

“L'économie turque  
face au ralentissement brutal de la croissance mondiale”

*Club de CEPII and TÜSIAD*

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# Turkish manufacturing sector

## Some Stylized Facts

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## **Outline of the presentation**

- Scope of the project on Turkish manufacturing sector.
- Development of the Turkish manufacturing sector.
- Production composition of the Turkish manufacturing sector.
- Regional dispersion of manufacturing sector

# **The scope of the project on the Turkish manufacturing sector(\*)**

The aim of the project is to document the current structure and potentials of manufacturing sector

It is expected that the project findings can be used as an input for the design of the strategies and policies to accelerate the industrialization of Turkey

The motivation of the project: European Commission Report “European Industry: A Sectoral Overview” (October 5th, 2005)

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Dogrueel and Dogrueel (2008)

# Main trends in the development of the Turkish manufacturing sector

Manufacturing has been accepted as the crucial sector during the republican era.

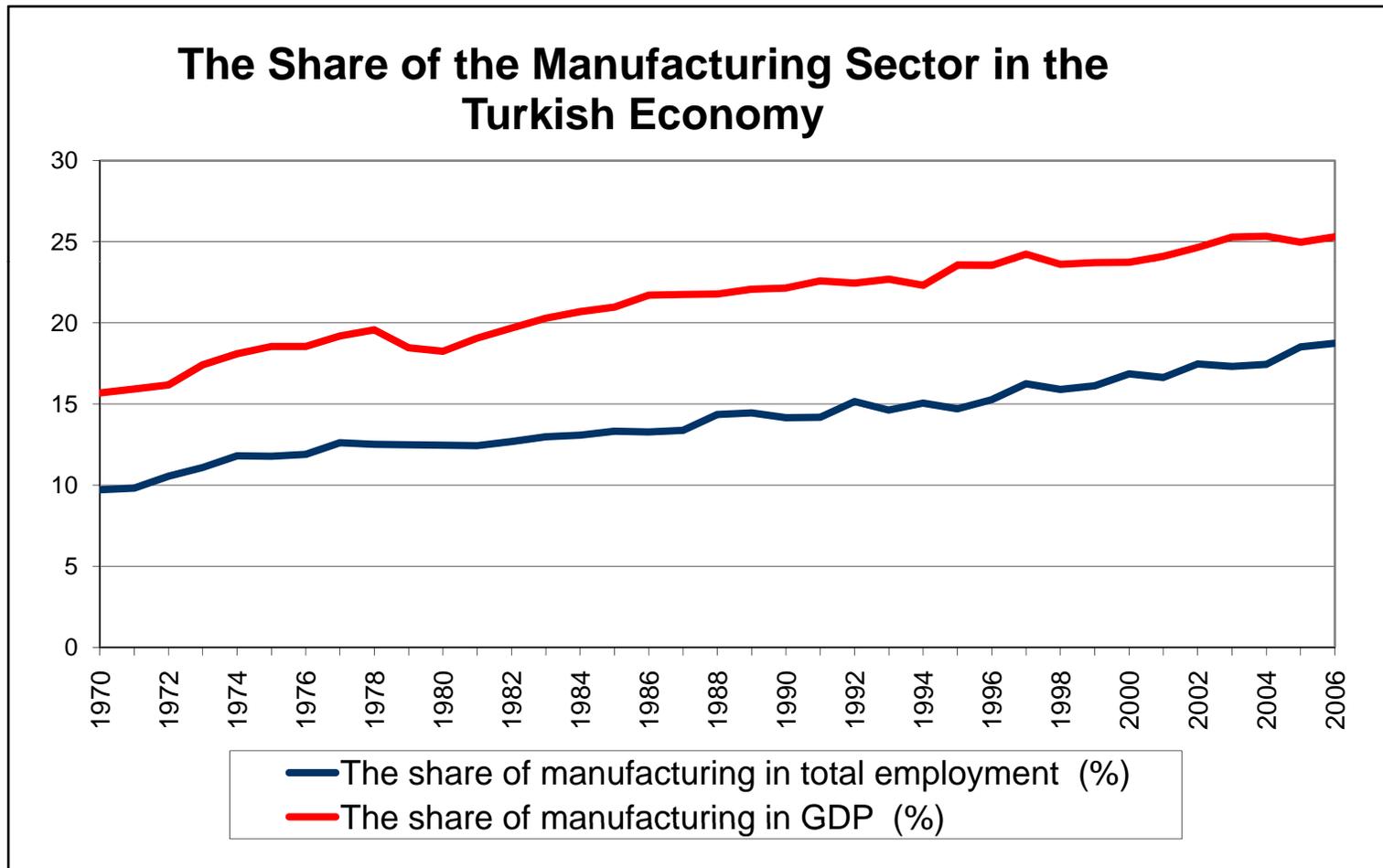
Industrialization has been one of main targets since the early years of the Republic.

Import substitution was the main industrialization strategy before the 1980.

To open up the economy was the main target of governments after 1980.

