary. His will decreed that the land never be turned to other uses. It remains today as a green barrier to urban growth. (20)

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*Ankara did have severe problems, particularly in the latter part of the Republican period and during the War. Jansen's plan was too small (its 1980 population target was almost reached in 1950) as Ankara continued to attract population beyond all expectations. (In 1950, less than 25 percent of its population had been born in the province.) Housing could not keep up with the demand, and the problem of squatters began to be acute. These difficulties should, however, be seen in context of the government's groping yet sustained effort to increase Ankara's attractiveness. For as Bischoff puts it: "Ankara was the first city that the Turks ever built themselves." (19)

The farm did succeed in developing a wide variety of crops for sale in the urban market. Its carefully-managed dairy herd made Ankara (even in 1960) the sole area other than Istanbul where safe, pasteurized milk could be regularly obtained. We have only impressionistic data on the farm's effectiveness in influencing private rationalization of agriculture. Nevertheless, the widespread fruit and vegetable cultivation, tree-planting and dairying in villages near the capital is hardly paralleled elsewhere on the plateau. If not the farm, then the growing urban market did have some substantial influence. In 1930 an Agricultural Faculty was also founded at Ankara University. It, too, conducted demonstration programs outside the city.

As for industry, a large cement mill was established in the 1920's to provide building material for the construction program. It was followed by a brewery. The major public industry in the region, however, was to have no relation to local resources or consumption needs. It was nonetheless suited to the region's functions. This was armaments and munitions.

Ankara became a national military headquarters, and the government decided to consolidate its source of weapon supply in the immediate area. Plants were established in Ankara itself, but mainly in the satellite town of Kirikkale, 30 kilometers to the southeast. By 1950, Kirikkale had a population of 15,000, mostly attached to the weapons plant. (21)

F. The Attractions for Private Enterprise

Ankara had no natural resources whose exploitation might act as the basis for creating a growth region. Nevertheless, by 1950 the central government activity had succeeded in attracting substantial complements of private fabricators, businesses, and service operations to the area.

In 1950, the city alone held 22,000 workers in industry and construction, representing almost 20 percent of its own active labor force and 5 percent of the Turkish total. This was almost more than Ankara's entire population, thirty years before. Next to Istanbul and Izmir, Ankara had become the nation's third largest industrial center. (22) Perhaps less than 10 percent of these workers were employed at the government plants.

Many operations were directly related to the growing Ankara market and, according to Akcura (23), of the traditional, small-scale rudimentary type. Yet the market for such processes as printing, pharmaceuticals, and auto supplies had also become larger than Ankara itself. Other Anatolian cities began to grow, due to government's efforts, and transportation between them and Ankara improved. Ankara, rather than Istanbul, was now the most accessible major city for entrepreneurs wanting to cultivate new markets in the interior but reluctant to locate outside a cosmopolitan atmosphere. The significant fact is that a new group of entrepreneurs did materialize in Central Anatolia once the opportunity for profit began to exist.

Many offices of commercial and industrial firms operating in the western cities also established themselves in Ankara. Access to government officials was crucial, for Ankara officials made the important decisions on taxes, customs duties, or import quotas that determined much of a firm's profits. (24)

Along with the government and commercial offices, the factories and institutions, came shops, restaurants, entertainment facilities and people to perform professional services. Ataturk did some "pump-priming" in these areas, too, during the early years. The first hotel was government-built and government-owned; and the President personally brought a Russian chef to start the first "good" restaurant in the city. But as time passed, there was a spontaneous development of service activities. For Ankara was providing a relatively large and wealthy market to be tapped. By 1950, the province held under 5 percent of Turkey's total population yet accounted for almost 12 percent of all personal income tax payments. * (25)

It is interesting to note that this diversification of economic activity did not occur in the first years of Ankara's establishment. Akcura's figures indicate that expansion in industry and commercial services was not significant until late in the 1930's. (26) By this time the basic governmental and cultural activities had been established and were employing a sizeable number of people.

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*Personal income taxes were not levied on peasants and others in the agricultural sector at this time.

The city-building had long since begun. Transportation lines and urban utilities had been installed to sustain urban development.* This phenomenon bears out the hypothesis stated in Chapter I, that a growth region must experience a "first round" of development in which basic resources are profitably exploited and main elements of infra-structure are installed before diversified activity can occur. In Ankara, the basic resource which drew to it new forms of development was the consolidated power of central government itself.

c. The Lesson of Ankara

Statistical data are scanty and an evaluation can only be tentative, but by 1950 Ankara was evidencing all of the growth region characteristics depicted in Chapter I.

1. Urbanization. The city itself had increased in population from 25,000 in 1920 to almost 300,000. In 1950, less than 25 percent of its residents had been born in the province of Ankara.
2. Basic Industry. Government was the basic industry. Despite the skeptics, Ankara had survived to become a viable national capital.
3. Industrial Complexes. Ankara had become the country's third largest industrial center.

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*During the '30's a municipal water supply from Cubuk reservoir 10 km distant and a coal-burning electric station were constructed to provide essential urban utilities.

4. Income and Services. For Turkey, incomes in Ankara appeared relatively high, and a substantial growth in services had occurred.
5. Education and Infra-Structure. Ankara was the nation's cultural capital, with a wide variety of educational services available only there. Although shortages in housing and municipal utilities were apparent, the shortages were not severe enough to prevent further growth.
6. Rationalization of Agriculture. Through the Ataturk farm, other governmental efforts, and the development of an urban market, the area around Ankara was producing a variety of cash-crops.
7. An Atmosphere for Development. Ankara had succeeded in becoming the symbol of new Turkey. Its attractiveness, growth, and diversification all indicated that it possessed some characteristics of an atmosphere conducive to development.

None of this development could have occurred, if the government had failed to devote an enormous amount of energies and investments to building up the capital and its assets.* Government's attention was concentrated and was itself diverse. Not only public buildings and transport lines, but also cultural and educational facilities,

*Unfortunately we have no record of the funds expended, but can only assume they were substantial.

industries, agriculture, and even entertainment were all public concerns. Ataturk's goal was to create a viable center that might replace both the public activities and the public image of Istanbul. He launched a multi-phased effort, involving many discrete yet related sectors, to accomplish the task.

This was not a single, short-term "push" of energies and investments. The effort was sustained over a thirty-year period, and only half-way through the period was the build-up of assets sufficient for spontaneous, private investment to begin.

To a large degree, "special" administrative supervision was applied in expediting the public phases of development. The President made Ankara a "project" of highest priority and devoted to it his personal interest. The Minister of Interior, through his special Ankara planning commission, was intimately involved with the details of Ankara's growth. Both concentration and continuity of effort were maintained as the capital grew and became a new development area in the Anatolian wilderness. Development of Ankara, however, was but a single phase of the Republican government's attempt to spread economic and cultural change from their initial points of concentration along the Western coast. For a fuller assessment of decentralization activity we must now examine the attempt to transform provincial communities, their communications, and their economies.

II. Transformation of Provincial Communities

Ankara represented an opportunity to construct an entirely new Turkish culture in a place unspoiled by earlier associations. The old town was completely enveloped and subdued by the new activity and people.

In provincial communities, however, the task was somewhat different and far more difficult. Ataturk wanted to transform these conservative market towns into bastions of the new nation and the civilization for which it stood; but these towns could not be wiped out or submerged. Only a few modernizers and investments were available for each, and these had to be inserted into existing social and physical structure. Reaction and ignorance were long rooted in many of the provincial centers, and the job of "transformation without inundation" thus presented almost insurmountable obstables.

Nevertheless the transformation effort was extended to localities throughout the country, mainly the 60-odd towns of over 10,000 in population. Specific programs included the grant of corporate status to municipalities, widespread municipal construction projects, and establishment of new educational and cultural institutions.

A. Corporate Status

If Turkey's development was to stem from the city, the city had to possess a separate identity. Under the Sultans, municipal entities did not exist.

> "Just as there was no state, but only a ruler and his agents...so there was no city but only a conglomeration of families, quarters and guilds, each with their own chiefs and leaders. ...and the town never became a legal or political entity--neither as a fief, nor as a commune. Those charged with its government were not municipal officers, nor yet feudatories; still less were they civil servants in the modern sense. For the most part they were royal officers, with revocable, delegated powers from the sovereign; or else members of the religious class, charged with certain duties of prevention and enforcement, where the provisions of the Holy law were concerned." (27)

Some corporate status was achieved for Istanbul late in the Empire, and a law was promulgated in 1870 to establish municipal councils for provincial cities. This was never enforced. (28)

In 1930 the government passed a Law of Municipalities under which every community over 2000 in population was given "belediye" status. A municipal council was to be elected, from whose membership a mayor would be chosen.* To assure the belediyes' subordination to the central state, provincial governers held veto power over election of any mayor they found unacceptable.

Under these corporate arrangements, municipalities had more duties than privileges. They were required, for example, to establish public libraries, playgrounds and public parks and to make maps and town plans. Each was to draw up a five-year capital improvement program. Local fire and sewage control would be municipal responsibilities, and

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*Istanbul, Izmir, and Ankara, however, had appointed mayors who were also the provincial governors.

the towns were also to regulate commerce through issuance of licenses and to establish slaughterhouses.

The larger municipalities had to build hospitals and nurseries. Such public facilities as night clubs, casinos, theatres, museums, as well as low-cost housing were made optional for belediyes of all sizes.* (29)

This municipal legislation was a major advance over anything that had gone before. It provided an opportunity (and the responsibility) for local people to participate in the affairs of government for the first time. But it was still "forced from the top" on communities, many of whom found the laws far beyond their understanding or capability to execute. The Turks were being forced to be free and civilized and cultured and were being forced to adopt the symbols of a modern state perhaps before they were ready.

Even if the towns understood their duties, local financial resources were kept so limited by law (30) that few of the required works could be handled completely by the communities themselves. As a result, much of the actual financial and planning responsibility rested with the Ministry of Public Works in Ankara.** Yet forced or spontaneous, changes in the physical character of the towns proceeded rapidly.

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*One can imagine the sharp break with spartan Moslem tradition implied by the night club and casino provisions.

**In 1933 a Belediye Bank was established to make loans on municipal improvements and handle much of their design. A housing loan bank, Emlak ve Eytam Bankasi, had been inaugurated in 1927, mainly for financing of housing and public works in Ankara. It also operated in other cities.

B. Municipal Construction and Beautification

Ataturk himself was the guiding spirit behind much of the early municipal improvements. He frequently travelled from town to town even before the belediye act, exhorting the populace to take pride in their surroundings and to construct parks and buildings that signified their transition to a modern society. The following remarks from a trip to Konya in 1925 are indicative of his approach.*

> "It has been 10 months since I last visited Konya, and I see many praisworthy signs of progress. You began and completed the construction of many enterprises in a short time. These signify the growth of a civilized city, worthy of envy...Hard working and enlightened citizens of Konya, your city is especially deserving of the title 'civilized'". (31)

Again and again in these speeches, the word medeni, meaning 'cultured' or 'civilized' occurs. We recall Frey's comment (p. 98) on Kemal's desire to make the provincial towns palatable to the western oriented intellectuals charged with transforming their ideology. Ataturk hoped that by changing the physical character of the towns into something closer to the West, this might be one means of producing civilization or culture.

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*Konya, the former Seljuk capital and home of the Whirling Dervish sect had been among the most reactionary of the large towns and probably still was when Ataturk made his speech. Nevertheless, through exhortation and praise, the leader hoped to accomplish a great deal.

Under the enthusiastic dedication of Kemal's followers, aided by the State Treasury, a good deal was actually accomplished to effect a physical transformation.

In 1937, Mihajlovic could marvel at the accomplishments:

> "Over the space of 8 or 10 years, the Turkish minicipalities have built 4,041 official buildings, 3287 public buildings, have developed 352 parks, 261 sport fields, 190 public promenades, 477 markets, 152 abattoirs, 120 monuments, 2 poor houses, 24 hospitals, 28 dispensaries, and 44 clinics.
>
> In addition, 116 cities and towns have been electrified, and 212 towns supplied with running water. Besides, the municipalities have constructed 1417 bridges and 4,560 km of paved or tarred streets." (32)

He cites a five-year plan for municipal construction inaugurated in 1934.* A later report by the Ministry of Public Works notes that between 1930 and 1948, some 240 urban maps and 300 town plans were completed. (33)

The official buildings constructed during the period were for the most part "government houses;" city halls, county buildings, provincial headquarters--each of which was a real innovation for it symbolized the new status of the community and its relation to the national government. The buildings were to house the multifarious public activities never before conducted by the Ottomans; and for all of its

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*One of the boldest steps among these improvements was erection in almost every sizeable community of a statue to Ataturk. Kemal ordered this partially out of vanity, but mostly out of a desire to break down another Moslem tradition ...strictures against representative art. Since general agreement existed on his importance, statues of Ataturk would have an easier time being accepted than any other type of art.

"outside" officials brought to the provincial towns, the government built housing as part of its plan to transform the environment into something "palatable" for the modernizing elite.*

Despite the limitations of people and resources, extensive physical transformation was attempted throughout the nation. Comments by Lilo Linke on three widely-separated provincial centers (Erzurum, Malatya, and Sivas) indicate the scope of these efforts.

Erzurum" "The new town is rising only a few hundred yards away, with broad new roads and young trees...As in a suburban settlement, houses have been built for officers or civil servants and their families, and immediately behind them begins the loose chain of public buildings, many of them only half completed...each one a strong contrast to the old Turkish style.

'Just to show people here new methods of construction and to prove to the foreigners that they are not the only ones who can do such things,' said the major pointing at the yellow facade of the new college for teachers, the first concrete building in the Turkish East." (34)

Malatya: "A few of the new houses were built of concrete, with cement brought from Istanbul via the port of Mersin. It was a cheaper method of building than carrying the stones from the mountains. The apparently obligatory new park was pretty with blooming acadia trees and a pavilion at the side of an ornamental pond...It cost 10,000 Turkish pounds.

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*In addition to the actual administrative officers, there were now representatives at the province and county level of the ministries of health, education, agriculture, etc. all charged with implementing programs developed in Ankara. Local military posts were extremely important, particularly at the provincial centers, and the military commanders and their staffs also had programs to conduct in adult education.

> Linke also notes that the railway station was built three miles out of town and that the city will be developed towards it. (35)

Sivas:

> "I felt confused. The modern station, the broad avenue, the post-war facade of the hotel; and---ragged men and women with their primitive means of transportation and certainly an equally primitive life--were they merely two different stages in a natural development, or two worlds following two parallel roads that would never meet, or were the up-to-date things I had seen, strewn about at random by an inconsiderate government beyond the means of the country?" (36)

Linke's last comment is perhaps the most significant. For in it she conveys the puzzled and equivocal reaction of many Turks themselves to this forceful demonstration of government's committment to a civilization for them still strange.

C. Cultural Change

A build-up of secondary and technical education in the provincial cities received high priority. Paralleling it was the location in every town of a "People's House," a community center from which the message of Kemalism was dispensed to young and old alike.

Expansion took place in primary education during the period, but the bulk of government effort went into increased opportunities for higher training. The government reasoned that Turkey needed a greater number of skilled and literate workers before attempts at mass education could become profitable. Table III-1 below graphically illustrates the educational emphasis of the Ataturk-Inonu programs.

Table III-1

Indices of Number of Students
at Various Educational Levels, 1927-1946

Year	Primary	Middle	Lycée	Teacher's	Trade	University
1927-8	100	100	100	100	100	100
1935-6	157	294	598	56	248	175
1945-6	316	387	1200	331	2090	450

Sources: Frederick W. Frey, "Education and Political Development in Turkey," M.I.T. Dept. of Political Science, 1962, p. 22.

These lycées, trade, and secondary schools of other types were invariably located in provincial or county seats. Maps III-1, 2, 3 indicate the location of secondary schools in 1935. Although the concentration in Ankara, Istanbul, Konya and other large cities is apparent, every provincial center from Thrace to the far east had some form of secondary school by that date.

Higher learning was, however, confined to Ankara and Istanbul. Any aspiring provincial had to seek university training in one of these two major cities, a fact which served to reinforce their attraction and dominance. A plan for an Eastern university in Van did not materialize.*

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*Webster comments:

> "Since the Kurdish revolt in the spring of 1937, the Government has announced its intention to sponsor a special degree of educational enterprise in the southeastern provinces. A prominent feature of the plan is to make Van the cultural center of that region, starting with lower schools and eventually as soon as a constituency is prepared, opening a university." (37)

Note the importance implied for education as a means of control.

Adult education was also an important activity in the outlying towns. Between 1927 and 1934 a large number of "Folk Schools" were established to teach people how to read and write the new Roman alphabet. According to Webster, about 2.5 million people over 12 years of age attended these schools. (38)

By far the most significant institution for adult education was the "Halk Evi" or "People's House." Barbara Ward termed the Halk Evi "the instrument by which the social unity of Turkish society is to be secured." (39)

These houses were open to all citizens and concerned themselves with teaching language, literature, history, fine arts, dramatics, and even sports. They taught western music and held exhibits. Their prime function was to spread awareness of a Turkish heritage along with Western culture, and thereby aid in promoting national unity.

Roots of the Halk Ev went back to a 19th century organization called "Turkish Hearth" established to foster Turkish nationalism. Ataturk transformed the institution into a complete community center offering a wide range of activities. Nominal responsibility for

operating the centers went to the Republican Party, rather than the government itself.*

The Halk Ev was an "urban" institution. Its penetration to all parts of the country can be seen in Map III-4. By 1939 some 367 were constructed and in operation. They were located in every Vilayet capital and in most towns of 5,000 and over. (42)

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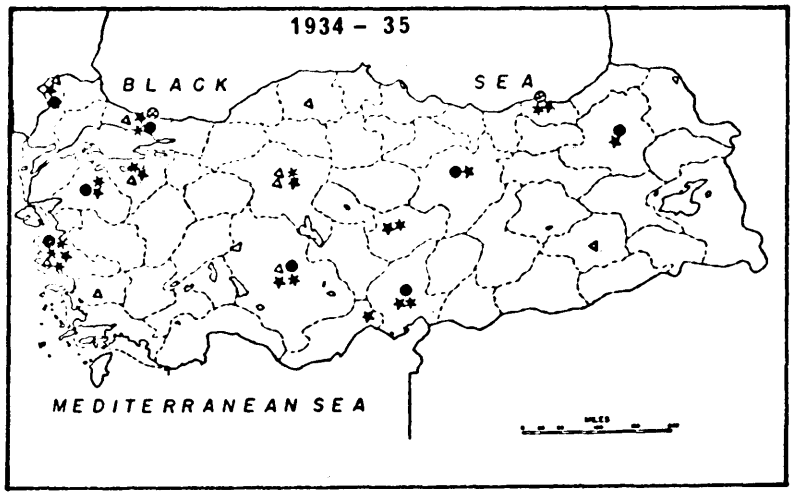
* "Their nearest parallel in the United States is found in such institutions and buildings as YMCA's or churches or schools which are also centers of cultural activity for the entire neighborhood, with one main difference--the largest room in a Halkevi is not a gymnasium but an auditorium, usually with a stage suitable for dramatics and sometimes an orchestra pit. Here are held concerts, lectures, plays, and dances. Other rooms provide for adult education classes, art and hobby exhibits and workshops, a library, and offices for the director and his staff." (40)

Ataturk's own feelings about the importance of these installations were expressed in a 1931 speech inaugurating a new building in Aydin.

> "The Party is the tutor of the people; science, economics, politics, fine arts all such areas must be cultivated and developed in the fatherland. The Hearths, originating in the duty of the Party to explain its program for the fatherland, perform the greatest service for the ideology... It is along this road that the people carry out their responsibilities together." (41)

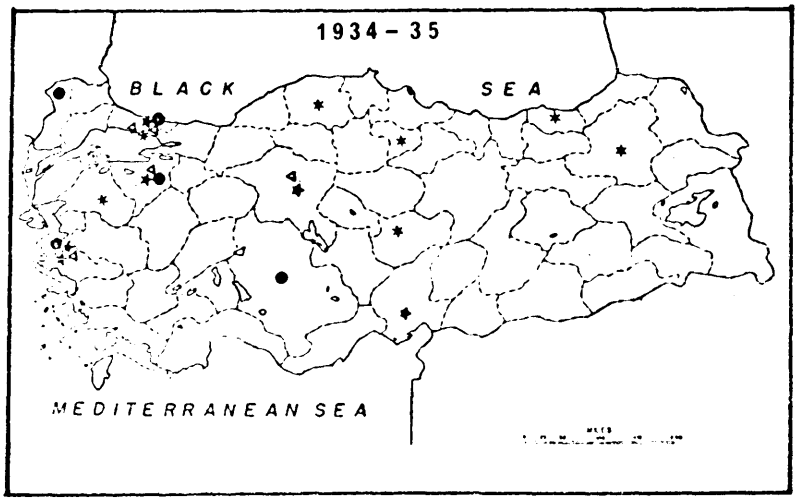
MAP III - 1

DISTRIBUTION OF BOYS' SECONDARY SCHOOLS



MAP III - 2

DISTRIBUTION OF GIRLS' SECONDARY SCHOOLS



★ High School (Lycée)

✱ Junior High School

△ Trades School

⊛ Commercial School

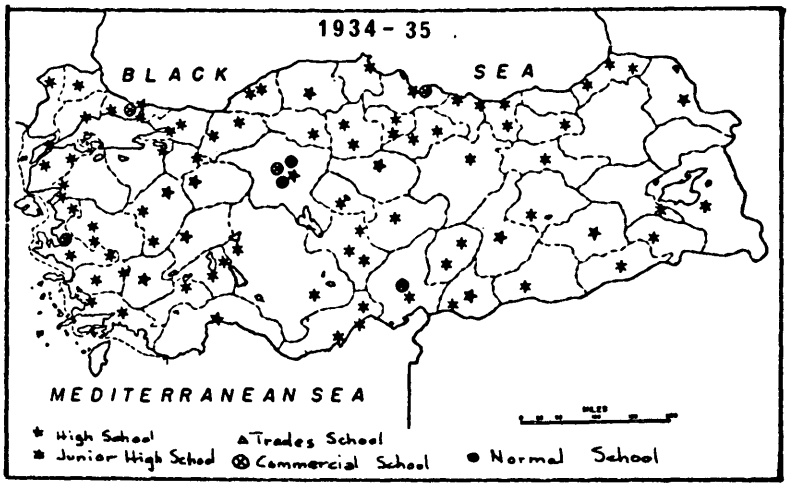
● Normal School

Source: Donald E. Webster, The Turkey of Ataturk, American Academy of Political and Social Sciences, Philadelphia, 1934, p. 220

MAP III-3

DISTRIBUTION

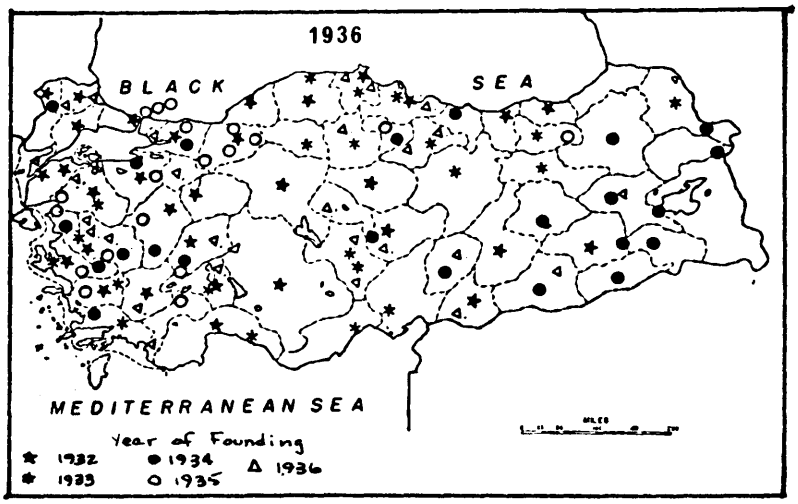
OF CO-EDUCATIONAL SECONDARY SCHOOLS



Source : Donald E. Webster, Op. Cit., p. 221.

MAP III-4

DISTRIBUTION OF PEOPLES' HOUSES



Source: Donald E. Webster, Op. Cit., p. 186.

Given the primitive, reactionary character of Turkish municipal institutions at the start of the Republic, there was an admirable boldness to the People's House program. It fulfilled an extremely important role in the acculturation process and exposed many townspeople to modernizing influences.* Since the Halk Ev was a Republican Party institution, however, it was doomed to elimination as the multi-party period emerged. After World War II, local Republican officials began to use the institution more for propaganda than for education. Shortly after the Democratic party took power in 1950, the government abolished the Halk Evleri as subversive propaganda centers. The buildings were then turned over to general public purposes. (44)

One clear indication of effectiveness for both the People's Houses and the provincial education programs was the rise in literacy. In 1927, only 10 percent of the population could read and write. By 1950 the proportion

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*The Halk Evleri had a division of "village welfare." This division did not, characteristically enough, directly teach or aid villagers. Rather it was intended to teach the city people about Turkish village life and to organize groups of "students" who might go into nearby villages to teach or provide assistance. Again this was a matter of "forcing development from the top" where the emphasis lay on winning the minds and allegiance of the town dwellers who would then proceed to diffuse the new ideas over a larger area. (43)

Towards the beginning of World War II, the program was extended to villages, but only after it had begun to show promise in the towns.

had risen to almost 35 percent. In towns over 10,000 in population, moreover, the average rate of literacy for 1955 was 65 percent.* (45)

*Although this is a 1955 figure, it probably reflects the literacy disparity between towns and villages existing in 1950.

III. Railroad-Oriented Transport Development

The Republican government set out to build an effective interior transport network. Major emphasis fell on extending the railroad inherited from the Empire to provincial centers throughout the country and to regions with important natural resources. The work began during the early 1920's.* By 1950, all but two of the cities whose population had been over 25,000 in 1927 (Bursa and Urfa) had a rail connection, and most of the towns which had been over 10,000 in size. Ankara was no longer at the end of a minor spur. It was at the core of a nation-wide system. (Map II-6).

Conker gives the following rationale for the program:

> "The railroads in Turkey are a question of national defense and of national existence ...The railroads will also allow Turkey to be administered as a homogeneous whole... Industry will not be able to establish itself or develop except in the regions served by the railroad." (46)

And one of the engineers in charge of the construction commented to Linke:

> "The great aim of our government is to open up those parts of Anatolia that were completely neglected under the Sultans. We want to give an equal chance to all parts of the country." (47)

---

*Most of the existing rail network had been owned by foreign concessionaires. The government did not expropriate these holdings outright; rather it entered into negotiations for payment over a number of years.

First extensions during the '20's connected Ankara with Kayseri. The line was extended to Sivas in 1930, and the Divriği iron ore fields and Erzurum by 1939. Meanwhile, the tobacco port of Samsun was tied to Ankara by rail. A major route was laid to Zonguldak and the coal deposits, and another down to the east through Malatya and Elazig to Diyarbakir and the Ergani copper fields. From Adana, via Gaziantep and Maraş, a line went northward to the Diayarbakir connection. Additional routes to the Aegean were also established.

Herschlag criticizes Turkey for an overemphasis on railroad construction. He points out that local road-building material was plentiful while steel for rails (until the opening of Karabük mill in 1938) had to be imported; that the single track nature of the system held only limited capacity; and that the high cost (estimated by Conker as 200 million TL in 1935) might have been spread more effectively over a wider network of highways. (48)

These criticisms contain a good deal of merit. However, it is also true that a bias towards railroads was much in keeping with the government's development aims and military orientation. Rail afforded a means of both linking key cities with the capital and moving bulk industrial products and minerals such as coal and copper. Given the still-present threats of revolt and the fear of invasion, during the 1930's rail transport was the quickest, most efficient means of moving large troop convoys.

Characteristically, the railroad was not primarily designed to assist the peasants by pulling villages closer to their potential markets. Agriculture received some benefit,* but in general the program reflected government's "urban" orientation. Herschlag notes that the program did have significant effects:

> "The number of railways passengers increased from 4.8 million in 1927 to 25.6 million in 1939, i.e. by 433% while total population increased by only 30%. Goods transported by railway were estimated at 919,000 tons in 1927 and 3,828,000 tons in 1939, i.e., an increase of 316%...
>
> ...At the end of the Thirties, the country's railway system was still far behind developments in the West, but its progress during the brief period...was more rapid than that in other countries. The Government also succeeded in balancing the budget of the railways and even accumulating yearly surpluses. As a result of the extension of the railways, agricultural produce became more diversified and plentiful... the value of land in the vicinity of the railway increased significantly; old centers of former caravan routes, e.g. Bolu, lost in importance at least temporarily, while new transit or junction centres emerged along the developed network." (49)

Road building was not ignored, however. Indeed the Republican Party formulated a specific road policy (50) to complement the rail system. Highways were to be built perpendicular to the railroad at key points in order to expedite farm-to-market product transfers. Although such a policy might be hard to implement (and was), the

---

*For example, before the line reached Erzurum, grain had to be imported from abroad for the East via Black Sea ports. Now it could be sent from the wheat-belt of Anatolia. All of the sugar factories (p.141) as well as other state industries were given rail connections to aid in product distribution.

government did recognize a complementarity between transportation systems and tried to design a solution giving each element its proper role. This was in distinct contrast to the transport policy followed during the 1950-60 period (Ch. Four) where highways received relative emphasis far greater than that of the earlier rail program.

The 10,000-odd kilometers of roads in 1923 had increased to about 42,000 by 1940, only 11,000 of which were passable in all weather conditions. Total public investment in roads and bridges between 1930-39 was 77 million TL, less than one-third that of rail construction.* By 1938, railway investment constituted 66.4 percent of all public investment in transportation.

---

*After 1940, little in the way of road-building was initiated until the commencement of the U.S. highway assistance program in 1948 (Chapter Four).

According to Herschlag, the best roads "were those in Thrace between Istanbul and the Bulgarian border; in north-eastern Anatolia between Trabzon and the Iranian border (nb Trabzon handled shipping for Iran.) and along the shores of the Straits to Izmir. The vast rural Anatolian area, in particular the plain east of Ankara, was largely neglected." (52)

**Some harbor construction was also initiated, mainly at Istanbul and Izmir. . . . Toynbee tells of early efforts to make the ports of Izmir and Mersin competitive with Istanbul (53). Major improvements were also made to the coal port at Zonguldak and the tobacco port of Samsun.

IV. Spread of Industrialization

> "Without economic (development) a weak state can not be saved from poverty. It can not attain civilization, comfort, happiness. There is no civilized state which does not think of its economy before its army and its fleet."
>
> --Ataturk (54)

Ataturk wanted the Turkish interior to industrialize as well as the coastal cities. The new railroad system and the local cultural and administrative reforms were partially intended to expedite the process. Moreover, much evidence from the early Republican period suggests that government hoped private enterprise would be the mainstay of the industrialization effort.

A. Private Enterprise

During a 1923 economic congress at Izmir, the government laid down a policy of encouragement to Turkish entrepreneurs. A year later, the Iş Bankasi, a private bank capitalized with funds from Ataturk and other prominent citizens, was established to make industrial project loans.

The task of economic development was particularly difficult in these early days. Turkish industry suffered extensive losses during the war, and many of the minority group industrialists had left. By 1927, less than 4 percent of the existing establishments employed more than 10 workers each. (55) We have also noted that the Turks themselves were not accustomed either to undertake

industrial entrepreneurship or to serve as factory workers and that "the Islamic rule of forbidding risk and profit aggravated further the stagnation of the economy." (56)

Another hindrance, which acted despite the Iş bank and government encouragement, was tariff concessions made at the Lausanne conference. In return for the territorial apportionment, Turkey was forced to keep the low Ottoman tariffs until 1929. This meant that embryonic local enterprises could not hope to compete in cost or quality with imported goods. Thus, for the first few years, relatively little industrialization took place.*

In 1927, however, the government promulgated a "Law for the Encouragement of Industry," which offered sweeping incentives to private entrepreneurs.** The element of risk was sharply reduced, and the provisions were geared to encouraging development away from Istanbul and in the interior.

---

*It was in this "interim" period, before Turkey could begin to control its own economic destiny, that Ataturk made most of his dramatic social and cultural reforms: abolition of the Caliphate and the Medresse, abolition of the fez, strictures on wearing the veil, introduction of Western law, introduction of the Western calendar and of Sunday as the day of rest, etc.

**This law, too, was not without precedent. The Ottoman government had tried a similar approach in 1913 that failed with the onset of World War I.

Provisions of the new law included the following:

1. State-owned land would be granted free for the construction or expansion of Turkish-owned industry...up to 10 hectarces.

2. Industries that met with government approval would be exempted from certain taxes and customs duties and given a 30 percent reduction on rail and sea transport rates.

3. Government would subsidize up to 10 percent of the value of the final production costs.

4. City, provincial, and national government agencies would be forced to buy the domestically-produced goods, even though imported products might cost less.

5. Entrepreneurs who established an entirely new industry would be given monopoly privileges for 25 years.

6. The approved firms could claim bonuses or price reductions in purchases from existing state factories. (This last provision was dropped in 1929 when it was discovered that many firms were starting, claiming the bonus, then selling the product to other operators and closing their operations before they began.) (57)

Although non-Turkish minorities could own the establishments to qualify under the law, foreigners could not, and most employees and managerial personnel had to be Turkish.

Immediate results were striking. In its first year, some 342 firms qualified under the law. By 1932, there were 1,473 establishments with 55,321 employees operating under its provisions. (58) National income, largely as a reflection of industrialization, rose by over 10 percent between 1927 and 1929. (59)

After this initial spurt, however, government became quite concerned. National income grew relatively little between 1929 and 1935 (Table III-2 below). The number of firms began to decrease, and by 1939 were down to 1,144. (60) Factories established under the law were producing consumer goods rather than exploiting the country's natural resources. They were also congregating in Istanbul, other cities of the Marmara region and Izmir, while relatively little industrialization was underway in the interior. Moreover, the great depression had begun in Western countries, and the government feared that its supply of imported raw materials and manufactured goods might be endangered. All of these considerations led to re-examination of the role for public enterprise in industrial development.*

Table III-2 below presents Herschlag's estimates on the growth of national and per capita income before World War II. The relatively large increase after 1935 may be largely attributed to government's new activities as an industrial entrepreneur.

---

*Alexander comments:

> "At first the new state relied upon a policy of encouragement to private enterprise. As the entrepreneurial class was still in its infancy, the result of this policy was disappointing. Impatience with the slow pace of economic development, the impact of world depression and the receptivity of Turkish officials to schemes involving government control induced the Turkish government to embark in 1934 upon a policy of industrial development through the establishment of state-owned enterprises." (61)

Table III-2

National and Per Capita Income 1927-39
(at 1938 prices)

Year	National Income in Millions of TL	Population in Millions	Per Capita Income in TL
1927	1,000	13.6	73
1929	1,147	14.2	80
1935	1,315	16.2	82
1938	1,589	17.2	92
1939	1,652	17.5	98

Source: Z.Y. Herschlag, Turkey an Economy in Transition, Van Keulen, The Hague, 1960, p. 164.

B. Public Enterprise

> "The Industries which the state or individuals shall establish for the industrialization of the country shall conform to a general program. The items of the State program shall follow one another in such a way as to render the country an industrial unit.
>
> The industrial undertakings shall not be concentrated in certain parts of the country, but shall instead, be spread all over the country taking into consideration the economic factors."
>
> --"Republican Party Program, 1935"

1. Precedent

We have noted that the Ottoman period held some precedent for public enterprise. The Republic took over management of the Ottoman State Industries, which were placed under an Industrial and Mining Bank in 1925. The government also assumed control of the Ottoman Tobacco and Salt monopolies, and extended the Monopolies to include

matches (1924) and alcoholic beverages (1926). However these actions did not represent any significant new public entrepreneurial activity. (63)

Such activity began on a limited scale in the late '20's and dealt entirely with operations located outside the Istanbul area. The government decided to replace previous dependence on imported sugar by encouraging farmers to grow sugar beet and by establishing four mills--at Alpullu in Thrace (1927), and Usak (1927), Eskisehir (1933) and Turhal (1934) in Anatolia. Before the first five-year plan of 1934, only two other state factories were erected; a small jute mill at Izmir and the cement plant at Ankara for construction of the capital. Location of these plants and those inherited from the Empire is shown on Map III-5. (64)

2. The Urge to Plan

Government became convinced that a much more ambitious program of public ownership was needed. Private enterprise would still be encouraged, however, and the authorities hoped a viable mixed economy would result. Unlike the Soviet or socialist systems, Turkey reached this decision from a seemingly pragmatic evaluation of its economic circumstances rather than any commitment to a particular ideology.

As Hanson notes:

> "In Turkey, therefore, we see very clearly the 'objective' as distinct from the ideological factors that may cause the government of an underdeveloped country to place great emphasis on the public sector ...this government did not begin life with any clear ideas about economic development ...the Turkish revolutionary movement was devoid of (economic) ideology...Hence circumstances, rather than ideology dictated the new regime's early economic efforts." (65)

Russia's emphasis on economic planning did, however, impress Ataturk. He decided to follow her example. Two five-year industrial plans were drawn (1934, 1938) as well as a four-year plan of mineral exploitation in 1936.

These plans were not based on some numerical targets for production levels, national income, import substitution, etc., in the fashion of contemporary development plans. Even if such sophisticated documents had been envisioned, statistical data for background studies was almost non-existent. Rather, the plans contained target listings of industry, mines, and infra-structure which the government considered desirable for reasons noted below. (66)

Foreign experts, including a number of American economists and transport specialists,* were called to advise on preparation of the programs. Foreign financial

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*Some disagreement exists on the influence of these consultants in determining the policy of the five-year plans. But, according to the New York Times, "it is on the basis of their reports and the investigation of Premier Ismet Pasa and the Minister of Economy Celal Bey, that President Mustafa Kemal's young republic is mobilizing for the big economic drive." (67) One might expect that the production targets were influenced by the foreigners, but not necessarily the location decisions.

assistance, however, was not generally employed. Turkey wanted self-suffiency and was willing to pay with austerity. Except for a British and a Russian loan, the programs were financed domestically through heavy taxation, issuance of credits, etc.--until the advent of post war U.S. aid. (Chapter IV)

After the first five-year industrial plan was issued, the government established two special development corporations to implement the programs and take responsibility for preparing future plans. Their title of "banks" was somewhat a misnomer. Sumer Bank had charge of strictly industrial operations, while Eti Bank was primarily responsible for mining and power development. The two agencies were headquartered in Ankara. Their decision-making power was to extend through construction** to actual conduct of the enterprises, and all plant administrators were to refer back to the parent corporations on major operational decisions. The Banks marketed their products and could also provide banking services to private enterprise and other state agencies. Sumer Bank in addition assumed management of most Ottoman-inherited factories.

**Transportation lines and other major infra-structure allied with the operations remained the responsibility of the Ministry of Public Works

C. Objectives of the Etatist Program

Four specific objectives of relevance to this discussion were reflected in the character and location of state enterprises during the Etatist period.

1. Industrial self-sufficiency through mobilization of domestic resources.
2. Development of the Turkish interior.
3. Use of the state enterprises as forces for social and cultural change in the areas where they were located.
4. Attraction of private enterprise to interior locations once public plants had "paved the way."

1. Self-Sufficiency

The plans called for establishing industries and mines that would substitute for imports. Little or no thought went to eventual export potential. Rather the emphasis lay on exploiting local resources for local needs.*

Highest priority went to the following: industries that utilized raw materials produced in Turkey (textiles for example. Although Turkey had been a major cotton producer, the raw cotton was exported and most finished

*There were, however, some significant failures in execution which made operations inefficient and forced plants to use imported raw materials. The Izmit paper plant was supposed to use Turkish pulp, but only many years after its founding was the forestry agency well-enough established to supply the domestic pulp in sufficient quantities. "Woolen mills used only imported wool tops since Turkish wool is coarse and suitable only for homespun and carpets. While these enterprises produced goods that were in demand in Turkey, their contribution to over-all economic development was less than that of enterprises using Turkish raw material." (68)

cloth imported); operations that extracted and processed minerals found in Turkey and their byproducts (iron, coal, chrome, copper, sulphur). Other selected plants were to produce hitherto-imported consumption goods, even though raw materials were only partly available in Turkey (paper, cardboard, rayon, glass, ceramics, agricultural implements).

In the first five-year plan, some 20 operations were envisaged. They represented processes whose products comprised over 40 percent of the country's imports. (69) Capital requirements for these factories were far greater than private enterprise seemed able or willing to finance. By 1950, government agencies had constructed about 50 state factories. Their location and type of production are shown on Map III-5.

2. Development of the Interior

From Map III-5, several conclusions can be drawn.

