Social Stratification - Social Security Relationship: Example of Turkey

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Abstract

Social stratification has been seen in almost every society throughout history and is one of the common characteristics of today's societies. Stratification occurs in various forms in societies in terms of abstract or concrete criteria. Industrial Revolution added a new dimension to social stratification, and classes different from traditional societies began to emerge around new industrial relations. This new social structure has transformed traditional social security systems and uncovered the modern social security system. Turkey is one of the countries that implemented the modern social security system although it did not experience the industrial revolution. In this respect, historical development of the Turkish social security system and today's bill of rights vary by industrial societies. Social stratification has had an effect on both the historical development and current structure of Turkish social security system. In our study, we will discuss the relationship between Turkish social security system and social stratification in terms of historical development and today's practice.

Keywords: Social security, social stratification, Turkey, social insurance

Introduction

Human, by nature, is a creature that needs to live with other people. While social life comes into existence in line with this need, groupings within society also emerge depending on various factors. These groupings can be formed around different variables such as race, belief, ethnic belonging, economic or political power. Accordingly, each sub-group making up the society may have concrete or abstract superiorities against other groups. Thus, society is inevitably wrapped in a multi-layered structure almost in layers one on the top of the other. This situation, which is referred to as *social stratification*, with the simplest sense, symbolizes the hierarchical order between social groups/classes.

It is accepted that stratification existed in all societies throughout the history regardless of economic and social development level. In addition, the form of stratification, distance, and mobility between layers may vary depending on the time, the faith and culture of the society, economic and political system and many other factors. In our study, we will try to understand the nature of social stratification in Turkey through social security rights.

We will try to seek an answer to the question of "Is there a hierarchy among different social strata in Turkey in terms of the chronology of obtaining social security right and of the scope of the right?" while approaching social stratification through social security. In this sense, there are two sub-headings of our question. First one; Does the chronology of obtaining social security right correspond to a social hierarchy in the development process of the Turkish social security system? In other words, is there a relationship between this chronology and social stratification? Second one; is there a social hierarchy in the social security system which is in force today in terms of the conditions for entitlement to benefits, the duration, and amount/scope of the benefits? In our study, the concept of social security was in the meaning of social insurance.

1. Social Stratification

Inequality is a common problem for almost all human groups. Inequalities caused by people's positions, roles, privileges and authorities are the indicative of stratification in communities of different sizes. In this aspect, social stratification can be defined as the institutionalized inequalities between different human groupings (Giddens, 2000). Another important definition for stratification belongs to Pitirim A. Sorokin. Regarding the stratification, Sorokin (1964) determined that;

"The concept of social stratification refers to a certain population's differentiation into classes which are hierarchically overlapping. The essence and fundamentals of stratification lie in uneven distribution of the rights and privileges, duties and responsibilities, social values and deprivations, social power and influence among the members of the society." The definition in question suggests that any society will be obligatorily subjected to stratification independently of the geographic, economic, cultural and the other characteristics. However, the emergence form of stratification may vary according to the phases experienced by the societies. While traditional forms of social stratification such as slavery, caste, and class were observed in pre-industrial societies, a new form of stratification has emerged in industrial societies within the context of the relations of production. While Marks analyzed this new form of stratification through the concept of class, Weber based on the concept of property (Marks, 1978, Weber, 1993). The literature which has been formed related to stratification in the field of sociology has been inspired by these two concepts as of its beginning.

2. Social Stratification in Turkey

Firstly, it is necessary to have a look at the Pre-Republic Ottoman social structure in order to understand the dimensions, direction, and the historical course of social stratification in Turkey. Because the Republic was formed by its own institutions and organizations and social structure, this formation was carried out on a remaining Ottoman social structure and by the staff with the Ottoman Empire experience. Meanwhile, it would be useful to look closely at the social structure of the Ottoman Empire in its last century especially as of the Tanzimat period in order to understand whether a deviation, breakage or change was experienced about social stratification after Republic.

2.1. Ottoman Period

In the Ottoman social structure, stratification appeared differently from the feudality seen in the west and some other eastern societies (China, Egypt, and Japan). Ottoman's unique social structure was shaped by the tax system and administrative/military organization especially by the property regime. Accordingly, it is possible to divide society into two main layers: rulers (military class) and those governed (rayah). Military class consisted of people from palace, ilmiye (ruling class), seyfiye (military), and kalemiye (administrative). There is also transitivity between these three classes (Tabakoğlu, 1999).