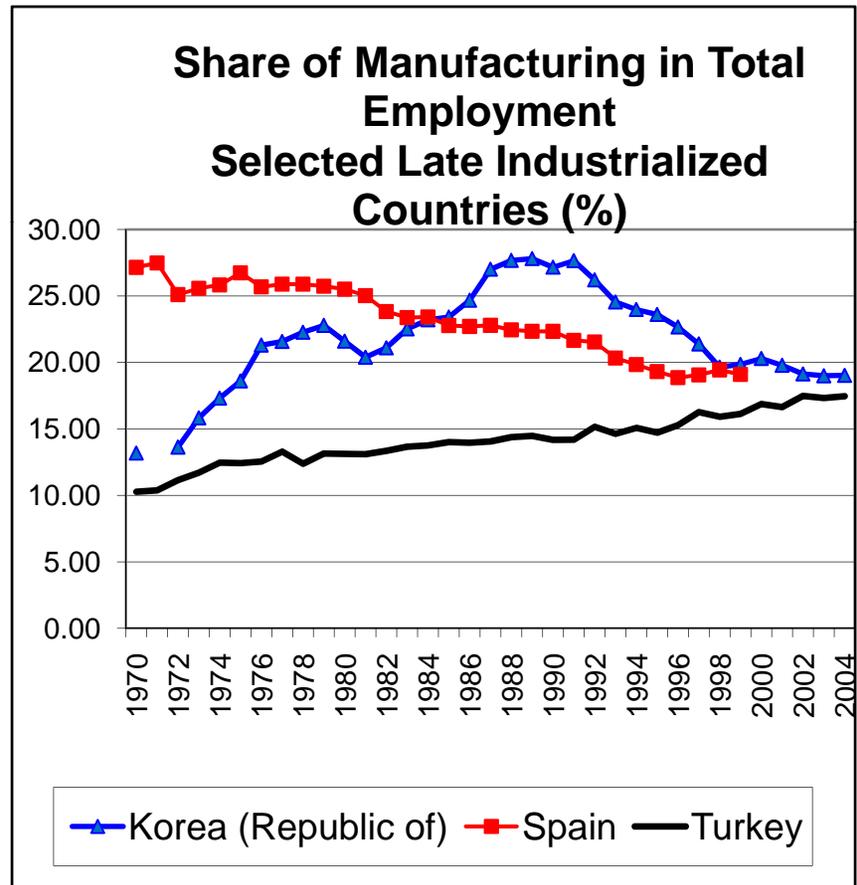
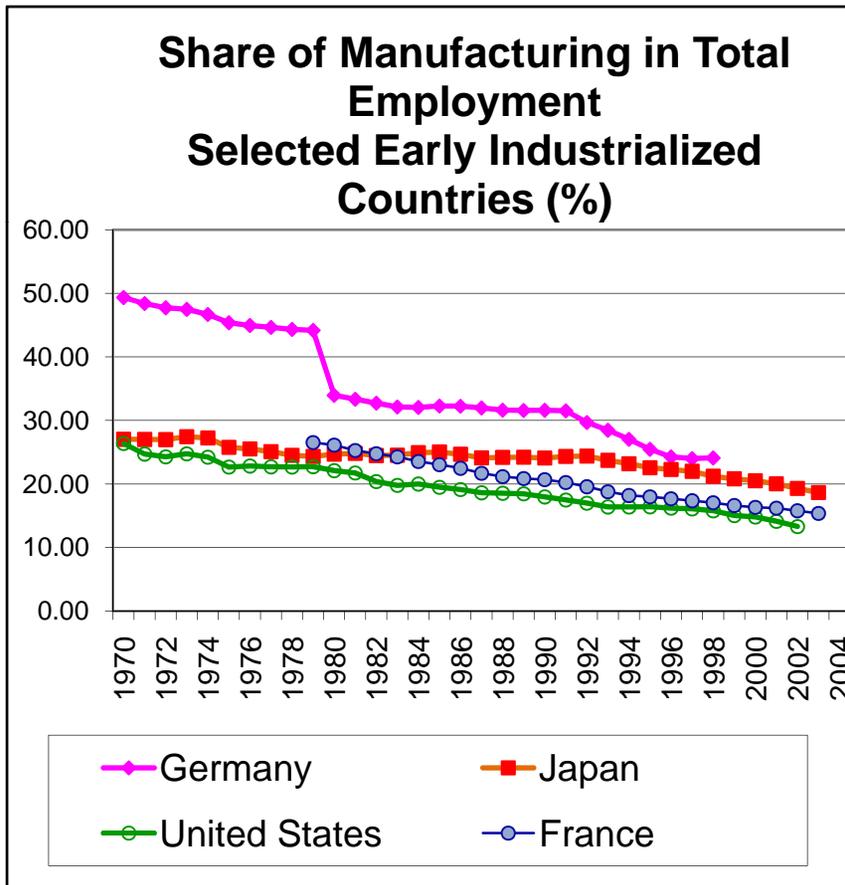
The share of industry in the Turkish exports gradually increased from 36.6% in 1980 to 93.8% in 2006.

# The share of manufacturing in total employment and GDP increases



Source: Project database (Own calculation which are based on TURKSTAD DATA)

