A Study on the Determinants of Income in Turkey

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ABSTRACT

The objective of this study is to analyze the effects of socio-economic factors such as gender, age, education level, and occupation on various income types. Turkish Statistical Organization’s (TURKSTAT) micro data set of 2011 Household Budget Survey with a sample size of 9,918 households and 37,121 individuals is used in the study. The Mincerian semi-logarithmic wage model is employed in order to measure the effects of income related factors with controlled categorical variables. The model is also enriched with some interaction variables that are added to the model in an effort to measure the effects of explanatory variables in greater detail. The results of the analyses reveal interesting findings regarding to the relationship between individual earnings and personal, economic, and educational characteristics. The results of the analyses are expected to bring light into making effective policy decisions on both educational and employment policies.

Keywords: