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**RENT-DEPENDENCY AND AUTHORITARIANISM:
NOTES TOWARDS CONCEPTUALIZING THE POST-1960 POLITICAL
ECONOMY OF TURKEY¹**

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I use the term "rent-dependent state" instead of the more common term "rentier state" for two reasons. A rentier state, as it is well-known, does not need to wrest taxes from its own people. The economic basis of state revenues is an industry (often consisting mainly of the extraction of a natural resource) oriented primarily to exports, and employing only a tiny percentage of the domestic labor force. Finally, the state's main relationship to the society are mediated through its expenditures (on the military, on development projects, on modern construction, on consumption subsidies, and the like) (Skocpol 1982: 269-270).

1. For a conceptualization of the rentier state see Luciani (1990), Skocpol (1982), Rubin (1988), and Waterbury (1985). For US aid to Turkey see Harris (1972). Tuncer (1975) includes analysis and data on Turkey's external debt. Soyman (1983) reviews the Turkish taxation system and supplies tax data.

A rent-dependent state, on the other hand, can be defined as one in which the financing of government expenditures are met, predominantly and increasingly, by revenues other than taxes. We may define as "rent" any "unearned income" of the government. For a rent-dependent state, internal rents (e.g., domestic debt and deficit-financing) rather than tax revenues constitute the main source of income, and external rents (e.g., foreign debt, foreign aid, and workers' remittances) predominate over foreign currency earnings from exports.

The two main forms of internal rents are, as it has been mentioned above, domestic debt and deficit-financing. In a rent-dependent economy, domestic debt and deficit-financing, and not tax revenues, make up the majority of the state's income from domestic sources. In addition to the reliance on domestic debt and deficit-financing, three other characteristics of a rent-dependent state are the following: (1) The share of the taxes in the total state revenues is lower than the share of the non-tax revenues; (2) the share of the direct taxes in the total tax revenues is lower than the share of the indirect taxes; and (3) there are large tax-free sectors or groups in the economy. For instance, in Turkey the agricultural sector is legally exempt from taxation; most of the small and middle producers and retailers pay only a symbolic amount of tax; and the huge underground economy pays no taxes at all.

Foreign debt, foreign aid, and remittances of workers in foreign countries are the major types of external rents, and they constitute the majority of the state's external resources. Hence, the share of export revenues in total hard currency inflows is lower than the share of foreign rents, and the share of foreign rents in GNP is continually rising.

On the basis of the above characteristics, Turkish economy has been a typical rent-dependent economy since the transition to democracy in the late 1940s. No democratic or military government could change the rent-dependent economic structure. The policies of the center-right Motherland Party governments in the 1980s did create an export sector and

reduced the dependency on foreign rents. However, it was the same Motherland Party governments which increased the state's dependency on internal rents, mainly on internal debt. In a like manner, the unchecked free-market policies of the 1980s fostered the proliferation of a large and untaxed underground economy.

In a rent-dependent economy, the historical relationship between taxation and representation does not hold. First of all, in Turkey, only a small percentage of the voters are taxpayers (6.6% in the 1991 general elections). Governments, and their policies, are determined not by the votes of the taxpayers but by the votes of the rent-seekers. Secondly, the large layer of the peasantry, from the landless peasant to the small-holder to the large landlord, is legally exempt from income tax. Though they pay no taxes, the peasants make and unmake governments by their votes, receive credits and subsidies, and benefit from such free public goods as schools, mosques, roads, grain storage facilities, justice, and security. There is a case of "representation with no taxation". To the group of peasants, one must add those employed in the underground economy, and the large layer of small merchants and producers whose share in taxes is nothing more than negligible.

The source of the direct taxes in Turkey is the large-scale industry, foreign trade, and some areas of the modern service sector, most particularly tourism, banking and finance, the media, and advertising. Turkey's direct income taxes are paid by the entrepreneurs and workers in these sectors. The big entrepreneurs do certainly have the means to influence government policy, but most industrial and service workers do not. They are not only numerically a smaller group than the large layer of non-tax-paying peasants and people operating the underground businesses, but their rights to unionize and to strike is severely curtailed by the legal system. The case of the industrial and service workers (many of them would easily qualify as middle-class in Turkish standards), then, is a case of "taxation with no representation".

