

# *FEMISE network*

*FORUM EURO-MEDITERRANÉEN DES INSTITUTS ÉCONOMIQUES*



---

*EURO-MEDITERRANEAN FORUM OF ECONOMIC INSTITUTES*

*Etudes financées ou co-financées par le Femise*

*Impact de la transition sur les pauvres dans la  
région Méditerranéenne*

*The Impact of Transition upon the Poor in the  
Mediterranean Region*

*SESSION #7 – 18 Février 2000*

**REFORMING THE PUBLIC SERVICES DELIVERY MECHANISMS IN  
TURKEY: CHALLENGES AND OPPORTUNITIES AHEAD**

**Ali Çarkoglu**  
*Bogazici University, Turkey*

---

Février 2000

*With the financial support of the European Commission – External Relations DG*

		Munic.	Central Gov.	Police	Univ.	Army	AKUT Search& Rescue	Hum.Rights Assoc.	Parliament	Headmen	Red Cresce.	Media
<b>Do not trust</b>	<b>Does not trust at all 0</b>	20,5	38,3	19,9	15,1	8,3	5,3	22,4	38,1	13,9	46,9	25,1
	1	2,6	4,5	3,1	2,7	0,9	0,7	3,7	5,0	2,8	5,6	4,2
	2	4,8	8,4	5,6	3,7	2,3	1,6	4,4	7,4	4,8	5,9	5,1
	3	7,9	8,2	5,6	5,0	2,6	2,4	6,0	7,6	4,8	6,5	6,8
	4	6,8	5,4	4,6	6,6	2,6	2,9	5,1	6,3	5,8	4,3	5,3
5		24,7	17,1	17,7	21,1	8,2	8,9	16,0	15,5	19,1	11,2	19,4
<b>Trusts</b>	6	7,0	5,3	6,7	9,4	3,7	4,0	5,2	4,0	6,6	3,2	4,6
	7	5,9	3,9	7,5	9,0	5,7	5,3	6,2	3,0	8,6	2,7	5,7
	8	5,9	3,0	7,5	8,7	7,9	10,1	8,5	3,8	8,0	3,0	6,9
	9	1,5	1,3	3,7	4,3	7,4	6,7	3,8	0,9	3,1	1,9	4,5
	<b>Fully trusts 10</b>	12,3	4,6	18,1	14,3	50,5	52,2	18,6	8,4	22,5	8,9	12,5
Trust (0-4)		42,6	64,8	38,8	33,1	16,7	12,8	41,7	64,4	32,1	69,1	46,4
Trust (6-10)		32,6	18,1	43,5	45,8	75,1	78,2	42,3	20,1	48,9	19,6	34,2
<b>Net Trust*</b>		<b>-10,0</b>	<b>-46,7</b>	<b>4,7</b>	<b>12,6</b>	<b>58,4</b>	<b>65,4</b>	<b>0,6</b>	<b>-44,3</b>	<b>16,8</b>	<b>-49,5</b>	<b>-12,2</b>
<b>Mean</b>		<b>4,5</b>	<b>2,9</b>	<b>5,1</b>	<b>5,3</b>	<b>7,6</b>	<b>7,9</b>	<b>4,9</b>	<b>3,1</b>	<b>5,6</b>	<b>2,8</b>	<b>4,4</b>

\*Net Trust=(% of those who trust)-(% of those who do not trust)

<b>Institutions</b>	<b>Factors</b>				
	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	
Central Government	<b>0,75</b>	0,24	0,09	0,17	
The Red Crescent	<b>0,69</b>	-0,01	0,28	0,11	
The Parliament	<b>0,69</b>	0,16	0,28	0,19	
The Army	0,17	<b>0,85</b>	0,07	0,07	
Police	<b>0,48</b>	<b>0,61</b>	-0,12	0,18	
AKUT (Search&Rescue)	-0,21	<b>0,60</b>	<b>0,48</b>	0,30	
Universities	0,28	<b>0,44</b>	<b>0,42</b>	-0,08	
Human Rights Assoc.	0,21	-0,11	<b>0,81</b>	0,12	
Media	0,25	0,25	<b>0,60</b>	-0,02	
Municipalities	0,28	-0,07	0,00	<b>0,79</b>	
Headmen	0,09	0,28	0,10	<b>0,71</b>	<b>Total Explained Variance</b>
<b>Explained Variance (%)</b>	<b>18,98</b>	<b>17,15</b>	<b>14,75</b>	<b>12,35</b>	<b>63,22</b>
Extraction Method: Principal Component Analysis.					
Rotation Method: Varimax with Kaiser Normalization.					
Rotation converged in 10 iterations.					

