

Middle East Technical University
Faculty of Economic and Administrative Sciences
Department of Economics 2007-2008
Econ 510 Turkish Economy
Fikret Şenses
Office F-205
Telephone: 210 2023
E-Mail: fsenses@metu.edu.tr
Wednesdays 14.40-17.30
Room F-107
Office Hours: Wednesdays: 10.40-11.30; Fridays: 10.40-11.30 and 12.40-13.30

OUTLINE

OBJECTIVES:

The course has three main objectives:

I) The **first** objective of the course is to increase student knowledge and understanding of the Turkish economy. A supplementary objective in this regard is to give students a development economics perspective. Students will also be encouraged to draw on material from other countries to gain a comparative perspective. To give students with different backgrounds a good start, there will at the beginning be a short reading period from three texts of the Turkish economy and one international report. These are:

a) Korkut Boratav (2003), *Türkiye İktisat Tarihi 1908-2002*, 7.Baskı: (preferably more recent editions) Ankara İmge. b) G. Kazgan (2002), *Tanzimattan 21. Yüzyıla Türkiye Ekonomisi*. İstanbul: İstanbul Bilgi Üniversitesi Yayınları. c) Zülküf Aydın, *The Political Economy of Turkey*, Pluto Press, London, 2005. d) UNCTAD, *Trade and Development Report, 2007*, United Nations, Geneva, 2007.

At the end of this reading period, students will take a ninety-minute examination on this reading material. The emphasis in this examination will be on testing students' understanding of the linkages between different events **as well as** on testing their memory and knowledge on specific developments. This examination will start at **2.40 PM, on Wednesday, 26 March** in Room F-107. After this preliminary examination, there will be a total of **nine** sessions, seven of which on specific themes pertaining to the historical and current developments of the Turkish economy in development and international perspective. One session (**19 March**) will be devoted to student presentations of the introduction of their papers to the whole group and another (**14 May**) more specifically to a general discussion and progress reports of students' research papers.

II) The **second** objective of the course is to increase students' ability and skills in research and academic essay-writing. For this purpose, students are required to prepare a research paper on an approved subject of approximately 15 pages (approximately 4,000 words) long. For papers with more than one author these limits can be extended to 25 pages and 7,000 words. Students will meet with the instructor on **Wednesday 12 March** on an individual basis to finalize their paper topics. In the preparation of papers, team work (two or three students working on the same subject) is encouraged on condition that responsibility of each individual student is clearly indicated.

The papers are expected to tackle an appropriate research question and have a sound analytical and empirical content. Papers are expected to contain a brief critical literature review and empirical analysis for a selected country. Comparative analyses between, say Turkey and another country are encouraged. The papers will be presented to the whole group at the end of term.

Students are expected to prepare three critical reviews (about 3 pages long, each) of papers from three different sessions. All written work should be sent to the instructor, electronically and submitted to him as hard copy by 7.00 P.M on the Monday, proceeding the relevant session. Written work will be returned to students (with instructor comments) on the following Wednesday. The instructor will provide detailed information on the technique/art of writing research articles, paper reviews, and all other written work.

III) The **third** main objective of the course is to enhance student ability to make effective presentations and take an active part in class discussion. Students will present reviews for three papers (approx. 10 minutes, each), and their research paper (approx. 25 minutes) to the whole group. They will also act as commentators for 3 papers (approximately, 5 minutes each).

Students are required to read extensively for each session, make class presentations, and take an active part in class discussion. The main reading list for each session is provided below. It is essential that students attend all sessions on a regular basis.

PROGRAM

Wednesday, 27 February: INTRODUCTION

Wednesday, 5 March : PRELIMINARIES (Division of Labor)

Wednesday 12 March: 14.40-17.30 Meeting with the instructor on an individual basis to finalize paper topics.

Monday, 17 March, Submission of Proposal/Introduction of Paper to Instructor by 7.0 P.M.

