

**TURKEY**

# **POVERTY DEFINITIONS AND POVERTY IN TURKEY**

by

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for presentation at

**Seminar on Poverty Statistics  
Santiago  
7-9 May 1997**

## **POVERTY DEFINITIONS AND POVERTY IN TURKEY**

### **Introduction**

In Turkey, there is no official data for the poverty line and the level of poverty. The State Institute of Statistics (SIS) has started a project to produce statistics in this subject. However, we have not reached the conclusion yet. In this paper, the SIS expert thesis called “Poverty Line in Turkey” is the preliminary study. This paper includes the summary and the results of this thesis.

Turkey, as a developing country, has an attempt to be developed country. How much we have been successful in our effort can be criticized by various indicators. The living standards for human beings, as one of these indicators, give more remarkable results in order to have an idea of development. From this point of view, can we say indeed that we have raised the living standard of our people over certain level? Have our people enough economical power to lead their life easily? The answer of these questions, partially, depends on the studies to find out whether we have poor people in Turkey or not, and to put our position among other world countries. What is poverty? Who is poor? Does poverty have a certain standard? Simply, do we have a line to indicate for poverty level? This paper aimed to give answer to these questions and to calculate poverty line in Turkey. For this reason, many of the studies up to now have been concerned and the methods to determine poverty line and the numbers of poor people in Turkey have been examined (Erdogan, G., 1996).

### **Definitions of Poverty**

Principally, poverty is defined as a fact that the people are unable to meet basic needs. Poverty can be defined in two ways. The first is the limited definition. Here, poverty is defined as of starving and of being homeless. The second is the broad definition. Poverty is defined as the position that food, clothing, housing and similar facilities satisfy the people to lead the life but under the general level of society (Ana Britannica, 1990). In this way, relative and absolute definitions of the poverty are established.

The relative poverty is defined as a lack of basic foods and services that are needed to lead a life physically. The absolute poverty assigns the position of people that are under the certain point of general level of wealth in case of income and expenditure.

### **Poverty Line**

Poverty line is the cost of leading a life with the minimum standards. In determination of the level of living cost with the minimum standards, primarily, the minimum amount of calorie in a day needed by an individual to lead a life and the expenditure on food in order to have this amount of calorie are concerned. After that, by using the cost of other basic needs, such as housing, transportation, clothing and furniture, the poverty line is calculated. In this study, two kinds of poverty line have been calculated. The first concerns only the cost of minimum

amount of calorie needed. That is, the cost of minimum food expenditures is calculated. The second approach takes into account not only cost of food, but also cost of basic needs such as housing, clothing, transportation and furniture.

### The Source of Data

The source of data depends on the results of the Household Income and Consumption Expenditure Survey that was conducted in 1994 by SIS and carried out for one year with the households rotated in every month. The survey is categorised under various bases such as whole Turkey, urban and rural areas and seven geographical regions. In the survey, the settlements with the population 20,001 and over are called as urban places, the rest with the population 20,000 and less are rural areas. The geographical regions are Marmara Region, Aegean Region, Mediterranean Region, Central Anatolia Region, Black Sea Region, East Anatolia Region, Southeast Anatolia Region.

### Poverty Line by Cost of Minimum Food Expenditure

In determination of poverty line by cost of minimum food expenditure, the cost of minimum amount of daily calorie which is sufficient for human being to lead a life is concerned. The needed amount of daily calorie changes by age and sex. In Table 1, the needed amount of daily calorie by sex is given for the average level of workers.

**TABLE 1. The Amount of Daily Calorie  
by Age and Sex**

Age	Female	Male
0-1	800	800
1-3	1300	1300
4-6	1700	1700
7-9	2100	2100
10-12	2000	2300
13-15	2200	2700
16-19	2100	2900
20-49	2100	2700
50-69	1800	2500
70+	1600	2200

(Source: BAYSAL, Ayşe, (1993). General Nutrition, Hacettepe University, Ankara.)

Considering the amount of calorie given in Table 1, weekly amounts of food for properly nutrition of a household with four members, that it is sufficient for properly nutrition with economical cost, are given by food groups in Table 2.

