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Türkiye’de Asgari Kabul Ücretinin Belirleyicileri / Determinants of Reservation Wage in Turkey

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ABSTRACT

Reservation wage shows minimum wage that an individual willing to work. This wage also shows starting point of the individual labor supply curve. There are several factors affecting reservation wages of unemployed people. This study aims to identify the factors affecting reservation wages. To achieve this aim a unique questionnaire was developed with help of recent studies. This questionnaire was conducted on unemployed people in nine cities at the Turkey Labor Force Agencies. The survey carried on 2000 people. Number of unemployed men and women was taken in consideration while number of questionnaires in cities was determined. In this respect study has a comprehensive and unique data set. there is not any study investigates this issue in Turkey and a unique questionnaire was used in this study. These points make this study important. Ordinary least squares will be employed. Besides that unemployment duration will be used as an instrumental variable. Consequently social, demographic and economic factors which explain the reservation wage of unemployed people will be determined. Also some suggestions can be made about minimum wage and unemployment policies by the findings. At the same time it can help to understand the structure of labor supply in Turkey and developing policies to reduce unemployment rates.

KEYWORDS Reservation Wage; Turkey; Unemployed

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