

## AKP, Alcohol, and Government-Engineered Social Change in Turkey

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Articles & Testimony

Since the Justice and Development Party, or AKP, rose to power in Turkey in 2002, special taxes on alcohol have increased dramatically, making a glass of wine or beer one of the most expensive in Europe, and for that purpose anywhere in the world.

The AKP leadership is known for their aversion to alcohol. Yet, the Turkish people are divided on this issue, with some who believe that drinking alcohol is a sin according to Islam, while some believe it is not. While the debate continues, the AKP is implementing policies to make alcohol exorbitantly expensive and therefore out of reach for many Turks.

The issue at stake in Turkey is not whether the government promotes or condemns drinking, nor is it defending one's ability to get drunk, as would be the case in non-Muslim societies. Rather, given the split religious and cultural attitudes towards drinking in Muslim Turkey, which is also a democracy, the issue at stake is maintaining the notion that citizens in a liberal democracy are free to choose for themselves. Drinking might, therefore, be seen as one of the litmus tests of the AKP's commitment to liberal democratic values within the context of the Turkey's majority faith, Islam.

Research shows that after eight years of rule by the AKP, drinking has become an expensive luxury in Turkey due to large tax hikes.

For starters, the AKP's tax hikes against alcoholic beverages do not appear to be connected to a drinking problem in Turkey. In fact, Turkey has traditionally low alcohol consumption rates. According to data provided by the World Health Organization, at the time when the AKP came to power in 2003, Turkey's per capita alcohol consumption rate was 1.4 liters (L) per year. For that same year, this amount was 10.9L in Belgium; and 11.5L and 9.0L in neighboring Cyprus and Greece respectively. Even, Qatar, which implements a rigid version of the Shariat under the Wahhabi school, had higher per capita alcohol consumption rates than Turkey, at 4.4L per capita.

In June 2002, Turkey adopted a new taxation regime called the Special Consumption Tax (SCT). Prior to this, Turks had been paying only an 18 percent value-added tax on alcoholic beverages. After the AKP came to power, the SCT was set around 48 percent of the cost of the beverage. Since then, this rate has skyrocketed. As the AKP established itself in power, the SCT rose, until reaching 63 percent in 2009. The AKP came under fire for this policy, and in 2010, SCT on some alcoholic beverages, such as wine, was eliminated. Yet at the same time, lump sum (maktu) taxes on wine were raised, compensating for the elimination of SCT. The lump sum taxes on a bottle of wine used to be 1.30 Turkish Liras (TL), whereas in 2010, this became 1.50 TL. This appears to be a sneakier way for the government to stick to their agenda of making alcohol exorbitantly expensive.

Beer has been a second target of the AKP's cultural war against alcohol. Between 2002, when the AKP came to power, and 2009, taxes on beer increased a shocking 737 percent, with an additional 45 percent increase between 2009 and 2010.

Raki, Turkey's national drink, has been the third target of large tax hikes. Raki is the drink of choice with Turkish meals, especially for middle and lower class Turks. In 2002, the retail price for a bottle of raki was 9.15 TL. Today the same bottle costs around 35 TL. In 8 years, the price of Turkey's national drink nearly quadrupled.

What is more, the government has also taken administrative measures against raki, traditionally consumed with small meze plates, most notably cheese, fish, and fruits. On July 2009, the Alcohol and Tobacco Market Regulation Agency, or TAPDK, passed a regulation which banned raki commercials that portray food items, including cheese and fish. This effectively renders such commercials almost obsolete -- an analogy would be if airline commercials could not display images of in-flight service.

The sharp increase in the price of alcoholic beverages in Turkey should also be viewed within the context of relative income levels. A bottle of raki now costs \$22.30 (35 TL) in Turkey. This is an especially steep amount in Turkey, where the minimum wage is \$365 (572 TL) per month. An estimated 4 million people in Turkey work at the minimum wage. Given that a bottle of raki is 15 percent of the monthly minimum wage, the beverage has become simply a luxury item under the AKP: Turks are free to consume them, but for those who are working class, this is no longer a choice.

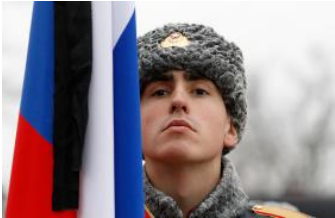
The AKP's tax hikes against alcohol, rendering drinking a glass of beer a luxury at best, is a case study in Turkey's social transformation. The party is changing Turkey not by changing laws, but through administrative measures, enforcing its own select religious and cultural values on the country. In this regard, the party is limiting choices. If alcohol is too expensive to find its way to the dinner table of average families, then it turns into a luxurious commodity only the rich can afford. If the general public can't afford to buy a bottle of raki or wine, alcohol will diminish first from their daily lives, then from their lives in general. Soon, social practices will follow suit. For instance, when the AKP came to power in 2002, the number of "Shariah compliant" hotels throughout Turkey, where alcohol sales are prohibited, was five; in 2009, the country had over 40 such hotels.

Alcohol selling and serving licenses, granted by government-controlled municipalities, also seem to be shaping market dynamics. According to TAPDK, the number of licenses for stores to sell alcohol was 82,271 in 2002 but had dropped to 78,212 by March 2008. Similarly, the number of valid licenses for bars, restaurants, and pubs to serve alcohol fell from 13,115 in 2002 to 8,963 in March 2008 -- all this in a country whose economy and population are growing.

This is case in point about Turkey's social transformation under the AKP through social engineering. Increasingly under the party's growing weight, individuals' right to choose is being restricted according to the government's definition of what is a good Muslim. "A good Muslim does not do..." seems to be the direction of the AKP government's acts that is also the driving force of social change in Turkey.

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