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#### From the Editors

Journal of Industrial Policy and Technology Management (JIPAT) celebrates its first issue. The mission of JIPAT is to provide an academic platform for the researchers to share and reach findings of scientific studies. The editorial board which includes distinguished scholars from different countries has chosen the papers to contribute to the extant literature. Papers focused on industrial policy and technology management.

Initially, JIPAT is planned to include several profound studies expected to make strong theoretical contributions, especially regarding the industrial policies of developing countries and the benchmarking of developed countries' technology management. Within the first issue, interesting studies on insurance, risk management, leadership, social media, entrepreneurship and banking have been published. Future issues will cover every aspect of industry and service sectors, particularly the agriculture sector, covered by industrial policy and technology management.

In addition to the academic environment, JIPAT also offers a range of activities that can benefit the real sector within the context of industrial policy and technology management. It is hoped that field studies will shed light on the real sector and the academia in comparison with developing countries as well as with other developing countries and developed countries. Thus, there is the belief that both the informatics and the service, industry and agriculture sectors will play an important role in the development of the application fields.

Although JIPAT plans rarely on a single topic researches, it will also include social and economic workshops in today's technological development. Especially in technology management, there will be many futurist workshops such as unmanned agriculture, artificial intelligence, blogchain, e-business, digitalization and virtual reality. It is planned that JIPAT will become a publication that will be followed with pleasure by academics and practicians.

As JIPAT family, we are especially grateful to the editorial board members, to our referees, to the authors who have contributed by their studies. Hence, JIPAT says: "Stay on the path of science with science!"

iD Sönmez Çelik iD Mustafa Emre Civelek iD Sabri Öz



#### Customer Satisfaction in Participation Banks: Case in Istanbul

#### **(D)** Sinan Tayran

Istanbul Commerce University, Turkey

Received: March 10, 2018 Accepted: June 24, 2018 Published: June 30, 2018

**Abstract**: Participation banks have a 5% share in the Turkish banking system and it is important for the sector to improve the relationship between the customer and the bank from current situation. In this context, face-to-face surveys were conducted with participation bank customers in Istanbul province and satisfaction levels were determined by taking into account the customer's personal characteristics (gender, age, income). In addition, what can be done to increase customer satisfaction is discussed. The number of people participating in the survey is limited to 250, and most of the participants are middle-aged male and female customers. Increasing customer satisfaction, revenue level, profit sharing ratios, transaction costs and product diversity were found to have the most important share.

Keywords: Participation Bank, Customer Satisfaction, Banking

JEL Classification: G24

#### 1. Introduction

The share of participation banks in the sector in the world and Turkey is increasing day by day. In order for this increase to occur at a high rate, the relationship between the participation bank and the customer needs to be improved. This tendency of the banking sector is critical in order to increase customer satisfaction. In this context, the separation of customers according to their characteristics and the strategy should be developed according to each customer.

The birth of the first banking participation in this study, the development, has been mentioned in the case of Turkey. Thereafter, face-to-face surveys were conducted with the participation bank customers. The number of participants in the survey is limited to 250, and most of the participants are middle-aged women and male customers. Increasing customer satisfaction, revenue level, profit-sharing ratios, transaction costs and product diversity were found to have the most important share.

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#### 2. Development of Participation Banking System

The first application of interest–free banking as a financing institution in the world has emerged as a result of a trial developed as a new method against the nationalization trend of all banks during the period of President Gamal Abdul Nasser in the town of Mit Gamr in the Arab Republic of Egypt. It is an academic debate in our time to give the name of the bank to this organization, which meets the agricultural and commercial needs of Fellah (Egyptian Peasant), and which is based on the philosophy of mutual bail, while working in a unique model of mixture of Venture–Capital and money. The model is based on both banking and trading partnerships (profit and loss partnership), as well as insurance and "barter", "leasing" and so on. sub–financing methods are put together and under the same roof, at the same time, the system is a unique mode (Url–1, 2018).

#### 2.1. Development of Islamic Banking in Turkey

In Turkey, the Undersecretariat of Treasury and Foreign Trade on February 25, 1984 March 21, 1984 to the notification prepared by the Central Bank of the Republic of Turkey in the first phase of this system is organized. Subsequently, the sub-structure of the participation banking was created as a result of the regulations (Türkiye Katılım Bankaları Birliği, 2018).

A segment of the population in Turkey and the world, does not want to earn returns from interest income. For this reason, funds that do not go to the classical bank are idle. This is a trade-off between general economy and savings. Participation banks have been established as an innovation in the financial sector in order to earn economies of funds that do not go to the classical bank due to interest sensitivity and to assist the safekeeping and saving of the funds of the savings owners and to attract unused funds through alternative investment areas (Türkiye Katılım Bankaları Birliği, 2018). 60-year interest-free banking in the World, has a 30 year history in Turkey. Today, interest-free banking is an important financial instrument and has a presumption that can not be ignored.

Methods of funding in interest-free banking; As Arabic, Islamic and old sayings; Murabaha (an old saying in Turkish which has a meaning of: Financial trading), Mushareke (also an old saying in Turkish, partnership in capital partnership, partnership on both sides of the capital), Exception Credit (Used in places requiring construction phase, product building materials are also supplied by the contractor), murabaha card, mudarebe (labor-, salem (purchases of cash and cash), interest free

BES, sukuk (interest-free bond), karz-ı hasen (nice debt, interest free loan), tekafül (participation insurance) (Keskin et al., 2008).

The most important reason why participation banks or interest–free banking are requested is interest sensitivity in Islamic religion. The tentative point here is that no matter what the money is invested in, the fund guarantees that the bank (the bank) will pay more in a certain way, whether it hurts or not. The profit that can be earned in this way is not acceptable according to Islamic religion because one side causes increase in assets and the other side causes decrease in assets. Those who attach importance to this sensitivity are willing to participate in the banking transactions with participation banks in the name of profit and loss partnership by participating in a real commercial trade with their savings and without any guaranteed amount of repayment (interest) but with profitable profit (Keskin et al., 2008).

#### 2.2. Differences between Profit Share and Interest

The profit share is determined at the end of the maturity, but it does not even last until the day before. Interest is determined at the beginning of the vanguard. The profit share to be paid is paid from the profit that is generated as a result of using the funds collected in the pool. Interest is paid from the proceeds from the various sources of the banks, especially from the loan interest rates. There is a parallel between the profit share from the financing and the profit share paid to the savings owners. There is no strong relationship between interest paid on deposits and interest on interest. The profit share to be paid to the client depends on the profit from the funds used by the bank. If the bank makes little profit, the customer also receives little profit. If it makes a lot of profit, the customer gets a profit share from it. If it hurts, the customer will have to endure the harm. Interest does not depend on the bank's profit. Even if the bank makes little profit, it makes a lot of profits or damages, but the interest to be paid to the customer is calculated from the beginning rate and this rate does not change until the end of the maturity.

On the other hand, profit share is not a loan for a cash loan, but rather a purchase or sale of a good or service or a partnership. Interest is a surplus in the banking that is absolutely against a debt relationship (Türkiye Katılım Bankaları Birliği, 2016). The major financial size of participation banks in Turkey are given in Table 1. When we look at the table, we have made a positive improvement in the net profit side, especially about twice the rate of the active exchange rate according to December 2016 December 2017. In the other ratios, a significant increase has been achieved and at least change has occurred in the number of personnel.

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Table 1. Major Financial Sizes of Participation Banks (Million TL)

Financial Accounts	December.16	December.17	2017-2016 (Change in %)
Total Active	132.874	160.136	21%
Capital	11.494	13.645	19%
Net Profit	1.106	1.583	43%
Number of Personnel	14.465	15.029	4%
Number of Branch	959	1.032	8%

Source: Türkiye Katılım Bankaları Birliği, Katılım Finans Dergisi, Year 2, Issue 6, March-April 2018, p.18.

The distribution of the banks in the Turkish banking sector is given in Table 2. The number of participation banks is 5. Two are public banks and the remaining three are foreign-owned participation banks.

Table 2. Distribution of Banks in Turkish Banking Sector

Bank Type	Type Number of Banks				
Deposit Banks	34	65			
Development and Investment Banks	13	25			
Participation Banks	5	10			
Total	52	100			

Source: Türkiye Katılım Bankaları Birliği, 2016: 26.

The share of participation banks in the sector is given in Table 3. The share of the participation banks in the sector is as follows and the changes between the end of 2017 and February 2018 are shared and it will be more accurate to compare with the end of year figures.

Table 3. Share of Participation Banks in the Sector

	2018/February	2017
Within the Fond	6,1%	6,1%
Used In Fond	5,0%	5,0%
Within the Active	4,9%	4,9%
Within the Capital	3,6%	3,8%
Within the Net Profit	0,1%	1,8%

**Source:** Participation Banks Association of Turkey, Comparative Tables

#### 3. Customer Satisfaction Surveys and Literature

There are many studies that determine the perception of participation banking in the sector through questionnaires. For example; the name of the work that financial consumers make to determine the factors affecting the use of participation banking is

'Interest-Free Finance Participation Model'. This questionnaire was applied to employees working in 708 academic staff in universities in Turkey with survey data were obtained. Four hypotheses have been developed in the model. According to this model; perceived service quality, perceived sensitivity, perceived awareness, perceived transparency and reliability were investigated on the sensitivity of the customer in using participation banking. As a result of the statistical analysis, it was determined that the perceived quality of service is the biggest influence of financial consumers in adopting participation banking practices. The second most important factor in adopting participation banking of financial consumers is perceived transparency and reliability. The third most important factor is awareness. Religious sensitivities have the lowest impact on factors affecting the use of participation banking (Yıldırım, İ. ve Çakar, R., 2016).

With the research conducted in 2015, it was sought to find out how the participation banks' services, especially the demographic characteristics of the participants, were found adequate, and the reasons why the participation banks preferred and the participation banks changed in the banking system. In their study, participation banks measured the perceptions of their customers and non-customers about participatory banking. The participation banks of the customers have chosen to make transactions in a short time, to be reliable, to be of good quality and not expensive, to be religious and courteous and courteous, and to prefer these banks to invest or to make transactions with these banks. Individuals who do not prefer participation banking think that participation banking is not different from commercial banks (Gençtürk, & Çobankaya, 2015).

In another research, it was tried to determine the current and potential bank customers' customer perception questionnaire for Islamic banking activities. According to the results of the survey, significant differences were found among the answers given to all the questions by participants who did not and did not want to work with an Islamic bank. Islamic banking activities, which are regarded as an alternative to the traditional banking system, are not well known by the customers and that the Islamic financial perception of potential bank customers is very weak (Toroman, Ata, & Buğan, 2015).

Drawing attention to the increased share of the growing banking markets of participation banking cause of the participation banking in Turkey in studies aiming to be preferred, Bolu were asked using their clients preferred because the survey technique of three participation banks for reasons affecting the preference of

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participation banks participants are listed as to the most insignificant of the most important "Service Quality "," Relations with Branch Personnel "," Religious Sensitivities "," Friend and Relative Environment Minimal Impact "," Service Variety "," Banking Prestige and Profit Share "," Attractive Payment Facilities " (Özsoy, Görmez, Mekik, 2013).

In the satisfaction survey of 500 participant banks in Eskişehir, the first three orders were "Relatives and Friends", "Fast and Flexible Solutions" and "Staff Consultancy on Investment". Religious reasons are in the fourth place. "Internet banking quality" and "low-return participation accounts" are services that the participants of the participation bank are not satisfied with. In the course of these findings, it has been suggested that banks should have close relationships with customers and be customer-focused (Kaytanci, Ergeç & Toprak, 2013).

The criteria of interest–free banking has investigated in Jordan. In order according to importance degree; the price of the products, the Islamic image is in the top three ranks. Islamic banking has not been preferred due to religious reasons. In order, the position of the interest–free bank, the degree of closeness to the home or the place of business was in the last three ranks. The present and the potential needs and needs of the customers have been determined by Islamic banks and the banking products have to be developed. (Ramadan, 2013).

In Pakistan, the level of satisfaction and awareness of interest-free bank customers according to their demographic characteristics (such as age and income level) has been analyzed. In Pakistan, it has been determined that the education of the customer portfolio of participation banking is high and it is middle income in the age range of 21–40 years. It has been found that the ratio of these customers working with other interest banks is 67%. In the survey, it was observed that most of the customers preferred interest–free banks because of Islamic reasons. Apart from this factor, the efficiency and speed of banking transactions, the trusting of the customers and the flexibility of working hours are important. According to these findings, the participation banks reached the discovery that the customers were satisfied using interest–free banking products such as the participation account but were not aware of other participation bank products (Khattak, & Kashif, 2010).

#### 4. Case Study as a Survey

Surveys were conducted face-to-face with the participants from the participation banks on February 2018 in Istanbul provinces Bahçelievler, Bağcılar and Bakırköy.

Table 4. Demographic Characteristics of Survey Participants

	Group	Survant	Percentage, %
Cons	Woman	110	44
Sex	Man	140	56
	16-21	9	4
	22-27	9	4
	28-33	15	6
A	34-39	85	34
Age	40-45	8	3
	46-51	117	46
	52-57	5	2
	58+	2	1
	Under High School	115	46
	High School	28	11
Education	Vocationak Sch.	13	5
Education	Licence	88	35
	Master	5	2
	PhD	1	1
	<1500	7	3
Monthy Farning	1500-3000	218	87
Montly Earning	3000-4500	18	7
	4500+	7	3
Castar	Government	40	16
Sector	Private	210	84

Because of the questioner and time constraint, the number of the questionnaires is limited to 250 people. Participants in the survey first evaluated their demographics and are shown in Table 4, above.

The rates of men and women participating in the survey are close to each other. The most common age range is middle-aged persons (83%) between 34-51 years. At the level of education, primary school graduates are the first and secondary graduates are the second. In the monthly income, the range of 1500-3000 covers 87% of the total of the questionnaires. Finally, it is seen that the employees of the private sector

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constitute the largest slice with an 84% share in the evaluation made on the basis of the working sector.

Secondly, questions about bank satisfaction were asked to respondents and the distributions are shown in Table 5.

**Table 5. Demographic Characteristics of Survey Participants** 

Questions	Group	Number of Answers	Percentage, %
	Yes	117	47
Do you find the costs of the services generally	No	39	16
acceptable?	I Don't Know	94	37
	Yes	31	12
Do you find the profit share amounts distributed enough?	No	34	14
enough	I Don't Know	185	74
	Yes	102	41
Do you think the opportunities offered for Umrah	No	11	4
and pilgrimage trips are sufficient?	I Don't Know	137	55
	Yes	16	6
Do you think the financial product variety is sufficient?	No	95	38
sufficient?	I Don't Know	139	56
	Yes	124	50
Do financial products meet your needs?	No	98	39
	I Don't Know	28	11
	Yes	127	51
Are you satisfied with the services that the	No	92	37
portfolio officer has presented to you in general?	I Don't Know	31	12
Do your portfolio authorities in the participating	Yes	97	39
banks regularly meet with you?	No	153	61

Surveys were examined and the effect of customer revenues on bank satisfaction was examined. The proportion of respondents who are satisfied with the services of participation banks is 48%. When this income-based ratio is examined, the highest bank satisfaction is seen as 66% in the income range of 3000-4500 TL. In the case of the highest-income customers (4500 + TL), the satisfaction rate is 60%, which is thought to be due to the high expectation thresholds of high-income customers. Among other income groups, the bank satisfaction was calculated as 47% and the lowest income customers ( $1500 \ TL <$ ) as 13%. In this context, bank satisfaction is influenced by customer level of income.

Participation bank customers were asked about the profit sharing amounts and their effect on bank satisfaction was examined. For those customers who find the profit sharing amounts satisfactory, the proportion of those who are satisfied with the bank services is high and the rate of those who are not satisfied with the profit sharing amounts is 77%. In customers who do not express their opinions about profit sharing amounts (I do not know), the results of bank satisfaction are balanced and the rates of dissatisfied customers are closer to each other. Accordingly, the adequacy of the profit sharing amounts is affected by the bank satisfaction.

The relationship between the costs of bank services and bank satisfaction in participant banks has been examined. The proportion of those who are satisfied with the costs of the bank services is high and the rate of those who are not satisfied with the costs of the bank services is 74%. This clearly shows the effect of the suitability of bank services costs on bank satisfaction.

The effect of the financial product variety on bank satisfaction has been researched in the participation bank customers. Customers who find financial product diversity satisfactory have a high percentage of satisfied customers and those who are not satisfied with the diversity of financial products are found to be highly dissatisfied. As a result, the adequacy of financial product diversity is important in bank satisfaction.

#### 5. Conclusion

Although participation banking in Turkey has a very long history, a cultural proximity mavcuttur. As a social phenomenon, customer satisfaction in participation banking is a very important management function parameter. Satisfaction level is the outcome of this function. The study focuses on customer satisfaction.

