

The State, Islamists, Bourgeoisie and Imaginaries: The Public Housing Production in Turkey (PhD work-in-progress)

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An Overview of the Key Elements

Methodological Considerations

Findings

- **Research Puzzle:** The extensive and direct involvement of the successive AKP's governments through TOKI as of 2002 when state withdrawal from other sectors has been accelerated.
 - The involvement as such contradicts with the general trends in the world: The withdrawal of the direct state involvement in the housing provision at global level is also evident.
- **The main research question:** Why is there a drastic change in terms of public sectors' role in the housing provision through the activities of Housing Development Administration (TOKI) during AKP era?

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- **Case study:** The cultural political economy of Justice and Development Party (AKP) governments' involvement into the construction industry; particularly government housing provision
 - The operations of the Mass Housing Administration of Turkey (TOKI) since islamists Justice and Development Party in the power
- **Theory employed:** Cultural Political Economy, developed by Bob Jessop and Ngai-Ling Sum
- **Objective(s) of the study:** During the AKP era, the construction sector, particularly housing, has been fashioned in a way that the political involvement therein and its economic development became inextricably enmeshed. The main objective is to unfold the reasons of extensive and direct political involvement.

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- **Theoretical Entry Point:** All four modes of selectivity in the analysis
- **Promoted concepts :** Imaginary, hegemony, power bloc, patronage relations
 - Patronage relations: All actors are equal but some are more equal!
 - pertains to the selective access to and preferential distribution of state resources in exchange of political support

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Structural Selectivity	Definition	Uneven architecture of barriers and chances on agents as they try to realize their imaginaries	Uneven capacity of agents to pursue structurally oriented strategic calculation to realize their imaginary
	Variation	The state involvement is not limited by any international organizations since the construction industry has not been tightly bound by any international agreements.	Erdogan's power (his distinguished capacity to persuade)
	Selection	Path dependent legacy of TOKI and KIPTAS: regarded as an attempt in the second half of the 1990s to solve tumultuous urban expansion and in many respects as a <i>Vorbild</i> (exemplar) for TOKI. Kiptas as an Istanbul Metropolitan Municipality company had been founded long before Tayyip Erdogan was elected as the mayor of Istanbul. However, it has been in effect since then.	The companies that can be associated with Anatolian Bourgeoisie, who had a preferential access to the TOKI contracts
	Retention	Patronage relation: discretionary and preferential treatment favouring Anatolian Bourgeoisie	Offer remunerative business for Istanbul Bourgeoisie: Apart from this "islamic bourgeoisie" enjoying the contracts with TOKI, other fractions of the Turkish bourgeoisie have perceived the direct and extensive housing provision as beneficial for their interests because of the expected backward and forward linkages of the industry.
Ancillary sectors of construction industry; i.e., strong linkages with other industries such as transportation, manufacturing – especially in the field of cement and ceramics –, mining		Enhanced political support to AKP: Expanding the financial base of the party as well as election support	

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Discursive Selectivity	Technological Selectivity	
<p>Asymmetrical constraints and opportunities inscribed in the orders of discourse</p> <p>The particular discourse favouring global city, urban renewal etc.: islamist cadres have adopted neoliberal urban policy, underscoring representations which puts certain emphasis on urban renewal and global city</p>	<p>Assemblages of knowledge, disciplining and governmental rationalities, sites and mechanism of calculated intervention for transforming nature and/or governing social relations</p> <p>Knowledging techniques on the necessary state involvement basing on the premises of developmentalism and modernism: The purpose of rapid reconstruction of the cities for the sake of creating more modern places</p>	<p>Definition</p>
<p>The particular discourse declaring gecekondu areas unwanted: quoted as the unique source of drug dealing, terror, anarchy, unearned income and so forth</p>	<p>The reports, statistics, meetings, claiming that there is demand for housing and the supply is far insufficient to meet the demand</p>	<p>Variation</p>
<p>The islamist discourse: conquering the cities and strong commitment to rebuilding the cities</p>	<p>Repeating inadequacy of existing housing supply against a possible earth quake</p>	<p>Selection</p> <p>Retention</p>

Supplementary Slides

Table 1: Some macroeconomic indicators (1000TL*)

Years	The Value of Construction Industry	GDP (Production approach)	Annual GDP Growth Rate (%)	Annual Growth Rate of Construction Industry (%)	The Share of Construction Industry in GDP (%)
1999	3,957,358	67,840,570	-3.37	-3.15	5.83
2000	4,150,231	72,436,399	6.77	4.87	5.73
2001	3,426,908	68,309,352	-5.70	-17.43	5.02
2002	3,903,516	72,519,831	6.16	13.91	5.38
2003	4,207,040	76,338,193	5.27	7.78	5.51
2004	4,801,693	83,485,591	9.36	14.13	5.75
2005	5,250,284	90,499,731	8.40	9.34	5.80
2006	6,220,955	96,738,320	6.89	18.49	6.43
2007	6,573,647	101,254,625	4.67	5.67	6.49
2008	6,040,811	101,921,730	0.66	-8.11	5.93
2009	5,067,196	97,003,114	-4.83	-16.12	5.22
2010	5,996,258	105,885,644	9.16	18.33	5.66
2011	6,688,257	115,174,724	8.77	11.54	5.81
2012	6,726,224	117,625,021	2.13	0.57	5.72
2013	7,202,169	122,388,466	4.05	7.08	5.88