<b>Table 3. Differentiation of the Satisfaction with the Services of the Central and Local Governments: Results of the Factor Analysis</b>				
		<b>Factor 1</b>	<b>Factor 2</b>	<b>Factor 3</b>
	<b>Explained Variance (%)</b>	<b>19,99</b>	<b>16,73</b>	<b>15,88</b>
<b>Services of the Local Governments (Basic Services and Infrastructure)*</b>	Satisfaction-Street Lights	<b>0,751</b>	0,168	0,202
	Satisfaction-Electricity System	<b>0,745</b>	0,289	0,139
	Satisfaction-Tap Water System	<b>0,738</b>	0,188	0,137
	Satisfaction-Solid Waste Collection	<b>0,703</b>	0,059	0,227
	Satisfaction-Sewage System	<b>0,625</b>	0,168	0,262
	Satisfaction-Street Cleanliness	<b>0,606</b>	0,042	0,448
	Satisfaction-Pavements	<b>0,584</b>	0,147	0,441
	Satisfaction-Fire Brigade	<b>0,473</b>	0,234	0,366
<b>Services of the Central Government</b>	Satisfaction-Health Care System	0,124	<b>0,756</b>	0,185
	Satisfaction-Basic Education System	0,180	<b>0,744</b>	-0,002
	Satisfaction-System of Justice	0,024	<b>0,718</b>	0,167
	Satisfaction-Police Organization	0,135	<b>0,661</b>	0,096
	Satisfaction-Tax System	0,020	<b>0,603</b>	0,253
	Satisfaction-Elementary and High Sch.	0,302	<b>0,558</b>	0,244
	Satisfaction-Intercity Roads	0,339	<b>0,558</b>	0,108
	Satisfaction-Health Institutions?	0,338	<b>0,489</b>	0,375
<b>Services of the Local Governments (Secondary Services and Audit)*</b>	Satisfaction-Construction Supervision	0,088	0,206	<b>0,771</b>
	Satisfaction-Parking Places	0,211	0,209	<b>0,682</b>
	Satisfaction-Municipality Enforcement	0,322	0,106	<b>0,674</b>
	Satisfaction-Parks and Playgrounds	0,259	0,144	<b>0,560</b>
	Satisfaction-Road Maintenance	0,483	0,126	<b>0,545</b>
	Satisfaction-Traffic Organization	0,340	0,332	<b>0,519</b>
	Satisfaction-Market Places	0,398	0,217	<b>0,430</b>
Extraction Method: Principal Component Analysis.				
Rotation Method: Varimax with Kaiser Normalization.				
Rotation converged in 6 iterations.				

**Table 4. Differentiation of the Importance of the Services of the Central and Local Governments: Results of the Factor Analysis**

