LEFT OUT IN THE COLD:
ECONOMIC DISCRIMINATION OF TURKEY'S KURDISH MINORITY

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Introduction
The Kurds have often been called the largest nation without a state. Scattered across southern and eastern Turkey, northern Iraq and western Iran, the Kurds currently inhabit the periphery of these countries. Being pushed to the extremities has resulted in this minority group being often poorer than the ethnic majorities in the country they inhabit. The lower economic status is often attributed to the Kurds minority status. However, questions about this assumption have recently arisen suggesting that other factors such as education, geography and sector of employment may be more important than ethnicity.

Minority studies have primarily focused on the political representation of minority groups as well as the protection of these groups from domination by the majority. This myopic study of minority issues excludes much of the important real life issues that minorities face globally. This narrowly defined conceptualization of minority issues has meant there has been a lack of study of how minorities function within national economies. The study of the economy might seem to be an odd way to examine minorities. However, the examinations of how minorities have been either included or excluded in the economic sphere often are representative of minority inclusion and exclusion in general. Such examples of economic marginalization are not hard to find historically. European Jewry is often marginalized by its various professions. The peoples colonized by Europeans in Africa and Asia were often relegated into low paying, extractive industries. Even, the United States has not been exempt from economically discriminating against their minority African American and Hispanic population. Yet the integration of minorities into the economy can often bring about a renaissance for the entire community, which has meant that minorities have been integrated into various economies exceptionally well, such as the Chinese in South-East Asia.

This work examines the traditional literature about minorities and the economic discrimination they may face. With this framework, this work will analyze whether or not the Kurds in Turkey are currently suffering from economic marginalization due to their ethnic status. Ultimately, Kurdish economic exclusion is due to the distance from the industrialized centre of Turkey, lack of social services such as education, and adherence to agriculture which has resulted in low economic development. This in turn continues to reinforcing Kurdish economic exclusion.

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Economic Concepts, Workplace Realities and Discrimination

The position of minorities within the economic sphere often serves as an accurate indicator of how minorities are treated. Yet most of the traditionalist literature suggests that initial group membership largely determines social mobility and future economic status. This literature suggests that those born to the economic majority will maintain their status as a majority.

This concept has been worked upon by various economists and has been most clearly expressed through Bayes’ theorem:

\[
Pr(E|X) = \frac{Pr(X|E)Pr(E)}{Pr(X)}
\]

Where \(E\) represents the member of the elite and \(X\) represents a specific characteristic of the minority population. This concept becomes more important when it is rearranged.

\[
\frac{Pr(X|E)}{Pr(X)} = \frac{Pr(E|X)}{Pr(E)}
\]

Whereas the right side of the second equation illustrates the probability of the relative odds of being in the elite if a person has a characteristic of \(X\), the left hand side of the second equation illustrates the odds that a person with the characteristic of \(X\) is already a member of the elite. This equality exemplifies that a person with characteristic \(X\)’s ability to become an elite is primarily based on the proportion of elites that already contain said characteristic of \(X\). This is more easily explained by the idea that those in power stay in power. This is true not only for the economic elite but the political, cultural and religious elite as well. This has been illustrated in numerous cases worldwide. In Israel, for example, the elites, which are disproportionately Ashkenazi Jews, recruit overwhelmingly from the well-off strata of Israeli society, which more often than not means the Ashkenazi Jews. This results in the Ashkenazi Jews in Israel being the gate-keepers to the upper-strata of society because of their over representation in the military, political, judicial and economic elite.\(^2\)

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Economic Discrimination of Turkey’s Kurdish Minority

The in-selection illustrated by Bayes’ theorem, is explained through two concepts. The first is the idea of “social closure”. This concept is best defined by Parkin as being:

[t]he process by which social groups seek to maximize rewards by restricting access to rewards and opportunities to a limited circle of people. This entails singling out of certain identifiable social or physical attributes as the ... basis for exclusion. Weber suggests that virtually any group attribute (such as) race, language, social origin, descent may be seized upon for the monopolization of specific, usually economic, opportunities. This monopolization is directed against competitors who share some positive or negative characteristics; its purpose is always the closure of social and economic opportunities to outsiders. ³

