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**OFFICIAL MEASUREMENTS SIGNIFICANTLY UNDERESTIMATE EXTENT
AND SEVERITY OF POVERTY IN TURKEY, NEW LEVY STUDY SAYS**

ANNANDALE-ON-HUDSON, N.Y.— By not incorporating the household production time required to carry out basic activities such as caring for children or elderly parents, official poverty measures in Turkey significantly underestimate the number of people living in poverty and the severity of their deprivation, argues a new report from the Levy Economics Institute of Bard College. The report—part of an ongoing Levy Institute project on time poverty (the Levy Institute Measure of Time and Income Poverty) that has produced research on Latin America, Korea, and now Turkey—not only contends that the poor in Turkey are more numerous and worse off than official poverty measures show, but that many of the conventional policies proposed to alleviate their condition are bound to fail because they ignore the impact of time deficits associated with an insufficiency of time for meeting basic household production needs or the income to purchase market substitutes.

In their new Public Policy Brief *How Poor Is Turkey? And What Can Be Done About It?* Levy Institute Senior Scholar Ajit Zacharias, Research Scholar Thomas Masterson, and Research Associate Emel Memiş contend that households hovering around the official consumption poverty line that lack sufficient time to care for their children or perform basic household maintenance—or the money to buy substitutes for this necessary labor—are deprived of something crucial to a minimally decent life. Yet, their unmet needs are ignored by official measures, so that their poverty is “hidden.” In this new policy brief—which presents the key findings from the Levy Institute project “Research and Policy Development on Time Use and Poverty,” undertaken in collaboration with the United Nations Development Programme–Turkey—the authors present an alternative measure of poverty for Turkey: the Levy Institute Measure of Time and Consumption Poverty (LIMTCP), a two-dimensional measure that takes into account both the consumption expenditures and the

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household production time needed to achieve a minimum living standard. The authors find that, while 24 percent of Turkish households were officially classified as poor in 2006, that figure rises to 35 percent using the LIMTCP measure. The difference between these two poverty rates amounts to 7.6 million persons (or 1.8 million households) whose poverty was overlooked in the official count. Moreover, among those who were considered poor according to the official measure, the LIMTCP shows that their unmet consumption needs were 2.4 times greater than officially estimated.

The LIMTCP results, the scholars suggest, highlight the interconnections between three domains of challenges facing the Turkish economy today: overcoming the shackles of jobless growth, increasing female labor force participation, and confronting the growing deficit in social care services. To make a dent in the poverty rate, Turkish policymakers will have to go far beyond the current proposals to increase employment among women. A LIMTCP simulation shows that, due to time deficits, the large majority (73 percent) of consumption-poor households in Turkey would remain poor even if all employable adults were employed. Given the prevailing labor market conditions, availability of care services, and distribution of household labor in Turkey, simply increasing employment will be insufficient. “While employment can make an important contribution to alleviating conventionally measured consumption poverty, incorporating time deficits into our understanding of poverty makes it clear that employment alone is largely insufficient to address the issue,” the authors write. “Employment opportunities need to be more flexible and rewarding in terms of earnings. Those not currently working for pay need additional education and training in order to be able to secure employment that pays well enough to make a real difference. And social provisioning of care services that can alleviate time deficits need to be in place in order for people to take advantage of employment opportunities.”

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Public Policy Brief No. 132, 2014: *How Poor Is Turkey? And What Can Be Done About It?*

To read the full text of this policy paper or to learn more about the Levy Economics Institute of Bard College, please visit www.levyinstitute.org/publications/how-poor-is-turkey-and-what-can-be-done-about-it.

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