AVRUPA BİRLİĞİ MERKEZLİ DOLAYSIZ DIŞ YATIRIMIN POLONYA VE TÜRKİYE ÜZERİNDEKİ ETKİLERİ

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ÖZET

Avrupa Birliği devlet ve hükümet başkanları 17 Aralık 2004 tarihinde Türkiye ile tam üyelik müzakerelerine başlama kararı almış ve bu karar sonrasında özellikle AB menşeili yabancı sermayenin Türkiye'ye olan ilgisi ciddi anlamda artmıştır. AB firmalarının Türkiye'ye ilgisi, 2003-2008 yılları arasında gelen toplam doğrudan yabancı yatırım içindeki yüksek paylarından anlaşılmaktadır.

Benzer bir şekilde 1990'lar sonrasında AB firmalarının Polonya'ya karşı artan ilgisini görmekteyiz. 1993 yılında AB ülkelerinden gelen yatırımların, toplam doğrudan yabancı yatırımlar içindeki payı yarıdan az iken, bu oran 2005 yılına gelindiğinde ciddi oranda artmıştır. AB üyelik perspektifi ve gerçekleştirilen yapısal reformlar bu ülkeyi yatırım yapılacak ülke konumuna sokmuştur.

Ancak Türkiye ve Polonya arasındaki ilk bakışta göze çarpmayan temel farklılık bu ülkelere gelen yabancı doğrudan yatırımların bu ülkelerin dış ticaretinde yarattıkları ticaret yaratıcı etkisinde görülmektedir. Çalışmada, yatırımların yöneldikleri sektörler yakından incelendiğinde AB'den Türkiye'ye gelen doğrudan yabancı yatırımların Polonya'da olduğu gibi daha yüksek oranda imalat sanayine yönelmemiş olması ve bunun yerine banka ve aracı kurumlar ile sigorta şirketlerinin satın alınması yoluna gidilmesi, ülkeye gelen yabancı sermayenin ticaret yaratıcı etkilerinin kısıtlı kalmasına yol açmaktadır. Türkiye'ye gelen yabancı doğrudan yatırımların üçte ikisi AB ülkelerinden gelmesine rağmen, Türkiye'nin ihracatının ancak yarısından biraz fazlasının bu ülkelere yapılmakta olmasıdır. Hatta bu oran 2008 yılında biraz daha gerilemiştir.

Çalışmada ilk önce Türkiye ve Polonya örnekleri, her iki ülkedeki sabit sermaye yatırımlarının, gayri safi yurt içi hasılaya oranları bakımından karşılaştırılmış, daha sonra ise mal ve hizmet ihracatının gayri safi yurt içi hasılaya oranları yakından incelenerek olası bir paralellik olup olmadığı araştırılmıştır. Bu arada doğal olarak her iki ülkeye de giren doğrudan yabancı yatırım miktarları ve bunların sektörel yönelimleri karşılaştırılmıştır. Elde edilen bulgular yardımıyla bir sonuca varılmaya çalışılmıştır.

Anahtar kelimeler: Yabancı doğrudan yatırımlar, dış ticaret, Türkiye, Polonya, Avupa Birliği.

DISSIMILAR EFFECTS OF THE EUROPEAN UNION ORIGINATED FOREIGN DIRECT INVESTMENTS IN POLAND AND TURKEY

ABSTRACT

On 17 December 2004 the leaders of the European Union member countries decided to open accession negotiations with Turkey and, after this decision, the European origin foreign capital has increasingly showed interest to Turkey. EU firms' interest to Turkey is evident from their high share in the total foreign direct investment between 2003 and 2008.

In the same vein, we observe the increasing interest of the EU firms to Poland after 90s. While the investment from EU Countries had a modest share in the total foreign direct investments in 1993, it raised considerably after 2005. The applied reforms, political stability and the EU membership has convert this country to a place where investments to be made.