This attempt to maintain hegemony of the economic system is largely based on the definition of an in-group and an out-group. Meaning that countries or regions with a visible in-group often create a situation where the minority becomes economically excluded and marginalized. This climate of discrimination is promulgated through unfair hiring practices, unearned promotions and unequal compensation for the in-group. This social closure is achieved through numerous non-structural means such as credentialism and informal networks.⁴ Credentialism restricts the upper level jobs to those with proper training, often meaning higher education, which demand previous access to informal networks. These informal networks often remain closed to the minorities due to inherent biases, prohibitive costs and discrimination.

This “social closure” of the informal networks is often based on the concept of a “taste for discrimination” which is largely based upon the belief that a person will often prefer a selection of someone or something based upon an internal set of beliefs.⁵ This leads to biases in the hiring practices as illustrated by the exclusion of the Arab and Sephardic Israelis from elite positions due to their ethnicity.⁶ These exclusionary practices create a vicious circle in many minority communities. When workers within an economy are faced with the potential for discrimination they become less likely to acquire, or even attempt to acquire, skills. As a result employers will observe systematic differences between the majority and minority, validating the original discrimination.⁷ This vicious circle creates a disincentive for minorities to actively engage with the current economic and educational structures that exist.

⁴ Ibid., p. 66-79.
⁵ Ibid., p. 15.
This vicious circle has created a history of economic marginalization for minorities resulting in below average salaries for minorities as well as under-employment. Rather than ethnicity, there is a belief that most capitalistic systems discriminate based on wealth. W. Julius Wilson’s work, *The Declining Significance of Race* argues that race had been a key determinant of economic success. Yet, the role that race played in economic success had declined and rather it was one’s socio-economic class has become the key factor in determining that individual’s future success.⁸

*Poverty because of Discrimination or Discrimination Because of Poverty?*

Social mobility is seen as one of the greatest characteristics of the capitalist system, in fact the American dream is based upon this notion of social mobility. Yet, when this social mobility is curtailed questions begin to arise if this is based on discrimination or is it based on socio-economic status. The previous section outlines the argument for why discrimination might be based upon minority status. However, this section will contend that one’s current socio-economic situation is a more accurate determine of one’s future social success and material wealth.

The rise of one’s socio-economic background as the most important characteristic for determining social mobility and wealth arises primarily out of the concept of the informal structures that are mentioned above. The same structures that exist that could discriminate against minorities also can be used to discriminate against those from lower socio-economic classes. Baye’s theorem also serves as a useful ontological tool in explain the probability of social mobility for those who are in the lowest socio-economic background. In this case, characteristic X would be representative of ones poverty. Since few of the elite have come from a low socio-economic background, the likelihood that a person in poverty would be able to rise is quite low as well. The reason for the closing of informal structures and discrimination in the economic sphere is based upon two underlying structural issues; geographic location and the level education.

Education is extremely valuable and is seen by many as the only way that one can ensure social mobility for either themselves or for their children. It is generally accepted that education is a large predictor of future earnings and that, on average, people with a college education earn more than those with a high school degree and those with a high school degree earn more than those without any sort of degree. This is essentially supported through three reasons; human capital, sorting and credentialism.⁹

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Education provides students with valuable skills, ranging from mathematical knowledge to the ability to get along in groups, all of which counts as the development of human capital. In turn, employers become willing to pay more for people that have accumulated more human capital resulting in increased chance of getting a job and getting paid more for that job. Education is also used as a method for employers to sort out people that arguably more “able”. The more education that one has, the more it signifies that one is more “able”, thus allowing people with greater education to have access to the better paying jobs. Finally, education also acts as a form of credentialism, previously mentioned, to ensure that the workers that are hired are the “best” possible.\(^\text{10}\) With each successive diploma or degree, it signifies that applicant is one of the “best” in the applicant group.