When the position in the sector of participation banks in Turkey is considered, increasing the satisfaction of its customers is obvious the market share of banks will be increased. This study is designed to help determine the management strategies to be created for this purpose. As a result, it has been emphasized that the bank approach can be updated according to customer revenues and profit sharing, transaction costs and product diversity issues should be emphasized in the sector.

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Further work may be extended by incorporating conventional bank customers. In addition, access to bank branches and ATMs, bank technological follow-up should be examined in terms of the impact on customer satisfaction.

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## Technological Effects of Public Support Programs on SBEs: An Investigation on "KOSGEB"

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Abstract: In legal entities in Turkey, outnumbered by far the most important institutions that powers the economy, as well as the nature of the Small and Medium Sized Enterprises (Called as KOBI – SMEs). The place of SMEs is very important both economically and socially. The changes experienced in SMEs in times of crisis and transformation in Turkey have often played a decisive role. The public support programs influence the entrepreneurs on the adaptation of information to the information age of the new century in SMEs, provide competitive advantage and facilitate business sustainability. One of the most important factors underlying such positive developments is that businesses use technology at a more efficient level. The use of technology, on the other hand, is reflected in increased productivity and subsequent profit. The public support and training programs that shed light on these developments are the main theme of this work. This study, which is made in the form of literature scans, is based on KOSGEB specific observations and KOSGEB primary data and interpreted in the light of TUIK data.

**Keywords**: KOSGEB, SMEs, Technology Effect, Public Support

JEL Classification: P42

#### 1. Introduction

Today, the level of technology use by countries is important for competing in the international arena. When we look at the countries that have reached a certain level from an economic standpoint, we can determine how much they attach importance to technology investments and Research & Development (R&D) expenditures. Today, due to the validity of liberal economic conditions, countries are implementing policies that encourage the private sector. For this reason, in order for economic development to take place, the importance of state support programs is gaining in the competitive power by increasing the technology levels of SMEs.

For emerging countries like our country, the importance of government support programs provided to SMEs is even greater. Because it is close to 99% of the enterprises in our country, it carries the qualification of SME. It will not be difficult to determine that SMEs are guiding the country's economy when considering the economy's presence. For this reason, if the country's economies is in developin status, it can be realized that these SMEs have a qualified and competitive structure. At this point, SMEs are in possession of up-to-date technology and encouraging. There are several public institutions in our country that support SMEs. The most known of these institutions is KOSGEB.

In the first part of this study, information about SMEs will be given and their share in the economy will be stated. In this view, contributions from production to employment and economy will be determined. In the second part, research would point out the importance of support programs provided to SMEs and supporting institutions. In the third part of my work, I will share information on the role of KOSGEB and data on implementation.

## 2. Definition and Requirements of SME's and Expenditure for R&D of SME's

#### 2.1. Definition of SME's and Requirements

With the globalization, the competitiveness of the end-tier countries has gained importance, and the necessity of defining the SMEs to be supported in this direction has emerged. The prominence of the definition of SMEs emerges at the point of support that will be given by the private sector in the private sector. As there are more than one criterion in these definitions, there is only one criterion in some countries. Below are a few examples of SME definitions that vary even from country to country and even from place to place. Later, the share of SMEs in the economy will be given and a number of evaluations will be made.

#### 2.1.1. In USA

According to Dablan; "The Small Business Administration (SBA), which has been operating in the United States since the 1920s, has generally adopted quantitative measures of the number of sales and the number of workers employed by businesses." (Dablan, 2010: 47)

According to SBA Standards Bureau Association definition; "The number of employees in the manufacturing industry (500-1500 people), the number of personnel in the

wholesalers and annual sales revenues (up to 500 staff and 25 million dollars sales) as well as the annual sales revenues for retailers and service businesses (3-13 Million Dollars) are considered."

#### 2.1.2. In EU

According to Küçüktekin; "The number of SMEs in the European Economic Community, which is composed of 28 member countries, is around 23 million and the number of people employed is 75 million. The share of SMEs in the total economy reaches 99%. The only market among member countries requires a common definition for the support and protection of SMEs (Küçüktekin, 2006: 11). Table 1 provides information on the EU's SME criteria:

Table 1. SME's Criteria in EU

<b>Business Category</b>	Annual Employee	<b>Annual Turnover Amounts</b>	Financial Balance Sheet
Madium Caala	FO 240	50 million euros or less	43 million euros or less
Medium Scale 50–249	(40 million euros in 96)	(27 million euros in 96)	
Con all Cools	10.40	10 million euros or less (7	10 million euros or less (5
Small Scale	10-49	million euros in 96)	million euros in 96)
Miana Caala	1.0	2 million euros or less	50 million euros or less
Micro Scale	1-9	(unspecified).	(not previously defined).

Source: (Commission European, 2015: 11)

According to the definition of the European Commission, enterprises with annual number of employees not exceeding 250 and with a net sales revenue of 50 million Euros or a financial balance sheet totaling 43 million Euros are SMEs.

#### 2.1.3. In Japan

In Japan, the number of employment and the amount of working capital are important. This situation will be understood in Table 2:

Tablo 2. SME's Criteria in Japan

Sector	Number of Employees	Amount of Capital (Million Yen)
Manufacturing Industry And Others	<= 300	<= 300
Wholesale trade	<= 100	<= 100
Retail Trade	<= 50	<= 50
Service Operations	<= 100	<= 50

**Source:** (Atıcı, 2006: 40)

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#### 2.1.4. In Brasil

The only measure of Brazilian SME qualification is employment. This situation will be seen in Table 3:

Table 3. SME Criteria in Brazil

Business Size	Number of Employed Workers
Very Small Business	0–10 Employee
Small business	11–49 Employee
Medium Business	50–99 Employee

Source: (Müftüoğlu, 2007: 121)

As Table also argues, companies that do not employ workers in Brazil carry the SME qualification. It is also understood that between 0 and 99 SME employment measures in Brazil.

#### 2.1.5. In Turkey

The criteria of SMEs, which are on the agenda to be expanded in our country at the moment, have been updated from year to year:

Table 4. SME Criteria in Turkev

Size	Employee	<u> </u>	Annual Turnover (TL)		Annual Balance Sheet (TL)
Micro Business	<10	AND	<1 million	OB	<1 millon
Small business	10-49	AND	<8 millon	OR	<8 millon
Medium Business	50-249		<40 millon		<40 millon

Source: 04.11.2012 Dated, Official Newspaper No. 28457

Employment, number of businesses as well as in the EU in Turkey from the above table, turnover and financial balance sheet total of the criteria used, the number of employees from SME criteria in Turkey is of the same nature with the EU, it is understood that while the financial criteria close together.

#### 2.2. R&D Activities in Turkey

R&D, according to Law No. 5746 on the Support of R&D Activities; "Scientific and technological developments that provide scientific and technological development in the field with environmentally friendly product design or software activities are carried out on a systematic basis in order to increase the knowledge of culture, people and

society and to use it to design new processes, systems and applications. Activities that have original, experimental, scientific and technical content that focus on uncertainty. (Law No. 5746 on Supporting Research and Development Activities).

According to TURKSTAT data; Turkey in the Gross Domestic R&D expenditure increased by 19.5% in 2016 compared to the previous year is calculated as 24 billion 641 million TL. The share of SMEs in all R&D expenditures is 18.3%. Within the context of R&D activities, the share of SMEs for the periods 2010–2016 is based on the following years: (KOSGEB, TÜRKİYE'DEKİ KOBİ'LERE İLİŞKİN BAZI İSTATİKİ GÖSTERGELER, 2018, s. 9)

Table 5. Annual Distribution of R&D Expenditures

	2010	2011	2012	2013	2014	2015	2016
Share of SMEs in Commercial Sector R&D Expenditures	%34,9	%37,7	%36,8	%35,7	%34,9	%35,3	%33,7
Share of SMEs in whole R&D Expenditures	%14,9	%16,3	%16,6	%16,9	%17,4	%17,7	%18,3
SME's share in commercial sector R&D human power	-	%55	%54,7	%53,2	%52,4	%53,2	%51,1

Source: (KOSGEB, Türkiye'deki KOBİ'lere ilişkin bazi istatiki göstergeler, 2018: 10)

The share of SMEs in the commercial sector in 2016 is 33.7%. According to TURKSTAT; 90.7% of these expenditures are current expenditures and the remaining 9.3% are investment expenditures (KOSGEB, Türkiye'deki KOBİ'lere ilişkin bazi istatiki göstergeler, 2018: 9)

#### 2.3. Innovation Activities in Turkey

Today it is very important for companies to have an innovative perspective so that they can compete both nationally and internationally. When we look at firms in global scale, we can see that they have many innovative ideas in management, production, marketing and other fields.

Published together with Eurostat and the OECD, which is a source of internationally recognized for innovation Turkey's Scientific and Technological Research Council of Oslo Manual (TUBITAK) published by the Turkish translation of innovation, "innovation" being expressed, and is defined as: "Business-house applications, (goods or services) or process, a new marketing method or a new organizational method in a new or

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significant improvement in the workplace organization or in external relations. " (Bintaş, 2017: 58). Statistics for the three-year periods 2006-2016 under the innovation survey by TURKSTAT are included in the following table:

Table 6. Distribution of Innovative Initiatives

	2006-2008	2008-2010	2010-2012	2012-2014	2014-2016
Initiatives with 10 or fewer employees	%37,1	%51,4	%48,5	%51,3	%61,5
Entrepreneurs with 10–49 employees	%33,8	%49,4	%46,5	%49,3	%60,4
Initiatives with 50–249 employees	%43,7	%58,9	%56,1	%57,5	%65
Initiatives with 250 or more employees	%54,4	%69,7	%66,3	%65	%65

Source: (KOSGEB, Türkiye'deki KOBİ'lere ilişkin bazi istatiki göstergeler, 2018: 11)

It can be understood from Table 6 that the ratio of SMEs that are in the activity of innovation is increased by years. This rate has recently been around 60%.

Table 7. Breakdown of Product and / or Process Innovation Activities

	2006-2008	2008-2010	2010-2012	2012-2014	2014-2016
Initiatives with 10 or fewer employees	%27,4	%33,2	%26,9	%38,0	%47,3
Entrepreneurs with 10–49 employees	%25,5	%30,9	%24,8	%36,4	%45,9
Initiatives with 50-249 employees	%35,6	%41,4	%34,4	%42,4	%52
Initiatives with 250 or more employees	%44,6	%54,4	%46,1	%54,5	%57,6

Source: (KOSGEB, Türkiye'deki KOBİ'lere ilişkin bazi istatiki göstergeler, 2018: 12)

The table above shows that the proportion of SMEs engaged in product and / or process innovation activities is between 47% and 52%.

Table 8. Distribution of Organization and / or Marketing Innovation Activities

	2006-2008	2008-2010	2010-2012	2012-2014	2014-2016
Initiatives with 10 or fewer employees	%22,7	%42,5	%43,7	%41,0	%50,8
Entrepreneurs with 10–49 employees	%20,3	%41,1	%41,9	%39,3	%49,6
Initiatives with 50-249 employees	%27,1	%46,8	%50,2	%46,5	%54,5
Initiatives with 250 or more employees	%39,3	%57,3	%60,8	%53,4	%62,4

Source: (KOSGEB, Türkiye'deki KOBİ'lere ilişkin bazi istatiki göstergeler, 2018: 12)

It can be interpreted from Table 8 that the ratio of SMEs operating in organizational and / or marketing innovation has increased by 100% or more from 2006–2008 to 2014–2016.

## 3. The Concept of Public Support And Financial Support In Turkey Makes Significant The SME Public Institutions

#### 3.1. Concept of Public Support

"Public support and incentives are programs that make it easier for public institutions, non-governmental organizations and private enterprises to carry out activities in areas that will provide economic and social development under certain conditions. The concept of support is defined in the economic literature as financial or non-financial support, assistance and encouragement given in various ways by the public in order to ensure that certain economic activities develop more than others (Çam & Esengün, 2011).

Public support provided to SMEs throughout the country without distinction between developed and developing countries has several purposes. These can be listed as follows:

- Providing Regional Development: "Public support for regional support aims to attract new investments mainly to the backward regions. The reason for regional support is mainly the elimination of unfair competition created by the region's geographical location, transportation facilities, infrastructure, educational status and other social adversities (Çiloğlu, 2000: 13).
- Increasing Employment: The elimination of the unemployment problem, which is one of the structural problems of developing countries in particular, is

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among the objectives of many public support programs. The incentives provided for the recruitment of additional personnel on the agenda in recent days are indicative of this.

• **Improving the Technological Level:** With the globalizing world, the increasing level of technology is one of the most important factors that enable SMEs to compete.

#### 3.2. Significant Supporting Public Institutions to SMSs In Turkey

In practice, there are several public institutions that implement support programs for SMEs. Since the study support programs are related to the technological impacts on SMEs, the institutions that implement support programs for R & D and innovation will be mentioned below; detailed information will be shared in KOSGEB:

- Ministry of Science, Industry and Technology
- Ministry of Economy
- Ministry of Finance (Indirect)
- Social Security Institution (Indirect)
- The Scientific and Technological Research Council of Turkey (TUBITAK)
- Small and Medium-Sized Enterprises Development and Support Administration (KOSGEB)

### 3.3. Ministry of Development and Support for Small and Medium-Sized Enterprises (KOSGEB)

"The Small and Medium Scale Enterprises Development and Support Administration (KOSGEB) was established on 20 April 1990 with the Law No. 3624. KOSGEB; It is a "related" organization of the Ministry of Science, Industry and Technology and is a special budgeted account, which is listed in Part B of Schedule II of the Public Financial Management and Control Law No. 5018 (KOSGEB, KOSGEB 2017 ara faaliyet raporu, p.1)

KOSGEB support programs include both repayment and non-repayment support. Repayable supports are interest free. Moreover, some of KOSGEB's support programs directly and indirectly affect the technology levels / use of SMEs. KOSGEB will provide information on the amount of R & D spending in private sector expenditures by the amount and years, and will be passed on to the results and evaluation section.

Table 9. Realization Statistics of KOSGEB Supports in 2010-2017 Period (Support

Amount and Number of SMFs Renefited)

		Amou	<u>ınt and Nı</u>	amber of 3	SMES Rene	ritea)		
Program Name	2010	2011	2012	2013	2014	2015	2016	2017
R&D, Innovation and Industrial Application Support Program	4.161.762,11 TL, 176 SME	43.294.757 TL, 830 SME	65.667.788 TL, 1.193 SME	66.218.935 TL, 1.259 SME	56.569.487 TL, 1078 SME	53.699.340 TL, 974 SME	49.896.284 TL, 897 SME	58.767.148 TL, 943 SME
Program Name	2010	2011	2012	2013	2014	2015	2016	2017
General Support Program	4.959.643,69 TL, 2.202 SME	67.538.532 TL, 15.387 SME	96.807.628 TL, 19.065 SME	134.000.356 TL, 23.776 SME	129.233.992 TL, 23.035 SME	158.734.818 TL, 25.995 SME	166.080.1772 TL, 24.583 SME	276.976.212 TL, 31.920 SME
Collaboration Cooperation Support Program	1.364.635,87 TL; 5 SME	12.451.150 TL, 46 SME	21.113.809 TL, 84 SME	13.389.287 TL, 78 SME	12.423.543 TL, 63 SME	8.332.366 TL, 50 SME	5.132.103 TL, 35 SME	9.079.029 TL, 36 SME
Program Name	2010	2011	2012	2013	2014	2015	2016	2017
Entrepreneurship Support Program	358.291,71 TL; 69 SME	26.252.955 TL, 2.416 SME	52.182.573 TL, 4.894 SME	85.618.415 TL, 8.077 SME	107.409.093 TL, 10.207 SME	126.665.386 TL, 11.828 SME	240.655.517 TL, 15.540 SME	443.419.627 TL, 22.895 SME

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International Incubator Center and Accelerator Support Program	Support Expenses Support	KOBIGEL-SME Development Support Program	Emerging Business Market SME Support Program	Thematic Project Support Program
ı	ı	ı	ı	ı
ı	ı	ı	ı	197.611 TL, 8 SME
I	-	-	135.750 TL, 3 SME	445.832 TL, 18 SME
ı	-	-	227.251 TL, 6 SME	868.441 TL, 22 SME
I	-	-	279.327 TL, 7 SME	335.918 TL, 14 SME
ſ	-	-	86.566 TL, 3 SME	13.171 TL, 2 SME
-	95.395 TL, 1 04 SME	30.763.201 TL, 297 SME	80.512 TL, 2 SME	412.226 TL, 14 SME
3.088.101 TL, 9 SME	452.338 TL, 424 SME	149.751.672 TL, 1.376 SME	1	653.145 TL, 17 SME

Total  185.653.645,43 TL,  51.315 SME  347.889.417 TL,  68.691 SME  403.880.570 TL,	Loan Interest Support 146.886.262,45 TL, 43.310 SME 170.428.783 TL, 48.217 SME	Technological Product Promotion and Marketing (Techno-market) Support Program -
34.716 SME 348.923.405 TL, 35.399 SME 348.029.941 TL, 37.891 SME	7.408 SME 4.525.026 TL, 343 SME 36.443.357 TL, 3.140 SME	
355.967.498 TL, 39.593 SME	6.158.256 TL, 597 SME	1
540.638.676 TL, 43.125 SME	31.942.098 TL, 1.069 SME	1
1.692.312.386 TL, 347.956 SME	739.411.350 TL, 289.937 SME	1.242.654 TL, 26 SME

**Source:** (KOSGEB, KOSGEB Ara Faaliyet Raporları)

We understand from Table 9 that the total amount of support given by KOSGEB has increased by 9 kats from 2010 until 2017. One of the reasons for this increase is the implementation of KOBIGEL Support Program (2016) and TEKNOPAZAR Support Program (2017) by giving importance to KOSGEB's production sector. It is also inevitable that these amounts will increase in the coming years. We understand this from the statements made by the KOSGEB officials and from the support programs that came into force in 2017. Because; In 2017, KOSGEB put into effect the Strategic Product Support Program and SME Technological Product Investment Support Program (SME TECHNOLOGY) with the aim of increasing domestic production, creating added value by creating new products, reducing the current deficit and imports. At the end of 2018 and in the following years, the actual amounts of the support programs will emerge. The support upper limits and support rates of the two programs mentioned in Table 10 will be mentioned.