		<b>Factor 1</b>	<b>Factor 2</b>	<b>Factor 3</b>
	<b>Explained Variance (%)</b>	<b>23,49</b>	<b>21,92</b>	<b>18,98</b>
<b>Services of the Local Governments (Basic Services and Infrastructure)*</b>	Importance-Tap Water System	<b>0,768</b>	0,317	0,232
	Importance-Solid Waste Collection	<b>0,763</b>	0,284	0,154
	Importance-Street Cleanliness	<b>0,728</b>	0,352	0,177
	Importance-Electricity System	<b>0,711</b>	0,369	0,215
	Importance-Sewage System	<b>0,706</b>	0,344	0,269
	Importance-Health Institutions	<b>0,687</b>	0,171	0,415
	Importance-Street Lights	<b>0,607</b>	0,524	0,125
	Importance-Fire Brigade	<b>0,542</b>	0,474	0,232
	Importance-Elementary and High Sch.	<b>0,493</b>	0,278	0,434
<b>Services of the Local Governments (Secondary Services and Audit)*</b>	Importance-Parking Places	0,204	<b>0,770</b>	0,219
	Importance-Municipality Enforcement	0,326	<b>0,722</b>	0,254
	Importance-Parks and Playgrounds	0,220	<b>0,708</b>	0,167
	Importance-Road Maintenance	0,408	<b>0,686</b>	0,222
	Importance-Pavements	0,433	<b>0,677</b>	0,172
	Importance-Market Places	0,277	<b>0,651</b>	0,138
	Importance-Construction Supervision	0,352	<b>0,553</b>	0,389
	Importance-Traffic Organization	0,478	<b>0,538</b>	0,278
<b>Services of the Central Government</b>	Importance-System of Justice	0,197	0,073	<b>0,826</b>
	Importance-Health Care System	0,327	0,054	<b>0,818</b>
	Importance-Basic Education System	0,279	0,228	<b>0,737</b>
	Importance-Police Organization	0,012	0,252	<b>0,727</b>
	Importance-Tax System	0,160	0,282	<b>0,668</b>
	Importance-Intercity Roads	0,300	0,330	<b>0,609</b>
Extraction Method: Principal Component Analysis.				
Rotation Method: Varimax with Kaiser Normalization.				
Rotation converged in 6 iterations.				

**Table 5. Composition of Three Dimensions**

<b>Satisfaction</b>	<b>Patronage</b>	<b>Reform</b>	<b>Type</b>
Satisfied	Exists	Wants	1
Satisfied	Exists	Does not want	2
Satisfied	Does not exist	Wants	3
Satisfied	Does not exist	Does not want	4
Unsatisfied	Exists	Wants	5
Unsatisfied	Exists	Does not want	6
Unsatisfied	Does not exist	Wants	7
Unsatisfied	Does not exist	Does not want	8

<b>Table 6. Composition of Three Dimensions: Distribution of Respondents for Central and Local Governments</b>					
<b>Satisfaction</b>	<b>Patronage</b>	<b>Reform</b>	<b>Type</b>	<b>Central Government %</b>	<b>Municipalities %</b>
Satisfied	Exists	Wants	1	9.3	6.5
Satisfied	Exists	Does not want	2	3.5	4.2
Satisfied	Does not exist	Wants	3	19.7	21.2
Satisfied	Does not exist	Does not want	4	12.1	17.3
Unsatisfied	Exists	Wants	5	34.3	29.6
Unsatisfied	Exists	Does not want	6	7.6	8.4
Unsatisfied	Does not exist	Wants	7	10.1	10
Unsatisfied	Does not exist	Does not want	8	3.4	2.8

<b>Table 7. Factor Analysis Results of the Satisfaction with the Central Government</b>	
	Factor of the Satisfaction with the Central Gov.
Central Gov.-How careful are they while supplying the services in not making mistakes?	0,854
Central Gov.-How much effort are they exerting to solve the problems of people?	0,842
Central Gov.-How just and equitable are they towards people whom they are supplying the services?	0,835
Central Gov.- How friendly are they with people whom they are supplying the services?	0,823
Central Gov.-How hard are they trying to correct the mistakes they have committed during the service provision?	0,817
How efficient do the central government allocate its resources?	0,771
How well do the decisions taken by the central government represent the interests of people?	0,735
How honest are the administrators working for the central government?	0,702
How satisfied were you with the services of the central government for the past five years?	0,656
Trust in institutions – Central Government	0,645
Total explained variance	%59.54

