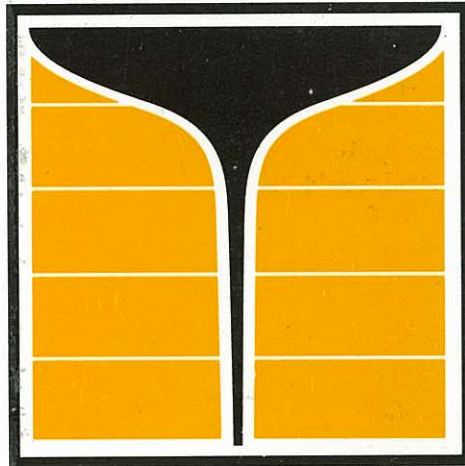# REPORT
ON
THE FIRST NATIONAL HUMAN
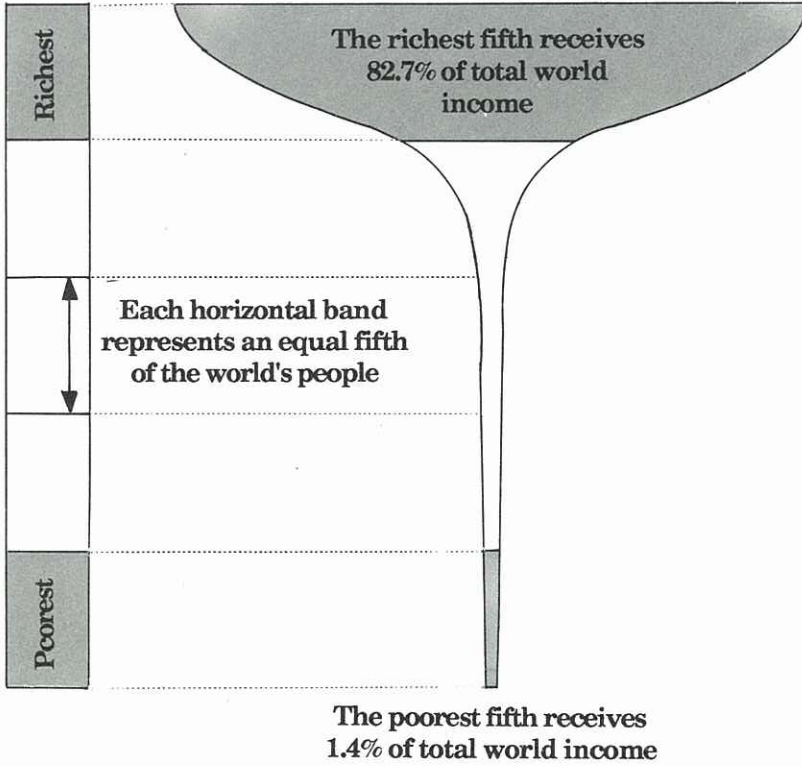# DEVELOPMENT CONFERENCE

ANKARA, TURKEY

7-8 September 1992

**Organized Jointly by
the Government of Turkey
and
the United Nations Development Programme (UNDP)**

World population arranged by income

Distribution of income

Richest

The richest fifth receives 82.7% of total world income

Each horizontal band represents an equal fifth of the world's people

Poorest

The poorest fifth receives 1.4% of total world income

The cover design shows the global distribution of income. The richest 20% of the world's population receives 82.7% of the total world income while the poorest 20% receives only 1.4%. Global economic growth rarely filters down. The global income distribution by quintile is as follows:
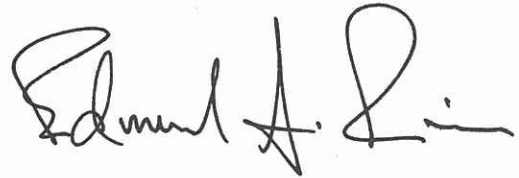
World population	World income
Richest 20%	82.7%
Second 20%	11.7%
Third 20%	2.3%
Fourth 20%	1.9%
Poorest 20%	1.4%

FOREWORD

The Human Development Report has been published by UNDP on an annual basis since 1990. The Reports contain a Human Development Index (HDI), which ranks countries not by gross national product but by the life expectancy, education level and purchasing power of their citizens.

Folowing the publication of the 1992 Human Development Report, the UNDP office in Ankara joined with the Government of Turkey to analyse at the First National Conference on Human Development, Turkey's human development efforts.

We are pleased to present the collection of presentations made at the Conference along with the recommendations for follow-up action. UNDP particularly wishes to express its gratitude to all those who contributed to the Conference and made valuable recommendations on the future directions human development might take in Turkey

Edmund J. Cain
UN Resident Co-ordinator

Ankara, Turkey
November, 1992

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NATIONAL CONFERENCE ON HUMAN DEVELOPMENT

SUMMARY OF PROCEEDINGS

The Conference, organized jointly by the Government of Turkey and the United Nations Development Programme, with the support of Mr. Erdal İnönü, Deputy Prime Minister of Turkey, brought together the ministers, policy-makers, senior government officials, scholars, members of the business community, NGOs and representatives of the UN System in Turkey. Dr. Mahbub ul Haq, Special Advisor to the Administrator of UNDP also participated in the meeting together with the Director, Human Development Report Office in New York.

The main objective of the conference was to initiate a dialogue on policy issues raised by UNDP's **Human Development Report,** involving decision-makers in the Goverment and administration, academicians and others in opinion- making positions in Turkey, as well as representatives of the UN family.

It was expected that this dialogue, beginning with a general discussion of the concept and policy implications of the **Human Development Report,** would then focus on specific issues suggested by the **Country Profile Report for Turkey,** prepared for the Conference to be further elaborated in discussions of **Sector Papers** contributed by policy-makers and academicians in such fields as regional development, population, health and women.

The discussion of the many positive examples of the successes of Turkey, particularly in the areas of institution-building, to serve as models for economies in transition, particularly, those in Central Asia, was included as a topic for the Conference, with the hope of contributing to the drafting of the **1993 Human Development Report** expected to focus on these subjects.

Finally, the Conference deliberations were expected to provide the basis for the establishment of a new framework for policy formation as a step towards a more focussed and enhanced *Human Development Strategy,* to guide the UN system in Turkey to review its priorities and act in closer co-ordination, in its development support to the Government.

The Conference, which was the setting of an intense and productive dialogue, achieved all its objectives and provided guidance and momentum for further action in specific areas.

In his keynote address to the conference, Mr. İnönü, the Deputy Prime Minister, referred to the fact that while, in the world, the concern with human development was moving to the centre of development debate, "the main components of economic strategy, in Turkey, in the 1980s, were economic reforms and structural adjustment policies, targeted towards increasing economic efficiency and improving the country's competitive position in the world. The insensitivity of governments resulted in not only widening income differences between different sectors of the society, but also in widening regional disparities that has a dangerous potential of destabılızıng the country". And this issue needs special attention of the Government and international agencies, as "there is no major project in Eastern Turkey that receives international financial assistance". Mr. İnönü then stated that the present Government of Turkey "has brought the concept of human development to the agenda of Turkey's development strategy", witnessed by the "organization of this conference for the first time in Turkey". Mr. İnönü further affirmed the Government's commitment to human development and said, "the basic principle of our Government policy and this Conference are the same: DEVELOPMENT SHOULD BE FOR PEOPLE". "In addition to all these economic and social considerations", Mr. İnönü stated, "the Government's main priorities are closely related to the new index that is in the process of construction by UNDP, that is "**Political Freedom Index**". Mr. İnönü concluded his address by saying that "we have to coordinate all of our efforts to bring a new understanding, new rules and new priorities to the international cooperation framework, directed towards creating an international environment conducive to balanced and sustainable human development for all".

Mr. Mahbul ul Haq, in his statement "UNDP's Human Development Report: Concept and Policy Implications for Development" gave a broad overview of the concept of human development. Explaining the significance of the need for a broader measure of socio-economic progress, Mr. Haq, referred to the fact that there should be "no tension between human development and econo-

mic growth" and that "human development" was "good economics and good politics".

Mr. Haq stated that "the formulation of human development strategies must be an indigenous process" and referred to the experience of Bangladesh, Pakistan, Ghana and Columbia. He further stated that "lack of political will, not lack of resources was responsible for human neglect", and that "there was always scope for human development, through restructuring national budgets and reallocation of aid programmes". Mr. Haq stated that a "global impact" towards human development was feasible and this required "major changes in global governance , if people are the final objective". Mr. Haq pointed out the need for "new people friendly market strategies" which would strike a balance between "market efficiency and social compassion".

Speaking about UNDP's efforts towards further operationalization of Human Development Reports, Mr. Haq concluded that the Conference should serve as a model integrating the concerns for policy-making, technical work and international cooperation.

Prof. Akder presented the **Country Profile for Turkey,** which gives a disaggregated picture of human development throughout Turkey. The paper compares Turkey with other countries, and, provides a comparative analysis of different regions and provinces of Turkey, in terms of ranking on human development indicators. Mr. Akder concludes his paper with policy recommendations deriving from the findings of the Country Profile.

Following a discussion of the methodological issues of the Human Development Report presented by Mr. Orhan Güvenen, President of the State Institute of Statistics, a paper on "UNDP's Human Development Report and Implications for Turkey's National Planning" was presented for Mr. İlhan Kesici, Undersecretary of the State Planning Organization. The paper analyzed the Report from the point of view of development planning and policies of Turkey and referred to the emphasis given to social issues, with special reference to the method of dealing with regional disparities. Mr. Kesici, expressed the opinion that a convergence of views and approach existed between Human Development Reports and Turkey's development plans.

Prof.İlhan Tekeli's paper dealt with the issue of "Spatial Differentiation of Development in Turkey" The paper discusses the historical trends in the distribution of population and capital in Turkey and analyzes the underlying factors determining these trends. This is followed by an analysis of the "spatial distribution of welfare", using indicators reflecting consumption, communication, education and health. The ranking of 73 provinces of Turkey in terms of "welfare indicators" confirmed the findings of the Country Profile, while providing a more elaborate methodological tool. In his analysis of the "policies that can be pursued for a more egalitarian development in Turkey", Mr. Tekeli presented a set of strategic choices, taking into consideration changes in the international setting and recent developments in Turkey.

The discussions of the implications of the **Human Development Report** for national and regional development policies were followed by a series of presentations on the **sectoral** dimensions of the issue.

Prof. Turkan Akyol, the State Minister for Women's Affairs, in her presentation, discussed the gender inequalities that existed globally and in Turkey and suggested that more emphasis should be placed on the problems of integration of women in the mainstreams of social and economic development. She also gave an overview of the Government's policies in that field.

Prof. Ayşe Akin-Dervişoğlu, General Director for Family Planning and Child Care in the Ministry of Health, in her paper, discussed the lessons that can be drawn for health care delivery system and policies.

Prof. Aykut Toros, from the Institute of Population Studies of Hacettepe University, made a presentation about the demographic aspects of the problem and discussed the bearing of the Human Development Reports and indicators on national population policies.

Ms. Inge Kaul, Director of the Human Development Report Office in New York, made a statement about the **"Follow-up to the Human Development Conference."** In her presentation, Ms. Kaul suggested to the Conference a number of ideas and modalities for follow-up action. These included:

1) Work related to **strengthening information-data base,** with special reference to income

distribution statistics. In Turkey, the State Institute of Statistics would serve as the focal point.