However, the basic difference between Turkey and Poland, the difference which does not draw attention at the first glance is found in the trade creative effects, created by the foreign direct investments in the foreign trade of these countries. When the sectors at which the investments aim, the fact that the foreign direct investments from EU to Turkey, as to Poland, have not significantly gravitated towards the manufacturing sector. Instead, the FDI coming to the country have been used in merging and purchasing the banks and intermediary firms and insurance companies, results in limited trade creative effects of the foreign direct capital coming to Turkey. Though two-thirds of the FDI's flowing into Turkey comes from the EU countries, almost just the half of the exports of Turkey goes to these countries. This rate even decreased in 2008.

In the study, the probable reasons for this case have been compared based on two major pivots: for Turkey and Poland, the rates of the fixed capital investments to the gross domestic products and the rates of goods and services trades to the gross domestic products have been compared and a possible parallelism has tried to be detected. In this analysis, the amounts of the FDI's entering both countries have also been evaluated. By means of the obtained findings, we have tried to come to a conclusion.

Keywords: Foreign direct investments, Foreign trade, Turkey, Poland, European Union

Introduction

There is considerable theoretical literature on the determinants and the impacts of FDI. The "ownership-location-internationalization" formula developed by Dunning, explains the background of a fundamental decision to invest abroad in terms of gaining market power (ownership), using the locational advantages (location) and worldwide operational advantages (internationization) (Dunning 1977: 396). Subsequent studies developed this model. In the more recent literature, the explanatory variables of FDI fall into three broad groups: trade costs (including distance), market size, and production cost differentials (Demekas et al., 2007: 370)

It has been observed that a significant increase enjoyed in foreign direct investments (FDI) entering in to Turkey in 2004. 75% of these investments come from the EU. The decision taken in December 2004 to start the full membership negotiations became a milestone and led increase in the foreign firms' trust in the Turkish Economy. In addition, it may be said that the IMF program which has been successfully applied as of 2001 crisis and the proper international economic conjuncture have impacts on this development.

Poland is one of the countries that have proved the hypothesis that the EU membership is one of the most significant elements which attract the investors in the European economic area. Poland's attractiveness based on its political stability, continued political commitment to economic liberalization and incentive policies towards foreign investors. The literature on the effects of the EU membership on FDI includes Baldwin et al., who use the Spanish case to discuss that FDI flows will be increased considerably by membership in a supra-national organization like the EU primarily because of the reduction in country-specific risk (Baldwin et al., 1997: 125). The size of Poland and its economic performance after 90s when the transformation started, provide this country for being compared with Turkey. The similarity appears as a result of such comparison has revealed significantly interesting consequences. First of all, we have observed that the EU firms have increasingly showed interest to Poland, as to Central and Eastern Europe after 90s. While the investment from EU Countries had a share of 43% of the total FDI in 1993, it rose up to 82% by 2005. The EU membership perspective and the applied reforms has made this country a place where investments to be made.

The fact that the significant part of the FDI coming to Turkey realized after 2004, has influenced the constitution of investments coming to the country. In a comparison of Turkey and Poland, the sectoral development differences between Poland and Turkey have been influential in motivation of foreign investors. The Foreign Direct Investment in Poland after 90s have noticed the gap and opportunities particularly in manufacturing industry, therefore mainly aimed at this sector.

In turn, Turkey had not been successful in attracting foreign capital apart from a few privatizations as of 90s up to 2004. Despite of this, the share of manufacturing industry which produces both for the domestic economy and the export markets had shown a significant increase. One of the possible reasons for the FDI significantly headed for the financial sector not manufacturing sector were the preference of the foreign investors on the one hand, and on the other hand the saturation in the relevant sector, meanly the manufacturing sector. In other words, the incoming FDI in Poland and Turkey diverges from one another in sectoral development differences at the period when they entered into the said countries. When we consider Poland closely, all EU origin FDI during 90s and the sectors at which these investments aimed, it can be observed that the manufacturing industry come to the forefront. This sector which is relatively underdeveloped or has investment gap has become more attractive due to the lower production costs and cheap labor. The change in the sectoral composition of the investments coming into Poland shows a parallelism with the structural transformation in its economy. The investment made in manufacturing industry has occupied the largest share among all sectors. Such that, while the share of manufacturing sector in FDI-stock was 55, 7% in 1997, it reduced to 42, 6% in 1999 and it becomes 35, 3 % in 2001. (Weresa 2004: 419) The rapid structural transformation in economy increased the manufacturing aims at the EU markets and, thanks to this, the market integration with EU market become easier. On the other hand, we have observed that the financial intermediary firms as the second sector which increases in number among the investments made in Polish economy. (Murgasova, 2005) The reason for the fact that these restructured, privatized and modernized sectors have the majority share in FDI's is the recovery in the investment environment.