<b>Table 8. Factor Analysis Results of the Satisfaction with the Municipality</b>	
	Factor of the Satisfaction with the Municipality
Munic.- How careful are they while supplying the services in not making mistakes?	0,844
Munic.- How just and equitable are they towards people whom they are supplying the services?	0,838
Munic.- How friendly are they with people whom they are supplying the services?	0,828
Munic.-How much effort are they exerting to solve the problems of people?	0,827
Munic.-How hard are they trying to correct the mistakes they have committed during the service provision?	0,818
How efficient do the municipalities allocate their resources?	0,767
How honest are the administrators working for the municipalities?	0,763
How well do the decisions taken by the municipalities represent the interests of people?	0,756
How satisfied were you with the services of the municipalities for the past five years?	0,725
Trust in institutions-Municipality	0,633
Total explained variance	%61.21

<b>Table 9. Factor Analysis Results for Patronage - Central Government</b>	
	Patronage Factor Central Gov.
How equally does the government sanction people who evade taxation?	0,792
Does the government favor some companies while subcontracting some major projects like motorway or dam building? Or does it assign the project to the highest bidder?	0,782
In your opinion, how equitably does the government treat the companies while implementing its economic policies?	0,774
How equally punished are the people who burn down forests in order to open up land for cultivation or building treated by the central government?	0,756
In your opinion, does the government favor some districts and cities while inaugurating or investing in the already existing elementary/high schools/universities in order to get votes, or determine the investments on the basis of needs?	0,739
In your opinion, how equitable are people treated in receiving the security service supplied by the police forces?	0,710
The least effective way of receiving the desired service in the central government is patronage relations	0,271
The most effective way of receiving the desired service in the central government is patronage relations	-0,263
Total explained variance	%45.02

<b>Table 10. Factor Analysis Results for Patronage – Municipality</b>	
	Patronage Factor Munic.
How equal do the municipalities treat the businesses while controlling for prices or hygienic conditions?	0,803
How equally do the municipalities serve all areas of the city while collecting garbage?	0,779
How equal do the municipalities treat different areas of the city while providing or maintaining parks and recreational services?	0,775
Do the municipalities favor some companies while subcontracting some major projects like pavement construction? Or does it assign the project to the highest bidder?	0,739
How equitable do the municipalities treat people in implementing construction plans?	0,721
How equal do the municipalities treat different quarters of the city while supplying the fire brigade?	0,666
The most effective way of receiving the desired service in the municipality is patronage relations	-0,297
The least effective way of receiving the desired service in the municipality is patronage relations	0,188
Total explained variance	%43.57

<b>Table 11. Factor Analysis Results for Reform – Central Government</b>	
	Reform Factor Central Gov.
Status quo should be maintained in the social setting	0,717
The relationship between the municipality and the central gov. should stay as is	0,648
Reform is needed within the central government	-0,580
Reform proposals 1 <sup>st</sup> alternative = Patronage relations should be eliminated from the central government	-0,061
Total explained variance	%31.84

<b>Table 12. Factor Analysis Results for Reform – Municipality</b>	
	Reform Factor Municipality
The relationship between the municipality and the central government should stay as is	0,688
Status quo should be maintained in the social setting	0,577
Reform is needed within the municipalities	-0,556
To what extent would you support a law that enables people to carry on an impeachment on the mayor?	-0,427
Reform proposals 1 <sup>st</sup> alternative = Patronage relations should be eliminated from the municipalities	-0,157
Total explained variance	%26.48

**Table 13. The Determinants of the Trust in the Institutions of the Central Government**

	Coefficient	Standard Error	Standardized Coefficients	t value	Significance Level
Alpha (constant)	0,257	0,117		2,19	0,03
Eastern Cities (D)	0,377	0,071	0,16	5,32	0,00
Western Cities (D)	0,302	0,068	0,13	4,42	0,00
Materialism/Post-Materialism Factor Values	0,127	0,029	0,13	4,33	0,00
Satisfaction with life in general (D)	0,245	0,056	0,12	4,36	0,00
Dsp electorate (D)	0,448	0,102	0,12	4,39	0,00
Mhp electorate (D)	0,246	0,091	0,08	2,71	0,01
Age	-0,005	0,002	-0,07	-2,20	0,03
Government policies had adverse effect on the family's economic status (D)	-0,178	0,071	-0,08	-2,50	0,01
Socio-economic status-Factor values	-0,095	0,030	-0,09	-3,12	0,00
Intermediary/High School education (D)	-0,216	0,060	-0,11	-3,58	0,00
Government policies had adverse effect on Turkey's economic status (D)	-0,279	0,074	-0,12	-3,79	0,00
	R Square	Adjusted R Square	Std. Error of the Estimate		
	0,18	0,17	0,91		