Yet, there are costs for education and these costs can, and often do, prevent those who are most poor from gaining access to education. When public spending on education is reduced, the burden for education falls upon the shoulders of the people. This required private spending means that the poor of various nations are often unable to afford to send their children to even primary education. This lack of primary and secondary education prevents any sort of social mobility for poor, often is illustrated through large gaps between the richest and poorest. For example, in Norway private spending only amounts to one percent of the total spending on primary and secondary education where as in the Philippines private spending on this same category is 40.3.\(^\text{11}\) When you compare the Gini coefficient for these two nations the effect of education is quite apparent. Norway’s Gini coefficient is 0.258 and is ranked second on the Human Development Index (HDI) according to the United Nations.\(^\text{12}\) In comparison, the Philippines’ Gini coefficient is 0.445 and is ranked a 90\(^{th}\) out of 177 nations on the HDI.\(^\text{13}\) These statistics seem to suggest that the greater the cost of education, especially primary and secondary education, the more income disparity there is and the more difficult it would be for those who are impoverished to gain social mobility. In addition, the large payment for primary and secondary education creates a vicious circle for those who are impoverished, continually putting them on the outside of the most prosperous economic sectors which use education as a means of both sorting and credentialism.

\(^{10}\) Ibid.


\(^{13}\) Ibid.
Location also affects one’s ability to gain access to better paying jobs and the chances of being hired. According to Kirschenman and Neckerman, employers consider the residential location of the applications as an important part of employment screening. This is most often to the detrimental to of those who live in low-income regions, disproportionately affecting those who need the jobs the most.\textsuperscript{14} Though often areas that suffer from poverty do have minorities, it is the location and persistent beliefs about “poor people” that cause this sort of discrimination. Finally, access to larger job markets often is important for escaping poverty. Thus geographic marginalization into nonproductive, often agricultural, regions often means continued poverty and economic discrimination.

Often historical injustices have economically disadvantaged minorities. Yet current economic mobility seems to be more based upon one’s socio-economic starting point rather than race. Living in the “right neighbourhood”, access to labour markets and gaining education seem to be the major criteria for employment rather than race.

\textit{The Kurds Discriminated against or Dislocated}

Often minority groups claim discrimination within the sphere of economics; however, they ignore some of the largest systematic problems that minorities face. Often the current socio-economic status, geographic location, investment in education and industrial representation are ignored as reasons for economic marginalization. Much like Wilson’s argument in regards to race in America, the Kurdish situation is not unaffected by race but socio-economic background is increasingly important.\textsuperscript{15} When economic indicators are examined across Turkey, regional disparity in regards to sectoral employment as well as investment into education is evident, with the greatest inequality between “developed” West and the Kurdish East.

The majority of the Kurdish population inhabits the Eastern and South-Eastern part of Turkey.\textsuperscript{16} The economies in these regions of Anatolia overly depend on agricultural production for economic growth. In Eastern Anatolia, 64.0 percent of the population is employed within the agricultural sector. Central Anatolia employs 46.8 percent of its labour in agriculture.\textsuperscript{17} Though beneficial for the rates of employment, the agricultural sector provides

\textsuperscript{15} Carter, \textit{Ethnicity, Exclusion and the Workplace}, p. 11.
\textsuperscript{17} Smuru Altug, Alpay Filiztekin, “Productivity and Growth, 1923-2003”, in \textit{The Turkish Economy: The Real Economy, Corporate Governance and Reform}, p. 45.
very little productive benefit to these regions. In Eastern Anatolia, despite the fact that agricultural makes up more than sixty percent of the labour usage, it only contributes 27.9 percent of the production in the region. Central Anatolia fairs little better with the agricultural sector making up on 14.4 percent of the production in the region. 18 This adherence to a sector which continues to produce low real value-added has a large impact on the lack of growth of these regions, which include a large amount of the Kurdish population. Thus the rising productive and prosperity in Turkey has largely been confined to the regions adjacent to the Aegean and Mediterranean, leaving rural Anatolia behind. 19