Ottoman, that largely preserved the traditional social structure since its establishment until the 19th century, had to confront a challenge coming from the West in agriculture, city life, military and politics as from the beginning of this century. Ottoman observed the Europe and Russia during the centuries that passed up to that time. However, based on these observations, 19th century is a century during which the social change gained new momentum and in a sense the change became a life-style (Ortaylı, 2006). The direction and form of social stratification were also affected by these reforms in this century that would be a century of reforms for the emperorship. This period was called the *Tanzimat* period due to the intensity of reforms. The administrative organization-based reforms of this period would provide bureaucracy with a position which would continue until the dissolution of the Ottoman and was more privileged than any other social strata. The fact that civil servants were put on regular salary is a concrete example of these achievements. The appearance of the Ottoman social structure in the first half of the 19th century becomes evident around the two main classes; bureaucracy and peasants. At the beginning of this century, peasants constituted 80 percent of the population, and city-dwellers including bureaucracy constituted 20 percent of it (Pamuk, 1988). Besides, it was observed that the merchant class which was mainly formed by nonmuslim people began to be formed in the same period with the effect of the capitulations in port towns such as Istanbul, Izmir and Thessaloniki (Keyder, 2013).

Ottoman's process of transition from military-theocratic state into modern-bureaucratic state appearance gained a new dimension in the period of Abdul Hamid II. The civil bureaucracy that became stronger against palace and military bureaucracy as of the period of Mahmud II (Babiali) began to lose its power against palace in the period of Abdul Hamid II (Hülür and Akça, 2005). The formation of retirement funds and obtaining the pension right, which are the first trials of the modern social security, developed in the opposite direction with this power change. Military Retirement Fund was founded in 1866, and Civil Servants Retirement Fund was founded in 1881 corresponding to the period of the weakening of the power of civil servants. Nevertheless, if there is an issue which will not be discussed related to the period of Abdul Hamid II which is discussed from many aspects and subjected to criticism, it is the fact that the centralized bureaucracy reinforced its power within the social structure.

Ottoman social structure still gave the impression of being consisted of bureaucracy, peasants and small traders at the beginning of the 20th century. So, there is not a significant working class in this table. The number of businesses employing more than 10 workers was around 100 at the beginning of that century. Almost all of them belonged to non-muslims and gathered in Thessaloniki, Izmir, and Istanbul. In this sense, it is not yet possible to talk about labor-capital stratification and conflict in the Ottoman society. These concepts are further stranger especially for Muslim people (Keyder, 2013). When it is considered that the number of unionized workers was four million in the UK and three million in Germany in the same period, it is seen that the Ottoman social structure was quite far from the industrial society (Yazıcı, 2004). Ottoman had to deal with very different problems such as survival of the state in this period during which industrialization shaped the European societies along with its all economic and social consequences.

2.2. Republican Period

The most meaningful word that can describe the Republic of Turkey that left behind the World War I and then the Independence War is the poverty. Scarcity was dominating about all kinds of production factors required for the reconstruction of this poor country. Anatolia which was already war-weary for a long time exhausted its last savings. Anatolia, that sent soldiers too many front lines for more than half a century, had the biggest deprivation in terms of human resource.

When the conditions of the 1920s are taken into account, essentially, it was not yet possible to talk about workers sector as a *class* as well as bureaucracy and peasantry. In this sense, Republic of Turkey did not take over a significant working class from the Ottoman Empire in terms of quality and quantity (Yazıcı, 2004). Besides, it was devoid of a private sector and entrepreneur to the extent it can promote the investments. Therefore, the sense of industrialization and import substitution economy led by the state emerged as a necessity for the young Republic. The period until the Second World War was a period during which the industrial investments of the state gained speed and the working class that reached a certain numerical size in these businesses began to appear. The total number of workers, which was 110 thousand in 1923, reached 374 thousand in 1950 (İleri, 2009, Akkaya, 2002). However, the fact that workers were granted the right to strike and unionization in the same period is one of the factors that prevented the transformation of numerical increase into class consciousness.

In the early 1950s, the class structure was generally in the appearance of strong military-civilian bureaucracy, limited number of large capitalists and large peasant sector in Turkey. In this period of transition from single-party system into multiparty political life, it is seen that import substitution approach was maintained, and a certain degree of liberalization was experienced. In this period that would continue until the 1980s, it gained strength against both private enterprise peasantry bureaucracies although stratification did not occur in the capitalist axis (Keyder, 2013). It should be stated that the positive developments experienced in the field of social rights and democratization around the world after the Second World War affected the period of Constitution of 1961 and afterwards (Arıcı and Alper, 2012). In this period, a noticeable increase was experienced in union rights, organization, and collective worker actions. However, the slogan of "a state-mandated social state" was the main motive in the development of Turkish social law until the 1980s (Mardin, 1990).

By the 1980s, the social structure of Turkey was still far from an industrial society image. A more crowded number of working class was reached compared to the 1930s and 1950s, acceleration was ensured in unionization, and transition from agriculture to urban economy continued. However, the fact that the rights of organization, collective bargaining, and strike obtained after the Constitution of 1961 were considerably withdrawn after 1971 and 1980 military interventions indicated once again that these rights were granted as ex gratia, not by the labour movement's own struggle (Keyder, 2013). When the fact that the labour movement was so much damaged by the state is taken into account, it is seen that the relations of production are not yet the primary determining factor on stratification or classification in Turkey's sociology, no class struggle began outside of limited, pragmatist, and often ideological worker-employer conflicts.