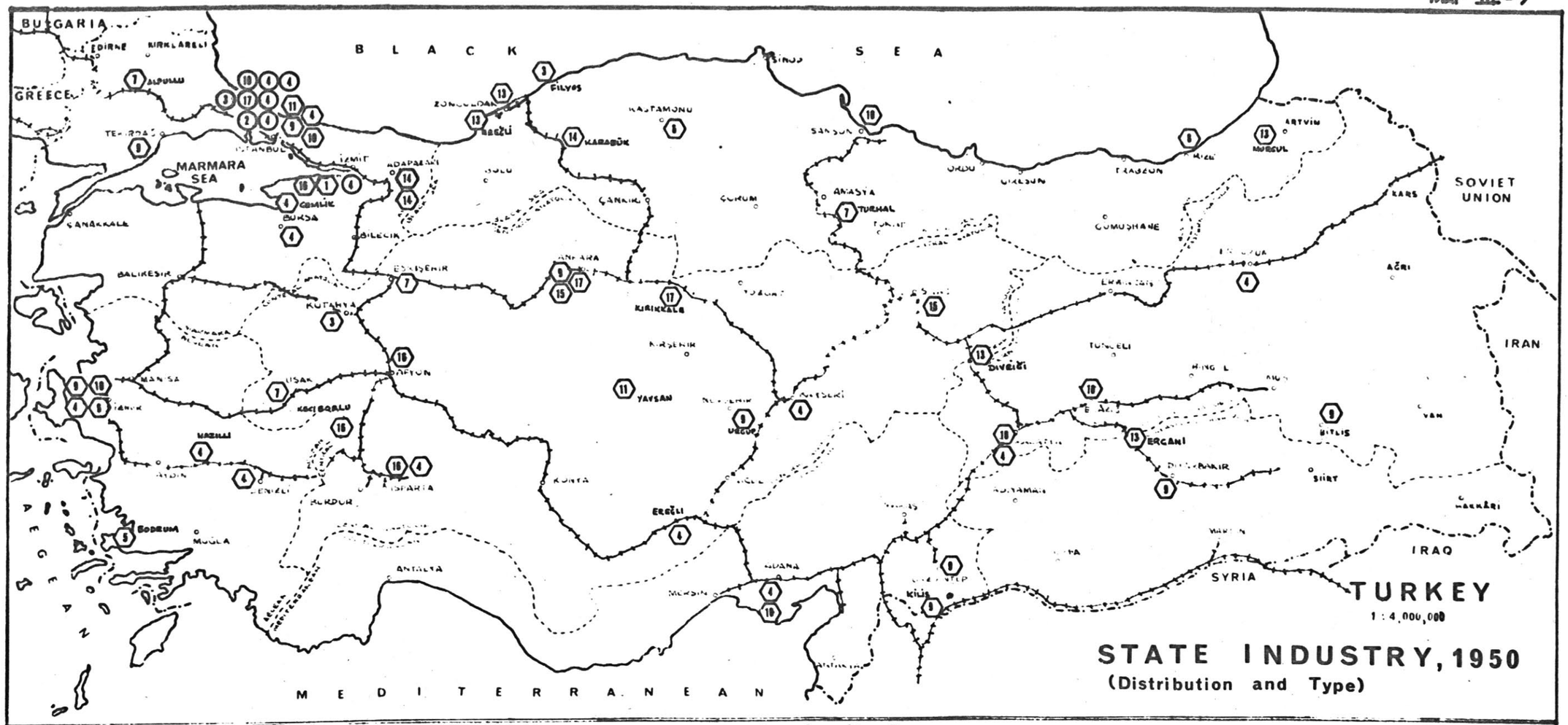
1. Practically all establishments are outside of the Istanbul area, and the great majority outside the Marmara and Aegean regions.

2. With some exceptions,* the plants are located in cities and towns that were over 10,000 in population during 1927.

---

*Yet few of the exceptions were completely rural areas. Ereğli and Nazilli, for example, the sites of major textile plants, had been towns only slightly below 10,000 in 1927. Kirikale (munitions) and Karabük (steel) were perhaps the only sites chosen in the planning period where no previous development had existed. But **Kirikkale was** founded as a satellite town to Ankara, and even Karabük **(Chapter Six)** was only a few miles from the small market community of Safranbolu.

MAP III-5



TURKEY

1 : 4,000,000

STATE INDUSTRY, 1950

(Distribution and Type)

LEGEND

- ○ Constructed before 1923
- ⬡ Constructed 1923 - 1950

1 Paper
2 Leather
3 Glass and Ceramics
4 Textiles
5 Sponges
6 Hemp - Jute
7 Sugar
8 Tea
9 Beverages
10 Tobacco
11 Other Monopolies
13 *Minerals (coal, copper, iron)
14 Metals and Metal Products
15 Cement
16 Chemicals
17 Armaments

- ° 1888 Provincial Capital
- Railroad
- Regional Boundary

Source: B. Darkot, Türkiye İktisadi Coğrafyası, Sermet, Istanbul, 1958.
Z.Y. Herschlag, Turkey, An Economy in Transition, Van Keulen, The Hague, 1960.
A. von Kral, Kemal Atatürk's Land, Braumüller, Vienna, 1938.
T.G. Muntz, Turkey, Philosophical Library, New York, 1961.

3. Practically all have rail connections.

4. The development is dispersed rather than concentrated.

5. Little development occurred in Thrace, the far eastern regions, the eastern Black Sea, and the Mediterranean coast.

Some processing enterprises were definitely held to their sites by raw material availability--e.g. sponges at Bodrum, tobacco at Samsun, tea at Rize, sulphur at Keciborlu, textiles at Adana, fire-brick at Filyos. A number--e.g. glass, cement, and some monopoly products--were located close to the large urban markets. These sites could be justified on economic grounds.

Other plants, particularly the large number of textile mills and the Karabük steel operation, seemed sited completely for purposes of defense or equity. For they were far from sources of raw material and markets.* Defense was probably the most significant factor in

---

*Kayseri was a hundred miles from the cotton area but was selected as site for the largest textile mill. An indication of the "equity" considerations involved is found in the remarks of a Kayseri hotel keeper to Ekrem. (70)

> "Allah bless these factories. If it were not for them what would we poor tradespeople do? You see how crowded the hotel is? Well, a few years ago, the djins were playing ball in my place.
>
> He went on to explain that Kayseri seemed a doomed city. There was a period of great poverty and lack of work. Then the government built the airplane factory and later the huge cotton mill, and money flowed once again into the city."

The steel plant was put at Karabük, 100 km inland from the coal seams to protect it from possible Russian coastal attack. According to Parker and Smith, Kayseri and Malatya were "neither actually in the cotton growing district but both sufficiently near it for raw materials to be transported without much difficulty and far enough from the coast to be safe in event of invasion." (71)

keeping public enterprise from the border areas.

This was clearly a decentralization policy based on dispersion of industry rather than selective concentration. By 1950, only two outlying areas showed indications of related complexes of public-sponsored industries; Izmit where paper and cellulose plants had been established, and Zonguldak province where coal mines, a steel mill, and a refractory brick plant were in operation. The government was evidently trying to "seed" many interior communities with modern industrial activity. Hopefully these plants, along with the rail access and the attempted transformation of cultural patterns in the towns would lead to the genesis of new urban and industrial centers.

A rationale for this distribution is best articulated by the Turks themselves. Özbek comments:

> "The government of the Republic, in full awareness that the creation of an industry is, before all, an affair of economics, nevertheless is not uniquely inspired by preoccupations of this order. Alongside of these it must take equal account of the high political and military interests of the nation. It has, moreover, not lost sight of the need to create great industrial centers where agglomerations of population can establish themselves and enlarge the volume of their activities." (72)

Celal Bayar, Minister of Economy and chief architect of the development plans, defended the location choices before the assembly on June 8, 1936. He cited both national defense and the paucity of development within Anatolia as the two main factors influencing the decisions.

> "The conditions under which our factories must be established are completely different (from a pure capitalist system). If we allowed things to take their natural course...the majority of the factories would seek out conditions most favorable to their own interests and not to those of the nation. They would fix on the banks of our oceans and stay there like turtles.
>
> In extraordinary circumstances, for example in case of mobilization, we would not have a single factory which could meet the needs of interior Anatolia.
>
> There have been over ten requests to the Minister of Economy regarding creation of cotton combines. But the sites which all these people desire are located not more than a meter from the sea shore. When a time of national need arises there are demands put on the authorities responsible for national defense which can in no measure be compatible with the desires of these private entrepreneurs so uniquely concerned with personal preoccupations.
>
> Thus the state, in setting forth its economic system for today, for tomorrow, for the defense of the country and for the national economy, must take account of national military needs and those places that are prosperous or economically barren. In making its industrial plan, it has consequently chosen these sites...
>
> Today we are at Ereğli, at Kayseri. Tomorrow we will be at Sivas, at Van, at **Diyarbakir,** etc." (73)

Clearly the government was pledged to produce goods and materials of economic value to Turkey, but was willing to forego economic considerations in choosing sites for what it considered higher goals of interior industrialization and national defense.

A further factor related to these sites hampered production. After the plants were ready, they could not attract a sufficiently large--not to mention skilled--

permanent labor force. Townspeople still had their prejudices against manual labor. Peasants, given the still primitive agricultural techniques and the availability of sufficient land for farming with these methods, were neither induced nor forced into steady industrial employment. Many villagers came to the plants only to return home for harvest and planting. Kerwin remarks that the laborers had to be "enticed" to the factories. (74) Hershlag notes:

> "The agricultural laborer or peasant left for town at the end of the harvest, or sometimes during protracted periods of agricultural depression, in order to supplement his and his family's income. Many...came, for instance, to the textile plant of Kayseri under the influence of stories about attractive new working and living conditions, but a large proportion of them suffered from homesickness or ran away to their villages for fear of widespread fever diseases...This situation caused a shortage in the constant, and, in particular, skilled industrial labor force." (75)

Often the situation at Kayseri was so bad, that schoolboys had to be pressed into service. The same complaints occurred at Zonguldak, Malatya, and elsewhere. It had been difficult enough to get managers and supervisory personnel to the plants.* But the problems of finding sufficient everyday labor were acute. Shortages continued almost to the end of the one-party period.

---

*Foreign technicians were employed at the start (Kayseri was built with a Russian loan and technical assistance, Karabük by the British) and to train the Turkish managerial staff. To hold the Turkish managers, an even more elaborate system of fringe benefits was established than for the workers (see following section), but shortages continued.

3. Cultural Change

The state plants were themselves intended as forces for cultural and social change in the interior communities. Factories and their activities were attempts to break down conservatism in provincial towns. They were also to stand as examples of the new Republic's achievements and goals. (76)

For the most part, these plants were built some distance outside the existing communities, intending that the towns would grow to meet them with modern residential and industrial areas...thus shaking off the "form" of the old as well as its content.

No expense was spared in this **paternalistic** effort to make a new world around the factories. There were large housing areas for supervisory personnel and many of the workers; sport fields and theatres, "bachelor pavillions" to house transient laborers, organized classes for adult education. Many of the larger plants had schools. Some sent skilled workers and potential managers abroad for further training. Housing and services, including food, uniforms, dry goods, etc., were often supplied free or at a low, subsidized cost. In its zeal to create these new factory communities, the government's development of the simpler residential and recreational areas was often more efficient than its conduct of the factories themselves.

These cultural activities and fringe benefits added greatly to costs; but government justified the expense as part of its concerted effort to revolutionize the mentality of its citizenry. In examining this aspect of public industrialization, a contemporary Turkish commentator suggests:

> "It should be remembered that the industrialization which took place after the establishment of the Republic had a very strong social character. State-owned plants were considered as the best way of bringing social improvements to certain regions. That is why some of them, in the light of present-day conditions, appear to defy sound principles of economic location. Such principles are not the only ones by which they should be judged. It must be remembered that these establishments, with their cities for workers and their social facilities played a big part in raising the material and cultural standards of the community. It was in the cinema halls of certain plants, for instance, that people first learned what moving pictures were." (77)

4. Attraction for Private Enterprise

Government hoped that its plants, by providing an "umbrella" of infra-structure, might entice private entreprise to locate in the interior. The 1927 industrial encouragement law was still in effect when the main Etatist program began. Its broad incentives were readily available.

But private enterprise did not show any significant interest in following along. Except for the small movement to Ankara, private industrialists tended to remain in the traditional development centers of the Western coast. Bayar comments on this fact in his defense of the first

plan. (78) In the introduction to the second five-year program of 1938, he again questions the reluctance of the private sector to join with state enterprise:

> "Some industries, particularly the textile plants have set aside land. Inside this land, they have announced that factories are welcome. The Kayseri textile mill, the Ereğli mill and several sugar factories are holding this land for occupancy according to the industrial encouragement law. But no private entrepreneur has come to establish a factory." (79)

But there was good reason for the reluctance. During the 1930's two considerations prevented any noticeable extension of private enterprise, itself new and faced with the difficulties of the Depression, into interior cities.

1. Government seemed willing to absorb the costs of production far distant from both raw material sources and the main urban markets. Even with the incentive programs, this friction of distance was too much for private firms to bear and still turn a profit.
2. Ankara was the only new development area where public efforts had been sufficiently concentrated to create a sizeable local market and enough infra-structure and amenities to be at all comparable with Istanbul and Izmir.

After the 1930's additional factors were involved:

1. The industrial encouragement law was abolished in 1942. Thus all special incentives for interior locations were ended.
2. Inonu's regime levied an infamous tax, the Varlik Vergisi, on businessmen during the war. In theory, the tax was to be applied to all firms, but in practice it rested most heavily on minority groups. The remaining Greeks, Jews, and Armenians were in the forefront of the Instanbul entrepreneurs, and many businesses were wrecked during the period. (80)
3. The special bureaucracy trained to manage the state industrial enterprises had begun to take on the character of an entrenched power group with vested interests in protecting the monopolistic character of their operations. Thornburg (81) discusses this trend and its effects on discouraging private entrepreneuship.

All of these considerations tended to shake the confidence of private enterprise in the reliability of government policy and promises. As in most developing nations, these entrepreneurs were extremely risk-conscious and loath to embark on any operation that did not afford quick and substantial return. For them to invest in the hinterland seemed folly.*

---

*An important, though not numerically significant, exception was the cotton farmers of the Mediterranean coast. In the "Çukorova" region around Adana could be found the largest and most profitable cotton farms of Turkey. During World War II, they made large profits on cotton, and even before had enjoyed high price supports, Some went into the textile industry by establishing gins and mills in the Adana area. (82)

No statistical analyses of entrepreneurial location were, to our knowledge, made prior to 1950. Alexander's study of the mid-'50's, however, probably reflects what existed as the one-party period ended. He estimates that 50 percent of Turkey's private industrial entrepreneurs were in the Istanbul area, and 75 percent in the Marmara and Aegean regions. (83)

D. Effects of Etatism--Industry and Agriculture

> "The Turkish economy may be said to have been in equilibrium in 1950. There was no evidence of inflationary pressures in that year, and the import surplus was small."
>
> --Alec P. Alexander (84)

Despite shortcomings in the Etatist program, a domestic Turkish industry had been established. It was operating and substituted local production for many commodities which would otherwise be imported. By 1950, Turkish industry employed some 126,000 workers in plants over 10 workers each. (85)

Between 1938 and 1950, value of industrial production increased by 48 percent. In 1938, industry and mining had accounted for 11 percent of Turkey's national income, while in 1950 the share had reached 16 percent. (86) According to Rostow (87), Turkey had begun the take-off into self-sustaining economic growth during the Ataturk-Inonu period; and the "leading sector" which induced this take-off was probably the import-substituting domestic industry.

Growth occurred in both public and private sectors. The large state plants* employed 58,000. Yet private industry, which had been virtually created from nothing during the period, accounted for 54 percent of the workers in "large" enterprises. Despite the recurrent labor shortages, it appears that a fairly substantial component of factory workers had been amassed.**

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*About a similar number of people were employed in the state-run mines, forestry-enterprises, farms, and allied operations. Hershlag notes that in 1955, the average worker component in the state plants was about 600. Many, such as the steel and textile mills had several thousand workers each. (88)

**The state had complete monopoly in the production of coal, cellulose and paper, chemicals, iron and steel, tobacco, salt, tea, matches, sugar, alcoholic beverages except wine, and over the communications network. Private enterprise controlled metal working, wood processing, food, wine, most cotton ginning, flour, construction, toys, and furniture. There was both state and private activity in textiles, cement, brick and tile, chrome, and lignite mining, and leather. (89)

By 1950, over 800,000,000 TL had been invested in the State plants. Sumer Bank, in 1949 owned and operated seven cotton textile mills; five woolen textile mills; plants for rayon, hemp, fire brick, paper, the iron and steel industry, two cement plants and two brick and tile operations. In addition it had shares in cotton gins, retail stores, an insurance company, banks, and other enterprises.

ETI bank operated coal, lignite, chrome, copper and sulpher mines as well as an insurance company and a commercial bank.

The Agricultural Bank ran state farms, cotton gins, soap and vegetable oil plants, the Rize tea industry, and handled marketing cooperatives for hazelnuts, figs and cotton.

Sumer, Is, and Agricultural banks jointly controlled the sugar factories, while the Is bank (now a quasi-governmental enterprise) operated the glass bottle and silk weaving factories. In addition a special combine had been established to control the armaments industry. There was the large state monopoly enterprise with some 47 separate operations. A special agency was established to explore for petroleum, and under the forestry directorate over 120 lumbering enterprises were under way.

Although government industry did not induce a spread of private investment to the interior, it did stimulate development of a Turkish enterpreneutrial class at the larger centers. Robinson points out that several private firms began to flourish as competitors to the state plants (e.g. textiels) because their costs were lower and they obtained the benefits of government price-fixing on these commodities. Karpat (90) discusses the important role of government enterprise in stimulating secondary processors and commercial entrepreneurs:

> "The semi-processed goods sold by state enterprises were finished in privately owned shops; for instance, shoe stores used leather manufactured by state enterprises to make all kinds of wearing apparel and sell it at the free market prices, although the state also began to sell its own shoes, usually of a lower quality. Furthermore, consumption goods, especially the monopoly products...were sold through privately owned firms with some profit margin left to the dealers. Trade as a whole, especially exports and imports, was left almost exclusively to individuals, while the state limited itself to supervising--rather rigidly-such activites. The conclusion is that statism provided certain sections of the population with additional income and employment possibilities."

These private merchants and traders were, unlike the industrialists, not limited to the major centers; but also developed in the provincial towns to handle their growing commercial affairs.

Karpat also cites the effects of government enterprise in creating new markets for certain agricultural commodities

(cotton, wool, sugar beet, tobacco, tea) that were processed in its factories and notes:

> "...the state was thus able to create a large demand for some materials which had never been in much use before, with the result that an additional number of people found employment and that the income of independent producers increased." (91)

1. Distribution of Industry

Public industrial activity had resulted in a significant decentralization of Turkish factories. Before the Republic, Istanbul and Izmir held vitual monopoly over industrial development. By 1950, however, Istanbul with 105,000 workers in industry and construction held only 25 percent of the nation's total in these fields. Izmir was the second city with 7.2 percent of the total, and Ankara third with 5 percent. The five largest cities of Turkey (including Bursa and Adana) in 1950 contained only 42 percent of the country's work force in industry and construction. (92)

All told, state enterprises had been located in some 35 communities throughout the country. Some of the provinces outside the five major centers which contained sizeable components of production workers in 1943 (figures are lacking for 1950) were as follows: (93)

---

*Workers in enterprises employing more than 5 people in places over 5,000 in population.

Zonguldak	35,000*
Eskisehir	12,000
Malatya	9,000
Kuthaya	7,000
Kocaeli (Izmit)	6,000
Aydin (Nazilli)	5,000
Kayseri	5,000
Samsun	7,000
Sivas	6,000
Elazig	8,000

Had state enterprise not existed, these interior communities would probably not have been exposed to modern industrial activity. Nor would such resources as coal, iron ore, sulphur, domestic lumber, and cotton have been as extremely exploited. The resistance of private entrepreneurs to invest in interior sites and resources was so strong, that in 1950 a sharp dichotomy in ownership existed within the locational framework. Private industry dominated development in Istanbul, Izmir, and Ankara--the only significant interior point of attraction. Public enterprise was supreme in the other centers.

2. Austerity

This development had been effected at great cost. While the nation itself was in a more financially-stable and self-sufficient position than in Ataturk's time, overall standards of living remained quite low.

National income rose 25 percent between 1938 and 1950.** Per capita income, however, increased by only 2 TL at

---

*includes the coal mines.

**in 1948 prices

constant 1948 prices. This meant a growth of less than $1.00 at official rates of exchange. Per capita income in 1948 had been estimated at $157.00. (94)

The state plants were producing, but largely in an inefficient manner; and heavy costs were involved in maintaining their social facilities and in compensating for the transport disadvantages of factories remote from markets or raw materials. To accumulate the necessary domestic capital for constructing and continuing these enterprises government resorted to what Robinson calls "the device of keeping consumption down forcibly through rationing, taxation, and forced crop collection." (95) This was a continuing period of austerity, and most heavily taxed were the new urban industrial and commercial entrepreneurs whom government development policies had helped to create.

Ironically enough, these entrepreneurs became the greatest source of urban opposition to the Republican government's economic policies. As the multi-party era dawned after World War II, this group formed a hard core of support behind the Democrats of Adnan Menderes and Celal Bayar (himself now disenchanted with policies he helped frame) who favored free enterprise and the elimination of government restraints. Robinson notes:

> "No longer was private enterprise without spokesmen. A new class of Turkish businessmen and merchants had appeared both in the cities and the provincial towns... It was this new middle class that constituted the core of urban support for the Democratic party." (96)

3. Agriculture

But conditions were worst in the agriculture sector. Agricultural products continued to be the source of export revenue. However, little public investment had been devoted to this critical sector. A UN survey estimates that a yearly average of only 3 percent of the budget had been invested in agriculture, compared with 8-9 percent each for railroads and industry. (97) As Muntz pointed out in 1950:

> "...unfortunately the fundamental importance of agriculture has been neglected in favor of industry and public works. Large sums have been spent on industry which, lacking the foundation of a healthy and efficient agriculture has resulted in an ill-balanced economy. Great efforts are now being made for agriculture, but it is to some degree as if a man had made a roof but no walls to his house, and now has to support the roof on his back while he builds the walls." (98)

Between 1929 and 1939, the "real value added" in agriculture increased by 20 percent. (99) Hershlag notes, however, that this increase came primarily through expansion of cultivated land rather than productivity improvements. "No rise in net output per earner could be registered during that period," he states.

Between 1938 and 1950, moreover, the value of agricultural production rose only 11 percent, while industry and mining were growing by 48 percent. Over these 12 years, agriculture's share in national income dropped from 62 to 54 percent. (100) Yet by 1950, well over two thirds of the Turkish labor force was still engaged in farming.

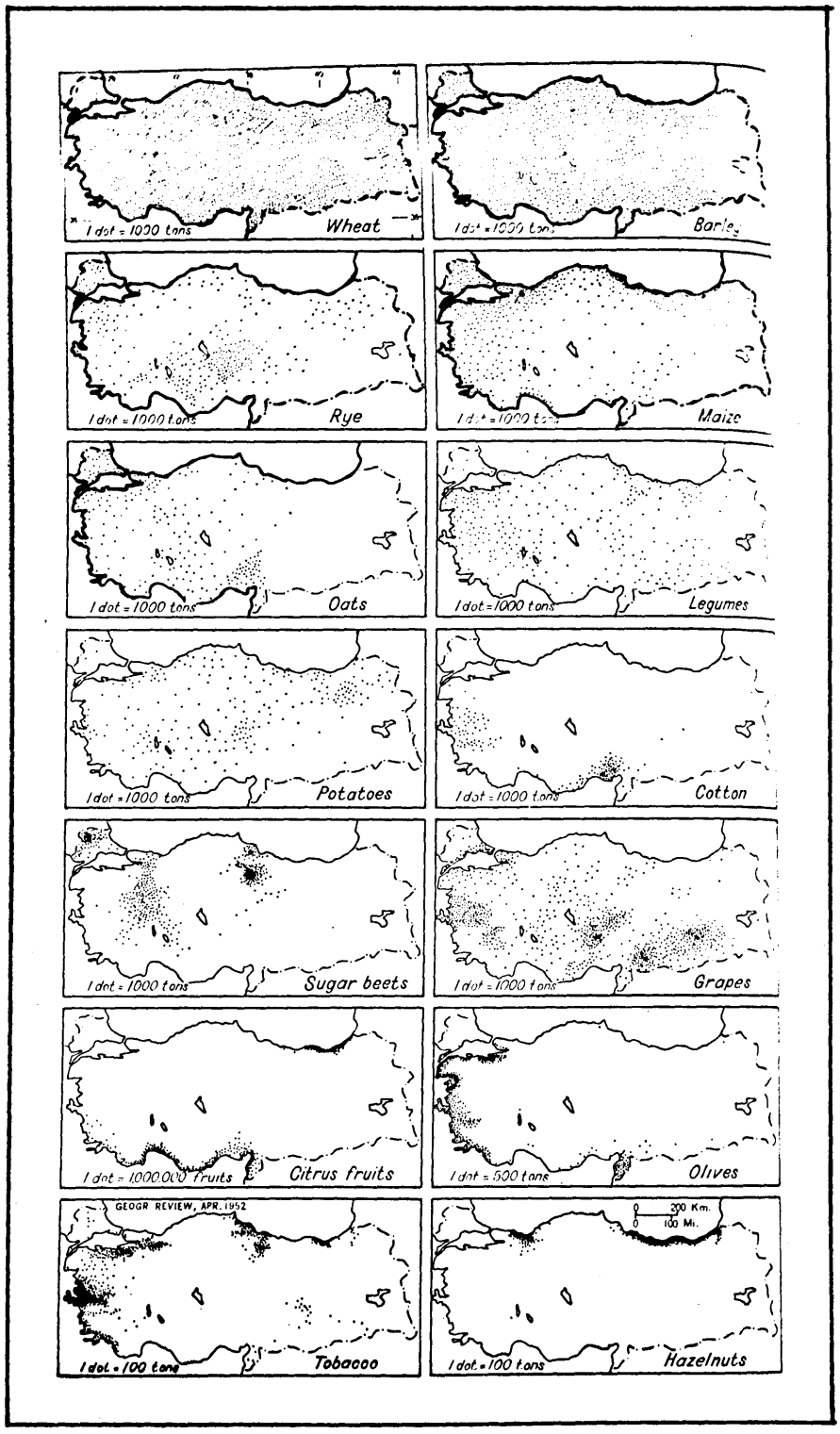
As Bernard Lewis so penetratingly puts the problem:

> "Kemalism had brought the revolution to the towns and townspeople of Turkey, but had barely touched the villages. A second, silent revolution was now **reaching the** deeper layers of the pation and starting a new transformation." (101)

It was no accident that the Republican Party development programs had barely touched the villages. Ataturk determined that major emphasis would first go towards creating urban industry and inter-urban transport. He gambled that the peasants could wait while this task was being accomplished. After World War II, however, agricultural conditions had deteriorated so badly that it appeared the peasants would wait no longer. They, too, gravitated to the Democratic Party, which was more than willing to press their suit. "The Democrats greatest untapped source (of power)," says Lenczowski, "was the conservative countryside, to which the Republican Party, urban minded and reformist, had never paid adequate attention." (102)

MAP III-6

DISTRIBUTION OF CROPS, 1950



Source: Siri Ering, "The Structure of Agricultural Regions in Turkey," Geographic Review, April, 1952, p. 179.

V. A Note on Istanbul and Izmir

Despite continued efforts to spread growth away from the Western coasts, the Republican government discovered the economic importance of its two traditional development centers was so great that Istanbul and Izmir could not be completely neglected. Resources were devoted to improving conditions at Istanbul and Izmir, and their advantages as growth centers were thereby heightened.

Although actual data on investments are lacking, several specific projects can be cited:

The two cities remained Turkey's chief harbors; Izmir for export of agricultural produce, and Istanbul for import. Importation of foreign machinery to install in the state enterprises enhanced the latter's role. Thus, major improvements were made to the port facilities in each city.

While Ankara university was under development, Istanbul also received more university facilities, including a modern law school during the 1930's. A special Istanbul Technical University was founded, as well as a School of Design. Only in Istanbul was it possible for a Turkey to be trained as an engineer or architect.

Much effort went into rebuilding Izmir after its destruction during the Greek war and in establishing a Turkish commercial class to replace the Greek exporters. During the 1920's, Izmir also became the site of a yearly international industrial fair, which continues today.

A large park and permanent exhibition facilities were constructed to house the fair.

Then, too, government assumed ownership of the Ottoman state enterprises in Istanbul. Certain market-oriented state industries were added (glass, cigarettes, textile finishing) deemed unsuitable for interior sites. Production for the monopolies and a cloth mill were established in Izmir. Although these plants represented only a small part of the public development effort, they nevertheless enhanced the two cities' position as industrial centers. (See Map III-5)

Such ventures, and allied investments in water and power supplies, were signs that the government could not afford to abandon its traditional nuclei of development even while it was attempting to stimulate new growth areas in the interior. Public improvements added to the complex of advantages these centers already possessed for entrepreneurs and the modernizing elite. Only in Ankara, of the new areas stimulated by the Republicans, were the advantages comparable. (103)

Robinson comments on the attractiveness that these three national centers now possessed:

> "Numerically the movement was perhaps **insignificant**,, but not otherwise. These people came in three main groups; the scholars who were attracted by Ankara and Istanbul Universities and forever dwelled within their shadows; the wealthy landowners and businessmen who were drawn by the luxury and glamor of the city; and finally the MP's who, once having tasted the

> elixer of modern Ankara, were loath to return to their home towns, even if ultimately deprived of their parliamentary seats. It is small wonder that Ankara, Istanbul, and Izmir progressed and flourished, while the rest of the country moved forward at a much more sluggish pace." (104)

Despite the removal of national administrative power to the interior, the two coastal centers continued to prosper. By 1950, Istanbul province alone was contributing over one-third of the income tax payments to the national treasury. Istanbul, Ankara, and Izmir together accounted for well over 50 percent of these revenues. (105)

VI. The Pattern of Urbanization in 1950

Changes in the pattern of urbanization reflected both the character and results of decentralization programs conducted under the Republicans. Statistical information on population shifts between 1927 and 1950 appears in Tables III-3,4,5 and 6. The pattern of urbanization is itself depicted on Map III-7, and may be compared with the 1927 pattern on Map II-7.

Two striking conclusions are evident:

1. The rate of urbanization was relatively slight.
2. Where significant urbanization did occur, it was in areas selected by government for concerted effort at social and economic transformation.

Between 1927 and 1950, Turkey's total population increased by 53 percent to almost 21 million. During this period the proportion of total population contained in each major geographic region remained relatively the same.*

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*Slight increases had occurred in the Mediterranean and Eastern Anatolian regions; the former due to annexation of Hatay province from France in 1938 which added the port of Iskenderun and the city of Antioch (Antakya) to Turkey. Growth in the east may have stemmed from immigration of peasants from other parts of the country to farm this most sparsely-settled part.

Although some immigration of foreign-born Turks had occurred during the period, its effect on overall population increase was negligible. Most of the population transfers after the Greek-Turkish war had been completed by 1927. For all intents and purposes, natural increase had accounted for the population growth.

In 1927, 16.4 percent of the total had been resident in cities over 10,000 in population. By 1950, the figure had climbed only to 18.8 percent.

A. Rural Stability

Despite the extensive urban investments, the peasantry had evidently remained on the land. This was exactly what Ataturk had anticipated in emphasizing creation of a viable urban social and economic structure before major efforts to deal with the severe rural problems. Land had been sufficient, at least in the early years, for peasants to expand their holdings while retaining traditional primitive practices and limited aspirations. Since major transport emphasis fell on constructing the inter-urban railroad, communication between much of the rural districts and even the provincial cities was still difficult. This acted as a further brake on migration.

Table III-3

Distribution of Population by Region in Turkey for 1950

Region	Total Pop in 000	Pct of Nation in 1927	Pct of Nation in 1950
Marmara	3,814	18.8	18.2
Aegean	2,206	11.2	10.6
Cent. Anatol.	4,739	22.7	22.6
Mediter*	2,052*	8.5	9.9*
Black Sea	4,608	23.3	22.0
SE. Anatol	1,121	5.5	5.3
E. Anatol	2,411	10.0	11.4
	20,971	100.0	100.0

Table III-4

Distribution of Population in Cities over 10,000 by Region for 1950

Region	Pop in Cities of 10,000 and over in 000	No of Cities		Pct of Reg Population		Pct of Nat Pop in Cities of 10,000 and over	
		'27	'50	'27	'50	'27	'50
Marmara	1,413	14	20	36.8	37.2	43.0	35.7
Aegean	542	11	18	20.1	24.3	14.1	13.8
C. Anatol.	817	13	22	11.1	17.2	15.4	20.7
Mediter*	447	7	12	19.3	21.5	9.9	11.4
Black Sea	348	12	18	5.7	7.6	8.1	8.9
SE. Anatol.	171	5	8	15.0	15.2	5.1	4.3
E. Anatol.	205	5	8	7.6	8.5	4.4	5.2
	3,943	67	106	16.4	18.8	100.0	100.0

Source: Census (Genel Nufus Sayimi) of 1927 and 1950. Base figures above have been compiled and reproduced in Ruşen Keleş, Türkiyede Şehirleşme Hareketleri, 1927-1960, Faculty of Political Science, Ankara, Appendix, p. 85 ff

*Figures for the Mediterranean region in 1950 include the province of Hatay ceded by France in 1938.

Table III-5

Distribution of Population in Cities over 50,000 by Region for 1950

Region	Pop in Cities of 50,000 and over in 000	No of Cities '27	No of Cities '50	Pct of Regional Pop Total '27	Pct of Regional Pop Total '50	Pct of Regional Pop Urban '27	Pct of Regional Pop Urban '50	Pct of Nation Pop in Cities 50,000 and over 1927	Pct of Nation Pop in Cities 50,000 and over 1950
Marmara	1,087	2	2	29.0	28.5	78.0	78.0	72.0	50.0
Aegean	240	1	1	10.0	10.9	49.0	44.0	14.6	11.0
C. Anat.	561	1	5	2.4	11.8	21.5	69.0	7.1	25.6
Mediter.	190	1	2	6.3	9.2	33.0	42.5	6.3	8.7
Black Sea	59	0	1	0	1.3	0	17.0	0	2.7
S.E. Anatol.	0	0	0	0	0	0	0	0	0
E. Anatol.	53	0	1	0	2.2	0	25.6	0	2.0
	2,189	5	12	7.7	10.5	47.0		100.0	100.0

Source: See Keles, ibid.

Table III-6

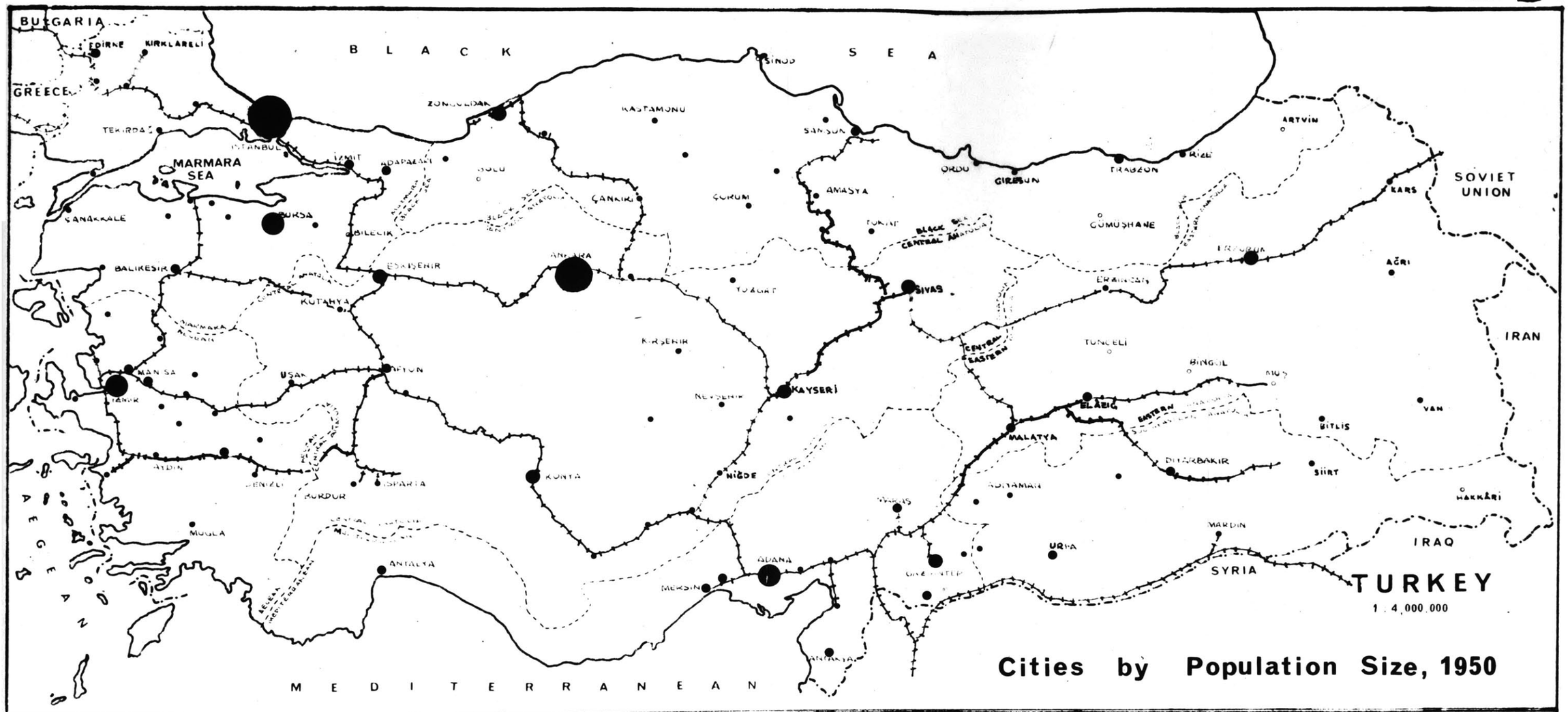
Percentage Growth of Total, Rural, and Urban Population by Region

1927-1950

Region	Tot Pop	Pop in Cities over 10,000	Pop in Cities over 50,000	Rural Pop
Marmara	29	48	45	21
Aegean	44	72	56	37
Cent Anatol	52	135	650	41
Mediter.*	82	102	161	72
Black Sea	44	90	Infinite	42
SE Anatol	46	51	0	48
E Anatol	78	100	Infinite	77
NATION	53	76	108	50

* includes Hatay

MAP III-7



LEGEND

Population (000)

- 10 - 25
- 25 - 50
- 50 - 100
- 100 - 250
- 250 - 500
- over 500

- 1960 Provincial Capital
- Railroad
- Regional Boundary

Source: Keleş, Op. Cit., p. 85 ff

According to our calculations,* less than 10 percent of the expected natural increase in rural areas migrated to the cities between 1927 and 1950.

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*This must be taken as a very rough estimate. Computation of such a statistic from potentially unreliable data of necessity involves certain assumptions. We have no information on the differential between natural increase in rural and urban areas. Therefore, we assumed these were essentially the same during the 1927-1950 period.

(Such an assumption probably overestimates the urban and underestimates the rural rates.)

We further assumed (see footnote supra.) that the total Turkish population growth during the period could essentially be attributed to natural increase, with immigration from abroad a relatively insignificant factor.

The average annual rates of population growth (calculated from figures in Keles, op. cit.) between census years were as follows:

1927-35	2.13 percent
1935-40	2.00 "
1940-45	1.06 "
1945-50	2.20 "

Computed on the basis of the entire 1927-50 period, average annual increase was 1.9 percent.

We then applied this 1.9 percent figure to urban (places over 10,000 in population) and rural populations in 1927, compounding it annually to 1950 to estimate the population for each which might be expected without internal migration.

	Actual Figures in 000			Expected in 000	
	1927	1950	Diff.	Nat Inc Expected	Diff.
Tot Pop	13,648	20,947	7,299	7,299	0
Urban	2,234	3,943	1,709	1,190	+503
Rural	11,414	17,004	5,590	6,096	-506

From these calculations it would appear that approximately 500,000 people, or 8.5 percent of the rural natural increase, were absorbed by the urban areas.

Although rural population had remained relatively stable, by 1950 there were signs of an imminent explosion. Land was running out. Between 1940 and 1950, rural population had grown by 16 percent. Between 1938 and 1950, however, the proportion of land under cultivation had risen from 19.1 to only 20.7 percent of Turkey's total area. (106) After 1938 it appeared that rural population was being absorbed by a further fragmentation of small holdings rather than through additions to farm area.