In addition, previous economic crises that Turkey had faced have largely been paid for by the agricultural sector. The reforms under Prime Minster Özal caused great economic hardship on workers, the unemployed, small producers and subsistence farmers. 20 Not surprisingly, these groups were overly represented in South-Eastern Anatolia and Eastern Anatolia. This over-representation resulted in a decline from the position that these regions had held in the 1960s. Previous to Turkey’s economic trouble, Eastern Anatolia per capita income was 47% that of Marmara’s. After the major economic reforms, by 1985, Eastern and South-Eastern Anatolia’s only had one-quarter of the per capita income of the Marmara region. 21 This large decline has not subsided since the 1980’s either. The share of the national income that was produced in Eastern and South-Eastern Anatolia has only declined since the 1960s. Where Eastern Anatolia had previously contributed 8.68 percent of the national income in 1960, by 1994 Eastern Anatolia’s contribution had declined to 3.97 percent. South-Eastern Anatolia has not fared much better with a decline from 5.02 percent to 3.60 percent over the same time period. 22

This decline in the production of these regions is not based on ethnic discrimination against the Kurdish Turks but, rather, is based on geographic and economic factors of Eastern and South-Eastern Anatolia. Since 1963, which was the beginning of the First Five Year Plan, Turkish policy towards infrastructure had radically changed. This change in policy resulted in governmental investments no longer favouring the development of “backward” areas but rather investments would be made in productive areas which yielded sustainable return for the investment. Projects in “backward”

18 Ibid.
20 White, Economic Marginalization of Turkey’s Kurds, p. 145-146.
22 Ibid., p. 102.
areas would only be preferred if these projects met stringent economic criteria and could provide the same economic benefit as those in more productive regions.\(^23\) This change in investment policy may explain the decline of both the regional productivity as well as per capita income of the regions’ populous.

In addition to the lack of public investment within the Eastern and South-Eastern Anatolia region, the lack of infrastructure, low level of current industrial development and distance to large markets have made private investment difficult to attract in the best of times.\(^24\) This lack of investment, both public and private, coupled with the macro-economic problems that Turkey has faced since the 1980s can provide alternative explanations for the lack of development within these peripheral parts of Turkey.

The lack of investment in infrastructure, the region’s mono-industrial nature, as well as the demographic challenges of Eastern and South-Eastern Anatolia is reflected within the state of development of human capital in the region. In addition to the lagging growth rate and contribution to the Gross Domestic Product, South-Eastern Anatolia ranks significantly below Turkey in terms of the United Nations’ Human Development Index (HDI). Turkey’s HDI is 0.778, where one is developed and zero is undeveloped. South Eastern Anatolia in comparison is substantially lower at 0.585.\(^25\) A region with a lower HDI often produces less and is generally poorer than regions with a higher HDI. This means that until structural inequalities in social services are resolved, growth will most likely remain elusive.

This lack of human development has a major impact on the ability of the population of Eastern and South-Eastern Anatolia to advance socio-economically. In fact this low HDI value may explain the low numbers of education in the poorest twenty percent. As of 2002, of the poorest 20 percent of the population only 5.44 percent have a high school education or higher. In comparison 87.95 percent of the lowest quintile of the population has below primary education or less.\(^26\) The impact of education on social mobility cannot be overvalued. Unlike the bottom quintile, the richest 20 percent are highly educated with 48.25 percent of the population holding at least a high school diploma.\(^27\) As these statistics illustrate, education remains one of the few consistent ways that people are able to rise out of poverty. In fact, since the liberalization of the Turkish economy, those Turks with higher levels of education, specifically those with university level education, have benefited the

\(^{23}\) Ibid., p. 110.

\(^{24}\) White, Economic Marginalization of Turkey’s Kurds, p. 148.

\(^{25}\) Nachmani, *Turkey: Facing a New Millennium*, p. 41.

\(^{26}\) Duygan, Guner, Income and Consumption Inequality in Turkey, p. 73.