2) Work related to the elaboration of national development plans: this would include **specific targets for Human Development.**

3) **Costing the targets.** The targets should be formulated together with their cost implications, there should be a price tag for each target and for overall objectives.

4) **Active advocacy for Human Development.** A strong case can be made for human development in economic terms: investment in people yields better rates of economic return.

5) **Identification of Specific Policies and Measures:**

(i) elaborating social sector programmes with a view to maximizing human development (ii) reviewing general development policies in terms of their impact on human development.

6) **Resource allocation to support human development objectives** (i) reviewing national budgets for reallocation of funds: e.i. military expenditures, health delivery systems to reach urban and rural poor; (ii) reviewing the allocation of external aid. (iii) review of trade and debt policies.

7) **Formulation of a comprehensive "Human Development Strategy".**

8) Involvement of people: a **participatory approach** to human development to raise awareness and stimulate demand for human development projects and programmes.

9) **Research:** Learning about and improving on achieving greater human development.

10) Establishing a strong **focal point** to promote human development.

A panel, composed of Mr. Yavuz Canevi, former Governor of the Central Bank of Turkey and currently the manager of Euroturk Bank and Çelik Kurdoğlu, Director of the Foreign Economic Relations Board, discussed the question of the relevance and importance of Turkey's experience in economic reform for the Central Asian Republics. Dr. Necat Erder, from the UNDP, acted as moderator. In the opening remarks, Dr. Erder, stated that "the emerging nation-states of Central Asia were involved in a process of fundamental transformation which amounts to the creation of a modern nation state, with all its legal and institutional implications, and Turkey's experience was significant for them, not only for her more recent dealings with economic policies, but also for her earlier experiences involving a process of radical legal and institutional change".

Mr. Canevi, while agreeing with the proposed framework for discussion, stated that Turkey's recent experience with economic reform was equally meaningful and relevant. Mr. Canevi, made an analytical presentation of Turkey's experience of the1980s, involving structural adjustment policies towards market orientation, from the "early crisis" to "macro-economic policies" and "crisis management measures", as steps to be taken in response to a "crisis situation", shown in their sequence. He suggested that this framework can be adjusted to respond to the needs of the Central Asian Republics.

Mr. Kurdoğlu stated that the presentation of the problems of the Central Asian Republics may have given a gloomy picture which could lead to pessimism, whereas, there was room for a degree of optimism. Two positive factors were mentioned: (i) the achievements of a transparent market system can be important, specially if supported by public policies for the development of the private sector, (ii) the availability of a stock of well-trained manpower and the experience with technology, were also valuable assets.

Mr. Haq, agreed with the view that, whatever the inefficiency in economic performance, the former Soviet Republics benefitted from policies emphasizing investment in human capital. He also stated that the economic reform should be an indigenous process and technical assistance and advice should be supportive of this process.

The session was concluded with a general expression of support for Turkey's efforts to provide and channel assistance to the Central Asian Republics. In doing so, it was said, one should identify carefully, the areas where the experience and know-how is relevant and that in approaching these countries, one should act with humility and respect.

Mr. Özdem Sanberk, Undersecretary of the Ministry of Foreign Affairs was the final speaker of the Conference. Mr. Sanberk welcomed the Conference and expressed confidence that it would make a contribution to Turkey's understanding of the "development problematic" and to her ef-

forts towards advancing the quality of life in the country. Mr. Sanberk referred to the "historical momentum towards democracy and respect for human rights as well as an economy based on the free market" and to the "wide-ranging convergence of views between developed and developing countries on the approach to the development problem" and "human development, as a guiding concept, has emerged in the gestation process of these momentous changes".

After a brief review of the global development performance in the 1960s and early 1970s, Mr. Sanberk pointed to the problems emerging with "high oil prices coupled with real positive interest rates adopted by the West, leading to a steady decline in the prices of non-oil commodities, and high inflation", and to the ensuing problems of middle-income countries and Turkey. Coming to the present, Mr. Sanberk stated that "the problem is now how to survive, not how to grow sufficiently, for the new concept of sustainable development is based on structural, economic and environmental constraints". In the context, **the direction of human development taken by UNDP, appears to be the only way out, as a means of salvation.** Only can the creative capacity of well educated human beings seize the opportunity offered by and , overcome difficulties arising of of the integration with the world economy".

Mr. Edmund J.Cain, in his concluding remarks, summarized the Conference's conclusions and recommendations.

Conclusions and Recommendations

The Conference served as a forum for the discussion of government policies focusing on human development and the implications of these policies for international cooperation. It achieved its main objectives and provided a framework for future activities to promote the elaboration of a human development strategy in Turkey.

The major conclusions of the Conference can be summarized as follows:

1. The Government, declaring that the concept of human development was at the centre of Turkey's development strategy, affirmed that human development should be considered as the guiding principle in determining priorities for national policies and international cooperation.

The Government's approach to development was also reflected and further elaborated in the statements on and discussions about regional and sectoral policies.

2. The Government's development strategy should provide a framework for programming the activities of the UN system in Turkey. This would imply a review of priorities to give support to regional development programmes, with a focus on Eastern Turkey, and emphasize projects oriented to the underprivileged groups.

3. As a step towards the formulation of a comprehensive human development strategy, "Human Development Focal Point" should be created to coordinate policy development activities and undertake technical - academic work in related areas. The activities of this unit would involve:

- Technical-methodological work to strengthen the information - data basis of the system (The State Institute of Statistics is the natural candidate for this task)

- Research and development work in related areas (A university department or specialized institute).

- Policy development and coordination (A Government agency or an ad hoc group at strategically located point in administration).

4. There was general agreement that Turkey's experience in the areas of economic reform and institution-building could serve as a model for economies in transition, particularly the new republics of Central Asia and that the Government's efforts to provide and channel assistance to these countries should receive support.

5. "National Conferences on Human Development" should be organized, on an annual or bi-annual basis, following the format of this Conference. The activities related to the Conference would be supported by the UNDP Office in Ankara and the Human Development Report Office in New York.

INTRODUCTORY REMARKS

Edmund J. Cain
UN Resident Co-ordinator

It is a privilege and a pleasure for me to welcome you to the National Conference on Human Development. This conference will be concerned with more than economic growth, more than income and wealth and more than producing commodities and accumulating capital. It will be concerned with the process of enlarging peoples choices. Human Development is a process that provides people with the opportunity to pursue a long and healthy life, to be educated and to have access to the resources needed for a decent standard of living. Human Development enables people to have these choices to which everyone should have access. As the graphic on your programme shows, that is not the way it is in today's world. In today's world the richest 20% of the world's population receives 82.7% of the total world income while the poorest fifth receives only 1.4%. I would ask you for a moment to imagine that graph, which looks like a champagne glass, to be the glass of opportunity into which a drink called choice, has been poured. Then imagine from which part of the glass your children, your countrymen and the citizens of the world drink. I need not ask you to imagine who-those drinking from the top fifth of the glass or those drinking from the bottom four-fifths has the opportunities and choices. The answer is all too real.

We in UNDP along with our sister agencies in the United Nations System are proud of the role we have played in drawing the attention of governments to the problems facing humankind and presenting ideas on how those problems might be addressed. We are particulary proud of the publication, the *Human Development Report* to which the whole UN system has contributed and which gives more focussed attention to the challenges and opportunities we, the human race, face. We realize however, that such reports are of little value unless they provoke dialogue and change. At this point I would like to give special thanks to Mr. İnönü, Deputy Prime Minister of Turkey, for supporting the convening of this meeting. It is gratifying and rewarding for us in the UN System to work with Governments where the leadership is sensitive to and responsive to the challenges confronting human development for it is political will that determines how resources are mobilized and whether they are devoted to such human development concerns as education and health. It is this choice by the leaders of nations which is the most important choice of all.

Over the next two days we will be looking at human development in Turkey. The meeting will benefit from contributions by national leaders including Her Excellency Turkan Akyol, Minister of State for Women's Affairs. We will hear from an internationally recognized Turkish Government official Professor Orhan Güvenen, President of the State Institute of Statistics. We will benefit from a rich variety of contributions from a number of outstanding Turkish academicians who will discuss population, health, education, regional development, women, and the role of the market economy. These discussions will be guided by a Turkey Country Profile Report prepared by Professor Halis Akder, which looks at disagregated human development throughout Turkey. I am particularly pleased that our deliberations will benefit from the participation of Dr. Mahbub ul Haq, Special Advisor to the Administrator of UNDP. Dr. Haq, more than anyone else, is responsible for the creation of the *Human Development Report*. Therefore, the result of this meeting should be particularly rich with ideas for action. You might say we have assembled a *Human Development Dream Team*.

What do we hope to accomplish over the next two days?

Firstly, it is hoped that Turkish decision makers will use the Human Development Report and the Turkey Country Profile to measure where Turkey stands and where it should be going in order to improve the standard of living of its citizens. This, combined with the presentations and discussions over the next two days, will hopefully have an impact on future development policy decisions.

Secondly, the many positive examples of the successes of Turkey, particulary in the area of privatization, should be a model for economies in transition-particularly those in Central Asia. The

1993 Human Development Report will be focussing on this subject. Therefore, our deliberations are most timely and should be helpful to the drafters of that report.

Thirdly, the UN System in Turkey which has offices from UNDP, UNICEF, UNHCR, UNIDO, UNFPA, WFP, ILO, FAO, WHO and the World Bank would benefit greatly if the beginings of a more focussed and enhanced Human Development Strategy emerged from our meeting, thereby encouraging closer co-ordination of United Nations support activities to the Government.

Fourthly, we hope to learn how the contents and methodology of the Human Development Report might be improved upon and *Finally,* we hope that this meeting will be the first of an ongoing dialogue among government leaders, academicians and the international community on the challenges of Human Development in Turkey.

Now, it is now my honour to introduce to you the Keynote Speaker for today's meeting His Excellency Erdal Inönü, the Deputy Prime Minister of Turkey.

KEYNOTE STATEMENT

Erdal İnönü
Minister of State
Deputy Prime Minister

It is a great pleasure for me to have the opportunity to address this conference on human development jointly organized by the government of Turkey and the United Nations Development Programme. I am confident that this conference will help us reach a better understanding of the concept of human development and realize its importance for national policies and international cooperation mechanism. I am pleased to have here with us Mr. Mahbub Ul Haq whose personal input contributed greatly to the elaboration of the report which concentrates on this long neglected dimension of development.

With the disintegration of the Eastern Bloc and the end of the Cold war, we are witnessing in many parts of the world a transition process towards pluralistic democracy, full respect for human rights and market based economy. "People"and their well-being have come to the forefront.

However, although the issue of human development has recently moved to the centre of the development debate and has been incorporated in the development strategies of quite a number of developing countries, it has long been neglected in Turkey, except for some academic quarters. The main components of economic development strategy of Turkish governments in the 1980s were economic reform and structural adjustment policies, which were targeted towards increasing economic efficiency and improving the country's competitive position in the world. Although we do not deny the significance of these factors, the insensitivity of the previous governments towards human development is to be regretted.

What was targeted was a sheer growth, but unfortunately two important aspects, namely, the kind of economic growth and the distribution of the output of this growth were neglected.

The outcome of this policy can be observed in the results of the human development report. When ranked in terms of the human development index, Turkey is the seventy first (71st) country. It is painful for me to say that she is even behind the thirteen countries that have lower incomes than hers. As will be further elaborated during the conference, the 1980s were terminated not only with widening income differences between different sectors of the society, but also with widening regional disparities that has a dangerous potential of destabilizing the country.

