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The Political and Economic History of North Cyprus *A Discordant Polity*

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Palgrave Studies in Economic History
ISBN 978-3-030-13478-5 ISBN 978-3-030-13479-2 (eBook)
<https://doi.org/10.1007/978-3-030-13479-2>

Library of Congress Control Number: 2019934750

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*This book is dedicated to my beloved wife, Deniz Yücel.
For always being there for me.*

Foreword

Studies of Cyprus are dominated by its Question; commentaries on Cyprus are defined by its Problem. That is to say, almost all enquiry seems to flow from the why and wherefore of the ethno-nationalist fracturing of the island culminating in the 1974 enforced division, and in similar proportion the resolution of the Problem—peaceful settlement on the one hand or permanent separation on the other hand—defines all discussion. The original sin of division has served an unending litany of blame, retribution, sanction, collective punishment, isolation, conspiracy theories, councils of reconciliation and even sporadic offers of atonement and rare expressions of contrition.

Yet no matter how decisive or, indeed, traumatic the actual geopolitical division of the island was, and however enduring its legacy of separation, it remains the case that a civil life has continued both north and south of the Green Line. Moreover, whether we like it or not, an embryonic state-like organization (*Kıbrıs Türk Federe Devleti*—KTFD/ Turkish Cyprus Federated State) in the north that formally became the self-declared Turkish Republic of Northern Cyprus (TRNC; *Kuzey Kıbrıs Türk Cumhuriyeti*—KKTC) in November 1983 has developed alongside the extant state of the Republic of Cyprus. The histories of social, economic, cultural and political development of both sides of the Green Line are neither exhausted nor even captured by the familiar terms of the Cyprus Question and the Cyprus Problem.

The sometimes obsessive insistence that since the TRNC is not politically recognized internationally (except by the Republic of Turkey) so it is discounted, literally, as a non-entity is illustrative of the silencing that has arisen from the over-determination of the Question. Similarly, the typical reduction of the Cyprus Question into a binary opposition between Greek Cypriot and Turkish Cypriot or even (quite bizarrely) between Greece and Turkey has served to ignore the much more complex often contradictory class, linguistic, religious, temporal and residential identities and subjectivities which have shaped the lives of Cypriots north and south and beyond. In short, the orthodox over-determination or reduction of all matters Cypriotic to the Cyprus Question and Problem only serves to ignore key processes and relationships which have shaped the lives of all Cypriots (at home or *ex patria*) and other residents of the island.

In rejecting the ‘over-determination’ of the Cyprus Question, Dr Ekici’s *Discordant Polity* nevertheless acknowledges the abiding impact on the economic development of northern Cyprus. But identifying and analysing the impacts on the economic history of the north—variously referred to as ‘northern Cyprus’, the ‘TRNC’ or sometimes simply as ‘the north’—has been no easy task. Indeed the difficulties go a long way in explaining why this is the first book-length economic history of northern Cyprus. Insofar as the paucity of data access and availability is symptomatic and integral to the character of the northern Cyprus economy, it has been necessary to interpret the limited data through a political-economic analysis which has described the distribution of wealth as *rent-seeking*, the institutional organization as *rentierism* and the particular mechanisms of coordinating economic activity as *clientelistic*. Put simply, the standard analyses offered by micro-economic models of competitive markets, efficiency-seeking practices of firms and the combinational effects of business, investment, employment and innovation cycles have little or no explanatory power in an economic history of northern Cyprus.

Thus, whilst in principle the developmental paths of the Republic of Cyprus and the successive northern entities cannot be explained by the crude terms of the Cyprus Question, the paucity of histories of the political, economic, social and cultural development of the north in particular has made alternative narratives and accounts all the more difficult to

detect and tell. Insofar as the Republic of Cyprus has remained as the internationally recognized legitimate authority over the whole island (albeit with the suspension of the EU's *acquis communautaire* with regard to the 'areas not under government control' north of the Green Line), so too has there been a reciprocal collection, publication and dissemination of key data—economic, social, cultural, environmental and so on—which has become essential to the operation of the modern rational state and corresponding international organizations. For example, not only does the EU and the OECD collect and exchange data, but so does every public international organization collect and use data about Cyprus from the IMF to the Food and Agriculture Organization, from the International Olive Council to BirdLife International, and from FIFA to the EU's Lifelong Learning Programme. Democratic accountability in the modern state is largely functional of transparency and accessibility of basic information with which a citizenry can scrutinize and hold politicians to account for policies pursued in their name. But little of this obtains in northern Cyprus.