\(^{27}\) Ibid.
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most.\textsuperscript{28} Sadly, the lower HDI value signifies that it would be less likely the residents within these regions would be able to gain the necessary education to advance within this new Turkish economy. Though these regions have a large Kurdish population, it is geographic and social issues that seem to have the largest affect the socio-economic development of this region rather than an ethnic one.

Most importantly, those who are poor are less likely to be able to afford primary education for their children. Public spending on education as a proportion of the GDP fell from 1990 to 2001, from 17.94 percent to 8.71 percent.\textsuperscript{29} This has resulted in the increased amount of private spending needed to provide education, especially at the primary and secondary levels. According to the World Bank from 1996 to 1999, private spending on primary and secondary education accounts for 21.8 percent of total spending on education. By comparison, the private spending on education accounts for; 9.2 percent in United States; 8.3 percent in Canada; and 7.3 percent in France.\textsuperscript{30} By 2002, private spending on primary education had rising in Turkey to 32.5 percent.\textsuperscript{31} This high level of public spending is a form of regressive taxation on those who are most impoverished within Turkish society and prevents these families from sending their children to primary schools. In addition, those who are poorer have larger families meaning a small amount of resources are often shared amongst more people. The families in the poorest 20 percent have approximately three children per family while those families in the richest 20 percent have only one.\textsuperscript{32} The lack of basic education prevents those in low socio-economic sectors of societies from gaining the skills necessary to advance their economic position. As a result, those who are born poor are more likely to remain poor as an adult and die poor.

This discrimination from the most profitable economic sectors due to geographic location, economic situation, and educational credentialism is not based on ethnic consideration. Rather poverty matters substantially more in the Turkish economy than ethnicity does. The exclusionary factors and lack of access to informal networks is exasperated due to Eastern and South-Eastern Anatolia’s geographic distance from the centre of industries and business. The distance, itself, prevents residents’ access to the corridors of political and business power, obviously eliminating the argument that this is ethnic. In addition, the lack of public or private industrial development and maintenance of low, real value-added agriculture prevents economic development regionally,

\begin{itemize}
\item \textsuperscript{28} Ibid., p. 75.
\item \textsuperscript{29} Ibid., p. 83.
\item \textsuperscript{30} Ibid., p. 85.
\item \textsuperscript{31} http://ddp-ext.worldbank.org/ext/EdStats/ExpReport.
\item \textsuperscript{32} Duygan, Guner, Income and Consumption Inequality in Turkey, p. 72.
\end{itemize}
again excluding the residents from advancing economically. The high cost of primary and secondary education, over-reliance on agriculture and lack of human development in Eastern and South-Eastern Anatolia excludes those in lower socio-economic classes from advancement both regionally and nationally.

Investing in the Kurds: GAP and South-East Anatolia

If Kurdish marginalization is primarily based in lack of available education and adherence to non-productive agriculture, than arguably changing these issues would result in greater economic inclusion for the residents of Eastern and South-Eastern Anatolia. It is exactly this mentality that has resulted in the Turkish government to begin to invest heavily in South Eastern Anatolia. The Güneydoğu Anadolu Projesi (GAP) project will fundamentally change the region in terms of both economic and social development. This project is focused on harnessing the power of the Tigris and the Euphrates rivers to provide material benefit for South Eastern Anatolia. This project will include the building of twenty-two dams, nineteen hydro-electric power plants and the creation of an irrigation system that will allow the development of 1.7 million hectares of land in the region. All of this will be combined with an attempt to improve the social sectors that are provided in the region, such as health care and education. This project, one of the largest in human history, will cost the Turkish government approximately thirty-two billion U.S. dollars and change the landscape of South-Eastern Anatolia.33

