Chapter 2
History of Tourism Development in Turkey

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2.1 Introduction

Turkey is one of the largest countries in Europe and the Middle East with an area of approximately 800,000 km². Moreover, it is surrounded by three seas and has a coastline of more than 8300 km. Due to its great geographical and natural attractions and its numerous historical and archeological sites, and in addition to having been home to a number of diverse civilizations over time, Turkey is one of the most important destinations in the world. Thus, the opportunities Turkey can offer to the international markets are not limited to sea, sun, and sand (Emekli et al. 2006). Rather, Turkey has a rich blend of undiscovered authentic natural and cultural assets waiting to be explored by the globalized tourist markets.

It has been argued that tourism is an easy, effective and relatively inexpensive instrument to achieve economic well-being (Tosun 2001). Despite its potential, however, Turkey was relatively late to develop its tourism industry compared to other destinations in the Mediterranean region. Although some minor initiatives were taken as early as the 1960s to benefit from the economic, social, and cultural impact of tourism (Duzgunoglu and Karabulut 1999), it was not until the 1980s that serious and sound attempts were made to enhance the tourism industry. In its search for ways to develop the tourism industry, Turkey enacted the Tourism Encouragement Law in 1982. This law resulted in several incentives, including the transfer of public land to private tourism companies, which, coupled with the liberalization of the economy, accelerated the development of tourism in the country (Erkus-Özturk and Eraydin 2010). In consideration of this law, the country focused its efforts on building physical amenities, such as hotels, roads, and airports that were tailored to fit the needs of mass tourism with the intent to increase international tourism arrivals (Tosun et al. 2008). Consequently, Turkey was soon
marketed as a low-price holiday destination, and a rapid increase in tourist arrivals and receipts was observed. As the authorities were slow to control this growth in favor of tourist dollars, the increase in tourist arrivals was seen as a success, given that the measuring tool was linked to quantity (Cooper and Ozdil 1992). Unfortunately, sociocultural, economic, and environmental costs of tourism have been underestimated in the absence of proper planning and development principles (Tosun 1998), and as a result, tourism growth has taken place largely in a haphazard way and created socioeconomic and environmental problems. Hence, the development of unsustainable tourism expanded (Çetinel and Yolal 2009).

Given this background, this chapter summarizes the main steps in the development of Turkey’s tourism sector and emphasizes the roles of the government and foreign investors in shaping the geography of tourism development in Turkey. Accordingly, earlier efforts to develop tourism are also summarized. This is followed by an account of tourism policies within the framework of tourism development plans. Further, the current structure of the Turkish tourism industry is portrayed, and consistent with this, socioeconomic, cultural and economic impacts and drawbacks caused by mass tourism are discussed. The chapter ends with theoretical and managerial implications on the basis of the drawbacks of mass tourism as experienced in the country.

2.2 Earlier Attempts of Tourism Development

The Orient, as the place of Europe’s greatest and richest and oldest colonies, as the source of many European civilizations and languages and as the home of great cultural diversity (Said 2003: 2), has long been a popular tourist destination for Westerners traveling to Asia Minor. By the end of the nineteenth century, the advances in transportation technologies had increased the frequency of travel to the Ottoman Land. The Orient Express, which was a showcase of luxurious and comfortable train travel for people traveling from Paris to Istanbul as early as 1883, occupies a historical place in the development of tourism in Turkey.

During the era of the republic, the first attempt was the establishment of the Travelers’ Association in 1923, which changed its name to the Turkey Touring and Automobile Club in 1930 and acted as a governmental body for many years (Roney 2011). This institute published the first road maps, touristic guides and brochures, arranged courses and examinations for tourist guides, and organized tourism-related studies, meetings, and conferences (Nohutçu 2002). The first government interest and actual involvement in tourism coincided with the establishment of a specific section in the Ministry of Economy in 1934. This was the first representation of tourism at the government level and was the body that created the National Tourism Administration in Turkey (Göymen 1998). This agency was absorbed into the General Press Directorate, which, in 1949, was reorganized and converted into the General Directorate of Press, Publication, and Tourism (Tarhan 1999). Moreover, government interest in tourism was consolidated with the meeting of the first
tourism advice committee whose report constituted the basis of Turkey’s initial national tourism policy (Şahin 1990). The master program, prepared by the committee, was an important document that influenced the Tourism Encouragement Law in 1953 and even inspired the five-year development plans of the planning era instituted in 1963 (Barutçugil 1986). The law also resulted in a new licensing system that established international standards for tourism businesses. Nohutçu (2002) explains that because the economy was suffering due to the lack of an entrepreneurial class with sufficient capital accumulation and experience, tourism was defined as a response and policy solution to the economic problems of the country. Therefore, the Tourism Bank, as an organizational instrument of the tourism policy, was established in 1955 to provide funding for the private sector to establish and operate tourism facilities built by other public entities (TURSAB 1997). The bank bought and renovated some historical buildings for tourism purposes and provided credit for hotel projects (Şahin 1990). Consistent with this, the pension fund (Emekli Sandığı) was also commissioned to establish high-quality hotels in major tourism cities to accommodate the increase in foreign business and to meet selective tourism demands (Tarhan 1999).