**TABLE 2. The Weekly Amounts of Food for a Household with four Members**

Group of food	Food	Weekly amounts (kg)
<b>(1) Group</b>	Meat, poultry, fish, edible offal	1.500
	Dried bean, lentil, chickpea	1.250
	Egg	20 units
<b>(2) Group</b>	Milk, yogurt	7
	Cheese	0.750
<b>(3) Group</b>	Vegetables	3
	Potatoes	3
	Onion	1
	Other vegetables	1.500
	Fresh fruit	4
<b>(4) Group</b>	Bread	5.600
	Boiled wheat	0.500
	Rice	0.500
	Macaroni	0.500
	Flour	0.500
<b>(5) Group</b>	Edible oils	0.500
	Margarine or butter	0.500
	Olive	0.500
	Sugar	1
	Jam, honey	0.500
<b>(6) Group</b>	Tomato paste	0.500
	Salt	0.500
	Tea	0.100
	Walnut, hazelnut	0.100

Source: BAYSAL, Ayşe, (1993). General Nutrition, Hacettepe University, Ankara.)

Replacing the amounts given in Table 2 with monthly amounts, the monthly amounts of food needed for nutrition of a household with four members with minimum cost are calculated. Some of food groups compose of more than one item and item kinds. In order to choose these items and item kinds, and in determination of weights of these items, the data of 1994 Household Income and Consumption Expenditure Survey results is used as a source. All item kinds used in this study are given in Table 3 in food groups.

Table 3: Item Kinds for Food Groups

Food Group	Food	Item kinds
(1) GROUP	MEAT, POULTRY, FISH, EDIBLE OFFAL	Mutton
		Veal
		Poultry
(2) GROUP	DRIED BEAN, LENTIL, CHICKPEA	Edible offal
		Anchovy
		Dried bean
(3) GROUP	EGG MILK, YOGURT	Chickpea
		Lentil
		Egg
(4) GROUP	CHEESE	Milk (pasteurised)
		Milk (other)
		Yogurt
(5) GROUP	VEGETABLES	Cheese (white)
		Cheese (other)
		Green bean
(6) GROUP	POTATOES ONION OTHER VEGETABLES	Cucumber
		Spinach
		Carrot
(7) GROUP	FRESH FRUIT	Squash
		Stuffed pepper
		Green pepper
(8) GROUP	BREAD BOILED WHEAT RICE MACARONI	Potatoes
		Onion
		Eggplant
(9) GROUP	FLOUR EDIBLE OILS MARGARINE, BUTTER	Tomato
		Cabbage
		Apple
(10) GROUP	OLIVE SUGAR SYRUP, JAM, HONEY	Orange
		Mandarin
		Grape
(11) GROUP	TOMATO PASTE SALT TEA WALNUT, HAZELNUT	Melon
		Water melon
		Bread
(12) GROUP		Boiled wheat
		Rice
		Macaroni
(13) GROUP		Vermicelli
		Flour
		Edible oil
(14) GROUP		Butter
		Margarine for meal
		Margarine for breakfast
(15) GROUP		Olive
		Sugar
		Syrup
(16) GROUP		Jam
		Honey
		Tomato paste
(17) GROUP		Salt
		Tea
		Walnut
(18) GROUP		Hazelnut

Consequently, the amounts of total 52 items by Turkey, rural, urban and 7 geographic regions have been determined. Average annual prices of item kinds in all settlements are multiplied by the amounts and average monthly food expenditure of a household with four members is calculated. On the basis of these results, poverty lines are calculated by the cost of monthly minimum food expenditures by household size. Monthly poverty lines by household size are determined and the households whose monthly expenditures are below the poverty line are called as poor households. Accordingly, poverty lines for an average size of household and an individual are calculated for each settlement. These values are given daily and monthly as US dollars.

Poverty lines per households and per person are respectively given in Table 4 and Table 5. The poverty lines based on the minimum food expenditure; the rates of poor households; and average numbers of household members are also included in table 4.