Alpha (constant) represents those living in the metropolitan areas, who are not satisfied with their lives but who thinks that government policies had a positive effect on both their own lives as well as on the country's economy, who are either primary school graduates or high school or higher, and who voted for ANAP/DYP/FP/HADEP and other smaller parties.

	Coefficient	Standard Error	Standardized Coefficients	t value	Significance Level
Alpha (constant)	-0,005	0,060		-0,08	0,94
Patronage scores-Central government	0,255	0,031	0,26	8,31	0,00
Satisfaction Factor 1	-0,114	0,025	-0,11	-4,52	0,00
Satisfaction Factor 2	0,336	0,029	0,34	11,65	0,00
Satisfaction Factor 3	0,107	0,026	0,11	4,12	0,00
Eastern cities (D)	0,302	0,063	0,13	4,77	0,00
Western cities (D)	0,230	0,061	0,10	3,75	0,00
Government policies had adverse effect on Turkey's economic status (D)	-0,143	0,058	-0,06	-2,48	0,01
Intermediary/High School education (D)	-0,128	0,050	-0,06	-2,58	0,01
Dsp electorate (D)	0,243	0,092	0,07	2,64	0,01
Mhp electorate (D)	0,165	0,080	0,05	2,06	0,04
	R Square	Adjusted R Square	Std. Error of the Estimate		
	0,39	0,38	0,78		
Dependent Variable: Trust in the institutions of the central gov.					
D: Dummy Variable					

<b>Table 14. The Determinants of Trust in the Security Institutions</b>					
	Coefficient	Standard Error	Standardized Coefficients	t value	Significance Level
Alpha (constant)	0,00	0,11		0,01	0,99
Materialism/Post-Materialism Factor Values	0,13	0,03	0,13	4,44	0,00
Age	0,01	0,00	0,11	3,70	0,00
Satisfaction with life in general (D)	0,17	0,05	0,08	3,03	0,00
Mhp electorate (D)	0,27	0,09	0,08	3,02	0,00
Western cities (D)	0,13	0,07	0,06	1,99	0,05
Gender (Male=1, Female=0)	-0,13	0,05	-0,06	-2,37	0,02
Number of working people of the household	-0,07	0,03	-0,07	-2,44	0,02
Eastern cities (D)	-0,25	0,07	-0,10	-3,60	0,00
The economic status of Turkey will be worse in the coming year	-0,26	0,06	-0,13	-4,66	0,00
Hadep electorate (D)	-1,27	0,15	-0,23	-8,37	0,00
	R Square	Adjusted R Square	Std. Error of the Estimate		
	0,20	0,20	0,89		
	Coefficient	Standard Error	Standardized Coefficients	t value	Significance Level
Alpha (constant)	0,049	0,111		0,45	0,66
Satisfaction Factor 2	0,274	0,032	0,27	8,51	0,00
Hadep electorate (D)	-1,130	0,151	-0,21	-7,48	0,00
Eastern cities (D)	-0,272	0,067	-0,11	-4,03	0,00
Materialism/Post-Materialism Factor Values	0,102	0,029	0,10	3,46	0,00
Satisfaction Factor 1	0,103	0,028	0,10	3,70	0,00
Number of working people of the household	-0,095	0,031	-0,09	-3,09	0,00
The economic status of Turkey will be worse in the coming year	-0,211	0,058	-0,10	-3,66	0,00
Patronage Score-Central government	-0,119	0,032	-0,12	-3,70	0,00
Mhp electorate (D)	0,273	0,090	0,09	3,02	0,00
Age	0,006	0,002	0,08	2,55	0,01
House Wife (D)	0,160	0,062	0,07	2,59	0,01
Self employed professionals (D)	0,178	0,085	0,06	2,10	0,04
Dsp electorate(D)	0,206	0,102	0,06	2,02	0,04
	R Square	Adjusted R Square	Std. Error of the Estimate		
	0,27	0,26	0,86		
Dependent Variable: Trust in the security institutions					
D: Dummy Variable					

<b>Table 15. The Determinants of Trust in the NGO's</b>					
	Coefficient	Standard Error	Standardized Coefficients	t value	Significance Level
Alpha (constant)	0,22	0,05		4,34	0,00
Chp electorate (D)	0,25	0,11	0,07	2,17	0,03
Unemployed (D)	-0,43	0,21	-0,06	-2,07	0,04
Electorate of the minor parties in the system (D)*	-0,16	0,08	-0,07	-2,13	0,03
Mhp electorate (D)	-0,29	0,10	-0,09	-2,97	0,00
Gender (Male=1, Female=0)	-0,24	0,06	-0,12	-4,14	0,00
Fp electorate (D)	-0,40	0,10	-0,13	-4,08	0,00
	R Square	Adjusted R Square	Std. Error of the Estimate		
	0,05	0,04	0,98		
Dependent Variable: Trust in the NGO's					
D: Dummy Variable					
	Coefficient	Standard Error	Standardized Coefficients	t value	Significance Level
Alpha (constant)	0,167	0,062		2,69	0,01
Satisfaction Factor 1	0,081	0,031	0,08	2,64	0,01
Satisfaction Factor 2	0,228	0,032	0,23	7,10	0,00
Gender (Male=1, Female=0)	-0,280	0,060	-0,14	-4,63	0,00
Chp electorate (D)	0,333	0,113	0,09	2,95	0,00
Mhp electorate (KD)	-0,325	0,097	-0,10	-3,33	0,00
Fp electorate (D)	-0,242	0,101	-0,07	-2,40	0,02
Hadep electorate (D)	0,410	0,165	0,08	2,49	0,01
Satisfaction with life in general (D)	-0,158	0,063	-0,08	-2,51	0,01
Reform scores-central government	0,182	0,049	0,19	3,71	0,00
Reform scores-Municipalities	-0,126	0,049	-0,13	-2,56	0,01
Intermediary/High School education (D)	0,139	0,061	0,07	2,25	0,02
	R Square	Adjusted R Square	Std. Error of the Estimate		
	0,11	0,10	0,95		
Dependent Variable: Trust in the NGO's					
D : Dummy Variable					

<b>Table 16. The Determinants of Trust in Local Governments</b>					
	Coefficient	Standard Error	Standardized Coefficients	t value	Significance Level
Alpha (constant)	-0,16	0,05		-3,02	0,00
Fp electorate (D)	0,56	0,10	0,17	5,87	0,00
Primary School (D)	0,20	0,06	0,10	3,23	0,00
Satisfaction with life in general (D)	0,18	0,06	0,09	3,05	0,00
Materialism/Post-Materialism Factor Values	0,07	0,03	0,07	2,27	0,02
Pays rent (D)	-0,16	0,06	-0,08	-2,68	0,01
	R Square	Adjusted R Square	Std. Error of the Estimate		
	0,07	0,07	0,97		
	Coefficient	Standard Error	Standardized Coefficients	t value	Significance Level
Alpha (constant)	-0,090	0,036		-2,50	0,01
Patronage scores-Municipalities	0,241	0,034	0,24	7,12	0,00
Satisfaction Factor 1	0,157	0,032	0,16	4,95	0,00
Satisfaction Factor 3	0,142	0,031	0,14	4,53	0,00
Fp electorate (D)	0,369	0,096	0,11	3,85	0,00
House Wife (D)	0,142	0,062	0,07	2,31	0,02
	R Square	Adjusted R Square	Std. Error of the Estimate		
	0,19	0,19	0,91		
Dependent variable: Trust in Municipalities					
D: Dummy variable					

Figure 1. Composition of Three Dimensions