Although Turkey, which got through the liberal economy in 1980 and adapted free market rules 10 years before Poland. Its success has remained modest, compared with Poland which has covered a significant distance through the EU support. In Turkey, the finance sector whose capital structures strengthen and which has become an attractive sector for foreign investments, thanks to the radical, structural measures taken after 2001 banking crisis. The finance sector has been the sector which receives the highest share from the FDI's.

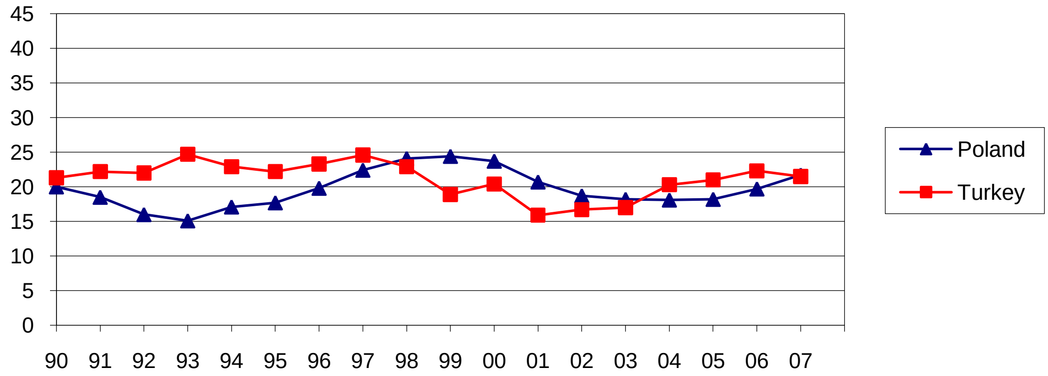
Gross Fixed Capital Investments and Foreign Direct Investments

While considering the rates of the gross fixed capital investments to the gross domestic products of Turkey and Poland in order to make a more general comparison, we have received fairly interesting results. Poland and Turkey have confronted different economic influences as of early 90s. From the following table and the diagram formed of the said table, the followings may be analyzed:

Table and diagram 1: Fixed Capital Investments – as percentage of GDP

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Poland	20	18,5	16	15,1	17,1	17,7	19,8	22,4	24,1	24,4	23,7	20,7	18,7	18,2	18,1	18,2	19,7	21,7
Turkey	21,3	22,2	22	24,7	22,9	22,2	23,3	24,6	22,9	18,9	20,4	15,9	16,7	17	20,3	21	22,3	21,5

Source: (OECD, 2009)



Turkey actualized the fixed capital investment at the rate of 21,3% of GDP in early 90s and this rate continued to increase in the subsequent years. With 1994 crisis, it experienced a slight fluctuation and it decreased to 15,9% during 2001 crisis and remained under 20% in the subsequent two years, in 2002 and 2003. Thanks to the structural measurements and recovery of the investment environment after 2001 crisis, this rate has started to increase again. However the basic interesting development was observed after 2004. Although a large amount of FDI came to the country as of 2004, the Fixed Capital Investment/GDP rate did not increase as the FDI inflow increases, and reached to maximum 22,3 % in 2006. This rate remained even lower than the 24,7 % at the end of 1993 without any significant foreign investment.