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Table 10. Strategic Product Support Program and SME TECHNOLOGY Support Program

	Support Upper Bound	Support Rate
Strategic Product Support Program	5.000.000,00 TL	70% Non-Reimbursable 100% Non-refundable + Refundable (In the case of the acquisition within the scope of the domestic property certificate, 15% is added to the non-refundable support rate and the repayment support is given up to the remaining support rate.)
SME Technology Product Investment Support Program (SME TECHNO- INVESTMENT)	5.000.000,00 TL	70% for micro-enterprises as a non-refundable, 60% for medium and small businesses (5% in case of advanced technology) 100% Non-refundable + Refundable (In the case of the acquisition within the scope of the domestic property certificate, 15% is added to the non-refundable support rate and the repayment support is given up to the remaining support rate.)

**Source**: (<u>www.kosgeb.gov.tr</u>)

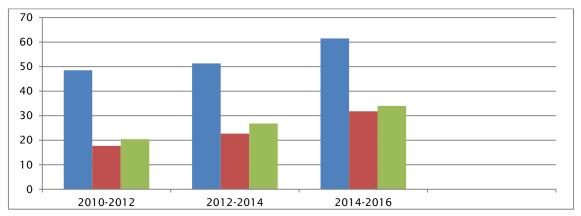
After giving information about the support amounts realized by KOSGEB, TURKSTAT data will be shared when we make a determination about the technologies of SMEs below:

Table 11. Statistics of R & D Activities of Financial and Non-Financial Companies

	R&D Personal Expenditure (TL)	Other Current R&D Exp. (TL)	R&D Investment Exp. (TL)	Total (TL)	R&D Human Resource (People)
2010	1.857.154.076	1.559.218.905	526.535.453	3.942.908.434	45.922
2011	2.310.950.262	1.779.811.243	726.510.980	4.817.272.485	55.023
2012	2.937.207.043	2.234.116.947	719.890.759	5.891.214.749	61.378
2013	3.640.398.444	2.547.075.798	844.044.732	7.031.518.974	69.018
2014	4.365.472.509	3.362.671.966	1.031.875.295	8.760.019.770	73.737
2015	5.272.535.462	4.077.339.639	958.862.588	10.308.737.689	77.551
2016	6.447.876.085	5.822.105.491	1.089.030.024	13.359.011.600	83.873

Source: (TÜİK, 2018)

The table above shows that the AR-GE spending and the AR-GE employment have increased over the years. For this reason, we can say that KOSGEB supports, which have increased with years, also contribute to this case.



<sup>\*</sup> Blue: Innovative Initiatives Orange: Product Innovation Initiatives Green: initiatives that make process innovation

Figure 1. Ratio of SMEs in Innovative Venture \* Source: (TÜİK, 2018)

From the above chart, we can see that the ratio of SMEs in the initiative of innovation increases. In order to increase the amount of support provided to SMEs by KOSGEB during the mentioned periods, we can say that these supports provided to SMEs contributes positively to innovation activities.

#### 5. Result

As in developing countries, the prospects of SMEs in our country have increased even more in recent days. We can understand this from the statistics shared above. Because of the shared information, especially the support programs given by KOSGEB in recent years have contributed positively to the increase of R&D spending and innovation initiatives by SMEs.

In practice, it has been determined that more than one public institution applies SMEs' support programs for the same issues, which leads to the ineffective and efficient use of public resources in the country already suffering from financial resources shortage. KOSGEB is the pioneer of the SMEs, who left the other supporting institutions only by giving support to the SMEs. For this purpose, by supporting SMEs which are close to 100% of the initiatives in our country, resources from different institutions can be gathered under one roof and monitoring of the given supports can be made easier.

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This institution may be KOSGEB. Major initiatives that do not carry the SME qualification can be supported by banks.

Especially when we look at the economies of Asia-Tigers, like South Korea, which started importing residence in the same period as ours, we can see that they are making serious investments in technology. The result of investing in technology is a brand-valued product / process or marketing technique that brings foreign exchange to the country. Thus, this situation can contribute positively to our country which is increasing day by day. While KOSGEB supports every sector, it can produce support models for value added product production by turning to industrial production.

KOSGEB can also implement support models to produce renewable energy sources in order to reduce energy imports, one of the main causes of current account deficit. Thus, our production dependency will decrease and production costs will decrease.

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# Corporate Management in Banking System: Investigation of Industrial Development Bank of Turkey of the CMB Compliance with Corporate Governance Principles



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Abstract: Corporate governance is defined as any laws, regulations, codes and practices that enable an institution to attract and retain human capital and financial resources while allowing it to create economic value for its shareholders in the long run while respecting the values of its society. The aim of this study to observe the compliance of Turkey's Capital Market Board Corporate Governance Principles of Industrial Development Bank of Turkey. The Bank's annual report for 2016 has been reviewed. The review consists of four parts: shareholders, public disclosure and transparency, stakeholders and the board of directors. As a result of the examinations conducted by these criteria has reached the conclusion that the Industrial Development Bank of Turkey to comply with the corporate governance principles and apply what principles require.

**Keywords:** Corporate Governance, Corporate Governance Principles, Turkey Industrial and Development Bank

JEL Classification: G34

#### 1. Introduction

The changes and innovations that have taken place in the financial sector make the corporate governance approach more important. Banks are institutions that have an important place in the economy of the country. Corporate governance is a system aimed at protecting the rights of bank shareholders and all other stakeholders. Corporate governance ensures transparency and protects the rights of stakeholders, which can lead to misappropriations.

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Corporate governance is based on four fundamental principles. These principles, accepted by all, transparency, fairness, responsibility and accountability. Corporate Governance Principles established by the Capital Markets Board (CMB) are implemented in our country. In addition, corporate governance principles were established by the Banking Regulation and Supervision Agency (BRSA). The CMB's Corporate Governance Principles have been taken as the basis for the study. In this study, firstly the basic concepts related to corporate governance and the importance of corporate governance in the Turkish Banking System, and the arrangements made in the field of corporate governance have been given. In the second part, and the Industrial Development Bank of Turkey is evaluated according to the CMB's Corporate Governance Principles.

During the evaluation, the annual report published by TSKB in the internet site for 2016 is taken as basis. The compliance of TSKB with the CMB's Corporate Governance Principles has been examined in detail. The aim of the study is to examine how effectively the bank's corporate governance practices are implemented.

## 2. General Framework of Corporate Governance and Corporate Governance Regulations

In this section, definition, development and corporate governance principles of corporate governance, regulations made by the Capital Markets and finally regulatory arrangements made by corporate governance and BRSA in terms of banking sector will be given.

#### 2.1. Definition, Development and Principles of Corporate Governance

It is not easy to give a clear and clear definition of corporate governance. There are many definitions made by different institutions and researchers in relation to corporate governance.

"According to the OECD Corporate Governance Committee, corporate governance, in the broadest sense, can be defined as a system in which companies are guided and controlled, and essentially involves a hierarchy of relations between the management of the company, its board of directors, its shareholders and other interest groups. Corporate governance reveals that the company's goals and objectives have been identified and the tools for monitoring performance to identify them have been identified. In other words, corporate governance, which focuses on the management of the company, management control and performance, represents the system of relations between company ownership and management (Gürbüz & Ergincan, 2004: 5).

Turkish Industrialists' and Businessmen's Association (TÜSİAD) In the work published by the Corporate Affairs Commission's Corporate Governance Working Group in 2002, corporate governance has been defined as; "Corporate governance, which can be defined in many different ways, is in the broadest sense the regulation of any institution that people create in order to achieve an aim in modern life. In a more narrow sense, corporate governance refers to all kinds of laws, regulations, codes and practices that enable an institution to attract and retain human capital and financial resources, thereby allowing it to create economic value for its shareholders in the long term while respecting the values of the society it belongs to (TÜSİAD, 2002: 9).

Corporate governance is a term related to the organizational state and management of companies. With the increase in company scandals, the concept of corporate governance has come to the fore. The company models based on shareholders were developed for the first time in the UK and USA. However, in the beginning, in these models, the way in which the rights of the other stakeholders of the companies are not mentioned in detail (Gürbüz & Ergincan, 2004: 16).

Some of the important studies in the field of corporate governance are listed in the table below:

Table 1. Important Applications in Corporate Governance

1992	The Cadbury Report, the first code in corporate governance, was published by the Cadbury Committee.
1995	The "Greenbury Report" on the remuneration of publicly traded company executives has been published.
1998	The "Hampel Report", which extends the responsibilities of the members of the Board of Directors, has been published.
1998	"Corporate Governance: Improving Competitiveness and Access to Capital in Global Markets" published by the OECD and also known as the Millstein Report.
1999	The first international work on corporate governance, "OECD Corporate Governance Principles," was published.
2002	The "Sarbanes Oxley Act" was issued as a result of corporate scandals in the United States.
2004	"OECD Corporate Governance Principles" have been updated and reissued.

Reference: Gürbüz & Ergincan 2014: 16; Demirbaş & Uyar, 2006: 40-46.

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The applications listed above are very important for the development of the corporate governance process. The implementations are a guideline for all companies and form a draft for the more accurate implementation of corporate governance.

The four basic principles of corporate governance that are recognized internationally are as follows:

**Public Illumination and Transparency:** "Transparency is the public disclosure of financial and non-financial information about the company in a timely, accurate, complete, understandable, interpretable, low-cost manner, with the exception of trade secrets and information not yet disclosed to the public" (Pamukçu, 2011: 136).

Accountability: "Accountability principle refers to the obligation to account for the members of the board of directors, in essence, against the corporation of the incorporated corporation and hence the shareholders. Contrary to transparency principle, accountability principle covers only after the activity" (Pamukçu, 2011: 136).

**Responsibility:** "The principle of liability states that while companies create value for their shareholders, they operate in a manner that is consistent with laws and regulations that reflect social values" (Türkiye Kurumsal Yönetim ..., 2011: 16).

**Fairness:** "Fairness is the expression of the company's management acting equally to all its rights. This principle implies the protection of shareholder rights, including minority shareholders and foreign partners, and the implementation of contracts made" (TKYD, 2006: 4).

#### 2.2. Regulations Made by the Capital Markets

In 2003, the Capital Markets Board of Turkey (CMB) declared its principles as recommended by the CMB's Corporate Governance Principles for publicly traded companies. In 2004, publicly held companies were obliged to disclose in CMB's compliance reports how to comply with the principles and what the reasons for not complying with these principles were (TKYD, 2006: 12). The Corporate Governance Principles issued by the CMB in 2003 were revised and re-published in 2005.

Within the context of the regulations made by the CMB regarding the concept of corporate governance in the new Turkish Commercial Code, the "Communiqué on Determination and Implementation of Corporate Governance Principles" numbered 28158 on 30.12.2011 was published in the official gazette. At that time, new

communiqués on corporate governance principles and practices are published by CMB on a day-to-day basis (Haşit & Uçar, 2014: 92). The Corporate Governance Principles of the CMB are included in the following table:

#### **Table 2. CMB's Corporate Governance Principles**

**Shareholders:** At the beginning of the rights of shareholders of the CMB; facilitating the exercise of shareholder rights, receiving and reviewing information, participation in general assembly, voting, scarcity, share of profits and transfer of shares.

**Public Illumination and Transparency:** Publics lighting and transparency approach requires disclosure of information about the company to the public. In the Civil Litigation and Transparency Principles section of the CMB, the website contains provisions related to the activity report.

**Stakeholders:** In the CMB's Stakeholders' Policy section, issues such as stakeholder policies, stakeholder participation, human resources policy, ethical rules and social responsibility are addressed. A stakeholder can be defined as a person, institution or interest group that has interests in the company's goals and activities. In this section, regulations regulating the rights of stakeholders are mentioned.

**Board of Directors:** The board of directors consists of, Managerial side of the Board of Directors; the functions of them, their operating principles, the structure, the form of board meetings, the committees established within the board of directors, and hence, the regulation of the financial rights provided to board members and senior managers.

Source: Kurumsal Yönetim Tebliği (II-17.1), 2014: 10-21.

#### 2.3. Corporate Governance and BRSA Regulations in the Banking Sector

The concept of corporate governance is of special importance when it is considered in terms of banks. Banks are big prescribers because of the basic functions they undertake in the economy. Financial intermediation, as well as the functioning of the crediting liquidity foundation and the payment system, is one of the policy tools of the state in stabilizing the economy (Tuna, 2013: 54).

As the banking sector is a sector where more stakeholders are influenced by its activities, the protection of the rights of the depositors' international institutions providing the bank resources and the shareholders providing the equity is a matter of great importance (Akın & Aslanoğlu, 2007: 5). The risk of crisis is increasing when weak corporate governance practices are in place at banks. Banking crises can significantly affect the country's economy. The ability of banks to function more securely and effectively depends on the creation and implementation of a sound corporate governance process. Banks will face risks if corporate governance is not given the right attitude (Çalışkan & İçke, 2016: 126–127).

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"On 1st of November 2006, the BRSA published a regulation in order to regulate the structures and processes related to corporate governance of banks and principles related to them. According to the Regulation on Corporate Governance Principles of Banks, corporate governance principles are covered in the following headings" (BDDK, 2018):

- 1. Corporate values and strategic targets should be established within the Bank.
- 2. Authorities and responsibilities within the Bank must be clearly defined and implemented.
- 3. Members of the board of directors should be aware of the role they have undertaken in corporate governance and have independent qualifications to perform their duties effectively and to make independent evaluations of the bank's activities.
- 4. They should be aware of the role they have undertaken in corporate governance that have the qualities to effectively carry out senior management tasks.
- 5. Effective use of the Bank's inspectors and independent auditors' work is essential.
- 6. Wage policies must be aligned with the bank's ethical values, strategic goals and internal balances.
- 7. Transparency in corporate governance.

Banks are required to comply with these regulations in Turkey organized by the BRSA.

# 3. Investigation and Industrial Development Bank of Turkey by the Capital Markets Board Corporate Governance Principles of Evaluation Criteria

Industrial Development Bank of Turkey, and in this section shall be made in accordance with CMB Corporate Governance Principles. The review consists of four main sections: shareholders, lightning and transparency, stakeholders and board of directors.

#### 3.1. Shareholders

In part related to the shareholders of Turkey Industrial and Development Bank of investor relations, information requests to respond, general meeting participation rate, vote and minority rights, will be examined in accordance with the distribution policy and the transfer of shares in the restriction criteria and evaluation will be done. Below is a summary evaluation of the shareholders;

Table 3. Sharek	nolders
Investor Relations Unit	Exist
Response to Information Claim	Exist
Attendance Rate to General Assembly	%84,3
Suffrage, the Vote	Exist
About/Using Voting Rights	Not Exist
Minority Rights	Exist
Profit Distribution Policy	Exist
Restriction on Share Transfer	Not Exist

- a) Investor Relations Department: In 2009, in accordance with TSKB's Corporate Governance Principles, "Shareholder Relations Unit" was established and restructured under the Investor Relations Department as of 2014. Within the context of compliance with the Communiqué, the names and surnames of the managers of the Investor Relations Department and the personnel working in the unit and their communication information are included in the yearly work of the unit (TSKB, 2018: 1). In 2016, all of the information requests of investors and analysts who came by phone or e-mail were answered. It was informed that 131 informative meetings were held at the same report (TSKB, 2016: 2). According to these findings, the corporate governance principles are aligned and the investor relations department is actively operating.
- b) Response to Information Claim: Turkey has no trade secrets of Industrial and Development Bank, except for share or publicly disclosed information meets any request for information (TSKB, 2016: 2). Information necessary for the exercise of shareholder rights is presented to the shareholders through the website, annual report and special case disclosures. Information is also provided when there are individual requests. In 2016, 52 special case disclosures were made (TSKB, 2016: 2). According to these, the corporate governance principles have been harmonized and necessary care is exercised in the exercise of shareholders' right to information.
- c) Participation Rate to General Assembly: Considering Turkey's compliance report of Industrial and Development Bank of \$ 1,750 million in the 2016 general meeting, representing 84.3% of the share capital of the Bank it is realized with the participation of the shareholders. It is also stated that the place of raporda meeting, day, time and agenda were published three weeks before the meeting date (TSKB, 2016: 3–4). As can be understood here in Turkey shows due care and attention in the General Assembly meeting of the Industrial and Development Bank.