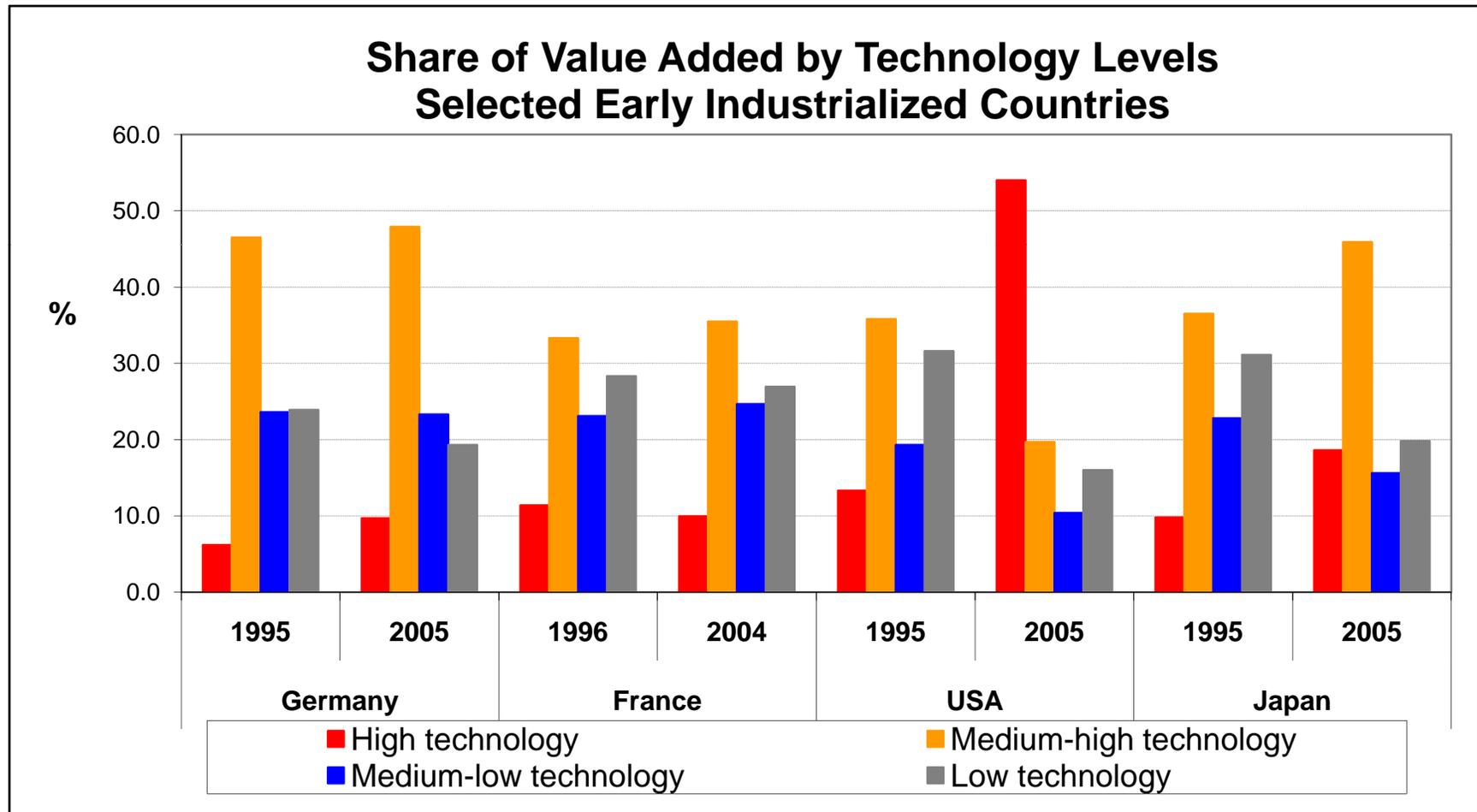
# Share of manufacturing sector tends to decrease in industrialized countries



# Production composition of the Turkish manufacturing sector: Classification of the sectors by the technology level

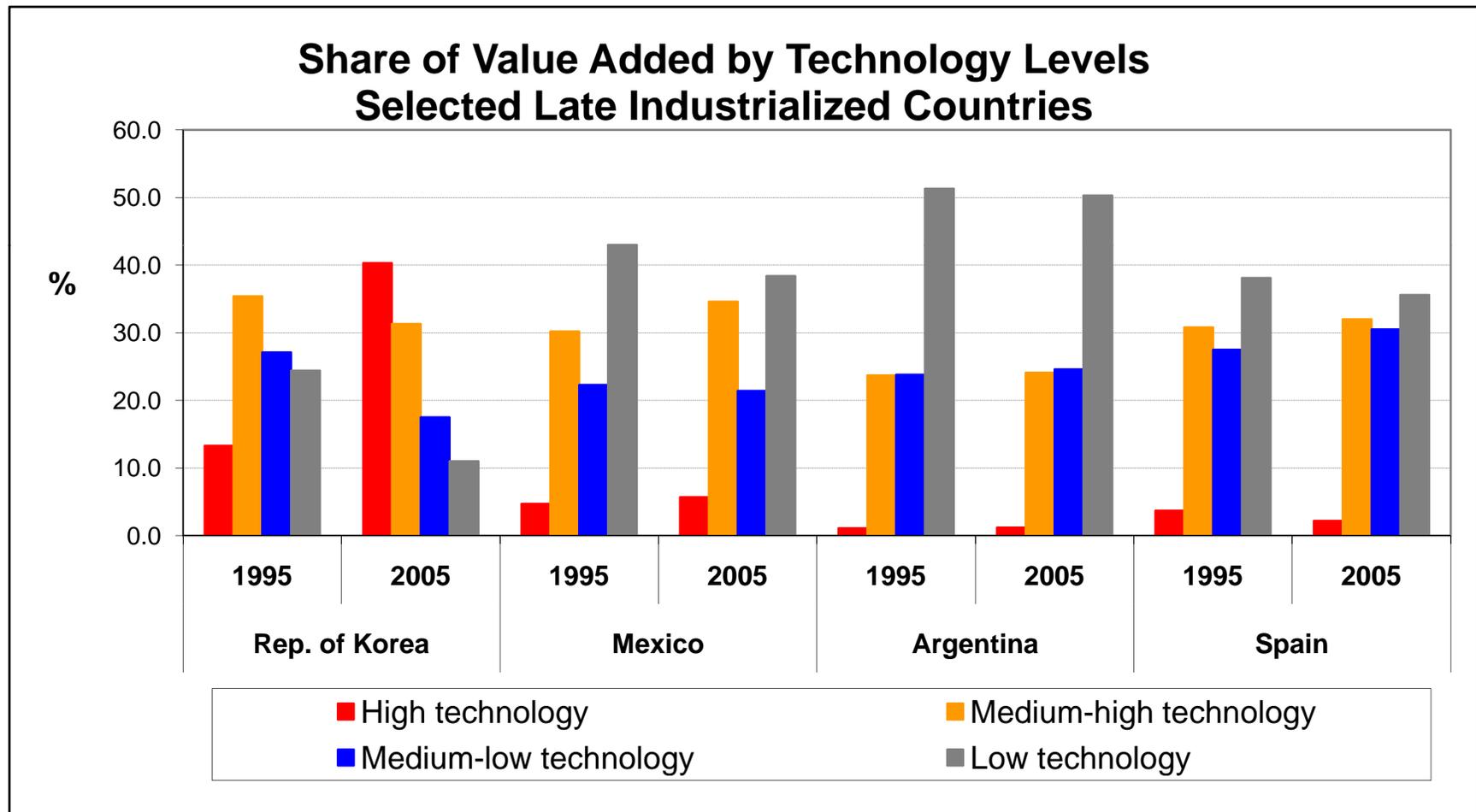
<u>High technology</u>		<u>Medium-high technology</u>	
353	Aircraft and spacecraft	34	Automotive
30	Computing and office	24(-2423)	Chemical
33	Medical instruments	31	Electrical machinery
2423	Pharmaceuticals	29	Machinery
32	Radio and television	359	Other transportation
		352	Railway
<u>Medium-low technology</u>		<u>Low technology</u>	
27	Basic metals		Food
23	Fuel products	15	Furniture and other
28	Metal products	36	Leather and Shoes
26	Non-metallic mineral	19	Paper
25	Rubber and plastics	21	Printing
351	Ships and boats	22	Textile
		17	Tobacco
		16	Wearing apparel
		18	Wood
		20	