It is out of these circumstances that the provision of an economic history of northern Cyprus has been Dr Ekici's principal purpose in *Discordant Polity*. Where in other modern states, including the Republic of Cyprus and the Republic of Turkey, the economic historian would have ready access to more or less well-archived time series of elementary economic data, that is not the case for northern Cyprus. Notwithstanding the claim of the availability of data gathered and provided by public bodies—from government departments to state enterprises—it is rare to be able to access a consistent and continuous set of economic data or social indicators. Indeed the paradox of constitutional guarantee of freedom of information coincident with effective secrecy or refusal to release basic information is symptomatic of the discordance of the northern Cyprus polity. Constrained in this fundamental way, Dr Ekici has still succeeded in providing the first broad profile of the *de facto* entity's economic history.

I hope that *Discordant Polity* serves to free up the study of northern Cyprus from an 'over-determined' legacy in Cyprus whilst simultaneously pioneering the vital study of its economic history. That such an economic history may, in turn, positively inform and help appreciate the

Turkish Cypriot fate in the perennial peace negotiations would be an invaluable bonus.

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Julian Saurin

Acknowledgements

This book would not have been produced if it wasn't for Julian Saurin. Not only did he inspire the subtitle, write the foreword and edit the language of the entire manuscript but he also criticized, made intellectual suggestions and provided encouragement during the entire process. For all that, I am forever indebted to him.

There are also other individuals whom I would like to express my gratitude. Yonca Özdemir, three anonymous referees and the series editor at Palgrave Macmillan have provided valuable feedback on the earlier drafts of this manuscript. Several of the topics in the book have been inspired by the many casual conversations I have had with Rüştü Yücel (who has enough interesting material to write his own book on north Cyprus), Ali Kanlı and Adil Şeytanoğlu. Since finding historic data in north Cyprus is rather difficult, I need to thank my uncle Ergül Ekici and Mustafa Besim for sharing resources from their personal libraries. Most of the key data from early periods of post-1974 came from dusty documents at the TRNC Parliament library made available to me with the generous help of Sibel Yemenicioğlu. I also want to thank Cem Demirsoy and other members of the Middle East Technical University Northern Cyprus Campus library for providing me with other references. Without the help of these individuals, the final quality of the manuscript would have been lower.

Finally, many thanks go to staff at Palgrave Macmillan, in particular, Laura Pacey and Clara Heathcock, who have been kind and patient with me from the beginning till the end of the publication process.

It goes without saying that any remaining errors in the book are my sole responsibility.

Chronology of Key Events

1974	Intervention by Turkey
1975	Establishment of the Turkish Federated State of Cyprus (<i>Kıbrıs Türk Federe Devleti</i>)
1983	Establishment of the Turkish Republic of Northern Cyprus (<i>Kuzey Kıbrıs Türk Cumhuriyeti</i>)
1986	Prime Minister of the Republic of Turkey, Turgut Özal, visits TRNC
1990	Application of the Republic of Cyprus to become a member of European Community
1992	A group of MPs leave National Unity Party to form Democratic Party
1994	The European Court of Justice decision to ban purchase of products sold by TRNC to EEC area
1999–2000	Banking crisis in TRNC
2002	Justice and Development Party (<i>Adalet ve Kalkınma Partisi</i>) in Turkey came to power
2003	TRNC began to allow controlled crossing of individuals between north and south of Cyprus
2004	Referendum on Annan Plan

Table 1 Parliamentary election results, 1976–2018

Parliamentary elections	Registered voters	Turnout (%)	UBP (%)	CTP (%)	TKP (%)	DP (%)	HP (%)	DHP (%)	DMP (%)	BDH (%)	TDP (%)	ORP (%)	HP (%)
1976	75,824	74.3	53.7	12.8	20.2		11.7						
1981	84,721	88.6	42.5	15.1	28.5			8.1					
1985	95,124	87.4	36.7	21.4	15.8			7.4					
1990	103,218	91.5	54.7						44.5				
1991	106,303	67.0											
1993	108,867	92.9	29.9	24.2	13.3	29.2							
1998	122,574	86.6	40.4	13.4	15.3	22.6							
2003	141,596	86.0	32.9	35.2		12.9				13.2			
2005	147,249	80.8	31.7	44.5	2.4	13.5				5.8			
2009	162,373	81.7	44.0	29.3		10.6							
2013	172,803	69.4	27.3	38.4		23.2					6.9	6.2	
2018	190,553	66.1	35.7	21.0	8.7	7.8					7.4		17.1