This project’s ultimate aim is to change not only the geographic landscape of the region but to eliminate some of the economic and social barriers that this region, which is primarily Kurdish, suffers from. Since this project has begun, the region has seen already seen a rise in the standard of living. Social services, especially in the area of education as well as health services, have also been increased in an attempt to equalize the services provided in the wealthier regions of Turkey. Literacy has increased in the region, showing that primary education is being invested in, reducing the need for the private dollars for initial education. This removal of a form of a regressive taxation policy on the Kurdish Turks will increase the educational opportunities for the inhabitants of the region which can lead to a rise in economic opportunities. In addition, health services have been vastly improved. The person to bed ratio has declined to 854, the person to doctor ratio to 2,152 and the person to nurse ratio is now at 2,353.34 The rise in investment in the social services in the region will vastly improve the ability of

34 Ibid.
the Kurds from this region to compete against other Turks for better quality jobs, both within South Eastern Anatolia as well as in the other regions in Turkey.

Finally, and most importantly, will be the change in the agriculture in the region that GAP will cause. The change in the agricultural production, from rain-watered to irrigated, will increase productivity in the region. Crops chosen will be ones that are most productive for agricultural exports. For example, production of wheat, barley and lentils will decrease from 1985 levels. However multi-season produce and cotton will grow substantially. In fact, cotton’s share of crops in South Eastern Anatolia will rise from 2.8 percent to twenty percent. Finally, and most importantly, crop intensity will increase from 89 percent to 134 percent. This rise in crop intensity increases the productivity in the region, allowing the farmers to make more money as well as attracting domestic and foreign investment in to the region. By the time the GAP is completed, originally suggested to be done in 2005, it is projected that the region’s gross product will quadruple and that the region will have “full employment”.

This change in productive nature of the region as well as attempting to mitigate some of the structural issues in the region will eliminate the regional disparity for the Kurds in South Eastern Anatolia. Economic exclusion will be reduced as standard of living and educational levels rise, allowing for greater Kurdish participation within South Eastern Anatolia as well as Turkey in general. By increasing growth and productivity, it can allow the Kurds in this region access to education and social services. This more educated Kurdish population will give the residents of South Eastern Anatolia a chance to sit in the boardrooms of Istanbul and the seats of power in Ankara. Though this will be a gradual shift, the investment in the region shows Turkey’s attempt to provide for all of its citizenry.

Conclusions: Poor or Kurdish, What Matters More?

Traditionalist literature has often accepted that economic discrimination was just another facet of the discrimination that minorities faced within a modern society. Exclusion from the best jobs was based upon skin color rather than qualifications. Yet, it seems that the modern world must re-evaluate this current conception. Barack Obama’s election to the presidency of the United States of America suggests that race can be overcome, even within a racialized American society. But what has happened in America does not predict minority rights development in societies across the world. Yet, it seems that America and Turkey have significant similarities between them.

36 Ibid., p. 461.
Kurdish Turks do suffer from economic exclusion. It is undeniable. Central and Eastern Anatolia relies heavily on agriculture and produces less towards the Turkish GDP than other regions. The high private expenditure for primary and secondary education is only exacerbated by the fact that poorer families often have significantly more children than the average. Meaning that even if a contribution can be made it will be spread thinly over this larger body of children. The extraordinarily large cost of primary education, distance from the most productive areas of the country, and initial poverty seem to be valid and tangible reasons for the current Kurdish economic discrimination.

In addition, the current course of development investment through GAP is attempting to remove these structural problems for the Kurds and the citizenry of South Eastern Anatolia. Any rise in productivity will increase the inclusion for this group in the economic system. However, this is not to suggest that Kurdish Turks have not suffered historical discrimination. Nor does this paper suggest that the past Kurdish economic situation is not based upon this historical discrimination from business and politics. Rather, this study solely suggests that the current economic situation that the Kurds face is based largely upon discrimination on their socio-economic class, as illustrated through low productivity in agriculture, lack of education, and distance from the centre.

The upcoming decades can see a possible reversal of this economic marginalization for the Kurds due to the measured and responsible development policies of the Turkish government. Increased agricultural exports, increasing trade links to the West and East and increased investment in the region all could make this former cradle of civilization into a regional economic power. This means that the Kurds of Anatolia will no longer be kept in ignorance, poverty or in famine.