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d) Voting Rights and Minority Rights: Industrial Development Bank of Turkey and the voting rights are included in the Corporate Governance Principles Compliance Report. In accordance with the Bank's Articles of Association, each share with a nominal value of 0,01 TL has one vote. The voting rights in the bank are guaranteed by the original contract. On the other hand, Industrial and Development Bank of Turkey stated that no privileged shares in terms of voting rights Corporate Governance Principles Compliance Report. Avoiding concession in voting rights helps equip shareholders and facilitates effective corporate governance mechanism (TSKB, 2016: 4).

Industrial Development Bank of Turkey and stated that except to make adjustments required by the provisions of the legislation regarding the rights of minority Corporate Governance Principles Compliance Report (TSKB, 2016: 4). The bank protects minority rights. The extension of minority rights through the Articles of Association ensures that minority shareholders' rights are better protected. The Bank may further study and extend these rights to minority rights.

- e) Profit Distribution Policy: Turkey Industrial and Development Bank's dividend policy is available. While the bank is distributing its profits, it follows a policy that provides a balance between shareholders' expectations and the growth of the bank. The dividend distribution policy is presented to the general meeting and approved by the general assembly. The created policy is presented to shareholders' information in Turkish and English on the company's website. All necessary information on profit distribution is included in the compliance report (TSKB, 2016: 4). Creating the Industrial Development Bank of Turkey and dividend policy and has shown the necessary care to share it with shareholders.
- f) Restrictions on Shares: Industrial Development Bank of Turkey that restrict the transfer of shares in the articles of the Corporate Governance Principles Compliance Report is stated that there are no provisions. All shareholders are treated equally in the bank including minority and foreign shareholders (TSKB, 2016: 4). It is understood that, Industrial and Development Bank of Turkey has avoided restrictions on the transfer of shares and treated in accordance with the principle of free transfer of shares.

## 3.2. Public Illumination and Transparency

In part related to the shareholders of Industrial Development Bank of Turkey disclosure policy will be examined according to their website and annual reports and evaluation criteria will be made.

Below is a summary evaluation of the public Transparency:

Table 4. Public Transparency

Information Policy	Exist
Web Site	Exist
Reports	Exist

- a) Information Policy: Industrial Development Bank of Turkey, and to inform the other disclosures required by all types of financial information, generally accepted accounting principles in fulfilling observing the principles of corporate governance; in this context, a detailed information and public lighting policy is underway. The main objective of the information policy is to ensure that the necessary information and disclosures outside the bank's trade secrets are communicated on equal terms, in a timely, fair, accurate, complete, understandable, easy and affordable manner to help stakeholders decide (Türkiye Sınai ..., 2016). Industrial Development Bank of Turkey by creating a public disclosure policy has shown due diligence regarding disclosure and transparency.
- b) Web Site: Industrial and Development Bank of Turkey's compliance report shows that use of the internet site to enlighten public banks actively examined. The disclosures on the bank's internet site are stated in the compliance report in English and Turkish. Information on the Bank's Corporate Governance Principles is available on the Company's website. The bank also takes care to keep its website up to date. The Bank has provided internet addresses in Turkish and English and the bank letterhead has the address of the internet site. The Bank has made the necessary arrangements for its website (TSKB, 2016: 5).
- c) Report: Industrial and Development Bank of Turkey has been preparing annual reports in Turkish and English. The Bank prepares its annual report in accordance with the information and guidance provided by the legislation. Three weeks before the General Assembly meeting, the bank's annual report is announced to the public on KAP and on the bank's website. After the English activity report is completed, it is published on the bank's website. Turkey Industrial and Development Bank to prepare the annual report by including all the information stipulated by legislation and endeavors to enlighten the public by publishing the relevant place (TSKB, 2016: 5).

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## 3.3. Stakeholders (Beneficiaries)

The section on Stakeholders policies concerning Turkey Industrial and Development Bank of the stakeholders, participation in management of stakeholders, the existence of complaints about human resources policies and discrimination, ethics and social responsibility projects will be examined according to the criteria and evaluation will be done.

The following table summarizes the stakeholders' interest;

Tah	ام ا	C+-	ماده	hal	146	
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Clear Policy for stakeholders	Exist
Stakeholders in the managerial board	Exist
Human Resource Policy	Exist
The Complaint about Discrimination	Not exist
Ethical Rules and Social Responsibility Projects	Exist

- a) Clear Policy for Stakeholders: Turkey Industrial and Development Bank examined the compliance report a matter of interest to stakeholders in the bank seems to care to be informed in writing. In addition, relations with stakeholders are arranged in written contracts. If the said rights are not regulated by legislation or contracts, they are protected on the basis of goodwill rules and in accordance with the possibilities of the bank. Beneficiaries have been able to communicate their complaints and suggestions to the bank through the contact form on the bank's internet site (TSKB, 2016: 5). Industrial Development Bank of Turkey and have made the necessary arrangements in respect of informing the stakeholders and provides the necessary compliance with corporate governance principles.
- b) Stakeholders in the managerial board: Industrial Development Bank of Turkey in the compliance report, the stakeholders in the bank's articles of association require the participation of the bank's management stated that they do not place an arrangement. General evaluation meetings are held twice a year with the employees of the bank about the activities and the course of the bank. In addition, employees can find suggestions or complaints online and contribute to decisions made in this way. In addition, employees who work with committees created by bank employees can participate in the management (TSKB, 2015: 5). Even though it is not regulated by the Bank's Articles of Association, stakeholder participation is ensured. This issue can be arranged in more detail in the Bank's Articles of Association.

- c) Human Resources Policy and the Complaint about Discrimination: The Bank's human resources policies are posted on the bank's website and are publicly announced. Job descriptions and distributions and performance criteria were determined by the Bank's management and announced to employees. The principle of equal opportunity for equal people in the recruitment process has been adopted. The Bank demonstrates the necessary discipline in respect of non-discrimination, respect for human rights and protection of employees against physical, mental and emotional abuse. There is no complaint about discrimination by the employees (TSKB, 2016: 6). All these are positive signs in terms of adapting to corporate governance principles.
- d) The Existence of Ethical Rules and Social Responsibility Projects: Industrial Development Bank of Turkey and stated that the Banking Code of Ethics adopted Corporate Governance Principles Compliance Report. The Banking Ethics Principles are available in Turkish and English on the bank's website. Industrial Development Bank of Turkey gives importance to social responsibility projects with sustainable banking philosophy. The bank has many social responsibility projects on the field. Information on social responsibility is organized under the heading Corporate Social Responsibility in the bank's annual activity report (TSKB, 2016: 6). Turkey is making significant efforts in social responsibility and show commitment to the Industrial Development Bank and ethical values.

# 3.4. Board of Directors

In part related to the Board of Directors Turkey Industrial and Development Bank board structure and formation of the shape of the board meetings, management committees formed in the board structure, board members will be examined according to their and senior executives provided financial rights criteria and evaluation will be done. Below is a summary evaluation of the board of directors:

**Table 6. Board of Directors** 

Number of Board Members	10
Number of Board of Directors Meetings	40
Independent Board Member	Exist
Information on Financial Rights	Exist
Committees Created in the Board of Directors	Exist

a) Structure and Formation of the Board of Directors: The Corporate Governance Principles Compliance Report provides detailed information about the structure and

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formation of the board of directors. There is a discrimination between the executive / non-executive board of the bank. The board of the bank consists of non-executive members, except the general manager. The chairman of the board of directors and the general directorate are fulfilled by different persons. It is believed that all members of the Board of Directors have the advantage of being able to act independently and to act impartially on the interests of the Bank and its stakeholders, whilst not having a controlling shareholder. The Board of Directors consists of 10 members at the end of the year. The summary information on the Board of Directors and the General Manager is presented in the bank's annual report and detailed CVs are included on the Bank's website and in the annual report (TSKB, 2016: 6).

b) Board of Directors Meetings: The Corporate Governance Compliance Report stated that board meetings were held on a regular basis. Meetings are held at least once a month, and when necessary, regardless of time. Care is taken to ensure that all members are attended when the date of the board meeting is determined. Except in exceptional circumstances, board meetings are held with the participation of all members. The Board of Directors has the opportunity to participate in electronic meetings (TSKB, 2016: 9).

The draft agenda of the board meeting is prepared by the General Manager. The agenda is finalized by taking into account the proposal of the Chairman and Members of the Board of Directors. The Bank takes care to present the documents and information related to the issues on the agenda of the meeting for the members' review at least seven days before the meeting. In the event that the time is not respected, it is essential to provide an equal flow of information to the members of the board of directors (TSKB, 2016: 9).

Every board member in the Bank has one vote. Members do not have weighted voting rights or positive / negative veto rights. Board meetings are held with the majority of the members. When the decision is taken, it is decided by the majority of the participants. Raporda stated that 40 meetings were held in 2016.

c) Committees formed by the Board Position: Audit Committee within the Board and the Industrial Development Bank of Turkey, three committees were formed, including the Corporate Governance Committee and Remuneration Committee. The Corporate Governance Principles Compliance Report provides detailed information on committees. The committees in the bank met regularly in 2016 (TSKB, 2016: 9–10). The bank has shown the necessary skills to create committees.

d) Financial Rights Provided to Members of the Board of Directors and Senior Managers: Industrial Development Bank of Turkey and gave the Board of Directors and Corporate Governance Compliance Report includes information on Remuneration to Senior Executives. This financial rights are determined by the General Assembly. The members of the Board of Directors did not use cash or non-cash loans directly or indirectly from the Bank (TSKB, 2016: 10).

# 4. Conclusion and Evaluation

The position of the banking sector in the economy is quite large. This situation increases the necessity of effective supervision and control mechanisms in the banking sector. In order for the mechanisms of supervision and supervision to function properly, the concept of corporate governance needs to be improved.

In the study, primarily the basic concepts related to corporate governance, the importance of corporate governance in the Turkish banking system and the arrangements made in the field of corporate governance are included. In the second part, and the Industrial Development Bank of Turkey has been evaluated according to the CMB's Corporate Governance Principles. The Corporate Governance Compliance Report in the activity report for the year 2016 has been reviewed. The evaluation was carried out under four main headings. These; Shareholders, Public Disclosure and Transparency, Beneficiaries and Board of Directors.

In the Shareholders section, the evaluations were made according to the investor relations unit's existence, response to information requests, attendance rate to the general shareholders' meeting, votes and minority rights, profit distribution policy and restrictions on share transfer. In the section related to the disclosure and transparency of the public, an investigation was carried out according to the information policy, website and activity report criteria. In the section on stakeholders' ownership, stakeholder policies, stakeholder participation in management, human resources policy and the existence of a complaint about discrimination, ethical rules and social responsibility projects were examined. In the last part, the regulations related to the board of directors were examined. The structure and formation of the board of directors are dealt with in the form of board meetings, the committees established in the board of directors and the members of the board of directors as well as the financial rights provided to senior managers. As a result of the investigations carried out by these criteria, Turkey to comply with the corporate governance principles of the

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Industrial and Development Bank and has reached the conclusion that the principles apply what they require.

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# Self-Disclosure and Voluntary Ghettoization within Twitter: Turkish Users Example.

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Abstract: This study, which acknowledges Twitter as an urban space where social interactions take place, also perceives "echo-chamber" problem as "voluntary ghettoization" and aims to describe it in association with "self-disclosure" concept, which means disclosure of cultural, political, or ethnic identities via the symbols that refer to them. Therefore, adopting cyber ethnography technique, the symbols encountered on participants' Twitter profile pages have been documented and the followers of the participants have been analyzed correlatively. It has been determined that the users disclose their identities, form more homogeneous and ghetto-like networks.

Keywords: Ghetto, Public Sphere, Social Media, Turkey, Twitter

JEL Classification: A12

### 1. Introduction

Internet, social media, and social networking sites (SNSs), which were emerged as hopes against fragmentation related to identities of the city or the mass media, and which took on the task of the restoration of the public sphere, seem to reproduce all this fragmentation today. These fragmentations are often discussed by the concepts such as "echo-chambers" or "balkanization", however, since the SNSs are not only tools of media but also domains where social interactions take place, they might be perceived pursuant to the social, urban, and interaction theories. Here emerges the "cyber voluntary ghetto" concept which perceives the homogeneous networks formed by SNS users as homogeneous neighborhoods, which are exact opposites of the "public." Similar to the spatial "ghettos" or "gated communities", cyber ghettos are also about identities, cultural, political, or ethnic groups, and formed highly associated with

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<sup>\*</sup> This article is derived from the MA thesis, called "Commodification of Identities and Self-Censorship in the Cyber Public Spheres: Twitter Example", of the corresponding author.

the "disclosure" or "presentation" of these identities with the "symbols" that refer to them.

This study mainly aims to describe the association between "self-disclosure" and "ghettoization" within the SNS called Twitter, which might be acknowledged quite "public" among its kind. Hence, the study firstly establishes a framework with both social and media theories. Thereafter, adopting qualitative methods and cyber ethnography technique, the study first describes the symbols encountered (since the Turkish Twitter users have highly symbolic profile pages), secondly describes "self-disclosure" attempts, and finally demonstrates cyber voluntary ghettos within Turkish users. It must be noted that this study does not have a representative sample and only aims to describe the current situation.

# 2. Twitter as a Sociable Public Sphere

The concept of "public sphere", which has been discussed for many years by numerous disciplines, is perceived and described in many other ways. Besides the primary meaning of the concept, which is "being open to everyone", it also refers to a domain where political or social, collective or individual vis-a-vis interactions take place. However, in the media and communication studies, the concept is often perceived that it only covers organized political actions and rational debates, thanks to the liberal theories and Habermas' conceptualization.

According to liberal theories, which are known with the theoreticians such as J. Locke, J. S. Mill, the public/private distinction should be between state administration and market economy, in other words, "public" means "government", government's policies, and debates about "general interest" which is principally government's interests (Weintraub, 1997: 7–8). The media as a liberal public sphere takes on the task of "informing the citizens" transparently about the policies (or debates about the policies) of the government, and simply put, the informed citizens may choose the best policies for them. As understood, no vis-a-vis interaction plays part in this theory, citizens may only follow the previously chosen "interactions" from media, and most of these interactions are organized political.

On the other hand, Habermas (1974) has separated the "public sphere" from state or government, envisioned it as a domain between state and private economy (p. 50), and also considered vis-a-vis interactions, yet these interactions are principally political intentional or performed by organized political groups. Moreover, according to

Habermas, "public" means "general interests" alike the liberal theories claim, while they are not the interests of the governments but "common" interests of "private" people. As he puts it: "Citizens behave as a public body when they confer ... about matters of general interest" (p. 49).

There are also theories that do not perceive "public" as "general interests" still refer to principally political interactions, which may not be required to be "organized". Arendt (1998), for instance, acknowledges "public" equal to "political" while "household" equal to "private", with the words: "The distinction between a private and public sphere of life corresponds to the household and the political realms" (p. 28), however, she puts conflicts forward rather than "rational debates" or "compromise" by defining the public sphere as a domain "where one could excel, could distinguish oneself from all others" (p. 49). Likewise, the feminist, Marxist or poststructuralist, that is to say, counterpublic theoreticians also acknowledge "public" equal to "political", yet aim to redefine dominant public/private distinction (Weintraub, 1997: 27-33). They perceive "private" as neither "household" nor "non-government", but claim that the household is also "public", therefore political. Within the idea of "personal is political", as Fraser (1990) puts it; "assumptions that were previously exempt from contestation will now have to be publicly argued out" (p. 67). As is seen, both Arendt and counter-public theoreticians refer to vis-a-vis interactions, which do not need to include compromise efforts, yet are performed by organized political intentions.

In substance, except liberal theories, all other public sphere narratives refer to vis-avis interactions. However, is "public sphere" required to cover only political interactions that are often performed by (or in associated with) organized or macro political groups? Against all these "organized political" narratives there stands sociable public sphere narrative, which is about the domain where vis-a-vis (or micro) casual social interactions and everyday life practices take place. "Its domain lies, after all, in the public space of street, park, and plaza -but also of neighborhood, bar, and café" (Weintraub, 1997: 23). All these "casual" interactions do not have to be "non-political", on the contrary, if "the personal is political" as the counter-public theoreticians claim, these interactions are probably political, however, they may not politically intentional. People, that navigate the streets, parks, and plazas of the city (that is to say, "public sphere") encounter (ocular) or occasionally interact (discursive) with each other, therefore, construct and reconstruct both themselves and the social setting. Social practices and significations are created by casual interactions, as Göle (2002: 176) puts it: "As a social imaginary, the public sphere works in a social field and penetrates and blends into cultural significations."

