

Strong Democracy, Strong Economy, Strong Society

by

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STRONG DEMOCRACY, STRONG ECONOMY, STRONG SOCIETY

The world is evolving at a swift pace. New ideas, technologies, and opportunities have changed our daily lives. There is a new way of doing business, a new way of countries interacting. In 2000 there were only 327 million Internet users worldwide; today, there are more than 3 billion users. It is a new world, and it has a new economy.

As a consequence of the September 11 attacks, oil prices rose from 20 dollars per barrel to today's level of 100 dollars per barrel. Thanks to the global monetary expansion policies of the major central banks, liquidity levels also rose significantly, giving a new ability for countries like Turkey to find cheap money for investment projects.

Many countries used this opportunity to finance their growth. According to the World Bank database, Indonesia's GDP rose from 165 billion dollars in 2000 to 878 billion dollars in 2012. Brazil tripled their GDP from 692 billion dollars to 2.2 trillion dollars. Russia, with their financing from natural gas and petroleum profits, was able to develop a much more powerful economy.



During the same period, Turkey experienced a period of growth that was, unfortunately, not on the same level of our competitors. We have moved forward but so have other growing economies, and, in fact, on some levels we have fallen behind.

Thanks to its young population, history, and geography, Turkey's economy has untold potential. Between the years of 2010 and 2013, Turkey seemed to be doing well in the global economy and was considered a rising star among emerging markets.

Yet, Turkey's growth was not sustainable. We can see this instability in the political crises and macroeconomic events that have started to raise questions about the economy.

If Turkey could use its energy, dynamism and opportunities, then it could achieve any goal, reach any target. While we are wasting our time and resources on political jockeying and displays of hate and discrimination towards each other, we must realize that there are serious challenges ahead of us.

The polarization of politics and the strengthening of the authoritarian system are not helping, and will not help. If we want to be a highly developed, dynamic country, we must concentrate on our goals.



Quality of economic growth in Turkey

Despite the high liquidity environment and opportunities for low cost investment, the quality of Turkey's economic growth is dubious. When we say quality economic growth, we mean growth that produces new job opportunities, develops new innovative sectors, gives a higher degree of purchasing power to ordinary people, and reduces the inequalities between the country's regions.

Unfortunately, Turkey still has a ten percent unemployment rate, and one out of every five young person is unemployed. Turkey has a strong export market but most of its exports are mid-level technologies that may be threatened by lower cost producers in the next 5 to 10 years. Turkey has lagged behind in creating high-value and advanced technology products.

In the past 10 years, citizens' debt to income ratio rose to 51 percent. The number of people with consumer debt multiplied by eight. Turkey's total financial debt for households grew to 275 billion Turkish liras, 42 times higher than in 2002. Annual foreclosures rose from 8 million to 22 million; millions of people experienced the trauma of losing their home.



We should ask ourselves: If there has been a substantial growth in the economy, why is there no progress in terms of debt, unemployment, or social justice? The answer is clear: Turkey has structural problems. Turkey's growth is dependent on foreign debt, and when we cannot find foreign investors, we cannot grow. Furthermore, Turkey has a high current account deficit, and because of this, growth depends on hot money, the country cannot create new job opportunities, and the average person's purchasing power cannot increase.

Economic environment of the world has changed

The global economic environment has changed. The tapering of quantitative easing programs has begun, and there will no longer be high levels of liquidity available. This means, countries like us, who need foreign investment and savings in order to grow, will only find investment at a higher cost. As Turkey already has a high current account deficit, this will raise our financial costs considerably.

If we continue in our ways, we will find fewer foreign investors, our growth will falter, and our unemployment will rise.



What should Turkey do?

It's simple. A strong democracy means a strong economy. We are not a petro-state, we can not sell natural gas or petroleum to finance an authoritarian regime, like Russia or Venezuela. Our main asset is our business-savvy, dynamic and young population. When we look at the world we see that countries with accountable democracies that are investing in their populations are those ones with thriving economies. They have freedom and wealth.

