# ACTION, SPACE, AND INNOVATION: THE NEXT DECADE OF THE THIRD SECTOR IN TURKEY

Looking at the current plight of some emerging market countries, the economic boom they experience brings with it challenges such as massive urban migration, unemployment, and environmental degradation. Given this scenario, how ready and willing are citizens and non-governmental organizations, including philanthropic foundations, to ensure balanced, sustainable growth and better lives in Turkey? How much will the Turkish government allow, and perhaps even incentivize, these contributions? What role might the private sector play, and how will it engage with NGOs in the process?

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ccording to "Vision 2023", Turkey's main goals to achieve in 10 years' time are to be among the top-10 economies in the world with a GDP of circa 2 trillion dollars, have exports amounting to 500 billion dollars, have single-digit inflation and interest rates, have a population of 82

million, and reduce unemployment rates to five percent.

Aside from the curious decision to include population size in the country's growth plan (which perhaps explains recent public statements of certain politicians regarding the ideal number of children to be had), from a civic point of view, many questions come to mind about the voice and role of citizens and civil society *vis-à-vis* these plans over the coming decade.

While the purpose of this paper is to discuss some key trends and directions of the third sector in Turkey and not necessarily analyze the 2023 plan from this perspective, it serves as a useful entry point for the discussion. For the sake of a simple compare and contrast exercise, in looking at the European Union's 2020 strategy,¹ and Turkey's "Vision 2023" plans, at first glance one can see the varying degrees of reference to the role of civil society and broader social issues. Turkey's plan emphasizes mainly the private sector —with little if any mention of the civic sector—while the EU plan makes clear references to civil society. It is also possible to see a difference in the headings and scope; Turkey is more heavily focused on economic development, while the EU plan includes social, cultural, and environmental/ecological issues. Aside from adopting a more comprehensive vision for the future, this may also be an indication of the varying degree to which civic organizations are invited to provide input in the drafting of such plans.

For Turkey, this is a central theme in terms of the role of citizens and the third sector in Turkey for the coming decade. What is needed now more than ever is a (pro)active and informed contribution by civil society in the development, implementation, and monitoring of these and other national and local government plans – especially those which focus on economic growth. Looking at the current plight of some emerging market countries, the economic boom they experience brings with it challenges such as massive urban migration, unemployment, and environmental degradation. Given this scenario, how ready and willing are citizens and non-governmental organizations, including philanthropic foundations, to ensure balanced, sustainable growth and better lives in Turkey? How much will the Turkish government allow, and perhaps even incentivize, these contributions? What role might the private sector play, and how will it engage with NGOs in the process?

<sup>1 &</sup>quot;Communication from the Commission – Europe 2020: A Strategy For Smart, Sustainable and Inclusive Growth," *European Commission* (3 March 2010),

http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2010:2020:FIN:EN:PDF



### From Voter to Citizen

While voter turnout rates in Turkey are enviable compared to some more developed Western democracies, depth and breadth of citizenship participation (measured through membership, donations, and volunteering)<sup>2</sup> leaves much to be desired. The most important responsibility of a citizen is not just to vote, but to hold those in office accoun-

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table for their actions (and, where relevant, inactions). The Turkey 2023 plan, for instance, frequently uses the terms "governance", "transparency", and "accountability" as necessary to achieve economic development. While it is the responsibility of government regulatory agencies to ensure this, citizens and civic groups have a critical role to play. There are debates about whether economic development and a rising middle class do in fact lead to a more democratic society. Yet, there is also reason to believe that the "democratic disconnect" and the increasingly "demanding citizen" have much to do with the recent uprisings across the globe. So what are these new citizenship paradigms, and might they be playing out?

Voting is, of course, a critically important measure of a democratic system, but citizenship *per se* is a complicated responsibility. Voters vote at the ballot box; citizens express views and engage with decision makers on specific policies and practices that arise between elections through formal organizations (NGOs) or informal mechanisms (e.g. online campaigns, Facebook groups, platforms, movements). NGOs in Turkey (which include associations and philanthropic foundations) have made critically important contributions to Turkey's development, supporting society's infrastructure by building thousands of schools, hospitals, and other institutions; establishing cutting-edge universities; and allocating millions in scholarship aid to high potential yet economically disadvantaged students. NGOs have also contributed critical expertise in efforts towards legal reform for equality and increased access to basic services. By advocating for new mechanisms of civic participation at the local level, these NGOs serve as the connective tissue between governments and citizens.

<sup>2</sup> See: Filiz Bikmen, *The Landscape of Philanthropy and Civil Society in Turkey* (Istanbul: Third Sector Foundation of Turkey, 2006) and Ahmet İçduygu et al., *Civil Society in Turkey: At a Turning Point* (Istanbul: Third Sector Foundation of Turkey, 2011).

<sup>3</sup> Daron Acemoglu, "Development won't Ensure Democracy in Turkey," *New York Times*, 5 June 2013, <a href="http://www.nytimes.com/2013/06/06/opinion/development-wont-ensure-democracy-in-turkey.html?pagewanted=all& r=0">http://www.nytimes.com/2013/06/06/opinion/development-wont-ensure-democracy-in-turkey.html?pagewanted=all& r=0</a>

<sup>4</sup> Seyla Benhabib et al., *The Democratic Disconnect: Citizenship and Accountability in the Transatlantic Community* (Washington D.C.: German Marshall Fund, 2013).

<sup>5</sup> PricewaterhouseCoopers, The Demanding Citizen (New Zealand: PricewaterhouseCoopers, 2013).