The General Directorate of Press, Publicity, and Tourism was reorganized and upgraded to the ministerial level in 1957, at which time tourism policies were addressed and administered at the cabinet level. Accordingly, tourism became an important agenda item for the governments, both national and local, as a policy sector and was represented at the ministerial level between 1950 and 1963. Nohutçu (2002) comments that the reason for government involvement was a result of the increasing crisis regarding the balance of payments that emerged due to uncontrolled and unbridled economic liberalization policies. Therefore, the governments sought to utilize the tourism potential of the country to reduce critical shortages of foreign currency and to increase employment.

### 2.3 Tourism Development During the Planned Era

Korzay (1994) argues that the period from 1960 to 1963 was a transition period in terms of tourism policies from their infancy to their adaptation and advocacy stage. Turkey initiated a planning era for regulating economic life in 1963. This era was marked by the consolidation of the republican regime and the evolution of a political structure for political democracy (Nohutçu 2002). Tourism was considered a subsector in the development plans under the heading of the service sector. The objectives of the development plans were to utilize tourism resources in a way that increased contributions to the national economy and foreign currency earnings; to provide a larger portion of the local population with holiday opportunities; and to maintain a balance between the utilization and the protection of tourism resources (Tarhan 1999: 47–51). Furthermore, Turkey’s tourism policy was designed to create an efficient tourism sector with high international competitive power; to meet the needs of both domestic and international tourists; to ensure the continuity of
natural and cultural assets while actualizing steady growth in tourism revenues; and to develop social tourism facilities that extended the economic benefits to the entire population (Tavmergen and Oral 1999). The five-year development plans and the implementation plans devised by the state planning organization dedicated increasing importance to sociocultural and environmental issues in tourism sectors. These plans are legal documents that are vital for the public sector in that they provide guidance and suggestions for the private sector.

The focal point of the First Five-year Development Plan (1963–1967) emphasizes the promotion of mass tourism and coastal tourism as well as the search for large-scale investments (MoT 1994) to reduce the deficit in the balance of payments. Further, it was principally accepted that the government would assume financial responsibility for the infrastructure necessary for the development of mass tourism and that the public sector would invest in tourism businesses (Second Five-year Development Plan, 1968–1972). Consequently, the early 1970s witnessed a continuing and steady growth in tourism investments and in the number of visitors, which increased from 724,000 in 1970 to 1,341,000 in 1973. A significant advancement in tourism occurred with the launch, in 1972, of the Association of Turkish Travel Agencies (TURSAB), a nonprofit organization. Travel agencies were established upon receiving from the ministry a license to operate and were obligated to become members of the association. The objectives of the association were to promote the travel agency profession, to encourage travel agencies to offer the best possible service to the public, to contribute to the development of tourism, to set the rules for commission, to introduce and maintain professional ethics codes, and to protect the consumer (TURSAB 2015).

The Fourth Five-year Development Plan (1979–1983) could not be realized due to the economic stability of 1980. Roney (2011) attributes the unhealthy and unsustainable development of Turkish tourism to the Tourism Encouragement Law (No. 2634) that was put into effect in 1982. Numerous generous incentives were provided for investors that resulted in rapid increases in bed capacity in the south and southwest regions of the country over the years (Tosun et al. 2008). Apart from these incentives, state-owned land was also appropriated for tourism development, bureaucratic formalities were reduced, and vocational education and training development projects were introduced (Tosun 2001). According to Tavmergen and Oral (1999), an increase in the number of trained personnel, the development of tourism training activities, and the development of improved tourism products to meet the more sophisticated demand were among the tourism enhancements during this period.
Foreign investments have played an important role in the development of tourism worldwide (Dwyer and Forsyth 1994), and the growth of foreign direct investment in developing countries has been enabled by the adoption of increasingly liberal policy frameworks (Tatoglu and Glaister 1998). The Turkish government policies implemented since the early 1980s have aimed at developing a free-market economy and have replaced the country’s traditional inward-oriented import-substitution policies with an export-oriented development strategy that has led to considerable improvement in the investment climate in the country (Tatoglu and Glaister 1998). Following the decrees enacted in 1983 and 1984, foreign direct investment sourced from neighboring Middle Eastern countries has also increased dramatically in various areas including mainly export–import trading; textile, banking, and investment financing; and tourism (Demirbag et al. 2007).