This issue needs special attention of the government and international development agencies, as there is no major project in the eastern part of Turkey that receives international financial assistance.

It is a great pleasure for me to clarify that, it is our government who brought the concept of the human factor to the agenda of Turkey's development strategy. According to my evalvatıon, we owe the organization of this conference for the first time in Turkey to this fact. As well as the Turkish public, the international community also recognized our efforts directed towards real development of Turkey. The basic principle of our government and this conference are the same: ""Development is and should be for people". You can talk about real development when you can

direct the outcome of growth towards increasing the welfare of your people, paying special attention to the even distribution of income. In other words, for us, growth of national income is an essential instrument that will be used in reaching the target of human development.

With this final target in our minds, it is stated in the coalition protocol that, Turkey can only achieve development by a serious and rational implementation of the rules of a free market economy and a social state, and by adopting a balanced growth approach.

The government programme recognizes that taking the necessary measures to restructure the uneven distribution of income and spread wealth towards the lower income level is an important and immediate requirement of the country.

Hence we have started finding solutions to the problems that urgently require special attention, such as the problem of low growth rate attained last year, high level of inflation rates, unemployment and regional disparities.

In the meantime, we have initiated certain policies directed towards, strengthening and expansion of primary health services and family planning management, enhancing the contemporary character, creativity and effectiveness of our education system, helping our universities to have autonomous development, protection of the environment, adoption of international standards for the Turkish labour legislation, the recognition of women's role in economic growth and their promotion within society.

Although we are aware the fact that reaching these ends is not easy task, our government is determined to find a solution to these problems and promote Turkey to higher ranks in terms of human development. This can be seen in this year's budget, where allocation of funds for education and health have been more than doubled.

In this way the economic growth, generated during the last decade, has now been partly put into the service of our people.

In addition to all these, one of our government's main priorities is closely related with the new index that is in the process of construction by UNDP, *That is the political freedom index.*

We regard the basic principles of human rights enshrined in the Paris Charter and the preceding related documents as vital to our state, society and Turkish democracy. Our government is resolved to incorporate these principles in the legal system and put them fully into practice.

At this point I would like to highlight an important condition of human development which is specially emphasized by the report: *It is impossible to attain a global human development only with national policies. The international community should also fortify its support for worldwide human development*

Unfortunately, the output of development at the global level is put at the service of a small percentage of people. The income GAP between the wealthiest and poorest nations has doubled over the last thirty years. The disparities exhibit themselves in various forms. Famine is the most troubling amongst these. Migration to richer regions is another. Official development assistance supplied by developed countries do not seem to be sufficient. Furthermore, the flow of capital between developed and developing countries depicts a grimmer picture when the tremendous amount of debt services are taken into consideration.

At first sight, trade seems to work better. The countries where social progress has moved fastest are those that have liberalised their domestic and foreign-trade policies. The trouble is that the developed countries have frustrated the attempts of the poorer countries for freer trade with those barriers that they placed upon trade, especially in textiles and agricultural goods. The UNDP reckons that 20 out of 24 industrialized countries are now more protectionist than they were a year ago. This attitude, together with the unequal competition of developed countries against developing countries in global markets, costs the developing nations 500 billion dollars annually, which is ten times what they receive in foreign assistance.

Therefore it is of utmost necessity to bring a new understanding to international cooperation mechanisms to attain global human development. A need to reach an international understanding should have top priority in countries' programmes.

Turkey attaches great importance to human development in her foreign policy as well as in her domestic policy. With the emergence of new States in the Balkans, Caucasus and Central Asia, the world economy and the international political scene have entered a new era. The new sates are facing tremendous problems in this transition period. International assistance is needed to make sure that these states rapidly adapt to the global economic system.

Our Government is keen to respond to the calls of Central Asian Republics, with which we share common historical ties, geographic location, cultural and linguistic affinity. Turkey constitutes an appealing model with her democratization experience, vast economic potential and experience in transition to a liberal market economy. Her geographical proximity to the new republics is another advantage.

A special unit, namely, *"Turkish Agency for Cooperation and Development"* within the Ministry of Foreign Affairs, has been established to coordinate assistance to the Central Asian Republics in their transition periods.

Turkish assistance to developing countries is not limited to the Central Asian Republics. In cooperation with UNIDO (United Nations Industrial Development Organisation), Turkey organizes in-plant group training programmes for professionals, mostly from Africa and sub-continental Asia. This way, we have trained nearly 800 people from less developed countries. Another institutional framework for Turkish assistance is the Turkish agency for cooperation in the State Planning Organisation. This agency provides funds for projects in industrial, agricultural and health fields, research grants, fellowships for training and studying at Turkish research institutions and makes Turkish volunteers and experts in several fields available to the developing countries.

As concluding remarks, I would like to assert that, when the world has a fresh opportunity to create a new global order, we have to coordinate all our efforts to bring a new understanding, new rules and new priorities to international cooperation framework, directed towards creating an international environment conducive to balanced and sustainable human development for all. In particular, this framework should include policies encompassing trade barriers, international capital movements, debt-aid and immigration, and, the efforts of the UN system should be supported by each country towards this end.

These are our expectations from this conference whose success is almost certain. To continue and enhance this success, a wider awareness and political will at the highest level is also necessary. In order to provide such a boost, a World Summit on human development appears to be the proper medium. In fact, what better subject than human development can be found for the summit of humans.

Once again, I would like to wish great success to this first conference on human development held in Turkey.

UNDP's HUMAN DEVELOPMENT REPORT AND TURKEY:
COUNTRY PROFILE

Halis Akder*

Introduction

There are various definitions and measurements of development. Since 1990, UNDP has introduced a new concept of "**Human Development**" and measures this concept by a new index "**Human Development Index.**" The new concept and index emphasize welfare instead of growth and the poor in each country instead of poor countries. It also considers the importance of non-economic indicators like health and education in measuring development.

The Concept of Human Development and its Measurement

"Human development is a process of enlarging people's choices." This is the guiding principle of the new concept. Yet it focues on among the infinite set of choices on three essential ones (1) long and healty life, (2) to acquire knowledge and (3) to have access to resources needed for a decent standard of living. The measurement of human development is also focused on these three components of human life. An ideal system for measuring and monitoring human development would include many variables. Yet the lack of relevant comparable statistics precludes that. Too many variables may blur and distract the policy makers from the main overall trend, as well. The crucial issue therefore is the emphasis on key indicators (UNDP, 1990).

The first component-longevity is measured by life expectancy at birth. Life expectancy is important because a long life is valuable in itself and is also associated with adequate nutrition and good health.

The second component - knowledge is measured by two educational stock variables: **adult literacy and mean years of schooling.** The third component of human development-command over resources for a decent living is the most difficult one to measure. Given the scarce data base, income is the best indicator. Yet, income is measured by the purchasing power-adjusted real GDP per catipa.

All three measures of human development suffer from a common failing: they are averages and conceal wide disparities in the overall population. The aim of this study is therefore to improve the results obtained in the UNDP reports as far as Turkey is concerned. After a brief discussion of the Human Development Index and its arithmetic, this study will present separate indexes for sixty seven Turkish provinces at urban/rural and male/female levels.

The Human Development Index

To construct a composite index, a minimum value and maximum value has to be specified for each of the three indicators. Maximum country life expectancy is set at 78.6 years. 78.6 is Japan's observed achievement in 1990. Minimum country life expectancy is 42.0. This has been observed in Sierra Leone. Maximum and minimum country educational attainments are 3.00 and 0.00 Respectively. These have been observed in the USA and Burkina Faso. Maximum country adjusted real GDP per capita is $ 5,709. For income, the HDI is based on the premise of diminishing returns from income for human development using an explicit formulation for the diminishing return. For this purpose, the full range of income is divided into multiples of the poverty line, which is set to $ 4829. This is the average offical "poverty line" income in nine industrial countries, adjusted by purchasing power parities. The nine countries are: Australia, Canada, the Federal Republic of Germany the Netherlands, Norway, Sweden, Switzerland, the United Kingdom and the United States. There are no diminishing returns below an income of $ 4,829. The higher the income relative to poverty level, the more sharply the diminishing returns affect the contribution of human development. For example Singapore has a real GDP per capita of $ 15,108. The adjused income for Singapore amount to $5,309. The minimum country adjusted real GDP per capita is $380 and is observed in Zaire.
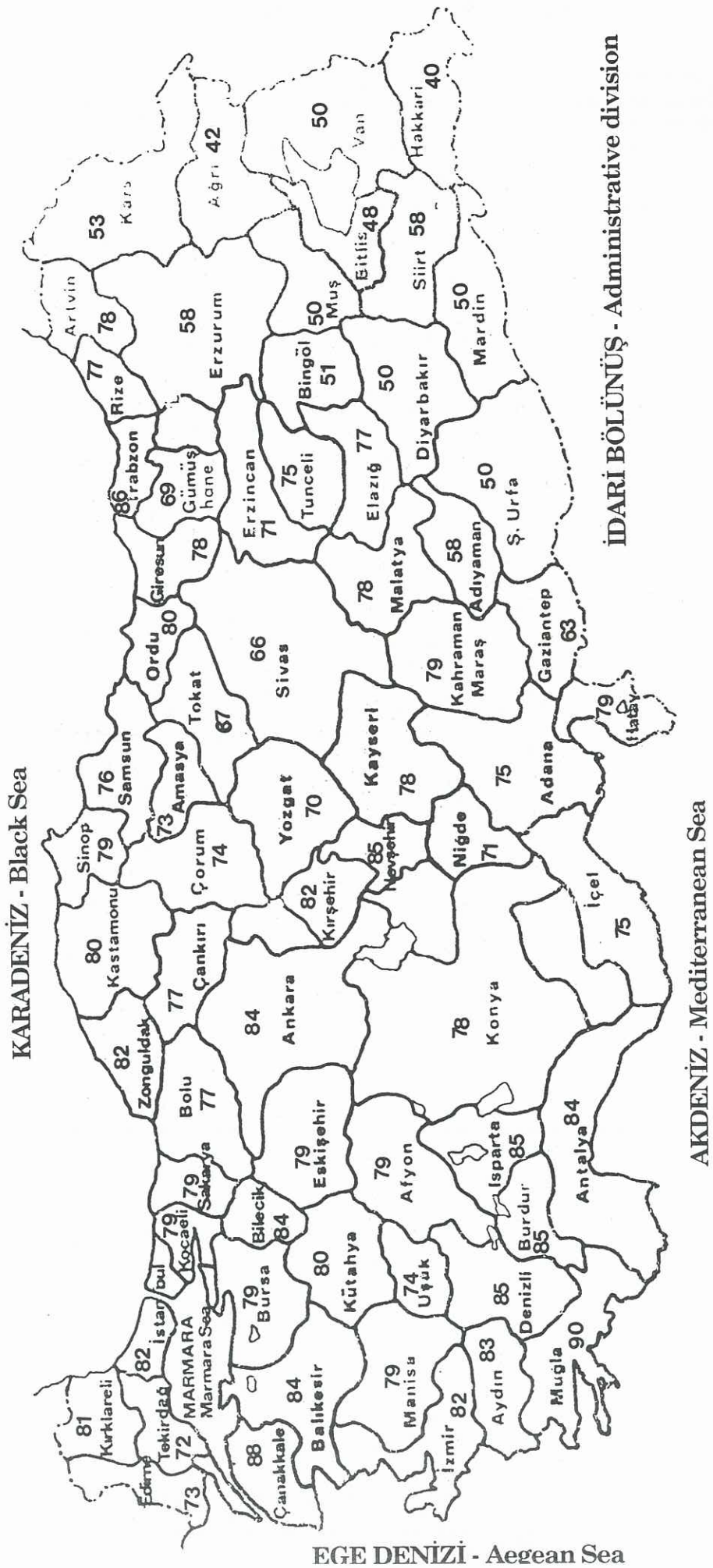
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* Professor, Middle East Technical University-Ankara/TURKEY