Conversely, countries with authoritarian regimes afford only poverty and misery to their people. It is impossible to foster innovative sectors and cutting-edge companies in a business climate where the rule of law and creativity have been tainted by authoritarian politics. Freedom is necessary for innovation. We have to invest in our people, break down the walls and attain a higher standard of democracy.

From the "Economic Freedom" index to the "Doing Business" index, Turkey falls in the middle of the pack in every independent report, not where it should be, near the top. This is, unfortunately, not surprising when one considers our dysfunctional judiciary and undemocratic political system, which promotes strongman dictatorships within political parties and Parliament. These are the problems facing social democrats in Turkey.



Turkey is now the 19th biggest economy in the world. In the '90s we were the 17th largest. When we look at other indexes, we see the policies stymying Turkey's progress.

Turkey ranked 90th out of 187 countries in the 2013 human development index. In the press freedom index Turkey is 154th out of 179 countries. Most recently, Freedom House reported Turkey as a "partly free" country with a "not free" press.

Turkey is the 2nd most sued country in European Court of Human Rights and places 128th in the gender equality index out of 135 countries.

Although Turkey has had a multiparty system for more than half a century, these rankings show us that simply holding elections does not constitute a functioning or healthy democracy.

Our democracy is fragile, no one trust the justice system and our people are not living in the free society they deserve. Based off the international indexes, Turkey is regarded as a "risky" country. As a consequence, Turkey finds little investment and cannot grow.

Our party's motto is "Turkey: the Country of Hope and Freedom." We intend to make this come true.



Changing the system

But, how can we achieve this goal? What should we do? What can we look to as the main reason for our country's problems?

There is one issue: the system itself.

We must transform the system into one that guarantees human rights and protects minorities and vulnerable groups.

We can't reach a higher standard of democracy with laws from the coup period.

We deserve an accountable, transparent and pluralistic political system. Politics should not diminish the energy of our country. Politics should address the problems of our society and create a better future.

We must refashion our bureaucratic, anti-democratic, and hierarchical political party regime. Today in Turkey, a single person, the leader of the party, determines everything. The leader of the party oversees every nominee for Parliament and local governing bodies. Under this system members of Parliament are not representatives of the people, but representatives of their leader.



We must change our election system and reduce the election threshold for parliamentary representation. Until the election threshold is changed, Parliament will not reflect the real choices of our people.

We must remodel our constitution. We need a constitution dedicated to protecting human rights, guaranteeing freedoms, holding governments accountable, and maintaining the separation of powers and rule of law.

Without these changes we will not achieve a higher standard of living. The country will remain in a middle-income limbo.

A new story of progress

Can we achieve this? Yes, we can. We can write a new future for Turkey.

Despite our cultural, religious and political differences, we share a common history and, most importantly, a common future.

We all want to live better. Poverty and injustice impacts us all.

We must look at our differences as enriching our common society and focus on our challenges together.



Turkey was founded by those who made possible what seemed impossible. Despite the difficulties, we fight for our common future and dreams. Now, it is our duty to create a better country for everyone.

In order to achieve this, we have a responsibility to make our party more open, more inclusive, to attract new members and voters.

- We must make Parliament stronger and give it a stronger voice.
- We must develop innovative tools that draw all citizens into the political sphere and empower them to shape public policy.
- We must work for equal opportunities.
- We must empower women.

We must enshrine the belief that together we can change our country, together we can regulate our markets, together we can address climate change, together we can create jobs, and together we can protect our freedoms and values. On the other hand, if we choose to alienate those with different beliefs or lifestyles, then we will face the strong winds of a globalizing economy, which will buffet us all to the bottom.



UMUT ORAN



In the general elections of June, 2011, Mr. Oran was elected as a MP of the Republican People's Party (CHP) from Istanbul to the Turkish Grand National Assembly.

After 25 years of NGO and business career he participated politics in 2008 by being a candidate for the CHP Presidency. Between since May 2010 he was one of the vice presidents of the CHP, and today he is still a member of the Party Assembly. As a progressive he is a close follower of the democratization agenda of Turkish Republic, particularly in the perspective of EU Accession.

Born in 1963, Mr. Oran is married.



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