Then, too, the rate of population growth rose sharply after the war (footnote supra). While rural population remained on the land under Ataturk and Inonu, the safety-valve of additional farm land for additional people could be counted upon no longer.

B. Urban Expansion

Most marked urbanization had occurred in the interior regions where development efforts had been focussed. Marmara region in 1927 held 43 percent of the nation's population in towns over 10,000 and 72 percent in cities over 50,000. By 1950 these figures had dropped to 35 and 50 percent respectively. The Aegean, too, had slipped somewhat.

Gains occurred in all other regions; particularly in Central Anatolia (from 15.4 to 20.7 percent of total urban population and from 7.1 to 25.6 percent of that in cities over 50,000). Seven cities had emerged into the 50,000

and over class since 1927, all of them outside the Marmara and Aegean areas.

Within the Marmara itself urbanization had not significantly increased. It remained about 35 percent of the regional population. All other regions, however, had evidenced higher rates of urban growth, again most sharply in Central Anatolia whose city population rose from 11.1 to 17.2 percent of its total.

Istanbul and Izmir continued to attract population, but Ankara had drained a good deal of attraction from the two traditional centers. The three cities accounted for over one-third the total increase in urban population, and 50 percent in cities over 50,000. Nevertheless, Istanbul was only now regaining her pre-revolution size of 1,000,000 and had shown a substantially smaller growth rate than the national figure of 53 percent. Izmir's rise was slightly above the overall national figure.

City	1927 Population	1950 Population	Pct. Inc.
Istanbul	690,000	980,000	42%
Izmir	155,000	240,000	58
Ankara	75,000	290,000	290%

The eight cities other than Ankara whose growth significantly exceeded the overall national figure had each been a target of major public development activity. All were on the rail line and all had major state industries. Six were provincial capitals, and Eskişehir was a major military base. All but Izmit were outside the Marmara region.

City	1927 Pop	1950 Pop	Pct. Inc.
Eskişehir	32	90	280
Ereğli	7	18	160
Izmit	15	36	130
Karabük	0	10	Infinite
Kirikkale	0	15	Infinite
Malatya	20	48	130
Nazilli	9	25	180
Zonguldak	12	59	390

None of these rapidly-expanding urban areas was in Thrace or the far eastern regions. This was perhaps a direct reflection of the defense-inspired public policy to steer development towards the center of the country and away from the borders. Indeed, Edirne, the main city of Thrace, but a few kilometers from Bulgaria, actually declined from 35,000 to 30,000 people over the period. (107)

As far as urbanization and industrialization were concerned, it appeared that the trend was definitely away from the traditional centers and into the interior. This was a trend directly produced by public development activity.

VII. 1923-1950, A Summary Evaluation

The year 1950 marked a turning point in Turkish history. For the first time, a completely free election was held, and the party of Ataturk and Inonu allowed itself to be voted out of office. After a quarter century of authoritarian, paternalistic rule, Turkey had become a democracy.

The Democratic party government of Adnan Menderes and Celal Bayar was to inauguarate many new policies in its 10 subsequent years of leadership, including some major changes in programs which promoted decentralized development. Therefore, we might pause at this point in the discussion for a summary evaluation of accomplishments since 1923 in the spread of growth from the traditional centers.

Actually two ways to approach the subject are open: first, an evaluation of achievements in terms of Ataturk's initial objectives as stated in Chapter Two; second, an examination in terms of the framework for creating growth regions outlined in Chapter One. Since Ataturk had other reasons for promoting the spread of development besides a desire for new growth areas, both approaches are needed.

A. Fulfillment of Ataturk's Objectives

In Chapter II we suggested six objectives behind the original decentralization policies. To a large measure, these were achieved by 1950.

1. National unity. The very fact that free elections could be held in 1950 indicates that Ataturk's goal of a unified nation had been met. A spirit of nationalism pervaded Turkey. It was apparent both in the cities, where government had placed most of its development efforts, and in the villages.* For almost three decades the Turks had shared a "common" experience, first of winning independence and then of being ruled by leaders whose widely-diffused public utterances constantly stressed that the Turks were a people unto themselves. Ataturk's statues and pictures as symbols of this nationhood were widely displayed. Military service was yet another means through which the message had been carried. (108) And undoubtedly, one could consider the state industries, the welfare programs, the physical changes to the towns and cities of Anatolia as tangible demonstrations of a concerned government that contributed to this growing sense of national identity.

Enough administrators had been trained to staff Vilayet, Kaza, and Nahiye bureaus with men who--if not always imaginative--were able to implement the laws and policies handed down from the center and to command local acquiescence.

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*Paul Stirling, who made the first intensive post-war analysis of village life could write in 1950:

> "The villagers today are conscious of their membership in the Turkish nation. Under the Ottoman Empire, the villagers thought not in terms of a nation with a national territory, but of themselves as a group distinct from their neighbors on grounds of language, religion or both...No European invention seems to have spread more rapidly than nationalism." (109)

No significant unrest had occurred since before World War II. Brigandage had disappeared. Most minorities were assimilated.* The rail system, the telegraph, radio, and even the telephone kept the provinces and the capital in communication. Turkey in 1950 seemed united both in fact and in spirit.

2. Westernization. Here, too, had been successes, but not of an unequivocal nature. Western alphabet, laws, calendar, radio, education and dress gave a new form to the society and eliminated many vestiges of the old, reactionary, Ottoman-Moslem system. Ankara as a lasting symbol of the new state, was in most repects a western city. The network of schools, people's houses, and factories throughout the land had certainly equipped thousands with some basic tools of western civilization--thousands who would not have come in contact with the new culture had it been allowed to remain incubated at Istanbul or confined even to Ankara itself. The modernizing elite was enlarged. Classes of industrial workers, entrepreneurs, and managers were growing.

Yet as Lewis pointed out, the revolution had barely touched the peasants who made up the bulk of Turkish society. Nationalism they imbibed. Westernization was still something far away.

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*The nomadic Kurdish tribesmen of the eastern regions were still a constant source of concern, and these regions would continue to be restricted for travel through to the present day. But revolts as wuch were no longer feared.

Nor was it certain that efforts to modernize the outlook of provincial towns were effective. Many external forms had been changed, but a conservative religious reaction was growing in 1950 and indeed may have aided the Democrats' victory. (110) None of these towns had been operated upon with the degree of concentration and continuity that prevailed in Ankara. Only a few modernizers were injected into their traditional economic and social structures, and there was resentment against this set of new ideas being "forced from the top." As late as 1960, Karpat could comment in his analysis of Turkish social life: "The town is the cradle of dogmatism, of ossified Islamic concepts, which make it an almost invulnerable fortress of conservatism." (111)

It was also true that any aspiring provincial had to leave the towns after his Lycée education and come to Ankara or Istanbul for higher training. The "elixir" of life at the centers kept many from returning to the provinces to establish themselves in a now-incompatible environment.

Westernization had taken effect by 1950, but its spread was incomplete.

3. Spread of Development. No longer was industrial development confined to the main, traditional centers. These continued to grow, but large factories operated in many cities throughout Anatolia. Much in the way of the

nation's own natural resources was being exploited. Infra-structure had been installed to act as a basis for further development in the interior. The nation was not completely self-sufficient, but had attained a favorable trade balance by substituting domestic products for many which would otherwise be imported. Turkey's standard of living was still far below that of Europe and the United States, but Ataturk set out to establish a basis for modern productive activity and that basis had been assured.

Perhaps the greatest source of disappointment was that interior public enterprises and their infra-structure had not led to the expected burgeoning of allied private industry. Such industry had stayed in the coastal centers, with some activity in Ankara which seemed to offer enough possibilities for profit and amenities to warrent risk. Indeed, only in Ankara, of all the areas where government had devoted development efforts, were there signs of spontaneous growth.

4. The Ottoman Image. Ankara had replaced the image of Istanbul as the political and cultural center of the nation. This was no mean achievement and had involved heavy outlays of investment and careful attention by the top decision makers for a continuous period of a quarter-century. Yet, despite the transfer of governmental functions, Istanbul and Izmir retained enough basic advantages and drew enough public investment to hold their positions as Turkey's chief nuclei for commerce and industry.

5. Defense. Industrialization of the interior was partially motivated by security considerations. By 1950 Turkish industry was dispersed and located in many areas relatively invulnerable to attacks launched from the borders. Yet no attacks had come. Dispersion of industry, moreover, away from markets and raw materials proved a costly matter to maintain. After World War II techniques of aerial warfare were reducing defense advantages the interior sites might possess. Were security alone the reason for scatteration, the added costs might not have been warranted.

6. Support of Anatolia. Much was done to convey that Anatolia was the mainspring of new Turkey. Anakara became the **capital,** and Anatolia now had industries and a railroad, schools and some limited measure of self-government for its citizens.

On the balance, it appeared that the initial objectives behind Ataturk's choice of development policies, a choice that involved spreading economic and social change from Istanbul and Izmir, had come a long but incomplete way towards realization.

B. The Emergence of Growth Regions

Ataturk did consider emergence of new growth regions as an objective. Political and strategic considerations held, however, at least equal significance. While political and strategic aims were largely achieved, the

development of growth regions left much to be desired. In some respects this juxtaposition of objectives proved incompatible.

Ankara became the single area outside the established and still significant coastal centers where a process of dynamic growth and change seemed rooted. Ankara was an amazing venture, but its development involved little actual resource exploitation of long term significance to Turkey. The transfer of national decision-making power to this spot, which acted as the basis of Ankara's transformation, could not be reduplicated elsewhere as a development tool.

The care, concentration, and sustained attention applied to Ankara might have been applied also to areas important for their resources. They were not, however, because political objectives determined dispersion of the remaining effort as widely as possible.

In no area outside of Ankara was the build-up of related industrial and infra-structure investments sufficient to provide external economies comparable with the traditional centers and Ankara. Government gave small doses of attention and investment to a large number of towns and cities, hoping thereby to achieve both political integration and economic growth.

Unification was accomplished, but despite investments to exploit resources and install infra-structure elsewhere, none of the other provincial centers gave evidence of significant power to attract or generate new enterprises.

Many governmental investments had not been suited to their sites, even though the products produced had value to the nation. These projects could not hope to attract further growth.

The original incentives offered to private entrepreneurs had been insufficient to counter disadvantages of interior locations, and eventually any incentive program at all was abandoned; thus reinforcing reluctance to invest outside the Marmara and Aegean. Moreover, agriculture, whose complementary development with industry is as critical within a growth region as it is within the nation itself, was largely neglected.

Although physical facilities were installed and factories did produce, the dynamic interior industrial regions which Özbek and Bayar had envisioned did not materialize; and the government was able to maintain its dispersed development pattern only at great cost under continued conditions of austerity.

Yet Turkey in 1950 was quite a different nation from Turkey in 1923. A foundation for change had been laid. The country had new pride in peacetime accomplishment. Now no longer so concerned with promoting unification and national cohesion, government might be able to give unalloyed attention to economic development as a major goal.

If economic growth were to become the main consideration, changes to the programs affecting regions outside the three centers would be essential. Some of these out-

lying areas which now possessed basic industry and infra-structure might conceivably become valuable nuclei of further growth--with a more careful and concentrated approach to their requirements.

The real question was what a democratic government, brought to power in opposition to the one-party regime, would do with the existing foundation. Would the policy of dispersion continue? Would some of the peripheral areas now be brought to a stage of dynamic development? These are the matters to be considered in Chapter **Four.**

CHAPTER FOUR

POLICY AND PROGRAMS UNDER THE DEMOCRATS, 1950-1960

"The budget is a plan."
--Adnan Menderes (1)

I. Three Changes in National Circumstances

During the 1923-1950 period, public development policy could be categorized as urban-oriented and directed towards creation of economic and social change in interior communities. No such easy classification is possible for the 1950-60 decade.

The decade saw three changes in Turkey's national circumstances which profoundly influenced the character and location of development activity. First was inauguration of an experiment in democratic government. This government, desiring to respond to the popular majority, took as its watchword growth throughout the nation and in all sectors of the economy. Second, was emergence of Turkey as a full but poor partner in the Western military alliance. Although post-war foreign aid had been forthcoming, Western financial and technical assistance took on new momentum during the 1950's. The ease in obtaining large sums from abroad allowed

government to further its broad-scale development policy with relatively little restraint. Third was an internal population explosion that brought a 10-year increase numerically equal to that from 1927 to 1950. Peasants began to leave the countryside in droves, placing enormous pressures on Turkey's urban areas and on the ability of her non-agricultural economy to absorb new workers.

The decade saw great rises in both the level of public spending and incentives for private entrepreneurs. In terms of efforts to create growth regions, government concentrated much attention on the three main centers of Istanbul, Ankara, and Izmir; yet, in addition, it dispersed public investment in industry, agriculture, communications, other infra-structure, etc. throughout the Turkish interior at a scale unparalleled during the Republican period.

Economic development did become the primary goal of the Democratic government, but the approach adopted was one of trying to develop the entire nation "at once and quickly." In the process, coordination between agencies charged with phases of public investment, which had begun to weaken during the Inonu administration, suffered a severe breakdown.

This chapter is devoted to an exposition of the programs during the 1950-60 decade which affected spatial distribution of development in Turkey. Of additional concern will be the nature of the coordination breakdown

between public agencies and its possible effects on the growth of outlying regions. Tentative conclusions drawn from the analysis will be explored in detail during the Zonguldak chapters to follow.

Before beginning the discussion, however, some attention is needed to the three changes in Turkey's "national circumstances" which occurred after 1950. Although more within the purview of a political scientist than a planner, they must at least be cited as important background to decentralization policy during the decade.*

A. The Democratic Experiment

For a period before the 1950 elections, Inonu's Republican party attempted to adjust its public image and policy to coincide more closely with the opposition Democrats.** Yet these modifications came too little and too late for the Turkish voter who had long stored up resentment against the Republicans and now held a franchise which he could exercise. The Menderes administration was the first ever to take office on the basis of popular

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*The reader is referred to the works of Robinson, Hanson and Frey cited supra for discussion of the political origins and significanance of these changes.

**For example, the government exempted agricultural income from taxation in 1949 and began the agricultural and highway programs (p199 ff) which were intensified under the Democrats. After a 1948 economic congress in Istanbul, the government liberalized its attitude towards private enterprise. Pressures in these directions came not only from the Democrats, but also from the American and other foreign missions who favored agricultural investment and liberalization of the economy. (2)

choice between opposing parties. It was also the first to rely on "the popular will" to stay in office. In past decades, the authoritarian Republican regime could underemphasize agriculture and living standards of its peasant majority in favor of urban and industrial investments. The Democrats could not do the same and expect to survive. A one-party state had been able to adopt austere financial programs to limit consumption and imports and to tax heavily private entrepreneurs. A popular government, responsive to powerful elements of society whose desires had hitherto been blocked, might not expect to retain power with an austerity image.

Menderes and the Democrats seemed sincerely interested in responding to the popular will and improving the lot of those whom the Republicans had suppressed or ignored. Certainly the overwhelming re-election of the party and its leadership in 1954 and again in 1958 indicates that most Turks believed the Democrats were indeed the party of the people. Whether Turkey was ready for Democracy is another question, and unfortunately one which can not be answered here.

To win and retain popular support, the Democrats adopted a main development objective which called for achievement of such high growth levels in all sectors of the economy that

the Turkish living standard would soon equal that of the West.*

President Bayar himself said in 1957:

> "We in our country are working to follow the example of American development. We hope that thirty years from now when our blessed country will have a population of 50 million, it will be a little America." (4)

Out of this commitment to fast across-the-board development came public programs which endeared the Democrats to the Turkish voter (rural and urban) and which led to high inflation, international debt, and eventual collapse the government. Taxation on the farmer and the businessman was sharply reduced. Import quotas were raised. High levels of credit were offered to agriculture and industry, along with price supports. When the administration saw that even these programs were not leading to the desired growth rates, once again came a turn to direct public spending to create jobs and productive facilities. All of these actions were compressed within a span of such a few years that even Western ob-

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*Robinson comments: "The economic target of the Menderes administration could be defined quite clearly; it was to bring the country within range of the industrial states of the West in terms of productivity and standard of living within a meaningful time. It would buy no economic development program that committed Turkey to perpetual inferiority with the industrial West." (3)

servers accustomed to rapid development were dazzled.*

As part and parcel of the revolt against austerity, the Democrats abandoned economic planning, which had been a keystone of the earlier political system. Planning symbolized the Republican concept of public control over economic decision. It had to be downgraded as a sign of commitment to free enterprise and individual decision-making. Unfortunately, the downgrading of planning extended to relations between government agencies themselves as well as between private and public enterprise. The budget, as Menderes noted in the citation that begins this chapter, became the plan. Expenditures were to be programmed on an ad hoc rather than a long term basis, and consideration of ways to dovetail programs of various agencies were largely neglected. This factor, as much as

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*Robinson notes: "The foreign expert, American included, had fallen from grace through his apparent failure to appreciate the necessities of the Turkish situation. Twenty new cement plants, ports, dams, highways, all at once? It could not be done. No country had ever moved forward so fast." (5)

Some illustrative statistics at this point may be helpful.

1. Public investment as a percent of total investment fell from 43.0% in 1950 to 38.8% in 1954. It then increased to 48.0% in 1956.
2. Public investment as a percent of the national budget rose from 12.3% in 1950 to 31.5% in 1956, representing a spending level of 180,000,000 TL in 1950 and 1,041,000,000 TL in 1956 (6)

any other, contributed to the difficulties of development in potential growth regions outside the main centers.*

B. World Involvment

The Democrats could not have conducted such accelerated development programs without substantial foreign aid. These funds came in response to Turkey's assumption of international military obligations in the Western defense system. Between 1950 and 1962, $831.8 millions in outright grants were tendered by the U.S. Total American economic assistance including loans and sales under PL 480 programs involving soft-currency payment, amounted to $1,615.9 millions over the period. American expenditures on technical assistance alone were $40 millions between 1950 and 1962 (8).

Turkey's isolation from international alliances had actually ended late in World War II with a declaration of war against the Axis powers. Turkey then became a charter member of the United Nations, and Russia's threat to the straits in 1946 pushed her firmly into the Western camp. Under the Marshall Plan and Truman's Greek-Turkish aid program, Turkey received military and some economic assistance during the last Republican years amounting to about $500 millions (9). Economic assistance was originally intended to terminate with the Marshall plan.

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*Hanson analyzes the opposition to Republican party policies which led to the abandonment of planning (7) and suggests:

> "The Democratic government in its determination to prove its 'soundness' on free enterprise, incontinently threw the baby out with the bath water, by rejecting planning as well as nationalization. This had unfortunate results on the economy and involved the misapplication of American aid."

But in 1950 Turkey entered the Korean war on the side of the UN and simultaneously was admitted to the NATO alliance. World tensions increased, and Turkey's position **athwart** the straits and as a southern neighbor of Russia made her, in the words of one U.S. officer; "one of the most valuable pieces of real-estate in the world." The West was willing to pay the high rental demanded for a "long-term lease."

Turkey's army, which had not exceeded 80,000 during the 1930's, was destined to become at 400,000 men the largest land force in NATO. (10) Since this force could not possibly be maintained through mobilization of internal resources, by 1962 some $2.2 billions of American equipment and training aid were granted for Turkey's use. (11)

Economic assistance was increased by the Western powers in the hope that Turkey might become self-supporting. Excellent 1953 harvests (making Turkey for one year the world's fourth largest grain exporter) further buoyed Western confidence that the country could act as a breadbasket for Europe. This aid came both from the US and other Western nations, as witnessed by a $100 millions OEEC member country loan in 1958. (12) Thousands of Turks were sent to study abroad, and thousands of foreigners came to work in Turkey.

One product of the aid programs was increased contact between the Turks and the well-to-do foreigners. Turkey was by far the poorest nation in NATO, and widespread awareness of the gap added fuel to the government's effort to match Western standards as quickly as possible.

Most important, however, was that Turkey now had funds to invest in both development and consumption with relatively little restraint.* Foreign governments would pick up the hard currency tab for machinery, construction materials, and consumption items. Heavy domestic private and public investment could be fostered with little concern for fiscal soundness or careful examination of the real contribution a project might make to the economy. Even though the allies complained (the U.S. refused a $300,000,000 loan in 1955), eventually the funds seemed to be forthcoming as payment for Turkish participation in the alliance. With such relatively easy money in the background, it is no wonder that coordination between various development agencies within the government relaxed.

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*Robinson describes the official **Turkish attitude as follows:**

> "Realizing that no country would grant her the loans and credits needed to finance the import component of the investment program and cover the purchase of necessary consumer goods, Turkish leaders adopted the policy of importing everything possible and worrying about payment later. Though eventually seriously undermining Turkish financial prestige abroad, this policy accomplished two purposes.
>
> One, the physical possession of the needed goods, and, two, involvement of Turkey's trading partners to such an extent that they felt compelled to grant further commercial credit to help finance additional purchases abroad if they were to recoup anything of their previously involuntary credits." (12)

C. The Population Explosion

Between 1950 and 1960, Turkish population increased by 33 percent. This was roughly 7,000,000 people, approximately the same amount of growth as had occurred from 1923 to 1950. (14) Almost all of these were added through the process of natural increase, i.e. excess of births over deaths.* The growth rate, which had been about 2 percent per year since independence (dropping only during the war years) suddenly shot up close to 3 percent during the last decade--a level which shows no signs of diminishing. Birth rates rose, and death rates fell due to eradication of malaria and the diffusion of preventive medicine. Relevant statistics appear in Table IV-1 below.

Table IV-1

Estimated National Birth and Death Rates, 1935-1955
(per thousand population)

Year	Birth Rate	Death Rate
1935	34.6	18.0
1940	35.7	20.0
1945	28.7	18.9
1950	36.6	15.7
1955	40.8	14.3

Source: Orhan Turkay: Türkiye Nufusu, Siyasal Bilgiler Facultesi, Ankara, 1960, pp. 49 and 54.

*The only significant immigration from abroad was 200,000 Turkish Moslems whom Bulgaria expelled in 1950 after Turkey's entrance into the Korean war.

In the course of this rise, Turkish peasantry began, for the first time, to leave the land permanently in significant numbers. Using the same method of calculation as in Chapter Three, we estimate that some 30 percent of the expected rural natural increase was absorbed in urban areas during the decade, compared with less than 10 percent for the preceding 23 years.*

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*Between 1950 and 1960 Turkish population rose at an average annual rate of 2.85 percent. Since figures on differential birth and death rates are unavailable, we again assume that both urban and rural areas might be expected to evidence the same yearly increment. Again, we are probably underestimating somewhat the rural and over-estimating the urban natural increase.

Figures are in 000.

	1950	1960	Difference	Expected Nat Inc	Actual-Expec Diff.
Tot Pop	20,947	27,802	6,855	6,855	0
Rural	17,004	20,814	3,810	5,556	-1,746
Urban	3,943	6,988	3,045	1,288	+1,757

According to these calculations, urban population absorbed roughly 31,5 percent of the expected rural natural increase. The calculations do not allow for the influx of 200,000 Bulgarian refugees, however, whose presence after 1950 might reduce the expected rate of natural increase. Since such a method is satisfactory only in indicating general magnitudes, the estimate of rural-urban migration might be scaled down to about 1,500,000 people, or 30 percent of natural increase on the farm.

More than 3,000,000 people were added to the population of cities over 10,000. From our calculations, it would seen that over half this number may have been peasants and their offspring.

Rapid urbanization suddenly became a critical factor in Turkish development. The number of cities over 10,000 in population rose from 106 to 145 during the decade. Those over 50,000 multiplied from 12 to 27. (See Tables IV-10,11,12)

Although many communities were inundated by rural migrants, the most striking population increases occurred in the three main national centers. Ankara, Istanbul, and Izmir together accounted for roughly one-third of the growth in all cities, or about 1,000,000 people. Ankara itself more than doubled in size. The other two, unlike their experience from 1927 to 1950, evidenced proportional population increases significantly higher than in the nation as a whole. Growth figures for these three centers were:

	1950 Pop	1960 Pop	Pct Increase
Ankara	289,000	646,000	123
Istanbul	983,000	1,460,000	48
Izmir	240,000	396,000	65

Percentage rises for the nation, rural areas, and cities were:

Nation	33 percent
Rural areas	23 percent
Cities over 10,000	77 percent
Cities over 50,000	111 percent

This population explosion acted as further pressure on the Menderes government to make promises for economic development and to adopt a spending level that could fulfill the promises. Job creation, both on the land and in the cities was essential.

The sad outcome of this effort was, however, that significant government programs enacted to keep peasants gainfully employed on the land actually backfired by expediting the farm-to-city movement. Passage from rural areas throughout the nation to the three centers of Ankara, Istanbul, and Izmir soon became a relatively simple matter; and major public projects to increase attractiveness of these centers contributed to their expansion. Much of the public industrial decentralization in the latter half of the decade can therefore be regarded as an attempt to head off the flow to the major cities by providing work opportunities in provincial centers close to areas of emigration. But this is already moving ahead of the discussion. We had better turn now to an examination of the programs themselves; first to the efforts in agriculture and highway transportation, each conceived with other objectives, but each of which contributed heavily to rural-urban migration.

II. Agriculture

A wide variety of agricultural programs were intended to improve both productivity and the farmer's financial position. Tax exemptions passed in 1949 by the Republicans were kept and increased, and price supports were raised. (15) Tractors and other mechanized farm equipment were imported in large amounts. Credit possibilities via the agricultural bank were expanded to such a level that the Bank's disbursement of 242 million TL in 1948 was raised to 1,068 million TL in 1952. When many farmers defaulted on the loans, the government forgave the amounts due. (16) Government-constructed irrigation systems, which had covered only 420,000 decares in 1950, increased to 2.5 million decares by 1960. (17) Land distribution, made to some 33,000 families by 1950, was extended to a total of 365,000 families by 1959. (18) All told, yearly public investment in agriculture rose from 96 million TL in 1950 to 860 million TL in 1960. Its proportion of public development expenditures was second only to communications over the period.

Table IV-2

Proportion of Agriculture
in Economic Development Expenditures

1950-60

Year	Agric. Investment in Millions of TL	Percent of Govt. Expend. on Devel.
1950	96	29.6
1954	175	29.8
1955	270	31.3
1956	350	35.3
1957	523	39.7
1958	593	38.3
1959	764	36.5
1960	860	31.6

Source: U.S. Agency for International Development, "Turkish Economic Statistics," USAID, Ankara, 1962, p. 32.

Despite the spending, Turkey's overall agricultural position by 1960 had moved from bad to worse. The annual value of agricultural production rose by 45 percent over the decade; but this increase did not come from generally higher productivity. For the amount of land under cultivation had meanwhile increased by 56 percent. (20)

Three quarters of the population were still rural, and per capita rural GNP was only slightly more than half the national per capit GNP of $185. (21) Since the boom year of 1953, Turkey had been a net importer of grain. Her wheat imports from the U.S. amounted to several hundred thousand tons annually.

A. Mechanization Backfires

Easy credits, tax exemptions, and land distribution served to keep some peasants on the land who might otherwise have left. But the net results of the emphasis on farm mechanization included displacement of farmers and the extension of cultivation into lands completely unsuited to crop culture.

The tractor import program affords one of the best examples of the difficulties that arose.

The government was eager to introduce mechanized equipment, and farmers, spurred on by liberal loan opportunities, were eager to purchase. But the government had formulated no plan of distribution and no detailed utilization program to combine mechanized equipment with fertilizers and instruction in scientific agriculture. Tractors were sold to all who could buy them. In 1950, about 12 percent of the total land under cultivation was worked by tractors. The figure jumped to almost 25 percent by 1957. (22) Table IV-2 below indicates the magnitude of tractor imports during the period.

Table IV-3

Tractors in Turkey, 1936-1957

Year	Number of Tractors	Land Cultivated by Tractors in 000 of hectares
1936	961	72
1948	1756	132
1950	16585	1244
1951	24000	1800
1952	31415	2356
1953	35600	2670
1954	37743	2831
1955	40282	3021
1956	43727	3280
1957	44144	3310

Source: Keles, op. cit. p. 35

Fully one-half the imports did terminate in the most fertile farmland of Turkey; in the Marmara, Mediterranean and Aegean regions. These areas had the largest and already most scientifically-managed farms and were also targets for the major efforts at irrigation. (23)

Yet one-third came to the dry-farming and pasture lands of the Central Anatolian plateau. Here ownerships were smaller, irrigation practically non-existent, and the utilization of fertilizers slight. The immediate result was extension of wheat and sugar-beet cultivation into marginal land, previously used for pastureage.* In a

*Although the supply of livestock increased, between 1950 and 1956 the amount of land in pastureage and prairie fell from 49 to 38 percent of Turkey's total area. (27) A severe problem of overgrazing resulted and contributed both to erosion and declining quality of livestock. For details, see FAO Mission report, op. cit., Ch. IV.

sample survey of villages on the plateau undertaken by the Ankara University Political Science Faculty, it was discovered that cultivated land increased by 42 percent between 1948 and 1952. (25)

Yields rose until the boom year of 1953. Subsequently, weather conditions worsened with insufficient rainfall. The deep-furrowed cultivation made possible by tractors contributed to loss of top soil on both the good and marginal lands. Erosion became increasingly serious. Per hectare wheat production had been 942 kg. in 1950, had risen to 1,295 kg. in the good season of 1953, and by 1960 was down to 983 kg. (26)

Meanwhile, thousands of peasants were put out of work. Except for some unnecessary sugar beet cultivation,* the grain culture of the plateau had not given way to diversified farming which--even under mechanization--might be more labor intensive than cereals.

Rosen, who conducted one of the few detailed studies of the Turkish labor situation, estimates that some 350,000 peasants were sent into the migrant stream between 1950 and 1955 due to installation of mechanical equipment. (27) Robinson reaches a similar conclusion through examination of several areas where tractors were introduced. He estimates that each tractor displaced an average of eight

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*The government's program of factory construction (p. 232) gave positive encouragement for increases in sugar beet cultivation--for which there was neither a domestic nor a profitable foreign market.

people. (28) After 1956, tractor imports were practically eliminated, but by then the major difficulties were already pronounced.*

Even in the fertile coastal regions, where both irrigation and mechanized farming were fostered, yields were disappointing while cultivated land increased.** Cotton and tobacco production, for example, was not significantly higher in 1956 than in 1950.***

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*Other serious problems presented themselves with the tractor program. The equipment came in so quickly that few mechanics were available to make repairs. Many of the machines broke down and were useless. Tractors also became popular means of transporting villagers to towns and thus received added wear as transport vehicles. Then, too, over 50 different types of machines were imported from the U.S., Canada, and Germany. Spare parts were not interchangeable, and the Turkish farm equipment factory at Adapazari (while markedly increasing its production of secondary implements) was unable to fabricate substitutes. Since 1956 this situation has improved, but much damage was done in the early years. (29)

**Lack of proper maintenance helped defeat much of the irrigation effort. USAID officials have described to the writer one of their largest reclamation projects during 1962, the Bornova plain outside of Izmir where soil had become saline due to faulty maintenance of a major irrigation system.

***Relevant statistics on cotton and tobacco are:

	Area Sown (in. 000 hec)		Produc. (000 Metr. Tns)		Yield/ha (Metric Ths)	
	1950	1956	1950	1956	1950	1956
Cotton	448	637	118[1]	165[1]	.26	.26
Tobacco	128	172	93	116	.74	.64

Source: Developments Respecting Turkey, 1956-57, op Cit., pp. 216-7

1. lint only

In 1959, a FAO mission made an extensive survey of Turkey's agricultural situation. The mission recommended a sharp cut-back in the land under cultivation, a re-conversion of fields to forests and pastures, crop diversification and stepped-up irrigation. The report recognized that such a program would further displace marginal farmers, but felt there was no other solution to Turkey's growing food problems. (30)

The Menderes administration had inherited a serious agricultural situation. This crucial sector of the economy had received comparatively little public investment or incentives over the preceding quarter century. Since the government's main political support came from the countryside, it felt bound to make speedy and dramatic efforts at improvement. Difficulties were of such a magnitude that even a careful investment program might not have seen certain success, but the course followed led to largely negative results. Productivity had not increased substantially. Thousands were displaced from rural areas, and the problem of overcultivation steadily worsened.*

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*Even the land distribution program, while holding some significant number of peasants in the countryside, led to worsening conditions. A total of 2.5 million hectares of tillable land and 1.2 million hectares of grazing fields had been distributed to 365,000 families by the end of 1959. The plots averaged out at 5 hectares of crop and .9 hectares of grazing land per family. A.J. Meyer (31) points out how these small parcels could only be farmed through inefficient methods and were barely able to meet a subsistence level for their owners.

III. The Highway Program

Our estimates put rural-urban migration during the 1950's at the order of 1,500,000 people. Even if displacements by farm mechanization were two to three times what Rosen and Robinson computed, mechanization alone could not have induced a transfer of this magnitude. One important contributing factor was the highway program, which became the single largest item of expenditure in the public development budget.

Relatively little rural-urban shift had occurred during the Republican period; partly because room for agricultural expansion still existed, and partly because the emphasis on railway construction did little to decrease the isolation of most villages. Mechanized farming and rapid population increase eliminated the "lebensraum." Construction of an excellent farm-to-market road network joined with improvements to the national highway system to reduce the isolation. Civilian motor vehicles, imported in large quantities under the U.S. aid program, provided the means of transport; and movement from village to city became infinitely easier than ever before.

Accelerated migration was hardly the highway program's objective. It had been undertaken for two main purposes:

1. To provide the nation with a transport system suited to a modern military machine which depended on high mobility.
2. To make marked improvement in agricultural produce distribution.

These objectives were achieved over the decade, and accelerated rural-urban movement appeared as an unexpected by-product.

In addition, the highway development effort helped to further dominance and growth of Ankara as Turkey's main interior center and supported the positions of Istanbul and Izmir as major development areas.

A. Origins and Objectives

The U.S. military mission in 1947 recommended that Turkey abandon her emphasis on railroad construction and undertake a major road-building program with American assistance. The single-track rail system connected most urban centers but could not meet military maneuverability needs of a nation now under Soviet pressure--and one which was to possess several major Western bases. Rolling stock was also of poor quality. Without an adequate network of farm to market roads, moreover, the Americans felt that Turkey could neither handle her own food needs nor realize her potential as an important grain exporter to the West.*

Also in 1947, a U.S. Bureau of Public Roads team came to Turkey under the direction of Deputy Commissioner H.E. Hilts. The Hilts report became blue-print for the actual program and recommended that national roads to increased by 5,000 km. and provincial routes (the farm-to-

*Lehman notes: "To the American mission in 1947 it seemed evident that effective transport for Turkey's farm output hinged on development of a network of modest all-weather roads to complement the existing rail system." (32)

market connectors) by 30,000 km. The report also suggested establishment of a Turkish highway department, using local contractors and engineers.* Work was to be staged over a number of years.

Both the Inonu government and the U.S. aid agencies bought the Hilts program. Work began in 1948 within the Turkish Ministry of Public Works, to which a BPR technical assistance mission was attached. In 1950, just a short time before the change in administration, a semi-autonomous highway department, Devlet Karayollari, was created within the Ministry. A large professional staff was recruited, many of whom were sent to the U.S.A. for advanced training.

The military considerations which shaped the program can be seen on Map IV-4. Here the main national highway system is shown, as it appeared in 1960 after 12 years of work. A striking conceptual similarity between the highway plan and the railroad developments of the 1930's is apparent.

Ankara is the hub of each system. During the 1930's Ataturk extended the rail lines from Ankara to provincial centers throughout the country in part as a means of providing communication and control. After World War II, the speed and mobility which highways afforded became all important.

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*This was over oppostion from some American military personnel who, in the interests of speed, felt the job should be done by Americans. Hilts felt a Turkish agency was the only means of guaranteeing that work would be sustained over long periods of time. (35)

As the Western outpost on the Russian border, it was particularly crucial that Turkey have a top-quality national highway network connecting the borders with major military bases and the national control center. Main military installations tended to be in the large provincial centers (Erzurum, Sivas, Diyarbakir, Samsun, Adana, Konya, Eskişehir, Izmit, Edirne). The harbors of Istanbul and Iskenderun became chief entrepots for the flow of military equipment from abroad;* and Izmir was made the supreme headquarters for NATO in the Eastern Mediterranean. Ankara was both general staff headquarters and, with its satellite city of Kiriddale, the main domestic munitions producer.

Although the writer has never seen an explicit presentation of this rationale (other than the general military objective), connection of the strong points seems to have been a primary goal. Highways were also used to short cut or by-pass the railroad in providing more direct connections between centers.** Main emphasis in this phase of the system was on widening and surfacing rather than the construction of completely new lines as

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*First priority for a national highway link under the 1947 program went to a 600 mile link between the military entreport of Iskenderun and the main eastern base of Erzurum. (34)

**Muntz (35) lists eleven road sections in 1950 amounting to 1333 km which were given top priority for new construction or improvement. Of the 11, eight represented lines which were to parallel almost exactly an existing railroad and the remaining 3 were short cuts between cities already connected by rail.

in the provincial feeder network.* Many of these national highways existed before the program as roads or caravan routes.

As Lehman puts it:

> "The...Democratic party had promised better roads to everyone, presumably to be provided at once, and would have liked to fulfill its promises by conjuring up a completed road system overnight." (36)

Government pressure on the highway agency to fulfill the promises continued well beyond election campaigns. Notes from the BPR team director in the early '50's indicate how strong this pressure had become:

> "For some time...the Ministry has been considering the extension of the highway system by the addition of anywhere from 50,000 to 200,000 kilometers. This is the result of strong pressure brought by the Democrats as they made a point of village and province roads in their campaign for election and now they are swamped with demands. We are resisting the extension of the system as a National System and are suggesting that a complete study be made of the secondary needs and then establish reasonable mileage of secondary highways, with provision for the improvements of secondary roads while the study is being made. This has been received favorably in many quarters but the pressure is very strong and Vecdi (Diker, Director General of Highways) himself...suggested at one time the 200,000 kilometer figure." (37)

Intense government interest combined with the U.S. commitment to make the highway program probably the most successful (in terms of its objectives) American technical assistance operations conducted in Turkey.

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*Two of the most interesting ancient roads were the Ankara-Istanbul connection via Bolu and the Ankara-Adana line via the Cilician Gates, through which Alexander passed. Before the road program, the main Ankara-Istanbul road had been via Beypazari. The new line restored Bolu to prominence.

B. Investment

The program began modestly. Some $5,000,000 of the $100,000,000 allocated to Turkey under the Truman Doctrine in 1948 was devoted to highways. The 12.8 million TL budgeted by Inonu for roads rose to 39.0 million TL in 1949 and 67.0 million TL in 1950. Although substantial sums, they were minor compared with disbursements after 1950. (38)

Table IV-4

Investments in Highways 1950-60*

Year	A. Amt. in TL in Millions	B. Percent of Investment in Communications	C. Percent of Govt. Investment in Econ. Development
1950	65	57.5	20.3
1951	95		
1954	186	76.0	31.6
1955	314	76.0	36.2
1956	361	75.2	36.5
1957	501	87.0	38.6
1958	518	73.4	33.4
1959	767	80.0	36.6
1960	943	72.5	34.5

Source: Col. A Karayollari Istatistik Bulteni, 1960 Bayindirlik Bakanligi, Ankara, 1960 pp. 44-54

Col. B+C USAID, op. Cit., Ankara, 1960. Percentages derived from data on p. 32.

*Does not include personnel and administrative expenditures.

Expenditures on highways rose from 2.9 percent of the total budget in 1950 to 7.8 percent in 1959. These sums approximately equalled public agricultural investment of all types. The American contribution between 1948 and 1959 was $45,000,000. (39)

C. Targets Reached

The Democrats never reached their 200,000 km target. By 1960, however, Turkey had a highway system far surpassing that of a decade before.

Table IV-5

National, Provincial, and All-Weather Roads, 1948-1959 (in kms.)

Year	Natl. Rds	Prov. Rds	Total	All-Weather	Percent
1948	22,826	21,360	44,186	12,246	28.0
1950	24,306	22,774	47,080	17,465	37.0
1955	24,553	30,455	55,008	29,409	53.0
1959	26,783	33,804	60,623	38,374	63.5

Source: Karayollari Istatistik Bulteni, op cit., p. 1

In slightly under 10 years, all-weather roads had doubled. National highways had been hard-surfaced rather more than extended,* and the greatest increase in kilometerage occurred in the provincial farm-to-market network. More than 11,000 kilometers had been added to provincial roads.

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*The length of hard-surfaced roads rose from 7,550 km to 17,745 km. (40)

All but one of the 54 cities over 25,000 in population by 1960 were connected by national highways, and all but 20 of the 91 cities between 10,000 and 25,000. These other communities were, however, linked to the national system by passable roads not yet surfaced. The program was far from completion, since roads in mountainous areas of the East and along the Black Sea were still sparse and poorly-surfaced, but a great deal had been done.