TABLE 1

HUMAN DEVELOPMENT INDEXES: ALL TURKISH PROVINCES (1990)

URBAN

		MALE	FEMALE	TOTAL
High Human Development				
48	MUĞLA	0.907	0.903	0.906
17	ÇANAKKALE	0.902	0.862	0.887
61	TRABZON	0.865	0.852	0.861
15	BURDUR	0.863	0.845	0.859
20	DENİZLİ	0.870	0.835	0.856
32	ISPARTA	0.860	0.843	0.855
50	NEVŞEHİR	0.868	0.834	0.851
11	BİLECİK	0.848	0.841	0.849
06	ANKARA	0.866	0.816	0.849
10	BALIKESİR	0.853	0.838	0.847
07	ANTALYA	0.855	0.832	0.845
09	AYDIN	0.849	0.825	0.837
35	İZMİR	0.833	0.813	0.825
40	KIRŞEHİR	0.842	0.796	0.822
34	İSTANBUL	0.832	0.810	0.822
67	ZONGULDAK	0.831	0.808	0.821
39	KIRKLARELİ	0.810	0.812	0.815
37	KASTAMONU	0.827	0.779	0.809
52	ORDU	0.836	0.685	0.804
43	KÜTAHYA	0.811	0.785	0.80.
Medium Human Development				
54	SAKARYA	0.812	0.782	0.799
31	HATAY	0.823	0.691	0.799
45	MANİSA	0.809	0.783	0.798
41	KOCAELİ	0.811	0.784	0.797
26	ESKİŞEHİR	0.796	0.792	0.796
16	BURSA	0.806	0.783	0.795
57	SİNOP	0.817	0.680	0.795
03	AFYON	0.803	0.753	0.790
46	K.MARAŞ	0.821	0.687	0.790
28	GİRESUN	0.806	0.724	0.788
42	KONYA	0.804	0.721	0.788
38	KAYSERİ	0.812	0.695	0.787
08	ARTVİN	0.795	0.769	0.787
44	MALATYA	0.810	0.727	0.781
14	BOLU	0.773	0.774	0.775
53	RİZE	0.807	0.729	0.773
18	ÇANKIRI	0.775	0.728	0.772
23	ELAZIĞ	0.805	0.729	0.770
55	SAMSUN	0.788	0.742	0.767
33	İÇEL	0.765	0.744	0.756
62	TUNCELİ	0.771	0.739	0.753
01	ATANA	0.768	0.713	0.752
64	UŞAK	0.766	0.689	0.745
19	ÇORUM	0.761	0.684	0.740
05	AMASYA	0.762	0.704	0.739
22	EDİRNE	0.743	0.723	0.737
59	TEKİRDAĞ	0.729	0.711	0.724
24	ERZİNCAN	0.743	0.545	0.717
51	NİĞDE	0.738	0.684	0.717
66	YOZGAT	0.731	0.700	0.706
29	GÜMÜŞHANE	0.715	0.620	0.699
60	TOKAT	0.695	0.598	0.677
58	SİVAS	0.689	0.586	0.666
27	G.ANTEP	0.679	0.567	0.639
02	ADIYAMAN	0.631	0.440	0.585
25	ERZURUM	0.613	0.504	0.584
56	SİİRT	0.634	0.523	0.582
36	KARS	0.558	0.480	0.835
12	BİNGÖL	0.557	0.530	0.514
49	MUŞ	0.546	0.501	0.508
63	MARDİN	0.556	0.413	0.504
63	Ş.URFA	0.552	0.419	0.504
65	VAN	0.514	0.497	0.505
21	DİYARBAKIR	0.552	0.414	0.501
Low Human Development				
13	BİTLİS	0.520	0.432	0.482
04	AĞRI	0.469	0.335	0.427
30	HAKKARİ	0.445	0.321	0.401

RURAL

		MALE	FEMALE	TOTAL
Medium Human Development				
35	İZMİR	0.804	0.775	0.790
34	İSTANBUL	0.791	0.779	0.787
50	NEVŞEHİR	0.801	0.757	0.776
06	ANKARA	0.772	0.732	0.751
41	KOCAELİ	0.744	0.716	0.731
22	EDİRNE	0.699	0.684	0.692
16	BURSA	0.690	0.661	0.675
48	MUĞLA	0.683	0.666	0.675
59	TEKİRDAĞ	0.675	0.666	0.671
39	KIRKLARELİ	0.670	0.657	0.664
07	ANTALYA	0.681	0.641	0.661
11	BİLECİK	0.655	0.637	0.645
45	MANİSA	0.658	0.621	0.639
26	ESKİŞEHİR	0.653	0.626	0.639
15	BURDUR	0.639	0.617	0.626
17	ÇANAKKALE	0.619	0.608	0.614
33	İÇEL	0.628	0.598	0.613
09	AYDIN	0.628	0.593	0.610
32	ISPARTA	0.618	0.587	0.601
53	RİZE	0.629	0.554	0.586
10	BALIKESİR	0.593	0.566	0.579
01	ADANA	0.610	0.547	0.577
20	DENİZLİ	0.597	0.550	0.572
64	UŞAK	0.589	0.539	0.562
27	G.ANTEP	0.598	0.515	0.554
42	KONYA	0.575	0.530	0.550
61	TRABZON	0.577	0.512	0.539
40	KIRŞEHİR	0.566	0.515	0.536
43	KÜTAHYA	0.543	0.501	0.522
38	KAYSERİ	0.551	0.491	0.518
54	SAKARYA	0.540	0.496	0.517
31	HATAY	0.541	0.476	0.507
Low Human Development				
05	AMASYA	0.510	0.46	0.488
18	ÇANKIRI	0.506	0.469	0.484
55	ŞAMSUN	0.511	0.461	0.483
51	NİĞDE	0.518	0.446	0.478
14	BOLU	0.498	0.453	0.473
28	GİRESUN	0.519	0.438	0.473
03	AFYON	0.500	0.448	0.472
08	ARTVİN	0.500	0.451	0.471
67	ZONGULDAK	0.495	0.446	0.469
62	TUNCELİ	0.498	0.435	0.463
24	ERZİNCAN	0.497	0.432	0.462
23	ELAZIĞ	0.517	0.416	0.462
44	MALATYA	0.497	0.416	0.456
52	ORDU	0.489	0.425	0.452
46	K.MARAŞ	0.496	0.412	0.452
37	KASTAMONU	0.457	0.407	0.428
29	GÜMÜŞHANE	0.463	0.396	0.422
02	ADIYAMAN	0.458	0.362	0.408
47	MARDİN	0.469	0.348	0.405
63	Ş.URFA	0.469	0.347	0.405
57	SİNOP	0.428	0.386	0.403
19	ÇORUM	0.424	0.381	0.399
60	TOKAT	0.425	0.372	0.396
66	YOZGAT	0.425	0.357	0.387
21	DİYARBAKIR	0.420	0.299	0.357
58	SİVAS	0.386	0.317	0.347
25	ERZURUM	0.367	0.282	0.321
36	KARS	0.352	0.279	0.313
56	SİİRT	0.367	0.261	0.312
30	HAKKARİ	0.351	0.252	0.300
49	MUŞ	0.360	0.239	0.297
04	AĞRI	0.351	0.246	0.294
13	BİTLİS	0.318	0.220	0.266
12	BİNGÖL	0.308	0.223	0.261
65	VAN	0.280	0.168	0.221

Figure 1
Human Development Indexes
Urban Centers

Figure 2
Human Development Indexes
Rural Areas

KARADENİZ - Black Sea

AKDENİZ - Mediterranean Sea

İDARİ BÖLÜNÜŞ - Administrative division

Kırklareli 66
Edirne 69
Tekirdağ 67
İstanbul 78
MARMARA Marmara Sea
Çanakkale 61
İzmir 79
Balıkesir 57
Manisa 63
Bursa 67
Kocaeli 73
Sakarya 51
Bilecik 64
Aydın 61
Denizli 57
Uşak 56
Kütahya 52
Eskişehir 63
Bolu 47
Zonguldak 46
Muğla 67
Burdur 62
Isparta 60
Afyon 47
Ankara 75
Çankırı 48
Kastamonu 42
Sinop 40
Samsun 48
Amasya 48
Antalya 66
Konya 55
Niğde 47
Nevşehir 77
Kırşehir 53
Yozgat 38
Çorum 39
Tokat 39
Ordu 45
Giresun 47
Gümüşhane 42
Trabzon 53
Rize 58
İçel 61
Adana 57
Kayseri 51
Sivas 34
Erzincan 46
Artvin 47
Hatay 50
Gaziantep 55
Kahraman Maraş 45
Malatya 45
Adıyaman 40
Elazığ 46
Tunceli 46
Erzurum 32
Kars 31
Ş. Urfa 40
Diyarbakır 35
Bingöl 26
Muş 29
Ağrı 29
Mardin 40
Siirt 31
Bitlis 26
Van 22
Hakkari 30

The distance from the maximum is calculated for each province (country) as proportion of the maximum-minimum range, which is the deprivation index $I_{ij}=(maxX_{ij}-X_{ij})/maxX_{ij}-minX_{ij})$. The next step is to average these deprivation indicators: $I_j = 1/3 \sum I_{ij}$. The last step is the calculation of the human development index (HDI) as one minus the average deprivation index.

The maximum and minimum values could have been substituted by maximum and minimum values observed among Turkish provinces. This would have affected the absolute values of the indexes, but the ranking would have remain unchanged. However, if the poverty level of income for Turkey herself would have been calculated and substituted, this would have produced quite different results, i.e. ranking of the provinces would be altered. Both approaches have their advantages and disadvantages. The approach chosen here enables international comparison of Turkish provinces.

The Data Sources and Assumptions

Before drawing any conclusion from the results in Table 1 the following assumptions have to be considered.

(1) As already indicated the maximum and minumum values employed on literacy, life expectancy and GDP are the same as in the 1992 UNDP report.

(2) Data on literacy was readily available at provincial level. This study has benefited from State Institute of Statistics 1985 Census data. The UNDP report employs UNESCO data. There are adjustment differences between the two sources of data. The effect on Turkey's ranking is shown in Table 2 by "Turkey*".

(3) There isno recent data on life expectancy at birth, at province level. There is one life table dating from 1966. It was prepared at regional (five regions and three main cities) level. This table differentiated between urban-rural and male-female (Alpay, 1969). The State Planning Organization and The World Bank publish (country) data, too. SIS published "1989 Turkish Demographic Survey" in 1991. This publication had only a life table for Turkey as a whole and not at provincial level. The life-expectancy data employed in this study at provincial level was taken from a private study carried out in the Demographic Studies Cender at Hacettepe University, Ankara. Here life expectancies were calculated at provincial level separately for rural and urban parts of each province. The calculations were performed by the so called "indirect method" and they were based on 1985 Census data.