For sure, in both political and sociable perspectives, the public sphere is highly associated with heterogeneity, differences, and different social, cultural, ethnic, ideological, economic groups. Without different social groups or world-views exist, neither political "rational debates", "excellence attempts" and "struggles to be visible" are significant nor are the new significations created through casual interactions. In Arendt's (1998) words: "Action, ... corresponds to the human condition of plurality" (p. 7), without "plurality" there would be no "action". The city, where the sociable public domain mainly lies, is also described with heterogeneity almost by all urban theoreticians. As Sennett (2002) simply puts it: city "... is a human settlement in which strangers are likely to meet" (p. 39).

Returning to the subject, as is mentioned, the public sphere concept is often perceived that it only covers organized political actions and rational debates especially in the media and communication studies, however, it may -even it must- be perceived by its sociable means. Normatively, internet, social media, and SNSs are public spheres for sure since they are open to and reachable by everyone. Moreover, there are numerous discussions whether SNSs (or Twitter) are kind of public spheres or not, which often adopt liberal theories or Habermas' concepts (Rasmussen, 2014; Schafer, 2015). What is more, Fuchs (2014) criticizes the theoreticians such as Papacharissi or Castells for concentrating on cultural/political communication and ignoring political-economic aspects of the cyber public spheres, even if they principally focused on freedom of political expressions through the internet. There are also numerous studies that adopt counter-public theories and focus on the visibility attempts of the "sub-classes" through the internet or SNSs in the context of "digital activism" (Saka, 2012). By any means, there are fewer studies that perceive the internet and SNSs as sociable public spheres, which is a perspective is not principally political but also does not have to exclude all political actions. This is a perspective that acknowledges the internet and SNSs as cities, which consist of squares, streets, and of course neighborhoods, where cyber vis-a-vis encounters or interactions take place, and significations or social setting created.

Eventually, "Cyber-space architecture is very similar to the physical architecture", "SNSs imitate real everyday life" and "Vis-a-vis interactions are often replaced by online interactions" (Çomu & Halaiqa, 2015: 30), therefore, cyber public spheres may be interpreted pursuant to urban, interaction, and everyday life theories and analogies. Furthermore, there are also a couple of media or internet theoreticians who consider especially the social interactions within the concept of public sphere. For instance, Keane (1995: 8) defines the public sphere as "relationship between to or more people,

usually connected by certain means of communication ..., in which nonviolent controversies erupt." Similarly, Dahlgren (2005: 148) claims "public sphere is ... a constellation of communicative spaces ... that permit the circulation of information, ideas, debates" and while categorizing it in dimensions, describes the "dimension of interaction" with everyday life practices.

Twitter, is not only a macro, liberal, or Habermasian public sphere, since it shines out during political movements (Eren, 2015; Korkmaz, 2015), is a medium that citizen are informed "transparently" about politics, and a domain where macro political debates may take place through "trending topics" table (Malkoç, 2018), but also a micro or sociable public sphere, since its users may encounter (ocularly) or interact (discursively) with the other users, that are similar to them or not, while navigating its heterogeneous cyber squares, streets or homogeneous cyber neighborhoods, therefore, they construct or reconstruct themselves, significations, life practices, and the social setting.

# 3. Twitter Profile Pages: Self Presentation or Self-Disclosure

One of the arch dichotomies of the concept of the public sphere is the dichotomy of the "collectivity" and "visibility" (Weintraub, 1997: 5), which is again associated with private/ public distinction. While the "collectivity" notion refers to the rational debates and compromise, the "visibility" notion is about the struggles of the people who previously excluded from public sphere. While the theoreticians of "collectivity" claim that individual (that is to say "private") aspects or interest should be kept away from the public sphere since they prevent compromise and even interactions, the theoreticians of "visibility" oppose this idea and claim "private" aspects are also "public" since they previously had been suppressed.

"Collectivity" notion is represented by liberal and Habermasian theories. As mentioned before, liberal theories simply advocate that subjects that are not about the state or macro politics should be kept away from public sphere. Similarly, Habermas (1974), who imagines the public sphere between the state and private economy, pushes individual interests or aspects into the background by defining the public sphere as "... a realm of our social life in which something approaching public opinion can be formed" (p. 49); "opinion" here, is related to the lifestyle of a person, while "public opinion" is "general opinion" constituted by the opinion owners through rational debates (1991: 90–95). On the other hand, "Visibility" notion is represented by counter-public or Arendt's theories, as mentioned before, Arendt perceives public

sphere in association with "excellence" and "to be distinguished from others." Similarly, Fraser (1990: 67), who is a counter-public theoretician, defines "subaltern counter publics" as the domain of "Members of the subordinated social groups-women, workers, people of color, and gays and lesbians" which produce "counter discourses", and encourages them to be visible in the "public" with all their differences.

Recall that, these visibility and collectivity narratives often refer to organized political groups, while sociable public sphere narratives refer to casual interactions that are independent of political organizations' intentions but may also be performed by individual political intentions. For instance, Göle (2002) points to Muslim women, who may be acknowledged as people excluded from the dominant public sphere at least for Europe or USA, and perceives their existence in public with their headscarves on as visibility attempts. These attempts are political for sure, but they are also individual, casual, and construct social setting "naturally."

As is understood, public sphere of the city "provides a stage for performance rather than an abstract frame for textual and discursive practices, the ocular aspect in the creation of significations ... becomes of utmost importance" (p. 177). According to Simmel (1997), in the modern world the eyes have won out over the ears, "the individuals see each other ... but cannot speak" (p. 117) In other words, people encountering today are looking at each other rather than listening to, and individual aspects or interests are mostly presented or disclosed via visual (ocular) symbols rather than aural (discursive). Here the "symbol" concept should be described. Goffman (1990) described the information about an individual –who is of course not only an "individual" considering the cultural, political or economic milieu s/he dwells– as "social information" and called the signs that convey social information as "symbols" (pp. 58–59). Symbols mostly refer to social groups, political stances, ethnic origins, nations, religious beliefs, etc., In Simmel's (1898) words; "the coherence of the group ... attaches itself to a material symbol" (p. 675), and no interpretations are required to discover what they refer to.

Symbols are agents of self-presentation. Goffman (1956), who perceives social interactions as playacting, called the "part of the individual's performance ... functions to define the situation for those who observe" (p. 13) as "front", and underlined that individuals design these fronts, the spaces (settings) or their bodies (personal fronts), with the most appropriate symbols to present themselves and get favourable impressions (pp. 66-70). "Self-presentation" notion is not a critical approach and only provides a method to analyze vis-a-vis interaction processes, while Sennett's

"self/personality disclosure" concept may be perceived as a criticism of public sphere mentality of the post-modern era. Sennett's concept is based on his historical perspective.

According to Sennett (2002) the 18th-century bourgeois city provided an "anonymous" and "public" scene where "strangers" were perceived not as threats but as a natural part of urban life, and "general interests" perceived far more important than individual interests. Sennett, alike Goffman, acknowledged the bourgeois city as a theater scene whose citizens are "public" actors; "There is nonetheless a strong relationship between stage and street" (p. 38). The actors, to maintain the theatre (that is to say "public interactions"), appeared on the stage by putting on their "social masks" which hide their individual interests, personalities or identities behind. These masks were not about tricking the others but functioned as bridge builders between the actors, and "This bridge, in turn, gave men the means to be sociable, on impersonal grounds" (p. 64). The 18th-century bourgeoisie had a "body as mannequin", wore tailored clothes, and "speech as sign", interacted with a civic and gentle language; "Both visual and verbal principles therefore sharpen a definition of 'public' expression: it is antisymbolic" (p. 87). In other words, alike Habermas, Sennett idealizes the 18th-century bourgeoisie, who did not disclose their private life, intimacy, and personalities for the maintenance of the public life and general interests, on that sense, he is a "collectivity" theoretician. He also mentions a distinction between "presenting" and "representing"; while "presenting" means being behind a social mask, hiding individual aspects, "representing" means taking off the mask and disclosing personality, which is related to social, cultural, political, ethnic groups the person belongs and erodes the public sphere (p. 42).

The 18th-century city, where personalities and personal interests were hidden behind "social masks" for the maintenance of interactions and "rational" debates, would be "modernize" in the beginning of the 20th-century and have a "grey" climate where neither personalities nor the interactions or debates exist. Simmel (1971) noted that the metropolis "... has outgrown every personal element" (pp. 337). As it is known; in the modern society and city, traditional, communal, and close ties have eroded, while rationalism, money, and calculability have risen, and the people losing their community bonds to maintain their individual interests have merged in a flat and "grey" appearance (p. 329), alienated, or turned into "strangers." "We live among strangers, among whom we are strangers ourselves" (Bauman & May, 2001: 39). The modern people of the 20th-century, who broke free from their bonds at first, would start to fear to live among strangers, seek the ways of "escaping from freedom", and try to sew

new bonds in the mid-20th-century (Fromm, 1965). However, in the postmodern era, both the city and the society lost their "grey" and anonymous character, while heterogeneity and difference emerged as "liberative forces" (Harvey, 1990: 9). People with their new bonds, that is to say, identities, have started to "freely" disclose themselves.

Sennett (2002) tracks the roots of identity or personality disclosure problem at the beginning of the 19th–century. According to Sennett, while the citizens of the 18th–century city did not disclose their personal differences each other at the first place; in the 19th–century they lost these aspects due to cities' growing economy and population (pp. 141–146). Standardization of mass production objects (that is to say "uniformity of objects", decreasing options, and certain objects that become obtainable by certain classes/groups only) have put the selves/personalities/identities ahead and made "playacting" unnecessary, "As the images become more monochromatic, people began to take them more seriously, as signs of the personality of the wearer" (p. 164). Thus, people started to discover each other's social classes, identities or personalities via their appearances, and the once "anti–symbolic" bourgeois city has been invaded by the symbols that refer to identities or personalities. This has led to today's society, which is defined as "intimate society" by Sennett, and based on identity or personality disclosure (p. 29).

Returning to subject, could Twitter profile pages be perceived in consideration of "self-presentation" and "personality disclosure" concepts? Since Twitter is acknowledged in this study as a sociable public sphere and associated with the spaces of city such as squares, streets, and neighborhoods, it is likely to say, the profile pages are faces, clothes, rooms, office tables, in Goffman's terms "settings" or "personal fronts" of the users, who navigate this cyber-city. Users present themselves by designing these cyber "fronts", their cover and profile pictures with the most appropriate symbols to get favorable impressions, that is to say "followers" and "likes." Or perhaps, in Sennett's term, they do not "present" but "represent" themselves (the social, cultural, political, ethnic groups they belong to), and also not wear their "social masks" but wear "community masks." And here the main problem of this study emerges, do personality disclosure on the SNS profile pages cause cyber ghettoization, that may be acknowledged as users belong to similar (or same) social groups dwell in the same network? However, for sure, the disclosure attempts could also be acknowledged as "visibility" attempts, as the struggles of "excellence" or "counter-public."

# 4. The Echo-Chambers or Cyber Voluntary Ghettos within Twitter

The problem, which may be described as fragmentation of the internet users from different cultural, ethnic groups, economic classes, have different political stances or ideologies, support different sports clubs, like different music or literature genres, or as the users ignore the others due to the homogeneous networks they form, has been discussed by numerous researchers or theoreticians within the concepts such as "echo-chambers", "homophily", "balkanization", and "polarization." However, the problem is hardly discussed in the context of urban or everyday life theories, despite this perspective might be remarkably effective to acknowledge the causes or processes of this fragmentation. Since Twitter has been acknowledged in this study as a sociable public sphere and with the analogies refer to the city, it is likely to say, the networks users form might be perceived as homogeneous neighborhoods, and the trending topic table, for instance, might be perceived as a heterogeneous city center. As mentioned above, users navigate these cyber neighborhoods and city centers with their cover and profile pictures by "disclosing" themselves with the "symbols" they use to design these "fronts." Might all these "echo-chamber", "balkanization", "polarization", or let us say "ghettoization" problems be related to the "disclosure" problem?

Actually, the historical processes the city and the internet go through, that comes from anonymity and goes to the identity disclosure, are quite similar. The city, that provided a public scene in 18th-century as Sennett claims, and "grey" and anonymous at the beginning of the 20th-century as Simmel mentions, has lost its both anonymous and public character and heterogeneity and difference emerged as "liberative forces" since the mid-20th-century as Harvey notes. In the 20th-century city started to overflow with "strangers", and according to Sennett (2002), the people chose to become "intimate" and "local" to escape from strangers and alienation (p. 295). Describing the 20th-century city as a "life among the strangers", Bauman (2001: 46-47) also points out that people needed shelters, that are "familiarity" and "security" of the communities, from "the stranger." Seeking for familiars among the stranger means seeking "people of us", and finding those of us could likely be possible when they disclose "with whom they are", the social, cultural, political, ethnic groups they belong to, and this process often functions on a symbolic domain. Only seeking or trying to find "familiars", the "people of us", has eventually caused certain social groups to settle in certain spaces/regions of the city and the city has been divided/fragmented between identities. For sure, this process cannot be reduced to "preferences"; In the early 20th-century, city centers, where immigrants and sub-economic classes lived before, have got converted into economic centers, gentrified, and sub-classes have got

isolated outer regions of cities (Alver, 2007: 24–38). The isolated different social groups, immigrants, were associated with crime, and their surroundings have been tried to close further, and the concept of "ghetto" came forth.

The ghetto concept primarily explains the spaces that have occurred with the immigration process, and a ghetto is a place that represents a homogenized culture closed to outside (p. 67). Bauman (2001) also refers to the concept of "closure"; "A ghetto ... combines spatial confinement with social closure" (p. 116) and "Ghettos are places from which their insiders cannot get out" (p. 117) However, in the end of 20thcentury the course of the fragmentation of the city between identities has changed and ghetto became "voluntary"; "Crime, crowd, insecurity ... shows that the spatial fragmentation is a necessity" (Alver, 2007: 105) and the middle-upper classes have started to close themselves to "gated communities" to escape from insecurity, for sure in accordance with their identities. This new closure, which Alver defines as "the ghettos of the rich" (p. 68), is conceptualized by Bauman (2011: 117) as "voluntary ghettos" which aim to "bar outsiders from going in". Voluntary or involuntary, "The ghetto strictly reflects exclusion, closure, and homogeneity" (Alver, 2007: 69). The ghetto means "separation in lieu of the negotiation of life in common" (Bauman, 2001: 115). The ghetto means being "local" and "intimate", bears only "homogeneity" meaning of the community; in Sennett's (2002) words, "the purge of those who don't really belong becomes the community's business" (p. 261) In the ghetto, "community masks" becomes far more important than "social masks"; "The mask reveals a common mask; ... the faces of all to be recognizable in this common face, it must remain rigid and still" (p. 250).

When it comes to the mid-90s; the mass media has been fragmented, that is to say "tribalized" through identities (Morley & Robbins, 1995), therefore, the people have ignored the media that they do not belong to, and also the common areas of the city have diminished, therefore, the people have started to interact only with the "people of them" without even -being able to- leaving their neighborhoods. When that "publicless" atmosphere ruled, the internet and the social media have emerged as new tools and were seen as hopes and alternatives where one takes off her/his "community mask", interacts freely, and does not need to seek for "security", so that, the public life would have been restored (Timisi, 2005). For sure, these hopes are associated with the early anonymous atmosphere of the Internet, which is quite similar to the cities of 20th-century.

In this early period of the Internet, identities were able to be reconstructed merely by the language and eluded the biological symbols such as sex, origin, skin color that constructs them (pp. 97–102). This anonymity, which is similar to the Sennett's "social mask" concept, was approved due to its potential to form virtual communities where everyone is equal. The "virtual community" narrative imagined a community that is disconnected from the social context. As Rheingold (1993, introduction) puts it "Virtual communities are social aggregations that emerge from the Net when enough people carry on those public discussions long enough." With this definition, Rheingold refers only to a group of random people who simply gathered on the internet.

In the mid-2000's, SNSs founded, therefore, being anonymous has become a marginal preference rather than the norm, and anonymous users have begun to be perceived as "strangers" or "insecure" people as in Bauman's narratives. Within the SNSs, users started to desire to show their faces since this environment "encourages users to upload a profile photo" (Boyd & Ellison, 2007: 211). In other words, with SNSs, people took off their "social masks", put on their identity masks, and started to disclose their personalities. In Goffman's terms, the physical fronts consist of set, decors and costumes has been replaced by the cyber-fronts consist of profile pages and variety of symbols placed on them as accessories.