Presidency elections

1976	Rauf Denktaş
1981	Rauf Denktaş
1985	Rauf Denktaş
1990	Rauf Denktaş
1995	Rauf Denktaş
2000	Rauf Denktaş
2005	Mehmet Ali Talat
2010	Derviş Eroğlu
2015	Mustafa Akinci

Source: 1976–2003 data is obtained from Hatay (2005), the rest from TRNC YSK webpage at <http://lysk.mahkemeler.net/cms.aspx>

Table 2 The list of state offices and the year of their establishment laws

State office (Turkish)	State office (English)	Related establishment law
Devlet Planlama Örgütü Müsteşarlığı	State Planning Organization	1976
Devlet Basımevi Müdürlüğü	State Printing Office	1978
Maliye teftiş ve inceleme Kurulu	Finance Auditing Office	1982
Gumruk ve Rüşumat	Customs Duty Office	1982
Posta	Post Office	1984
Bakanlar Kurulu Genel Sekreterliği	General Secretariat of the Council of Ministers	1986
Kültür Dairesi	Culture Office	1986
Spor Dairesi Müdürlüğü	Sports Office	1987
Limanlar	Ports	1987
Butce Dairesi	Budget Office	1987
Devlet Emlak ve Malzeme	State Real estate and Materials	1987
Hazine ve Muhasebe	Treasury and Accounting	1987
Para, Kambiyo ve Inkisaf Sandığı	Money, Exchange and Inkisaf	1987
Resmi Kabz memurluğu ve mukayitlik Dairesi	Registrar's Office	1987
Ilac ve eczacilik dairesi	Drugs and Pharmacy Office	1987
Gençlik Dairesi Müdürlüğü	Youth Office	1988
Tanıtma Dairesi	Promotion Office	1988
Enformasyon Dairesi	Information Office	1988
Telekomunikasyon Dairesi	Telecommunication Office	1988
Gelir ve Vergi	Income and Tax	1988
Merkezi Cezaevi	Central Prison	1988
Nüfus Kayıt Dairesi	Population Registry Office	1988
Muhaceret Dairesi	Immigration Office	1988
Tapu ve Kadastro	Deed and Land Survey	1988

(continued)

Table 2 (continued)

State office (Turkish)	State office (English)	Related establishment law
Sehir Planlama	City Planning	1988
Sosyal Hizmetler	Social Services	1988
Tarim Dairesi	Agricultural Office	1988
Tarimsal Arastirma Enstitutusu	Agricultural Research Institute	1988
SU isleri dairesi	Water Works Office	1988
Personel Dairesi Müdürlüğü	Personnel Office	1989
Karayollari Dairesi	Office of Public Roads	1989
Sivil Havacilik	Civil Aviation	1989
Iskan ve Rehabilitasyon	Housing and Rehabilitation Office	1989
Sanayi Dairesi	Industry Office	1989
Cevre Koruma Dairesi	Environment Protection Office	1989
Orman Dairesi	Forest Office	1989
Ilkogretim dairesi	Primary Education Office	1989
Mesleki teknik ogretim dairesi	Vocational Education Office	1989
Jeoloji ve maden dairesi	Geology and Quarry	1989
Temel saglik hizmetleri dairesi	Basic Health Services Office	1989
Eski eserler ve muzeler dairesi	Ancient Monuments and Museums	1989
Ticaret Dairesi	Commerce Office	1990
Kibris Türk Devlet Tiyatrolari	State Theater	1990
Yukse ogrenim ve dis iliskiler	Higher Education and Foreign Relations	1990
Hayvancilik dairesi	Animal Husbandry	1990
Devlet Uretim ciftlikleri dairesi	State's Livestock Raising Farm	1990
Turizm tanitma ve pazarlama dairesi	Tourism Promotion and Marketing	1990
Turizm planlama dairesi	Tourism Planning	1990
Planlama ve Insaat Dairesi	Planning and Construction	1991

(continued)

Table 2 (continued)