In the period after 1980, Turkey proceeded from the sense of import substitution economy to the growth strategy led by the private sector instead of relatively freer foreign trade, free market economy, liberal import regime and state enterprises (Şahin, 2000). This situation led to the growth opportunity for the small scale Anatolian enterprises although it negatively affected the large capitalists that took position in the economy according to public weight.

The process of privatization of public enterprises led to serious decline in the number of unionized workers, the unionization rate which was 22.2 per cent in 1988 decreased to 6.3 percent in 2013 (Celik and Lordoğlu, 2006, OECD, Labour Stats). However, the same rate was 55 percent in Belgium, 36 in Italy, 25 in the United Kingdom and 18 in Germany in 2013 (OECD, Labour Stats, 2014).

3. Social Stratification-Social Security Relationship in Turkey

Although the relationship between social stratification and social security system has not been sufficiently examined in Turkish literature, there are many investigations and studies carried out on this subject in the world literature (Mesa-Lago, 1978, Esping-Andersen, 1990, Jütting, 1999, George, 1973). In this sense, it is accepted that there is a significant relationship between social security systems and the stratification forms of the countries. Besides, attention is drawn to the modern social security's function of decreasing the severity of poverty and stratification, strengthening the middle stratification, and regulating income distribution especially as of contributory regime (Alper, 2012).

After the 1950s, the relations of production, social stratification, and social security relationships began to be investigated in more detail in the studies carried out within the context of the sociology of social security (Demirbilek, 2005). However, studies examining this relationship are generally based on industrial societies. It is necessary to use the concepts more carefully when it comes to societies that have not experienced the industrial revolution but have been exposed to the challenge of industrialization such as Turkey. It is possible to act by two different questions while trying to understand the relationship between social security system and social stratification in Turkey. First one; is there a relationship between the emergence of the modern social security system and its stages until today and social stratification in Turkey? In other words, is there a significant interaction between the development chronology of social security and social hierarchy? Second one; does today's Turkish social security system have the traces of social stratification particularly with respect to benefits provided to the insurance holders and households?

3.1. Effects of Social Stratification in the Historical Development of Social Security in Turkey

The historical development of the system contains important clues in understanding the effect of social stratification in Turkish social security system. When it is considered from this aspect, substantially, it is not possible to talk about the presence of an integrated social security system in the Ottoman Empire in terms of social insurance. However, the retirement funds of civil servants began to be founded and the pension system of civil servants gained a quite corporate identity in a way consistent with the trend of centralization and standardization in the state government of the Tanzimat period (Özbek, 2006). In this context, the first founded fund was the Military Retirement Fund dated 1866. This was followed by the Civil Servants Retirement Fund dated 1881, the Navy Retirement Fund dated 1890, the Military and Civil Retirement Fund dated 1909 and the Şirket-i Hayriye Retirement Fund dated 1917 (Dilik, 1992). The funds founded were not limited to these; a separate fund was founded within almost every institution. The funds in question are the first examples of the contributory social insurance regime in our country. The premiums which were collected from the members in the ratio of 2 percent of their salary in the beginning were later increased to 5 percent (Özger, 2001).

On the other hand, no social insurance study was carried out in a modern sense by the state government for the workers in the Tanzimat period during which the retirement funds were put into practice. The society sector in question also continued to make use of the assurance provided by traditional charities or some social services and benefits of the state. In this sense, the fact that the empire did not experience a period of industrialization was the main reason that prevented the formation of social legislation. Nevertheless, measures were taken to provide protection against specific risks although they were limited for some workers. These measures were implemented especially along with the mine regulations. Among these, Dilaver Pasha Regulations (Ereğli Coal Mine Administration Regulations) dated 1865 attracts attention as it is the first regulation including the regulations on workers' rights despite being local. In addition to this, the state did not undertake any social security right for the workers as a mission and mainly approached the subject in terms of worker's health and safety both in Dilaver Pasha Regulations and in other mining regulations (Talas, 1976).

Another one of the limited regulations in favour of workers is the Regulation on Putting Retired Workers Permanently Working in the Shipyard and their Orphans and Widows on salary which was published in 1875. The said regulation, as its name suggests, provided for putting those working in the permanent worker status in the shipyards related to navy and their widows and orphans on salary (Özbek, 2006).