D. Movement of Goods and People

In conjunction with the construction, Turkey imported large amounts of civilian vehicles.

Table IV-6

Motor Vehicles in Turkey by Type, 1948-60

Year	Autos	Trucks	Buses	Motorcycles	Total
1948	5,803	10,596	2,198	1,634	20,231
1950	10,061	13,201	3,185	2,661	29,118
1955	28,599	30,250	6,671	9,510	75,030
1960	37,616	48,094	8,881	8,215	102,806

Source: Karayollari, op cit. p. 17

Note in particular the increase in trucks and busses. New "transport" entrepreneurs appeared in both the major cities and the small towns. With liberal credit available, a man commonly bought a single truck or bus and became a transport firm. Indeed, the number of these individual owners so proliferated, that the government became concerned with problems of rate regulation and carrier safety.*

*In 1958 the government commissioned a UN study on these problems.

As more vehicles were introduced and travel times fell between points (p. 219), rates for both passenger and goods transport dropped by one-half or more--even while overall inflation had set in. By the end of the decade, most communities near a road were able to offer cheap and quick vehicle transport both to provincial centers and Ankara, Istanbul, and Izmir. Dependence on the slow and more expensive railroad was reduced. Villagers were no longer isolated either from the provincial or the national cities.

And it was here that the program's agricultural objective backfired. For with worsening farm conditions, villagers did not amass huge supplies of produce to send over the new roads to the cities as expected. True, product transfers were expedited. But in many cases, highways were extended to villages which had no goods for the urban markets; peasants found these nearby roads an easy access to a new urban life. (41)*

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*Other factors may well have contributed to the rural-urban movement in addition to mechanization, the highway program, and population growth. The great expansion of the Turkish army saw draftees as a matter of principle stationed in areas other than their place of origin. In this way thousands of peasants were brought to cities, an experience they would not forget on return to the village. (42) Also, the widespread import of battery radio sets and the spread of American movies to small town theatres may have further stimulated the villagers' desire for mobility. (43) The highways, however, were the means by which they made the shift.

Tables IV-6,7,8 indicate increases of goods and passenger movements between 1950--the first year in which Karayollari published traffic surveys using BPR methods--and 1959.

E. Advantage for the National Centers

The highway program generally increased accessibility of cities and towns to each other and to their rural hinterlands. However, greatest "comparative" advantage went to the three existing national centers of Ankara, Istanbul, and Izmir. Travel time between these centers and provincial cities was slashed. Relevant figures for the times between Ankara and selected points appear in Table IV-9 below. If it was easy for a villager to come to a provincial town, cheap bus service made passage to any of the larger centers equally simple. In these centers, the most extensive public and private development was underway, and their aura as loci of opportunity for both migrants and entrepreneurs increased. (See p. 220)

This is not to say that the highways failed to move other communities to prominence. (Indeed, the extensive transport improvements along the Mediterranean coast undoubtedly were a factor in growth of Adana--a major military base and the "capital" of cotton production.) However, greatest advantages were bestowed on the centers whose advantages were highest to begin with.

Table IV-7

Highway Movements by Type, 1950-59 (in 000)

Year	Vehicle-Kms.	Ton-Kms.	Passenger-Kms.
1950	557,385	957,059	2,597,311
1955	1,204,955	2,405,244	10,830,853
1959	1,386,016	3,253,614	9,969,241

Source: Karayollari, op cit. p. 25

Table IV-8

Goods Transport by Various Systems, 1950-1959 (in 000)

Year	Highways		Railroads		Shipping		Airlines	
	ton-kms	%	Ton-kms	%	Ton-kms	%	Ton-kms	%
1950	957,059	22.3	3,078,266	71.6	261,921	6.1	0	0
1955	2,405,244	34.0	4,366,112	61.7	304,823	4.3	422	0
1959	3,253,614	37.3	5,241,830	60.1	217,564	2.5	1,200	0.1

Table IV-9

Passenger Transport by Various Systems, 1950-1959 (in 000)

Year	Highways		Railroads		Shipping		Airlines	
	pas-kms	%	pas-kms	%	pas-kms	%	pas-kms	%
1950	2,597,311	47.2	2,515,511	45.7	388,977	7.1	0	0
1955	10,830,853	71.4	3,917,322	25.8	361,944	2.4	63,737	0.4
1959	9,969,241	66.3	4,588,826	30.5	337,620	2.2	145,233	1.0

Source: Tables 7+8; Karayollari, op. cit., p. 29

Note to Tables:

While the railroad system, benefitting by the overall push for development, increased both its passenger and goods traffic by about two thirds over nine years, it dropped sharply in importance as compared with the highways. The most marked difference lay in passenger movements as the highways rose from less than half to two-thirds of the total traffic. Internal shipping suffered severe losses (despite a costly improvement program for small ports. (p.) Air traffic emerged as a factor in 1955 with expansion of the Turkish Airlines and domestic airports, but was relatively insignificant. Turkey was very definitely on the move, and it was moving by road.

It is difficult to explain why vehicle movements grew more slowly after 1955 than before or why passenger movements were down almost 1,000,000 km between 1955 and 1959. A tentative explanation may lie in the general economic and political conditions which began to deteriorate badly towards the end of the Democratic period. With deteriorating conditions, fewer people may have traveled.

Before ending this discussion on highways, we might again note that military and agricultural considerations were chiefly responsible for route selection, construction, and timing. Other factors--such as industrial requirements--may well have been underemphasized. Thus we will see in the case of Zonguldak province, Turkey's most industrialized region outside of the three main centers, a highway program providing inadequate service for important industrial developments. In contrast, the vast extension of national and provincial roads into the wheatlands of Central Anatolia served military mobility needs but may also have been of marginal significance to the deteriorating rural economy except as means of transferring surplus population to the cities. In light of events in the cities during the decade, the desirability of this transfer is open to question.

Table IV-10

Travel Time between Ankara and Other Cities
(in hours)

City	Railroad	Road		
		Pre '48-'49	'50-'52	'62
Konya	20	8-48	4	3
Istanbul	8-13	20	13	6.5
Kayseri	11	11	7	6
Zonguldak	19	14	8	6.5
Samsun	20	22	15	9
Adana	20	35	18	7
Eskişehir	4-8	?	?	3
Iskenderun	25	21	9	8

Source: Railroad; writer's own estimates

Highways; 1962 figures represent writer's experience

Other figures: "The Development of Manufacturing Industry in Egypt, Israel, and Turkey," op. cit., p. 19

Robert Kerwin, "The Turkish Roads Program," Middle East Affairs, April, 1950, p. 200.

IV. Concentrated Development at Ankara, Istanbul, and Izmir

Negativism towards Istanbul--which had characterized early Republican development policy--gave way during the '50's to an official desire that the former capital become a showplace of modern Turkey.* All three of the main centers were now chief targets of public interest. Improved highway access and roles as important NATO bases increased their advantages as main development areas. Other public programs were devised that bolstered their advantages still further.

A. Incentives to Private Enterprise

Government incentives to private enterprise favored activity in the three main centers, particularly Istanbul and the towns of the Marmara Region. A management institute under Harvard Business School auspices was established at Istanbul University. A special Productivity Center, offering technical assistance programs to businessmen was set up in Ankara, with branch programs in Istanbul and Izmir. Perhaps the most significant incentive of all was the Industrial Development Bank, with headquarters and sole office at Istanbul.

An IDB was proposed in the 1950 World Bank Mission report on Turkey. Establishment came shortly after the Democrats took office. The World Bank, U.S. aid programs, and Turkish banks supplied the funds. Extremely low

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*Both Ataturk and Inonu chose to cast their votes in national elections as residents of Ankara. Both Menderes and Bayar, however, always voted from Istanbul, although neither had been a resident of the city. (44)

interest rates were charged,* and the IDB became the leading source of foreign exchange credits for Turkish businessmen. An additional function was provision of technical assistance to client firms.

Private enterprise responded mightily to this liberalized government attitude towards investors. Import restrictions were lifted, and credit availability through many of the public banks was eased.** In 1950, 1800 private firms with over 10 workers each had employed a labor force of about 70,000. By 1955, the number of firms had climbed beyond 4,000 and the number of employees to 140,000. (46)

These overall figures meant, however, that average plant size was only 35 workers, still an indication of small scale enterprise. Further cause for concern lay in the imbalanced nature of the products. Almost 75 percent of the producers were engaged in the three traditional "soft" consumer goods industries of food, textile, and tobacco processing. (47)

IDB sponsored firms, however, were quite different from the average. The larger, more productive private enterprises established during the decade tended to be those under IDB sponsorship. Some 401 were founded between 1950 and 1959. Only 30 percent of these were in food processing or textiles.

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*Seven percent on 3-5 year loans plus a small transactions tax compared with commercial loans up to 12-20 percent through other sources. (45)

**Turkish officials have told this writer that a substantial amount of the agricultural credit was illegally used by farmers to start small urban businesses and to purchase consumption goods.

About 10 percent produced chemicals and pharmaceuticals; some 25 percent were in repair and maintenance of the production of spare parts to service the growing number of vehicle imports, and sizeable numbers were involved in machinery and metals production (5 percent) and in construction materials and ceramics (5 percent). Their average size appeared to be twice that of Turkish firms in general. (48)*

Map IV-1 shows the locational distribution of these 401 firms by provinces. Istanbul alone took 205 plants, or 51 percent of the total, while the Marmara region as a whole obtained 63 percent. Izmir was far behind in second place with 39 firms. All told, the Marmara and Aegean regions garnered 75 percent of the IDB firms. The remainder were scattered throughout the central and southern portions of the country with concentrations only at Ankara (17 plants) and Adana (16).

Since the main entrepreneurial concentrations before 1950 were at Istanbul and Izmir, we might expect dynamic activity at these two centers with a more liberal government attitude. However this can only partially explain the relatively enormous development in Marmara compared with other regions. Undoubtedly, one important factor was concentration of IDB resources and personnel at Istanbul with greatest accessibility to the Marmara entrepreneurs. No explicit provision was made in the Bank's charter for encouragement of enterprises in other,

*Calculations are based on the 50 firms established during 1959.

less developed regions. Opportunities which did exist outside the Marmara probably experienced greater difficulties in being mobilized.*

The IDB increased Marmara's existing superior advantages for private investment and enabled this region to pull even farther ahead of the others.** Istanbul province had accounted for one-third of Turkey's income tax payments in 1950. A decade later its proportion amounted to 44.3 percent. (50) Here was a clear sign of "reconcentrated" development at the former capital city and its environs.

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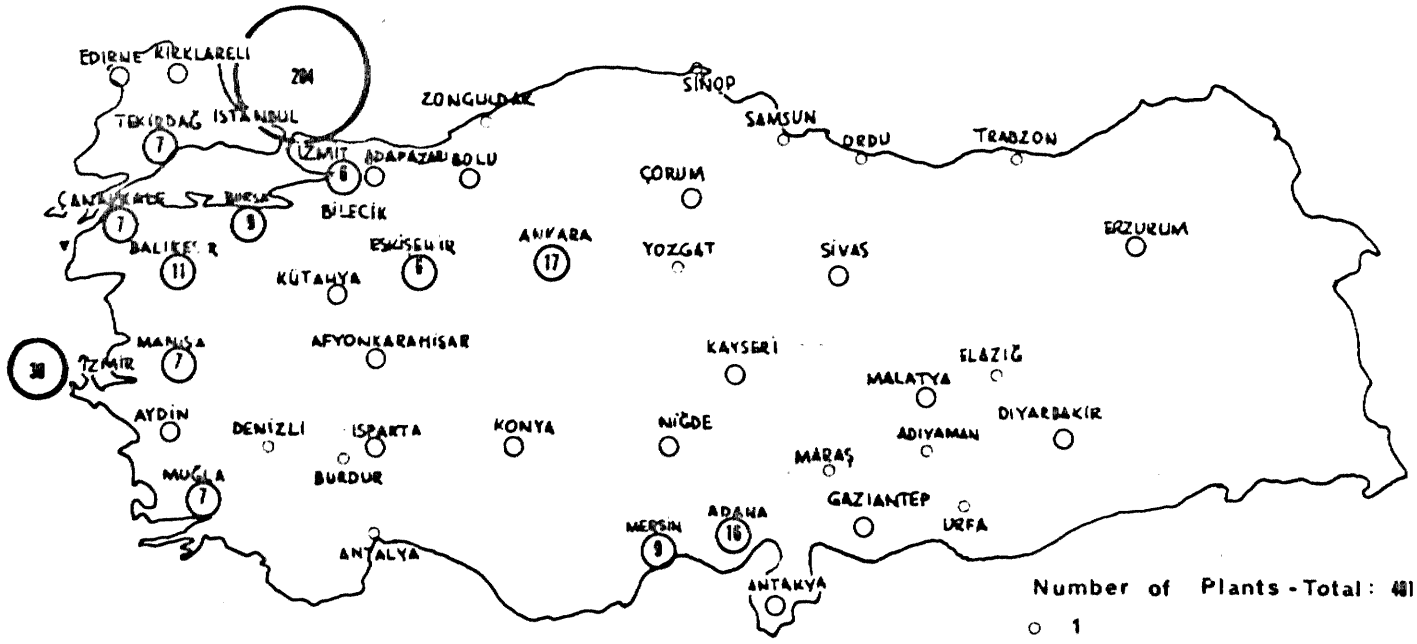
*One example of the difficulty may be a proposal from Mersin to the IDB which came to the writer's attention in 1962. This was a proposal for a large industrial grain washing station. Members of the local Chamber of Commerce were willing to put up some of the necessary capital. According to AID economists the project was both well-conceived and well-organized.

Turkey produces various feed crops for which it does not have washing or processing facilities. Instead, the grains are shipped from Mersin to Lebanon where they are prepared and further exported, with the Lebanese taking the main profit. The Mersin project would both retain the profits for Turkey and build foreign exchange. It had been brought to the IDB in 1958. In response to several communications from the local Chamber, the Bank had said it was studying the idea, but no visitation to the site had been made by 1962.

**Private industrial development was so pronounced in Istanbul, that municipal authorities in the middle '50's refused to grant any more building or expansion permits within the city limits until an Istanbul master plan had been approved. By 1962, a plan had still not been approved or completed. The ban irked industrialists, but did not prevent development which spread outside the municipal boundaries along the road and railroad to Izmit and to Bursa. (49)

LOCATION OF PLANTS FINANCED BY THE I. D. B., 1950 – 1959



Source: Industrial Development Bank of Turkey, Industrial Development Bank of Turkey, 1950-1959, Istanbul, IDB, 1960, p. 10.

MAP III-1

Significant investment outisde of Marmara, particularly in the Aegean, occurred where private enterprise was also established earlier.* Since special incentives were not adopted to encourage growth outside of these centers, the natural tendency to agglomerate prevailed.

It may be that improved access to interior markets via the highways reduced the need for industries with national markets to locate outside the established coastal communities. Tumertikin's survey in 1960 (52) for example, lists the following industries whose plants were almost entirely confined to the Istanbul area:

leather	86 percent in Istanbul
paper and allied prod.	88 percent
electrical equipment	78 percent
metals	70 percent

Although Ankara drew the third largest concentration of IDB firms, we are struck by how few they were relative to both the Marmara and the enormous population increase which Ankara experienced. Indeed, if income tax returns are any indication, Ankara's economic growth had slowed considerably over the decade. The province's proportion of Turkey's income taxes rose in 10 years only from 11.7 to 12.4 percent; while the city itself was doubling in size. (53)

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*Although location figures for the non-IDB plants are unavailable, they too may well have shown a tendency to concentrate in the existing centers of enterprise. For example, results from a preliminary industrial census of Izmir in 1955 showed that since 1949, the number of work places regardless of size had increased by 2,000 and the number of "industrial" workers by 30,000. (51)

Employment growth in Ankara came from expanding public agencies, state enterprise, construction, services, and a complement of rudimentary service industries oriented to the local market--a continuation of the type of activity that had occurred to 1950. Unfortunately we lack estimates of employment (or unemployment) at Ankara after 1950; except for figures on state industries in the province. Their personnel of 14,000 in 1960 represented 11 percent of the nation's total in public enterprise. Much of this was concentrated at Kirikkale, whose population grew from 10,000 to 45,000 over the decade. (54)

In 1950, income tax receipts from Istanbul, Ankara, and Izmir had been over one-half the Turkish total. Although we have no information on Izmir, it is reasonable to assume that by 1960 the three centers were contributing well over 60 percent of the total, a sign that incomes at the centers, particularly Istanbul, were increasing at far faster rates than those outside.

B. The Show-Place Concept

Government seemed concerned with making each of its three main cities a show-place. Particular attention focussed on Istanbul, where the first modern post-war hotel in Turkey (the Hilton) was built with public funds, and a monumental new city hall with plaza was constructed. Obsessed with the importance of straight, broad avenues, Menderes (frequently photographed on a bulldozer leading the action) attacked the narrow, hilly streets of Istanbul

to give the city a look of Hausmann's Paris.*

Ankara, already possessed with wide main boulevards, received many lavish edifices to house the expanding government enterprises. A government-financed hotel was begun here as well, and remained an unfinished 17 storey skeleton by 1962. Mosques were built for the first time in modern Ankara, pleasing the religious opposition to the Republicans. Most of the downtown business district at Ulus Square, containing some 400 shops, was razed to make way for a huge shopping center and office development. (56)

Izmir received somewhat less spectacular municipal improvments, although its fair grounds underwent a thorough modernization and new hotel construction was also sponsored. Izmir did, however, become the site of a new university, the University of the Aegean. Each of the three major centers now had university facilites. In Ankara, a second major institution was established...this an English-language Technical Institute under UN sponsorship, which the government felt would add to Turkish intellectual prominence throughout the Middle East.

Both Izmir and Istanbul, as major NATO ports, also underwent harbor expansions which were made available to civilian shipping.

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*Despite the fact that no plan had been prepared for the city or its thoroughfare improvements, Menderes declared in 1957:

> "The reconstruction of Istanbul has been taken in hand in full conformity with current ideas of aesthetics, comfort, traffic facilites, and tourist attraction...It will be carried out in accordance with the high standards demanded by Turkish aesthetic and artistic tastes, and will contitute a model from every standpoint." (55)

C. Housing and Land

Government efforts in housing also increased both amenities and investment opportunities at the three centers. Here again we lack figures and can only suggest conclusions based on observations and limited data.

Easy home financing became one of the Democrats' main appeals to the city dwellers. Zafer, the official party paper, adopted in this regard a slogan that every Turk should become a homeowner. (57)

The public banks, the Worker's Insurance Agency, and the Pension Fund all had low cost loan programs for their employees (6 percent for 20-30 years), and the government's housing Bank, Emlak Kredi, handled approximately 20 percent of the financing for legal dwellings. Investment in housing during the decade represented 20-25 percent of GNI and about 35 percent of all investment in construction. (58)

Apartment cooperatives at the three centers became the most popular form of urban dwelling unit under the programs. Costs were high due to inexperienced workmen and materials shortages. As a result, many of the dwellings were not completed and others were rented out to the increasing number of foreigners working at the military and civilian installations.* Since no residence requirement was placed on a borrower for a government loan, some significant

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*An exact count of foreigners in the three cities was unavailable. However an official once estimated the number of Americans in Ankara alone as "several" thousand. Presence of the foreigners probably also added to the cosmopolitan atmosphere of the three cities.

amount of the housing program was turned to private speculation. The Turkish owner remained in his cramped quarters or doubled-up with relatives, while reaping the fruits of his investment. (59)

Opportunities presented by real-estate investment at the centers appealed to well-to-do provincials as well. On an inspection trip of a large unfinished Ankara apartment block, the writer learned of several "cooperators" who lived in Kayseri, Sivas, and Eskisehir and had evidently preferred to invest in "secure" Ankara property.

Speculation became so popular an outlet for funds, that (according to Robinson) land prices in an upper-class residential area of Ankara rose 1000 fold between 1952 and 1955. (60)

Despite the excesses, much housing was provided for middle and upper income Turks in the main cities. All efforts at developing low cost housing for the peasant migrants, however, met with failure.*

Meanwhile, the peasants were constructing their own units, of mud brick or cinder block, on the outskirts of each major center. This housing was erected illegaly on government land and built largely at night to avoid detection.** By 1960, the Ministry of Reconstruction

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*The only major project attempted at Ankara (Yeni Mahalle) proved too expensive and was turned to middle income residents. (61)

**According to Turkish law, an illegal dwelling can be torn down only if detected during the the process of construction. Thus many of the peasants made bricks during the day, enlisted their friends for an evening, and erected at least four walls overnight. The word Gecekondu literally means, "built during the darkness."

estimated that some 240,000 of these "Gecekondu" existed in Turkish cities and housed over 1,000,000 people. About 70 percent were concentrated in Istanbul, Ankara, and Izmir. (62)

The gecekondu was in general a well-built structure, far more substantial than the tin and tar-paper shanties of South America and the Orient. Nevertheless, severe sanitation problems arose due to the crowding, haphazard siting, and lack of utilities; and the Gecekondu did obstruct orderly urban growth.

Government's response to this problem of illegal housing served to encourage, rather than deter migration to the centers. First efforts to tear down Gecekondus met with a public outcry and were stopped. Then Menderes proceeded to hand over legal land titles to many of the squatters. A practice was begun of installing electric lines, roads, and fountains in gecekondu areas. (63) Living conditions were thereby improved, but the problem of squatter housing itself went unsolved.

It is also interesting to note that growth in the three centers exceeded the estimates and provisions of the physical plans in force at 1950. Supplementary plans were begun, but not completed or approved, and expansion proceeded without them.

D. Attraction for the Modernizing Elite

Thus, many aspects of public development activity bolstered growth in each of the three main centers. Easy access by highway from the interior, incentives to create new enterprises, jobs created by government itself,* broadening cultural facilities, prominence as military bases, opportunity for housing all served to make Istanbul, Ankara, and Izmir the chief national targets for migration and investment. We might end this discussion by noting that their attractiveness for "modernizing individuals" increased as well. According to the census of 1955, Istanbul, Ankara, and Izmir provinces together contained about 14 percent of Turkey's labor force. They possessed, however, about 40 percent of the nation's "Professional, Technical, and Related Workers," and one-half of its "Administrative, Managerial, and Clerical Workers."**

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*Unfortunately the writer knows of no studies on unemployment or underemployment published in Turkey. Nor do we yet have 1960 census figures on the labor force composition in the three centers. Although government officials have told the writer that severe work shortages exist in the centers, there is just no way of telling how great is their magnitude. In any event the migrants continue to come in the expectation of finding jobs.

**Relevant figures for each province were:

	Pct. of Lab. Force	Pct. of Prof., etc.	Pct. of Admin., etc.
Istanbul	5.5	21.0	28.5
Ankara	4.5	10.4	14.0
Izmir	3.7	5.8	7.2
	13.7	37.2	49.7

Source: Istatistik Genel Mudurlugu, Genel Nufus Sayimi, 1955, Ankara, 1960, pp. 247,248.

V. Dispersion of Public Investment

Along with its concern for the three main centers, the Democratic government undertook to disperse public investment widely throughout the country. The national highway network was itself a manifestation of dispersion, and many additional projects in communications, power, education, and other forms of infra-structure were conducted.

Most dramatic was the program of factory construction depicted on Map IV-2. Between 1950 and 1960, over 40 state factories were built in almost as many locations, each a town over 10,000 people. Only one of these plants was in Istanbul. Three were in Ankara, and all but 12 were located outside the Marmara and Aegean regions. Data on many of the specific programs are lacking, so this discussion will deal largely with an illustrative examination of the industrialization schemes.

Why, one might easily ask, did the Democrats undertake such an extensive public industrial effort when their commitment to free enterprise had been so strong? Three reasons may be offered.

1. Private enterprise was growing, but at insufficient rates to satisfy the government's promises of fast, across-the-board economic growth. Except for the IDB plants, which were concentrated at the main centers, private operations continued to be small and in marginal products.

The government was again faced with a situation similar to that which generated Etatism twenty years before. Private enterprise was not doing the desired job.

2. Rural migrants were inundating the three national centers. Since agricultural conditions and the road program sent peasants to provincial cities as well, the government may have reasoned that added employment in these cities would retard the flow to Istanbul, Izmir, and Ankara. Private enterprise showed no signs of an extensive spread from the most developed regions, so government enterprise provided the main hope for such employment.

During the 1950's, moreover, the existing provincial state industries no longer suffered from labor shortages. Just a few years previously, many operated below capacity because of insufficient labor. Now peasant immigration provided more workers than they could profitably handle. A joint AID-OECD study of Turkish state enterprises conducted during 1961 commented on the unproductive labor surplus. The study's reaction to employment in the sugar plants is typical.

> "Permanent employees have nearly doubled in number during the past five years, yet no new units have been put into operation* If the sugar factories could operate in 1956 with 4,633 permanent employees, which they did, there is no excuse for a present payroll of 8,653." (64)*

3. The Democratic government may well have wanted to cultivate political support from the outlying regions.

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*Eleven sugar plants were constructed between 1950 and 1956, however. See p

Provision of a brand-new factory in a poverty stricken community was a tangible sign of government interest, and Menderes or Bayar seemed always to be in attendance when a new plant was dedicated. (65) Votes were important. Most of the Turks with whom the writer discussed industrial decentralization attribute location choices under the Democrats to political factors. And the Turkish political analyst Karpat comments:

> "There is a sense of urgency for economic development in Turkey...Thus urgency is evidenced by the fact that the demand for industrialization and economic development now comes directly from the people, who are in need of additional employment outlets. (Deputy candidates seek office by promising factories to their constituents, and, once in office, if influential in the government, they succeed in keeping their promises, even if at times the factory has more prestige than economic value." (66)

Certainly the U.S. aid program, which provided most or all of the foreign exchange for the new plants made payment of political debts via factory construction a relatively simple affair.

These various concerns led to an increase, rather than a decrease in public development spending. In the first Democratic years, we have noted (67) that public investment fell to 38.8 percent of the national total. By 1956 it had risen to 48 percent and continued at that level for the remainder of the decade.

Undoubtedly resource exploitation (see below) was also a factor. Nevertheless it appears that the Democrats undertook to disperse public investment at a larger scale than their predecessors for a somewhat different set of reasons. Three significant purposes of the Ataturk program were no longer in evidence: the official antagonism to Istanbul, the need for national integration, and the defense against a conventional-warfare attack. This last is particularly interesting. For even though Turkey became more defense-minded during its international involvements of the 1950's, strategic considerations were not offered as a rationale for industrial decentralization. Indeed modern warfare may have wiped out much of the security advantage to interior sites. The second steel mill, for example, was placed at a port site directly on the Black Sea (Chapter Six), while its predecessor had been located 100 km. inland during the 1930's as a precaution against amphibious invasion. The government may not have wanted concentration in the Marmara, but military reasons were no longer tendered to justify its decisions.

A. The State Industries

The new factories included 10 cement plants, 11 textile mills, 14 sugar refineries, four meat-processing and packing plants, two oil refineries, and a large fertilizer operation. In addition, extensions were made to several existing state enterprises. Complete invest-

ment figures are lacking, but we can offer some indication of magnitudes involved. Average worker components were high: in the cement and sugar plants about 500 employees per factory, while the meat plants ranged from 300-700 workers. (68) Total employment in state industry doubled to 128,000 between 1950 and 1960. (69) The amount of investment already tied up in the three sugar mills unfinished by 1960 was over 150,000,000 TL, or some $17 millions at the official rate of exchange. (70)

Two important factors distinguished the character of these operations from those begun under the earlier Etatist program.

1. They were not part of an overall development program, planned by a single public body, for which priorities were established. Sumer Bank was still responsible for Textiles and some other processes, and Eti Bank for certain mines, but they were joined now by a large number of industrial development and operations agencies each headquartered in Ankara. Several of the state industries (cement, sugar, meat and fish, fertilizer, steel, coal, for example) had been detached from their parent organizations and given separate budgets with only loose supervision from the Minister of Industry. No overall industrial development plan was prepared.

2. Many of the new plants were doomed to financial failure from the outset. They manufactured products for which there was no Turkish or foreign market. Under the

Republicans, plants located in the interior often diverged from the most economic sites. Nevertheless, despite the excessive costs involved, they primarily utilized domestic resources to substitute for imports; and a local market for their production existed. Although the Democrats' state enterprises were also established to use Turkish raw materials, markets for particular products produced were already saturated. In the 1950-60 period it was a common occurrence for a plant to be built suited neither to its site nor the demands of the economy.

Economic considerations did play a part in some of the 1950-60 investments. Turkey had been a large cement importer although raw material abounded in the country, and cement shortages were particularly acute in the provinces. By 1960, with only six of her ten new mills in operation, the country was self-sufficient in this commodity. (71) Oil was struck at Batman near Diyarbakir, and a refinery established on the site. A second refinery was needed in Izmit to process imported crude that still provided the bulk of Turkey's oil comsumption. Kuthaya was the most accessible site to nitrogenous phosphate deposits, which might make Turkey self-sufficient in fertilizers.

But at the same time, Turkey was in 1950 completely self-sufficient in sugar production and could not hope to compete on the world market for exports against cane with

her more expensive beet derivative. Four plants were operating in 1950, yet the government proceeded to build 14 more.* Three of these were halted in an unfinished state by the revolutionary government after 1960. Surplus production during the decade had been dumped or sold on the world market at a loss, and the AID-OECD sugar industry report concluded that installed operable capacity was twice what the country could absorb. (72)

The 11 textile plants** were built even while private enterprise was increasing its independent factories and other government mills operated below capacity. Here the OECD-AID team pointed out that poor quality of production made export of the plants' surplus unfeasible and commented:

> "In view of the very apparent over-expansion with which the Turkish industry is faced, it is unfortunate that these newer ventures, encouraged and assisted by the infusion of government money, were not assessed with a more realistic appraisal of the market for textiles in Turkey." (73)

The State Enterprise study also noted that any one of the four meat-packing plants could have supplied all of EBK's sales (the state meat and fish agency) during 1960 or 1961. (74)

Major difficulties extended even to operations that were economically feasible and well-located in regard to

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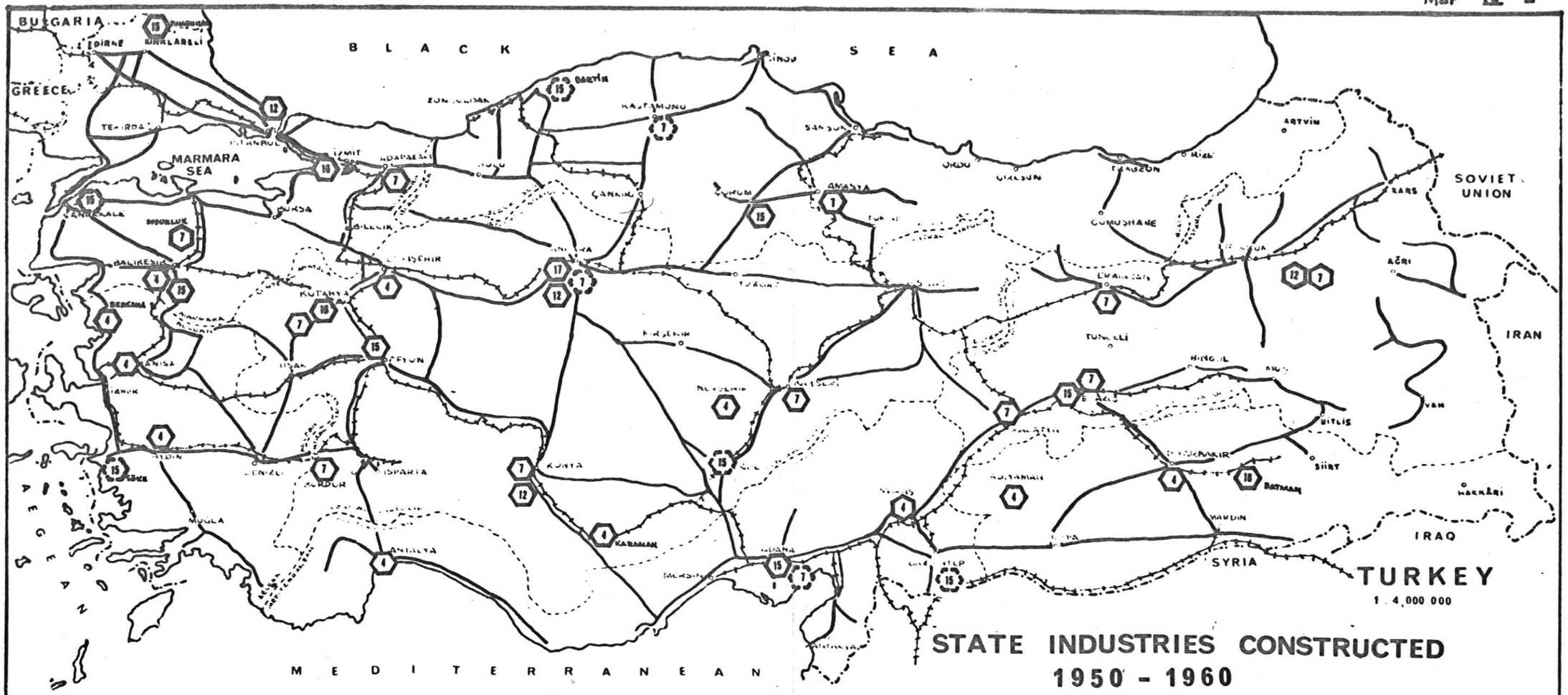
*Construction of the sugar mills also resulted in expansion of beet cultivation, another mistake.

**Some of these plants had participation from private capital, although government assumed most of the costs and risks.



Sources: A. Nil and N. Baban, Türkiye 1950-58, Garan, Istanbul, 1959.

OECD-AID, Individual Reports of State Economic Enterprises in Turkey, GOT, Ankara, 1961.

resources. Six year construction delays prevented completion of the Kuthaya fertilizer factory and the Bartin Cement Plant until the end of the decade. By 1962, Bartin was complete but had no transport link to its source of raw materials. The steel mill was embarking on expansion without an assured supply of coal, and some foreign exchange allocated for coal mine machinery was not spent as the mine production decreased. (Chapter Six) These problems indicated that the government's aim to industrailize the interior was not being realized in an effective manner.

B. Other Programs

Among other public dispersion activities was an extensive power plant effort which increased capacity from 400,000 kw. to 1,200,000 kw. in nine years. (75) Major harbor improvements were initiated at Samsun, Zonguldak, Mersin, and Iskenderun, and the government commissioned a survey of 27 small ports. This survey was not concerned with feasibility of improvements, but rather with detailing the improvements that would be made. (76)

Educational programs continued to emphasize increased lycee and other secondary school instruction, again in provincial centers. The number of students in secondary schools tripled over the decade, while those in primary

grades increased by two-thirds (77); and a new agricultural university was founded at Erzurum in an effort to spur the city as a development center for the far east. Housing credits were made available throughout the provincial cities and many dwelling units were built, yet all of the larger provincial capitals were faced with a gecekondu problem.

It appeared from these programs that government was concerned with giving "a little bit" of development to each of a great number of locations. Whether this "little bit" was sufficient to start any of the outlying regions into the process of dynamic growth could not easily be ascertained.

Unfortunately data in depth are available only for Zonguldak province where the coal, steel, and brick complex was joined by other developments during the decade. Analysis of Zonguldak will be the subject of the next two chapters.

For the rest we can draw only tentative conclusions based on the pattern of urbanization and industrialization evidenced during 1960.

VI. The Pattern of Urbanization in 1960

Map IV-4 and Tables IV-11,12,13 present data on the pattern of urbanization for 1960. The data indicate that a number of centers outside the three main cities were growing rapidly, but that these three were still the major magnets.

By 1960, some 25 percent of Turkey's population could be considered urban, compared with 19 percent the decade before. Roughly two-thirds of this number was concentrated in cities over 50,000 in size, which had increased from 12 to 27 over the period. The three "national" centers of Ankara, Istanbul, and Izmir comprised about one-third of the total urban population and had absorbed one-third of the increase in all cities between 1950-1960. (p.197)

Table IV-11 indicates that each geographic region held roughly the same proportion of total population in 1960 as it did in 1950. Slight drops were experienced in the Black Sea and Eastern Anatolia (the former with the most dense rural population concentrations and the latter with the poorest agriculture) from which regional out-migration may have been heavy. Other regions rose slightly or remained stable.

Urbanization was everywhere pronounced, although the Eastern and Black Sea areas continued to be more rural than other parts of the nation. The most spec-

tacular proportional rise of urbanization was in the Mediterranean, whose population in cities over 10,000 rose from 21.5 percent of its total in 1950 to 33 percent in 1960.

Of all the trends, however, perhaps that of greatest significance was the continuing eastward spread of urbanization. Marmara and Aegean again dropped in their proportions of Turkey's urban population, and all of the other regions gained. Marmara fell from 50 to 39.5 percent of the proportion in cities over 50,000, and the Aegean from 11.0 to 9.3 percent. Central Anatolia remained relatively stable in its proportion, while gains were noted in the Mediterranean, Black Sea and Eastern Regions. By 1960, every major geographic region had at least two cities over 50,000 in population.

This eastward spread can be clearly seen on Map IV-4. Heavy urban concentrations exist in the Western regions of Marmara and Aegean where the large centers have satellite to them numerous cities of various sizes. Yet on the Central Plateau, in addition to the national center of Ankara, are three concentrations over 100,000 (Eskişehir, Konya, and Kayseri) and a fourth almost as large (Sivas). Down on the southern coast, a network of cities large and small focusses on Adana and Gaziantep, with a secondary concentration at Antalya.

Although the far east is still rural and sparsely settled, Erzurum has emerged as an urban "outpost" of over 100,000. Along the Black Sea coast three somewhat smaller concentrations can be identified around Trabzon, Samsun, and Zonguldak.

Outside the three main centers, the areas of heaviest urbanization appear to be those where heavy public investment had occurred. Of the 24 cities over 50,000 (aside from Ankara, Istanbul, and Izmir), all were served by all-weather links in the national highway system and 20 also had rail connections. Twenty-two were provincial capitals. Nineteen had major state industrial enterprises and 15 more than one. Most possessed some form of military installations, and six served as ports.

Seven cities slightly under 50,000 had doubled or more in size during the decade (Erzincan, Denizli, Kuthaya, Isparta, Kirikkale, Karabük Osmaniye). All had both highway and rail access, and the first six possessed state industries which underwent expansion or were newly constructed after 1950.

Only along the southern coast, in the area of Adana, Mersin and Iskenderun, did private investment seem to play some important role in the expanding economic base of these urbanizing areas. This section, known as "Çukorova" is particularly interesting and might provide an even better case study than Zonguldak were data in

depth available.* For here government not only brought highways and some industry, but conducted its most extensive irrigation program and installed substantial amounts of infra-structure related to the military ports of Iskenderun and Mersin and the major NATO airbase at Adana. Cities in this area showed some of the highest population increases outside the main centers. Çukorova had an excellent opportunity to become a growth region, yet its severe power shortage (despite construction of hydro dams) and the almost total concentration of private investment in textiles** indicated that Çukorova, too, had serious difficulty in mobilizing its resources.

Except for Çukorova, government continued to be the main or sole source of any expanding economic base in the interior regions; and much of this expansion was suited neither to the regional nor the national economy.

We might feel more confident that some outlying areas were moving into a stage of dynamic growth had there been--during the 1950-60 decade--an effective means of coordinating the main public development expen-

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*A study of Çukorova is presently being conducted by the Ministry of Reconstruction.

**Local officials have told this writer that most of the private industrialization has been undertaken by the area's cotton farmers themselves in various ginning and finishing industries. These are in direct competition with the government plants and add to the nation's undisposable surplus. The owners appear to survive via the high price supports on both raw cotton and finished products. Other plants suited to the area (the grain-washing station at Mersin cited above) have not found financing. Nor is there any packing or juicing plant to process the region's growing citrus production which, according to AID and FAO sources, could easily supply much of the West European market.

ditures made within a given region or province. With coordination, these projects in industry, transport, housing, etc. might have been sufficiently mutually-supporting to provide an area with at least the basis for a first round of growth. However, one of the most serious obstacles to emergence of growth regions was the lack of area coordination which now characterized activities of government staff agencies. It is to this subject that we turn below.