# Production composition of the Turkish manufacturing sector: Trends in the world economy



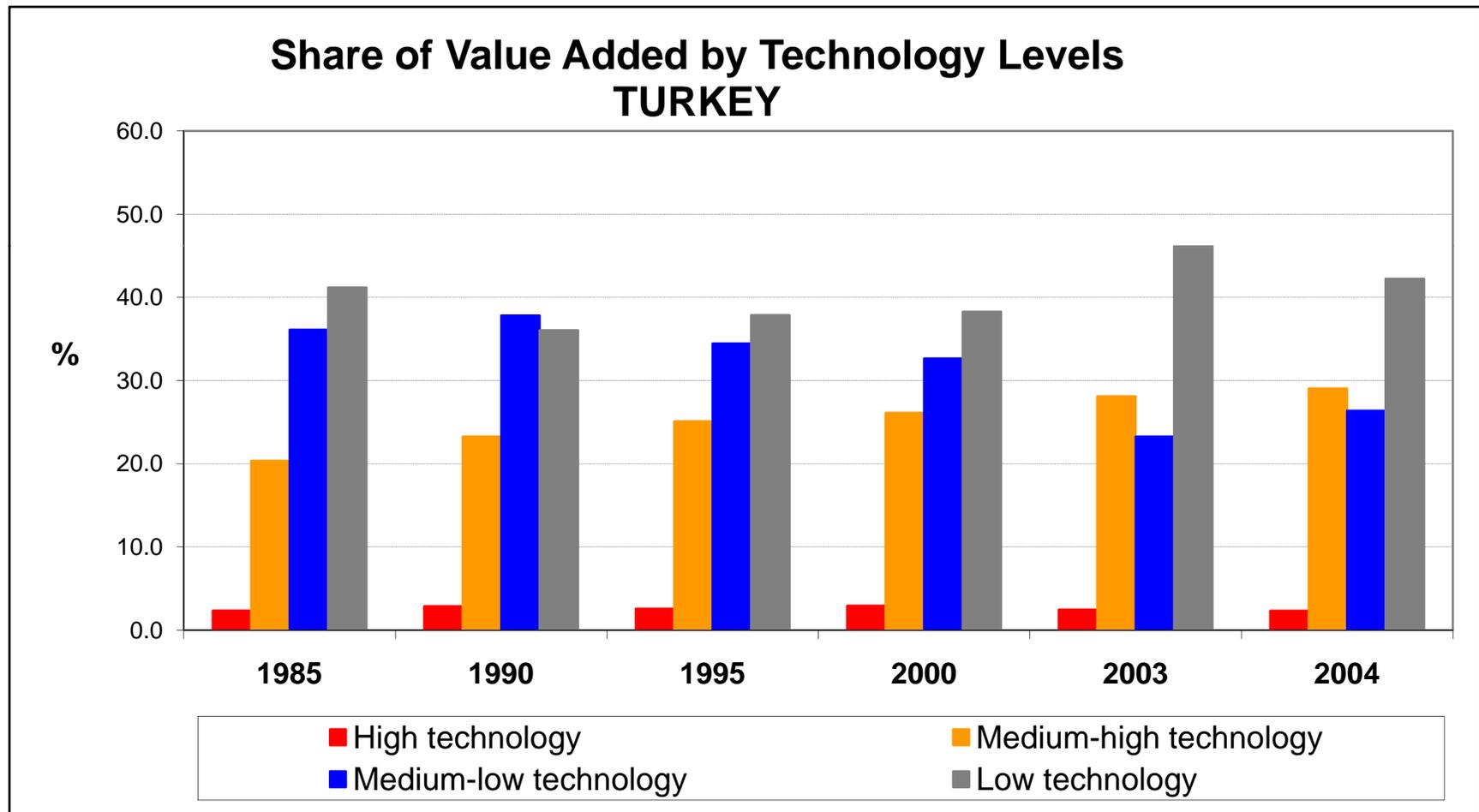
Source: Calculated from UNIDO data

# Production composition of the Turkish manufacturing sector: Trends in the world economy



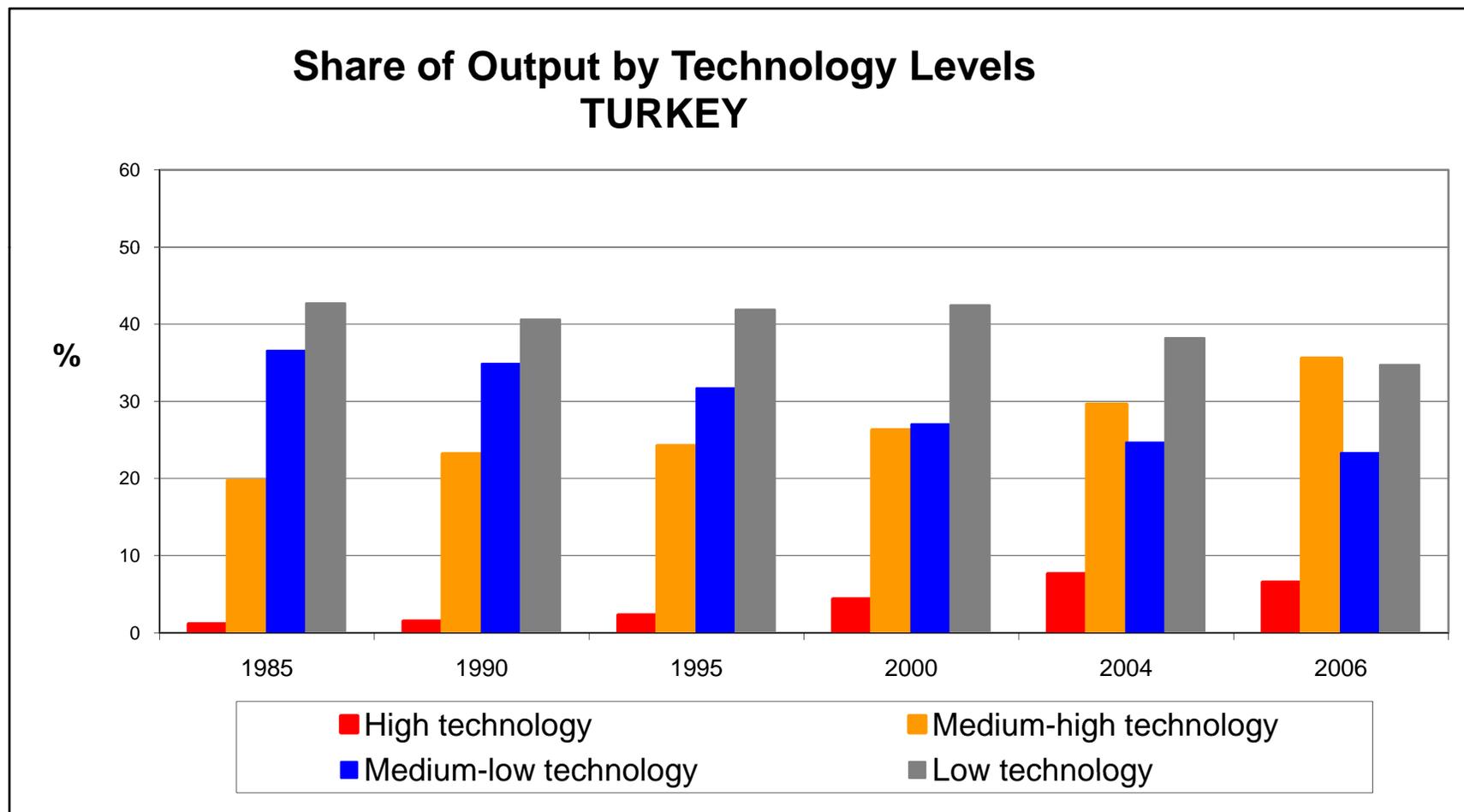
Source: Calculated from UNIDO data