The developments in Poland occurred at the converse direction in comparison to Turkey. The Fixed Capital Investment/GDP rate continuously decreased after the limited capital structure of the country in early 90s, due to the transformation in economy, the effort for transition to the liberal economy, eliminating the old and ineffective state establishments. Thanks to FDI coming to the country as of the midst of 90s, this rate started to rise and increased to 24,4% in 1999, the highest rate. The rate which began to decrease after 2002, started to rise again after full EU membership and increased up to 21,7% in 2007. The interesting development happened by the end of 2007. While considering both tables together, the rates of the gross fixed capital investments to the gross domestic products were equal in Turkey and Poland (as shown in the table 2) as of this date when the FDI-stocks in both countries were also almost equal to each other.

While Poland acquired a rate of 21,7% Fixed Capital Investment/GDP with a FDI-stock of 142 billion US Dollars, Turkey acquired a rate of 21,5% Fixed Capital Investment/GDP with a FDI-stock of 145 billion US Dollars.

Table 2: Foreign Direct Investments in Turkey and Poland

	1990	**1995**	**2000**	**2006**	**2007**
Poland	109	7,843	34,227	124,53	142,11
Turkey	11,1899	14,972	19,204	88,3	145,56

Source: UNCTAD, World Investment Report 2009; (million dollar), Cumulative, Stock.

It is extremely interesting that Poland, which experienced a regular and systematic transformation as of 90s through the partnership agreement with EU which it would be full member and which finally became the full member of European Union in 2004, and Turkey, which was integrated with international markets thanks to the export based growth strategy it followed itself without any foreign support, drew the FDI of the same levels. On the other hand, it is a subject that should be particularly focused on is that although a significant part of the FDI, Poland acquired aimed at manufacturing sector particularly in 90s and it became production base for various industries, it had the same Fixed Capital Investment/GDP rate with Turkey. In this context, we can say that although the amount of FDI in Turkey was higher than in Poland, in terms of quantity, these did not transform into the fixed capital investment and if any just indirectly increase the production capacity of Turkey.

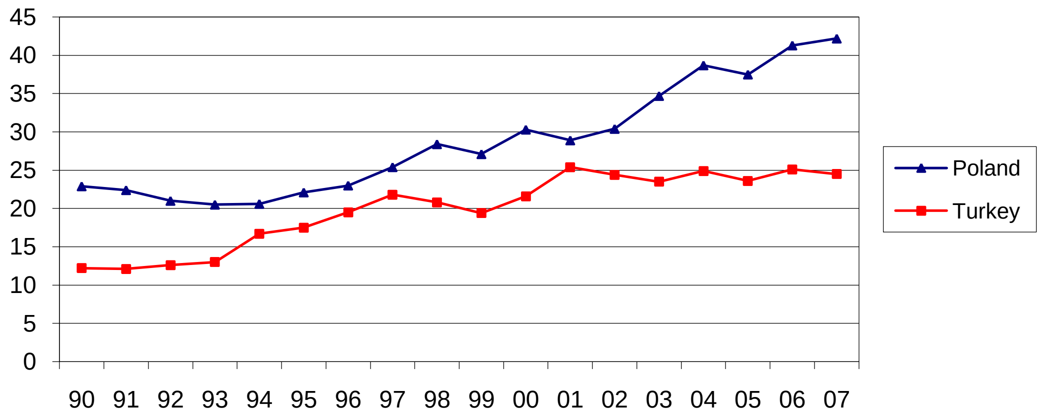
Goods And Services Trade And Foreign Direct Investments

While considering the rate of goods and services export to the Gross Domestic Products (GDP) in both countries (Export/GDP), as shown in table 3, Poland’s export of goods and services equals to 22,9 % of its GDP while Turkey’s export reached only to 12,2 % of its GDP in 1990. By 1995, this ratio reduced to 22,1 % in Poland due to structural transformation. It consistently increased up to 17,5 % in Turkey. By 2000, the goods and services export of Poland reached to 30,3% of the GDP while in Turkey it rose to 21,6%. In 2007, Turkish export sector provided a foreign trade at the level of one quarter of its GDP, while the rate was 42,2% in Poland.