Although the priority was the development and promotion of mass tourism, for the first time, the protection of natural and cultural values was mentioned in the Fifth Five-year Development Plan (1985–1989). Soyak (2013) emphasizes the importance of this plan due to its focus on alternative forms of tourism and the sustainability of resources. This focus was also underscored in the 1990 action plan and the Sixth Five-year Development Plan (1990–1994) in that the protection of natural and cultural values would be given priority, certain areas would be open to tourism activity under protection, and all activities and investments in the tourism sector would be planned according to the environmental and cultural policies. This orientation was also apparent in the Seventh Five-year Development Plan (1996–2000), which mentioned the changes in tourist demands and trends, the diversification of tourism supply, and the support for small- and medium-sized businesses. Moreover, promotion and publicity efforts were highlighted rather than the increase in capacity and bed supply. However, Yolal (2010) argues that tourism flourished in an era of political instability that prevented the emergence of a strong government, which is essential for political and economic stability. Moreover, Turkish tourism faced a number of serious crises during the 1990s such as the Gulf War in 1991, terrorism, the civil war in former Yugoslavia, the economic crisis in 1994, and two earthquakes in the industrial northwest region of Turkey in 1999. Despite experiencing so many severe disasters, both tourism organizations and government officials continued to ignore the need to employ a proactive approach to managing crises. This is, perhaps, a partial reflection of the national culture in Turkey’s business environment. As stated by Kabasakal and Bodur (1998), strategic planning and a proactive approach to management, coordination, and teamwork are not common features in the business culture of governments and private organizations in Turkey. Consistent with this, Okumus and Karamustafa (2005) conclude that countries such as Turkey must first develop and implement sound regional and national tourism plans that must then be integrated into the establishment of crisis management strategies because most of the problems faced by Turkish tourism have been due to the failure to plan and implement strategies for sustainable tourism development.

The Eighth Five-year Development Plan (2001–2005) declares the collapse of the incentive policy to increase bed supply. This plan further underscores the
negative impacts of the oligopolistic structure of the foreign tour operators as a result of their horizontal and vertical integration (Roney 2011). Therefore, the focus of the eighth plan was to concentrate on marketing efforts, airline transportation, and total quality improvement across the industry. In mid-February 2001, Turkey experienced one of the worst economic crises in its recent history and, as a result, experienced a substantial fall in its gross national product from US $201.4 billion in 2000 to $148 billion in 2001 (Okumus and Karamustafa 2005). The 2001 crisis and its consequences indicate that neither tourism firms nor the government could foresee the event, and therefore, they failed to make advance preparations. Accordingly, Turkey responded to the crisis with reactive and ad hoc measures at the organizational, regional, and national levels.

As in the previous plans, similar assumptions and expectations were also mentioned in the Ninth Five-year Development Plan (2007–2013). In this plan, it was noted that a master plan would be prepared to maintain long-term healthy development of the tourism industry. Consequently, the Tourism Strategy of Turkey 2023, a 16-year strategy plan, which has been in place since 2007 and covers the 100th anniversary of the republic, was prepared. This plan presents a road map for the managerial and practical processes in the tourism industry and is an effort to provide extensions to the management and implementation of strategic planning efforts and to enhance the cooperation between public and private sectors with reference to the principle of governance (MoCT 1997). The strategic plan and the 2013 action plan together collectively target the wiser use of Turkey’s natural, cultural, historical, and geographical assets, with a balanced perspective that addresses both conservation and utilization needs spontaneously and in an equitable sense, hence, levering the share of the country’s tourism business. In sum, the strategy plan proposes a variety of long-term strategies with respect to planning, investment, organization, and research and development. As in the case of previous development plans, strategies such as fortifying the transportation network and infrastructure; promoting and marketing the education, and diversification of tourism products; and rehabilitating existing tourism areas are also mentioned in the Tourism Strategy of Turkey 2023.