Narratives of the loss of anonymity are mostly about the real names and faces, that is to say, "formal" identities, which are carried to the internet, however, the "identity" is also highly associated with "with whom the person is." In other words, disclosure of identity is also disclosure of the cultural backgrounds, the political stances, the ethnic origins, etc. SNS users have not only disclosed their real identities but they have also carried their offline environments and communities to online due to the architecture of the SNSs. As Boyd & Ellison point out SNSs "enable users to ... make visible their social networks" (p. 211). In other words, the concept of "virtual community", which was a community disconnected from the social context, has changed with SNSs and the internet has started to host "real" communities. Here; it should not be forgotten that the "real" communities had already been "ghettoized" in the context of the city or "tribalized" in the context of the media.

For sure, these "cyber communities" are not permitted only to those who are known offline and may expand with new "followers". These new followers would probably be the people who are similar to users' offline friends. Moreover, in the mid-2000's the internet environment started to overflow with the anonymous "strangers", similar to the 20th-century city, and the users become "local" or "intimate" to escape from the

strangers and alienation as Sennett stated, or started to see their own familiar networks as "shelters" as Bauman narrated. In other words, also for the internet users, the "security need" mentioned by Alver re-emerged, and the solution was choosing to "live" among the similar ones again. As Van Dijk (2006) puts it internet users would "invite particular people to withdraw into computer communication ... to interact only with safe, self-chosen social environments" (p. 3). Seeking for familiarity among the stranger means seeking "people of us", and finding those of us could only be possible when they disclose "with whom they are", and this process often functions on a symbolic domain of profile pages. Today, it is observed that anonymity returns to the internet; the "real" faces and names may be more hidden than the times when the SNSs founded, however, the symbols of cultural backgrounds, ethnic origins, political stances, that is to say, symbols of "with whom the people are" take up more space on the profile pages than before. Today's SNS user constructs and expands her/his personal network with the users who disclose that they are "similar to her/him" by a variety of symbols, and keeps the others away as much as possible. Schmidt (2014) describes this phenomenon with the concepts of "personal publics" or "do-it-yourself publics."

Here comes the idea of the "cyber voluntary ghetto". If the ghetto reflect "exclusion", "closure" and "homogeneity"; these do-it-yourself networks are perceived as reflections of existing spatial ghettos. In other words, pursuant to Sennett and Bauman's concepts, the cyber voluntary ghetto is also about closure, purge of the others, barring and homogenization, and is also a kind of "cyber-localization" or "cyber-intimate society." In cyber ghetto, the "community masks" gets important, not the "social masks"; if the faces of all to be recognizable in this common "cyber-face", it must remain rigid and still. While the internet and SNSs were seen as hopes against spatial "ghettoization" or "tribalization" of the mass media and took on the task of the restoration of the "public sphere", they seem to reproduce all these fragmentations in the cyber-space today. While the "public sphere" is about heterogeneity, about "rational debates" or the "visibility" struggles of the different social groups in its political means, and about "signification" creation through the interactions of different social groups, these cyber ghetto-like homogeneous networks of today could be anything except "public."

### 5. Methods

### 5.1. Research Model

This study aims to generate data and describe personality disclosure, profile pages that are "fronts" and "symbols" that are accessories of this disclosure, and to examine whether this disclosure associated with cyber voluntary ghettoization or not, within the SNS called Twitter. Therefore, this study is a descriptive research that focuses on the question "how" rather than "why", and "presents a picture of the specific details of a situation, social setting, or relationship." (Neuman, 2014: 38–39). This study also adopts qualitative methods that aim to present and classify the qualitative data collected "by looking at the experiences of individuals within their everyday life practices" (Kümbetoğlu, 2012: 34–46).

# 5.2. Sampling

The study analyzes profile pages of the Twitter users and the symbols located there to describe the identity disclosure, and followers of the Twitter users to describe cyber ghettoization, therefore, it is "user-centered" (not "content-based") research. The study is not about a specific group on Twitter, in other words, its population could be considered as all "Twitter users in Turkey", which are about 14 million (We Are Social, 2016, slide 459). It is certain that analyzing random users encountered within Twitter generates insignificant data. After all, similar to the cities Twitter also consists of neighborhoods, even ghettos, that is to say, personal networks, therefore, to generate significant data and results it is necessary to analyze these different users and the networks they "live" in. Although the study does not aim to be representative, due to having the purposes to reach to the different identities on Twitter, the different symbolic presentations of these identities, the different symbols, and the different cyber ghettos have adopted purposive sampling method and tried to sample as many different participants as possible. To such sample; it has been determined to select the participants among the followers of Twitter accounts of Turkish newspapers that have distinctly different audiences; considering that the people polarized regard to the newspapers they read, and the newspaper accounts are the most followed institutional Twitter accounts in Turkey.

On October 10, 2017, participants selected among followers of the Twitter accounts of the Turkish newspapers BirGün (@Birgun\_Gazetesi), Sözcü (@gazetesozcu) and Yeni Akit (@Yeniakit), which have distinctly different audiences, and on October 22, 2017, to represent a more "common" sphere, the followers of the Twitter account of the

Hürriyet newspaper ( @Hurriyet ) have been added to the sample.\* Another issue is the criteria determined to select the participants; 1– To find the users, who are familiar with Twitter, accounts that have been active for at least 6 months have been scanned; 2– To find mediocre Twitter users, accounts that have followers between minimum 50 and maximum 1500 have been scanned; 3– To find users who are active enough and declare their own opinions, accounts tweeted (which is not a retweet) at least once in the previous week have been scanned; 4– Since the study has focused on "symbolic fronts" of Twitter and analyzed the "symbols" on profile pages, accounts with at least one image on their profile pages have been scanned. While scanning the followers of the newspapers' Twitter accounts, each newspaper's first forty (40) followers that match the criteria (160 user accounts in sum) were followed by the research account. Twenty-eight (28) users who did not want to participate has left the study, as they were informed before, by blocking the research account, and the remaining 132 participants have formed the sample.

Table 1. Participants and the Sample Groups

		Sample Groups (Newspaper Accounts)							
		<b>Hürriyet</b> @Hurriyet	<b>Yeni Akit</b> @yeniakit	<b>Sözcü</b> @gazetesozcu	<b>BirGün</b> @BirGun_Gazetesi	SUM			
Count of	F	33	32	33	34	132			
Participants	%	25.0	24.24	25.0	25.76	100			

Table 1 shows the distributions of the 132 participants associated with the sample groups, a balanced distribution among the groups has been maintained. Moreover, participants have alphanumerically coded associated with the sample group they belong to (i.e. H3, A27, and S14).

## 5.3. Data Collection Technique and Analysis

The ethnographic method has been adopted to collect data for the study. The ethnographic method is an effort of describing a culture and understanding different styles of life, it "includes listening to and looking at the people. Data is noted down through field notes" (Alyanak, 2015: 118–119). Malinowski, one of the founders of the ethnographic method, stated that everyday activities, clothing, wares, etc. of the

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<sup>\*</sup> The newspaper Sözcü, means "Spokesman" in English, is known with its republican, Kemalist, and nationalist tendencies. The newspaper BirGün, means "SomeDay" in English, is known with its left wing tendencies. The newspaper Yeni Akit, means "New Agreement" in English, is known with its Islamic religious and nationalist tendencies. And finally Hürriyet, means "Liberty" in English, is known as a mainstream newspaper, which has one of the most followed media accounts in Twitter, Turkey.

community observed/studied should also be noted down (p. 124). The clothing or the wares of the participants of the study, could be perceived as the symbols that they design their profile pages. It is necessary to mention here the method of "netnography" or "cyber ethnography." According to Kozinets, the founder of the method, netnography is a "qualitative research methodology that adapts ethnographic research techniques to study cultures and communities that are emerging through computer—mediated communications" (Akturan, 2009: 6).

The data of the study have been collected using the participatory observation technique of the ethnographic method; observation is defined as "to perceive and note down not only the momentary cases but also the cases that form patterns" (Kümbetoğlu, 2012:126), and observation notes and photographs are combined to put forth a "meaningful, detailed, holistic picture" (p.47). Accordingly; screenshots of all the participants' profile pages have been taken and all the "symbols" encountered have been noted down, counted, and grouped. This section aims to both describe Turkey's symbolic fronts of Twitter and demonstrate the symbols the researcher acknowledge as "symbols." Several examples of these symbols have been presented as qualitative findings. After, to reveal and describe the identity/personality disclosure on Twitter; participants have been categorized considering whether they use a real photograph (anonymous or not) and whether they have one of the symbols mentioned on their profile pages (with or without symbols). To extend the analysis, participants have been "Political Stance Declarers", "Sports Club Supporters" categorized "Vocational/Educational Declarers" considering the symbol groups they choose to design their profile pages. Finally, in order to describe the voluntary ghettoization on Twitter, firstly, the "Political Stance Declaration" category has been extended as "Republican Nationalists", "Conservative Nationalists", "Mere Nationalists", "Turkish Nationalism and Ethnicity", "Kurdish Nationalism and Ethnicity", "Socialists/Anarchists", "Islamic Religionists" and adding the "Sports Club Supporters", "Vocational/Educational Declarations" and "Participants Without Symbols" categories, participants' followers have been scanned to reveal how many followers of the participants use the same symbol groups to design their profile pages, that is to say, how homogenous the cyber neighborhood -their personal network- the participants "live" in. In this final section, the sample has been reduced as stratified considering the categories mentioned above, and 28% of the participants have been examined.

# 6. Findings and Comments

# 6.1. Symbolic Fronts of Twitter

"Symbols", that Simmel claimed that they refer to social groups, or Goffman described as conveyers of "social information"; are used for designing "settings" and "personal fronts" in Goffman's terms, but this time cyber fronts of profile pages. This study, just as an ethnography study that dive into a community and document locals' clothes and jewelleries, aims to document the visual or textual symbols that Twitter users design their profile pages with. The concept of "symbol" that the research adopts is shaped in the context of Sennett's concept of "identity/personality disclosure" and the symbols that refer to social, cultural, ethnic groups, religious beliefs, and political stances are documented.

In this regard, most common symbols that have been encountered through participants' profile pages are shown in Table 2. A total of 341 symbols have been encountered and only 196 of them (about 57.5%) could be shown in the table. Also, the explanations of which symbols are counted within the categories are given in parentheses. While 34.3% of all the symbols that have been encountered are used by the participants that follow the BirGün newspaper, only 14.4% are used by the participants that follow the Hürriyet newspaper. As is seen, the Hürriyet newspaper, which was chosen to represent a more common domain, remarkably appears to serve as a "public" sphere.

The most common symbol that the participants use on their profile pages is Turkish Flag with the count of 53 and 15.54% ratio. Turkish Flag is the national symbol of the Republic of Turkey, and it is not surprising to encounter it that much. Moreover, being a unifying symbol, this may also reinforce the hope of the public sphere. However, encountering 41.5% of the Flag among the participants that follow the Yeni Akit newspaper may shatter the hopes, since the symbol appears like belonging to a certain group. Several examples of The Turkish Flag symbols encountered are shown in Figure 1 with the codes of the participants.

Table 2. Most Common Symbols Encountered

Table 2. W	<u> </u>	COUNT					
SYMBOLS ENCOUNTERED		Samp	ole Groups (		Acc.)		%
		Hürri.	Y.Akit	Sözcü	Birgün	SUM	
Turkish Flag	F %	6 11.32	22 41.51	11 20.75	14 26.42	53	15.54
Mustafa Kemal Atatürk (Founder of The Republic of Turkey) (Portrait or image; sign; image of	F	7	4	14	20		
Atatürk's mausoleum; writings such as "Atatürk", "Mustafa Kemal Atatürk", "Atatürkçü", "Kemalist", Kemalist mottos; Atatürk's quotations.)	%	15.56	8.89	31.11	44.44	45	13.20
Islamic Symbols ( <i>Sunni</i> ) (Writings or mottos that refer to the religion such as "İslam", "Müslüman",	F	4	14	3	1	22	6.45
"Mümin", "Allah"; praying and verses in Turkish or Arabic; Images of mosques.)	%	18.17	63.64	13.64	4.55	22	0.43
Beşiktaş (a Turkish football club) (Images of club's coat of arm, shirt, stadium, colors; names or	F	3	1	-	16	20	5.87
photographs of players; writings that refer to the club such as; "BJK", "1903")	%	15.0	5.0	-	80.0		
Fenerbahçe (a Turkish football club) (Images of club's coat of arm, shirt, stadium, colors; names or	F	1	2	9	8	20	5.87
photographs of players; writings that refer to the club such as; "Fenerbahçe", "Fenerli", "1907")	%	5.0	10.0	45.0	40.0		
Mere writings that refer to Turkish ethnicity or nationalism such as;	F	1	4	6	8	19	5.57
"Turk", "Turkish", "Turkishness"	%	5.26	21.05	31.58	42.11		
Galatasaray (a Turkish football club) (Images of club's coat of arm, shirt, stadium, colors; names or	F	-	2	5	10	17	4.99
photographs of players; writings that refer to the club such as; "Galatasaray", "1905")	%	-	11.80	29.40	58.80		
	F	49	87	88	117		
Sum Total	%	14.4	25.5	25.8	34.3	341	100



Figure 1. Several Examples of Turkish Flag Symbols Encountered

The second most common symbol type used by participants are symbols refer to Mustafa Kemal Atatürk, who is the founder of The Republic of Turkey, with the count of 45 and 13.2% ratio. Figure 2 shows several examples of Mustafa Kemal Atatürk symbols encountered on the profile pages of the participants and In Figure 3, several examples of sports club symbols encountered on the profile pages of the participants are shown together with the codes of the participants'.



Figure 2. Several Examples of Mustafa Kemal Atatürk Symbols Encountered



Figure 3. Several Examples of Sports Club Symbols Encountered

Among all the symbols encountered; 5.87% of them refers to Beşiktaş football club, 5.87% of them refer to Fenerbahçe football club and 4.99% percent of them refer to Galatasaray football club, adding this the 1.76% of the symbols that refer to the other football clubs, sports club symbol usage with the 18.5% ratio is beyond even Turkish Flag usage. Except for the symbols listed in Table 2; a total of 21 symbols that refer to Recep Tayyip Erdoğan (Current president of The Republic of Turkey) and the Justice and Development Party, a total of 13 symbols refer to socialist ideology and a total of 28 symbols that are declarations of vocation/education have been encountered. In addition, also symbols refer to Turkish and Kurdish nationalism/ethnicity with significant ratios have been encountered. Figure 4 shows all 341 symbols as grouped in the categories of "political symbols", "sports club symbols", "educational declarations" and "vocational declarations.

As is seen, political symbol usage of Turkish Twitter users is pretty intense. Moreover, this part of the study revealed that Twitter users do not only use single kind of symbol, while they may both use different political symbols together to express their political stances, or use political, sports club, vocational, and educational symbols together to express (or disclose) their personalities/identities.

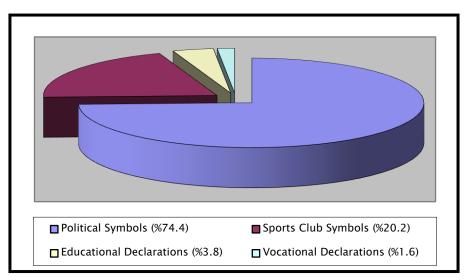


Figure 4. Categorical Distributions of the Symbols Encountered

# 6.2. Personality or Identity Disclosure on Twitter

The symbols, which refer to cultural, political, religious, ethnic groups, on SNS or Twitter profile pages could be analyzed considering Sennett's concept of "personality/identity disclosure" or Habermas' ideas about private interests are not public. These symbols have been demonstrated in the section before. Recall that, "personality disclosure" problem is also about "anonymity." In this regard, Table 3 shows how many of the participants use their real photographs on their profile pages and how many of them are anonymous, associatively with the sample groups they have been selected.

Table 3. Participants Who Are Anonymous or Use Their Real Photographs

		SAMPLE GROUPS (Newspaper Accounts)								
Participants	Hürriyet		Y. Akit		Sözcü		BirGün		SUM	
	F	%	F	%	F	%	F	%	F	%
Anonymous	11	33.3	13	40.6	11	33.3	12	35.3	47	36.4
Use Their Real Photographs	22	66.7	19	59.4	22	66.7	22	64.7	85	64.4
SUM	33	100	32	100	33	100	34	100	132	100

At first glance at Table 3, while roughly one-third of the participants have an anonymous profile, remaining 85 participants use their real photographs on their profile pages. Table 3 also shows that there is no significant difference between

sample groups in the means of anonymity; roughly one-third of each sample group consists of anonymous participants, and each of the four sample groups shares approximately quarters of the anonymous or non-anonymous participants. Turkish Twitter users are more prone to navigate this cyber-space with their real faces, names, and identities.