It is possible to accept the fund in question as the first application of social insurance for the workers in Turkey despite its limitedness in terms of the person and the insurance branch it comprised. However, it should not be forgotten that the shipyard workers who were included in the scope were civil servants. Here, the first question that comes to mind is why soldiers and then civil servants firstly achieved the social security right in a modern sense in the Ottoman Empire. In other words, why were the segments of society outside the civil servants not able to achieve the social security right in the Ottoman Empire? First of all, in this regard, the state of the Ottoman is not different from other societies that did not experience the industrialization. The indisputable superiority of civil servants against workers and self-employed was the most important reason that shaped the social rights in the Ottoman as in all underdeveloped or developing countries. In addition, the fact that the civil servants were granted with regular salary in the period of Mahmud II (Göküş, 2010) provided advantage for the establishment of contributory social insurance regime. Besides, the fact that the information regarding the civil servants and their households were monitored regularly in the public records allowed for the construction of social security system when the conditions of the period are taken into account. This advantage that civil servants had was also a factor that made easier civil servants' transition to contributory social security system in many other countries (Alper, 2003).

On the other hand, putting on a salary from disability (being war veteran), old-age and survivors insurance branches for civil servants and especially military personnel is almost a necessity when Ottoman society and state orders are taken into account. Indeed, the fact that the soldiers were put on a regular salary depending on this necessity began with the Janissaries in 1566 (Alper, 2003). It is certainly impossible to think that these people who are not engaged in the commercial activity outside the military profession and do not perform any workmanship and are not engaged in farming would be exposed in the event that they become unable to carry out their profession in some way. While this situation took place in industrial societies in a similar way, the societies in question largely took the benefits provided to civil servants into the general social security system at the beginning of the 20th century (Palacios and Whitehouse, 2006).

Table 1: Chronology of the Foundation of Retirement Funds in the Ottoman Empire

| Name of the Fund | Foundation Year |
|---|-----------------|
| Military Retirement Fund | 1866 |
| Navy Retirement Fund | 1869 |
| Post and Telegraph Civil Servants Retirement Fund | 1876 |
| Members of Customs Office Retirement Fund | 1878 |
| Asakir-i Berriye Retirement Fund | 1880 |
| Civil Service Retirement Fund | 1881 |
| Public Military Retirement Fund | 1886 |
| İlmiye Retirement Fund | 1894 |
| İdare-i Mahsusa (Seyr-i sefain) Retirement Fund | 1890 |
| Şirket-i Hayriye Retirement Fund | 1893 |
| Retirement Fund of Rümusat Kantarcıları and Muhafaza Kayıkçıları | 1896 |
| Retirement Fund of Hamidiye Hejaz Railway Civil Servants and White Collar | 1904 |
| Workers | |
| Civil Servants Retirement Fund | 1909 |

Source: Compiled from Özger (2013), Özbek et al. (2006), Doğan (2013) and Kulaksız (1999).

In Tanzimat period, bureaucracy constituted one of the main factors in the Ottoman society, the peasants represented the others. The peasants had to wait more than a century to achieve social security right although the social security problem of bureaucracy was resolved by retirement funds and some limited steps were taken for the workers. Although it is not possible to talk about any social security program for the peasants constituting about 80 percent of the population (Pamuk, 1988) in the Ottoman period, social security right was not provided to peasants for decades even in the Republican period. The strength of traditional family ties, the extensiveness of the culture of cooperation and the assurance provided by the soil in the countryside decreased the severity of the need for social security in a modern sense. However, it is also necessary to state that the peasant population was deprived of the organized force that would create pressure on policy makers about meeting the existing social security needs.

In the Ottoman Empire, other large segments of society who were deprived of social security outside the peasants were the tradesmen and craftsmen. Tradesmen and craftsmen have a specific cooperation mechanism by means of the guilds they are organized. In addition, the fact that the benefits provided by the tradesman support funds were deprived the state guarantee is most important factor that separates the funds in question from the retirement funds of the civil servants. Indeed, the consciousness regarding the fact that social security is a right for citizens and a mission for the state became widespread in the 20th century even in industrial societies (Yazgan, 1981).

When it is evaluated in general, it is seen that the social security right which is closest to today's social security system and most comprehensive was granted to civil servants including soldiers in the period from Tanzimat until the proclamation of the Republic (1839 - 1924). Although the professional conditions of soldiers made such a regulation essential, the fact that bureaucracy gained a significant effectiveness in the state government along with the declaration of Tanzimat (Ortaylı, 2006) was the main determining factor in the establishment of retirement funds. Afterwards, the social security problem was substantially resolved in terms of public servants in the Ottoman by granting same rights to the civil servants. Therefore, civil servants' advantage in affecting decision mechanisms compared to other segments of society as well as the their favorable working conditions for contributory social security regime were effective in achieving social security right.

On the other hand, the heritage inherited from the Ottoman Empire to the Republic of Turkey in the field of social security is in the appearance of military and civilian bureaucracy with quite advanced level of social security according to the conditions of the day, whereas large sections of the people without social security. This situation also represents the initial conditions of the Republican period in terms of social stratification. The bureaucratic structure moved the power it gained as of Tanzimat to a full social sovereignty in the Republican period (Kongar, 1981). Therefore, the principal decision-maker would also be this strength in the resource allocation of the Republican period. Thereupon, soldiers and civil servants exactly continued their social security rights they gained within the scope of the retirement funds in the Ottoman period under the Retirement Fund in the Republican period.