## Production composition of the Turkish manufacturing sector:



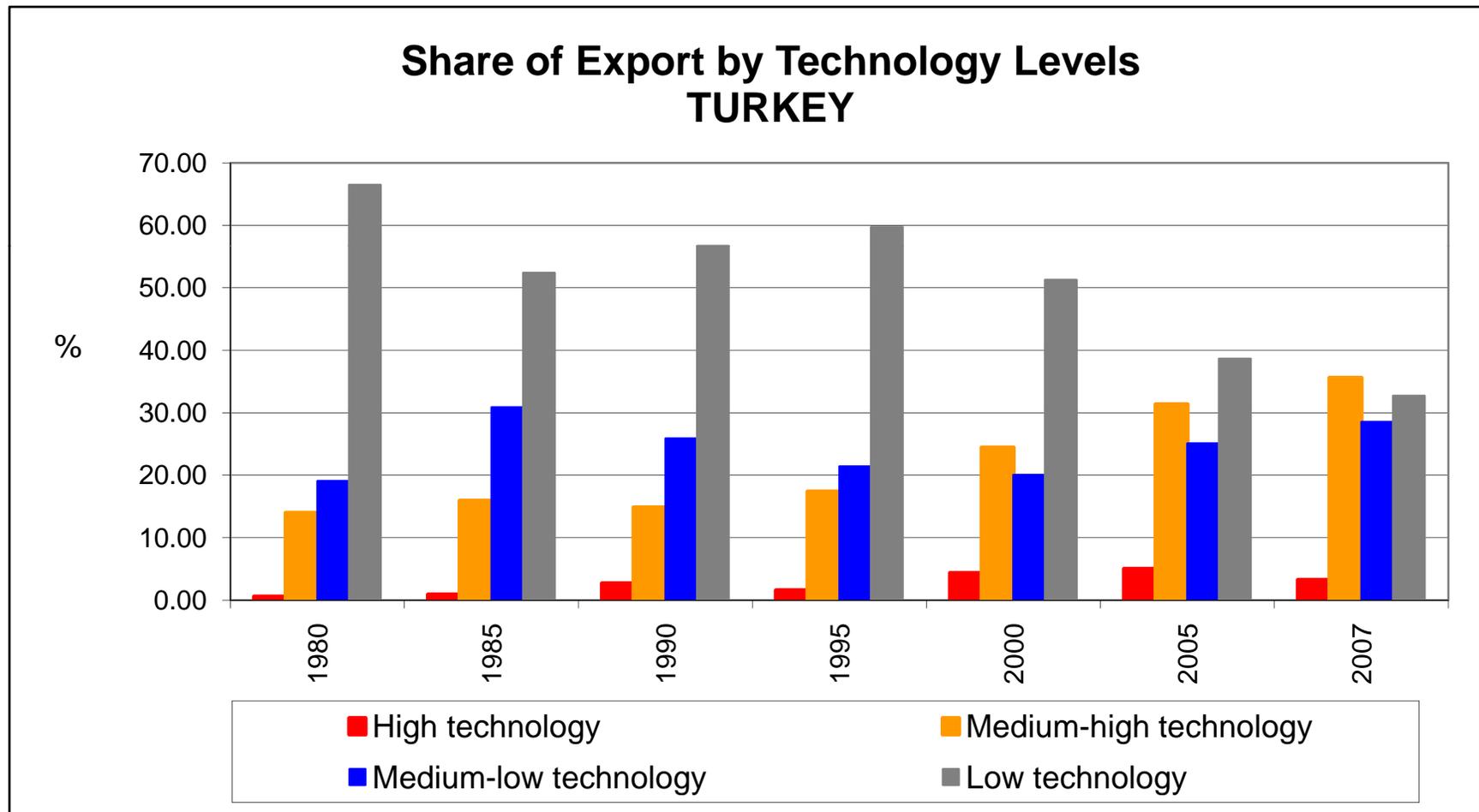
Source: Dogruel and Dogruel (2008)

## Production composition of the Turkish manufacturing sector:



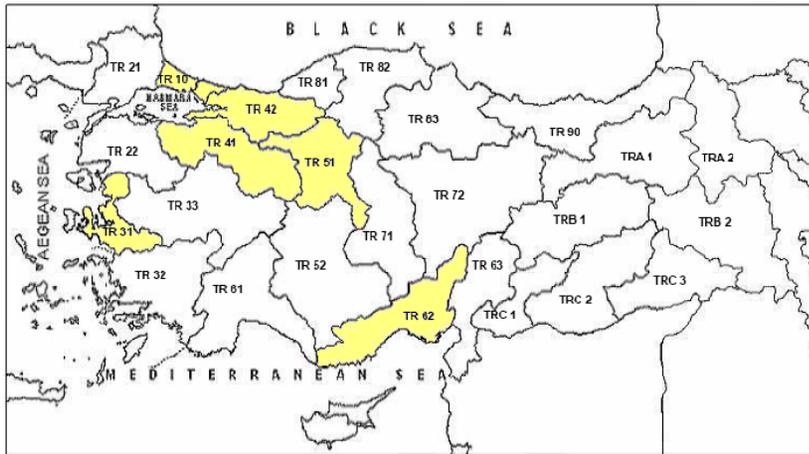
Source: Dogruel and Dogruel (2008)

## Production composition of the Turkish manufacturing sector:

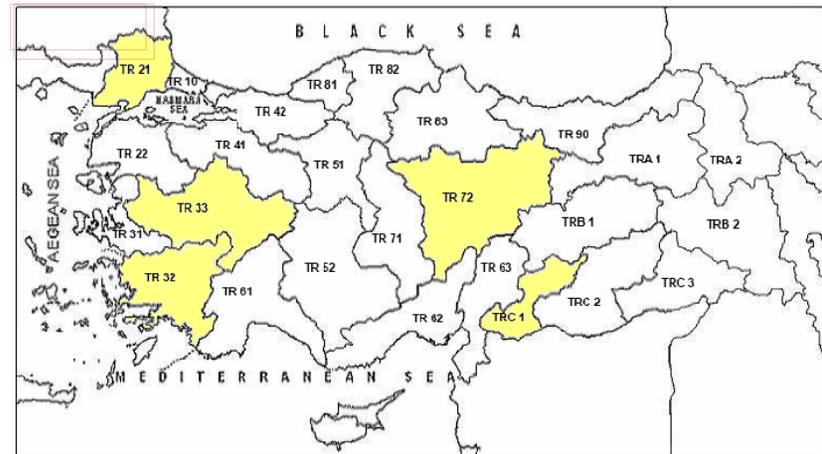


Source: Dogruel and Dogruel (2008)

