



Equity and Social Policy

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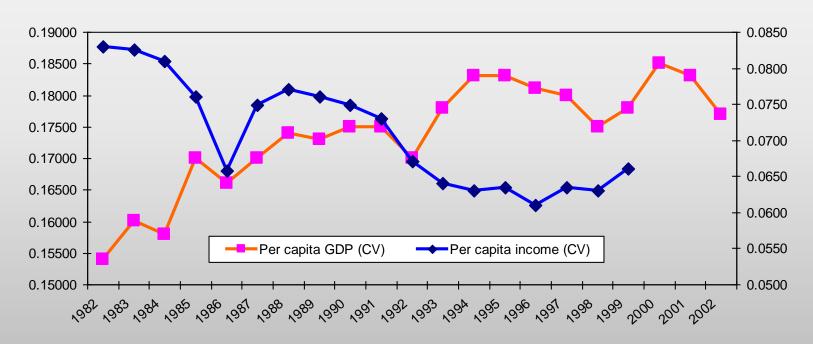
The World Bank – Ankara



Source: WDR 2009 team and World Bank Development Research Group based on subnational GDP estimates for 2005. See also Nordhaus (2006).

France: spatially blind policies with spatial impact

France (NUTS2 Regions):
Increasing spatial concentration and decreasing spatial disparities

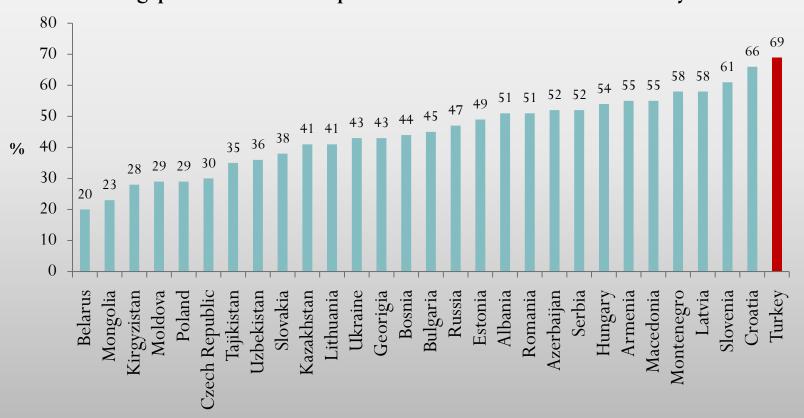


Source: Martin 2005

#1. Social policy is regional policy

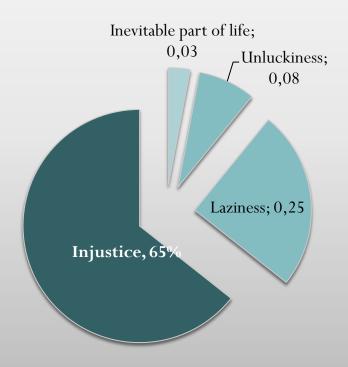
Turks are "inequality averse"

The share of the population that strongly agrees that "the gap between rich and poor should be reduced in the country"



Turks believe inequality is <u>unfair</u>

What is the Main Reason why there are some people in need in Turkey today?

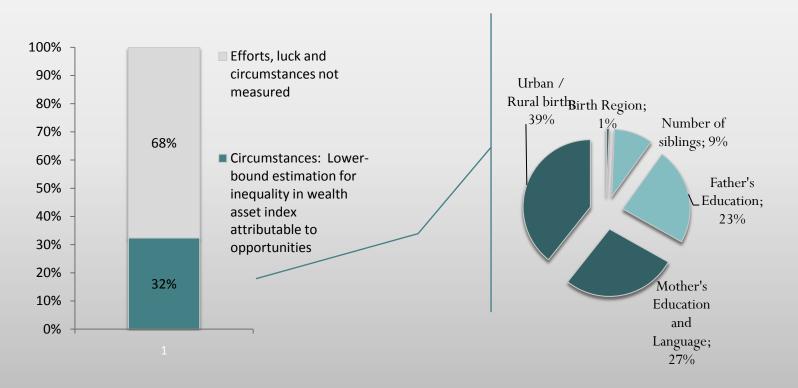


Source: Life in Transition Survey (2006)

"Circumstances" in Turkey means a rural or a low education background

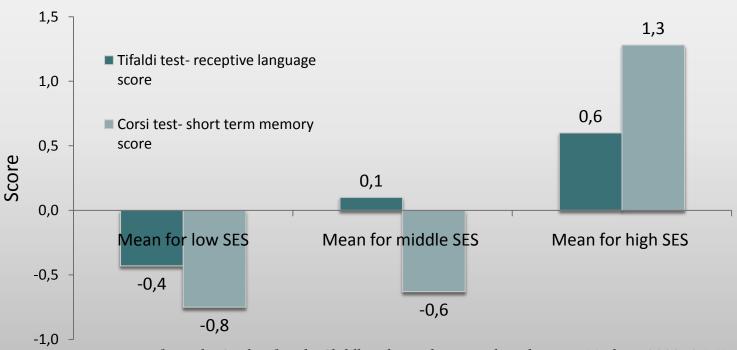
Decomposition of wealth inequality in Turkey