Military civil servants had a more significant advantage which was not owned by the other segments of society in terms of social security in the Republican period. Armed Forces Pension Fund (OYAK) was established as an important institutional structure that would reinforce the class privilege of the military bureaucracy after the military coup dated May 27, 1960. OYAK, which was established by a law, was essentially established to provide social security to military personnel in addition to Retirement Fund benefits. However, the capital level reached by the aid institution in later years and the functions performed by it indicate that it moved beyond being a simple second level social security institution.

OYAK, which was established by law and to which membership of the active military personnel is mandatory, began to operate with the mission of protecting its members against social and economic risks at the beginning. However, it has become a very important factor in the economic and commercial life of Turkey in time. The institution was exempted from some taxes and had the authority to be engaged in much larger commercial activities compared to other social insurance institutions (Özbek et al., 2006). The military bureaucracy that continually reinforced and carried forward its power in the state government as of the Tanzimat period achieved its most important class achievement by means of OYAK in the Republican period. It is seen that civil servants had a clear advantage over other social strata in terms of the chronology of achieving social security. However, soldiers' social security achievements also constituted an obvious difference among all civil servants along with the formation of the OYAK after the military intervention dated May 27, 1960.

The social security regulations made for the workers in the Republican period vary by public servants. Although some limited regulations were made in the early years of the Republic, first serious steps for the establishment of modern social security in favor of workers could be taken in the year 1940 (Güzel and Okur, 2003). In this context, occupational accidents, occupational diseases and maternity insurance in 1946, old age (senility) insurance in 1950, health insurance in 1951 and eventually invalidity, old age and survivors insurances in 1957 entered into force in a holistic way (Talas, 1976).

The inclusion of workers into the scope of social security gradually took place in terms of both insurance branches and size of the workplace worked. In addition, those working in the media in 1952 were included in the scope of the seamen in 1954 (Yazgan, 1981). A new phase was initiated in terms of social insurance with the establishment of the Social Insurance Institution in 1965.

Thus, not only the working places of a certain size but also all working places were included in the scope of social security. In this sense, it can be said that the working class, except for agricultural workers, achieved the social security as of 1965 at least in terms of legislation. It should be noted that this was affected by the new and inclusive perspective brought by the Constitution of 1961 in terms of social law.

On the other hand, we can say that the agricultural workers are the final section that was chronologically included in Turkish social security system. Legislative regulations were made for the wageworkers and permanent workers in agriculture in 1977 and for the paid (casual) workers in 1984 (Özbek et al., 2006). Although the regulations in question theoretically included agricultural workers into the scope of the social security in terms of long term insurance branches (UVSK), the actual realization of this was not possible. The ratio of those without any social security in the agricultural sector was 83 percent even before 2008 during which the latest social security reform entered into force. Besides, the problem is not only the fact that the agricultural sector could not be covered on the basis of individual but also the fact that the scope was fairly limited in terms of insurance branches compared to other segments of society. For instance, the disease insurance benefits only began to be implemented for the farmers by the year 1998 (Karadeniz, 2006). The fact that the Turkish social security system was designed as contributory regime and agricultural workers had an extremely limited regular premium payment opportunity made it difficult the integration of the said sector into the social security system. It should be stated that this problem is also experienced in many underdeveloped or developing countries (Ginneken, 2003).

On the other hand, when the self-employed are analyzed in the historical development of the Turkish social security system, a chronology which is different by the workers and public servants is observed. Modern social security systems essentially developed by taking workers to the center. Thus, the working class was integrated into the liberal state through social security (Huber, 1970). However, the modern social security system that developed by taking the working class to the center did not act equally generous for the tradesmen, craftsmen and the other self-employed people. This also revealed itself in the example of Turkey.

In terms of world applications, the Beveridge Report dated 1942 and the advisory jurisdiction taken in the 26th International Labour Conference gathered in Filadelfia in 1944 were effective for self-employed people to achieve social security. In particular, the principle of including all population into the scope of social security was effective in other countries after England. In Turkey, the idea of securing self-employed people under social security was firstly mentioned in the First Five-Year Development Plan (1963 – 1967) (Tuncay and Ekmekçi, 2005).

In Turkey, the inclusion of self-employed people into the scope of social security in the legal sense was realized in 1971. In terms of insurance branches, benefits were firstly envisaged to be provided through the long term insurance branches, but the health insurance was also included in the scope of the application as of 1986 (Güzel and Okur, 2003). Similar to the delays that agricultural workers experienced in achieving social security right, self-employed farmers and those engaged in animal husbandry in agriculture were also included into the scope of insurance with delay in 1984. The fact that agricultural activities and correspondingly the incomes are seasonal constitutes a problem in terms of the integration of the agricultural population into the contributory regime (Jütting, 2000). In this respect, Turkey still has a problem on including self-employed people in agriculture into the scope of social security. Thus, the number of people with agriculture insurance, which was 1 million 127 thousand 744 in 2008 during which the security reform entered into force, decreased to 738 thousand by 2016/May (SSI, Monthly Statistics Bulletin, 2016).

Based on the data shared so far, it would be useful to have a look at the chronology of all social sectors in achieving social security right together in order to understand the effect of stratification in gaining social security right. The said chronology is presented together in the following table.

Social Sector Sub-Social Sector Year of Obtaining Social Security Right 1866 (Military Retirement Fund) 1961 (OYAK) **Civil Servants** Soldier 1876 (Post and Telegraph Civil Servants Retirement Fund) Civil 1875 (Tersane-i Amire Amele-i Daimesi Retirement Fund) Workers **Public Private** 1946 (Workers Insurance Institution) 1977 (Paid and Permanent) 1983 (Paid and Casual) Agriculture 1971 (insured self-employed institution) General **Self-Employed** 1983 (Agriculture insured self-employed institution) Agriculture Others 1978 (Those within the scope of the Public Health Law No. General Women 1593) 1978 **Artists** Those Arrested and 2004 (*) Convicted **Jockey and Trainer** 2008

Table 2: Social Sectors' Chronology of Obtaining Social Security Right

(*) Only the provisions of occupational accident, occupational disease and maternity insurance are applied for those arrested and convicted.

The dates of obtaining social security right of the social sectors and sub-sectors are presented in the table. However, these dates do not mean that the sub-social sector gained all insurance branched on that date. For instance, those self-employed in agriculture who were included into the scope of invalidity, old age and survivors insurance in 1983 had to wait for 1998 for the health insurance. Therefore, disadvantages in obtaining social security right can be seen more clearly in terms of insurance branches.

3.2. Social Stratification - Rights Relationship in Today's Social Security System

The fact that social insurance institutions were established at different times and under different roofs for different segments of society caused Turkish social security system to appear in a dispersed structure by years. The comparative advantages of the segments getting service from different institutions in social stratification have further deepened the norm and standard gap in the course of time. In fact, the norm and standard differences between social sectors in Turkish social security system have been the subject of debate for many years (Yazgan, 1981, Okur, 2006, Arıcı, 2013). As a result of these debates, two important reforms, the first of which was in 1999 and the second of which was in 2008, were made. In 1999, institutional differences were not deal with while redetermining the retirement parameters (Özbek, 2006: 318). In 2008, the single roof system was institutionally introduced in addition to the revision in social security norms and standards. Three separate institutions providing service to public officials, self-employed people and workers were gathered under the Social Security Institution. The ground of the Law No. 5510 regulating 2008 reform was declared as follows;

- To take measure against the course in the form of acceleration of the aging in population.
- To provide more effective and comprehensive protection against poverty.
- To prevent social security institutions from having financial deficits and the negative consequences of these deficits.
- To establish a structure that will cover the entire population and institutionally provide service under a single roof.
- To ensure unity of norm and standard between social status (www.tbmm.gov.tr)

Especially the last two of these objectives are directly aimed to eliminate the negative consequences of social stratification within the social security system. Essentially, the fact that these two objectives are included within the main objectives of the reform by the legislative power means that it is accepted that Turkish social security system was under the influence of social stratification by its form before the reform.

So, the question to be answered is that to what extent the Turkish social security system was cleared of the negative effects of stratification after the 2008 reform.

First of all, the objective of norm and standard unity of the reform was damaged before the entry into force of the Law No. 5510, which was the reform regulation. Constitutional Court canceled 24 articles envisaging the equalization of public servants with the other social sectors just before the law entered into force. Supreme Court argued that the status of civil servants arising from the constitution prevented them from being subjected to same norms and standards with the other segments of society (İzgi, 2008). Whereupon, although the public servants who began to work as of 2008/October were subjected to similar provisions with the other status (worker, self-employed) in terms of long term insurance branches along with the amendment made in the Law no. 5510, the public servants who began to work before 2008/October preserved their former status. Other segments of society were affected by all negative conditions of the reform.

The cancellation decision of the Supreme Court in favor of civil servants moved soldiers and civil servants who began to work before 2008/October into a privileged position. However, the differences between social statuses after the reform were not limited to this. The amounts and durations of the benefits in the short-term insurance branches in the new system established after the reform are comparatively discussed in the following table. (In the table, the public servants who began to work before 2008/October was stated as *old*, those began to work after 2008/October was stated as *new*.)