State office (Turkish)	State office (English)	Related establishment law
Devlet laboratuvarı	State Laboratories	1991
Meteoroloji Dairesi	Meteorology Office	1992
Veteriner dairesi	Veterinary Office	1992
Eğitim ortak hizmetler dairesi	Education Common Services	1993
Merkezi Mevzuat Dairesi Müdürlüğü	Central Legislation Office	1995
Çalışma Dairesi	Labour Office	2000
Talim ve Terbiye	Instruction and Education	2000
Harita Dairesi	Map	2002
Milli eğitim, denetleme, değerlendirme ve yönlendirme kurulu	Supervision, Assessment and Guidance Board of National Education	2006
Kooperatif Şirketler Mukayyetliği	Firm's Registrar	2007
Yataklı tedavi kurumları dairesi	Bed Treatment Institutions	2007
Başbakanlık Denetleme Kurulu Başkanlığı	Prime Ministry Supervision Board	2010
Disisleri Dairesi	Foreign Relations	2013
Toplumsal Cinsiyet Eşitliği Dairesi	Social Gender Equality	2014
Cocuk Yuvaları	State Kindergartens	
Devlet Senfoni Orkestra ve Korosu	State Symphony Orchestra	
Güvenlik Kuvvetleri Komutanlığı	Security Forces Commandership	
Sivil Savunma Teşkilat Başkanlığı	Directorate of Civil Defence Organization	
Ortaöğretim dairesi	Middle-School Education Office	

Table 3 Number of staff and total debt at municipalities in 1994 and total staff in 2012

Municipality	Permanent admin	Temporary admin	Permanent worker	Temporary worker	Total debt	Total staff (2012)
Nicosia	59	1	175	0	1.5 billion TL (all to KIBTEK)	971
Famagusta	45	6	208	28	16.73 billion	243
Kyrenia	39		91	8	23.311 billion	203
Morphou	22	9	40	45	3.179 billion	114
Gonyeli	7	4	2	39	429.538 million	163
Alsancak	6		10	3	289 million	88
Lefke	25		16	24	6.156 billion	107
Lapta	3	3	9	4	872 million	175
iskele	5		4	17	220 million (all to KIBTEK)	136
Akdogan	2			13	40 million	32
Alaykoy	2	1	3	9	1.076 billion	34
Degirmenlik	4	1	9	4	1.329 billion	171
Vadili	1			7	None	25
Dikmen	1	2	0	7	60 million	103
Dipkarpaz	1	0	4	0	None	40
Yeni Bogazici	3	2	5	4	130 million	94
Catalkoy	3	2	6	8	None	87
Yeni Erenkoy	5	0	4	2	175 million	107
Gecitkale	2	0	3	2	158 million	43
Pasakoy	2	0	4	3	434 million	31
Mehmetcik	4	0	6	3	501 million	61
Beyarmudu	4	0	3	0	1.084 billion	41
Tatlisu	1	0	3	0	80 million	34
Serdari	2		3	7	39.5 million	28
Inonu	2		3		285 million	28
Esentepe	1	1	2	1	None	62
Buyukkonuk	0	1	1	3	109 million	48
Akincilar	1	0	1	2	None	3

Source: Total staff (2012) is taken from TEPAV (2012)

Table 4 Total Turkish aid, Turkish imports and TRNC GDP

Year	Total aid (\$)	GDP (\$)	% of GDP	Imports from TR (million \$)
1974	34,442,357			
1975	26,550,286			
1976	28,658,431			
1977	10,764,261	207,445,055	5.2	30.9
1978	13,289,114	212,642,276	6.2	33
1979	12,078,581	228,519,022	5.3	39.1
1980	7,849,735	230,512,650	3.4	41.5
1981	15,950,782	215,138,053	7.4	44.2
1982	16,276,919	205,972,519	7.9	49.5
1983	22,605,194	200,268,300	11.3	65.3
1984	33,950,156	197,495,917	17.2	61.5
1985	21,848,613	236,275,601	9.2	65.1
1986	31,883,301	280,958,129	11.3	70.1
1987	28,174,558	325,521,686	8.7	94.3
1988	32,755,028	336,895,429	9.7	101.9
1989	38,688,006	419,746,438	9.2	112.5
1990	49,357,252	587,470,771	8.4	153.5
1991	56,846,395	536,989,216	10.6	143
1992	72,032,296	581,982,440	12.4	178.7
1993	73,424,021	614,762,172	11.9	150.9
1994	50,845,978	544,796,964	9.3	129.3
1995	45,051,816	745,741,207	6.0	194.8
1996	92,785,000	770,308,136	12.0	176.1
1997	153,349,889	757,600,783	20.2	202
1998	185,075,908	881,658,778	21.0	251.5
1999	163,206,752	955,756,277	17.1	256.4
2000	227,832,433	1,037,622,627	22.0	275.1
2001	201,459,459	907,700,125	22.2	173.5
2002	282,234,456	934,076,470	30.2	195
2003	289,373,844	1,263,741,237	22.9	299.3
2004	242,809,213	1,720,339,331	14.1	512.4
2005	384,929,595	2,273,514,229	16.9	817.4
2006	438,529,844	2,76,66,31,776	15.9	947
2007	433,773,380	3,547,220,390	12.2	1045
2008	580,323,708	3,957,855,613	14.7	1172.5
2009	600,278,115	3,477,342,266	17.3	923.4
2010	577,894,207	3,727,104,087	15.5	1137.4
2011	501,874,244	3,878,558,187	12.9	1165.7123
2012	448,534,386	3,862,648,400	11.6	1235.4
2013	488,287,933	3,983,920,937	12.3	1155.3
2014	408,175,562	4,040,220,098	10.1	1185.7
2015	301,611,932	3,749,035,178	8.0	967.6