Table IV-11

Total Population by Gross Geographic Region for 1950 and 1960

	1950		1960	
Region	Tot. Pop.	Pct.	Tot. Pop.	Pct.
Marmara	3,814	18.2	5,229	19.0
Aegean	2,206	10.6	2,919	10.5
Cent. Anatol.	4,739	22.6	6,386	23.0
Mediter.	2,052	9.9	2,896	10.4
Black Sea	4,608	22.0	5,658	20.3
S.E. Anatol.	1,121	5.3	1,683	6.2
E. Anatol.	2,411	11.4	3,031	10.6
Total	20,971	100.0	27,802	100.0

Source: Census of 1950 and 1960 in Keleş, op.cit., Appendix

Table IV-12

Population in Cities 10,000 and over by Gross Geographic Region for 1950 and 1960

	Population in Cities 10,000 and over in 000		Number of Cities		Pct. of Regional Population		Pct. of National Population in Cities 10,000 and over	
	1950	1960	'50	'60	1950	1960	1950	1960
Marmara	1,418	2,243	20	29	37.0	42.5	35.7	31.3
Aegean	542	860	18	21	24.5	29.5	13.8	12.5
C. Anatol.	817	1,585	22	26	17.2	25.0	20.7	22.8
Mediter.	447	951	12	22	21.5	33.0	11.4	13.7
Black Sea	348	673	18	27	7.6	12.0	8.9	9.8
S.E. Anatol.	171	271	8	9	15.2	16.0	4.3	4.0
E. Anatol.	205	405	8	11	8.5	13.3	5.2	5.9
Natl. Total	3,943	6,988	106	145	18.8	25.0	100.0	100.0

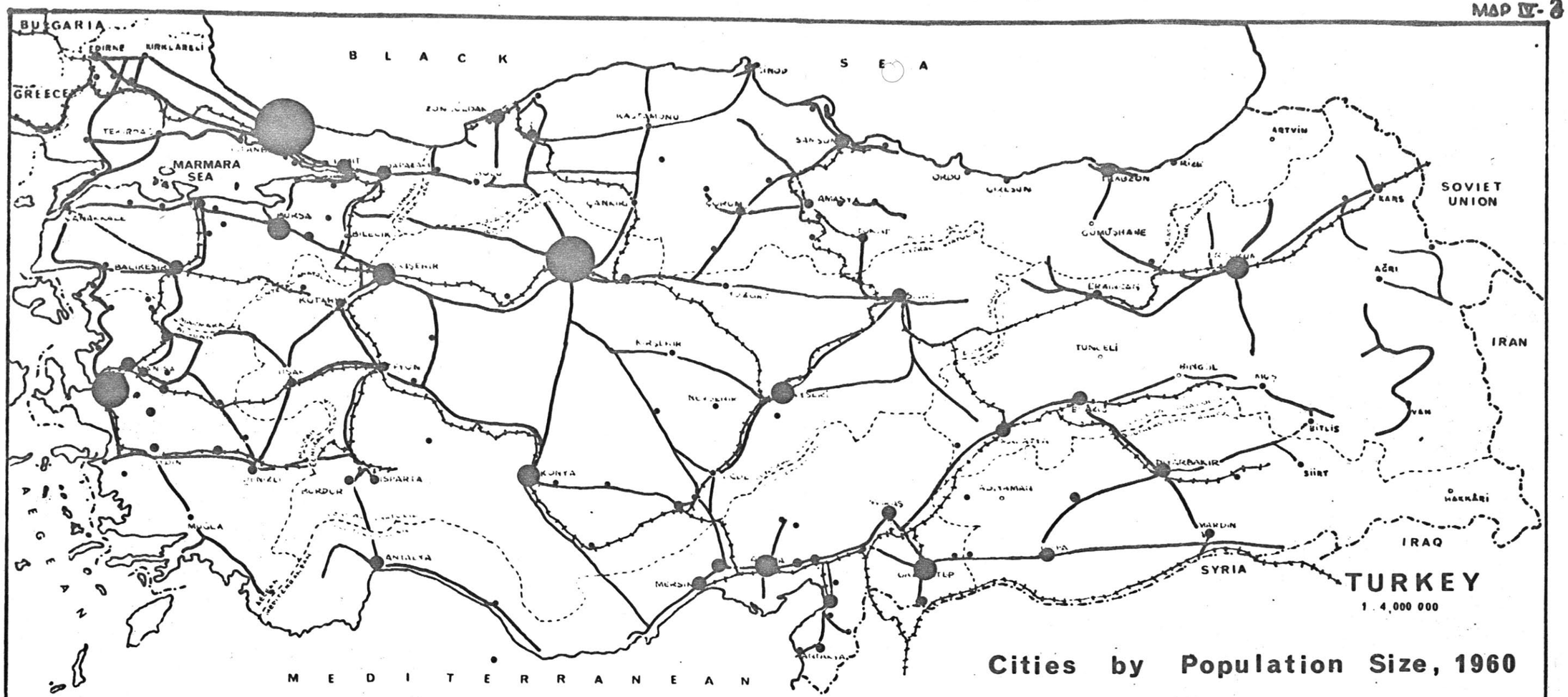
Source: Keleş, Ibid.

Table IV-13

Population in Cities of 50,000 and over by Gross Geographic Region for 1950 and 1960

	Pop. in Cities 50,000 and over in 000		No. of Cities		Pct. of Regional Pop. 1950		1960		Pct. of Natl. Pop. in Cities 50,000 and over	
	1950	1960	'50	'60	Total	Urban	Total	Urban	1950	1960
Marmara	1,087	1,828	2	5	28.5	78.0	35.0	82.0	50.0	39.5
Aegean	240	430	1	2	10.9	44.0	14.7	50.0	11.0	9.3
C. Anatol.	561	1,119	5	5	11.8	69.0	17.5	71.5	25.6	24.5
Mediter.	190	629	2	7	9.2	42.5	21.7	66.0	8.7	13.8
Black Sea	59	231	1	3	1.3	17.0	4.1	34.5	2.7	5.0
S.E. Anatol.	0	141	0	2	0	0	8.4	52.0	0	2.8
E. Anatol.	53	236	1	3	2.2	25.6	7.8	58.5	2.0	5.1
National Tot.	2,189	4,616	12	27	10.5	55.7	16.6	66.5	100.0	100.0

Source: Keles, Ibid.



LEGEND

Population (000)

- 10 – 25
- 25 – 50
- 50 – 100
- 100 – 250
- 250 – 500
- 500 – 1000
- over 1000

- 1960 Provincial Capital
- Railroad
- Regional Boundary
- All-weather National Highway (asphalt or stabilized dirt surface)

Source: Kolars, Op Cit., p. 85 ff

VII. A Breakdown of Coordination

A. Proliferation of Agencies at the Center

Near the end of Inonu's tenure a World Bank mission surveyed the Turkish economy and its prospects. The mission concluded that increasing fragmentation of decision-making power at the center prevented Turkey from adopting a consistent national development program.

> "Except for the loose and general direction afforded by the Council of Ministers and the Grand National Assembly, the major agencies which carry out the policy in industry, mining, transportation, power, and communications are not subject to any central agency which can make policy for all of them. Ataturk maintained a close and coordinated control; but since his death and as dictatorial controls have been relaxed the different agencies have drifted apart and coordination has been lost." (78)

The problem lay partly with the increasingly complex nature of Turkish society. Early in the Republic, introduction of a modern economy to a peasant culture could be accomplished by concentration of development power in relatively few agencies directly responsible to top policy makers for both planning and operational instructions. Thus the Minister of Public Works was able to supervise infra-structure provision on the local, regional, and national scales. Sumer and Eti Banks could develop major industries working under the guidelines of a fairly simple national plan. The Minister of Agriculture, particularly with the small sums allocated for this sector under the Republicans, was in a position

to direct planning and implementation of most agricultural development programs.

In principle, at any rate, coordination was assured. Ataturk and his ministers framed policies and kept tight supervision and budgetary control.

In practice, however, the system became extremely cumbersome. Reponsibilites grew more complex as various industries and ministerial departments began to deal with critical operation and maintenance problems as well as development. Some of the smallest details had to be referred from the field to the Center where still another round of approvals awaited up to the ministerial level and beyond. Industrial plants and construction projects could grind to a halt while all the necessary channels were entered. Turkey could not expect to move far forward while this sytem remained in effect.

As one example of the difficulties, we have the following comments on the structure of the Ministry of Public Works during 1947:

> "...Under the administrative structure as it stood in 1947, all five departments had to recruit personnel, issue publications, receive and expend funds, requisition supplies and materials, and route correspondence through five bureaus, each of which exercised a veto power over departmental action. While each department retained the right of appeal from a bureau veto to the Minister of Public Works, this was far from a satisfactory substitute for effective autonomous control. Firm programming was next to impossible when any departmental project could be blocked at any stage by a bureau veto.

> ...the difficulty was compounded by the fact that the bureaus themselves could not make independent judgements on the Highway Department's recommendations. Every purchase of equipment and supplies and every sale...had to be submitted to the Accounts Control Office of the Ministry of Finance for final review and approval...
>
> The hierarchy of clearances, established by statute in 1929, was intended to assure strict accounting control of the budgets and expenditures...This purpose was frustrated by the very elaboration of checks and safeguards. It was impossible as a practical matter for the Department...to wait for weeks or months for the Ministry of Finance to approve of an emergency purchase of gravel to keep a key road open...The system was saved from complete breakdown only by the development of informal and officially unrecognized short cuts ...The consequence was that firm budget control, instead of being assured, was rendered impossible ... (79)

As the difficulties mounted during the 1940's, the Republican government created some semi-autonomous agencies along functional lines. The Democrats followed suit. Thus the sugar and cement industries, the forestry and land distribution directorates, the steel mills and the coal mines became quasi-independent bodies still nominally responsible to a ministerial body but with separate budgets. (80)

Confusion occurred due to a lack of consistent structural pattern to these agencies. Some had funds inside the regular government budget, others were outside, and the degree of independent control varied widely. About the only standard procedure was that decision-making power for each organization remained at the center. Field operations continued to refer to Ankara for planning and implementation instructions.

Under the American aid program emphasis on functional responsibility and autonomy increased. Vast sums were allocated to the irrigation and highway programs, for example, each of which was subject to the standard procedures and delays within the Ministry of Public Works and the further close scruitiny of every disbursement decision by the Ministry of Finance. The technical advisors firmly believed that these operations would not succeed unless they could cut through red tape and make their own decisions quickly. Thus, although still within the nominal control of Public Works, the Highway and Waterworks Divisions were granted what amounted to independent authority.

We might examine the Highway Agency as an example. According to Lehman, the Hilts Report recommended "new legislation recasting the Department of Roads and Bridges into an agency with reasonable autonomy and independent responsibility, and freeing it from its enforced dependence on the consent of bureaus which had no direct interest in the road system." (81)

Hilts proposed an organization modeled on an American state highway department. In actuality, however, the Karayollari agency established in 1950 was far more powerful than any American highway department. For it had no need to hold public hearings and was given complete and final jursidiction over location and timing of roads.

Nor did the legislation require that the roads program be coordinated with other forms of transportation, with industrial or other government development agencies. The General Director of Highways, as did the General Director of Waterworks under similar arrangements, essentially became a Czar with unencumbered authority over his sector of activity. Lehman comments:

> "The law gave the Directorate authority to keep its own books and to control its own receipts and expenditures...the Ministry of Finance treated the road funds as an unencumbered account against which the Directorate could write checks at its own discretion. There was no evidence that the Finance Ministry sought at any time to influence the Directorate in its use of these funds.
>
> The new law granted to the General Directorate full authority to decide upon road location and design, and to determine priorities in road construction and betterment...It continued the financial aid previously given to the provincial road systems, but made the payment of such aid subject to approval by the Directorate of provincial road plans and designs." (82)

Meanwhile, the strong thread of consistent direction, which had knit staff organizations together in an earlier era, was now broken. At the same time as the sector agencies were freed to perform their limited functions

more efficiently,* no mechanism was substituted to insure that sector activities would also be mutually-supporting; e.g. that industries would be served by highways and power lines, or that a village might obtain assistance in raising its farm productivity at the same time as a road linked it with a city.

Top political leaders, antagonistic to the concept of planning, continued to press for across-the-board development. Heads of the semi-autonomous agencies were each allowed to establish their own systems of priorities on the construction and location of facilities, with external constraints limited largely to the total funds available in an annual budget and the requests from political leaders for specific projects. Under such loose direction and control, the likelihood that public expenditures within any given region or province might dovetail with one another became rare or coincidental.

As Morris notes in his evaluation of development activity late in the Menderes period:

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*Yet there were often significant failures in the provision of clear functional responsibility as well. Some operations were granted conflicting or overlapping authority. For example, three separate agencies held some responsibility for planning the nation's electric system (the Electric Research Institute, the Waterworks agency, and Eti Bank), while the latter two shared in the operations of the system with the municipalities. The Waterworks agency was in charge of providing the main irrigation canals, but another General Directorate in another ministry (Agriculture) had jurisdiction over secondary systems, and who maintained what was unclear. (83)

> "growth has proceeded on all fronts in an un-coordinated manner, stimulated and directed by the compulsion to build factories, to develop transportation and electric generating facilities and to improve production on the farm...Lack of effective direction and coordination have led to misallocation and waste of scarce resources..." (84)

B. The Impotence of Provincial Government

Failing consistent direction from "the top," Turkish administrative law still offered the possibility that provincial authorities might have power to bring about integrated area development within the Vilayets. The Vali, or provincial governor, is nominally responsible for all government activities conducted within the province and for a review of their budgets.

Although himself an appointee of the Ministry of Interior, the Vali supervises the operations of Agriculture, Public Works, Health, Education and other central government representatives within the province. (85) He must approve municipal budgets and has veto power over the election of municipal mayors. Through intelligence from his subordinate local officers, the Kaymakams and Nahiye Mudurs, the Vali is theoretically able to obtain a good grasp of his province's resources and needs. Each year the Vali assembles all requests for both administrative and development expenditures and forwards a provincial budget to Ankara for approval.

In practice, however, exercise of a coordinative function by the governor is next to impossible.

The main roadblock lies in the method of budgetary approval at Ankara.* For the governor's "package" budget goes to the Minister of Interior, who does not examine its contents as a package, but sends each section to the agency of ministry which handles the particular sector program. Although investment items may be related to one another when they leave the governor's office, they may be completely unrelated when they return. Gorvine comments:

> "For example, the Vali may request funds for a school and a road to that school. The requests go to the Ministry of Education and Public Works respectively. He may receive the funds for the school without the funds for the road, or funds for the road but no funds for the school. There are no formal coordination devices that come into play to prevent this situation from arising...Each agency, therefore, may receive funds quite unrelated to those of any other agency, and the Vali is unaware of what his Vilayet will receive as a total until it is virtually too late to do anything about it." (87)

Faced with the frustrations of central budgetary approval, most provincial governors have been content to remain, as Gorvine puts it, "simply the requisitioning officer for the agencies within (their) jurisdiction." (88) Wickwar notes that the men who become Valis have been

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*The provinces are almost completely dependent on Ankara for both administrative and development funds. Local revenue-raising power is so limited, that an average of 10 percent or less of provincial expenditures are obtained from local revenue sources. (86)

trained as administrators to carry out directives sent down from above, not "as promoters, planners, and coordinators of economic and social development." (89)

The few Valis with imagination and drive to "beat the system" are faced with innumerable frustrations. The writer has met one such man, a retired navy admiral appointed as governor of Zonguldak. When the governor became aware of gaps and inconsistencies in allocations to his province, he bypassed the local representatives of the ministries and made frequent trips to Ankara 250 miles away. There he moved from office to office, buttonholing officials of the relevant sector agencies to discuss Zonguldak's problems. By the spring of 1962, however these contacts had met with no measurable change in allocation procedure. (See Chapter Six)

If any areas were favored at all under this set of provincial-central relationships, they were the national centers of Ankara, Istanbul and Izmir. For in Ankara, those men and agencies who made development decisions at a distance from other parts of the country were confronted with problems in their own immediate environment which required some coordinated decision-making. At Istanbul and Izmir, the major commercial, industrial and military centers, voices of other powerful interest groups were raised besides those of the governors to effect specific projects. We have already noted the evidences of concentrated development in these centers and their increasing attractiveness.

Any other area with real growth potential was, however, hindered in obtaining sufficient mutually-supporting public investment to mobilize its resources and to attract private entrepreneurs. Difficulties stemmed from those characteristics of national development decision-making noted above:

1. The commitment of top political leaders to nation-wide, dispersed investment and their commensurate failure to establish clear area priorities for the staff agencies' activities.
2. The breakdown in coordination among the staff agencies at the center.
3. The inability of regional officials to exact coordinated programming from the central authorities.

C. Some Signs of Modification

We have some evidence that, late in the decade, the government began to recognize a need for regional considerations in its development effort. Four items may be cited.

a. In 1958 a new Ministry of Reconstruction was created with responsibilities for housing and physical planning and general supervision over the Bank of Municipalities, the Housing Bank, and the Land Distribution Agency. This ministry was enabled to prepare regional plans for Turkey and to adopt measures for

implementing these plans. At the same time, however, the Ministry received no legal jurisdiction over activities of other development agencies--all in senior ministries or semi-autonomous--and no powers to enforce compliance with any programs it should prepare. Its small regional planning department held, moreover, no specific legal responsibility within the Ministry and, by the end of the Menderes period had prepared no plans. (90)

b. In 1959 a pilot county-wide development project was tried in a small Kaza (Koycegiz) some 150 km. south of Izmir. Under OEEC sponsorship, the operation involved participation by several different ministries and agencies. It suffered organizational difficulties and was abandoned in 1960. (91)

c. The FAO, as part of its mission report, proposed a coordinated investment program largely agricultural in character, for the three provinces of Antalya, Isparta, and Burdur on the southern coast. The government appeared willing to support the program, but a revolution occurred before any final commitment for allocation of responsibility could be made. (92)

d. According to Robinson (93), Menderes was considering replacement of the 60-odd provinces by 10 "super-provinces," each under the jurisdiction of a Vali. This system would allow for more streamlined administration and development programming. Although many Turks have mentioned the super-province idea to this writer, it appears to have been only an idea, not a worked-out plan, by the time the government fell.

With time, the government might have moved to establish investment priorities on the basis of growth regions. But there was no time, and May 27, 1960 arrived with little evident changes in the Democrat's policy of dispersed, uncoordinated investment outside of the three main centers.

VIII. 1950-60, A Summary Evaluation

A. End of an Experiment

On May 27, 1960 a miliatry coup overthrew the Menderes government. After seventeen months of military rule and the abolition of the Democratic party, free elections were held and Turkey returned to civilian control--an uneasy coalition between the Republicans and former Menderes supporters, with Ismet Inonu as Prime Minister.

Meanwhile, a lengthy series of trials ended in the execution of Menderes and two cabinet members and the imprisonment of Bayar and over 200 deputies and public officials. Although Turkey would again become a democracy, the Democratic Party experiment was ignominiously ended.

Increasingly repressive measures adopted by the government to stifle its political oppostion brought on the military revolt. This repression, the spending policies of the administration,* and its leaders' personal morality were main subjects at issue during the trials.

Whatever the merits of the charges, Turkey of 1960 was clearly in serious economic and political difficulties. Some targets of the Menderes administration had been achieved, but they came at the cost of inflation and

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*At the insistence of the allies, Turkey had introduced a currency reform in 1958 which halted inflation and reduced imports but had no noticeable effect on government spending.

increasing dependence on the assistance of Turkey's allies. Unless this assistance continued for an indefinite period, it now appeared that Turkey could not survive.

The Democrats had put economic development as the foremost objective, and indeed made some remarkable strides. National income rose 70 percent over the decade (at 1961 factor costs). Per Capita income, kept down by the increase in population, experienced a respectable growth of 24 percent between 1950 and 1960. Industrial production rose substantially, by 77 percent. The yearly level of Gross National Investment, which had been under 10 percent of GNP in 1950, was maintained at from 12 to 16 percent during the decade. (94)

Yet the rise in income was imperfectly distributed, with the three national centers (themselves under enormous migration pressure) outstripping the rest of the nation. Furthermore the agricultural sector received little benefit, despite heavy investment outlays. We have noted earlier that farm production increased 45 percent in value, while cultivated land expanded by over one-half. Moreover, much industrial growth can be attributed to heavily-subsidized state factories whose products were unsuited to Turkish or foreign markets.

Only via inflation and foreign aid was the high level of investment maintained. Total money supply (in circulation and in bank deposts) rose from 1.9

billion TL in 1949 to 13.1 billion TL in 1960. (95) The annual budgetary deficit, 8.5 percent of public expenditures in 1950, rose to almost 18 percent by 1960. The bulk of this deficit was met by grants, loans, or the allocation of counterpart funds from Western allies. (96)

In only one year (1953) did foreign aid take up less than 50 percent of the budgetary appears, and for most years this assistance met about two thirds of the amount.

In 1950 the country's foreign trade deficit had been $22.3 millions. Table IV-13 below indicates how this annual deficit grew during the decade.

Table IV-14

Turkey's Annual Foreign Trade Deficit, 1950-60

in $ millions

1950	22.3
1951	88.0
1952	193.0
1953	136.4
1954	143.5
1955	184.3
1956	102.3
1957	51.9
1958	67.8
1959	116.2
1960	147.5

Source: "First Five Year Development Plan," State Planning Agency, Ankara, p. 21

At the end of Menderes period, most economists agreed with Baade, who wrote:

> "The task of achieving an equilibrium in the Turkish balance of payments is consequently of rather a frightening magnitude. Proceeds from exports can be increased to the necessary extent only through systematic development over a long period of years. During this period the unavoidable deficit in the Turkish balance of payments will have to be met by the friends of Turkey if the task of making Turkey independent of further foreign aid is to be solved." (97)

B. Spread of Development, Some Conclusions

The Democrats' expansion programs brought some benefit to the Turkish people, but the benefit came at a cost of political chaos and national insolvency.

As with the Republicans before them, extension of economic growth from the traditional centers of Istanbul and Izmir was a key aspect of the Democrats' development effort. Outside of a major concern with Ankara, both governments had followed a dispersed rather than a concentrated approach to decentralization.

Objectives behind this approach were, however, quite different in the two periods. So, to a certain degree, was the outcome. For, although each effort led to substantial waste and inefficiency, the situation in 1960 could be considered worse than at any other time. Planning had been abandoned and coordination had broken down. Maintenance of costly, unproductive dispersion

measures had contributed to the country's deepening debt. Growth at the national centers continued to pull away from the rest of the country. Many other regions had become urbanized, but few cities could boast a viable economic base to absorb their populations and offer long-run prospects for productive employment. Despite heavy investments, agricultural decline was unchecked, and the indigent peasantry was moving to the cities.

Both governments pursued what may be construed as "political" goals in adopting the decentralization measures. Ataturk's political objective was one of achieving national unity and integration through widespread extension of modern economic and social activity. He was not concerned with votes as a means of retaining power. The Democrats, however, were concerned with popularity.. Development of the interior, where most of the population lived and private enterprise was not flourishing, could bring political support--and did.

Both governments held economic objectives as well. The Republicans had been committed to exploit interior resources as substitutes for imports. The Democrats, also concerned with resources, nevertheless had also promised high levels of employment and income. Interior public industrialization during the 1950's seemed conducted more from the standpoint of providing widespread employment than from a careful examination of resource potential.

The Republicans wanted to diminish Istanbul's importance, and thus tried to keep all possible projects away from the old capital. Menderes and Bayar, however, intended to restore Istanbul's glory, if not its political power. Devoted also to Izmir and Ankara, they intensified other urban programs in the interior when pressures on the centers grew too acute to handle and conditions in the periphery continued to worsen.

Defense considerations motivated decentralization under both Republicans and Democrats. In the earlier era, however, the railroad line and the interior factories--both constructed partly for security purposes--did not result in major peasant movements. During the more mobile '50's, the defense-inspired highway network reached deeply into regions hitherto isolated from urban influences. As agricultural conditions deteriorated, residents of these regions found the highways, and the cheap transport they afforded, an easy channel to the cities.

The Ataturk-Inonu program was distinctly urban-oriented. The Menderes-Bayar program began by emphasizing improvements to the long-neglected agricultural sector; and this emphasis produced the most ironic set of paradoxes. Little rural emigration occurred while the Republicans were building up the cities. Great waves of migration were set off after the Democrats invested heavily

in the countryside. To some degree the exodus was expected as population grew and land dwindled. Yet the form of rural investment program which the Democrats conducted did much to accelerate the movement of people and little to raise their productivity. Only when faced with the magnitude of this population shift, did the government once more turn to industrialization of the peripheral cities.

Under the Democrats, concern with a build-up of urban centers in the interior came largely from desperation, rather than conviction. Such a build-up appeared to be the only way in which the main centers could be relieved of pressure, employement found for the displaced peasantry, and the party promises of a good life for all kept.

And in its haste to develop the periphery, government made many mistaken choices of investments suited neither to local resources nor national needs. Many interior communities received factories which in the short run could absorb some surplus labor but, because of the losses and subsidies involved, had a negative effect on the Turkish economy and were unable to serve as foci for attracting other enterprises. The advantages of providing highways and unprofitable industries to declining regions with little growth potential can be seriously questioned.

Even plants that were suited to the economy and the site seemed plagued with enormous obstacles to begin or sustain operations.

Once again the question turns upon the creation of growth regions outside the main centers. Given the approach to decentralization during the decade, it is difficult to see how any area could have amassed enough advantages to move into a stage of dynamic development. Ankara, Istanbul, and Izmir continued to draw a disproportionate share of the modernizing elite. The latter two continued to contain the great bulk of private development activity, and indeed, with the help of public investment, solidified their dominance. Any outlying region, such as Zonguldak or Çukorova, with the resource base for a substantial contribution to national development was hindered from realizing its full potential by the widespread, unrelated investment measures. Nor were there any formal institutions, within the regions or at the centers, that had power and responsibility to correct these imbalances.

Had the approach been less dispersed, with a commensurate concentration of attention on but a few of the many locations selected for invesment, the nation's overall economic picture might have been considerably better by 1960. The political conditions could hardly have been worse.

Such a contention is perhaps dangerous without more evidence than in this general review of public policy. Therefore, we now turn to a case analysis of one region whose broad resource base gave evidence of being extremely valuable to the Turkish economy. Conduct of development activity in Zonguldak resembled that in other areas of the nation. By examining conditions in Zonguldak, it may be possible to affirm or deny our assertion that Turkey's approach to decentralization seriously jeopardized both the creation of growth regions outside the main centers and the nation's larger development prospects. We will also be able to obtain a better grasp of the manner in which this approach was actually implemented.

CHAPTER FIVE

ZONGULDAK PROVINCE: A TARGET FOR DEVELOPMENT POLICY

I. Introduction

In Chapter One, seven characteristics were suggested as common to regions experiencing dynamic growth. They are:

1. Rapid Urbanization that results in:
   a. retention of population within the region who might emigrate were local economic opportunity unavailable.
   b. attraction to the region of migrants from other areas.
2. Major industrial development, related to the region's resources, which is able to function without prolonged subsidy or losses.
3. Existence of external economies which lead to the formation of industrial complexes.
4. Rising per capita incomes to support an increasing amount of service activity and employment.
5. A level of educational services substantially higher than the national average and a stock of other social overhead facilities sufficient to enable continuing economic growth.
6. Rationalization of agriculture and conversion from subsistence to cash-crop farming.
7. An "atmosphere" within the region conducive to further spurts of growth and change.

Our detailed examination of Zonguldak will attempt to identify the presence or absence of these characteristics. Zonguldak lends itself to a case analysis as an area whose entire spectrum of modern economic activity and infrastructure has materialized since Ataturk began to foster development of the interior forty years ago. This mountainous province is located some 300 km north-northwest of Ankara, bordering on the Black Sea. Small in size (8400 km^2 or one percent of Turkey's land area) and in population (570,000 in 1960 or two percent of the national total), Zonguldak is nevertheless extremely important to Turkey's economy.

It accounts for all of Turkey's bituminous coal supply, essentially the entire domestic iron and steel output*, and 13 percent of forestry production. In addition, there are major brick and tile installations and several smaller industries. Next to Istanbul, Izmir, and Ankara, the province holds the largest concentration of industrial workers in Turkey.

Public investment in Zonguldak province has been significant under both Republican and Democratic administrations. Although its blend of resources and economic activities is unique to the province, Zonguldak is representative of other areas outside the three main centers

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*except for small scrap furnaces at Istanbul and Izmir.

where public decentralization efforts have operated. The major industries are state enterprises, with their policy-making headquarters in Ankara. Infra-structure has been planned and installed by the same national sector agencies that function throughout Turkey. Responsibilities of Zonguldak's local authorities are identical to those in other provinces.

After a general description of Zonguldak, its geography and historical background, we will examine the state of its development during 1960-61 in terms of the seven growth region characteristics. This study will provide a basis for evaluating Turkey's decentralization policies as applied to a specific region outside the main centers. Although the study period extends beyond the Menderes administration, the subsequent government had made no significant changes in the character or organization of decentralization activity.*

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*The revolutionary government did, however, create a State Planning Organization attached to the Prime Ministry to oversee all aspects of public expenditure including regional development. By 1962 the agency had not yet produced its first national plan or regional programs, although both were under study. A five-year national plan was issued in 1963 and called for coordinated investment in Zonguldak, Antalya, and Cukorova.(1) At the same time, however, it recommended massive development efforts in the far eastern and southeastern regions, the most backward in the nation. Since these recommendations cover most of Turkey's land area outside the three main centers, the plan essentially represents a restatement of the dispersion approach.

Material on Zonguldak comes primarily from two sources: a 1961-62 study by the Ministry of Reconstruction's Regional Planning Bureau (Bolge Planlama), and the joint OECD-AID analysis of State Industrial Enterprises cited in Chapter Four.

Bolge Planlama performed a preliminary land use and economic analysis of existing conditions in Zonguldak. This was the first such study attempted by a Turkish agency for an area outside the main centers* and underscores Zonguldak's relative importance to the national economy. The study region was limited to the province itself, rather than a larger or smaller area because both the coal deposits and the main Black Sea industries between Marmara and Samsun were confined to the province.**

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*State Planning Organization staff members assisted in the study. At the same time as the Zonguldak project, Bolge Planlama also initiated a regional analysis of the Marmara. In 1961 FAO won approval to station a planning team in Antalya (again, with no implementation power) under SPO jurisdiction. In 1962, a joint planning program for Cukorova was initiated by SPO, Bolge Planlama, and the Agency for International Development. To the best of this writer's knowledge, these efforts have not yet led to specific investment projects or any reorganization in the conduct of development activity.

**Statistical data in Turkey for units smaller than the nation as a whole are primarily available on a provincial basis.

Of its major modern economic activities, only forestry extended beyond Zonguldak's boundaries into neighboring Vilayets. Data were obtained chiefly from files of state enterprises and sector agencies and were supplemented by field interviews. The Planning Bureau had no responsibility for implementing any of its findings, but presented some recommendations to other government agencies in 1962.(2) This writer served as resident foreign advisor to the Bolge Planlama team. Descriptive and evaluative material in the subsequent chapters, unless referenced otherwise, represents his observations during the course of the project.

The State Enterprise analysis dealt with the coal, steel, and cement industries in Zonguldak and was performed by foreign advisors expert in these fields. It resulted in recommendations for structural change to the industries.

On the matter of data, the reader is once more cautioned about potential unreliability in statistical material. Statistics on Zonguldak evidence many gaps and are often of questionable accuracy. They must rather be considered indicative of orders of magnitude and patterns of relations.

II. General Description (Maps V-2,3)

Zonguldak has roughly the shape of a right triangle. Its hypothenuse of 220 km. reaches from southwest to northeast along the Black Sea. The horizontal axis extends some 200 km. eastward to Central Anatolia, from which a north-south line approaches the ocean, 120 km. away.

The province lies within the Pontic mountain chain that stretches across the entire Black Sea coast. Sometimes as high as 500 meters at the shore, these mountains rise to 1200 meters or more at the province's southern boundary. Beyond them lies the central plateau.

Three rivers and numerous small streams drain from the mountains to the sea. The rivers (the Gulunc, Filyos, and Bartin) form valleys where the most intensive agricultural cultivation is conducted. The Filyos is the longest river, with a source some 200 km. inland, while the Gulunc, with a 30 km. length is the shortest.

Most of the settlements are located in the river valleys or at their mouths. Again reading from southwest to northeast, we see a pattern of four coastal communities each 30-50 km. apart at points where a river meets the sea: Eregli, Zonguldak City, Filyos town, and Bartin. The last is actually 10 km. inland on the sole navigable river of Turkey.* The only coastal town not at a river is Amasra,

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*Suitable for transit by 500 ton coastal vessels up to the town itself.

20 km to the northeast of Bartin.

Main inland towns of Devrek, Safranbolu, and Karabuk are all situated on tributaries of the Filyos river.

The bituminous coal deposits, with proven reserves of 1.3 billion tons (3), extend from Eregli along the coast as far as Amasra; although the presently-worked seams run from Eregli to Filyos and inland for no more than 10 km. Small manganese deposits are also present near Eregli.

Aside from these minerals, the chief natural resource of Zonguldak has been its forests which cover about 60 percent of the province. Inland are great stands of oak, beech, other hardwoods and evergreens. At the sea "the rocky limestone coast of Zunguldak is clothed with a luxuriant evergreen shrub vegetation--the bay tree, myrtle, tree heath, holm oak, strawberry tree, philyrea, rhododendron..." (4)

Zonguldak's climate is mild and humid. Rainfall averages from 1000-1500 mm yearly. This is roughly twice the amount of precipitation on the central plateau and half that of the damp tea-growing area of the eastern Black Sea.(5) In winter, temperature rarely falls below freezing along the coast and in the valleys, although the mountains themselves are snow-covered from December through March.

Population density in Zonguldak for 1960 was 67 persons per km^2, twice the average for Turkey and the three immediately adjacent provinces of Bolu, Cankiri, and

Kastamonu.(6) This overall density was roughly comparable with that of Izmir and the eastern Black Sea, though only half that of Istanbul province.

III. Historical Development

A. Before the Republic

In pre-Ottoman history, only three places within the present provincial boundaries held any importance. Ereğli was colonized by Greeks in the sixth century B.C. and became the large trading center Heraclea of Asia Minor. Amasra was settled at the same time, also by Greeks, and the two ports were later allied with Mithridates of Pontus in his battles against the Romans. In Byzantine times, Filyos was founded as a port at the mouth of the river that bears its name. Genoese families obtained all three of the towns for trading posts from the Seljuk Turks in the early XIV century. Their rule continued until Ottoman conquests about 1450.(7) Then each of the towns sank back to the status of a large village. Only one significant relic, the massive Genoese citadel at Amasra, remains to mark this early colonization.

In 1822, coal was discovered near Ereğli. The Sultan promptly gave mining concessions to several firms (mostly French) and rights to land that extended 100 km along the coast from Ereğli to Amasra and over 30 km inland.(8) Although title remained with the Sublime Porte, the mine companies had otherwise complete control over use of this territory. Since much of its was difficult of access, the land was allowed to remain in dense forests.

Mining was extremely primitive. It took place in many small areas along the coast, particularly Zonguldak town which, at 12,000 people, was the only sizable community by the 1927 census. The geographer, Ernest Nowak, toured the region at this period and commented:

> "There are no trained miners. The number of workers is insufficient; the methods employed are irrational, hence the price is so high that the coal can barely compete with the English imports." (9)

Total annual production amounted to about 1,000,000 tons, most of which was sent via coasters to Istanbul. The remainder went as bunker fuel for Black Sea ships.(10)

Nowak's description of the area as a whole in this, the beginning of the Republican period, indicates that Zonguldak region was very much a collection of small, isolated economies.

Each of the sea-coast towns was the focus of a small hinterland but had little relationship with the other communities. In addition to the coal ports of Ereğli, Zonguldak, and Amasra, Bartin also had a flourishing trade with Istanbul. It was a timber port and the center for a rich agricultural valley that sent poultry and eggs to the capital.

The only interior town of any prominence was Safranbolu, about 100 km from the sea and a way stop for caravans from Central Anatolia to Kastamonu and Sinop. Safranbolu takes its name from the saffron plant, its chief product.

Map V-1 shows the state of communications at the beginning of the Republic. No "all-weather" roads existed. Amasra and the river port of Bartin were connected by a track to Safranbolu open only in the dry season. The road from Zonguldak town to the interior stopped at Devrek, bent back to Ereğli and was closed for much of the year. All other communications were by sea.

B. Modernization, 1923-1960

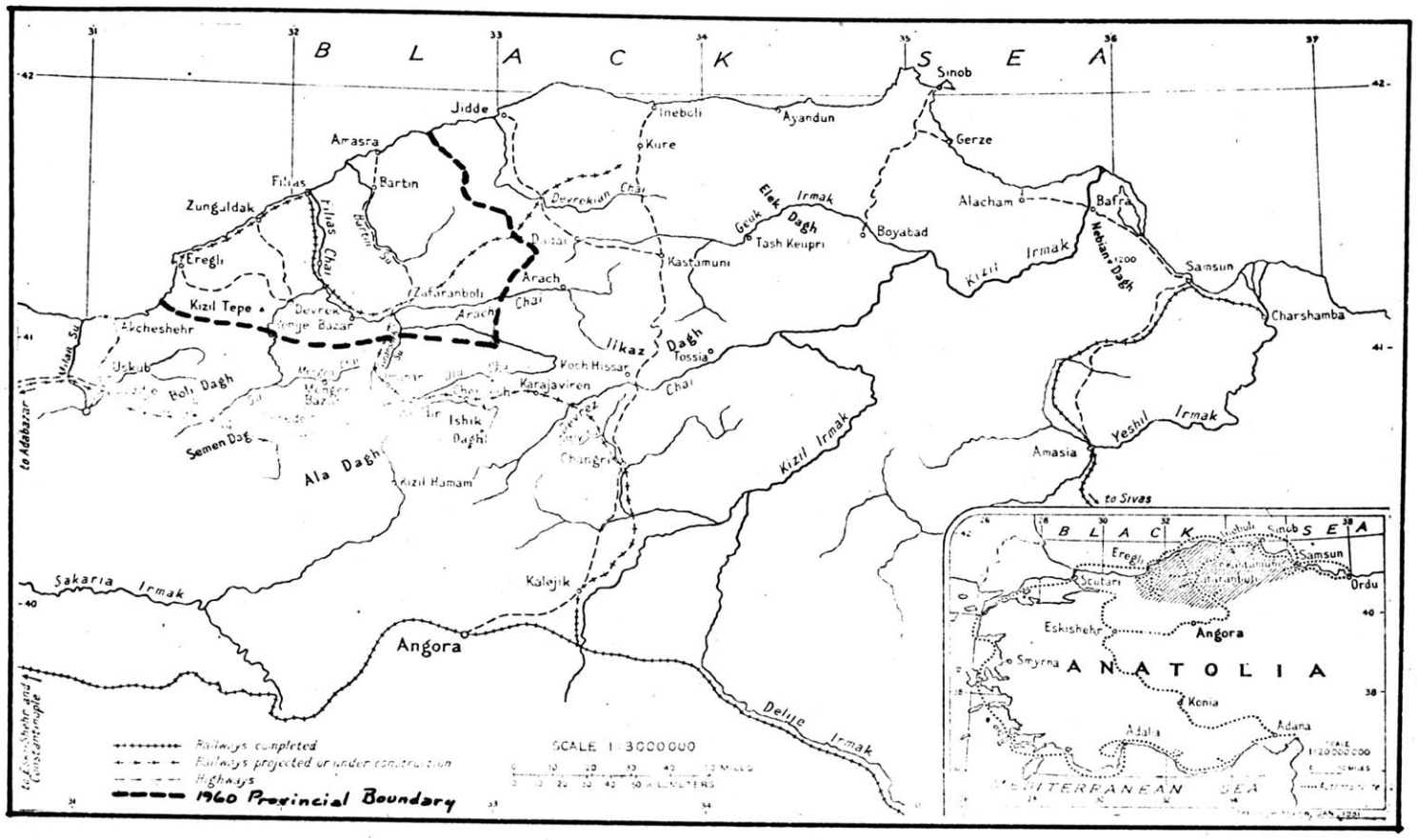
Ataturk early recognized the potential importance of coal deposits to domestic Turkish industry. Harnessing of this resource could make Turkey self-sufficient in power supply and would provide fuel for the nation-wide rail network. Government immediately began to buy out the French and the few Turkish concessionaires. A mine technicians' school was established in Zonguldak town during 1924. One of the first railroad extensions programmed was the Ankara-Zonguldak route (Map V-1).