Table 3: Amounts and Durations of the Benefits in the Short Term Insurance Branches

| Amounts and Durations of the Benefits | | | | | | | |
|---------------------------------------|--|--|---|---|---|---|--|
| Insurance Branch | Civil servant | | Worker | Self-Employed | Worker | Self-Employed | |
| Ilisurance Dranch | Old New Worker Sen-Employe | Sen-Employeu | (Agriculture) | (Agriculture) | | | |
| OAOD | Permanent health benefits Paid leave until healing Disability pension (indefinite) Additional OYAK benefit for military personnel (indefinite) | Permanent health benefits Paid leave until healing Disability pension (indefinite) Additional OYAK benefit for military personnel (indefinite) | Permanent health benefits Benefit for temporary incapacity (until healing) Income for permanent incapacity to work (indefinite) | Permanent health benefits Benefit for temporary incapacity (until healing) Income for permanent incapacity to work (indefinite) | Permanent health benefits Benefit for temporary incapacity (until healing) Income for permanent incapacity to work (indefinite) | Permanent health benefits Benefit for temporary incapacity (until healing) Income for permanent incapacity to work (indefinite) | |
| Disease | Permanent health benefits Paid leave for 24 or 36 months | Permanent health benefits Paid leave for 24 or 36 months | Permanent health benefits Income for incapacity to work until healing | Permanent health benefits | Permanent health benefits | Permanent health benefits | |
| Maternity | Health benefits Paid leave for 16 weeks 300 TL maternity benefit | Health benefits Paid leave for 16 weeks 300 TL maternity benefit | Health benefits Benefit for temporary incapacity for 16 weeks 300 TL maternity benefit | Health benefits Benefit for temporary incapacity for 16 weeks (excluding company partners) 300 TL maternity benefit | Health benefits 300 TL maternity benefit | Health benefits Benefit for temporary incapacity for 16 weeks 300 TL maternity benefit | |
| Unemployment | NONE | NONE | Ranging between 658 - 1317 TL For 6, 8, 10 months | NONE | NONE | NONE | |

OAOD: Occupational Accidents Occupational Disease

Source: www.sgk.gov.tr

When the table is analyzed, the first point that stands out is the fact that the benefits of old and the new civil servants are in a privileged position in terms of amount and duration. Another privilege which is not reflected in table in terms of public servants is the pay ceiling application in benefits made proportionally. The pay ceiling (6.5 times of the minimum wage) is applied while calculating the benefits for other status. Besides, while the benefit for temporary incapacity is given to civil servants and workers in case of illness, it is not given for the other status. In addition, unemployment pay is only given to workers in case of unemployment, there is not such an opportunity for the other status.

The difference of norms and standards between social strata in today's Turkish social security system is not only composed of the data in the above table. Differences between statuses are also going on in terms of the conditions of being entitled to benefits, the scope, and amounts of the benefits. Thus, the comparison of the retirement salary put within the scope of the long term insurance branches between the statuses is presented in the following table.

| Status | Pension (TL) |
|-----------------------------|-----------------------|
| Military personal (*) | 10.000 + OYAK pension |
| Military personal (**) | 10.000 + OYAK pension |
| Member of parliament | 8.865 |
| Civil servant (***) | 5.843 |
| Civil servant (****) | 5.431 |
| Worker | 3.814 |
| Self-Employed | 2.659 |
| Self-Employed (Agriculture) | 1.710 |
| Worker(Agriculture) | 1.820 |

Table 4: The Highest Retirement Pensions paid to the Status in 2016

Source: The relevant provisions of the Laws No. 657, 2926, 5434, 5510 and 2925.

As it is seen in the table, retirement pensions exhibit a hierarchical difference from public servants including soldiers towards agriculture workers. Here, it should be stated that the advantage formed in favor of public servants and especially soldiers resulted from the income replacement rates and non-premium pension payments. For instance, although the maximum income replacement rate applied to civil servants is 67 percent in England, 65 percent in Switzerland and 75 percent in Germany, this rate is applied as 100 percent in Turkey (Palacios and Whitehouse, 2006). Based on the determinations and assessments made so far, we can perform a sorting in terms of social sectors' chronological order to obtain social security right in Turkish social security system and as of the contents of today's rights. The following pyramid appears when we make such a sorting.

Figure: Social Stratification in Turkish Social Security System



^{*} The soldier with the highest military rank who began to work before 2008/October.

^{**}The soldier with the highest military rank who began to work after 2008/October.

^{***} Civil Servant who began to work before 2008/October.

^{****}Civil Servant who began to work after 2008/October.

The sorting in the figure represents both the historical order of obtaining social security right (those above are previous, those below are afterwards) and the advantage order of today's rights (those above are advantageous, those below are disadvantageous). Here, the fact that the order of obtaining social security right of a sector is almost compatible with the advantage order of today's social security system is surprising.