Source: The aid data comes from TR Aid Office (2014); GDP and import data comes from SPO (2016), Table 'Main Economic Indicators' and Table 23, respectively

Table 5 Number of total civil servants under different types, 1979–1999

Year	Civil servants										Temporary (<i>kadrosuz</i>)
	Admin	Clerical	Messenger	Messenger- driver	Technical	Police	Teachers	Permanent workers	Military		
1979	57	454	115	11	2634	891	1418	1476	32	771	
1980	36	448	113	11	2623	909	1538	1458	30	775	
1981	28	476	193	19	2597	909	1552	1513	21	752	
1982	27	475	188	19	2594	945	1551	1493	21	3588	
1983	36	525	184	17	2539	986	1641	1505	15	3112	
1984	41	1204	274	16	4443	1168	1735	1192	9	1886	
1985	54	1189	256	14	4450	1415	1765	1205	7	1564	
1986	61	1165	242	14	4074	1505	1866	1195	2	1645	
1987	57	1130	215	14	4091	1438	1972	1175	1	1770	
1988	57	1100	225	19	4053	1380	1998	1331	NA	1882	
1989	53	1003	205	19	4404	1424	2093	1874		1987	
1990	53	992	200	18	4370	1468	2196	1968		1897	
1991	48	950	181	20	4365	1484	2251	2016		1774	
1992	44	861	207	20	4500	1560	2321	2016		1674	
1993	51	817	197	19	4514	1633	2433	2033		1779	
1994	47	789	186	19	4532	1732	2504	2333		2007	
1995	29	477	182	14	3574	1731	2617	2242		2000	
1996	49	654	177	14	3801	1718	2705	2199		2099	
1997	49	401	161	17	3618	1794	2729	2151		2337	
1998	46	549	150	14	4037	1774	2821	2152		2330	
1999	44	506	142	14	4130	1866	2917	2131		2304	

Source: These numbers are compiled from annual SPO documents available at TRNC Parliament library

Table 6 Number of civil servants (more detailed), 1996–2010

Type	1996	1997	1998	1999	2000	2001	2003	2004	2005	2006	2007	2008	2009	2010
Civil servant	4148	4195	4426	4415	4513	4510	4695	4614	4731	4855	5079	5287	5551	5285
Additional staff (ek kadro)	545	508	187	424	382	236	209	194	183	177	168	130	86	
19/2000														
Police	1718	1794	1782	1866	1833	1837	1895	1919	1999	2179	2249	2198	2245	2181
Civilian police									100	109	135	160	159	89
Teacher	2702	2729	2819	2914	2959	3039	3167	3288	3341	3446	3529	3752	3778	3774
Permanent workers	2199	2151	2159	2131	2092	2084	2259	1737	1845	1865	1757	1693	1605	1473
Civil Defence	85	86	85	92	89	92	87	86	79	77	97	95	93	89
Organization														
Security force	160	155	149	146	141	134	127	125	120	126	127	121	114	105
Contractual (sozlesmeli)	85	103	72	70	48	48	72	77	117	138	146	146	173	140
Counsellor (musavir)	61	49	48	64	47	50	43	86	94	104	93	83	125	110
Temporary staff	2014	2234	2000	1932	1704	1630	1609	1747	2005	1940	2202	2231	2156	606

Notes: The numbers for 1996–2001 are compiled from annual SPO documents available at the TRNC Parliament library; The numbers for 2003–2010 are obtained from <http://www.personel.gov.ct.tr/%C3%9CstMenu/%C4%B0statistik.aspx> where the numbers refer to the end of the year employment; 19/2000 refer to the 'additional positions' created as a result of modification of Establishment Principles of Ministries Law in 2000 (Law 19/2000)

Table 7 Foreign work permits, 1978–2012 (selected years)