Nowak comments on the importance of this projected line:

> "The opening of the lately projected railways would put the valuable coal field in touch with the interior and would also permit adequate exploitation of timber resources unrivalled in the Near East---beech, fir, pines and the less important oaks."(11)

The railroad was finished in the late '30's as far as Zonguldak town. A short line was also built just east of Eregli to transfer coal from the Kandilli fields to

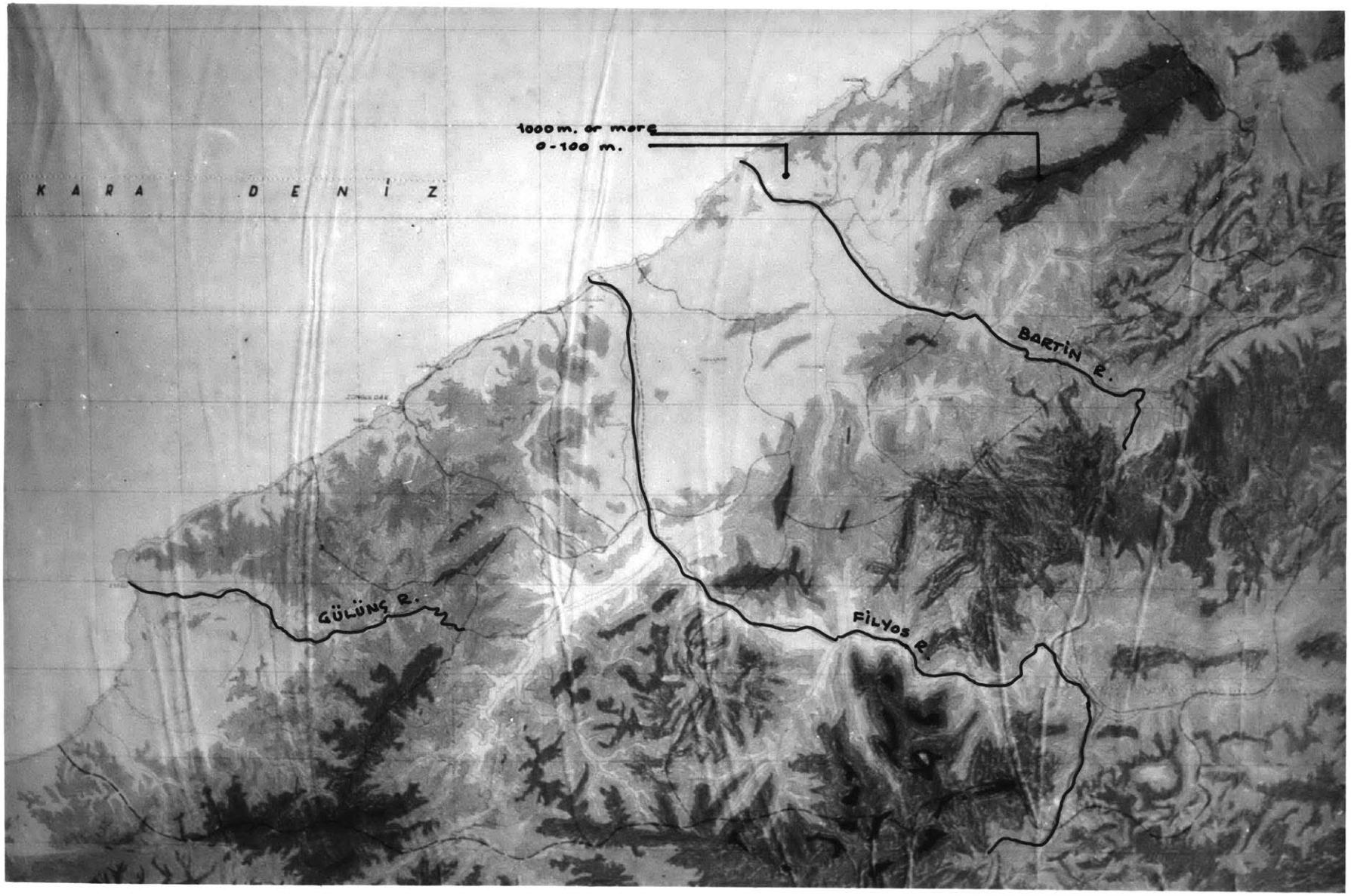
ZONGULDAK IN 1927



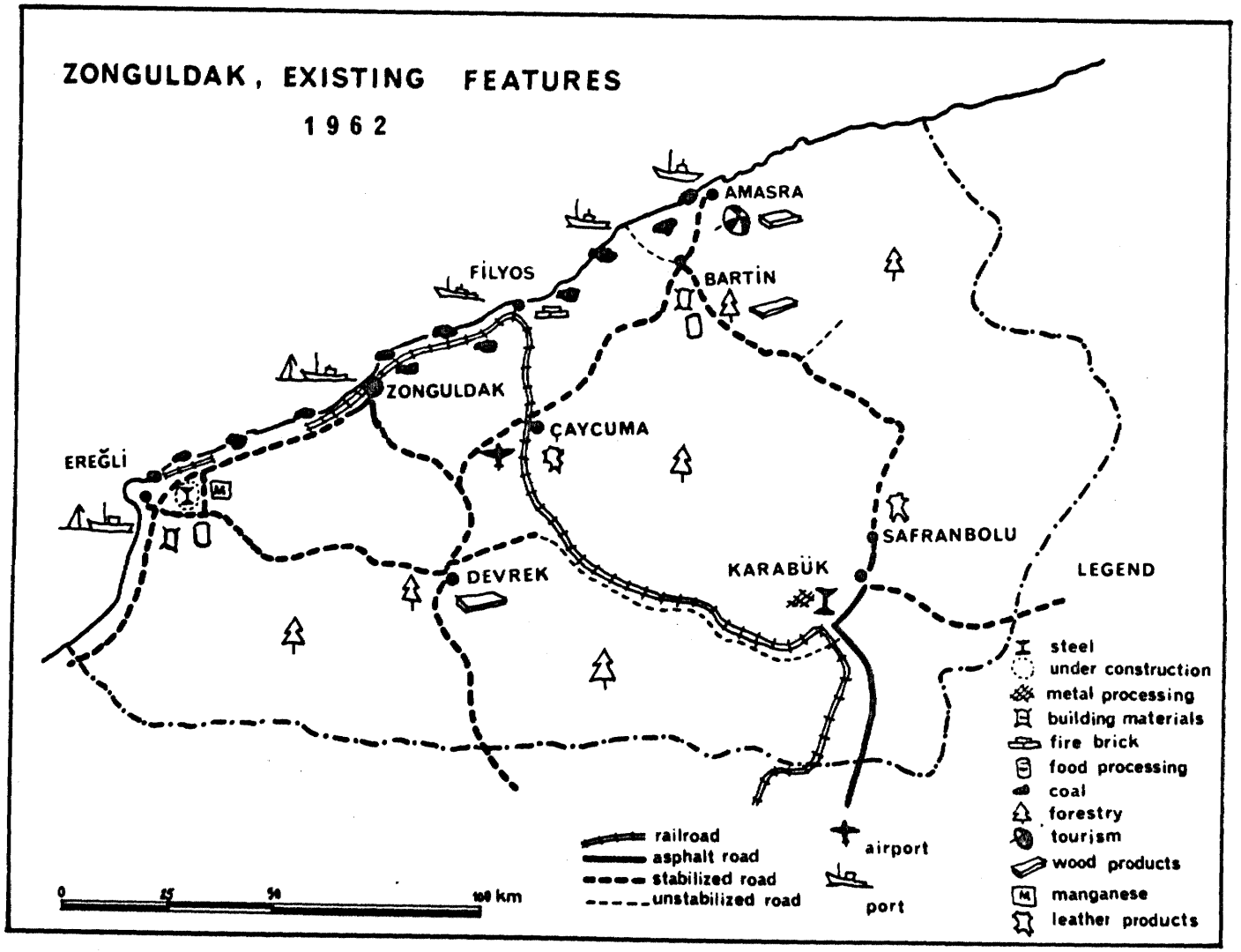
Source: Ernest Nowak, "Journey in Northern Anatolia"; Geographical Review, January, 1931, pp. 70-93

MAP V-1

ZONGULDAK TOPOGRAPHY



MAP V-2


ZONGULDAK, EXISTING FEATURES
1962
AMASRA
FİLYOS
BARTİN
ZONGULDAK
ÇAYCUMA
EREĞLİ
SAFRANBOLU
KARABÜK
DEVREK
LEGEND
steel
under construction
metal processing
building materials
fire brick
food processing
coal
forestry
tourism
wood products
manganese
leather products
railroad
asphalt road
stabilized road
unstabilized road
airport
port
0
25
50
100 km

MAP V-3

that port, but the two were never linked over the intervening 30 km according to the original plan.*

coal

Complete control of the mines was not obtained until the 1930's when ETI Bank took responsibility to consolidate, develop, and operate the shafts. It was then that the Bank, in order to obtain sufficient labor force, began the system of hiring temporary workers from among peasants in the province that remains to the present day. Official recruiting efforts are still conducted in 500 of Zonguldak's 735 villages, and each temporary miner spends from two to six months of a year at the pits.(12)

Production by the outbreak of World War II had risen to 2,700,000 tons run of the mine annually. Meanwhile, workers housing, social facilities, company offices, port, and railroad yards had been constructed at Zonguldak town, whose population grew to 33,000 by 1940. War halted the modernization program, which was revived in 1946 with the arrival of American advisors. A 10-year Marshall-Plan-supported modernization was completed in 1959 at the cost of 375 million TL. Further foreign aid funds were granted to the mines after 1959.

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*Engineers estimated that 11 tunnels through rock were required to make the connection. Although the plan remained on the books, it was always considered too expensive and was not revived until 1959. (See Chapter VI).

In 1960, run of the mine production was 6.3 million tons. Zonguldak City had grown to 90,000 and over 40,000 people (including permanent and temporary workers) were employed within the province in some phase of the mining operations. The country no longer imported coal.(13)

Control over the mines was taken from ETI Bank in 1957. A separate corporation TKI, with headquarters in Ankara, now owns this system. It inherited the two ETI bank subsidiaries, EKI (in Zonguldak) and AKI (in Kandilli) which actually operate the mines and defer to Ankara for major decisions. TKI is nominally under Ministry of Industry supervision.(14)

steel

In 1937, as part of the five-year industrial plan, Turkey's first steel mill was constructed at Karabük, a village 10 kilometers from Safranbolu and on the rail line. Coal came by rail from Zonguldak and iron ore by rail from Divrigi, 600 km to the east. Britain provided the initial technical assistance, which was continued by the U. S. after the War. In 1960, overall production was 216,000 tons, about half of the country's consumption. Some 8,000 workers are employed at Karabük, now a city of over 30,000 with workers housing, social facilities, etc.

The mill is currently embarked on a program to double its production. Funds come from a $15,000,000 Export-Import Bank loan and a German loan for a new coke plant.

The Mill was originally a Sumer Bank project, but is now a separate corporation, again with headquarters in Ankara.(15)

Other investments

Although coal and steel are the major industries, other investments--both public and private--have occurred since 1923. Forestry exploitation began under the Forestry Directorate before the war, and two saw mills employing together about 750 workers are now in operation at Devrek and at Ulupinar near Bartin. Between 1945 and 1950, a Sumer Bank refractory brick plant was built at Filyos (employing about 500) and the nation's largest power station erected just east of Zonguldak City at Catalağzi. This power station was linked with a grid system furnishing electricity to Marmara and northwest Anatolia. After 1950, port expansion at Ereğli, Zonguldak, Bartin, and Amasra was initiated and a four-lane highway constructed from Karabük to the Ankara-Istanbul road. Private investment became significant only after 1950, when small metals-processing operations agglomerated around the steel mill in Karabük; and food processing, brick and tile, and woodworking operations were started elsewhere in the province.

As the Menderes period drew to a close, construction on a government cement plant began at Bartin. Plans

were also drawn in 1959 for the largest single industrial project in Turkey's history---a second steel plant, jointly owned by private interests, the Turkish government, and foreign investors, to be built at the coal port of Ereğli. The U. S. Development Loan fund would provide $139,000,000 in foreign exchange for this operation. Construction began in 1961 with opening scheduled for 1964.(16)

Thus, from primitive beginnings, Zonguldak province became an important producer of raw material and industrial goods for Republican Turkey. It was a target for government investment throughout the 40-year period and had recently begun to draw some private capital. In terms of foreign aid to support Turkish industry, the province was clearly an area that drew much interest. Its resource base was such that even further contributions might be expected.

IV. Urbanization and the Pull for Population

First on the list of growth region characteristics is urbanization. It was noted in Chapter One that modern economic development would lead to rapid urbanization, that the region would become attractive for migrants from elsewhere in the country who might otherwise seek work in the national centers; and that local urban employment opportunities would keep local residents within the region in its cities or in their traditional rural surroundings. This section will examine the three phases of urbanization as they appear in Zonguldak.

A. The Urban Pattern

By 1935 and the commencement of ETI Bank's mining program, Zonguldak city had grown to 28,000 people and was still the only community over 10,000 in the province. It represented less than 10 percent of the population. In 1960, three cities were over 10,000 and contained almost 25 percent of Zonguldak's people.(17) Although this figure was comparable with the overall national average, it was twice the average urbanization for provinces along the Black Sea. (Table IV-10)

In addition to the three centers, several smaller communities possessed some "urban" characteristics and economic activity. Important functional interdependencies

had materialized between these towns. Instead of the earlier pattern of isolated economies, by 1960 a set of hierarchical relationships had begun to characterize the urban pattern. Below is a list of the communities with some urban characteristics. They may be located on Map V-3

Table V-1

Cities and Towns in Zonguldak--1960

name	population
Zonguldak*	90,000
Karabük	31,000
Bartin	12,000
Ereğli	9,000
Safranbolu	7,500
Devrek	4,000
Filyos	4,000
Amasra	2,500
Caycuma	2,000

Source: "1960 Genel Nufus Sayimi, Telegrafla Alinan Ilk Neţiceler," Istatistik Genel Mudurlugu," Ankara, 1961, p.17

Each of these was a market center for nearby villages, and all but Filyos and Amasra were Kaza or "county" seats. Each performed at least one modern economic function linked in some way with other towns in the region. A brief description of the main economic activities and regional interrelationships of each community follows.

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*For this analysis Zonguldak City is considered to include the contiguous suburbs of Kozlu and Kilimli. Although separate municipalities, all are part of the coal community with no logical basis for separation. In 1960, Zonguldak had 60,000 people, with the remainder about equally distributed to the other two.

Zonguldak City is the provincial capital and seat of all major governmental agencies within the province. It is also "capital" of the coal district, containing most of the miner's residences and the headquarters of EKI which operates the local mines. Zonguldak also contains major coal-washing stations and the large repair shops for mine equipment where spare parts and some sheet metal enclosures are fabricated. Zonguldak receives much of its iron and steel from Karabük and in turn ships approximately 750,000 tons of coal yearly to power blast furnaces at the mill. The harbor deals almost exclusively in coal for shipment to Istanbul and other ports.

In addition to its government-managed mine activity, Zonguldak contains about 20 small private industries (from 10-15 workers each) engaged in biscuit-making, soda-bottling and other food processing operations; in machine repair; and in making rubber footwear for peasants---all locally consumed products.

Karabük was a new town expressly constructed for the steel mill, and it remains almost exclusively an iron-and steel making center. In addition to the large government plant, since 1950 the private sector has constructed some 20 small metals processing operations. These are foundries and rolling mills, some employing as many as 50 workers. Raw material is purchased from the government

mill. Production of both public and private plants is mainly shipped out of the region. (Map VI-2)

Coal comes to the mill via rail from Zonguldak, 100 km away. Iron ore is also brought by rail from Divriği in Eastern Turkey, 600 km away. Only limestone is locally mined.

With growth in the steel industry, Karabuk's development now extends as far as Safranbolu, 10 km distant, where "suburban" housing for plant officials has been erected.

Karabük's port is Filyos, rather than Zonguldak whose harbor is too small for even the present coal trade. Weather conditions at Filyos, however, keep the makeshift jetty that serves as harbor facilities unusable for half the year.

Bartin, the third largest city, is the center of what diversified private enterprise exists in the region. Its small shipbuilding yards construct many of the wooden coastal vessels in use along the Black Sea. A half-dozen brick and tile operations (ranging from primitive kilns to one modern plant employing 100 workers) provide much of the region's building materials and export to other areas on the Black Sea.

Two canneries were established after 1950 to process the area's agricultural produce (each privately owned and employing about 50 workers). A biscuit-making plant and

some small oil presses round out Bartin's industrial activity.

In 1960 a large public cement mill was under construction. The mill was scheduled to use slag from Karabük's steel process as its main raw material, an operation that would further solidify a link between the two cities.

Ereğli presently functions as the coal port for AKI, the second and smaller company subsidiary that operates mines to the east of the town. Due to congestion at Zonguldak harbor, coal steamers regularly wait several hours or more in the sheltered Ereğli port before proceeding to their destination. Ereğli also has the oldest cannery in Turkey (private with about 25 workers) and a few building materials operations. It is the site of the second steel mill, now under construction.

Safranbolu is still a way stop on the road to Kastamonu and eastern Black Sea ports. Its saffron production has disappeared, however, and the town has declined in favor of Karabük of which it is now a suburb. One industry, a small private tannery, was in operation and furnished hides for boots and gloves to be used by mine and steel mill workers.

Filyos is the site of Turkey's major refractory-brick plant. Fire-clay abounds in the immediate vicinity, and additional raw materials are shipped from Istanbul. A large part of Filyos' production goes to the furnaces of Karabük, of which it is also the port.

Devrek is the center of the Forestry Directorate's operations in Zonguldak. It is exclusively a lumber town, with a 500 man saw mill. Some pit-props for the Zonguldak mines are sent from Devrek (although the bulk of this requirement is imported from abroad). Two bus and truck body-building operations have been established by private entrepreneurs since 1950 (25-50 workers all told) and consume some of the lumber. Devrek is also a transport junction where the roads from Ereğli and Zonguldak converge.

Amasra no longer produces coal, although proven reserves exist in the adjoining hills. It is now a fishing village and NATO port, with one of the few concentrations of woodworking handicrafters that exist in Turkey. The street of woodworkers sells primarily to summer tourists who form the real economic base of this picturesque community.

In the summer, Amasra's population swells from 2500 to 10,000. Both the Zonguldak mines and the Karabük steel mill operate rest camps here for their workers. The town

is a 6 1/2 hour drive from Ankara and draws many vacationers from the capital. Accommodations are spare: three decrepit hotels and the homes of local residents who take in boarders during the season.

Caycuma is really a large village but contains some "cottage industry" in leather-working. Hides are brought from the Safranbolu tannery to be made into shoes and gloves for the industrial workers. Some Caycuma residents commute by train to the Filyos brick plant, 20 km away.

B. The Attraction for Migrants

Before economic developments under the Republic, Zonguldak had little reason to attract population. Our query is whether the subsequent urban economic activity has drawn population from other regions, thereby siphoning away some of the potential migration to the main national centers.

Statistical material here is quite sketchy. We must rely on information collected during the 1950 and 1955 censuses of population as an indication of trends.

Between 1950 and 1955 population in Zonguldak province increased at an average annual rate of 3 percent, slightly higher than the national figure. Some 64,500 people were added to the 1950 total of 427,000.

Of this addition 24,500 (38 percent) were people born

in other provinces. Meanwhile, 7,500 people born in Zonguldak had moved to other areas between 1950 and 1955. This left a net balance due to immigration of 17,000 or over one-quarter of the total increase.*

In 1955, 58,000 residents of Zonguldak province listed other areas as their birthplaces. They formed 12 percent of the total provincial population. Only 27,000 people who claimed Zonguldak as their birthplace (6 percent of the total born in Zonguldak) were then living in other provinces.(18)

Thus, Zonguldak appeared to have gained twice as many people from other areas as it had lost to emigration. The immigrants represented a significant proportion of the region's population and indicated a drawing power both in the province's immediate surroundings and into more distant areas where emigration was pronounced. Most migrants came from the three adjacent vilayets of Bolu, Çankiri, and Kastamonu; from the densely populated eastern Black Sea provinces;** and from the highlands of Eastern Anatolia.

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*These figures deal only with net migration at the end of five-year census periods. We have no way of measuring yearly flows or temporary movements, which may be higher or lower than the above figures.

**By 1950 (the only date for which we have figures) Zonguldak had absorbed six percent of all those who had emigrated from the Eastern Black Sea Provinces.(19)

Table V-2

Birthplaces of Immigrants to Zonguldak--1955

Total number of Zonguldak residents in 1955 who were born elsewhere....58,000		
Adjacent Vilayets: (Bolu, Çankiri, Kastamonu)	12,000	21%
Eastern Black Sea: (Coru, Giresun, Ordu, Rize, Samsun, Sinop, Trabzon)	26,000	45%
Eastern Anatolia: (Erzincan, Erzurum, Sivas, Gumuşane)	4,000	7%
All Other	16,000	27%

Source: Bölge Planlama Data from Central Statistical Office

The two major cities, Zonguldak and Karabük, had been targets for most of this population flow. In 1955, over three-quarters of those born outside the province lived in Zonguldak City and Karabük, and they comprised one-half the population of these centers.(20)

C. Retention of Local Residents

Perhaps an even more telling indication of Zonguldak's attraction power is the ability of its economic activity to keep peasants within the province who might otherwise leave.

Between 1950-55, population in places under 5,000 grew by an average annual rate of 2.1 percent. This was somewhat higher than the overall national average for

places under 5,000, 1.9 percent. Zonguldak's rural population continued to increase at the same rate between 1950-60.(21)

These figures represent a remarkable degree of rural stability. For in 1950 the average amount of land per farm family in Zonguldak was well below that of Turkey as a whole. About 80 percent of Zonguldak's farm families worked land of less than 50 decares, while the comparable national figure was just above 60 percent.(22) Moreover, per decare yields for the subsistence crops which characterized Zonguldak's agriculture (Chapter Six) were the same or lower than the national average.

Thus, rural population grew at a higher than average rate, while agricultural conditions appeared to be below average (Chapter Six). Some reason other than farming must have held back extensive emigration.

The reason lay in hiring practices of the State Economic Enterprises. Of the 40,000 workers employed by the mines in 1960, some 26,000 were considered "temporary" employees from villages within the province.(23) These men worked from 2-6 months each in the pits and otherwise retained their rural residences. Standard practice has been for the men to leave farm plots to wives and families while they move to one of the barracks which the mines maintain in Zonguldak city or near the shafts.

According to Ministry of Reconstruction figures, these temporary workers--who thereby found an important supplement to farm income--represented one man for every 2.3 of the 61,000 Zonguldak farm families in 1960.

Although the steel mill hires few temporary workers due to the skills its operations require, Karabük also draws from nearby villages. Directors of the refractory brick plant and the forestry enterprises described to this writer a similar dependence on workers from rural areas. Many in the nearer villages are permanent employees of the enterprises.

The strong economic interdependency between the rural and urban districts may be seen in the male-female distribution for areas within the province.

Table V-3

Sex Distribution for Zonguldak--1955
in 000

	Male	Pct.	Female	Pct.	Total
Vilayet	251	51.0	240	49.0	491
Zonguldak City and Karabük	62	67.0	31	33.0	93
All other areas	189	48.0	209	52.0	398

Source: Bölge Planlama from Statistical Office Figures.

Heavy preponderance of men in the two major cities reflects not only the presence of immigrants from other provinces* but also the large number of peasants from Zonguldak who are temporary residents. Over one-half of the male population in Zonguldak City and Karabük were people born in the province. Many of these would return to their villages to be replaced in their jobs by another group from the province's farms.

So long as the plants continue to hire from neighboring villages and continue to depend heavily on part-time workers, it appears that rural population remains on the land and does not depart in large numbers for the national centers or other areas.

The foregoing discussion has presented a general description of Zonguldak's history and economy, sufficient to indicate the region's vital significance to Turkey and its role as a locus of major public expenditures during the national period. Our treatment of urbanization further demonstrates that Zonguldak attracts some migration due to this economic development and that its urban activities have held down emigration of its rural population. We have not yet dealt with the nature of this development itself, i.e. the effectiveness with which opportunities in Zonguldak have been

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*Over two-thirds of the migrants were male. This proportion suggests that migration may have been temporary or that the men may have been "advance parties" who would send for their families once more firmly established in urban activity.

mobilized. For this and discussion of the six other growth region characteristics as they apply to Zonguldak, we turn to the following chapter.

CHAPTER SIX

ZONGULDAK PROVINCE: GROWTH AND ITS OBSTACLES

I. The Agricultural Picture

One sign of a growth region is increasing rationalization and modernization of agriculture. In Chapter One it was suggested that the food demands of growing cities, the contacts between peasants and aspects of a money-based economy, the modernizing influences of urban jobs and activities would spread to nearby rural areas and induce peasants to shift from a subsistence to a cash-crop system. Types of farming undertaken would naturally depend on the area's climate and soils.

Our examination of Zonguldak's economic base begins with the traditional rather than the modern activities. Agriculture still employs the bulk of Zonguldak's labor force (in 1955 over 50 percent of the males and almost all the women workers).(1) By first studying the changes in this, the dominant activity, we may be better able to assess the strength of modernizing influences brought by industrialization.

A. Expectations

Given natural conditions in Zonguldak, one might expect diversification and rationalization of agriculture to have occurred. According to experts from the Agriculture Ministry, the region's soils and climate are particularly well suited to vegetable-raising and orchards.* Zonguldak is well-watered. Its seacoast and river valleys enjoy milder winters than Central Anatolia, and the heavy forest cover aids in preventing erosion. In 1960, some 130,000 people lived in cities over 10,000 within the province. Three canneries processed produce for shipment to the major national centers. The Menderes program of liberal agricultural credit opened up new sources of financing, and every Kaza had an agricultural agent sent by Ankara to assist agricultural development. Frequent contacts of peasants with urban life via work in the mines and mills might also increase a desire to produce cash crops. Many factors seemed to favor diversified farming.

However, diversification has not materialized. The vast majority of cropland continues to be sown to corn and wheat for family consumption, two crops unsuited to the soils, topography, and climate. The three canneries are

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*Although topographical conditions make most of the land adapted only to forests.

so short of local materials to process that they have to import fruits and vegetables from as much as 600 km away merely to maintain operations. Primitive farm practices have led to marked erosion. Zonguldak's farmers remain among the poorest in the nation, and conditions appear to be worsening with population increase.

B. Land Use and Ownership Patterns

During the 1950-60 period, Turkey's nationwide land distribution program saw an average of 50 decares each granted to some 300,000 families for subsistence purposes.(2) Average land holdings for Zonguldak's 61,000 farm families appeared to be at or below this figure.*

In 1960, the Forestry Faculty of Istanbul University conducted a detailed land use analysis of Zonguldak for Bölge Planlama. From this analysis, a provincial-wide average of 47 decares of cultivated land per farm family

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*From statistical office information, Bölge Planlama estimated Zonguldak province to have 61,000 farm families in 1960, with an average of 6.5 persons per family. This was a 25 percent increase in number of farm families since 1950.

was estimated.* Moreover, the study concluded that only 40 percent of the total territory then under cultivation was at all adapted to crops by virtue of soil and topography. Indeed, many of the ubiquitous cornfields were on slopes of 50 percent or higher.

A parallel study by the State Planning Organization indicated that the problem of small holdings was even more severe than this overall estimate; and that rural-overcrowding was particularly acute in the fertile river valleys.

Table VI-1 estimates average farm sizes for each of the main kazas or counties within the province.**

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*The survey made the following estimates for land use in the province.

	percent	Total percent
Agricultural land		
Field crops	34.5	
Vegetables and vineyards	0.3	
		34.8
Forests		58.5
Meadow and pasture		1.8
Settlement area		0.3
Waste or unused land		4.6
		100.0

**Not included in the tabulation are the kazas of Ulus, Eflani, and Kurucasile in the eastern third of Zonguldak, whose characteristics probably parallel those of Devrek and Safranbolu.

Information for this survey came from local agricultural agents. Partially as a check on the estimates, Bolge Planlama and the Statistical Office commissioned a field survey of Bartin kaza in which a sample of 500 peasants were interviewed about their agricultural activities. Data here indicated that Bartin, the area with the most fertile soil, showed an average farm size of only 19.0 decares per family.(3) Although the two studies show much disparity in both methods and conclusions, we can surmise that an acute problem of land availability exists.

Densest concentrations of agricultural population are in Zonguldak and Karabuk kazas, adjoining the major cities. Although family plots are smallest in these counties, many of the peasants hold full-time jobs in the state enterprises. For them, agriculture is primarily a supplement to industrial income.

Next in density, but larger in amount of rural population, are the river-valley kazas of Bartin, Çaycuma, and Eregli. These are beyond commuting distance from the main cities and contain the most level and well-watered land in the province. These peasants subsist mainly on farming. Income from other sources is primarily via temporary work in the mines. Although holdings here appear larger than near the cities, the average size is between 30 and 40 decares. Indeed, Table VI-1 indicates that the average holding for Zonguldak province may be well below the 47 decare figure derived from the Istanbul University study.

The most sparsely-settled areas are Devrek and Safranbolu, where heavy forest-cover and difficult topography make productive farming close to impossible. Here the holdings appear to be somewhat larger than elsewhere.

Table VI-1

Average Arable Land per Farm Family by Kaza, 1960

in Decares

		Est. no. of fam.	land/fam.
Main Centers	Zonguldak	6000	7.5
	Karabük	5000	26.2
River valleys	Bartin	10,700	39.3
	Çaycuma	8,000	30.5
	Ereğli	9,850	36.6
Uplands	Devrek	8,650	42.0
	Safranbolu	2,850	60.0

Source: "Ilce Anket", State Planning Organization, Ankara, 1961. Not included are the kazas of Ulus, Eflani, and Kurucasile.

C. Mechanization

Farming methods in Zonguldak are among the most rudimentary in Turkey. There is a particularly low utilization of mechanized equipment, as noted in Table VI-2 below.

Table VI-2

Farm Equipment in Zonguldak, 1957

type	number	proportion of Turkey Total*
tractors	38	.0008 percent
wood plows	90,400	4.6 percent
iron plows	6,180	0.6 percent

Source: Bölge Planlama Data from Central Statistical Office

*Zonguldak has roughly 2 percent of Turkey's farm population.

Irrigation and drainage works, despite the number of rivers and small streams, are practically non-existent. According to the Bartin Survey cited above, less than one percent of the Kaza's cultivated area is irrigated.

D. Crop Patterns

Most production is corn and wheat grown for home consumption at per decare yields that roughly approach the national average. The 1960 land use survey estimated only three percent of the cultivated land in gardens and vineyards. The Bartin study (footnote supra) showed that only eight percent of this county's land was in crops other than corn and wheat; and the once flourishing poultry and egg trade here has practically ceased. Nor is animal production or fishing of much significance to Zonguldak.

For the two-year period, 1958-59, Zonguldak's yields on corn and wheat were about the average for Turkey, some 140 kilos/decare for corn and 100 kilos/decare for wheat.(4)

The writer paid several visits to the Ereğli and Bartin canneries which at all times were operating well below the installed capacity of their equipment. Their owners complained about insufficient produce in the area but had no suggestions on how to improve the situation. They had evidently not established contracts or guarantees with local peasants to purchase crops which might be preserved.

The owners appeared concerned only with their operational and marketing problems, not with stimulating local sources of supply. They told of having to bring fruits and vegetables from Malatya, Bursa, and even the Marmara coast in order to maintain operations. Survival seemed to come only by paying low wages to their help, mostly teen-age girls.

For 1960, Bölge Planlama estimated the value of various crops produced in Zonguldak---both for home and market consumption, using prevailing market prices. These estimates were based on figures furnished by local agricultural agents.

Table VI-3

Value of Agricultural Production in Zonguldak by Crop Type

1960

Crop type	Value in TL	Pct. of Total Value
cereals	120,800,000	56.0
animal feel	56,300,000	25.0
fruits	25,000,000	11.0
vegetables	8,400,000	4.0
legumes	8,300,000	3.5
oil seeds	1,000,000	0.5
TOTAL	219,800,000	100.0

Source: Özen Dalli, unpublished study on Zonguldak's Economic Base, Bölge Planlama, Ankara, 1962, p.7.

Clearly, fruits and vegetables commanded a far higher value than the proportion of land they consumed, while the opposite was true with cereals. Yet the peasants, partially out of ignorance and partially perhaps out of an extreme reluctance to risk new crop patterns without guarantees of profit, continued to farm in their traditional way.

E. Rural per-capita Income.

Bölge Planlama computed an estimate of average per capita farm income based on the above figures. The sum was 470 TL, or less than half the estimated average rural per capita income of 990 TL for the nation as a whole.(5) Zonguldak was both a poor province from the agricultural standpoint and one of the poorest in a nation of subsistence farmers.

Income from temporary work in the mines did not raise the rural average income by any significant amount. About 26,000 men, or one for every 2.3 farm families, received these wages during 1960.

If each miner had a "take home pay" of 1000 TL for his tour of duty, this sum distributed over the entire rural population would raise per capita income to only 540 TL.*

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*Average daily wage for temporary mine work was about 9 TL.(6) In addition the mines supplied a man with room, food, and clothing for his working period. If each man worked about 5 months (a generous assumption), he would receive around 1100 TL, of which 1000 TL after taxes and incidentals might be brought back to the village.

Permanent state enterprise employees who live in villages and peasants with other sources of non-farm income (i.e. forestry) probably represent a group no greater than 20 percent of the temporary mine workers. Even if their income total equalled that of the part-time miners, the resulting rural per capita figure would still be about 600 TL, or less than 2/3 the national average.

Again, we must remind the reader that these numbers represent general magnitudes rather than precise figures. The relationships are clear, however, and they brook of only one set of conclusions.

Instead of becoming productive with the onset of economic modernization in the cities, Zonguldak's agricultural conditions have remained at a subsistence level or below. The mines and mills do keep people on the land, but at such low levels of living that migration from the region might be a more viable alternative.

Income derived from non-agricultural employment is not invested in improvements to the land. Conditions are so bad that these sums are needed for consumption. Moreover, ignorance and unwillingness to risk have also contributed to retention of the primitive patterns.

F. Public Programs

Government has not launched a full-scale attack on agricultural difficulties in Zonguldak. Indeed, present

programs for the province do more to perpetuate rather than alleviate the poor conditions. One striking example is in Ereğli kaza where the local agricultural agent told this writer of his petitions to the government for vegetable seeds. With these seeds he hoped to start demonstration farming and convert some of the village leaders away from cereals. No vegetables were forthcoming from Ankara---only Iowa corn.

The sole State Waterworks Agency project scheduled for Zonguldak in the early 1960's covered 153 km^2 adjoining the Zonguldak city area (1.8 percent of the province). It was primarily geared to reforestation and urban water supply, and would reduce cultivated land in the area from 5500 to 450 hectares.(7) No proposals for resettlement of displaced villagers were contained in the program; and while extremely valuable in its objectives, the program did not provide for improving either the quality or kind of agriculture there or elsewhere. Other Waterworks Agency proposals have been made; to irrigate and drain the Bartin Valley, for example. The governor himself proposed erosion control for the Filyos river valley. Yet by 1962, no action had been taken to schedule work on either area nor would capital investments alone be able to change the expectations and mentality of the peasantry.

Meanwhile, the mines whose hiring policies appear to contribute directly to rural overcrowding, showed no

interest in changing the status quo. Conceivably, these public agencies might try some form of rural educational program for temporary workers in their barracks during leisure hours. No such programs have been forthcoming. So long as government voices little concern over rural conditions in Zonguldak, little further progress can be foreseen.

II. Basic Industry

A growth region will possess major, resource-related industry which in the long run operates at a profit without public subsidy. In Zonguldak of 1960, the state-owned coal mines and steel mill, themselves intimately related, were the main industries on which economic development of the province had been based. Public exploitation of the coal fields had been underway for 30 years. The Karabük steel plant had a 25-year history.

A. Coal

Zonguldak province possesses proven bituminous coal reserves of 1.3 billion tons. The 1960 output of 6.3 million tons was well below what technically could be produced with such substantial reserves.(8) The mines, moreover, were operating at a steady financial loss and had a 12 year cumulative deficit of 564 million TL in 1960.(9) Although Turkey was for the moment self-sufficient in coal, future requirements, many of them generated from within Zonguldak Province itself, could not possibly be met by the present rate and methods of production. Indeed, despite the outlay of foreign technical and financial assistance, production was decreasing rather than growing. By the spring of 1962, even though industries then under construction within the region would clearly face shortages, mine officials had not taken steps

to solve some of the fundamental problems which retarded production.

1. Importance of Coal

Coal is perhaps the most important energy source in contemporary Turkey. Sixty-five percent of the nation's electric power is thermal; half supplied by bituminous coal and half by lignite.* Almost all of the railroad engines are coal powered, since relatively little diesel equipment has been introduced and, according to AID officials, most trackage cannot carry a diesel's weight. The steel, cement, sugar, and fertilizer industries depend on coal and coke. Gas manufactured for Istanbul, Ankara, and Izmir is a by-product of their coal power stations. Much Turkish shipping is still coal burning. Heating for urban homes is handled half by coal and half by lignite, both of which are rationed for domestic consumption.(11)**

Before the Republic, almost all of Zonguldak's production had been shipped elsewhere. In 1960, some 37 percent of the output was consumed within the province itself; for the Karabük mills, the Catalağzi power station

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*Lignite reserves, none of which are in Zonguldak, have been estimated at over a billion tons and are not suitable for most industrial or electric power purposes.(10)

**Village heating is almost exclusively handled by dung and wood.

that supplied electricity for much of Northeast Anatolia, and in the mines' own operations.(12)

Although Turkey has hydroelectric power potential second only to Norway among European countries, less than two percent of this potential was utilized by 1960 and relatively little immediate increase could be expected.(13) Oil strikes in Turkey had not yet been of major significance, and domestic petroleum was being turned to motor fuel. For the foreseeable future, coal would have to remain the chief source of industrial and electric power.

2. Production

Both run-of-the-mine and saleable production dropped between 1957 and 1960; and the proportion of saleable to run-of-the-mine fell from 64 percent to 57 percent. Relevant figures appear in Table VI-4 below.

Turkey's 1959 total production of 0.23 tons per capita put her close to the bottom of the world's coal producing nations, second only to India (0.13) tons and far below neighboring Bulgaria (2.16 tons).(14)

A small amount of by-products are also created at the mines (coke, tar, bitumen, briquets, benzol) but these amounted to less than one percent of total production value in the 1958-60 period.(15)

Table VI-4

Production of Bituminous Coal, 1955-1960
(in 000 tons)

	1955	1956	1957	1958	1959	1960
Run of Mine	5,496	5,888	6,259	6,550	6,515	6,307
Saleable	3,500	3,718	4,011	4,075	3,941	3,653

Source: OECD-AID Mission, "Report on the Coal Industry", op.cit., Vol. 3, p. 507.

3. Estimated Shortages

Production in 1960 was adequate for existing industrial and power demands, although domestic use was rationed. According to the OECD-AID analysis, however, by 1965 demand for bituminous coal will exceed 5,400,000 tons. This is almost 2,000,000 tons higher than saleable output in 1960 and 1,000,000 tons above what the coal company estimates it can possibly produce by 1965.(16)

The largest source of increased demand will come from Zonguldak itself. In 1964 the new Ereğli mill is scheduled to begin operations. It will require a minimum of 710,000 tons in its first stage, or 20 percent of the 1960 coal output. Karabük is undergoing an expansion to double its capacity by 1964. In 1960, it consumed 760,000 tons of coal, or 22 percent of the mine production. Requirements for these mills are not wishful projections, for by 1961 construction at both was well underway. The two would

themselves consume at least the entire expected increase in coal output by 1965.(17)

Other demands will come from new cement plants, one of which was almost completed in Bartin. Turkish industry in general and domestic power stations, both operating below installed capacity, might also expand their requirements.

The picture was clear. Unless the mines could markedly increase their output, Turkey would face extreme coal shortages even though sufficient local reserves were available. Important sectors of the economy would be idled, or the nation---already saddled with international debts---would be forced to import coal from abroad.

4. Basic Problems

Production difficulties have arisen despite infusion of over $20,000,000 of foreign assistance to the mines since 1950. Some causes appear to be organizational and not related to Zonguldak region and its characteristics. Others are directly related to problems of activity relationships within the region.

Organizational factors cited in the OECD-AID study are the government's pricing policy and the structure of the company. Government consistently prices coal below its actual cost; i.e., in 1960, the per ton cost of coal production was 132.08 TL and the fixed selling price

was 106.2 TL.(18) According to the OECD-AID analysis, this practice accounts for some of the operational deficit and drains away much of the incentive for efficient management---since mine officials know they do not have to make a profit.

Secondly, the two subsidiaries operating in the province, EKI at Zonguldak City and AKI at Kandilli-Ereğli, are completely separate as to management and facilities. Expense might be saved by pooling resources. The above report also criticizes the substantial welfare benefits--from housing to free coal--provided to management and personnel as incentives to remain in the area.

Some adjustments to this situation might indeed reduce the deficit and increase efficiency.* But none would deal with the fundamental issue that blocks production growth, the surplus of temporary labor. Even if mine managers were ordered to strive for profits, until that issue is resolved, production increases would be hamstrung.