Source: Derived from Turkstat Database, * at 1998 constant prices

Supplementary Slides

Table 2: The activities of TOKI in the AKP era (as of January 2015)

Residential Units	The Number of Units	Some Other Construction Activities	The Number of Units
Social Housing for Poor Group	145,927	Mosque	511
Social Housing for Middle and Low Income Groups	264,316	School	981
Urban Renewal (Squatter Transformation)	96,144	Hospital	266
Disaster Housing Units	37,613	University	14
Agricultural Village Projects	5,658	Trade Centre	517
Total Number of Social Housing	549,658	Primary Health Care Centre	95
Revenue Sharing Model	94,418	Government Buildings	147

Source: TOKI's own website ("Faaliyet özeti," 2015)

Supplementary Slides

Table 3: The Involvement of the State in Public Housing: A Comparison

The case of EU	The case of Turkey
<i>Operationally (the way of intervention)</i>	
Promoting and securing housing market/Enabler rather than provider	Prominent direct provider function
The number of social housing has been quantitatively shrinking	The proliferation of the social housing
The supply side policy ebbs/rather than direct provision, different type of supports in use	Marginal enabling function
Demand-side subsidies	Providing reasonable payment terms for the so-called lower segments of the society
Supports reducing the cost of social housing	The administration sets the prices of the dwellings
Transfer from public sector to the private one	Operations are not only confined to the residential unit production
Mostly to rent, not to sale	The houses constructed by the administration by and large for sale
<i>Financially (how social housing is financed)</i>	
From public loans to conditional cash transfer programs in the complexion of grants	The administration not part of general budget
Burden to be borne either by municipalities' budget or, by the central budget	Privileged to borrow a loan from the Treasury
Loans from financial market	Authorized to sell any land it possesses without any further permission Revenue derived from the sales of the residential units
<i>Institutionally (how responsibility is institutionally structured)</i>	
The transfer of responsibility and power to the local level	Empowerment of the administration, more responsibility and power to the center
Independent providers –voluntary or not-for profit associations/ foundations, non-profit/limited companies, co-operative organizations	Sole authority for public/social houses
Municipalities have been taking more responsibilities	Strong position vis-à-vis municipalities and other state institutions (i.e., the ministry of finance)
Bottom-up housing policies	Top-down in the sake of efficiency

Supplementary Slides

The anchors of the study on the public housing production in Turkey

Time frame	<p>As historical background: Housing policies from the 1950s onwards when Turkey has witnessed internal migration and concurrently drastic demographic change</p> <p>The historical development of the Islamist as of 1960s</p> <p>The main focus: The AKP period from 2002 to 2013</p>
Scale and Space	<p>Turkey and giving weight to Istanbul as it epitomizes the transformation</p> <p>Overwhelmingly national scale and global scale just in relation with Turkey</p>
Watersheds in this time frame	<p>1980: The neoliberal turn: The rapid rise of Anatolian Bourgeoisie- a fraction that can be best defined as the business arm of Islamists politics.</p> <p>1994: Welfare Party – the predecessor party of AKP – won the major seats in the two metropolitan areas of Ankara and Istanbul</p> <p>2002: The parliamentary election victory of AKP</p>
Actors:	<p>Actors situated in civil and political society involve the prominent figures of political parties, business associations and chambers as well as experts</p> <p>Certain emphasis placed on the prominent Islamists actors in particular and the Islamist organization (parties, business group) in general as well as on the bourgeois fractions.</p>
Institutions:	<p>The housing involvement is carried out by the public agency TOKI and mediated through the promoted discourses concerning reconstructing the cities and patronage relations.</p>
Structures:	<p>The accumulation pattern of Turkey depending on the financial inflows that allow new constructions flourish.</p> <p>The international conjuncture leaving room for the state involvement into the industry in contrast to other tradeable goods in which extensive and direct state involvement would not be so straightforward and uncomplicated due to the binding international agreements</p>

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Discourses/representations and imaginaries	Imaginaries and representations promoting the reconstruction of cities: Four interrelated representations and imaginaries: 1) Market failure disfavouring middle and low classes 2) urban renewal (the regeneration of <i>gecekondu</i> areas, the areas represented as all source of all evil in the cities) 3) Islamist fantasy: conquering the cities and strong commitment to re-building them, 4-) right to housing, implying right to shelter the family which is regarded as a holy entity among Islamist circuits, 5) developmentalism.
The concepts brought to the fore	Imaginary, hegemony, patronage relations, power bloc
Middle Range Theories Employed:	CDA, Radical Political Economy
Sources	Primary and secondary data sources, including official bulletins, official gazette, newspaper reports, statistics and interviews with relevant actors

Adapted from (Baark, Chen Yun-chung, Pun, & So, 2015, p. 129; Sum, 2015, p. 149)