Year	First permit	Extension	Total
1978			566
1979			953
1980			1806
1981			1697
1982			1974
1983			1864
1984			2303
1985			2390
1986			
1987			
1988			
1990			
1991			
1992			
1993			
1994			
1995	2338	614	2952
1996	3027	745	3772
1997	3850	1317	5167
1998	4037	1213	5250
1999	4156	1672	5828
2000	4611	1502	6113
2001	3924	1387	5311
2002	3521	2307	5828
2003	4124	2374	6498
2004	9656	2773	12,429
2005	46,010	7546	53,556
2006	35,340	17,690	53,030
2007	24,323	13,032	37,355
2008	24,160	17,053	41,213
2009	17,926	16,745	34,671
2010	15,756	18,851	34,607
2011	11,596	19,101	30,697
2012	13,089	14,249	27,338

Source: Data is compiled from various activity reports of different TRNC Ministries

Table 8 Labour union membership, 1978–2008

Year	Revolutionary Trade Union Federation (DEV-IS)	Cyprus Turkish Trade Union Federation (Türk-Sen)	Others	HUR-IS Federation Unions	Federated Progressive Union (FPU)
1978	3116	10,069	4082		
1979	4110	10,641	1885		2670
1980	4327	9973	2146		2674
1981	3962	11,601	2201		2645
1982	4170	11,004	2338		2627
1983	4352	11,143	2530		2690
1984	4494	11,809	5912		
1985	4582	9929	6368		
1986	4586	9307	6734		
1987	4586	10,276	6579		
1988	570	8851	6586		
1989	570	7005	11,235		
1990	448	6551	12,316		
1991	638	7134	12,382		
1992	570	7093	12,989		
1993					
1994					
1995					
1996	1016	4196	13,362	3816	
1997	537	5390	12,603	3743	
1998	2274	5250	13,228	4112	
1999	1685	2736	13,225	4884	
2000	1740	2683	12,148	5185	
2001	1729	2690	11,732	5334	
2002					
2003	683	1929	12,361	5654	
2004	1268	1937	13,624	5362	
2005	1348	2013	14,115	5216	
2006	1346	2162	14,767	5226	
2007	1483	2177	15,542	5741	
2008	1225	2110	16,351	6157	

Source: Various SPO documents available at the TRNC Parliament library

Notes: *Federated Progressive Union was dissolved in 1984; Establishment years: DEV-IS (1976), TURK-SEN (1954), FPU (1979), HUR-IS (1993)*

Table 9 Number of contributors and beneficiaries from different social security funds, 1974–2010

Year	Civil servants		Social insurance fund			Provident fund		Recipients
	Currently working	Government pensioners	Active contributors	Pensioners (MYO)	Active contributors	Active contributors		
1974		410						
1975		477		1299				
1976		562		1618				
1977		784						3933
1978		1704			19,435			6329
1979	7859	2577		3411	20,232			3086
1980	7941	2702		3668	16,176			2193
1981	8060	4398		3832	17,211			1880
1982	10,901	4623		4082	19,348			2129
1983	10,560	4793		5748	17,529			2285
1984	11,968	4925		6553	17,439			2448
1985	11,919	5216		6187	18,562			3647
1986	11,769	5617		5964	18,511			4393
1987	11,863	6072		8454	21,156		32,948	4316
1988	12,045	6382		8971	22,601		34,822	3778
1989	13,062	6726		9412	26,049		39,032	3363
1990	13,162	7189		9602	28,173		44,776	2764
1991	13,089	7478		9767	24,822		45,518	4545
1992	13,203	7807			28,274			3173
1993	13,476	8123			28,863			4033
1994	14,149	8426		13,131	26,701			3478
1995	12,866	9368		13,782	28,159			3122
1996	13,416	9775		14,417	30,359			4085
1997	13,257	9983		15,332	33,030		25,634	3802
1998	13,873	10,393		16,284	34,902		27,776	4003

(continued)

Table 9 (continued)

Year	Civil servants		Social insurance fund			Provident fund	
	Currently working	Government pensioners	Active contributors	Pensioners (MYO)	Active contributors	Recipients	
1999	14,054	10,343	35,356	17,122	27,995	4220	
2000	13,808	10,629	37,659	17,921	28,130	5131	
2001	13,660	11,029	34,424	18,696	27,670	5848	
2002			35,020				
2003	14,954	11,050	35,891	20,240			
2004	14,661	11,134	39,104	21,517			
2005	15,379	11,215	47,080	22,507	64,243		
2006	15,766	11,272	65,689		74,916		
2007	16,325	11,436	72,385		71,270		
2008	16,462	11,867	72,942		72,433		
2009	16,262	12,162	66,623		70,884		
2010			70,331		67,819		

Source: Statistical abstracts of SPO.