Partial shares of opportunities contributing to inequality



Differences in opportunity start young

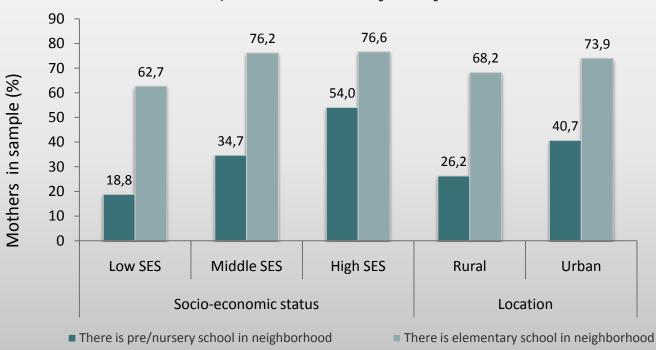
Cognitive Development Scores of 36-47 month old children in Turkey



Source: Data from the Study of Early Childhood Developmental Ecologies in Turkey, 2008, 36-47 month old children and their families.

Early childhood inputs are unequal

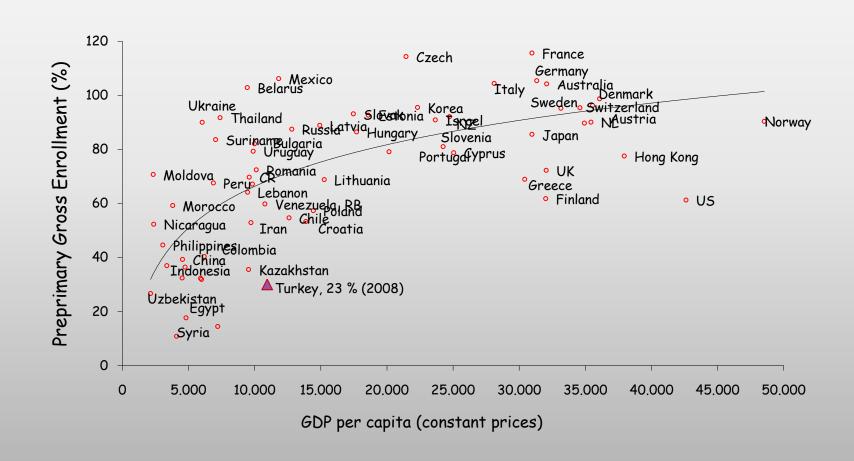
Preschools and Daycare Access, by socioeconomic status and rural/urban location [2008]



Note: Socio-economic status is defined as an index that combines income, household assets and the educational level of adults in the household.

Source: The Study of Early Childhood Developmental Ecologies in Turkey (2008), Koc University.

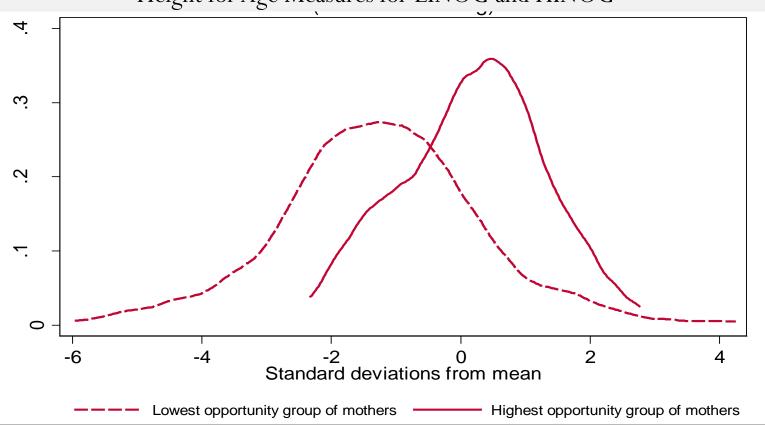
Preschool access: low by international standards



#2. Early education is a key social investment for reducing (regional) inequality

Education = transmission





Note: Stunting is defined as height for age less than two SDs below the mean.

Unexpected channels of inequality: female labor force participation

- Expanding education of the 20-39 year olds today by one year (equal to measured impact of pre-school education)
- Two channels:
 - increased education on earnings
 - occupational distribution
- Impacts:
 - 8 percent increase of mean earnings
 - <u>14 percent</u> increase in female labor force participation rate
 - 5 percent reduction of poverty

#3. Labor policy = social policy = regional policy

Conclusions

- 1. Social policy is regional policy
- 2. Early education is a key social investment for reducing inequality
- 3. Labor policy is also social policy





Thank You - Teşekkűr Ederim

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