

Social Security Expenditure and Income Distribution: An Application of Turkey

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Social security, in essence, people are likely to encounter in their economic and social risks prior to them taking the necessary measures to ensure that the income generated public expenditure programs. Social security, poverty, unemployment, economic uncertainty about the future and old age and illness that may occur due to the social dangers which includes measures to eliminate or alleviate the negative.

Re-distribution of income in the fiscal policy of the State to intervene using the tools of fiscal policy objectives is included. In this respect, the state, directly affect the distribution of income through the tax system and the secondary distribution of income transfer performs. In addition, public expenditures for social services and their financing for the development of infrastructure for the distribution of income through public revenues collected direct.

Provision of social peace in a country largely depends on a fair distribution of income. However, a fair distribution of income as self-realization is not possible. State to intervene in the distribution of income through income distribution policies of the welfare state is seen as a requirement.

This paper examines the relationship between social security expenditures and the distribution of income in Turkey for the period of 1975-2010. The study aims to reveal whether there is any relationship between the two variables in the long term, utilizing basic cointegration and VAR (Vector Autoregression) model.

Keywords: Social Security Expenditures, Distribution of Income.