Table 10 Different levels of payment scales from Social Insurance Fund, 1977–2011

Year	Level 1	Level 10	Level 20	Ratio of 1/20	Min wage (TL)
1977	1500	2500	7500	5.00	1820
1978					2780
1979					4333
1980	2400	4000	12,000	5.00	8660
1981	4800	7800	18,000	3.75	13,000
1982	10,500	15,300	27,000	2.57	22,000
1983	14,400	23,400	37,500	2.60	24,270
1984	28,500	46,500	74,700	2.62	30,300
1985	37,500	63,900	112,500	3.00	46,000
1986	37,500	63,900	112,500	3.00	75,000
1987	57,000	98,100	177,000	3.11	90,000
1988	81,000	141,000	255,000	3.15	121,000
1989	150,000	264,300	462,300	3.08	205,001
1990	300,000	531,000	990,000	3.30	340,500
1991	519,000	1,062,000	1,980,000	3.82	520,000
1992	804,000	1,593,000	2,970,000	3.69	806,000
1993	1,551,000	2,709,000	5,052,000	3.26	1,373,000
1994	4,950,000	10,110,000	18,000,000	3.64	4,000,000
1995	9,420,000	25,275,000	43,875,000	4.66	10,000,000
1996	13,500,000	36,396,000	70,500,000	5.22	14,800,000
1997	33,750,000	90,951,000	176,100,000	5.22	42,025,000
1998	50,250,000	135,000,000	264,000,000	5.25	58,625,000
1999	114,900,000	289,400,000	567,000,000	4.93	94,000,000
2000	159,300,000	402,900,000	789,600,000	4.96	148,500,000
2001	240,000,000	604,440,000	1,184,400,000	4.94	220,000,000
2002	379,500,000	957,000,000	1,875,600,000	4.94	350,000,000
2003	499,500,000	1,219,020,000	2,389,200,000	4.78	470,000,000
2004	627,000,000	1,530,000,000	2,997,000,000	4.78	588,500,000
2005	720	1758	3441	4.78	720
2006	858	2136	4191	4.88	820
2007	948	2388	4740	5.00	950
2008	1190	4572	8330	7.00	1125
2009	1237	4753	8659	7.00	1237
2010					1300
2011	1300	4995	9100	7.00	

After 2008, it is SGY (Social Security), before SS (Social Insurance)

Min wage is average for the years that were adjusted twice

The values are in TL. After 2004, TL eliminated six zeros, hence the lower numbers in the table

Table 11 State's unpaid debt to Social Insurance Fund, 1977–2010

Year	State's required contribution	Actual state transfer
1977	16.47	
1978	45.81	
1979	69.78	
1980	116.42	
1981	187.52	
1982	244.65	
1983	381.11	
1984	538.16	
1985	999.44	
1986	1402.98	
1987	1856.66	
1988	2827.67	
1989	5290.67	
1990	11,191.40	
1991	19,803.23	
1992	35,226.80	
1993	69,326.89	
1994	152,226.37	
1995	415,588.96	
1996	745,732.86	
1997	1,398,566.04	125,000
1998	2,943,761.69	2,544,841
1999	5,300,229.19	2,791,666
2000	8,438,456.70	7,453,327
2001	11,525,188.22	13,533,348
2002	16,192,999.64	18,801,976
2003	25,691,297.99	38,800,000
2004	34,649,676.63	59,842,510
2005	50,489,773.00	47,228,805
2006	71,616,731.00	45,884,810
2007	85,482,038.00	47,533,000
2008	98,643,215.00	72,292,119
2009	96,556,574.00	103,970,752
2010	95,690,150.00	104,918,827
2011	95,616,089.00	79,004,537
2012	100,388,504.26	61,979,000
2013	99,691,295.84	65,000,000
2014	105,986,443.95	64,911,113
2015	112,046,185.40	72,000,000

(continued)

Table 11 (continued)

Source: These values are obtained directly from TRNC Social Security Office. The numbers before 2004 are represented in Million TL, and after 2004 they are in TL

Note: As we discuss in the text, there were some changes in Social Security System after 2008 and the required contributions by the state for those eligible in the new system are not provided in the table. In other words, the liability of the state is actually higher than what's shown on this table after 2008

The officer I spoke told me that the state did not contribute anything till 1997 and the contributions after that were not to satisfy their contribution requirement but instead to be used in financially assisting the transfer of the Social Security System into a single system

Table 12 Payments made and received by the Provident Fund, 1975–2001 (selected years)