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The more recent emergence of other organized, yet not necessarily formally registered, civic initiatives has served to inform the public and inspire action for gender equality in education, equal rights, and access for persons with disabilities as well as a myriad of other local or national concerns for the public good. Many have been successful in petitioning to protect valuable public spaces from the increasing number of private residences and operations. In this

information age, non-formal civil society networks are just as critical as formally established NGOs, and there is an increasingly strong mutual reliance among them that helps to expand the spectrum of different ways in which citizens can make their voices heard and engage.

While these efforts are impressive and commendable, in the coming decade, Turkey will need more such efforts, but with a much greater level of participation and proactiveness. Civil society needs to be as clear about what it is for as it is about what it is against, and do a better job at increasing citizen participation. NGOs and informal platforms and movements must be more effective in their outreach strategies and public information campaigns to share more issue-specific information and engage voters (and youth, or voters-to-be) to become more aware and active citizens. Civil society should also focus on devising its own plans and visions for the future in a way that bridges various ideological divides and converges on specific issues from public health to employment standards, and should facilitate public debate. Recent "open house" forums organized in some Istanbul neighborhood parks might be a good first step in the direction of community mobilization initiatives, and perhaps serve as the tipping point for promoting a more active Turkish citizenship.

### Space for Civic Action

Notwithstanding recent developments that have raised serious concerns about freedom of assembly and expression –two core civic rights which directly affect freedom of association– the legal space for civil society in Turkey has expanded over the past decade. 2004 was a critically important milestone, with reform of the Law on Associations easing the process of registering NGOs and legalization of non-formal civic platforms. These reforms also led to a paradigm shift in the public sector. This



shift resulted in a more cooperative relationship with local and national government institutions – most of which were fueled by the Turkish government's motivations toward EU membership (and funds to support such cooperation), which required Turkey to fulfill reforms. It is fair to say that much good has come of this process of reform and cooperation.

Looking ahead to the next 10 years, a continued commitment to the exercise of all basic civic rights and allowing for a vibrant and active civil society to flourish is critically important for Turkey's development trajectory, even though the pathway to EU membership may not be as clear as it once seemed. Turkey needs a strong civil sector to achieve the goals it has set forth, whether it is for providing services (basic education, health, etc.), advocating for effective policies,

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or fulfilling its "watchdog" role. Yet new roles and functions are also surfacing in which civil society and market forces converge for public good. While ensuring a safe space for all forms and activities of civil society, new legal and fiscal frameworks are needed to encourage these enterprises, which have great potential to contribute to Turkey's development.

While still at a rather nascent stage in Turkey, social enterprises –profit making (though not necessarily profit distributing) social business models– have become critically important in developed and emerging market countries. The U.S. has made significant progress in creating the "B Corporation" form and other legal and fiscal frameworks. More recently, countries such as India, Brazil, and recently China have been looking to social enterprises as the next major actor in promoting social and economic development.<sup>6</sup>

Turkey's religious, cultural, and historical practice of establishing foundations (*va-kuf*) brings familiarity to the notion of philanthropy – the allocation of private wealth for public good. However, the perception that philanthropy is only for "charitable" activity –e.g. contributions for social benefit with no financial returns– limits possibilities and vision. Yet combining the power of Turkish people's aptitude for entrepreneurship with their philanthropic impulse can result in a very powerful elixir for

<sup>6</sup> Filiz Bikmen, "Markets are Emerging: What About Philanthropy?," *Alliance Magazine for Philanthropy and Social Investment and Worldwide*, Vol. 18, No.1 (March 2013), p. 28.

social and economic development, one that does not rely only on the typically quite scarce and unpredictable ingredient: donations.

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There are also some novel alternatives for new donors who are less keen to engage in traditional forms of giving (schools, scholarships, and the like). One such alternative is social investing. This form of giving takes the practice of traditional philanthropy to another level by applying techniques more akin to business investing, but in enterprises that have a social and/or environmental bottom line (or what is called a social return on investment). With a new generation of entrepreneurs, and a generati-

on of those who are now selling their businesses, there appears to be a new cadre of potential donors who can contribute their funds and know-how to the public good. Turkey appears to have all of the elements necessary to enable and incentivize social enterprise, which is all the more reason for Turkish government officials to be looking more comprehensively at the various innovations in civil society and create an enabling environment and incentives that allow them to thrive.

### **Engaging the Private Sector**

The innovation and spark for social change may very well come from citizens and NGOs; however, it is increasingly clear that scalability and sustainability of social change requires cooperation and partnership with the private sector. Over the past few years, there has been a positive trend that is likely to support this cooperation. NGOs with major operations (e.g. 5+ million dollars per annum) have begun hiring individuals from the private sector who are passionate about the opportunity to contribute to society in a professional capacity. On the other hand, companies looking to formalize their corporate social responsibility and sustainability programs (traditionally run by corporate communications teams) are beginning to hire seasoned NGO and foundation professionals. This exchange of talent is a positive trend and one that appears to be gaining momentum. It is also indicative of a decade to come in which there will be a closer connection between the sectors.

Another trend perhaps more visible at the global level is the "bottom of the pyramid" approach, making services and products more accessible to populations in lower



income brackets. For a bank this could supporting micro-credit/micmean ro-lending projects; for a fast-moving consumer goods company, this could mean packaging and pricing detergent to make it more affordable for lower-income populations. In Turkey, the initial move in this direction is likely to come from multi-nationals, whose global operations are already implementing such strategies in other countries around the world. This may also result in a shift from traditional "corporate social responsibility" projects, which symbo-

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lized corporate involvement of the past decade. While community investments in education, health, and the arts will likely continue, it is also quite likely that companies will begin to seek greater strategic alignment between core business areas and the contributions in the community and society at large. For Turkish companies, this holds great potential; while unlikely to be at the front end of this trend, hopefully they will not be left too far behind.



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