(4) The GDP's have been taken from a study of Özötün (Özötün, 1988). The most recent data on provincial level dates here from 1986. So some estimation has been done to drive the provincial GDP figures in 1990. The average GDP for Turkey amounts in tnhis study to $4,002 as in the 1992 HD Report. This number is taken from the World Bank. However, the State Planning Organization in Turkey challenges, $4002, by referring to a relatively high real GDP published by OECD.

The GDP's are then disaggregated as rural and urban incomes by the income proportions given in a study on income distribution in Turkey (Celasun, 1986). The urban incomes are also differentiated between males and females by using the provincial wage rate proportions of Social Insurance Institution (SSK, 1990) data.

The next pages present the main findings of this study in Table 1 and Figures 1 and 2.

Disparities and Deprivation within Turkey

The 1st Table and two maps reveal the considerable disparities between geographic regions, rural and urban areas, between males and females in Turkey.

The following Tables, Table 2 and Table 3, place each Turkish province into the international classification. While Turkey ranks 71st in the world in 1990, there are 52 province centers (urban areas) above this average HDI value 0.671. 20 of them rank among the high developed countries, 44 of them are at a medium level of development and three of them are at a low level development. There are 52 countries on the world which have a loweer level of human development index than Turkey's least developed province center Ağrı. There are only 25 countries above the highest ran-

TABLE 2

INTERNATIONAL RANKING OF PROVINCAL HUMAN DEVELOPMENT INDEXES; TURKEY: URBAN CENTERS (Provinces

Rank	Name	Index
	High Human Development	
1	Canada	0.982
2	Japan	0.981
3	Norway	0.878
4	Switzerland	0.977
5	Swedan	0.976
6	USA	0.976
7	Australia	0.971
8	France	0.969
9	Netherlands	0.968
10	UK	0.962
11	Iceland	0.958
12	Germany	0.955
13	Denmark	0.953
14	Finland	0.953
15	Austria	0.950
16	Belgium	0.950
17	New Zealand	0.947
18	Israel	0.939
19	Luxemburg	0.929
20	Barbados	0.927
21	Italy	0.922
22	Ireland	0.921
23	Spain	0.916
24	Hong Kong	0.913
25	Cyprus	0.912
	MUĞLA	0.906
26	Greece	0.901
27	Czechoslovaki	0.897
28	Hungary	0.893
	ÇANAKKALE	0.887
29	Uruguay	0.880
30	Trinidad	0.876
31	Bahamas	0.875
32	Poland	0.874
33	USSR	0.873
34	Korea Rep.	0.871
35	Bulgaria	0.865
	TRABZON	0.861
36	Chile	0.863
	BURDUR	0.859
37	Yugoslavia	0.857
	DENİZLİ	0.856
	ISPARTA	0.855
38	Malta	0.854
	NEVŞEHİR	0.851
39	Portugal	0.850
	BİLECİK	0.849
40	Singapore	0.848
	ANKARA	0.848
41	Brunei D.	0.848
	BALIKESİR	0.847
	ANTALYA	0.845
42	Costa Rica	0.842
	AYDIN	0.837
43	Argentina	0.833
	İZMİR	0.825
44	Venezuela	0.824
	KIRŞEHİR	0.822
	İSTANBUL	0.822
	ZONGULDAK	0.821
45	Kuwait	0.815
	KIRKLARELİ	0.815
	KASTAMONU0	0.809
46	Mexico	0.804
	ORDU	0.804
47	Qatar	
	KÜTAHYA	0.800
	Medium Human Development	
	SAKARYA	0.799
	HATAY	0.799
	MANİSA	0.798
	KOCAELİ	0.797
	ESKİŞEHİR	0.796
	BURSA	0.795
	SİNOP	0.795
48	Mauritius	0.793
49	Albania	0.791
50	Bahrain	
	AFYON	0.790
	K.MARAŞ	0.790
51	Malaysia	0.789
	GİRESUN	0.788
	KONYA	0.788
	KAYSERİ	0.787
	ARTVİN	0.787
52	Dominica	0.783
53	Antigua	0.781
	MALATYA	0.781
	BOLU	0.775
	RİZE	0.773
	ÇANKIRI	0.772
	ELAZIĞ	0.770
	SAMSUN	0.767
54	Grenada	0.758
55	Colombia	0.758
	İÇEL	0.756
	TUNCELİ	0.753
	ATANA	0.752
56	Suriname	0.749
	UŞAK	0.745
	ÇORUM	0.740
57	UAE	0.740
58	Seychelles	0.740
59	Brazil	0.739
	AMASYA	0.739
	EDİRNE	0.737
60	Romania	0.733
61	Cuba	0.732
62	Panama	0.731
	TEKİRDAĞ	0.724
63	Jamaica	0.722
	ERZİNCAN	0.717
	NİĞDE	0.717
64	Fiji	0.713
65	Saint Lucia	0.712
	YOZGAT	0.706
	GÜMÜŞHANE	0.699
66	Saint Vincent	0.693
67	Saudi Arabia	0.687
68	Saint Kits	0.686
69	Thailand	0.685
	TURKEY*	0.681
	TOKAT	0.677
70	South Africa	0.674
71	Turkey	0.671
	SİVAS	0.666
72	Syrian A.R.	0.665
73	Belize	0.665
74	Libyan A.J.	0.659
75	Korea Dem. Rep	0.654
76	Sri Lanka	0.651
77	Ecuator	0.641
	G.ANTEP	0.639
78	Paraguay	0.637
79	China	0.612
80	Philippines	0.600
81	Peru	0.600
82	Oman	0.598
83	Dominican R.	0.595
84	Samoa	0.591
85	Iraq	0.589
86	Jordan	0.586
	ADIYAMAN	0.585
	ERZURUM	0.584
	SİİRT	0.582
87	Tunisea	0.582
88	Mongolia	0.574
89	Lebanon	0.561
90	Iran I.R.	0.547
91	Gabon	0.545
92	Guyana	0.539
93	Vanuatu	0.536
	KARS	0.535
94	Botswana	0.534
95	Algeria	0.533
	BİNGÖL	0.514
	MUŞ	0.508
	MARDİN	0.504
	Ş.URFA	0.504
	VAN	0.502
	DİYARBAKIR	0.501
	Low human development	
96	El Salvador	0.498
97	Nicaragua	0.496
98	Indonesia	0.491
99	Maldives	0.490
100	Guatemala	0.485
	BİTLİS	0.482
101	Honduras	0.473
102	Viet Nam	0.464
103	Swaziland	0.458
104	Cape Verde	0.437
105	Solomon Isl.	0.434
106	MOROCCO	0.429
	AĞRI	0.427
107	Lesotho	0.423
	HAKKARİ	0.401
108	Zimbabwe	0.397
109	Bolivia	0.394
110	Egypt	0.385
111	Myanmar	0.385
112	Sao Tome	0.374
113	Congo	0.372
114	Kenya	0.366
115	Madagascar	0.325
116	Papua N.G.	0.32
117	Zambia	0.315
118	Cameroon	0.313
119	Ghana	0.310
120	Pakistan	0.305
121	India	0.297
122	Namibia	0.295
123	Cote d'Ivorie	0.289
124	Haiti	0.276
125	Comoros	0.269
126	Tanzania	0.268
127	Zaire	0.292
128	Nigeria	0.241
129	Lao H.D.R	0.240
130	Yemen	0.232
131	Liberia	0.227
132	Togo	0.218
133	Uganda	0.192
134	Rwanda	0.186
135	Bangladesh	0.185
136	Cambodia	0.178
137	Senegal	0.178
138	Ethiopia	0.173
139	Angola	0.169
140	Nepal	0.168
141	Malawi	0.166
142	Burundi	0.165
143	E.Guinea	0.163
144	Central A.R.	0.159
145	Sudan	0.157
146	Mazambique	0.153
147	Bhutan	0.146
148	Mauritania	0.141
149	Benin	0.111
150	Chad	0.088
151	Somalia	0.088
152	Ginea-Bissau	0.088
153	Djibouti	0.084
154	Gambia	0.083
155	Mali	0.081
156	Niger	0.078
157	Burkina Faso	0.074
158	Afhhanistan	0.065
159	Sierra Leone	0.062