**Table 4: Monthly and Daily Poverty Lines (US \$) for the Cost of Minimum Food Expenditure per Household (US \$) and the Rates of Poor Households**

Settlement	Poverty lines		Average number of household member	Rate of poor household (%)
	Monthly \$	Daily \$		
<b>TURKEY</b>	138	4.6	4.46	11
<b>URBAN</b>	136	4.5	4.25	7
<b>RURAL</b>	135	4.5	4.72	14
<b>MARMARA</b>	132	4.4	4.15	5
<b>AEGEAN</b>	104	3.5	3.82	3
<b>MEDITERRANEAN</b>	127	4.2	4.52	7
<b>CENTRAL ANATOLIA</b>	108	3.6	4.28	10
<b>BLACK SEA</b>	143	4.8	4.69	13
<b>EAST ANATOLIA</b>	144	4.8	5.56	18
<b>SOUTHEAST ANATOLIA</b>	131	4.4	5.78	18

It is seen in Table 4 that the households need minimum 138 \$ a month and 4.6 \$ a day in Turkey. The households living in urban places have to earn more than the households in rural. When this issues examined by regional base, it is clear that the households of East Anatolia Region whose size bigger have to earn more than the households of Aegean Region. Most of the poorest households live in East and Southeast Anatolia Region with 18%.

**Table 5: Monthly and Daily Poverty Lines (US \$)  
for the Cost of Minimum Food Expenditure  
per Person (US \$) and the Rates of  
Poor Individuals**

Settlement	Poverty lines		Rate of poor person
	Monthly \$	Daily \$	(%)
<b>TURKEY</b>	31	1.0	15
<b>URBAN</b>	32	1.1	10
<b>RURAL</b>	29	1.0	21
<b>MARMARA</b>	32	1.1	7
<b>AEGEAN</b>	27	0.9	4
<b>MEDITERRANEAN</b>	28	0.9	11
<b>CENTRAL ANATOLIA</b>	25	0.8	12
<b>BLACK SEA</b>	30	1.0	19
<b>EAST ANATOLIA</b>	26	0.9	25
<b>SOUTHEAST ANATOLIA</b>	23	0.8	24

When we look at Table 5 for poverty lines of individuals, a person in Turkey should earn 31 \$ a month and 1 \$ a day in order to be over poverty line. In regional comparison, people in Marmara Region should earn more than the people in Southeast Anatolia Region. It does not mean that Southeast Anatolia Region is in the best position. The existence of bigger size of household in this region causes this result.

The households and individuals who are determined by the cost of minimum food consumption method can be defined as “**extremely poor**”, because these households and individuals have no power even to meet their food consumption.

### **Poverty Line on Cost of Basic Needs**

In basic needs approach, poverty lines are established using households minimum food consumption together with nonfood consumption. Housing is the biggest share in nonfood consumption. Transportation, clothing, furnishing have the other shares in nonfood consumption respectively. Poverty lines on the cost of basic needs which include the food and nonfood expenditures of households, are calculated for household size and settlements. Poverty lines per households and per person for the settlements and the average household size are respectively given in Table 6 and Table 7. The values are given daily and monthly as US dollars. Therefore, 31 % of households’ and 38 % of individuals’ monthly earnings are



below the poverty line in Turkey. The poorest households and persons live in Southeast Anatolia Region.

**Table 6: Monthly and Daily Poverty Lines (US \$) for the Cost of Basic Needs per Household (US \$) and the Rates of Poor Households**

Settlements	Poverty lines		Average member of household member	Rate of poor household (%)
	Monthly \$	Daily \$		
<b>TURKEY</b>	198	6.6	4.46	31
<b>URBAN</b>	188	6.3	4.25	28
<b>RURAL</b>	211	7.0	4.72	32
<b>MARMARA</b>	220	7.3	4.15	29
<b>AEGEAN</b>	208	6.9	3.82	24
<b>MEDITERRANEAN</b>	254	8.5	4.52	29
<b>CENTRAL ANATOLIA</b>	170	5.7	4.28	30
<b>BLACK SEA</b>	194	6.5	4.69	34
<b>EAST ANATOLIA</b>	190	6.3	5.56	33
<b>SOUTHEAST ANATOLIA</b>	196	6.5	5.78	37

When the Table 6 is examined, households need minimum 198 \$ a month and 6.6 \$ a day. In regional base, the households living in Mediterranean Region have the highest poverty line comparing with the other regions. Most of the poorest households live in Southeast Anatolia Region with 37 %.

