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DEVELOPEMENT IN THE TURKEY INDUSTRY



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WHAT IS INDUSTRY ?

- Industry is an economic activity concerned with the processing of raw materials and manufacture of goods in factories.

POLICIES FOR INDUSTRIALIZATION IN THE FIRST YEARS OF THE REPUBLIC

- *Mustafa Kemal Atatürk, who is the founder of the Republic of Turkey, believed that the emancipation of the Anatolian people would be possible only in one condition: economic development.*

- The first step towards industrialization in Turkey, was laid on 17 February 1923 İzmir Economy Congress.
- In this congress, they decided to increase custom tariffs and protect the industry from the external competition.

- A law enacted on 9 April 1924 exempted customs duties on imported raw materials used by exportoriented industries.

- Türkiye İş Bankası (Turkey Business Bank) was founded in 1924.
- Sanayi ve Maadin Bankası (Industry Bank) was established in 1925.
- In 1929 an effective customs protection was initiated.

- The government protected the production of domestic industrialists by exempting them from internal taxes, paying premiums, providing cheap loans, putting consumption taxes on imported goods.

- The basic economic policy followed in the first years of the Republic is principally based on industrialization under free market conditions by private enterprise.
- The state supported the private enterprise, but invested in the economy in areas where the private sector did not find it to be inadequate and profitable.

- Industrial activities were classified by the "Incentive Law" issued in 1927.

- Starting from 1933-1938, five-year industrialization plans were planned.

- The number of industrial facilities, which were 342 in 1923, increased to 1473 in 1932, and as of 2000, this number reached to 20 000 today.

- In our country, the establishment of industrial facilities require conditions such as internal raw materials, capital, energy, labor, transportation, marketing. Industrial facilities in Turkey, proximity to centers of consumption, ease of transportation, due to factors such as proximity to sources of raw materials and capital assets is concentrated in some regions. Marmara, Aegean and Mediterranean are among the leading ones. Within these, industrial activities, especially in Istanbul, including the provinces of Bursa and Kocaeli there is a collective consolidation.

- In addition, in the Black Sea Region around Zonguldak-Karabuk-Eregli; Ankara, Kırıkkale, Konya, Kayseri, Eskişehir, Kütahya Central Anatolia; Malatya, Elazığ and Erzurum in Eastern Anatolia; Gaziantep, Diyarbakır, Batman are the industrial centers in Southeastern Anatolia