	Payments made (000 TL)	Payments received (000 TL)	
	By the fund	Premium	Deposit
1975		15,539	7055
1976		26,206	22,539
1977	18,488	30,906	30,631
1978	49,419	31,916	38,456
1979	24,777	57,946	74,265
1980	29,679	102,439	126,975
1981	49,117	183,339	225,092
1982	105,186	286,230	345,061
1983	175,352	394,945	472,473
1984	283,843	631,347	750,339
1985	784,498	1,063,718	1,271,560
1986	1,445,016	1,605,980	1,982,860
1987	2,199,706	2,284,076	2,791,509
1988	3,048,366	3,716,008	4,532,965
1989	5,366,268	6,252,079	7,396,808
1990	9,529,149	13,058,754	15,226,101
1991	20,347,899	23,788,900	28,099,180
1992	25,411,405	35,562,624	38,206,588
1993	128,240,628	58,709,926	67,914,638
1994	317,059,308	135,534,997	148,330,814
1995	166,430,554	135,534,997	148,330,814
1996	589,454,861	604,585,861	697,071,916
1997	1,086,364,804	1,133,153,480	1,300,290,693
1998	3,033,694,694		
1999	4,619,996,452	4,461,926,466	5,001,124,574
2000	11,226,797,343		
2001	22,533,707,598	10,047,818,567	11,115,759,150

(continued)

Table 12 (continued)

Wealth distribution of the provident fund and amount of loans extended to various organizations for some selected years							
	1981 (%)	1989 (%)	1994 (%)	1995 (%)	2000 (%)	2004 (%)	2010 (%)
Demand deposits	53.0	67.6	78.4	69.4	44.9	25.25	28.6
Loans extended	40.7	28.6	21.4	23.6	52.6	64.62	70.5
Bonds					2.6	8.67	
Real estates				6.8	1.0	1.46	0.9
Endowment (7.2 billion TL)		2.9					Same
Loans (million TL)	1995	2000	2004	2005			
Minister of Finance	568,023	15,853,758	78,416,550	102,152,937			
Consolidated Fund	168,436	32,609,469	163,035,258	213,052,148			
Social Housing Fund	162,278	2,459,285	13,044,598	14,470,001			
Social Insurance Office		4,980,188	26,523,861	35,522,127			
KIBTEK		4,361,494	7,486,400	5,816,515			
Pharmacy Coop (ECZA-KOP)	250	250	250	250			
BRTK		12,450					

Table 13 Seats supplied, no. of passengers and total staff of KTHY, 1975–1993

Year	Seats supplied	# of passengers	Total employees
1975	68,695	45,899	47
1976	132,677	85,304	99
1977	182,107	111,195	128
1978	205,450	155,557	177
1979	212,288	160,160	175
1980	124,327	80,374	162
1981	128,307	106,675	141
1982	127,562	100,641	136
1983	148,619	116,023	137
1984	154,303	123,251	141
1985	173,278	133,934	143
1986	108,316	154,510	139
1987	255,141	185,020	153
1988	275,775	233,287	187
1989	311,059	256,973	191
1990	328,900	263,424	215

(continued)

xxx Chronology of Key Events

Table 13 (continued)

Year	Seats supplied	# of passengers	Total employees
1991	239,348	183,421	273
1992	391,814	268,510	
1993	551,845	408,537	

Source: KTHY activity report 1994

The total staff number in 1991 includes 39 contractual workers for ground services and 24 flying stewardesses

Table 14 Properties owned and the corresponding rents received by KTTI, 1980

Cyprus Turkish Tourism Businesses Ltd	
Properties owned and the annual rent (1980)	
<i>Hotels</i>	<i>Annual rent (TL)</i>
Bristol	150,000
Ergenekon	328,000
Anadol	309,000
Les Voyager	65,000
Atlantis	216,000
Kordon	55,000
Socrates	252,000
Hesperides	725,000
<i>Bar/rest/disco/beach</i>	
Belengaria	30,000
Calipso Restaurant	78,000
Piazza Restaurant	24,000
Anemomilos	18,000
Marti Restaurant	30,000
Philoxenia	78,000
Kalyon	48,000
Marabu	108,000
Corner Bar	78,000
Acapulco	43,000
Amrosia	66,000
Kimo Disco	63,800
<i>Office space and flats</i>	Total
Kordon Apt (x21)	244,800
Philecia Court Offices (x20)	750,400
Philecia Court Flats (x30)	719,833
Kordon Court Flats (x3)	48,400
Corner Bar Flats (x4)	57,360
Philoxenia Flat	19,200

(continued)