**Table 7: Monthly and Daily Poverty Lines (US \$)  
for the Cost of Basic Needs per Person  
(US \$) and the Rates of Poor Person**

Settlement	Poverty lines		Rate of poor person
	Monthly \$	Daily \$	(%)
<b>TURKEY</b>	44	1.5	38
<b>URBAN</b>	44	1.5	34
<b>RURAL</b>	45	1.5	39
<b>MARMARA</b>	53	1.8	32
<b>AEGEAN</b>	54	1.8	27
<b>MEDITERRANEAN</b>	56	1.9	35
<b>CENTRAL ANATOLIA</b>	40	1.3	35
<b>BLACK SEA</b>	41	1.4	42
<b>EAST ANATOLIA</b>	34	1.1	40
<b>SOUTHEAST ANATOLIA</b>	34	1.1	44

Looking at the Table 7, the person has to earn 44 \$ a month or 1.5 \$ a day in order to be over the poverty line. In regional basis, person living in Mediterranean Region should earn more money than the person living in East and Southeast Anatolia Region.

### The Comparison of 1987-1994 for Poverty

In order to examine the dimension of poverty in respect of yearly changes, the 1994 and 1987 Household Income and Consumption Expenditure Survey Results were compared. This comparison is given in Table 8.

**Table 8: The Rates of Poor Households in 1987 and 1994(%)**

Methods	Settlements	1987	1994
<b>Cost of min. food expenditure (extremely poor)</b>	Turkey	13	11
	Urban	4	7
	Rural	20	14
<b>Cost of basic needs cost (poor)</b>	Turkey	31	31
	Urban	22	28
	Rural	38	32

When the comparing the results of 1987 and 1994 surveys, the rate of poor households increases in urban areas and decreases in rural areas in 1994 for both methods. When we examine the population growth for 7 year period, the population of urban areas increases with migration more than the population of rural areas.

	1987	1994	Percentage
<u>Population</u>	<u>(1000)</u>	<u>(1000)</u>	<u>change</u>
Turkey	52,561	60,576	15
Urban	25,764	32,700	27
Rural	26,797	27,876	4

At the same time, the migration from rural areas to urban areas was 18 % within the period between 1985 and 1990.

## Conclusion

In this paper, the level of poverty is defined according to the position of people who are under the general level of income in society. That is the poverty level does not only define the starvation and being homeless. Primarily, the minimum cost of food consumption which constitutes minimum amount of calorie needed by an individual to survive the life is calculated and the people under this value are classified as **“extremely poor”**. For the second method, not only the cost of food, but also the cost of housing, clothing, transportation and furnishing is considered. If the household or person does not meet these costs, these people are called **“poor”**.

In Turkey, poverty line for an individual is found out between 31 \$ and 44 \$ a month. If we think of Gross Domestic Product (GDP) per capita, which is 2,500 \$ a year or 208\$ a month, it is clear that GDP is not equally share in Turkey. To support this issue, it is enough to look at the expenditure shares of lowest and highest 20% of households in the 1994 Household Income and Consumption Expenditure Survey. If we sort the households in ascending order by their expenditure, it will be seen that while the lowest 20% of households has a share of 6%, the highest has 47% of total expenditure. This big gap between household groups not only indicates inequality between groups but also this plays that the lowest income group satisfies with very few shares of expenditure. Surviving a life is not only based on the consumption for food, housing, clothing, transportation and furnishing, but also the consumption for health, education, culture and communication. According to the 1992 Human Development Report of United Nations (UN), Turkey is placed in the middle level developed people and 71st in 160 countries (UNDP, 1992). In 1995 report, the place of Turkey raised to 66th order from 71 order which signals an improvement in the general level of wealth (UNDP,1995).

This improvement is supported by the results of 1987 and 1994 Household Income and Consumption Expenditure Survey results. The data of these two surveys show that the number of poor households decreased through in time. By equally distributing of GDP, households and individuals will have a new position over poverty line. It should not be forgotten that Turkey has this potential.