5. Surplus of unskilled workers

Most foreign financial assistance has gone into mechanization of "back-stopping" operations, namely processes associated with mining other than the actual

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*Although any loss of fringe benefits might cause professionals to leave the mines.

extraction. According to AID advisors, the underground railways, loaders, pumping equipment, etc. are at a very high level of sophistication.

Yet relatively little equipment is installed in the actual pit-heads where ancient pick and shovel techniques of extraction are standard procedure. Here, and as helpers in the underground service activities, is where most of the unskilled, part-time peasant workers are employed. So long as these men and methods are maintained on the job, coal cannot be extracted faster, more efficiently, or with less disparity between run-of-the mine and saleable material. Turkey's productivity per worker is, as a reflection of this system, among the lowest in the world.

Table VI-5

Labor Productivity of Coal for Selected Countries, 1960

	Average Output per man shift (metric tons)
Belgium	1.012
France	1.203
W.Germany	1.606
India	0.430
Netherlands	1.101
Poland	1.394
U.K.	1.400
U.S.A.	13.000
TURKEY	0.451

Source: "Report on the Coal Industry," op.cit., p. 513.

Although European rather than American mines might prove a better basis of comparison, it is interesting to note that in 1960, the Island Creek Coal company of West Virginia produced 12.1 million tons of saleable output, with a total labor force of 4,118 employees.(19) This one operation accounted for more than three times the output of Zonguldak, with about one-tenth the number of workers.*

Hanson describes the pros and cons among the mine officials for retention of the present system:

> "...most of the miners are part-time, seasonal workers whose homes are in the surrounding villages and whose main occupation is farming. These workers, as might be expected, employ traditional methods, resist innovations, and have very low productivity. The mining engineers at Zonguldak, being anxious to introduce modern techniques of coal getting as quickly as possible, are extremely critical of the part-time system and express themselves strongly in favor of building up a stable, permanent labor force; but some of the administrators and managers favor the status quo.
>
> They seem partly to be moved by humanitarian considerations, saying that it is bad for the health and morale of men to spend the whole of their working lives underground; but they also fear that a full-time proletariat will be more difficult to manage than the present labor force. It will develop a trade union consciousness (and hence presumably become discontented with the existing officially-sponsored and extremely tame unions), respond less positively to the paternalism which at present characterizes the Zonguldak regime, listen more readily to 'agitators' and strike more frequently."(21)

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*Although the main trouble is at the pit-heads, surplus labor exists in the back-stopping operations as well. Of the 30,909 employees listed by EKI on Dec. 31, 1960, only 10,500 were actual miners and other face workers. Only 20,000 were involved in underground work of some kind or repair at the central shops.(20)

Yet despite the fears of labor unrest, mechanization is essential if production is to increase. Again, according to the OECD-AID mining experts' analysis,

> "with proper mechanization of all working faces at bituminous....mining operations, it is estimated that the average miner productivity can be raised to a minimum of 0.90 tons per man shift of saleable coal, an increase of 80 percent above today's performance."(22)

Mechanization would necessarily mean sharp reduction in the number of temporary, unskilled workers. Some might be able to absorb training on the more complex machinery, but with such an investment the mines could not allow them to work on a part-time basis.

By 1962, however, the mines had not moved to mechanize the pit-heads or reduce their staff. In discussions with officials, this writer was told that no reduction was envisaged and that the demand for workers might level off in the course of time, but would not drop.

6. Pit-props and manganese

If no other non-agricultural options for unskilled labor existed in Zonguldak, the official reluctance to reduce mine labor requirements might be understood on humanitarian grounds. Such options did exist however. Their mobilization was of direct interest to the mines and mills, but efforts at mobilization on the part of state enterprise officials were negligible.

One activity was forestry. Timber for pit-props in the shafts is one of the largest consumption items at the mines. In 1959, timber accounted for 18 percent of AKI's direct operating costs and 10 percent of total costs excluding administration.(23)

Zonguldak and its neighboring provinces contain the best of Turkey's forests, including a number of different woods suitable for pit-props.* Yet, in 1960 the mines imported from Finland and other Northern European countries 40 percent of their requirements. This amounted to over 100,000 m^3 at a cost of \$189 TL/m^3.(24) At the official rate, here was a "leakage" of over \$2,000,000 in annual foreign exchange expenditures.

Presently only 5 percent of the mines' timber comes from Zonguldak. According to AID advisors and Turkish foresters (p 345), much more could be accomplished on an immediate basis to exploit the existing stands. The mines would save substantial foreign exchange and an expanded forestry sector could result in employment increases to absorb some of the unskilled labor surplus.

Forestry was the most obvious example of a poorly-tapped opportunity. Another was manganese. Several small, privately-owned manganese mines near Ereğli produced 7000 tons of manganese ore during 1959. Although an extremely

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*Such wood must give off a sound when under stress to warn of impending cave-ins.

small amount, this nevertheless represented 20 percent of domestic production and was largely absorbed in the steel-making process at Karabük.(25) Other manganese deposits have been found in Zonguldak, but government was neither aiding the private entrepreneurs to expand their operations nor exploiting the reserves itself. Here too was another nearby resource whose exploitation could absorb some of the coal mines' surplus work force.

7. A Vicious-Cycle

Some form of vicious cycle was functioning within Zonguldak, impeding the operation of its main economic activities, holding down emigration, and keeping the majority of the population at a low level of living.

A generation before, extraction activity had begun with a reliance on temporary workers in order to obtain sufficient labor. This work option retained peasants within the region and served to attract from outside. As rural population grew, the part-time work opportunities--which did not really lead to a rising standard of living--kept people crowding onto soil of diminishing productivity. Agriculture in the region suffered accordingly. Moreover, the mine production system which held this rural population suffered as well. For it could no longer maintain the necessary contribution of the mines to national growth.

Governmental decision-makers did not see the complex set of interrelationships that had materialized. Agriculture, mining, population, forestry were all intertwined in a "regional" problem which the Turkish government ignored or failed to sense. Some change was needed, but any change to one of the parts would have repercussions on the others. Without changes, moreover, the overall situation for mining and for agriculture could only worsen. Adverse effects on the economy as a whole would result.

B. Steel

Hanson (26) terms location of the steel plant at Karabük "the greatest mistake" of the Etatist period. None of the raw materials save limestone, the least important, are in the immediate vicinity. Ore comes by rail from the Divriği fields, 600 km to the east. Coal is sent from the Zonguldak mines, 100 km to the north. Major markets are 200-300 km away.

The situation has resulted in enormous transport costs at both ends of the process and has forced the plant to operate at a constant subsidy.* Subsidy has come via price fixing. Prices of Karabük steel are pegged as high

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*During its first twenty years, the blast furnace capacity at Karabük was twice that of the rolling mill capacity, which meant that much of the plant went unused. This has now been corrected.(27)

or higher than imports from Europe and America. Thus, the declared "profit" of Karabük on its 1960 sales was 85,000,000 TL, or a 16 percent return on investment.(28) Since steel imports are controlled and heavy tariffs levied, the mill is in a "can't lose" position. Its profits are as unreal as some of the coal mines' losses. So long as a market for both commodities exists, the price structure is able to cover--and indeed encourage--production inefficiencies.

Defense was the explicit rationale for location of the mill in a narrow river valley, tributary to the Filyos, well inland from coal deposits. Since the main markets during the 1930's were at Istanbul and the west, location inefficiencies at that time were particularly acute.

However, with the post-war expansion of the armaments industry at Ankara and Kirikkale and the increased construction in the capital and other interior cities, Karabuk probably became a more favorable site for this share of the market than a coastal location. Map VI-1 indicates where Karabük's production was consumed in 1950. About 40 percent went to Ankara and other inland cities. This proportion may have been even higher during the Menderes period when highway improvements put the mill within three hours of Ankara.

Production itself is varied; rails, heavy and light structural sections, bars and flats, pipe, with sulphuric acid and small amounts of superphosphate by-products.

For the past decade, the plant has accounted for more than half of Turkey's steel consumption.

Table VI-6

Production and Imports of steel by Year, 1945-1960
(in tons)

Year	Total Steel Consumed	Imports	Karab.Prod.	Karab.%
1945	?	?	47,703	?
1956	271,000	120,000	150,500	57
1957	227,000	81,000	146,000	64
1958	202,000	65,500	136,000	67
1959	341,000	180,000	161,000	47
1960			216,000	

Source: OECD-AID Mission, op.cit., "Report on the Steel Industry," Vol. 2, p. 414.

The present expansion program is an effort to further reduce imports. By 1965, yearly capacity of pig iron and steel production will be doubled to 600,000 and 480,000 tons respectively.(29) When this program is complete, Karabük will still be a small mill with a capacity only one-half that of the projected Ereğli operation. Moreover, it will have absolutely no more land on which to expand.

The main question about projected expansion is, however, whether or not Zonguldak's coal output will be sufficient to power the mill's doubled capacity. In the writer's contacts with Karabük officials there seemed to be

neither a concern about this matter nor a desire to pressure for improvements in the mines.

Other problems of regional significance severely hamper effectiveness of the mill. For example, Karabük presently imports most of its refractory bricks from Germany and England at the foreign exchange equivalent of $500,000 yearly.(30) This comes despite the existence of a direct rail connection between Karabük and the Filyos refractory brick plant. Filyos, which had been designed with insufficient capacity, meets only 30 percent of the mill's annual requirements. Presently-scheduled expansion at Filyos, moreover, will be completed too late to supply bricks either for the new Karabük furnaces or the new mill at Ereğli. According to brick-plant authorities, neither of the two mills pressed for stepped-up domestic production before they placed foreign orders.

Raw material for fire-brick abounds in the region, and the commodity has a low value in relation to bulk. Importation from abroad seems particularly strange in light of the enormous public industry expansion unsuited to Turkey's economy that occurred during the 1950-60 period. Yet the government evidently did not consider strengthened linkages between these two regional activities a matter of significant priority.

An even more serious difficulty is the surplus of labor at the steel plant. Some 8,000 people were employed at Karabük in 1960, and the SIE study remarked on the unusually low annual production of steel per employee.(31) Unlike the mines, the great bulk of Karabük's staff possess skills, have some degree of literacy, and are permanent workers. Yet the surplus, particularly on the supervisory level, appeared to be acute here as well.

In one sense, the problem at Karabük brooks of an easier solution. Some of the excess labor force can be absorbed under the expansion program. Some can move to Eregli, although indications are that management at that mill intends to recruit and train its own staff.* An additional number might be steered to the secondary metals-processing industry which has begun to grow up in Karabük outside of the government mill. Yet here a most

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*The following quotation is from an AID memorandum of Jan. 9, 1962.

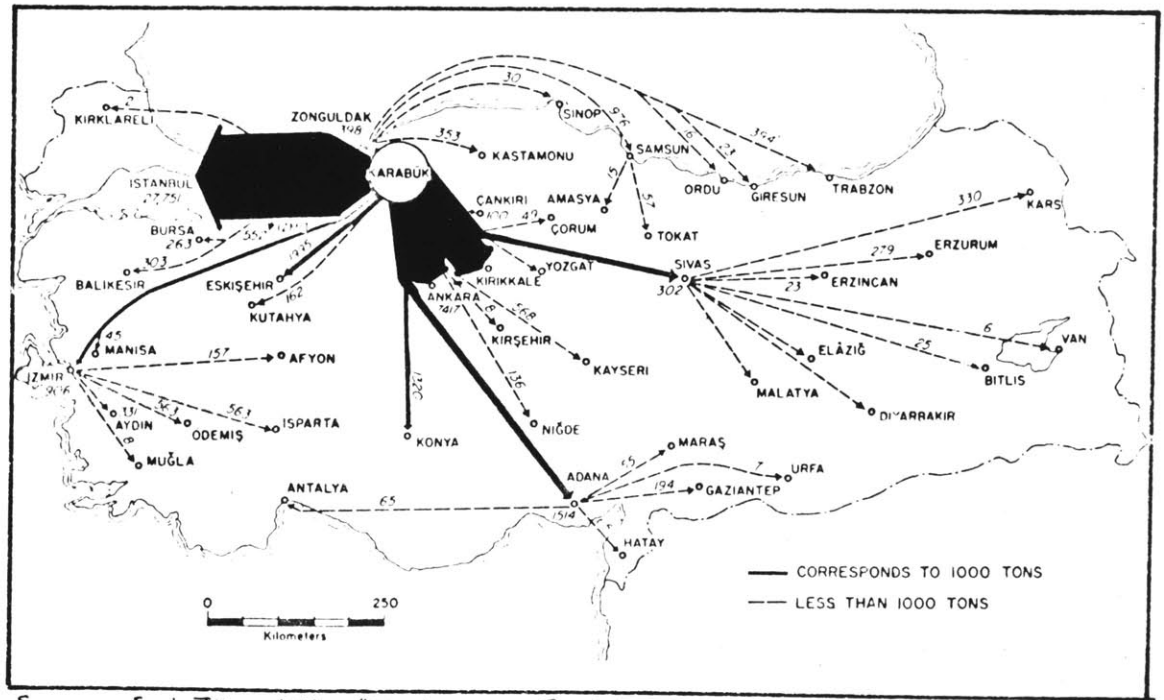
"We conducted a labor-management seminar at Karabük... John Hagan, President of Koppers...was one of our guest lecturers....Most of the questions asked him by the labor and management participants related to the problem of adequate job opportunities in the steel industry. Specifically, most of them wanted to know how many of them could be employed at Eregli. Mr. Hagan emphasized the point that the new mill would be modern in every respect and if any people were hired from Karabük they would have to be the best people available. Mr. Hagan did not encourage them to expect the Ereğli mill to solve the problem of the excess labor force at Karabük."

unusual situation has arisen. For the government plant, despite its excess of personnel, has adopted an attitude of hostility to these secondary fabricators---even though they produce complementary rather than competing products. (See p. 342)

Thus, although the Karabük mill shows a paper profit, its difficulties are as serious as those in the Zonguldak mines. Neither can be considered a profitable basic industry, although both are intimately related to the region's resources and both are of vital importance to the national economy. Through stimulation of related economic activities within the region, each of the two industries, Zonguldak itself, and the Turkish economy might stand to reap substantial benefits. By 1962, however, no comprehensive efforts were being made in that direction.

MAP VI - 1

FLOW OF IRON AND STEEL FROM KARABÜK - 1950



Source: Erol Tümertikin, "The Iron and Steel Industry in Turkey," Economic Geography, 1955, p. 182.

III. Industrial Complexes

A growth region, in which basic industry has been established, will undergo development of industrial complexes related in some fashion to the original activities. These industries may be classified into the following types:

A. Additional firms or plants to exploit the basic resources.

B. Firms to provide inputs for the basic industries.

C. Firms to further process the outputs or by-products of the basic industries.

D. Firms to exploit other regional resources which can now be brought into the productive cycle by virtue of national demand, the infra-structure installed to service the major plants, presence of trained labor, etc.

E. Firms to provide consumer products for regional or other markets.

Industries representing each of these categories may be found in Zonguldak.

A. Additional Basic Industry---Ereğli Steel

Turkey's second steel mill was under construction in 1961 with operations scheduled to begin in 1964. Since the plant was not yet producing, we can focus attention on regional considerations which bear on its planned development.

Feasibility was determined in 1959 by an ICA-sponsored study prepared by Koppers Co. of Pittsburgh.

Koppers noted Turkey's growing self-sufficiency in rails and bars through the Karabük operation and its programmed expansion, but continued dependence on high-cost imports for sheet products. Demand for sheet steel came from the armaments industry in Central Anatolia, the railroads, other state enterprises, the canning industry, and a growing number of metals processing firms largely located in Marmara and Izmir.(32)

All the raw materials for a major expansion of steel production were available in Turkey, the report continued; ore at the Divrigi fields in the east as well as untouched deposits on the Aegean and near Iskenderun, coal with over one billion tons of proven reserves at Zonguldak. Limestone was ubiquitous.

The Koppers study estimated that by 1975 demand could be high enough for Turkey to absorb a domestic industry producing 1,600,000 tons of steel; 600,000 at Karabük and 1,000,000 from a second and complementary mill. Karabuk would continue with rails, bars, and structurals; while the second plant would handle only sheet. Competition would thus be avoided.

Both the Turkish government and the American authorities accepted the Koppers recommendations. A special mixed corporation was formed including the Turkish government, Turkish private investors, Koppers itself (who would supervise design and construction) and other foreign investors.

The U. S. Development Loan Fund advanced $139,000,000. The second steel mill was to be the largest single industrial project ever attempted in Turkey.

1. Location

Koppers studied a number of alternative locations, including some on the West coast near ore deposits, but concluded that Eregli was most advantageous. It was close to the coal and on an excellent port site which could receive machinery and ore and shop finished products to the west coast. Moreover, the last 30 km of rail line connecting Ereğli with the main Zonguldak-Ankara system was scheduled for early completion. This line would be available for coal transport,* receipt of ore from Divriği, and shipment of finished products to Ankara and other interior cities whose plate market was expanding. The railroad would also serve to establish an important link between the Karabük and Ereğli operations. For the plan included shipment of over 100,000 tons of steel ingots annually from Ereğli to Karabük for further finishing into bars to supplement the latter's production. Development at Ereğli was predicated upon existence of this through rail line.(33)

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*Mill officials estimated that only part of the coal requirements could be met by the neighboring Kandilli fields--at least in the immediate future--and that the remainder would be found in deposits between Kandilli and Zonguldak City.

The project would be constructed in three stages, with the first of 480,000 tons capacity. Full capacity would be attained by 1975. At its peak the plant might employ directly some 8,000 workers. According to Bolge Planlama estimates, within 15 years this small town of under 10,000 people would become a city well over 50,000.

2. Transport

Even if sufficient coal were available to allow the plant to begin operations in 1964, Ereğli mill could not function as planned. For the Turkish government vetoed completion of the rail line after making a decision to build the plant. Its estimated cost of 140,000,000 TL (about $15,000,000) was considered too high.*(34)

Lack of a through rail connection to the interior would have the following effects on receipt of raw materials and shipment of finished products.

a. Most coal will have to be shipped by boat from Zonguldak, whose port facilities are already overloaded and cannot be expanded due to the configuration of the harbor.

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*The writer has not been able to ascertain whether the Menderes or post-Menderes government vetoed the plan. Certainly the large expense was known well before the decision to build Ereğli mill. The line had been studied for 30 years and had not been completed earlier because of its cost.

b. Ore shipments from the Divriği mines, which will comprise 40 percent of the first stage annual requirements, will now be given double handling; shipment by rail to Samsun, then transfer to boats for Ereğli. With the rail line, shipments could be made on the same direct basis to Ereğli as to Karabük and the low utilization of Turkish rolling-stock increased.

c. The ingots can not be sent to Karabük for the programmed processing into bars. Boats might be used in a two-stage transfer process to the rail line at Zonguldak or Filyos; but neither port has handling facilities and Filyos is closed for half of the year. Adjustments might be made to the latter with new facilities, but at what cost?

d. Interior markets---the armaments industry, railroad shops and other state enterprises, Ankara and other cities--are essentially closed to the plant. The only alternatives open are a major investment in harbor improvements at Filyos for double shipment by boat and rail, or shipment of interior-bound goods first to Istanbul by boat and then back-haul by rail to the interior.

None of these alternatives had been studied by the transport agencies and, to this writer's knowledge, no comparative cost estimates were made before the railroad was abandoned.

If highway connections between Ereğli and the interior were adequate, some of the problems might be

alleviated by trucking. Good roads would also be desirable if the town of Ereğli were to have any opportunity for growth as an industrial center. But these connections were completely inadequate for heavy-duty service. Indeed, the only first-class road in the province was the Karabük-border connector. (Map V-3)

Each road from Ereğli received the lowest "degree of satisfaction" ranking given by the highway department to all-weather facilities.(35) Although stabilized, they are a succession of hair-pin curves with narrow beds. Many bridges are wooden and unable to take heavy loads. The Devrek-Karabük line over which ingots would have to travel is an unstabilized jeep track closed in wet weather.

These roads could, of course, be up-graded by the opening date of the mill. Yet priorities assigned by Karayollari for their up-grading were, through the spring of 1962, well below the critical category.

Karayollari assigned long-range improvement priorities to about 400 sections in the national road system.(36) Positions of the four links that affected Ereğli's communication with the interior were as follows.

Section	Present Surface	kms	Improvement Priority
Akcakoca-Ereğli	low-quality stabilized	41	232
Ereğli-Devrek	low-quality stabilized	65	48
Devrek-Karabük	unstabilized	60	107
Devrek-Ankara Hwy	low-quality stabilized	73	220

A major harbor expansion was underway at Ereğli to make its port suitable for the steel industry. Nevertheless, this was only one essential phase of the transport picture. The remainder had been neglected. As matters stood in 1962, Ereğli mill might be ready to operate by the target date but its operations and impact on the Turkish economy would be severely hampered.

4. Other difficulties

At the very outset of the steel mill program, officials knew that some sweeping changes would occur to this small coal port of 9,000 people. By opening date in 1964, population might rise as high as 25,000. Housing and utilities would be needed. Services for the plant and its personnel were required, and the possibility of eventual secondary industry about the mill was not unrealistic.

The plant did estimate its housing requirements, but land was not purchased until a year after the mill site itself, by which time prices had doubled. Iller Bank, the national agency responsible for town planning, assigned only one staff member to prepare a land use and facilities program for Ereğli which, by the spring of 1962, after thousands of construction workers had descended on the site, had not yet reached the sketch stage. Ereğli's water supply and other municipal services were inadequate

for its existing population. Sufficient water for both industry and town existed only several kilometers from the municipal boundaries, yet a State Waterworks Agency program to bring this water to Ereğli came under study only in the spring of 1962. At one point in the search for water, steel mill officials were prepared to flood out the only contiguous area topographically suitable for a concentration of secondary industry.*

In the face of these mounting pressures, both the Provincial Governor and the Kaymakam of Ereğli were making frequent trips to Ankara. With little success, they personally tried to persuade various sector agencies to release funds for schools, water lines, health facilities, and even a house of prostitution ("to keep our own girls from being attacked", the Kaymakam said to this writer.)

B. Inputs for Basic Industry

1. Brick-making at Filyos

Some 90 km north of Karabük, linked with a direct rail line, is Sumer Bank's refractory brick operation at Filyos. The plant was constructed in 1948 and produces about 28,000 tons annually with a labor force over 500. Only two other refractory operations exist in Turkey, both private

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*This idea was dropped when other possibilities were discovered. The company had made no plans, however, to encourage secondary industry.

and in Istanbul, with a combined output of 4,000 tons per year. Thus, the Filyos plant is the main domestic producer of furnace linings.(37)

Filyos is a particularly good location. Fire-clay, about 60 percent of the raw material, is found in coal measures which exist only in Zonguldak. Binder clay, most of the remaining ingredients, comes by 100-200 ton coastal vessels from deposits near Istanbul. Filyos is very well-related to the main present consumer, Karabuk, and to the future Eregli operation.

Filyos produces only "acidic" or neutral fire brick suitable for outer wall furnace linings. It does not produce the magnesite type required for interior linings of open hearth furnaces, although ingredients for magnesite and chromite types abound in Turkey and can easily be shipped to Filyos. An expansion program, now scheduled for completion in 1964, will be geared to magnesite production and will increase total plant capacity by 50 percent.

The entire present output is consumed, one-fifth by Karabük.* Capacity at Filyos has been continually below

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*The remainder goes to the armaments industry in Ankara, the cement, glass, sugar, railroad and other public enterprises, plus about 5000 tons to the private sector.

demand, forcing Karabük to import most of its acidic brick requirements as well as magnesite. Present planning was not coordinated with expansion at Karabük or the Eregli program. Indeed, contacts had not been made between Sumer Bank and Ereğli officials to ascertain whether Filyos could meet any of the initial 30,000 tons of fire brick needs. Import orders for at least part of this quantity had been placed by the end of 1962.

Quality control has been another problem to plague the Filyos plant. According to its chief engineer:

> "In the judgement of the operators at Karabük, the higher cost they must pay for importing fire brick is more than offset by the loss of operating time that would result if the blast furnace had to be closed down for repairs due to the unsatisfactory quality of the fire brick used."(38)

We have no way of judging how serious this matter of quality control might be. The fact remains that Turkey has all the raw materials to meet its refractory brick needs and the nucleus of a production process within the region where the main consumers are located. The nation has many sources of technical and financial assistance. Were some priority attached to making effective use of related activities in Zonguldak, both the capacity and the quality problems of brick-making at Filyos might have a chance of solution.

2. Leather-working

We have little information on the small leather-working shops in Çaycuma and Devrek which fabricate boots and gloves for workers in the mines and the steel mill. This is a source of some employment for these two communities, where skills in the craft have developed. With an effort at consolidation of the cottage-workers, a market even wider than the region might be cultivated. Certainly the Eregli mill presented an opportunity for expansion of the operations. However, no government or private effort was underway to explore prospects for improvement or future growth.

C. Processing of Outputs or By-Products of Basic Industries

1. Agglomeration at Karabük

The most striking example of Zonguldak's potential significance for secondary processers has been the agglomeration of metal-working operations at Karabük. One of Etatism's basic tenets was that the state-owned factories would become nuclei for further private investment and thus lead to an industrialization of the interior exceeding government's initial pump-priming efforts.

Due to its transport disadvantages, Karabük might have difficulty in becoming a popular site for private metals fabricators unable to absorb the distance costs to the market. Indeed, until 1950, no such agglomeration about

the mill occurred.

Yet over the course of 20 years, iron and steel-making skills were transmitted to many workers in the town. Karabük grew to possess certain advantages from the standpoint of a trained labor force which did not exist elsewhere.

Furthermore, the post-1950 highway link brought Karabük within three hours of Ankara where a construction boom set up demands for structural steel members, reinforcing rods, ornamental ironwork and other similar products. Smaller interior cities had similar requirements. Since few construction techniques and materials were standardized, the sizes and shapes of metalwork in each new building had to be individually fabricated.

Thus, entrepreneurs--some of whom were former steel mill employees--appeared in Karabük. They bought directly from the plant and used local labor to finish metals for construction works in the interior. Their foundries and rolling mills are small. None seems to employ more than 50 workers, and the 20-odd firms contain perhaps 3-400 people. Equipment is rudimentary.* Working conditions are primitive and safety precautions minimal.

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*Although some brand new English and German machinery was in evidence.

The writer discovered much idle machinery in these plants and saw many trucks leaving with only half-loads or less to make Ankara deliveries. Owners admit their inability to diagnose or stimulate an effective market and complain that they receive no technical or marketing assistance from the government. Without such assistance, long run survival will be difficult.

Inefficient though these operations may be, they do represent a level of skill and entrepreneurial interest which Turkey can ill-afford to lose. They also represent a chance to make Karabuk a more viable industrial community (with shared transport and other services as well as additional employment opportunities) than if production were confined to the steel plant alone. They do not compete with the main mill, and they need help to continue or consolidate.

According to the General Director of Karabük, however, these operations are a nuisance. He told this writer that Karabuk would soon be producing similar items* and that it was his goal to wipe out the smaller fabricators in the course of time. He declined to comment further on his motives.

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*The official schedule of Karabük production does not call for speciality items such as the private plants fabricate.

In light of earlier Etatist policies and Zonguldak's employment problem, this attitude carries something of the incredible.

Whatever the motivation, it is somewhat ironic to witness a situation in Karabük comparable to many one-industry towns of the Western World. Friedmann, for example, comments on such a pattern for private industry within the TVA region of the United States.

> "What is even more disheartening is the fact that the location of a single textile mill or garment plant may itself spell the virtual end of further industrial development in a community. The existing plant has an interest in maintaining its near complete monopoly over the local labor market and may therefore endeavor to oppose the establishment of new plants which appear to threaten its dominant and controlling position."(39)

And Harris(40) cites cases in India where government plants in new towns prevented other activities from locating nearby.

Neither the private industries of the TVA region nor the public Indian plants had been developed with an express charge to assist other enterprises in their communities. This was, however, the charge to public enterprise under Ataturk. That it has been ignored, at least in Karabük, bodes ill for future viability of this region as a growth area.

2. The Bartin Cement Plant

The single industry to process by-products was not yet in operation by 1962. Examination of this cement plant at Bartin, however, provides another opportunity to study mobilization of activities related to the basic industries.

Plans were drawn for this plant about 1956. Construction activity during the last decade had markedly increased demands for basic materials, and none of the Black Sea port cities had direct access to a cement plant. Located at an all-weather port in the building materials center of the area, the Bartin plant seemed admirably suited for its purpose. It would provide jobs for about 350 workers and give an important lift to the dying coastal shipping industry.

The Ereğli mill and Karabük's expansion program would be major customers within the region for its output. Total investment for the operation was equivalent to about $9,000,000 in 1960.(41)

Bartin differed in one major respect from Turkey's 15 other cement factories.* Main component of its raw material inputs would be slag from the Karabük mill. Karabük slag had been hitherto completely waste material,

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*In its programmed capacity of 950 tons per day, the Bartin plant would rank eighth in size.(42)

and earlier proposals for a cement plant at the mill never materialized. Thus the Bartin operation would now put this material to use and would represent another activity linked to pre-existing investments. Slag would form 30 percent of initial raw material inputs and increase to 70 percent.

A series of construction delays prevented completion until late 1962 (well after construction at Ereğli had begun). The last bottleneck had been failure of the electric power agency to schedule and implement connection of a tap line from the power grid 40 km away. Yet even when this connection was finished, the plant would not go into operation. For in six years no arrangements had been made to transport the slag from Karabuk to Bartin.

The two towns have no rail connection, and the Karabük-Filyos line is 40 km from Bartin. The road between Karabük and Bartin is tortuous, narrow, and of poor-quality compaction for its entire 90 km length. In 1961, it stood 79th on the highway department's list for improvement priorities.(43) Were the slag to be shipped by truck, plant requirements would call for from 15 to 50 truckloads per day.

Cement plant officials continued to state they would use Karabük slag, but the Karabük General Director told this writer that he would refuse to ship the material until either a rail-line or a good road were built.

Thus the cement people faced alternatives of not going into production, waiting until Ereğli steel produced slag (at least 3 years), seeking a new source of raw material (which they had not done), or trying to expedite a transport link with Karabük (which meant years of further delay).

Had such a link been examined from the outset, officials could have also studied the suitability of Bartin's all-weather facility to substitute for Filyos as Karabük's port (thereby providing some back-haul for the slag transport vehicles). Indeed, with easy transport available to the coal fields and the interior,* Bartin might have proven a better location for the second steel mill than Ereğli.

As the writer discussed these multi-purpose aspects of the problem with government officials, it appeared that none had been considered. The Bartin cement plant was a valuable asset to Zonguldak, but here too an important economic activity was hamstrung by failure to establish required links to other enterprises within the region.

D. Mobilization of Other Resources---Forestry

Almost 60 percent of Zonguldak province is covered with forests. Installation of the rail line and power facilities to serve the basic coal and steel industries

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*Estimated cost of a rail connection to Bartin from the main line was, according to railroad department officials, less than a third that of the Eregli-Zonguldak connection.

enabled forest exploitation on a commercial basis to begin late in the 1930's. All forestry work is controlled and conducted by a General Directorate of the Ministry of Agriculture. Two saw mills are in operation (at Devrek and Ulupinar) with a worker total of about 750. Perhaps 2-3,000 other people have temporary or permanent employment in some phase of lumbering.

In 1960, Zonguldak produced 13 percent of Turkey's forest products(44) as shown in the Table below. Lumbering, therefore, ranks as the third major modern economic activity within the region.

Table VI-7

Forestry production in Zonguldak, 1960

	quantity in m^3	value in TL
logs	186,463	38,224,915
pit-props	9,164	1,374,600
industrial wood	2,107	282,338
telephone poles	184	38,640
Firewood	2,912,777quintals	1,835,049
Other	7,210quintals	21,630
		41,777,172

Source: Ozen Dalli, "Zonguldak Sanayii", Unpublished mss, Bolge Planlama, Ankara, 1962. pp.4-5.

Most of Turkey's forests have been severely depleted by peasants who seize the wood for fuel and allow their goats to strip young trees of bark and leaves. Not so in

Zonguldak and its neighboring provinces, where the Forestry Directorate has instituted effective police controls. Here, however, in its zeal to "conserve" a natural resource, the Directorate seems to have cut too little from the stands and is thereby endangering productivity.

A 1962 analysis of the Filyos river watershed by AID's forestry advisor states:

> "Much of the stand is mature or over-mature, consisting of a relatively high percentage of large diameter and/or variously defective trees which must be harvested in the next few years to allow maximum growth of the excellent 'crop' trees in the stand...This initial heavy improvement cutting is imperative if the forests are to be brought under optimum management in as short a time as possible, and it requires an outlet for a very large quantity of the lesser quality wood as well as for the better, large-diameter saw logs, veneer logs, and poles."(45)

Earlier we noted how an increase in pit-prop production from the region could substitute for imports at the mines. A second immediate development possibility is construction of a kraft-paper plant. AID advisors, Turkish foresters, and private firms had been pressing for such a mill since at least 1955--the height of industrial expansion during the Menderes period. Arthur D. Little, Inc., made a favorable feasibility study late in the decade. Sumer Bank drew up a tentative proposal, and both foreign and Turkish private capital have evidenced interest. Such a mill, using pulpwood readily available from the region, could be both a source of employment and an extremely important addition to the economy.

The large state paper factory at Izmit presently produces two-thirds of Turkey's needs for newsprint, wrapping paper and cardboard. Seven small plants in Marmara manufacture wrapping paper. But all of the other requirements, including kraft paper to package the products of the cement, sugar, and fertilizer industries are met from imports.(46) According to the AID advisor:

> "A pulp and paper mill of 150 tons daily capacity would require about 300 tons of pulpwood per day, or a total of 100,000 tons per year. Considering only the present high-productive forest area of about 350,000 hectares...the proposed...requirement falls safely within even the ultra-conservative annual growth of only 1 cubic meter per hectare on coniferous stands, disregarding the heavy improvement cutting and the use of a percentage of hardwood in the pulping mixture.
>
> Even a 250 ton mill could operate on the current harvest of the best productive forest land in the Filyos watershed, leaving ample for other industries and domestic uses such as fuelwood. And as net forest growth inevitably will increase with removal of competing mature or defective trees, the future picture looms even brighter for the pulp and paper industry than it does at present."(47)

Here is another source of foreign exchange "leakage" which could be blocked by domestic production. Estimated capital requirements equivalent to $20,000,000(48) were little more than the amount tied up in the three unnecessary sugar plants unfinished by 1960. (Chapter Four)

Forestry officials have considered the town of Filyos ideally suited as a site for such a plant:

> "It combines an adequate land area, good climate, plenty of water, adequate available electric power, water transport of the product, and an existing or proposed road system adequate to transport the raw material to the mill by truck and railroad.(49)

Although Filyos already has some of the necessary external economies, Bartin--were it possessed with the effective interior connection--might prove even better. For here would be an all-weather port also proximate to the forests and a cement plant customer for the paper enterprise.

Regardless of where is most suitable within the region, however, the fact remains that Zonguldak's forests lend themselves to greater exploitation with a paper plant. By spring of 1962, little progress had been made on this aspect of resource mobilization.

E. Consumer-oriented industries.

A number of small, privately-owned firms have materialized in Zonguldak--mainly after 1950--and are chiefly concentrated in Bartin.*

Bartin's brick and tile plants already supply much of Zonguldak's building materials requirements. They are

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*In 1962 the State Planning Organization began a study of why entrepreneurs had developed in Bartin rather than other towns within the region.

among the few such operations on the Black Sea west of Ordu and thus export, via 100 ton coasters, to construction projects at Sinop, Samsun and other coastal cities. Development of the new Eregli mill plus associated housing can provide a larger regional market for the plants.

The canneries in Bartin and Ereğli send all of their produce to Istanbul, Ankara and the other large consumption centers. Cost to the consumer is quite high, due to the use of imported tin plate* and the high cost of obtaining produce. However, once domestically-fabricated Ereğli tin plate comes on the market, this aspect of production cost may be reduced. The canneries stand to benefit by their location in the region if they survive long enough to use Ereğli plate; for all three had large inventories and idle capacities.

Woodworking enterprises, the bus and truck body shops at Devrek, the boat-building at Bartin, and the handicrafters at Amasra--all give evidence that some individuals have developed skills to fabricate forestry products for sale.

Largest of all these enterprises is probably the modern brick plant at Bartin with 100 workers. Most of the others have rudimentary equipment and appear to survive only by paying the lowest of wages. Average daily wage at

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*Up to 80 percent of production cost, according to the owners.

the canneries, for example was 3.50 TL*---compared with 9.00 TL for temporary miners and 23 TL for skilled personnel at Karabük.(50) Unemployment is so severe that even at these rates the plants have no shortage of help.

Owners are frank to admit their inability to find ways of expanding markets or improving efficiency. They have bitterly complained to this writer about lack of advice and assistance from the National Chamber of Commerce and the Ministry of Industry, each of which has representatives within the province.** They claim hostility on the part of the coal company and steel mill; and while the owners are aware of defects in their operations, at the same time they feel unable to alter the situation by their own efforts.

Perhaps the industrialists' complaints are exaggerated. We have no quantifiable information on their production, methods of financing, etc., and thereby no means of judgment. Yet the facts of underutilized potential are apparent. There is some entrepreneurial spirit, but little entrepreneurial know-how. Neither under the Menderes administration nor in the period immediately following was any public program specifically directed at aiding this nucleus of private development, which had followed on the government-directed industrial growth.

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*In U.S. money about 40 cents

**These representatives have in turn pleaded to the writer a lack of support from their parent Ankara agencies.

IV. Education and Infra-structure

A growth region will possess a broad stock of educational facilities and services adapted to providing personnel with skills for its expanding economy. Other essential elements of infra-structure within the region will at least be adequate to sustain rather than retard future growth.

A. Education in Zonguldak

Despite the heavy public investment in mining and industry for Zonguldak over a 30-year period, the region's stock of educational facilities and its complement of teachers are relatively poor. In this respect, Zonguldak is no better (and in some aspects poorer) than the national average. Witness the literacy figures for 1955 in Table VI-6 below.

Table VI-8

Literacy in Zonguldak and the Nation, 1955

	Pct. male literates over 6 years of age	Pct. female
Turkey	56	25
Zonguldak	57	20

Source: 1955 Mufus Sayimi, op.cit., p. 138.

The province has a male literacy rate comparable with the national average and a female rate below the mean. In 1955, average urban literacy (i.e. in places over 10,000 for the nation as a whole) was 64 percent. The comparable Zonguldak figure was 64.5 percent.(51)

Although the province held Turkey's fourth largest concentration of industrial workers, nineteen other vilayets in 1955 showed higher proportions of literacy. Six provinces which possessed cities over 50,000 had higher literacy rates.(52)

The small mining technicians school in Zonguldak city was the only specialized institution which could prepare people for industrial trades above the middle school level, while the province had only two vocational schools for younger pupils. Both Karabük and Zonguldak had lisees. No plans for new specialized facilities were under consideration by the Ministry of Education in 1962, except a teachers' training school to be built in Zonguldak city during 1964.(53)

Pupil enrollments and student-teacher ratios for various facilities appear below.

Table VI-9

Enrollments in Zonguldak, 1960

School type	enrollment	students/teacher	National Average St./T
elementary	49,292	53	50
middle	3,601	23	23
lisee	909	31	19

Source: Bolge Planlama Data from Ministry of Education.

Only a relatively small proporation of elementary enrollment reaches advanced schools; and the pupil-teacher ratios in Zonguldak seem to be higher in elementary and lisee than the national mean.

While one can conclude from these figures that education in Zonguldak is the same or not much worse than Turkey's average, the region's great importance as an industrial and mining center warrants a greater-than-average effort in education. On-the-job training provided for workers in state enterprises cannot be minimized---but one of the blocks to effective growth within the region may well be this lack in the amount and diversification of educational facilities.

B. Infra-structure

Much of this discussion has dealt with the role of infra-structure in both expediting and preventing the region's development. We have seen how the railroad and power grid enabled exploitation of the forests in addition to serving the basic coal and steel industries. The super-highway from Karabük to Ankara provided an opportunity for agglomeration at the steel mill. Yet at the same time serious blockages have been unidentified as such by the responsible authorities; i.e. the failure to link Eregli steel mill with its interior markets, and the failure to tie Bartin with the supply source for the cement plant.

Port expansion at Eregli and Bartin gives each of these towns an opportunity for further development. Yet the physical restrictions of Zonguldak port prevents this overloaded facility from meeting new demands.

Indeed the overall physical constraints on Zonguldak city may provide a major obstacle to effective readjustment of the mining program.

Zonguldak is in a narrow valley bordered by 500 meter high mountains. All the level, buildable area within the city proper has been consumed during the past 30 years. There is literally no more place to construct housing and institutions except at slopes exceeding 25-30^{o}. Moreover, bearing capacity of these areas has been weakened by

subterranean coal shafts. Numerous structures have already settled because their ground supports could not carry the weight. Kozlu and Kilimli suburbs are slightly, but not significantly, better situated.