As it is mentioned; presentation of the real photographs or the real names does not need to mean the presentation or disclosure of the identity, therefore presentation of the identity via symbols should also be considered. Here, the symbol categories of the study become crucial; as you may recall, the participants who do not have any symbols presented before on their profile pages are called as "Participants without Symbols", and the remaining participants are called as "Participants with At Least One Symbol." Table 4 shows the count of the participants that designed their profile pages with or without symbols associatively with the sample groups they have been selected. The equality between sample groups that occurred in the anonymity category has been broken in the symbol categories.

Table 4. The Participant Count With and Without Symbols

Participants		Sa	CUM			
		Hürriyet	Yeni Akit	Sözcü	BirGün	SUM
	F	22	28	27	31	108
With At Least One Symbol	٥,	20.37	25.93	25.00	28.70	100
One Symbol	%	66.67	87.50	81.82	91.18	81.82
	F	11	4	6	3	24
Without Symbols	٧,	45.83	16.67	25.00	12.50	100
Symbols	%	33.33	12.50	18.18	8.82	18.18
	F	33	32	33	34	132
Sum	%	100	100	100	100	100

As is seen from Table 4, Roughly one third of the participants that follow Hürriyet's Twitter account does not use symbols on their profile pages, on the other hand, 91% of the participants that follow Birgün's Twitter account, 87.5% of the participants that follow Yeni Akit's Twitter Account, and 81% of the participants that follow Birgün's Twitter account, 87.5% of the participants that follow Sözcü's Twitter Account have at least one symbol on their profile pages. Almost half of the participants without symbols (45.8%) consisted of the followers of Hürriyet's Twitter account. The

participants who follow the Twitter account of Hürriyet, which represents a more "public" domain, revealed their non-disclosing characters.

While Table 3 and 4 showed that 64.4% of the participants have their real photographs and 81.8% of them have at least one "symbol" on their profile pages; Table 5 approaches these two categories correlatively. The most remarkable finding shown in Table 5 is the participants who do not have any symbol on their profile pages mostly use their real photographs with a significant ratio of 83.3%. Although these participants do not hesitate to disclose their real identities (their real names and faces), they do not disclose their personalities, identities, social groups, that is to say, "with whom they are together."

Table 5. Anonymity of Participants That Uses Symbols and Without Symbols

Participants		eir Real ograph	Anony	/mous	Sum		
	F	%	F	%	F	%	
With At Least One Symbol	65	60.2	43	39.8	108	100	
Without Symbols	20	83.3	4	16.6	24	100	
SUM	85		47		132		

Nevertheless, 39.8% of the participants with at least one symbol on their profile pages, who disclose their personalities, social groups, "with whom they are together" mostly hide their "real" identity. To extend the analysis, participants have also been categorized as "Political Stance Declarers", "Sports Club Supporters" and "Vocational/Educational Declarers" considering the symbol groups they choose to design their profile pages. It should be noted that; Twitter users can use these three symbol groups together in their profile pages, therefore, to match each participant with a single category; 1– Political symbols are accepted superior to the sports club and vocational/educational symbols, and 2– Sports club symbols are accepted superior to the vocational/educational symbols. Table 6 shows the participant distribution according to the identity categories mentioned above associatively with the sample groups they have been selected.

Table 6. Distribution of the Participants by Simple Identity Categorization

	Table 6. Distribution of the Farticipants by Simple Identity Categorization											
			Sample Groups (Newspaper Accounts)								S	
	Participants		irriyet	Y.	Y. Akit		Sözcü		rGün	Sum		
		F	%	F	%	F	%	F	%	F	%	
Symbol	Political Stance Declarers	14	42.4 18.2	22	68.8	20	60.6	20	58.8 27.3	76	57.6 100	
Least One Symbol	Sports Club Supporters	1	3.0 6.3	3	9.4	4	12.1 25.0	8	23.5	16	12.1 100	
With At	Vocational /Educational Declarers	7	21.3	3	9.4	3	9.1	3	8.8	16	12.1 100	
Witho	ut Symbols	11	33.3 45.8	4	12.5 16.7	6	18.2	3	8.8	24	18.2	
Sum		33	100	32	100	33	100	34	100	132	100	

In Table 6, it can be seen that more than a half (57.6%) of the participants disclose their political stances. More than half of each sample group except Hürriyet newspaper consist of political stance declarer participants and the ratio increases in 68% for the Yeni Akit sample group. On the other hand, encountering 45.8% of the vocational/educational declarer participants among the participants who follow the Hürriyet newspaper is remarkable.

Table 7. Anonymity of the Participants by Simple Identity Categorization

	Participants		hotographs	Anony	mous	Sum		
P:			F %		%	F	%	
One	Political Stance Declarers	38	50.0	38	50.0	76	100	
Least	Sports Club Supporters	13	81.3	3	18.8	16	100	
With At Least (	Vocational /Educational Declarers	14	87.5	2	12.5	16	100	
Without :	Without Symbols		83.3	4	16.6	24	100	

Table 7 approaches anonymity categories and the categories mentioned above correlatively. It can be seen that 87.5% of the participants who are vocational/educational declarers and 81.3% of the participants who are sports club

supporters use their real photographs on their profile pages. In other words, these participants seem to disclose both their real –formal– identities and personalities, selves, social groups, "with whom they are together" on Twitter's cyber public sphere. However, considering vocational/educational declarations determine "status" rather than "identity" or community belonging, and supporting a sports club does not precisely determine a community (except fanaticism and hooliganism), this finding may not be unexpected. Simply put, these participants actually carry their offline identities, real faces, names, professions, "hobbies" to online, similar to the Boyd and Ellison's narrative, without disclosing their personalities, social groups, communities. However, this is reversed for the participants who declares their political stances, as shown in Table 7, half of the political stance declarer participants are anonymous. These users consider "with whom they are together" more significant than "who they are", put their communal or social group identities ahead. Worries of "personality disclosure" still seems to be valid for SNSs and particularly for Twitter. When the data in Table 7 are calculated, the proportions in Figure 5 emerge.

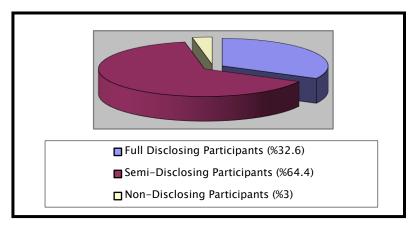


Figure 5. Personality/Identity Disclosure Rates

In figure 5; participants who are not only anonymous but also have at least one symbol on their profile pages categorized as "Full Disclosing", participants who are not anonymous but have at least one symbol on their profile pages are categorized as "Semi-Disclosing", and remaining participants who are not anonymous and do not have any symbols on their profile pages are categorized as "Non-Disclosing." As is seen, the proportion of participants navigating the "streets of Twitter" with their "social masks" is only 3%, however, roughly one third of the participants put the "rigid and still community masks" even ahead their own faces, and 80.9% of them have political symbols.

## 6.3. Voluntary Ghettoization on Twitter

In the middle of the 2000's the environment of the internet, similar to the 20th-century city, got crowded, overflow with the anonymous "strangers", and the users chose to become "intimate" and "local" to escape from strangers and alienation as Sennett and Bauman claimed. In other words, for the internet users, the "security need" mentioned by Alver re-emerged, and the solution was choosing to "live" among the similar ones again. As Van Dijk claimed. Seeking for familiarity among the stranger means seeking "people of us", and finding those of us could only be possible when they disclose "with whom they are", and this process often functions on a symbolic domain of profile pages. As revealed in previous chapters, Twitter meticulously chose the symbols to disclose themselves.

In this section of the study; according to reveal whether the symbols used by the participants on their profile pages attract users that are similar to them, it has been examined that how many followers of the participants from different categories use similar symbols on their profile pages. Therefore, first of all, it is necessary to extend the "Political Stance Declarers" category that covers 57.6% of the participants by considering different political stances of Turkey such as; "Republican Nationalists", "Conservative Nationalists", "Mere Nationalists", "Turkish Nationalism and Ethnicity", "Kurdish Nationalism and Ethnicity", "Socialists/Anarchists", "Islamic Religionists", and to match each participant to a single category according to the multiple symbol groups they used. Several examples of multiple symbol user participants categorized as "Conservative Nationalists" are shown in Figure 6.

For instance, the participant A18 has both a Turkish Flag and a coat of arm of the sports club he/she supports in her/his cover photograph, and also he/she express that he/she owns a more conservative political stance by using a Mehmed the Conqueror\* image in her/his profile photo. The symbolic front designed by A26 that consists of a Turkish Flag, an Ottoman Signature, an Oghuz Khan\*\* portrait and the writings of "Muslim" and "Turk" is similar to A18's profile page. Table 8 lists the distributions of all participants by the categories mentioned above. In Table 8, it is seen that 22.2% of participants are Republican Nationalists, and 17.6% of them disclose their Conservative

<sup>\*</sup> Republican Nationalist category includes participants that define themselves as republican, nationalist, Kemalist, secular or social democrat, while Conservative Nationalist category includes participants that often define themselves as nationalist and religious. Republicans are mostly represented by The Republican People's Party, while conservatives are mostly represented by the Justice and Development Party.

<sup>\*</sup> Fatih Sultan Mehmet or Mehmet II, 7th Ottoman Sultan who conquered Constantinople.

<sup>\*\*</sup> Is a legendary and semi-mythological khan of the Turks.

Nationalist political stance. These ratios are above all other categories and followed by the Sports Club Supporter participants with the ratio of 14.8%.



Figure 6. Multiple Symbol Usage Examples by the "Conservative Nationalists"

Another significant finding shown in Table 8 is that the multiple symbol usage in almost every political stance declaration category is more common than singular symbol usage. In addition, Islamic Religionist participants cover the lowest percentage, which means the symbols that refer to Islam religion are often used with the symbols that refer to political declarations, especially by the conservative nationalist participants. Although not shown in Table 8, distributions of participants through each complex identity category have also been analyzed according to the sample groups they have been selected from. For instance, 33.3% of the republican nationalist participants follow the Sözcü journal and 45.8% of them follow the Birgün newspaper. On the other hand, 57.9% of the conservative nationalist participants, roughly one—third of the Islamic religionist participants, and 42.9% of the participants that have been matched with the Turkish nationalism and ethnicity category follow the Yeni Akit newspaper. This strict polarization may be acknowledged as another indication of the cyber voluntary ghettoization.

Table 8. Distributions of Participants by the Complex Identity Categories

	tions of Participants by the Co One Symbol By Complex Identity	-				
Ca	tegories	Co	unt	Percent	age	
	Mere <b>Mustafa Kemal Atatürk</b> symbols	7		6.48		
Republican Nationalists	Mere <b>Republican People's Party</b> symbols	1	24	0.93	22.2	
	<b>Multiple symbol usage</b> that refer to category.	16		14.8		
	Mere <b>Turkish Flag</b>	5		4.63		
Mere Nationalists	Multiple symbol usage that refer to category.	4	9	3.70	8.33	
	Mere Justice and Development Party	2		1.85		
Conservative Nationalists	Ottomanists	2	19	1.85	17.6	
	Multiple symbol usage that refer to category.	15		13.9		
	Mere the symbols that refer to Sports Clubs	13		12.0		
Sports Club Supporters	Symbols that refer to <b>Sports Clubs</b> and vocational/  educational declarations.		16	2.77	14.8	
Socialists, Anarchists			8		7.41	
With vocational/educational	declarations.		0		7.41	
	Mere symbols that refer to <b>Islam</b> <b>Religion</b>	2		1.85		
Islamic Religionists	Symbols that refer to Islam Religion and vocational/	1	3	0.93	2.78	
	educational declarations.					
Turkish Nationalism and Ethnicity			7		6.48	
Kurdish Nationalism and Ethnicity			8		7.41	
Mere Vocational Declerations			5	4.63		
Mere Educational Decleration	s	9		8.33		
Sum			108		100	

In this part of the study, the sample was not used entirely, and it has been reduced by selecting 34 of the participants to make the follower counting easier. This reduction has been made by considering the number of the participants matched the complex identity categories shown in Table 8. From each category, a minimum of 25% of the participants has been selected providing no fewer than 3 participants. Then all

followers of the selected participants have been scanned and each of the followers has been matched with one of the same complex identity categories, in associated with the symbols they use. In addition, "Institutional" category to distinguish institutional and corporal accounts, and "Other" category to distinguish the accounts which cannot be categorized was added to the follower categorization. Participants' followers consist of an average of 12.1% "institutional" and 8.6% "other" accounts. These categories have been excluded from the analysis. Table 9 shows the average follower distributions of participants do not use politic symbols.

Table 9. Mean Follower Distributions of Participants Do not Use Politic Symbols

Participants By Complex Identity Categories		Follower Counts by Identity Categories									
		Politic Followers									
		Common Politic				Non-Politic Followers					
		Republican Nationalists	Mere Nationalists	SUM	Other Politic	Sports Club Supporters	Vocational Declarers	Educational Declarers	Without Symbols	SUM	SUM
Sports Club	F	37	20	57	29	90	25	23	188	326	412
Supporters	%	9.0	4.9	13.8	7.0	21.8	6.1	5.6	45.6	79.1	100
Vocational/	F	27	24	51	44	34	42	39	255	370	465
Educational Declarers	%	5.8	5.2	11.0	9.5	7.3	9.0	8.4	54.8	79.6	100
Without Symbols	F	68	49	117	93	131	73	100	795	1099	1309
	%	5.2	3.7	8.9	7.1	10.0	5.6	7.6	60.7	84.0	100
Sum	F			225	166					1795	2186
	%			10.3	7.6					82.1	100

The "common politic" column in Table 9 contains two politic categories which the participants are most followed by, and it is remarkable that these categories are the same for all non-politic participants. On the other hand, participants do not use politic symbols on their profile pages are mostly followed by users who do not also use politic symbols with 82.1%. Table 10 shows the average follower distributions of participants use politic symbols.

Table 10. Mean Follower Distributions of Participants Use Politic Symbols										-	
Participants	Ву				Follower Cou	nts By Identity Categories					
Complex			Politi	c Follow	ers						
Identity			Similar		Other	Non-Politic Followers				Sum	
Categories			Sillillai		Other						
Republican Nationalists		Republican Nationalists	Mere Nationalists	NINS		Sports Club Supporters	Vocational Declarers	Educational Declarers	Without Symbols	SUM	
	F	193	55	248	58	140	69	43	487	739	1045
	%	18.5	5.3	23.7	5.6	13.4	6.6	4.1	46.6	70.7	100
Conservative Nationalists		Conservative Nationalists	Islamic Religionists	NUS		Sports Club Supporters	Vocational Declarers	Educational Declarers	Without Symbols	SUM	
	F	308	103	411	118	71	44	13	158	286	815
	%	37.8	12.6	50.4	14.5	8.7	5.4	1.6	19.4	35.1	100
Turkish Nationalists / Ethnicity		Turkish Nationalists	Republican Nationalists	SUM		Sports Club Supporters	Vocational Declarers	Educational Declarers	Without Symbols	SUM	
	F	112	39	151	59	6	32	7	66	111	321
	%	34.9	12.1	47.0	18.4	1.9	10.0	2.2	20.6	34.6	100
Kurdish Nationalists / Ethnicity		Kurdish Nationalists	Socialist / Anarchist	SUM		Sports Club Supporters	Vocational Declarers	Educational Declarers	Without Symbols	SUM	
	F	108	43	151	21	5	27	5	159	196	368
	%	29.3	11.7	41.0	5.7	1.4	7.3	1.4	43.2	53.3	100
Socialists / Anarchists		Socialists / Anarchists	Kurdish Nationalists	SUM		Sports Club Supporters	Vocational Declarers	Educational Declarers	Without Symbols	SUM	
	F	60	16	76	32	21	26	27	245	319	427
	%	14.1	3.7	17.8	7.5	4.9	6.1	6.3	57.4	74.7	100
Sum F				1037	288					1651	2976
				34.8	9.7	55			55.6	100	

The "Similar Politic" column in Table 10 contains followers from the same politic category and the second politic category that the participants are most followed by.

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Looking at these two categories, the participants have followers that are remarkably similar political stances with them. Moreover, unlike the participants who do not use politic symbols, political stance declarer participants are mostly followed again by political stance declarers. The findings in Tables 9 and 10 are visualized in Figure 7.

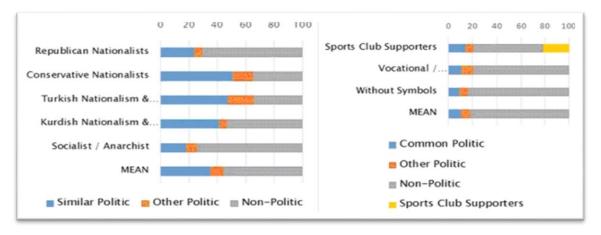


Figure 7. Mean Follower Distributions of the Participants

As seen in Figure 7, conservative nationalist and Turkish nationalist participants desire to "live" in a "secure" political neighborhood (or network), where only the people similar to them live, as Alver and Van Dijk claim. It is also obvious that republican nationalist and socialist/anarchist participants have regularly "purge" users that declare different political stances that follow them, as Bauman noted. Moreover, Kurdish nationalist participants both form networks that consist of "familiar" users and "purge" strangers. On the contrary, participants who do not disclose their political stances "live" among the users who often wear their "social masks", remarkably away from ghetto-like networks, where they create "significations" with social interactions "naturally."