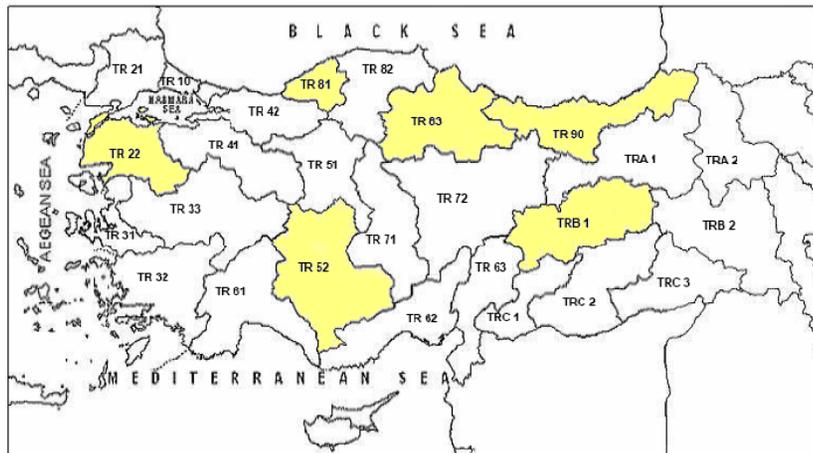
# Regional dispersion of manufacturing sector