The coal company, which controls most of the land, responded to the problem by refusing to grant building permits to private individuals. Yet population increased by 30,000 during the 1950-60 decade, and some 8,000 illegal houses have been erected on precarious sites. The coal company itself lacks land for new installations and housing, and the outskirts of Zonguldak are in great danger of crumbling in upon themselves.

Should the mines increase their output and do so by an intensive mechanization program, a larger number of permanent workers with families will have to be accommodated. Any solution to the problem of increased building areas must now be studied, therefore, in a context far larger than Zonguldak-Kozlu-Kilimli alone. By spring 1962, the coal company had not initiated such a study.

Although the DSI program will provide Zonguldak city with its needed increase in water supply, every other community has a water shortage for existing population and activities. The shortage exists despite good rainfall and the presence of many rivers and streams. No community has a sanitary sewage system, or plans for one, and only Zonguldak city possesses storm drainage mains.

Shortages within a developing nation can be expected. Some amount of improvisation is perforce required. Yet over the course of 10 expansionary years, the Turkish government installed highways, power lines, waterworks, schools, etc., throughout the country at a rapid rate. In its zeal to spread development, the government somewhere failed to take account of critical problems and requirements in an area which offered one of the greatest potentials for development to take hold. Although some of the main infrastructure elements within the province allow for expanded activity, gaps elsewhere restrict existing activities and prevent others from beginning operations.

V. Incomes and Services

A growth region will evidence generally rising levels of income which will support an increasing amount of service activity and employment.

We have noted earlier that per capita income for the rural majority, about 75 percent of Zonguldak's population, was well below Turkey's rural average, even though many of these peasants were employed in the state enterprises.

Incomes from permanent non-agricultural activity were also not significantly high. The wage scale in private manufacturing plants, as evidenced by the 3.50 TL daily average in canneries, was generally below that of the temporary mine workers' 9.00 TL per day. According to Filyos officials, the brick plant workers averaged 11-14 TL per day.(54)

Permanent workers at the mines and mills had substantially higher incomes of over 20 TL per day. Fringe benefits of housing, food, clothing, and other commodities plus health and life insurance added to these figures. Plant managers and other executives received salaries roughly comparable with public officials at Ankara, which were further increased by fringe benefits. Life for this permanent personnel appeared quite comfortable. Without any further information in depth, however, it would seem that overall incomes in the province--for both agricultural and non-agricultural employment--were quite low.

Our only means of income comparison with the rest of Turkey is again via income tax returns. These taxes are levied on all salaried workers and self-employed individuals in both public and private sectors outside of agriculture. In 1957, income tax payments from Zonguldak accounted for 2.0 percent of Turkey's total. This was roughly proportional to the province's share of total Turkish population. Yet by 1959, Zonguldak's tax contribution declined to only 1.6 percent of national revenues.(55) The reader will remember that this was a period when the three national centers, and Istanbul in particular, were increasing in proportion of income tax payments.

Thus, Zonguldak appeared to be declining in relative prosperity while the main centers were further solidifying their positions as major concentrations of national wealth. Zonguldak, despite its economic contributions and importance, was sinking back towards peripheral status.

This diagnosis is further reflected in the character of service activity in Zonguldak. Over 80 percent of the province's tax returns came from salaried workers--mainly representing state enterprise employees. Only 5-7 percent came from the category "trade and commerce", compared to a nation-wide proportion of 23 percent between 1957 and 1959.(56)

The following table indicates relative proportions of service employment among the labor force of Zonguldak and

Turkey for the 1935-55 period. Census figures in such detail may be extremely misleading due to compilation inaccuracies, and the reader is again urged to study relative, rather than absolute, magnitudes.

Table VI-10

Proportion of Service Employment in the Labor Force of Zonguldak and Turkey, 1935-55

In Percent

Category	1935		1945		1955	
	Zong.	Tur.	Zong.	Tur.	Zong.	Tur.
Commerce	1.8	2.8	2.2	3.7	1.4	2.7
Transport	2.0	1.5	2.0	1.8	1.4	1.5
Pub.Admin. and Services	2.1	5.2	5.4	9.2	2.5	4.3
Total	5.9	9.5	9.8	13.7	4.3	8.5

Source: Bolge Planlama Data from Central Statistical Office, Censuses of 1935, 1945, 1955.

A low proportion of service employment is indicated throughout for Zonguldak. Moreover this proportion appears to be decreasing relative to other forms of activity. Workers in these categories increased by 65 percent for Turkey as a whole over this period, while the growth in Zonguldak was only 32 percent.(57)

Most of the investments to stimulate Zonguldak's economic contribution were made after 1935; yet the proportion of service employment has declined in the course of development.

This picture is not altogether surprising. Major economic enterprises of the province are not prosperous and are beset with severe problems. Underemployment is so high and average level of expectation so low that people remain in Zonguldak to work at minimal wages. The survival of private industrial activity may also be attributed to presence of a large labor force willing to take little remuneration. With this as a basic pattern, few of the services called for in higher levels of growth can be supported. The state enterprises "take care" of their own permanent staffs, while the rest of the province is left at subsistence status or worse.

VI. An Atmosphere for Development: The Lesson of Zonguldak

When the six aforementioned growth region characteristics are present and both entrepreneurs and public officials exhibit attitudes favorable to growth and change, then an area may be said to possess an "atmosphere" that generates development. On balance, the picture in Zonguldak is discouraging. Zonguldak has many essential ingredients for growth; resources, factories, infrastructure. Yet, self-sustaining growth has not been achieved.

Plants are built related to resources, but cannot function through lack of some vital utility. Factories operate at a loss. State enterprise is a local employment source for peasants who remain on the farms while working in modern industry; but Zonguldak's farmers are among the poorest in the country; their income derived from mine employment has not led to improved agricultural practices, and the very system of part-time workers retards production at the mines. Private enterprise finds some source of attraction, but has production and marketing processes so primitive that it survives only by paying subsistence wages. Public enterprise, unresponsive to its own critical problems, is a hostile neighbor. Entrepreneurs are demoralized. Peasants stay with a stoicism bred of limited expectations. The governor must rush to Ankara with pleas for the bare necessities of public works.

Zonguldak makes important physical contributions of coal, steel, and other commodities to the Turkish economy--but at such continued high levels of subsidy that the province is a drain on rather than a support of that economy. Without some major changes in conditions, even these physical contributions may not be easily sustained. As the main national centers continue to generate opportunities and rising incomes, the province drops further behind. Today, some thirty years after the first efforts to mobilize local activities, Zonguldak is more a region "mired in the periphery" than one in process of dynamic growth.

Where does the trouble lie? In Chapter Four we noted that Turkey has continued to disperse its public investments widely over the nation and that the once-tight coordination of public agencies broke down during the past decade. Can the problems of Zonguldak be traced to insufficient investment and lack of formal coordination among public bodies? Certainly these factors bear some demonstrable burden. They are, however, merely aspects of a more fundamental failing in the formulation of public policy and its implementation.

A. Investment

Zonguldak probably did receive more public investment than most, if not all, other provinces outside the main

centers. Few provinces could boast such extensive and diversified industrialization through public effort. Nor did Turkey have difficulty in obtaining foreign technical and financial assistance for these enterprises. Zonguldak, from this standpoint, was a particularly favored region.

True, despite the outlays serious unfilled gaps existed. Unless additional investments were forthcoming in transport, agriculture, education, for example, important elements of the economic base could not function. The Turkish government had been continually concerned with distributing highways, factories, social facilities and other projects throughout the nation. This unwillingness to concentrate investment selectively in only a few key regions outside the centers undoubtedly undermined ability of potentially more productive regions to amass a stock of facilities sufficiently complementary to mobilize their potential. Had government been primarily concerned with Zonguldak, the missing investments might have been forthcoming.

But we cannot assign to this factor chief responsibility for failure. For Zonguldak affords many instances of adequate capital investment combinations and possibilities that still did not work.

The mines are a striking example. The United States government was prepared to allocate enough foreign exchange for equipment to increase productivity markedly. Mine

managers did not, however, attempt to tackle the fundamental difficultiesof pit-head mechanization and surplus labor. Nor did they press for transfer of some of this surplus to readily-exploitable forest resources, whose availability for pit props would save both foreign exchange and import delays.

The steel mill at Karabük underwent a major expansion program, yet government's pricing policy was such to encourage management inefficiencies and labor surpluses. Plant officials knew that "profits" would be forthcoming, regardless of production weaknesses.

The private entrepreneurs at Karabük had ready access to sources of supply and labor and excellent transport connections to the interior. These did not, however, provide the entrepreneurs with enough knowledge about potential markets to sustain profitable operations. Private canneries at Bartin for local produce might be considered an excellent investment; but the fact that local peasants produced corn and wheat instead of carrots and cherries cannot be attributed entirely to lack of capital.

Indeed, given the government experience with major outlays for mechanization and irrigation elsewhere, similar investments in Zonguldak applied in a similar fashion might not really increase productivity by very much. A rail line from Karabük to Bartin might bring slag

to the cement plant. But, how could one be certain of enough utilization of Bartin port to provide back-haul for cars carrying the low-value slag?

Some aspects of Zonguldak's problems can be traced to insufficient capital; but the manner in which capital is utilized and buttressed by policy and operating decisions appears to be a far more significant issue.

B. Coordination

Coordination failures are also symptomatic of Zonguldak's difficulties. Had Sumer Bank timed the Filyos brick plant expansion to coincide with development programs at Karabük and Ereğli, the large quantities of refractory materials needed by the steel plants might have been available within the region. Were the transport agencies involved in decisions to build the Bartin and Ereğli plants, a different location pattern might have been determined; and these two activities, both related to regional resources and national needs, might not be crippled.

Yet even if by some magic formula activities and budgets of Turkey's existing development agencies had been brought together, analyzed, and timed in concert as they applied to Zonguldak, it is still difficult to believe that the region would be in significantly better condition.

Filyos might still suffer from lack of quality control. Refractory bricks might be available for the steel

plants, but if they could not bear the high heats, the steel-making process would flounder. Private entrepreneurs in Karabük and Bartin would still face hostility of the state enterprises and find no more success in stimulating new markets. The fatalism and fears of the peasantry that seem to block any beginnings of diversified agriculture, despite nearby urban markets and canneries hungry for produce, would remain unchanged.

Even if some central decision-maker tried to co-ordinate investment budgets, the long and tortuous channels from regional to central authorities would still be the mode of decision-making itself. Local and provincial authorities, from both the government and the industries, would still be unable to make policy on most administrative as well as investment matters. Remote officials in Ankara would continue in control, divorced from first-hand contact with the province and its problems. Indeed, another layer of approvals at the center might make the already cumbersome bureaucratic machinery even more complex. Coordination of existing public development agencies could amount to superimposing bureaucracy upon bureaucracy with little effective result. It would do nothing to stimulate local initiative or create local institutions; to improve the efficiency of enterprise management; to stimulate some desire for progress among the peasantry; to improve the quality of Zonguldak's

education. Without coordination, investments would continue to be ill-timed or insufficient. Yet coordination failures were symptoms not root causes of the problem.

C. Lack of a Regional Policy

The Turkish government was willing to spread public investment throughout the nation, but had no regional development policy and no concept of what regional growth might contribute to the national economy. Zonguldak was not made the object of a coherent, comprehensive program to exploit its natural and human resources in a profitable manner. Nor, for that matter, was any other area where public investments were placed outside the main centers.

This investigation has rested on the assumption that a nation's economic and social development is strengthened as new growth regions materialize. Turkish policy makers, in both the Democratic and Republican period, lacked such an understanding of the spatial context in which national development occurs.

Ankara, the one successful effort to bend all energies in creating a growth region, was undertaken primarily for its political rather than economic value. In later years, when foreign financial and technical aid provided the flexibility for government to carry out broad-scale development programs, the economic and social significance of what had occurred at Ankara was somehow lost.

Zonguldak held an opportunity to bring latent resources into the productive cycle. It, too, might have been attacked with the same concerted approach that characterized creation of the capital many years before. It was not so treated. Productivity and a rise in levels of living were not automatically forthcoming, and the region declined relative to the centers despite expenditures that were made. In this context, no amount of capital investment or formal coordination among public agencies could reverse the trend.

CHAPTER SEVEN

RELEVANCE OF THE TURKISH EXPERIENCE

The question now turns on what lessons the Turkish experience might afford for other nations concerned with the spread of economic and social development from traditional centers. Can insights be derived from this period of almost 40 years of public decentralization activity which might have wider application?

Case studies present a constant source of danger to the researcher bent on establishing general principles. It is all too easy to become lost in concrete, particular experiences of a specific society with little relevance in other contexts. Generalizations from such situations are unwise; and Turkey no doubt presents pitfalls in certain aspects of its development history. We must proceed with caution.

Nevertheless, some attempt at a distillation of principles from the foregoing chapters is essential. For our subject cannot be left on a plane of abstract theory. At the outset, this study established its concern with <u>how</u> a nation can spread sustained growth and change beyond

initial points of concentration. Our search is for principles around which practical programs of action can be organized. Without some detailed testing of various approaches in historical circumstances, any thinking about techniques for creating growth regions may have limited operational value. Turkey is perhaps the only developing country to try a number of approaches over many years and possess enough records for at least a tentative evaluation.

Moreover, Turkey is far from unique in those of its national characteristics that bear on the problem of decentralized growth. It began as a primitive nation with a small elite and an illiterate peasant majority. Turkey in 1923 had two traditional centers of development and a hinterland with largely-unexploited natural resources. A brilliant, charismatic leader brought it to nationhood. After a period of authoritarian rule, the country made a transition to a multi-party, democratic system. A population explosion occurred, sending farm migrants to the cities. American and other foreign aid has been applied to the development effort. The distribution of power in Turkey is typical of a unitary state, with strong central government and weak local responsibility. Capital expenditures and projects are allocated according to individual sectors of the economy and infra-structure. These are all aspects of the Turkish experience which both are relevant to the potential for decentralized growth and have parallels

in many other modernizing nations. They do allow for evaluations of wider, though perhaps not universal, applicability.

I. First Principles Affirmed

One of the fundamental lessons to be derived from Turkey is the necessity of a coherent regional policy on the part of government as the basis for any efforts to develop outlying areas. A national economy exists in space. Its dynamic processes originate in one or two key urban centers. Only as these processes spread to other regions which in turn begin to evidence characteristics of sustained growth, does a national economy become integrated and a populace become fully involved in social change.

Governments may want to exploit hinterland resources or to reduce inequities between bountiful centers and a poverty-stricken periphery. So long as these remain the only objectives of a decentralization policy, mixed perhaps with political considerations, no successful attempt at creating growth regions can be expected. Individual resources might well become utilized. Temporary redress, through employment or dole, might be achieved for some backward areas. But the complex of characteristics and advantages signalizing an area whose productivity and income levels are continually rising will not materialize

automatically from limited action stemming from such limited goals. The centers will continue to monopolize the modernization process. Hinterland resources will flow to the centers, with little in return to the region of origin. Over time, the economic and cultural gap will widen. Indeed, as we have seen in Zonguldak, the very resource development itself may become a drain on the economy, rather than a profitable supplement. Growth regions can materialize only when government is prepared to mount a comprehensive attack on the problems of backwardness and imbue a region with the kind and quality of activities that characterize development at the national centers.

As to how this process may be effected, the Turkish experience reaffirms validity of two principles proposed in Chapter One as necessary prerequisites for a decentralization program; i.e., (1) that decentralization efforts should be made on a selective, concentrated basis in peripheral regions of high growth potential and (2) that the commitment to decentralize involves a corollary commitment to guide the selected regions continually through the growth process. We have seen that a dispersion policy might be able to gain short-run political objectives, but is unsuited to stimulation of long-term, dynamic growth. We have also seen that a potentially-productive area can remain in the periphery, despite a complement of modern

economic activity, when not made the object of a constant effort to sense out changes in the region's circumstances leading to application of new and complementary programs. Selective concentration and continuous attention are fundamental prerequisites of a commitment to create new growth regions outside the national centers.

Yet Turkey illustrates that the task is perhaps even more formidable than our initial chapter may have indicated. It is simple to suggest selective concentration and continuity as principles, but without a favorable institutional context through which they can be applied, little development of outlying growth regions can be expected. The practical experience of Turkey also provides insights as to the nature of such a favorable institutional context.

II. The Institutional Context for Effective Decentralization

These insights can be grasped by isolating the structural characteristics common to the successes, rather than the failures, described in the preceding chapters. For in addition to creation of Ankara, Turkey did inaugurate several programs that were largely successful in achieving their objectives. Each of these, except Ankara, dealt with a limited sector of activity rather than with the comprehensive task necessary for regional development. Yet each involved careful programming, large expenditures of funds

for physical facilities and operations, and the introduction of modern institutions and techniques. Each represented a major departure from past practices. They included such efforts as the Sumer Bank industrial program of the 1930's, the network of People's Houses, the Industrial Development Bank, and the highway and waterworks programs of the 1950-60 decade.

Each of these operations was effective in pursuing its own limited goals and, with the efforts at Ankara under Ataturk, shared certain basic structural characteristics. Had Turkey organized programs to create growth regions from resource areas with a similar set of underpinnings, the prospects for her present development pattern might be more encouraging.

The four most striking similarities between the successful programs are discussed below. These would be important components in the structure of regional development activity within a developing nation whose "national circumstances" paralleled those of Turkey. They are:

1. Support and personal involvement of the highest national political leaders.

2. A directing organization with status quasi-independent of the administrative bureaucracy.

3. Concentration of planning and implementation responsibilities within the same organization.

4. Leadership and staffing by an elite group of modernizers.

1. Support and personal involvement of the highest national political leaders.

A government based on diffusion of decision-making and budgetary powers can initiate significant development programs at different levels of the hierarchy. Thus, in the United States, federal, state, and local bodies each hold important powers, responsibilities and revenue-raising authority. Development projects* can be conceived and conducted effectively at each level. The relevant decision-makers have immediate access to programs implemented under their jurisdiction and can direct the course of the work.

Within a unitary state, however, decision-making and financing are concentrated at the national governmental center, not in the provinces and the towns.** Provincial and local autonomy are strictly limited and controlled. When this unitary state is also an underdeveloped one, with a small complement of skilled and responsible administrators, actual authority over what may be accomplished in economic (as well as political) development rests with few hands.

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*Despite increasing dependence of state and local on federal authorities.

**In developing nations organized on a federal system, such as Brazil, these relationships may not necessarily apply. Since Turkey has been our main subject of study, this evaluation may be pertinent only to unitary states, though certain substantive parallels may also exist in other systems.

The president or other chief national figure is the most powerful of these. Projects which have complete personal support from the chief leader and his close associates stand the greatest chance of accomplishment---regardless of what people or institutions at lower levels want or undertake. If the top men are dedicated to development and social change, they can best mobilize the bureaucracy and other layers of society who may resist the new. By identifying a particular project with their own personal image and by consolidating the necessary powers for the task, top leaders have available the only body of strength sufficient to force through major transformations.

Thus, in Turkey, Ataturk conceived the idea of Ankara as capital and for a 15-year period lent to its development his personal attention and energies. The idea of an industrial nation, utilizing domestic resources, also stemmed from Ataturk and his close advisors. Their personal commitment produced the first Sumer Bank programs after private enterprise proved unable to perform the job. The highway construction activity of 1950-60, which left a road system unmatched in the Middle East, caught the imagination of Menderes and Bayar. By their individual efforts and intervention, the program was pressed through at a higher priority than all other development measures.

Commitment from the top leaders also aids in endowing a region with that "special" status necessary to its

effective competition with the center for modernizing people and activities. Risk-conscious private entrepreneurs will not invest in an outlying area where they are unsure of government's complete sincerity and support. Such assurances and guarantees of continued public effort can have an impact only if they come from the top.

Creation of a growth region from a backward area is a demanding task. It is difficult to conceive of how the effort, if left only to lower levels of government, can muster sufficient momentum to get past the first round of facilities installation...no less move on to other, more complex stages.

2. A directing organization with status quasi-independent of the administrative bureaucracy.

Turkey inherited its system of public administration from the Ottoman Empire. In this sense Turkey was not unlike many newly-independent nations who have retained the formal organization established under colonial powers.

The system was geared to control and routine administration rather than to innovation and development. Ataturk, conscious of the need to unify his country, broadened the control powers and expanded the bureaucracy both at the center and in the field. The bureaucracy was staffed with men trained to carry out orders and administer rules laid down from the top. Imagination and innovation, critical to the development process, were circumscribed.

The men themselves became increasingly prone to fatalism and indecision. The few exceptions, such as the governor of Zonguldak, received minimal reinforcement from others in the administrative apparatus. Programs geared to development begun within this framework, such as post-war highway construction, could not proceed because of the many and rigid forms of approval required for each small budget request. When an administrative system is based on resistance to innovation and change, effective attempts to innovate or change must to some degree take place outside the system.*

Most of the successful public development programs conducted in Turkey were placed outside the web of ministerial bureaucracy and national-provincial administration. Each had a large measure of control over its own budget and required minimal approvals of projects or expenditures from outside the program itself. They were established as special arms of the top decision-makers and drew responsibility and authority from this relationship.

The People's House activity was the job, not of the ministries, but of the more flexible Republican Party.

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*Railway construction during the 1930's by the Ministry of Public works may have been a notable exception; but the reader must remember that this was then the main job of the Ministry, and one to which the President assigned top priority.

Sumer Bank, with a separate allocation of capital and operating funds, was especially created to handle industrialization during the 1930's. Laws were passed to free both the Highway and Waterworks Departments from rigid supervision by the Ministries of Public Works and Finance during the post-war period. The construction and cultural development of Ankara was handled by the top decision-makers themselves, without dependence on cumbersome chains of command.

Functional autonomy for the highway and waterworks agencies during the 1950's enabled them to achieve their missions. The problem was not that Karayollari or DSI were ineffective. Rather, they were perhaps too effective. For the other related sectors of activity (i.e. industry, agriculture, education) did not undergo complementary expansion* necessary to make full use of what Karayollari and DSI built. Indeed, the highway program, for example, unchecked by requirements of complementarity, proceeded to build fine roads often in places unrelated to the potential of the economy.

But complementary development of related sectors within regions of a larger nation is the essence of our concern in this study. Such mutually-supporting activity has, in the national centers, led to sustained and dynamic

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*in space as well as time.

growth. Efforts to duplicate basic characteristics of national centers in areas important for their resources may induce generation of sustained growth in these areas as well. The quasi-independent status of successful sector activities has direct relevance to the type of organization necessary for the more complex regional job.

A single organization should receive primary responsibility for this job within a given area. Although it would require close supervision by the chief national decision-makers who back the program, at the same time it must have a reasonable amount of autonomy, unfettered by constraints and needs for approval from petty bureaucracy. The task involves programming and coordinating the activities of several sectors over long periods of time. An organization charged with such an assignment needs to allocate funds and take operating decisions with some degree of speed and flexibility. Failing such autonomy and subject to the constraints of an existing administrative system, a program can become hopelessly mired in the red tape endemic to what Hanson calls "a caste of routine-bound bureaucrats, determined, through the influence they exert over the holders of political power, to defend a status quo largely created by themselves for their own benefit."(1)

3. Concentration of planning and implementation responsibility within the same organization.

In addition to their positions outside the bureaucracy, the effective Turkish development organizations all were responsible for both design and execution of their projects. They were forced, in a sense, to see programs through from genesis to completion and were not required to rely on other organizations for significant phases of their work. There was relatively little opportunity for breakdowns in communication, misunderstandings of responsibility, or inter-agency jealousies to take effect.

Karayollari decided on what highways to build. It drew the plans, managed construction, and maintained the system. The Industrial Development Bank worked with entrepreneurs in defining factory projects, providing technical assistance to program preparation and initial operations. It made the financing and kept a continuing record of performance. At Ankara, it was Ataturk and his close associates who conceived the idea of a diversified national capital and cultural center and directly supervised planning and implementation in the early years.

A regional authority would be concerned with "total" resource exploitation; industrial, agricultural, infrastructure, as well as human development. Under this responsibility would fall preparation of the plans and

action programs for the various sectors. It might also prepare a capital expenditure budget for the region as a whole, to be approved by the national decision-makers as the basis for fund allocation.

We do not propose that a regional authority be charged with every phase of design, development, and administration of each sector activity within its area of control. This would prove too cumbersome a burden and, indeed, might serve to detract from creation of other responsible institutions. An authority's own administrative and operational activities might extend to exploitation of the major resources. For example, in Zonguldak, such an authority might have direct jurisdiction over the coal and steel industries and their attendant urban facilities and infra-structure. In other sectors its activities might be primarily planning and commissioning projects conducted by other agencies under its general supervision.

McKinley has noted the success of such a practice under the TVA:

> "By its policy of delegating many of its tasks to state and local institutions on a contractual and compensatory basis, and by its proffer of free technical assistance, it has constituted a major source of the yeast that during the past fifteen years has greatly raised the level of state and local services in that part of the South and strengthened rather than impaired the vigor of established local institutions."(2)

In backward areas of a developing nation, however, a regional authority must also be charged with creating and stimulating local institutions that are unlikely to arise without special efforts. It would also have some responsibility to offer special incentives to private entrepreneurs, both of a financial and technical assistance nature.

Generally the kind of authority we suggest has been associated with river-valley development (i.e. TVA and the Damodar project in India). In Venezuela, a powerful regional agency has been established for Guayana with direct jurisdiction over steel industry development combined with both planning and supervisory powers for other sectors within the region.(3)

The precise responsibilities would again depend on the particular nation and region involved. We cannot spell out here a set of functions that might be applicable to every case. Rather, our intent is to demonstrate that the principle of concern with total resource exploitation and the power to commission and supervise specific projects in related sectors are crucial to the effectiveness of a regional organization.

Thus, when Turkey in the 1950's established a regional planning agency as an obscure department of a junior ministry, powerless to enact any of the recommendations it might conceive, this was no basis for effective development.

The chain of administrative bureaucracy was unbroken. The uncoordinated sector agencies retained jurisdiction over location and timing of projects, and the regional planning group had no authority to impose a different approach.

Even if persuasion and rational exposition caused some agencies to dovetail projects in a specific area, this would be a poor substitute for the essential full-scale attack on a region's structural problems. Persuasion without power can accomplish little in a developing nation. Actual manipulation of authority and funds is a critical component of a program directed at producing change. This would appear to hold as true for a regional development program as for construction of a national highway network.

4. Leadership and staffing by an elite group of modernizers.

Caliber of leadership and personnel is the deciding factor in any activity's success, regardless of how smoothly-tailored its organizational framework is to the task at hand. Without good people, there are no good projects and no regional development.

Here again is precedent in the successful phases of Turkey's experience. The Highway Department's director from 1950-60 was an excellent, western-trained engineer. Under him was a body of men specially educated in their jobs by the Bureau of Public Roads technical assistance

team. Many were sent to the United States for graduate work in engineering and administration. Special pay scales were established for them, outside the ordinary ratings of the Turkish civil service, and made commensurate with training and responsibility. Karayollari had the funds, power, and freedom to do its job of highway building. But it also had the skilled technical staff, conscious of their membership in an elite fraternity, to plan and execute the work.

Ankara's remarkable emergence as a national and cultural capital to replace the image of Istanbul was not merely a function of the power consolidated at the spot. Ataturk had around him the best, most highly-educated and dedicated of the Turkish intellectuals and administrators. These were concentrated at the capital to plan and execute the work of governmental and cultural change. Ankara became a modern community, because it had a "community of modernizers" directing its growth.

An effective regional development authority would be staffed with just such a modernizing elite; specialists in ecucation, industry, various types of agriculture, engineers, men skilled in commercial affairs, community development people and the like. These would be selected for their promise and given special training at home or by the foreign assistance agencies abroad.

Of equal importance to the level of skill, are the attitudes and orientation of the personnel. There should

be no room for the stultified bureaucrat, antagonistic to change, or the arrogant intellectual, with an ingrown feeling of superiority to the people he is supposed to help. Hanson suggests that personnel in such an innovating public enterprise should possess

> "...all the qualities, such as administrative flair, energy, readiness to accept responsibility, and knowledge of the principles of business organization that private enterprise requires of its top level people, plus something else..... the unselfish devotion to the 'public good' characteristic of the best civil servants, a sense of the importance of public relations, and ability to establish fruitful and cooperative relationships...."(4)

Difficult though it may be to amass a working group with such varied skills and interests and the proper orientation for development work, the task is far from impossible. For this is precisely what the U.S. foreign aid program has done--on a sector basis--in Turkey and in many other countries throughout the world. We have trained skilled corps of highway engineers, public health specialists, agronomists, educators, etc., and have placed them in highly-effective specialized agencies with limited objectives. Although they perform their individual tasks with great credit, much of their ability to reinforce each other is lost because of this functional separation.

Regional development offers an opportunity to bring together these modernizers as well as the activities they

represent. It provides a concrete, physical framework for establishing a common basis of interest among people of diverse skills, each of whom has a part to play in the growth process.*

The principles suggested above have parallels in experience of several Turkish sectoral efforts and in the manner by which early development of Ankara was conducted. A fifth component of the "institutional context" can be seen thus far only in the early Ankara experience, Turkey's single successful and comprehensive attempt to create a growth area. That is location of a significant amount of decision-making within the region itself.

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*Lucien Pye suggests that establishment of such groups of skilled professionals dedicated to common goals is among the few means by which developing nations can conquer the psychological barriers to growth.

"By this approach national development would be furthered as ever-increasing numbers of competent people meet in their daily lives the exacting but also psychologically reassuring standards of professional performance basic to the modern world. The emergence and interaction of such people as they fulfill their professional activities would provide transitional societies with communities of modernizers who would constitute islands of stability in an otherwise erratically changing world. The establishment of such communities would provide the necessary environment in which the more ambitious transitional people could escape the paralyzing effects of feeling isolated and alone in the search for new identities."(5)

5. Location of decision-making within the region.

It is no more feasible to produce sustained growth in Zonguldak from Ankara than to prepare a Cape Kennedy missile for launching from Washington. Decentralization of development requires some decentralization of authority in order to achieve its objectives.

Distance problems are critical enough when each investment decision must be referred back to the center through channels in the expectation that men remote from activities and events will be able to make considered judgments within a reasonable period of time. In Chapter Four we noted how a potentially valuable project in Mersin had in three years'time drawn neither a positive nor a negative response from the Industrial Development Bank, headquartered 400 miles away.

But investment is only one of the factors involved in regional development. The human resources of an area must be activated as well as material facilities. People in the region must learn both the skills and the attitudes necessary for modernization. Changes in social, as well as economic structure, are required; and the Turkish experience has indicated that the latter is difficult to accomplish without the former. The "atmosphere" conducive to growth and change must somehow be transmitted to the region chosen for transformation.

This transformation cannot possibly come about if manipulated by men and institutions lacking intimate familiarity with the regional conditions. How can continuous attention to the details of change, to bottlenecks, and to activation of new opportunities be managed from a distance?

Then, too, a successful growth region will also attract capital and modernizers from other parts of the nation, including the main centers. If agency directors charged with the program and their top professional staffs leave the actual work to lesser minions in the field, a psychological element critical to success would be eliminated. In countries where government plays significant roles in regulation and control of business operations, few entrepreneurs will establish firms where direct access to decision-makers is impossible. Few doctors, lawyers, teachers, administrators, etc., would be tempted to leave the centers for an outlying area so "unimportant" that the government authorities who direct its destiny are not on the scene.

Those who produced a viable national capital and cultural center in Turkey lived there, witnessed every step of the process and were party to the success or failure of each venture. Ankara in its early years held the leaders of Turkish government, art, education, etc.

These men were vitally concerned with making the area palatable to their own tastes and desires. They and their activities provided a lead for others to follow.

Ataturk wanted to create similar dynamic centers elsewhere in the interior. Instead of ceding important discretionary powers to men in the field, however, the government kept tight centralized control over their activities. In the early years of the Republic, the great enthusiasm and dedication of Ataturk's followers were able to compensate for some of the difficulties caused by constant referral of decisions to the capital. As time passed, however, the system grew more cumbersome, and fatalistic resignation settled in among officials and managers in the provinces.

The question of delegation of authority presents difficult problems to a state whose entire administrative system is based on centralized control. It could represent a diminution of central government's power, and thus be considered dangerous by the national leaders. By the same token, however, complete concentration of development authority within a region outside the center might also prove unworkable. Close contact with the top national leaders and with the country-wide sector agencies is also critical. At the very least, liaison activity with these decision-makers and agencies must be conducted at the capital.

The form and extent of delegated authority is also a matter to be decided in context of each nation and its particular political circumstances. Some such delegation is essential, however, for regional development cannot be accomplished without a close identification between responsible public officials and the area selected for intensive effort. This is perhaps what Hirschman means by suggesting that each "growth pole" region should have some "equivalent of sovereignty".(6)

III. Some Pitfalls and the Alternatives

We cannot in good conscience advocate that a nation establish a number of such development authorities simultaneously in several regions. Even one operation, conducted within the proper institutional context, would present a centralized state with serious difficulties of organization, staffing and control.

The problem of obtaining enough quality staff for a single attempt is sufficient in itself to indicate caution. A bold program can collapse through lack of proper personnel. Powerful agencies can easily misuse their powers and budgets if run by incompetents or people insensitive to the tasks at hand. It would be folly for a nation to create several strong regional authorities without the human potential to exercise the responsibilities required.

A nation's administrative system could also become enormously complex and confused if several multi-sector regional programs had to be integrated into the national budgeting process. Moreover, simultaneous efforts to make several areas outside the centers attractive for investors and modernizers might well weaken the ability of any single region to attract its necessary complement of growth activities.

One of the strongest arguments against trying a number of regional projects at once is the problem posed to national stability. Such bodies would exercise significant powers within the regions where they operate. Even while stimulating local initiative, they could lead to dangerous sectionalism which might weaken efforts at national integration in countries still unaccustomed to unity and political responsibility. McKinley, in cautioning against too-extensive repetition of agencies such as the TVA suggests:

> "We may thus get a new and uncontrollable sectionalism, pulling us apart at a time when from the standpoint of both our domestic and international interests we must be guided in public administration by national policies and goals."(7)

Regional development activities should be carefully supervised from the center to guarantee their reflection of national political and economic policies. Supervision would be difficult to maintain if many efforts

are launched.

A viable alternative to several, however, is not abandonment of the "authority" concept. We have seen, via the Turkish experience, how complete reliance on the dispersed, sectoral approach is an ineffective means of extending development. When most of the forces favoring growth are concentrated at national centers, a massive thrust of investment and energies is necessary to start the process anywhere else. Given the social and political structure prevailing in nations such as Turkey, only a strong public authority with comprehensive responsibilities can initiate and manage the job.

One, or at the most two, comprehensive area development agencies may be all that a nation can absorb at the same time. A suitable complement of people might be found for a single program. Disruptions to the fabric of overall governmental administration might be relatively slight. Indeed, if a nation has not tried such an approach before, a single project may be the limit of its budgetary and organizational capacities.

Turkey did make a single successful attempt at Ankara forty years ago. A growth area was created from the Anatolian wilderness. Ankara might well have been the only such comprehensive project which Turkey could have absorbed in its early national history. Unfortunately,

the Ankara experience, motivated as it was mainly by political considerations, did not act as a basis for later attempts in areas important for their natural resources when economic development became the primary national goal.

Many generations have been required for national centers to build up enough strength for their role as development areas. Extension of the growth process from these centers is a formidable, time-consuming, though not impossible task. It must be approached with care and a willingness to experiment in one or two pilot regions. Once these new growth areas are functioning successfully, government can proceed with other sections of the nation, learning and adapting its techniques from experience of the initial pilot efforts. At this point in time, when the base of national economic and social institutions has broadened beyond its initial points of concentration, still further modifications in a government's approach to the spatial distribution of development may be in order.

A P P E N D I C E S

APPENDIX A

GROSS GEOGRAPHIC REGIONS UTILIZED IN TEXT

Regional divisions employed in analyzing the spread of urbanization refer to large and distinct geographic (rather than economic) zones within Turkey. They have been delineated by the Turkish geographer, Prof. Hamit Şadi Selen, and were used by Keleş in his basic study of city development, Türkiyede Şehirleşme Hareketleri. Boundary lines have been drawn to coincide with provincial divisions. The reader may notice some of the physiographic distinctions between the regions by referring to Map II-1 (topography), Map II-2 (rainfall) and Map III-6 (crop patterns). Brief summaries of zonal characteristics and lists of the provinces included in each region (1960) appear below.

Marmara consists of Thrace and those Anatolian provinces west of the plateau itself that border on the Sea of Marmara. Soil is fertile, the climate is temperate, and a large variety of crops--from wheat to fruits--are grown.

Provinces: Istanbul, Edirne, Kirklareli, Tekirdağ, Çanakkale, Balikesir, Bursa, Bilecik, Kocaeli, Sakarya.

Aegean comprises the provinces south of Marmara between the Aegean Sea and the plateau. The river valleys and alluvial plains, well watered and with a longer growing season than the Marmara, make it one of the two most fertile areas of the country. Much of Turkey's tobacco, cotton, and grapes are grown here.

Provinces: Izmir, Manisa, Aydin, Denizli, Muğla.

Central Anatolia is the steppe stretching from the Pontic Range on the north to the Taurus on the south, from the Aegean hills on the west to the eastern Anatolian mountains. High and dry, this area is the heart of Turkey's wheat production.

Provinces: Ankara, Eskişehir, Konya, Nevşehir, Niğde, Kayseri, Yozgat, Sivas, Kuthaya, Afyon, Burdur, Isparta, Kirşehir.

Mediterranean is the second of the two extremely fertile regions and has a warmer, more tropical climate than the Aegean. It extends from the slopes of the Taurus mountains south to the Antalyan and Cilician plains and the sea. Its eastern boundary coincides with the north-south Anti-Taurus mountain chain. Cotton, citrus, and pistachios are the main crops.

Provinces: Antalya, Içel, Adana, Hatay, Gaziantep, Maraş.

Black Sea is the littoral from Marmara to the Russian border and the Pontic mountains that separate it from the Plateau. This is the most heavily-forested area of Turkey, with the highest rainfalls and densest rural population. Corn, tobacco, tea, and hazelnuts are the main crops.

Provinces: Çankiri, Çorum, Amasya, Tokat, Bolu, Kastamonu, Zonguldak, Sinop, Samsun, Ordu, Rize, Trabzon, Gumuşhane, Çoruh, Artvin.

Eastern Anatolia is the heavily-mountainous region that extends from the Plateau to the Russian and Irani borders. The typical cereals are grown, and the area contains most of domestic cattle production. Its rivers provide the bulk of Turkey's untapped hydroelectric power potential.

Provinces: Erzurum, Kars, Erzincan, Ağri, Van, Bitlis, Muş, Bingol, Tunceli, Elazig, Malatya.

Southeast Anatolia consists of the south slopes of the Anti-Taurus mountain chain that bends in a crescent from Hatay to the Iraqi border and encloses high steppe country similar to the Central Plateau. It is the most sparsely settled region, with some cereal production and grazing. It is a major exploration area for oil.

Provinces: Diyarbakir, Siirt, Hakkari, Mardin, Urfa, Adiyaman.

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APPENDIX D

BIOGRAPHICAL NOTE: MALCOLM D. RIVKIN

Born: December 8, 1932

Married: Goldie R. Waxman, June 19, 1960

Higher Education: Harvard University, A.B., Cum Laude, 1953

Fulbright Scholar, University of Amsterdam, The Netherlands, 1953-4

Massachusetts Institute of Technology, M.C.P., 1956

Professional Experience

Positions

Consultant in Regional Planning from the Organization for Economic Cooperation and Development to the Ministry of Reconstruction and the State Planning Organization, Ankara, Turkey, 1960-62

Planning Officer, Massachusetts Institute of Technology, 1958-60

Resident Planner for Adams, Howard, & Greeley, University Circle Project, Cleveland, Ohio, 1956-57

Consultancies

Rhode Island School of Design, 1963-4

Puerto Rico Ports Authority (with Adams, Howard, & Greeley), 1963

Middle East Technical University, 1962

Greentowne Associates, Philadelphia (with Dean Pietro Belluschi), 1959

Dartmouth College and Bradford Jr. College (with Campbell and Aldrich), 1958-9

Teaching

Visiting Critic, Cornell University, 1963

Publications

"Regional Planning in Turkey--Let's Think Small for Development", International Development Review, March, 1963

"Central Government and Field Organization, a Future for Regional Planning", translated as "Merkezi Hukumet ve Tasra Teskilati, Bolge Planlamasinin Gelecegi", Altinci Iskan ve Sehircilik Haftasi Konferanslari, Sevinc Matbaasi, Ankara, 1963

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