TABLE 3

INTERNATIONAL RANKING OF PROVINCAL HUMAN DEVELOPMENT INDEXES; TURKEY: RURAL AREAS

Rank	Name	HDI
	HIGH HD	
1	Canada	0.982
2	Japan	0.981
3	Norway	0.878
4	Switzerland	0.977
5	Swedan	0.976
6	USA	0.976
7	Australia	0.971
8	France	0.969
9	Netherlands	0.968
10	UK	0.962
11	Iceland	0.958
12	Gemany	0.955
13	Denmark	0.953
14	Finland	0.953
15	Austria	0.950
16	Belgium	0.950
17	New Zealand	0.947
18	Israel	0.939
19	Luxemburg	0.929
20	Barbados	0.927
21	Italy	0.922
22	Ireland	0.921
23	Spain	0.916
24	Hong Kong	0.913
25	Cyprus	0.912
26	Greece	0.901
27	Czechoslovaki	0.897
28	Hungary	0.893
29	Uruguay	0.880
30	Trinidad	0.876
31	Bahamas	0.875
32	Poland	0.874
33	USSR	0.873
34	Korea Rep.	0.871
35	Bulgaria	0.865
36	Chile	0.863
37	Yugoslavia	0.857
38	Malta	0.854
39	Portugal	0.850
40	Singapore	0.848
41	Brunei D.	0.848
42	Costa Rica	0.842
43	Argentina	0.833
44	Venezuela	0.824
45	Kuwait	0.815
46	Mexico	0.804
47	Qatar	0.802
	MEDIUM HD	
48	Mauritius	0.793
49	Albania	0.791
50	Bahrain	0.790
	İZMİR	0.790
51	Malaysia	0.789
	İSTANBUL	0.787
52	Dominica	0.783
53	Antigua	0.781
	NEVŞEHİR	0.776
54	Grenada	0.758
55	Colombia	0.758
	ANKARA	0.751
56	Suriname	0.749
57	UAE	0.740
58	Seychelles	0.740
59	Brazel	0.739
60	Romania	0.733
61	Cuba	0.732
	KOCAELİ	0.731
62	Panama	0.731
63	Jamaica	0.722
64	Fiji	0.713
65	Saint Lucia	0.712
66	Saint Vincent	0.693
	EDİRNE	0.692
67	Saudi Arabia	0.687
68	Saint Kits	0.686
69	Thailand	0.685
	BURSA	0.675
	MUĞLA	0.675
70	South Africa	0.674
	Turkey	0.671
71	TEKİRDAĞ	0.671
72	Syrian A.R.	0.665
73	Belize	0.665
	KIRKLARELİ	0.664
	ANTALYA	0.661
74	Libyan A.J.	0.659
75	Korea Dem.Rep	0.654
76	Sri Lanka	0.651
	BİLECİK	0.645
77	Ecuador	0.641
	MANİSA	0.639
	ESKİŞEHİR	0.639
78	Paraguay	0.637
	BURDUR	0.626
	ÇANAKKALE	0.614
	İÇEL	0.613
79	China	0.612
	AYDIN	0.610
	ISPARTA	0.601
80	Philippines	0.600
81	Peru	0.600
82	Oman	0.598
83	Dominican R.	0.595
84	Samoa	0.591
85	Iraq	0.589
86	Jordan	0.586
	RİZE	0.586
87	Tunisia	0.582
	BALIKESİR	0.579
	ADANA	0.577
88	Mongalia	0.574
	DENİZLİ	0.572
	UŞAK	0.562
89	Lebanon	0.561
	G.ANTEP	0.554
	KONYA	0.550
90	Iran O. R.	0.547
91	Gabon	0.545
92	Guyana	0.539
	TRABZON	0.539
	KIRŞEHİR	0.536
93	Vanuatu	0.536
94	Botswana	0.534
95	Algeria	0.533
	KÜTAHYA	0.522
	KAYSERİ	0.518
	SAKARYA	0.517
	HATAY	0.507
	LOW HD	
96	El Salvador	0.498
97	Nicaragua	0.496
98	Indonesia	0.491
99	Maldives	0.490
	AMASYA	0.488
100	Guatemala	0.485
	ÇANKIRI	0.484
	SAMSUN	0.483
	NİĞDE	0.478
	BOLU	0.473
	GİRESUN	0.473
101	Honduras	0.473
	AFYON	0.472
	ARTVİN	0.471
	ZONGULDAK	0.469
102	Viet Nam	0.464
	TUNCELİ	0.463
	ERZİNCAN	0.462
	ELAZIĞ	0.462
103	Swaziland	0.458
	MALATYA	0.456
	ORDU	0.452
	K.MARAŞ	0.452
104	Cape Verde	0.437
105	Solomon Isl.	0.434
106	Morocco	0.429
	KASTAMONU	0.428
107	Lesotho	0.423
	GÜMÜŞHANE	0.422
	ADIYAMAN	0.408
	MARDİN	0.405
	Ş.URFA	0.405
	SİNOP	0.403
	ÇORUM	0.399
108	Zimbabwe	0.397
	TOKAT	0.396
109	Bolivia	0.394
	YOZGAT	0.396
110	Egypt	0.385
111	Myanmar	0.385
112	Sao Tome	0.374
113	Congo	0.372
114	Kenya	0.366
	DİYARBAKIR	0.357
	SİVAS	0.347
115	Madagascar	0.325
116	Papua N.G.	0.321
	ERZURUM	0.321
117	Zambia	0.315
118	Cameroon	0.313
	KARS	0.313
	SİİRT	0.312
119	Ghana	0.310
120	Pakistan	0.305
	HAKKARİ	0.300
121	India	0.297
	MUŞ	0.297
122	Namibia	0.295
	AĞRI	0.294
123	Cote d'Ivorie	0.289
124	Haiti	0.276
125	Comoros	0.269
126	Tanzania	0.268
	BİTLİS	0.266
127	Zaire	0.262
	BİNGÖL	0.261
128	Nigeria	0.241
129	Lao P.D.R	0.240
130	Yemen	0.232
131	Liberia	0.227
	VAN	0.221
132	Togo	0.218
133	Uganda	0.192
134	Rwanda	0.186
135	Bangladesh	0.185
136	Cambodia	0.178
137	Senegal	0.178
138	Ethiopia	0.173
139	Angola	0.169
140	Nepal	0.168
141	Malawi	0.166
142	Burundi	0.165
143	E.Guinea	0.163
144	Central A.R.	0.159
145	Sudan	0.157
146	Mozambique	0.153
147	Bhutan	0.146
148	Mauritania	0.141
149	Benin	0.111
150	Chad	0.088
151	Somalia	0.088
152	Ginea-Bissau	0.088
153	Djiboutu	0.084
154	Gambia	0.083
155	Mali	0.081
156	Niger	0.078
157	Burkina Faso	0.074
158	Afghanistan	0.065
159	Sierra Leone	0.062
160	Guinea	0.052

king Turkish Province Muğla (0.906). Turkish Province centers are scattered along the rank 25 to 108 on the international scaling.

As can be seen from Table 3, there is no rural area (province) in Turkey at high human development level. There are 32 provinces, where the rural regions rank along the medium developed countries and there are 45 provinces, where the rural regions rank along the low developed countries. The majority of these regions are in the eastern part of Turkey. The rural parts of East-Black-Sea coast, East and Southeast Anatolia rank at considerably low levels. There are only 29 countries which have a lower Human Development index than the lowest ranking rural part in Turkey. On the whole the HDI ranks in Turkey from 0.221 in the rural areas of province Van to 0.906 at the province center in Muğla. One may stress the disparities. The development levels in Turkey stretch from African to European standards.

Breakdown into High, Medium and Low Level of Human Development

As the Provinces are not of equal size, it may be worth to breakdown the human development data into proportions of total population. The following Figures (Figures 3 to 7) exhibit the breakdown of HDI's as a percentage of total population.

As can bee seen from Figure 3, 32.1% of the total population in Turkey has reached high level human development. 43.2% are at a medium and 24.7% at a low level development. This picture may be considered as the main finding of this study. Although Turkey as a whole (country) ranks at a medium level of human development, the majority of its population is not at that level. Medium level of development is only the mode

Approximately, 32.1% of the population has reached a high level human development. 19.9: out of it are male and 12.2% are female (Figures 4,5 and 7). Males and females are represented at the medium level development almost equally. However, females make up the relatively larger portion (15.4% out of 24.7%) of low humandevelopment level. The relatively larger portions of low human development is also observed among rural female population.

Disparities between Urban-Rural Areas

Table 4 summarizes the human development gap between the urban centers and rural areas of the same provinces (See also Figure 8). The percentages are the differences between the HDIs of the provinces' centers and rural areas (villages and sub-districts). The most important gap in human development sems to be in Turkey betwen rural and urban areas. almost in all Black-Sea Provinces the human development gap between the villages and the urban center is almost as large as the gap between Istanbul and Ağrı. The disparities at the Black-Sea are larger than in the South-East of Turkey. Lowest development gaps have been observed among industrialized north-West preovinces at high level of developments. There are however, provinces in the Southeast, where the gap is relatively sall, but at a low level of human development.

Disparities between Female and Male

The urban male-female disparities are larger than rural male-female disparities. This is due to the method of calculation. For urban areas male and female incomes are differentiated according to the wage ratio in each province. However, rural incomes have been assumed as household income and they have been imputed equally.

The rural male-female disparities are almost entirely due to the low educational attainment of rural female population. The life expectancy of females is usually, higher than male. As noted above, their incomes has been assumed equal to the man, too. The highest disparities are in the southeast of Turkey, i.e., the female population in the southeast of Turkey has the lowest educational attainment, and the lowest human development. The index of the female population in province Van amounts only to 16.8%. The highest index for the female population is in Muğla, 90.3%.

The HDI difference of urban male-female population has been listed in Table 5. Large differences are in the eastern provinces. It is also important to note, that large rural-urban, male-

Table 4
Urban-Rural Difference of HDI

57	SİNOP	39.2%	05	AMASYA	25.1%
37	KASTAMONU	38.1%	51	NİĞDE	23.9%
67	ZONGULDAK	35.2%	42	KONYA	23.8%
52	ORDU	35.2%	15	BURDUR	23.2%
19	ÇORUM	34.1%	48	MUĞLA	23.2%
46	K.MARAŞ	33.8%	09	AYDIN	22.7%
44	MALATYA	32.5%	36	KARS	22.2%
61	TRABZON	32.2%	13	BİTLİS	21.6%
66	YOZGAT	31.9%	49	MUŞ	21.1%
58	SİVAS	31.8%	11	BİLECİK	20.3%
03	AFYON	31.8%	53	RİZE	18.7%
08	ARTVİN	31.6%	07	ANTALYA	18.5%
28	GİRESUN	31.5%	64	UŞAK	18.3%
23	ELAZIĞ	30.7%	02	ADIYAMAN	17.7%
14	BOLU	30.2%	01	ADANA	17.5%
31	HATAY	29.2%	45	MANİSA	15.9%
62	TUNCELİ	28.9%	26	ESKİŞEHİR	15.7%
18	ÇANKIRI	28.8%	39	KIRKLARELİ	15.1%
40	KIRŞEHİR	28.6%	21	DİYARBAKIR	14.4%
55	SAMSUN	28.4%	33	İÇEL	14.3%
20	DENİZLİ	28.4%	04	AĞRI	13.3%
54	SAKARYA	28.2%	16	BURSA	12.0%
60	TOKAT	28.1%	30	HAKKARİ	10.1%
65	VAN	28.1%	47	MARDİN	9.9%
43	KÜTAHYA	27.9%	63	Ş.URFA	9.9%
29	GÜMÜŞHANE	27.7%	06	ANKARA	9.7%
17	ÇANAKKALE	27.4%	27	G.ANTEP	8.4%
56	SİİRT	27.1%	50	NEVŞEHİR	7.5%
38	KAYSERİ	26.9%	41	KOCAELİ	6.6%
10	BALIKESİR	26.8%	59	TEKİRDAĞ	5.3%
25	ERZURUM	26.3%	22	EDİRNE	4.5%
24	ERZİNCAN	25.5%	35	İZMİR	3.6%
32	ISPARTA	25.4%	34	İSTANBUL	3.4%
12	BİNGÖL	25.3%			

Table 5
Urban Male-Female Difference of HDI

24	ERZİNCAN	19.7%		55	SAMSUN	4.7%
02	ADIYAMAN	19.1%		40	KIRŞEHİR	4.6%
52	ORDU	15.1%		49	MUŞ	4.5%
47	MARDİN	14.3%		17	ÇANAKKALE	4.0%
21	DİYARBAKIR	13.8%		20	DENİZLİ	3.4%
57	SİNOP	13.6%		50	NEVŞEHİR	3.4%
46	K.MARAŞ	13.4%		62	TUNCELİ	3.2%
04	AĞRI	13.4%		66	YOZGAT	3.1%
63	Ş.URFA	13.3%		54	SAKARYA	3.1%
31	HATAY	13.2%		12	BİNGÖL	2.7%
30	HAKKARİ	12.4%		08	ARTVİN	2.7%
38	KAYSERİ	11.7%		41	KOCAELİ	2.6%
27	G.ANTEP	11.2%		43	KÜTAHYA	2.6%
56	SİİRT	11.1%		45	MANİSA	2.6%
25	ERZURUM	10.9%		67	ZONGULDAK	2.3%
58	SİVAS	10.3%		16	BURSA	2.3%
60	TOKAT	9.6%		07	ANTALYA	2.2%
29	GÜMÜŞHANE	9.4%		34	İSTANBUL	2.2%
13	BİTLİS	8.8%		33	İÇEL	2.1%
44	MALATYA	8.3%		09	AYDIN	2.1%
42	KONYA	8.2%		22	EDİRNE	2.0%
28	GİRESUN	8.2%		35	İZMİR	2.0%
36	KARS	7.9%		15	BURDUR	1.8%
53	RİZE	7.8%		59	TEKİRDAĞ	1.8%
64	UŞAK	7.7%		32	ISPARTA	1.7%
19	ÇORUM	7.7%		65	VAN	1.7%
23	ELAZIĞ	7.7%		10	BALIKESİR	1.5%
05	AMASYA	5.8%		61	TRABZON	1.4%
01	ADANA	5.6%		11	BİLECİK	0.7%
51	NİĞDE	5.3%		48	MUĞLA	0.4%
06	ANKARA	5.3%		26	ESKİŞEHİR	0.4%
03	AFYON	5.0%		14	BOLU	-0.1%
18	ÇANKIRI	4.8%		39	KIRKLARELİ	-0.2%
37	KASTAMONU	4.7%				

