

From “Semi-Peripheral Welfarism” to Neo-liberal Solutions. What About New Perspectives? -Developing World and Turkey-

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The social policies compatible on theoretical grounds as well as in practice -in advanced capitalist countries- with the traditional –keynesian- social welfare state were subject to a conversion in the neo-liberal globalization context. For the developing world, particularly in semi-periphery, the welfare state was different from the well-defined concept in advanced capitalist countries; this is what we call “semi-peripheral welfarism” (SPW). It is difficult to give a precise and universal definition of SPW as it is not a homogenous concept, and varies according to different regions and countries. But it is rather easy to point out the differences between well defined concept of the welfare state and the SPW. Nonetheless SPW is conflicting with the neo-liberal arrangements. The aim –leading research question- of this paper is to explore the conflict of the SPW and the neo-liberal policies but also to clarify the conversion and convergence of the system under neo-liberal rules. Within this framework social protection and modes of provision of public/social goods and services will be emphasized by making reference to Turkey..

Social welfare state in theory implies provision of social goods and services by the public body at least regular quality as well as an equal consumption of these services by the public; a satisfying level of public social expenditures which would be financed by the tax payers according to ability-to-pay principle; a certain compromise between antagonist classes and/or social groups by means of the political system which will render possible the implementation of a social pact; social inclusion as well as cohesion. But the sustainability of the welfare state depends on adequate demographic, economic and financial structures. The defect in financing the system could conduct to the collapse of the implementation of the welfare state. The social welfare state is constructed at the Center -countries of the capitalist system- under very

specific economic, social, and political conditions. The development as well as extension of the welfarism during the keynesian demand management as from the end of the World War II to mid-1970's is not a coincidence. Very specific historical conditions, i.e. fordist capital accumulation regime characterized by intensive capital accumulation and state intervention/regulation permits the implementation of the welfare state. As argued by James O'Connor, state has two basic and mutually contradictory functions; to promote profit yielding capital accumulation but also legitimization of the previous function necessary for social cohesion (1973) But towards the end of the period (late seventies, early eighties) the "peripheral fordism" engendered an extreme inequity in income distribution, poverty, deficiency in public services, high budget/public deficits, heavy foreign debt burden, and foreign debt crisis implying stabilization and structural adjustment policies under the auspices of the IMF and supported by the IBRD. The engagement to neo-liberal policies for a large group of semi-peripheral countries –Latin American world, Turkey, etc.- was the case by means of structural adjustment policies implying important changes both in economic-financial structures, and in social sphere. In the new neo-liberal context strengthened by Washington Consensus policies, the changing role of the state is concretized by the conversion of the social policy and its convergence to neo-liberal environment. This "structural reforms" involve radical changes in social policies, i.e. social protection and mode of provision of public goods. Therefore the leading research question in this paper implies to make reference to theories on the nature and the functions of the state, and to take in consideration the articulation between the structural adjustment programs and the neo-liberal approach.

Turkey is a meaningful and an interesting case for studying the societal impact of the neo-liberal globalization. Meaningful because by the year 1998 IMF begins to control the economic policy. Especially as since from the 2000 the IMF in accordance with the IBRD starts to intervene directly and shape the economic and social policies. Compared to Latin American countries as Brasil and Argentina faced to economic crisis and subject to IMF prescriptions, Turkey is the sole country entirely engaged to neo-liberal solutions. On the contrary of the Latin American world there is no evident sign of neo-developmental welfarism in Turkey. An Interesting case because 99% of the population is claimed to be muslim but the state is officially declared as secular. In the actual constitution Article 2 stipulates that "*The Republic of*

Turkey is a democratic, secular and, social state,.....”. Article 5 emphasizes that *“The fundamental aims and duties of the state are:.....to ensure the welfare, peace, and happiness of the individual and society; to strive for the removal of political, social and economic obstacles which restrict the fundamental rights and freedoms of the individual in a manner incompatible with the principles of justice and of social state.....”* . The government formed by a islamic parti-AKP- since November 2002 had in their program some strong islamic inspirations which are expected to be integrated to a “new type” or “islamic inspired “ social policy. But meanwhile the government is entirely engaged to neo-liberal policies. Turkey represents also an interesting case because she is in pre-negotiations with the EU for becoming the member of the Union. This is important for modelling Turkish social policy. In theory EU policy in the field of social inclusion and social protection stipulates to promote social cohesion and equal opportunities for all through adequate, accessible, financially sustainable, adoptable and efficient social protection system and social inclusion. Therefore the task is to make a decisive impact on the eradication of poverty and social exclusion. Turkey by adopting structural adjustment policies is engaged in neo-liberal solutions but also the rules of the –revised- European Social Charter implies new arrangements. Within this framework the nature of the “social security reform” in Turkey and the social impact of deregulation in the provision of public goods are controversial themes.

At global level as the SPW is already ended, what will be the new model? A post-SPW or “emerging markets’ welfarism”? As Washington Consensus cycle seems ending there would be other issues. Then how to promote a new model? The analytical significance of the responses is considerable.

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