2.4 Governance, Mass Tourism, and Sustainability

In Turkey, while tourism development plans and tourism objectives have focused primarily on the expansion and development of the infrastructure necessary for tourism development, the importance of the social, natural, and cultural dimensions has been substantially underestimated and largely ignored. Similar to many developing countries, the governments of Turkey, as the parties responsible for defining the problem and designing, formulating, adopting, and implementing policies, perceive tourism as a relatively cheap and easy means of securing foreign currency and creating jobs for an increasing number of unemployed people (Özen and Kuru 1998).
Turkey has experienced a gradual transformation from a state-sponsored managed development form of public–private cooperation and partnership to macro-level developments in the political, economic, and social arenas (Göymen 2000). However, this transformation has occurred without a proper cost-benefit analysis and without taking into account the risks associated with international tourism (Tosun and Jenkins 1996). Meanwhile, the excessive centralist tradition in Turkey and the relative absence of a participatory culture have impeded the inclusion of all stakeholders in the decision-making processes. Göymen (2000) further notes that the reluctance of different levels of bureaucracy to relinquish part of their authority, coupled with the relative weakness of civil society institutions, poses a major obstacle. In this regard, Tosun and Timothy (2001) identify the shortcomings of planning approaches to tourism development, such as the over-centralization of planning activities and improper practices of public administration; development planning that is too rigid and inflexible; plans that are not comprehensive enough to incorporate contemporary measures; a lack of community-based approaches; the adoption of supply oriented tourism planning; a lack of consistency and continuity in planning policies; a myopic approach to establishing planning goals; and specific plans that are difficult to implement.

Tourism contributes to the development of less-developed and underdeveloped regions, to the restructuring of the economy and, as a result, to the growth and development of the economy as a whole (Bahar 2007). In this respect, the development of tourism in underdeveloped regions and the attracting of both domestic and international tourists to these regions create employment, income, and added value in economic terms and also contribute to the realization of sustainable development. Thus, tourism development, especially cultural tourism, has been perceived as an important factor in increasing the GDP in the eastern and southeastern provinces of Turkey. However, when compared to the businesses in the coastal areas, tourism development has been of negligible significance (Seckelmann 2002). Furthermore, though in each of the five-year development plans, the governments continued to stress the capacity of tourism to eliminate socioeconomic problems (Seckelmann 2002) and to mitigate interregional disparities between developed and underdeveloped regions, this could not be achieved because the eastern provinces faced larger socioeconomic problems than the Western provinces.

Tourism is generally thought to be ‘an industry without a chimney.’ However, the literature suggests that tourism development has inadvertently produced impacts at tourist destinations, particularly in developing countries, thereby altering the ecological resources at these destinations (Butler 1990; Dodds and Butler 2009). Unfortunately, tourism development in Turkey is structured primarily as mass tourism, which is accompanied by many environmental, social, and economic problems and often only minimal economic contributions. For example, results of a study conducted by Dal and Baysan (2007) suggest that the intense use of coastal areas results in ecological and environmental problems, a finding supported by the local residents who contend that tourism has resulted in increased environmental problems. Dodds and Butler (2009) report that although the participants who are integral to the policy process are aware of sustainable tourism, the individual
advantage from exploiting pooled or shared resources is often perceived as being
greater than the potential long-term shared losses that result from the deterioration
of such resources. As a consequence, there is little motivation for individual actors
to invest or engage in protection or conservation of increased sustainable tourism.
In response to the negative impacts of this phenomenon, societies have prompted a
search for alternative forms of tourism as a way to transition away from mass
tourism. Indeed, as noted by Copper and Ozdil (1992), this movement was largely
consumer rather than industry driven and may lead to politically correct or
acceptable forms of tourism. Unfortunately, it has been observed that in the main
tourism centers, the local people are disregarded by the government and thus have
no voice in the planning process (Tosun 1998; Yuksel et al. 1999). Seckelmann
(2002) criticizes the central decision to grant an investor advantages or privileges
and further argues that providing land in certain areas is often contradictory to the
interests of the local people, especially when considering that a patronage system
has arisen between some civil servants and potential investors (Yuksel et al. 1999;
Tosun 1998). The inability of the local people to participate in the planning process
has resulted in low acceptance of central programs by the local people.