#### 7. Conclusion

This study, which perceived the SNSs and Twitter as urban spaces where social interactions take place, also perceived the homogeneous networks that the users form as "voluntary ghettos" rather than "echo-chambers." Aiming to describe the relationship between "cyber ghettoization" and "self-disclosure", which is acknowledged as disclosure of cultural, political, or ethnic identities by the symbols that refer to them, in the study first the symbols encountered are documented, therefore, it is determined that the symbols that refer to political stances (i.e. Turkish

Flag, Mustafa Kemal Atatürk) are commonly used by Turkish users. Thereafter, examining the self-disclosure rates, it is revealed that while roughly one-third of the users have anonymous profile pages, 81.8% of the users have at least one symbol on their profile pages. Finally, when the cyber voluntary ghettos are examined, it is obvious that, the participants, who disclose the "political" side of their identity/personality, their "intimacy", often chose to be "local", form a kind of voluntary ghetto by attracting "familiar" users who have the same political stances with them, just as Sennett and Bauman are worried about. For sure, these attempts may also be interpreted as "visibility" attempts, since republican and conservative nationalist participants try to "excel" or socialist/anarchist and Kurdish nationalist participants may be acknowledged as "subaltern" groups. However, in a homogeneous ghetto-like network, which is the exact opposite of "public", excellence or visibility struggles would be insignificant. On the contrary, the participants who do not disclose their political stances, "live" remarkably away from ghetto-like networks where they create "significations" by social interactions.

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# Effect of Technology on Active-Employment Policies: Turkey 1980-2018



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Abstract: It is commonly known that technology has a big effect on unemployment and the labor force. In this study, the effect of technology on the the active-employment policies, which are the institutions are actively involved. The question is, how technological development affects these policies and implementation tools, will be analyzed. During the literature review, the primary data will be used. At the beginning the conceptual integrity of the work plan will be created and then it will be discussed in what way the specific active-employment policies are affected in Turkey. The Parameters of the active employment policies of the European Union are examined during the Turkey's process of being included in the European Union and is treated as an important chapter. The definition and conceptual integrity will be developed in relations to the European Union chapters and the parameters related to the subject will be considered in relation with the technology. In the work plan, firstly the main concepts will be emphasized and accordingly its scope will be analyzed. Later on, efficiency will be studied on the basis of technology and its effects in different fields. As a result of the study, it will be pointed out that sectoral analysis of the subject is required while emphasizing that active employment policies are positively related with technology.

Keywords: Active Employment Policies, Technology, Employment, Three Sector Theory

#### 1. Introduction

As one of the basic dynamics of the economy, employment and unemployment are as old as human history. Those concepts have always been associated with other parameters of the economy. In 1958 the Philips curriculum, which is presented as an empirical study by A.W.H. Philips, shows the relationship between short-term unemployment and inflation. The Okun Law, developed by Arthur Okun in 1962, which expresses the relationship between national income and employment, can be given as an example of the relationship between unemployment and economic parameters (Egri, 2009: p.70).

While there are several studies related to economic development and unemployment, there are also many literature studies about how technology is related to technological development and employment. It is known that there is either positive or negative relationship between the above mentioned economic parameters and the technology. With the same methodology, there are different discourses on how the employment is affected by technology or how is the relationship between those two concepts.

In the early days of the industrial revolution, when it is the case that the labour force will have been replaced by the machines, as a current of thought "Luddism" was arised. The essence of Luddism is the idea of rebelling against the rising technology and machine crushing with the reason that those machines are the reason of their unemployment. And the people associated with this movement were the "Luddites". Luddist movements became a widespread movement right at the beginning of the nineteenth century (Çakır, 2005).

On the other hand it is also argued in the literature that Luddism provides an illuminating way of reflecting on technological change. We may see in the historical moment of Luddism a movement not against technology per se (though technology was indisputably a key issue), but one that was mounting a protest against changing ways of life in the opening decades of the nineteenth century. (Webster and Robins, 2003: p.6).

When it comes to the twenty-first century, a similar manifestation of people against indispensable development of technology can be regarded as a manifestation of a different transformation period. Nowadays, industry 4.0 transformation has started by industry 1.0 with lightless factories are transformed into a robotic industry where intelligent robots are dealing with the whole process of production by communicating with each. It is reported that a production plant in Germany has the capacity to produce 1400 vehicles with only 6 workers per day. Undoubtedly, this is a major problem, especially in case that employees who are suffering from loss of income who are also expected to buy those products as well.

It is inevitable that social workers will be unemployed if they are working in this area. However, this social formation provides for the emergence of professional transformations as well. Just like the new professions that emerged in the industrial revolution, it is possible to see differentiated professions and the ones that are no longer valid or expired.

Accordingly, this study examines how technological developments affect workforce and employment by keeping in mind that there is an index used for measuring the technological developments.

### 2. Employment Policies

As it is known that there is a requirement for various employment policies in different periods of time in the whole world and in Turkey as well. Undoubtedly, wars and social events are among the most important factors in determining employment policies. In the transition stages of societies, employment is not often the central issue, but in case that the surplus of labour emerges, it became one of the major topics in the case of social reaction. Particularly in such a time period the topic of employment became one of the crucially important agendas for the policy makers. Notably by the period of industrial revolution, it is seen by the nation states that there are policies common or similar developed for global unemployment issue.

Actually, there are inevitable effects of wars on employment. Although it is necessary to evaluate the labour force in the military procurement and its processes beforehand, it is not the issue of labour force surplus but instead the necessity to the labour force for the remaining population after the war. It is possible to see worldwide policy changes as it is case in the implementation of the model which is expressed as "new deal" after the crisis of 1929 which is known as great depression in the world affecting the whole world. It is known that with the New Deal and the Roosevelt practices during the fight against unemployment in the 1930s, 22% of the unemployment in America came to single–digit figures (Tomasky, 2009).

On the other hand, while there are policies of employment with generally accepted policies, there are also employment policies differentiated by different geographical and cultural influences during different time periods in various regions of the world. Particularly 1980s is a breakthrough for Turkey in terms of economy. When the literature is reviewed, it can be seen that most of the studies regarding employment policies in Turkey are considering Turkey after 1980s. After 1980s, by abandoning the import substitution approach, Turkey has given importance to open economy, the free movement of goods and capital and the development of export (Oz, 2018, s. 11).

In the light of the developments in Turkey after 1980s, there has been both social and economic developments differently. There is a transition period from labor-intensive industry to the capital-intensive industry, and the industrial movements that had

started in the 1950s were maintained as well. Following the First Five-Year Development Plan published and implemented in 1933 in the pre-1980 employment policies, it is possible to see the decisions and implementations for the implementation of the following policies until 1980. A summary of the policies expressed in development plans, especially before the development of active employment policies, is mentioned below:

- The growth of investment volume: It is emphasized that both domestic and foreign investments will directly positively affect employment as well as economic growth.
- Slowing down labour substitution instead of labor-intensive investments: It is emphasized that capital-intensive investments should be slowed down by policymakers in a specific planning.
- Supporting the construction sector to expand the urbanization: This means that
   Turkey is passing through a rapid urbanization period. Therefore, it is
   emphasized that Turkey is in an important transition period and the
   construction of residences or work plants should not be restricted and instead
   it should be supported as well.
- Support for employment-enhancing sectors: It is emphasized that the sectors that support employment and that are in need of labour should be supported intensively. Industry projects that will evaluate and increase agricultural products in the first place should be supported.
- Supporting exports: In this case, it is stated that projects aimed at producing and dispatching to other countries according to their requirements and demands should be supported in accordance with an open economy other than the production for the materials used and needed in the country.
- Services and Training Sector Planning: Beyond the fact that the services sector is gaining importance in this market, training planning is emphasized. It is stated that in the fields that the country needs, it is necessary to set an education plan for the training of the workforce.
- Prevention of open unemployment: During the transition period from agriculture to industry, it is emphasized that urbanization will be implemented in a functionally planned manner and a larger relative structure than urbanization will prevent open unemployment.
- Supporting according to population density: The emphasis is on promoting the
  agricultural area industry when more than half of the total population is still in
  agriculture (rural area). Agriculture is an important parenthesis for
  employment. There are many positive factors in supporting the industry based
  on agriculture. These are:

- Reducing the speed of urbanization and the problems with urbanization,
- Strengthening local governments,
- Allowing fair distribution of income,
- Increasing the efficient use of agricultural land, In agriculture, the current deficit is reduced by decreasing loyalty,
- Reducing open unemployment, increase employment and labour force participation.
- Reducing the rate of unemployment by "labour mobility" (Yalcıntas, 2011: p.44):: As it is the case of Germany where they requested large amount of labour migration have requested from Turkey, however, is the labor for countries of the workers a sense of labour recruited from other countries also will provide partial reduction of the portion of employment it should be encouraged. It is envisaged that the provision of capital flows and the return to the country will also contribute to the opening of new investment opportunities and thus new employment areas.
- Employment incentive measures: In this context, it is emphasized that all kinds of employment oriented projects should be included in the scope of incentives.
- Regulation of related legislation: It has been emphasized that the legislator should take the regulatory measures for the working life and the work conditions should be regulated in order to positively affect employment and the facilities (Gokce, 1985: p.165).

It has been compiled from the above-mentioned policies in the development plan policies for Turkey. Apart from four five-year development plans put into practice until 1980, a very different period began after the 1980s. With the results of the free market open economy and the January 24 decisions instead of imported substitution, the labour market and employment policies with the state have become a big turning point (Karabulut, 2007: p.32)

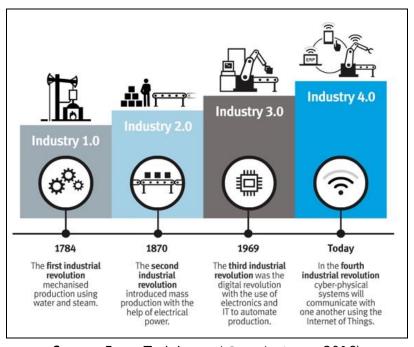
Employment policies emphasize entrepreneurship based on low labour cost for free wage and export in this period, but unemployment is negatively affected by IŞKUR's implementation of active employment policies in 1988.

Active employment policies are the policies that the state implements for employment in the policy maker's practice. This area is the most common institutions İSKUR for Turkey. Organizations such as KOSGEB, TOBB and other ministries are also important institutions related to the issue. Particularly in technological developments, these institutions, which organize training by which the workforce acquires professional knowledge and skills that

should be possessed by the workforce, provide considerable contributions to employment within the framework of active employment policies. Legislative arrangements are also part of active employment policies in the context of establishing private employment bureaus. An important decision taken by the state within the scope of privatization and the agreement signed with the World Bank in 1994 has also been the determining factor in regards to active employment in terms of institutions.

## 3. The Effects of Technology

In the history of economics, we see that the development of the economy has shifted from the hunter-gatherer society to the agricultural society, then to the industrial society and then to the information society (Oz, 2018: p.48). Technological developments, along with the industrial society, have come to the fourth industrial stage with different technological applications such as mechanization, followed by the use of electricity and digitalization, followed by the use of computer and internet, and finally the third generation industrial revolution and finally humanoid robots, artificial intelligence, virtual reality.



Source: Festo Training and Consultation..., 2018)

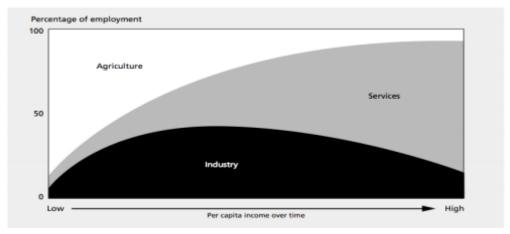
Figure 1. Industrial Revolution Development

Table 1. Three Sectors of National Income
According to Developing and Developing Countries

GDP Comes From, %:	Agriculture Sector	Industry Sector	Service Sector
<b>Developing Countries</b>	20	23	57
Developed Countries	5	25	70

**Source**: (Öz ,2018: p. 19).

It is stated that the development level of the countries and the usage of the technology are parallel to this transformation. This belief is explained by three sector theories. It is expressed in the three sector theories that the developing countries and the national income in the developed countries are recorded in the agricultural services sector (Oz, 2018: p.19). In this context, there should be a connection of unemployment to the developing and developed countries of the same sectors in accordance with the Okun Law, which is linked to national income in employment (Soubbotina and Sheram, 2000: pp.51–55). This relation is illustrated in the graphic below:



Source: (Dzhain, 2012: p. 15).

Figure 2. The Relationship Between Employment and Per Capita Income

It is seen that the use and development of technology and the sectoral transformation of employment are inevitable. As mentioned above, a situation requiring a ludist approach can be considered. However, contrary to the thesis of Karl Marx, technological developments in the short term are affecting employment negatively, but there is a view that there will be a rebalancing in the medium and long-term (Zaim, 1997: p.52).

On the other hand, a concept which is expressed as technological unemployment (Ekonomist, 2018) is accepted in the types of unemployment. It is also stated that unemployment should be considered as a variable independent of other economic parameters, with detailed studies on the reasons for unemployment in the struggle with unemployment (Yalcıntas, 1996: p.167). Hence the growth of a policy like active employment vs. inflation. It can be concluded that it should be perceived as a way to ensure the positive result of pure employment, not with the parameters. It is emphasized that in the sectoral basis, the same thinking, that is, employment should be examined and addressed alone.

# 4. The Interaction between Active Employment Policies and Technology: The Case of Turkey

Active employment policies are distinguished by the way and means of application from classical and passive employment policies. The concept and description were first made in 1948, although the active idiosyncratic in the concept of active employment policy was put forward as an intentionally introduced concept of low wages. Gesta Rehn and Rudolph Meidner have expressed the first time as a social democratic strategy for realizing the full employment objective that inflation is under control for the active employment policy (Thomas, 1996: p.698). As mentioned above, they are related to inflation rather than national income. In the active employment policy, there is a contrast to the expression of the Philips Curve for the short term.

OECD identified employment policies in seven main groups. The table below is shown by active and passive distinction from these policies (Asa and Turnham, 1994: p.23).

Table 2. Active Passive Employment Policies

Policy	Active/Passive
Consulting and matching of the Public Sector	Active
Occupational training programs	Active
Private sector employment subsidy	Active
Youth entrepreneurship policies	Active
Disability-oriented employment policies	Active
Unemployment insurance	Passive
Early retirement	Passive

Source: (Biçerli, 2005: p. 4).

In general, although technological developments affect employment with negative aspects as mentioned above, the situation is different when the subject is related to active employment. As it is mentioned in the table 2, the effects of technological developments for each area should be evaluated separately. The situation being reviewed for Turkey in 1988 with a reputation in any field is required to obtain a detailed their contribution to employment in the first five steps mentioned above.

Both the consultancy process and the mapping process can be done in a short time and in a short time with the help of the portals which are written to the consulting and matching of the KAM, İŞKUR or the privatized private employment bureau with technical software. This will positively affect employment, as it will reduce the number of unemployed who have not yet responded to the job during the reference period.

It is also known that technological developments will positively affect the development of vocational training programs and new professions. As mentioned above, the formation of big data in order to qualify the qualifications of both the new professions and the existing professions will have very positive results and shorten the job finding process. This will contribute positively to employment, as it will reduce the likelihood of seeking and finding a job.

The fact that the employment subsidy for the private sector is weighted by supporting the projects on value-added products, the knowledge that technology-based direct investments produced in universities, technoparks and research and development centers are supported, and the share of projects supported by business ideas and unemployed in the labour force It is useful to note that technology directly affects the positive direction.

Although the special employment support given to young people, disabled people and even women is not directly related to technological development, the support of institutions such as KOSGEB as new entrepreneurship and especially the support given to high technology and knowledge-intensive sectors that are added value affects employment positively.

#### 5. Conclusion

In the light of the positive developments expressed, it is necessary to put the data belonging to each domain in order to measure the technology even if it appears that it affects the active business policies positively. As an index of technological developments, there are parameters set out by the International Telecommunication Union (ITU) (ICT development index, 2018). In order to obtain a statistical clarification, it is necessary to carry out a study in which the role of active employment in the change of employment in the sectoral and regional sense should be taken as dependent variable and the data of ICT development index should be taken as independent variable.

To sum up, in this study as a result of the literature review it is underlined that active employment policies are positively affected by technological developments. However, it is important to note that one another benefit of the study is to set out regression analysis by using the regional and sectoral data which is received. It is expected that such an analysis will be leading the way for future studies related to the interaction between technology and employment policies.

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