Figure 3
HD as percent of total population
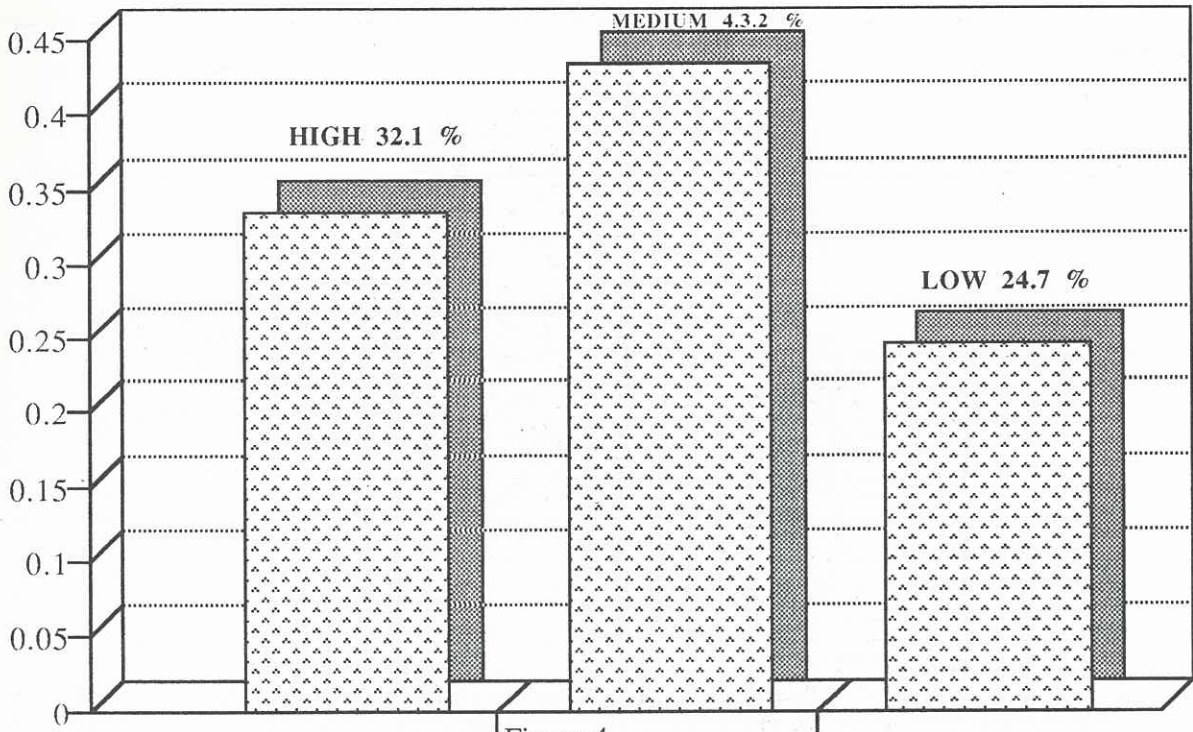
Figure 4
HD of urban and rural male (% of t.pop)

rural male   urban male
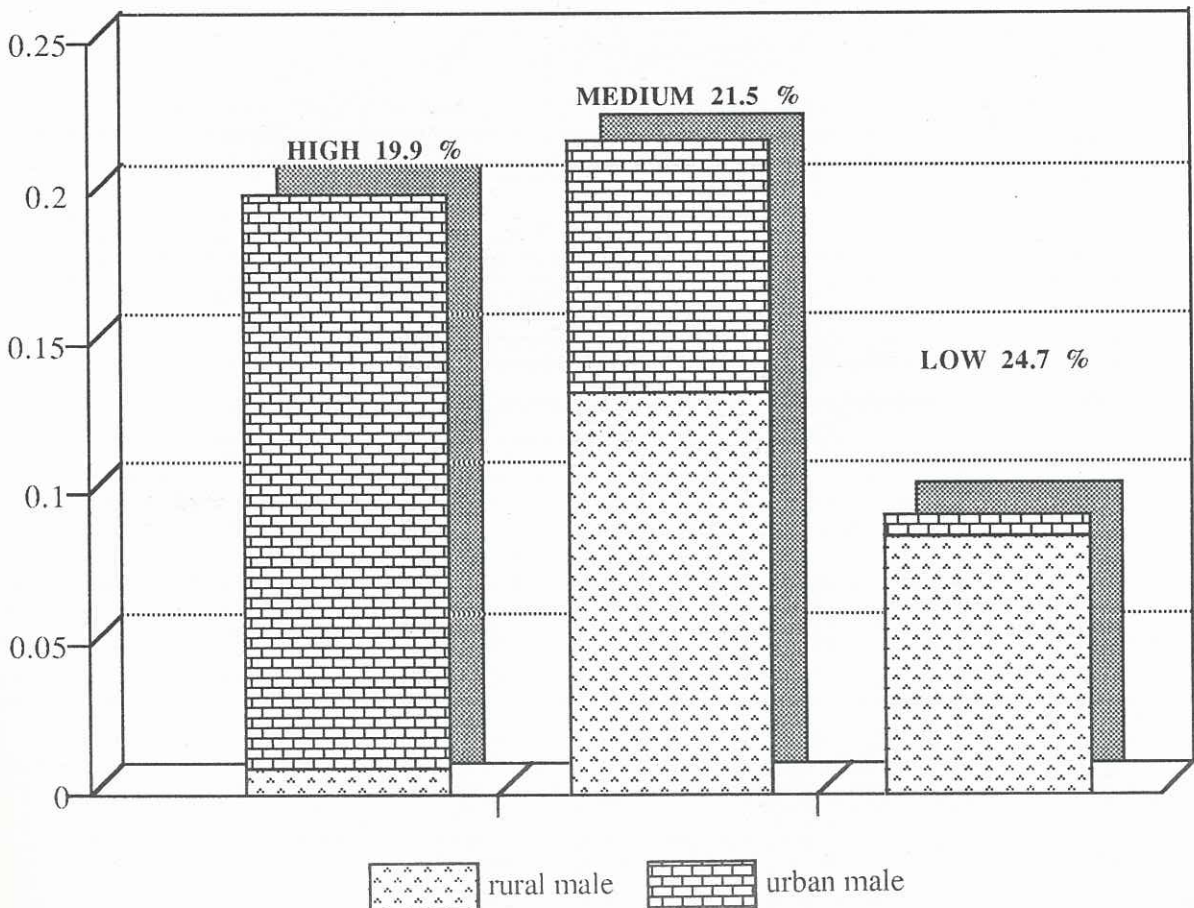
Figure 5
HD of urban-rural female (%of t.pop)

Legend: rural female | urban female
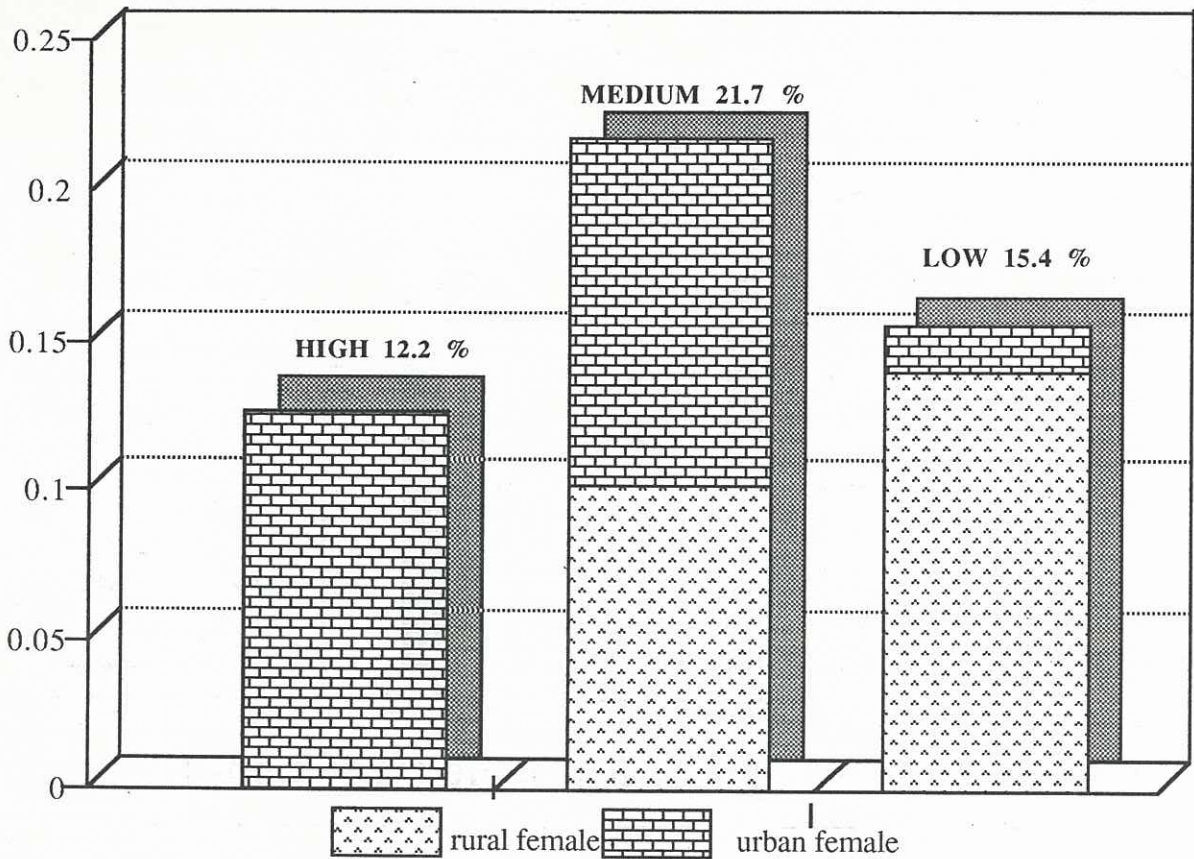
Figure 6
HD of urban & rural (%of t.population)

Legend: rural | urban

22
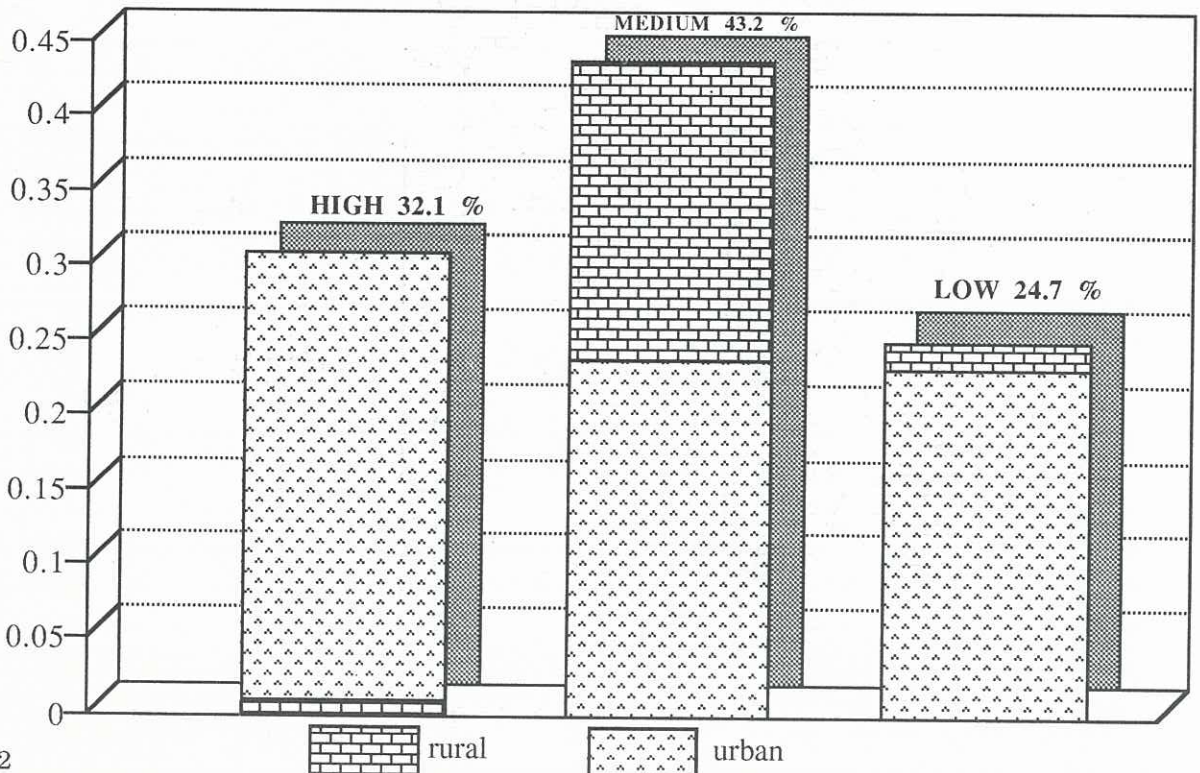
Figure 7
HD of male & female (%of t.population)