By 1990, the public sector organization of tourism was in place, and Turkey was
established as a recognized international tourism destination with main tourism
products incorporating sea, sun, and sand; yachting; culture and history; thermal
resources; and natural attractions (Cooper and Ozdil 1992). However, Turkey was
not ready technologically, socially, or economically to absorb an expansion in
tourism (Chesshyre 1990). As a low-price holiday destination with unspoiled
beaches as part of its attraction, Turkey has been marketed to the mass tourist
market (Crossman 1989). Moreover, the exploration of tourism by the Turkish
people and the development of domestic tourism through second and vacation
homes have contributed to an unplanned, unsustainable tourism development in
areas, such as Kusadasi, Bodrum, and Alanya. Expectedly, different stakeholders
have different agendas, and there is often a disconnect between ideal policy goals
and achievable outcomes (Dodds and Butler 2009). Cooper and Ozdil (1992)
suggest that there was no integrated planning or preparation for the rapid growth of
tourism at the government level. Optimistically, researchers comment that the
emphasis on tourism in Turkey is to drift away from mass tourism toward a more
responsible form of tourism where volume is not seen as the criterion for success.
However, this hopeful intent has, to date, not been achieved.

Apart from the environmental problems that Turkey has faced due to mass
tourism, Cooper and Ozdil (1992: 381) identify numerous examples of social and
cultural impacts:

- the commercialization of contacts with locals, such as being asked for money to
take photographs, overpricing, and double pricing;
- the stereotyping of female tourists;
- the changing of the lifestyles of local people as they exploit the opportunities
  that tourism provides in the short term;
• the influence on language by the replacement of Turkish words with foreign words and phrases;
• the demonstration of tourist wealth by clothing and language, which is then increasingly copied by local people and has led to the breakdown of traditional Turkish customs and behaviors as well as to sexual relationships and, occasionally, to marriages between tourists and locals;
• the noticeable decline in morality in resort areas where gambling, drugs, and prostitution are evident;
• the changing of the material culture, for example, poor-quality Turkish carpets produced quickly to meet demand at the expense of quality. More importantly, archeological and historic sites are being looted by tourists for souvenirs or by local people who sell the stolen pieces to tourists.

Sustainable tourism development is envisaged as leading to the management of all resources in such a way that it fulfills economic, social, and esthetic needs while maintaining cultural integrity, essential ecological processes, biological diversity, and life support systems (Dowling and Fennell 2003). However, there are several factors hindering Turkey’s progress toward a sustainable approach to tourism. Tosun (2001) summarizes these limitations as a lack of a contemporary tourism development approach, the structure of the public administration system, the emergence of environmental issues, over-commercialization, the structure of the international tourism system, and the invasion of natural and historical sites by the industry. In this regard, Çetinel and Yolal (2009) suggest that a radical change in the democratization of the country and its political structure is necessary for the better management of the tourism industry and its resources.

2.5 Conclusion

Turkey has long experienced a series of chronic and severe macroeconomic problems, such as high rates of unemployment, increasing rates of deficits in the current account of balance of payments, increasing debt and relatively high inflation and interest rates compared to developed countries. Moreover, political instability and unrest in the 1970s and 1990s left Turkey vulnerable to external interventions. Consequently, tourism was seen as an easy way to overcome these economic and social problems even though it was not compatible with the principles of long-term sustainable development.

The history of tourism development in Turkey can be divided into two distinct periods. Earlier attempts were shallow and remote from the confines of planning and strategy development. However, the planned era, which was marked by development plans, was devoted to increasing the infrastructure and superstructure necessary for the development of tourism. Accordingly, this era, which has been governed by the state, is termed the history of mass tourism.
As a novel destination with abundant attractions in the form of natural, historical, and cultural sites, Turkey has achieved rapid tourism growth with respect to volume, value, and infrastructure. However, it can be argued that this growth has proceeded in such a haphazard way that environmental, economic, and sociocultural sustainability of the tourism industry have been neglected. The case of Turkey indicates that overcoming structural problems in tourism requires the cooperation and integration of national and local planning, further devolution in administration, strengthening of formal institutions and civil society, and the providing of more tools to enhance participation and accountability (Göymen 2000). Moreover, the development of market-oriented strategies and qualitative measures rather than quantitative objectives may also contribute to the long-term success and sustainability of the tourism industry in Turkey.

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