The institutional transformations that followed the coups of 1960 and 1980 turned the Turkish political regime into a **military democracy**². A military democracy can be characterized as a regime in which the basic institutions of democracy (such as regular and free elections, universal suffrage, and independent courts) are in place but the military as an institution has certain **prerogatives** and **reserve domains of power**. Military prerogatives refer to those areas "... where, whether challenged or not, the military as an institution assumes they have an acquired right or privilege, formal or informal, to exercise effective control over its internal governance, to play a role within extramilitary areas within the state apparatus, or even to structure relationships between the state and political or civil society." (Stepan 1988:93).

In post-1960 Turkey, military prerogatives included the following: a) a constitutionally sanctioned independent role of the military in the political system; b) the military's de facto control of the intelligence services, the police, the defense sector, military promotions, national security policy, military budgets, military force structure, and new weapons initiatives; c) extension of the military courts' legal jurisdiction over non-military areas; d) extensive extramilitary areas in which civilian authorities could not make and implement decisions that were opposed by the military; e) military-controlled formal and informal mechanisms, such as the National Security Council, through which the military dominated over civilian decision-making; f) frequent application of martial law to control political violence and social unrest; g) extensive military-controlled investments in the civilian economy.

One specific element of the post-1960 military democracy in Turkey was that for brief periods (1971-73 and 1980-83) the military took over full state power whenever the

2. The term "military democracy" (*askeri demokrasi*) is the title of the memoirs of Orhan Erkanlı (1987), who was a leader of the radical wing of the military junta that carried out the 1960 coup d'etat.

democratic component of the regime underwent serious crises. In these brief periods, the democratic elements of the regime were suspended, its military component became dominant, and there occurred what Alain Rouquié (1987) has called a "military state". In that sense, the post-1960 Turkish politics has oscillated between long periods of military democracy and short periods of military state.

Rent-dependency and military democracy have been the two legs of the post-1960 political economy of Turkey. Military democracy reinforced rent-dependency by narrowing down the scope of political choices available to the elected governments and by turning political parties into rent-distributing political machines. The Turkish military democracy depoliticized political parties. In this regime, such quintessentially political issues as the making and unmaking of the constitutions, the foreign policy orientation of the state, war and peace decisions, evaluation of foreign threats and intelligence gathering, the state's relations with religious and ethnic groups, defense expenditures, regional policy and the relations between the central and local governments, and even the history and ideology of the Kemalist revolution, became non-issues, untouchable by civilian governments. The only arena which was left open to the civilian governments was the management of the economy. Thus the civilians became overwhelmingly concerned with economic issues, and particularly with the manipulation of the state economic enterprises, to sustain their patronage networks. In this manner, military democracy supplied a fertile ground for the sustenance of rent-dependency and for the emergence of the much-criticized type of "corrupt politician". Ironically, when the military suspended the democratic institutions of the regime and took over full control of the state, their principal justification was to put an end to the "dirty politics" of the "corrupt politicians", though both the "corrupt politicians" and their "dirty politics" were to a large extent the products of military democracy itself.

One other dimension of military democracy which encouraged the emergence of the "corrupt politician" type was no doubt the mass elimination of the elite cadres of both the

right-wing and left-wing parties during the brief periods of direct military rule. The mass trial of the entire DP leadership in the aftermath of the 1960 coup, and the execution of prime minister Adnan Menderes together with two other cabinet members, was the first and most violent instance of elite elimination. The prime target of the military rule in 1971-73 was the elites of the left, ranging from student leaders to university professors, journalists, writers, and other members of the intellectual community. As in 1961, the military rule of 1971-73 executed three people, this time three leftist militants. Finally, after the last coup d'etat in 1980, the military government jailed the parliamentarians and managing cadres of all the major political parties, and these people were also banned from active politics for ten years by an ad hoc clause of the new constitution.

The periodic elimination of the civilian elites gave way to two developments, each contributing in its own way to the emergence of the "corrupt politician" type. First, the elites who permanently lost their positions were quickly replaced by people of lesser qualities, who owed their newly earned titles to their military patrons and were more than willing to live with the supremacy of the military. Second, those who managed to survive the storm necessarily lost their initial zeal and courage, and they subdued to playing a more limited role in the system. In both cases, experienced, self-confident, visionary, and principled cadres were purged and they were substituted by inexperienced, timid, short-sighted, and unprincipled "corrupt politicians".

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