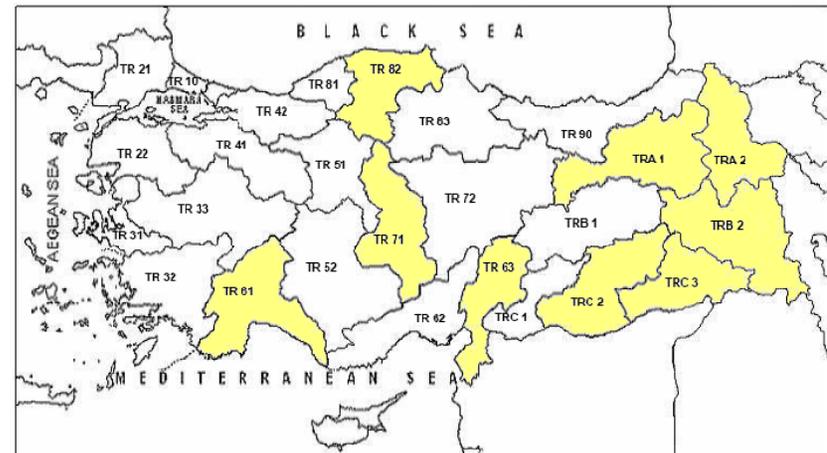
**Industrial zones**



**Hinterlands and emerging regions**



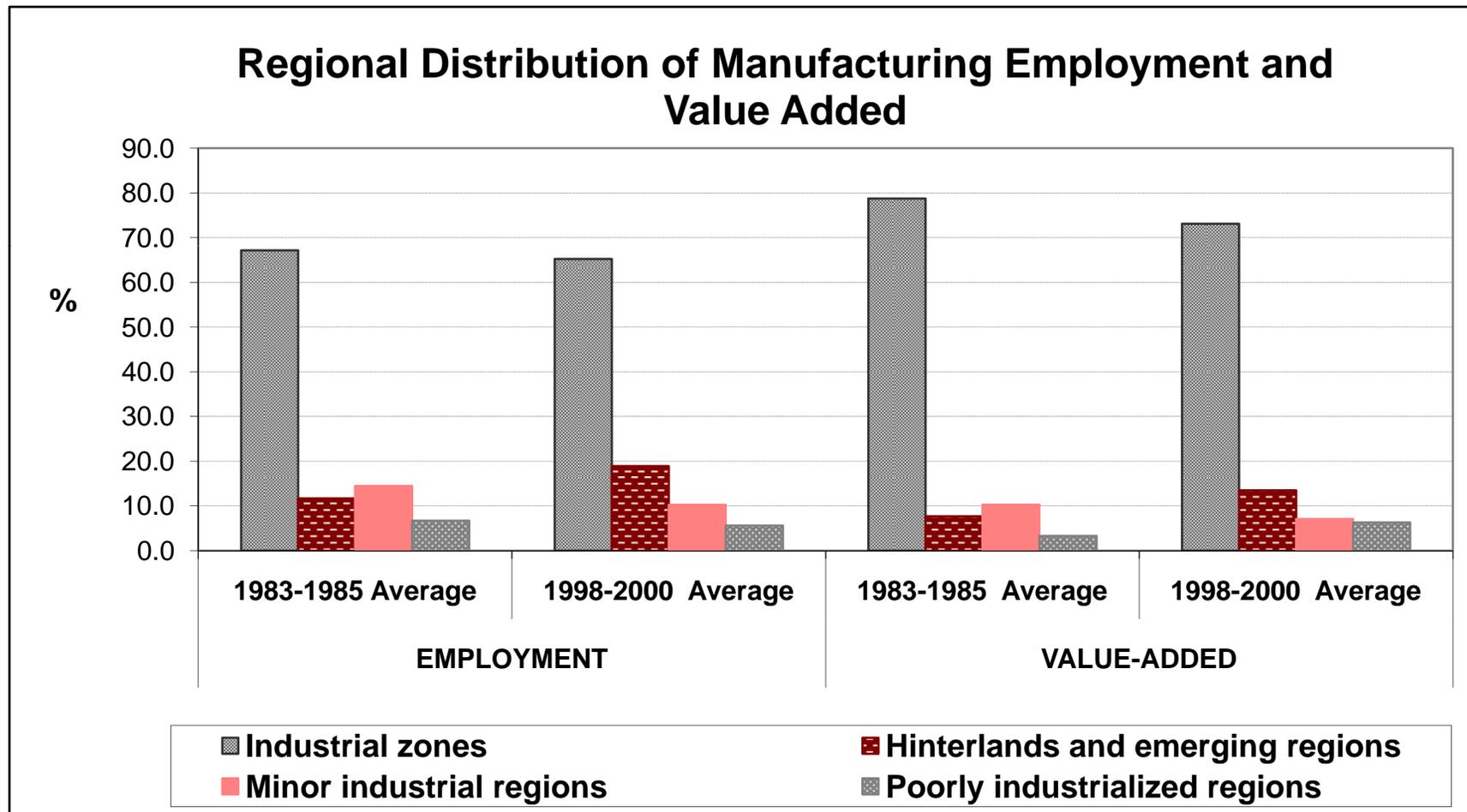
**Minor industrial regions**



**Poorly industrialized regions**

Source: Dogruel and Dogruel, 2007

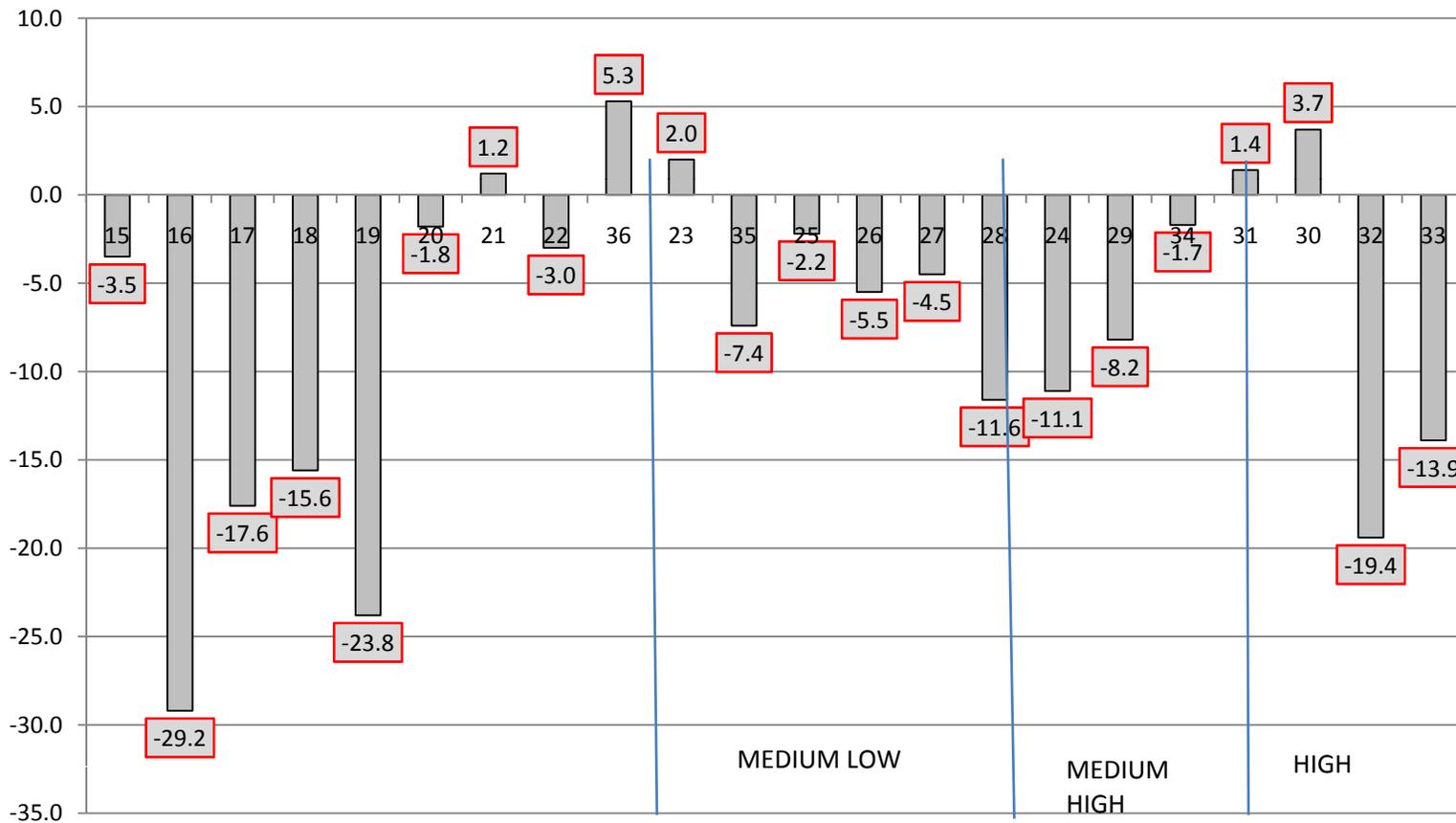
# Regional dispersion of manufacturing sector



Source: Dogruel and Dogruel (2007).

# Performances of the Manufacturing Sectors on the Eve of the Global Financial Crisis

Percentage Change in Output (September 2008 - September 2007)



Source: TURKSTAD

## References:

Dogrueel, A. S. and Dogrueel, F. (2008), *Türkiye Sanayiine Sektörel Bakış (Turkish Industry: A Sectoral Overview)*, TUSIAD Publication, Istanbul, 2008 (In Turkish).

Dogrueel, F. and Dogrueel, A.S. (2007) “Changing Industrial Structure with Privatization in Turkey,” presented at Sixth International Conference of the Middle East Economic Association, 14-16 March, 2007, Zayed University, Dubai, UAE.