Table and diagram 3: Goods and Services Trade – as a percentage of GDP

	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Poland	22,9	22,4	21	20,5	20,6	22,1	23	25,4	28,4	27,1	30,3	28,9	30,4	34,7	38,7	37,5	41,3	42,2
Turkey	12,2	12,1	12,6	13	16,7	17,5	19,5	21,8	20,8	19,4	21,6	25,4	24,4	23,5	24,9	23,6	25,1	24,5

Source: (OECD, 2009)



The FDI-stock in Turkey, as shown in Table 2, presents significant bounces after 90s. According to the data by UNCTAD, the foreign direct investment stock which was 11,9 billion US Dollars increased up to 14,9 billion US Dollars before Customs Union, reaching a level of 145,6 billion US Dollars by the end of 2007 both due to the Customs Union effects, macroeconomic stability and the effects of full membership negotiations started with EU. In 2008 due to the global economic crises the FDI-stock of Turkey declined to 68,9 billion US Dollars. Similar trends have been observed also in Poland. While FDI-stock was just 109 million US Dollars in 1990, it increased up to 7,8 billion US Dollars after signing the Partnership Agreement with the EU and the commence of the liberal trade and bounced to 142,1 billion US Dollars by the end of 2007 after the full membership in 2004. At the end of 2008 the FDI-stock of Poland decreased to 161,4 billion US Dollars. However, as mentioned above, the FDI in Turkey and Poland have caused trade creation in both countries. The foreign investors, who aimed at manufacturing sector in the second half of 90s and evaluated the location advantages that appeared through incentives and privatizations in Poland, presented significant contributions for the foreign trade of Poland and for integration with EU markets. According to a survey carried out in 2001, Turkey and Central and Eastern European Countries compete with each other in the context of FDI. (Loewendahl, 2001: 8)

The foreign investors, who aim different sectors while coming to Turkey, have made their most important investments in financial intermediary institutions and insurance sector. As known, the location of FDI differs according to the foreign investors' goals in the country where they would like to make investments (Hadjit, 2005: 326). These investments, which realizes almost in the same amount in the context of FDI and while considering the stocks, present different results in each country. Since the investments coming to Turkey have not usually targeted the manufacturing sector, their employment creative effects have remained limited. However, this is a subject of another study and oversteps the bounds of this study.

Result and Evaluation

Sum up, It is extremely interesting that Poland, which became EU full member in 2004, and Turkey, which was integrated with international markets thanks to the export oriented growth strategy it followed itself without any foreign support, drew the FDI of the same levels. On the other hand, it is remarkable that although a significant part of the FDI Poland acquired aimed at manufacturing sector particularly in 90s and it became production base for various industries of the EU. Poland and Turkey had the same Fixed Capital Investment/GDP rates in 2007. In this context, we can say that although the amount of FDI in Turkey was higher than in Poland, in terms of amount, these did not transform into the fixed capital investment and just indirectly increase the manufacturing capacities.

On the other hand, while a FDI of 142 billion US Dollars provided for Poland a rate of 42,2% goods and service export/GDP, a FDI of 145,5 billion US Dollars provide for Turkey a rate of 24,5% goods and service export/GDP.

Even this result shows that the characteristics of the FDI incoming to Turkey are different from the foreign capital in Poland, that is, they have different sectoral orientation, even if they are equal in terms of amount. In Poland the investments have occupied a long period since 90s and aimed at the manufacturing sector which results in production increase, while the real FDI-inflow, which have a 4-5 years history after 2004 decision, have aimed at financial sector at the beginning instead of manufacturing sector since it does not have a high profit margin and because of high competitive environment.

However, while considering the medium and long term, the FDI in any country is beneficent in any case and creates an injection effect for the economy; and its impacts will appear, even if delayed.

END NOTES

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