**SESSION 1: BRIEF STUDENT PRESENTATIONS ON PAPER
SUBJECTS AND CLASS DISCUSSION 19 March,**

Wednesday 26 March: Ninety-minute examination on Kazgan (2002) Chapters 5-6, pp.121-88; and pp.446-75; Boratav (2003), Zülküf Aydın; pp.1-178 and 245-265; and UNCTAD (2007), OVERVIEW, pp. I-XXI.

**SESSION 2: BACKGROUND AND TURKISH ECONOMY BEFORE 1980
(HIGHLIGHTS) 2 April**

2-1 E. Thorbecke (2006), “The Evolution of Development Doctrine, 1950-2005”, Research Paper No. 2006/155, United Nations University, Helsinki, December.

2-2 C. Issawi (1980b) ‘De-industrialization and re-industrialization in the Middle East, *International Journal of Middle East Studies*, 1980 (12), 469-479.

2-3 S. Altuğ, A. Filiztekin, and Ş. Pamuk (2007), “The Sources of Long-Term Economic Growth for Turkey, 1880-2005”, CEPR Discussion Paper 6463. pp. 1-26.

SESSION 3: TURKISH ECONOMY BEFORE 1980 (HIGHLIGHTS)

9 April

3-1 Ş. Pamuk (2006), “Estimating economic growth in the Middle East since 1820”, *Journal of Economic History*, 66 (3): 809-828.

3-2 T. Jacoby (2006), “Agriculture, the state and class formation in Turkey’s First Republic (1923-60)”, *Journal of Peasant Studies*, 33 (1): 34-60.

3-3 V. Milor (1990), The Genesis of Planning in Turkey, *New Perspectives on Turkey*, 4, Fall, 1-30.

3-4 A. Tekin (2006), "Turkey's Aborted Attempt at Export-Led Growth Strategy: Anatomy of the 1970 Economic Reform", *Middle Eastern Studies*, 42 (1): 133-163.

SESSION 4: TURKISH ECONOMY SINCE 1980 (HIGHLIGHTS) 16 April

4-1 Z. Öniş and F. Şenses (2007), "Global Dynamics, Domestic Coalitions and a Reactive State: Major Policy Shifts in Post-War Turkish Economic Development", *METU Studies in Development*, Vol. 34. No. 2, 2007, pp.251-286.

4-2 Pamuk, Ş. (2007), "Economic Change in Twentieth Century Turkey: Is the Glass More than Half Full?", in R. Kasaba (ed.), *Cambridge History of Modern Turkey*, pp. 266-300.

4-3 Kaminski, B. and Ng, F. (2006), "Turkey's Evolving Trade Integration into Pan-European Markets", World Bank Policy Research Working Paper 3908.

SESSION 5: TURKISH ECONOMY SINCE 1980 (HIGHLIGHTS) April 30

5-1 Cem Akyurek (2006), "The Turkish crisis of 2001 - A classic?" *Emerging Markets Finance and Trade*, 42 (1): 5-32.

5-2 Ü. Cizre and E.Yeldan (2005), "The Turkish encounter with neo-liberalism: economics and politics in the 2000/2001 crises", *Review of International Political Economy*, 12 (3): 387-408.

5-3 Y. Akyüz (2006), "From Liberalization to Investment and Jobs: Lost In Translation", *Turkish Economic Association Discussion Paper*, 2006/3, March 2006.

SESSION 6: TRADE AND INDUSTRIALIZATION May 7

6-1 M. Celasun (1994), Trade and Industrialization in Turkey, Initial Conditions, Policy and Performance in the 1980s, in G.K. Helleiner, *Trade Policy and Industrialization in Turbulent Times*, Routledge, London and New York, pp. 453-484.

6-2 Z. Önis (1998), The East Asian Model of Development and the Turkish Case, A Comparative Analysis, in State and Market The Political Economy of Turkey in Comparative Perspective, Boğaziçi University Press (reprinted from METU Studies in Development, Vol.19. No.4 (1992: 495-528), pp.261-284.

6-3 Y. Akyüz (2005), “Trade, Growth and Industrialization: Issues, Experience And Policy Challenges”, *Turkish Economic Association Discussion Paper*, 2005/3, March 2005.