It should not be concluded that the other factors which were effective in the formation of the system were neglected while establishing relationship between the historical development and today's practice of the Turkish social security system and social stratification. For instance, military personnel in many countries of the world gained the invalidity and old age benefits earlier than the other segments of the society. It is certainly essential for the state to look after these people whose profession is to fight and who should not have the concern for the future during their poverty. In this sense, especially the benefits for war veterans are quite common. However, these payments which are generally made in the form of non-contributory benefits and are far from standardization have been integrated with the other segments of the society under the general social security system in developed countries at the beginning of the 20th century (Palacios and Whitehouse, 2006). In Turkey, the soldiers and civilian public servants who gained social security right under an insurance technique which can be considered as quite modern in the second half of the 19th century (Arıcı, 1999) has not been fully integrated into the general social security regime in the 21st century yet.

On the other hand, one of the most important handicaps in the development of the Turkish social security system is the fact that it has been left behind the Western industrial societies in the process of industrialization and hence a powerful, crowded, and organized working class has not emerged (Fındıkoğlu, 1959). In this sense, although the social security in the industrial society has been institutionalized as a result of the struggle of the labor class, it has appeared as a blessing of the state in Turkey. This situation has caused working class to fall behind the bureaucracy (military-civilian) in obtaining modern social security right and also continued the disadvantages of today's norms and standards. The agriculture sector is at the lowest rank in the social security pyramid. But this situation is not unique to Turkey. In industrial societies, the modern social security system developed based on large middle class wage workers and especially the Bismark model have included the agricultural sector into the last scope in many countries (ADECRI, 2008, Levis and Lyod-Sherlock, 2002). The fact that this sector has remained incapable of affecting political decision making mechanisms is the most important disadvantage of the agricultural sector (Grindel and Thomas, 1991).

The fact that the Turkish social security system has been generally developed around Bismark model has resulted in the establishment of different funds for different statuses. Therefore, social security system has become more vulnerable to the effects of social stratification. Indeed, according to the universal model, the social insurance model creates a more favorable environment for the effects stratification because it makes the definition of insurance by the statuses (Esping-Andersen, 1990). Based on what has been told so far, it is possible to use Sorokin's definition of stratification in explaining the relationship between social security system and social stratification in Turkey. Sorokin (1964) defined stratification as; "The concept of social stratification refers to a certain population's differentiation into classes which are hierarchically overlapping. The essence and fundamentals of stratifications, social power and influence among the members of the society."

It is seen that the Turkish social security system is exactly compatible with this definition in terms of both historical development and current application. Because a social hierarchy emerges over the social security system when the order of obtaining social security right and today's norms and standards are used as criteria. This hierarchy is compatible with Sorokin's definition and also his description of social stratification in the form of a pyramid the base of which is wide that become narrower as going upwards (1927).

On the other hand, it is also necessary to lay emphasis on the concept of *social mobility* which is closely associated with stratification while evaluating the relationship of Turkish social security system with social stratification. Sorokin who introduced the concept into the literature defines social mobility as the transition of cultural and social assets and values from one position to another within the social and ecological universe (Coser, 1977). Here, the first question that comes to mind is that whether the upward or downward mobility is possible between strata in the stratification which is formed over social security system. It is possible to give positive answer to this question for some strata and negative answer for some of them. For instance, it is quite difficult for an agricultural worker, a tradesman or the other workers to reach social security norms and standards which are valid for the soldiers. In spite of this, transitivity between middle and sub- strata is more possible.

Conclusion

The fact some groups are in a more advantageous/superior position than the others in the society in terms of concrete or abstract criteria is referred to as social stratification. In this sense, stratification has been observed in various forms in all societies throughout history and is also one of the common characteristics of today's societies. While industrial revolution has brought a new dimension to concept of stratification, numerous theories have been suggested to explain this new situation. The emergence of capitalist and working class, breakdown in the traditional social structure and the new sense of production and city have led especially sociologists to think over this new social order. The state intervened in this conflict between labor and capital, and the intervention of the state has resulted in social law (Başbuğ, 2010). The implementation of the modern social security (insurance) system has been one of the most concrete forms of it.

Turkey has gained a different experience from the Western industrial societies by the social structure inherited from the Ottoman Empire and its experience in the Republican period. The crowded working class and the capitalist group in the classical industrial society have found a very late and limited place in Turkish social stratification. As a natural consequence of this, the social law and related institutions that appeared the industrial society exhibited a quite slow and different course of development in Turkey. In general, terms, the process developing in the form of the state's inability to meet the strong demands arising from the working class in the West has developed in line with the state's own preferences in Turkey. Soldier and civil servants took priority in the order of obtaining social security right when the state and bureaucracy determined the policy and distributed the resources. These were followed by workers, self-employed people, agricultural sector, and the other sectors. The same ordering, amazingly, appears in today's social security legislation in terms of benefits provided to social statuses.

The pyramid-shaped stratification given above comes into view when we make a sorting in terms of both the priority of obtaining social security right and the advantages possessed in today's norms and standards.

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