6-4 I. Grigoriadis, and A. Kamaras (2008), “Foreign Direct Investment in Turkey: Historical Constraints and the AKP Success Story”, *Middle Eastern Studies*, 44 (1): 53–68.

SUBMISSION TO INSTRUCTOR FIRST DRAFTS/PROGRESS REPORTS OF PAPERS:FRIDAY, 4 May, by 5.30 PM

SESSION 7 PROGRESS REPORTS/FIRST DRAFTS OF PAPERS/CLASS DISCUSSION MAY 14

SESSION 8 LABOR MARKET, POVERTY AND INCOME DISTRIBUTION May 21

8-1 J. D. Schmidt (2006), Flexicurity, Casualization and Informalization of Global Labour, in Globalization and the Third World A Study of Negative Consequences edited by B.N Ghosh and H.M Güven, Palgrave Mamillan, New York, pp. 129-43.

8.2 A. Buğra (2007), “Poverty and Citizenship: An Overview of The Social-Policy Environment In Republican Turkey”, *International Journal of Middle East Studies*, 39: 33–52.

8-3 Şenses, F. (2008), “Missing links in poverty analysis in the age of neo-liberal globalization: Some lessons from Turkey” *New Perspectives on Turkey*, forthcoming.

8-4 A. Bugra and Ç. Keyder (2006), “The Turkish welfare regime in transformation”, *Journal of European Social Policy*, 16 (3): 211-228.

Session 9 GLOBALIZATION, TURKEY, AND THE FUTURE, May, 28

9-1 Arjan M. Lejour and Ruud A. de Mooij (2005), “Turkish Delight: Does Turkey’s Accession to the EU Bring Economic Benefits?”, *Kyklos*, 58 (1): 87–120.

9-2 Milanovic, B. (2006), “The Two faces of Globalization: Against Globalization as we know it” *World Development*, vol. 31(4), pp. 667-683

9-3 Yeldan, E. (2007), “Patterns of Adjustment under the Age of Finance: The Case of Turkey as a Peripheral Agent of Neoliberal Globalization”, *Political Economy Research Institute (PERI) Working Paper Series*, Number 126.

Students are expected to

- i) Carefully read the course material for each session.
- ii) Send to the instructor their written work electronically as well as in the form of hard copy the preceding Monday evening by 7.00 P.M. These will be returned to students (with comments) on the following Wednesday. One student in each session will be responsible for seeing to it that the course material is available for the whole group in good time.

GRADING:

Research Paper 25 points

Presentations 15 points

Paper Reviews 15 points

Midterm Examination+ 15 points

Final Examination * 25 points

Class participation 15 points

Total= 110 points which includes a 10- point bonus

- on Boratav (2003), Kazgan (2002: pp.121-88 and pp. 446-75); Aydın (2005), pp 1-178 and 245-65 and UNCTAD (2007), Overview pp.I-XX!..

*on all 7 sessions

Important Dates

Wednesday, 12 March meeting with the instructor on an individual basis to finalize paper topics

Monday, 17 March: Submission of Proposal/Introduction of Research Paper (approx. 2 pages) to Instructor by 7.00 P.M.

Wednesday, 19 March sessions start (Both groups will meet at 2.40 P.M, Room F 107 for brief student presentations on paper subjects and class discussion

Wednesday 26 March, 2.40 PM, Midterm Examination (Both groups together) Room F 107

Wednesday, 2 April Session 2 in two groups: Group 1: 14.40-15.55; Group 2: 16.05-17.20. The two groups will alternate (i.e Group one's session which starts at 14.40 will start at 16.05 the following week)

Friday, 9 May, Submission to instructor of first drafts/progress reports of papers by 5.30 pm.

May 14 (session 7) both groups together: presentation and progress reports/first drafts of papers/class discussion.

Dates of submission of the complete research papers and their presentation in class will be decided in due course, taking into account students' final examination program and other commitments.

Final Examination: Date to be announced by the Registrar's Office

Good Luck for a successful term.