MEDIUM 43.2 %

HIGH 32.1 %

LOW 24.7 %
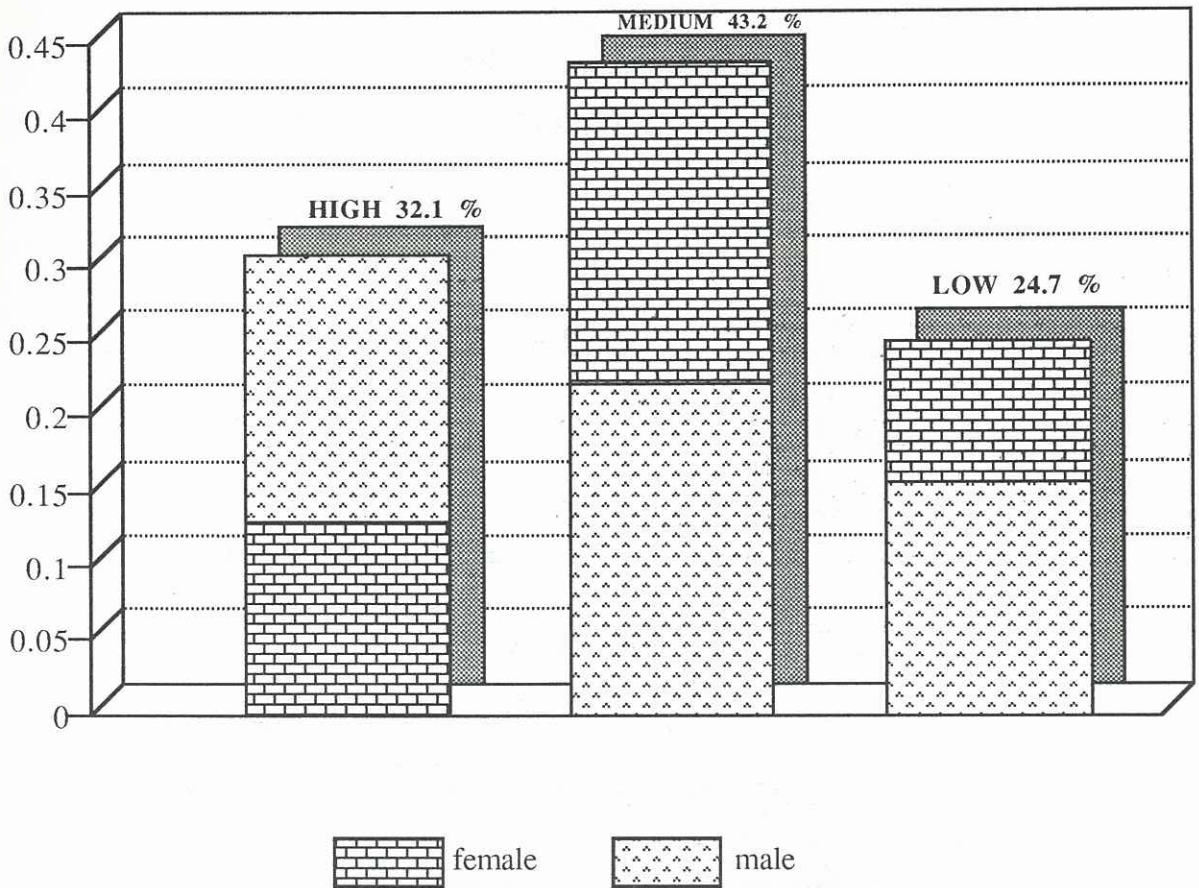
female   male

Figure 8
HDI Urban-Rural Disparities

Human Development Index

Urban   Rural
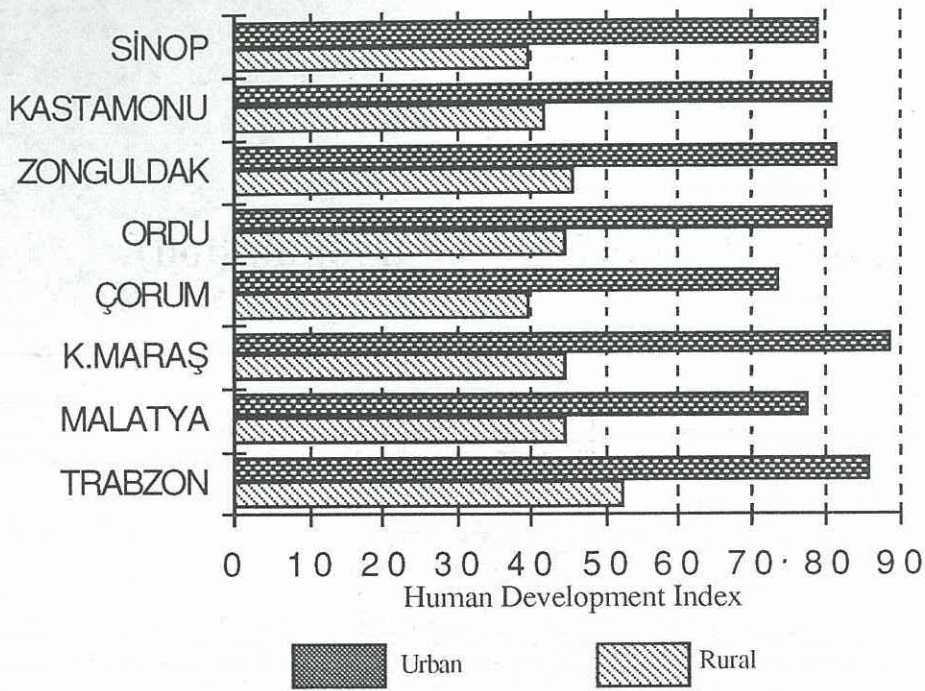
Figure 9
HDI Urban Male-Female Disparities

Human Development Index

urban   rural
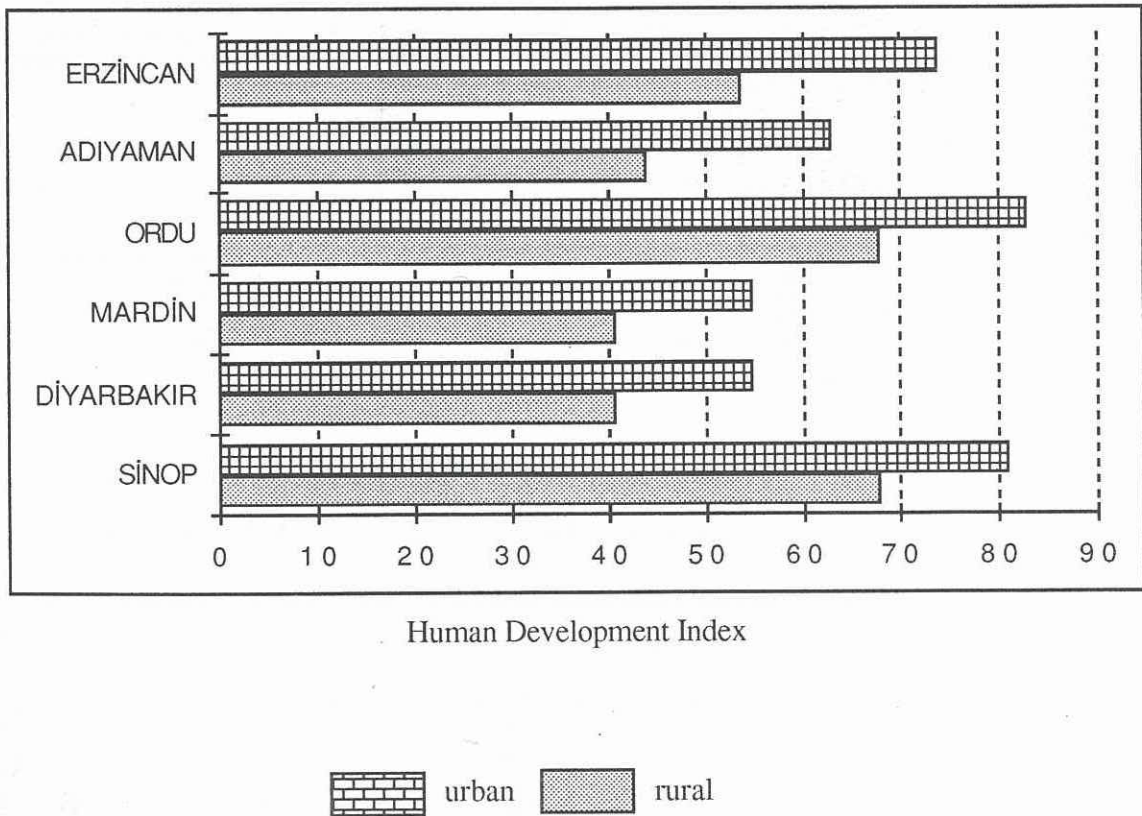
female disparities are observed in the same regions, provinces (see also Figures 8 and 9).

Conclusions

The aim of this study is to improve the results obtained in the UNDP reports, as far as Turkey is converned. Human Development Indexes are calculated for sixty seven Turkish provinces at urban/rural and male/female levels (Table 1). These indexes may now be evaluated along the international ranking of HDI's supplied by the main report of UNDP (Tables 2 and 3). The indexes do not only rank Turkish provinces but they are also ranked into the international scaling.

The indexes indicate policies both to the local and central administrators. The human development disparities in Turkey are not only regional. Disparities within the same province may be as large as the west and east of Turkey. Even within the same urban center female-male human development gaps are considerable. The education gap of the rural-adult-female in the east seems to be a special problem, which most probably requires as special solution, too, i.e., new primary schools will help little to these age groups.

The largest gaps in human development are in Turkey between rural and urban areas. The low income of the rural population is not only due to domestic policies. The problems in agriculture have an international component. The revenues of agricultural producers in all developing countries have been depressed by market distortions that developed countries have caused. However, it is also interesting to observe, that at the Black-Sea where all main agricultural products-tobacco, hazelnut, tea-are subsidized most heavily by government policies, rural development lags far behind the average.

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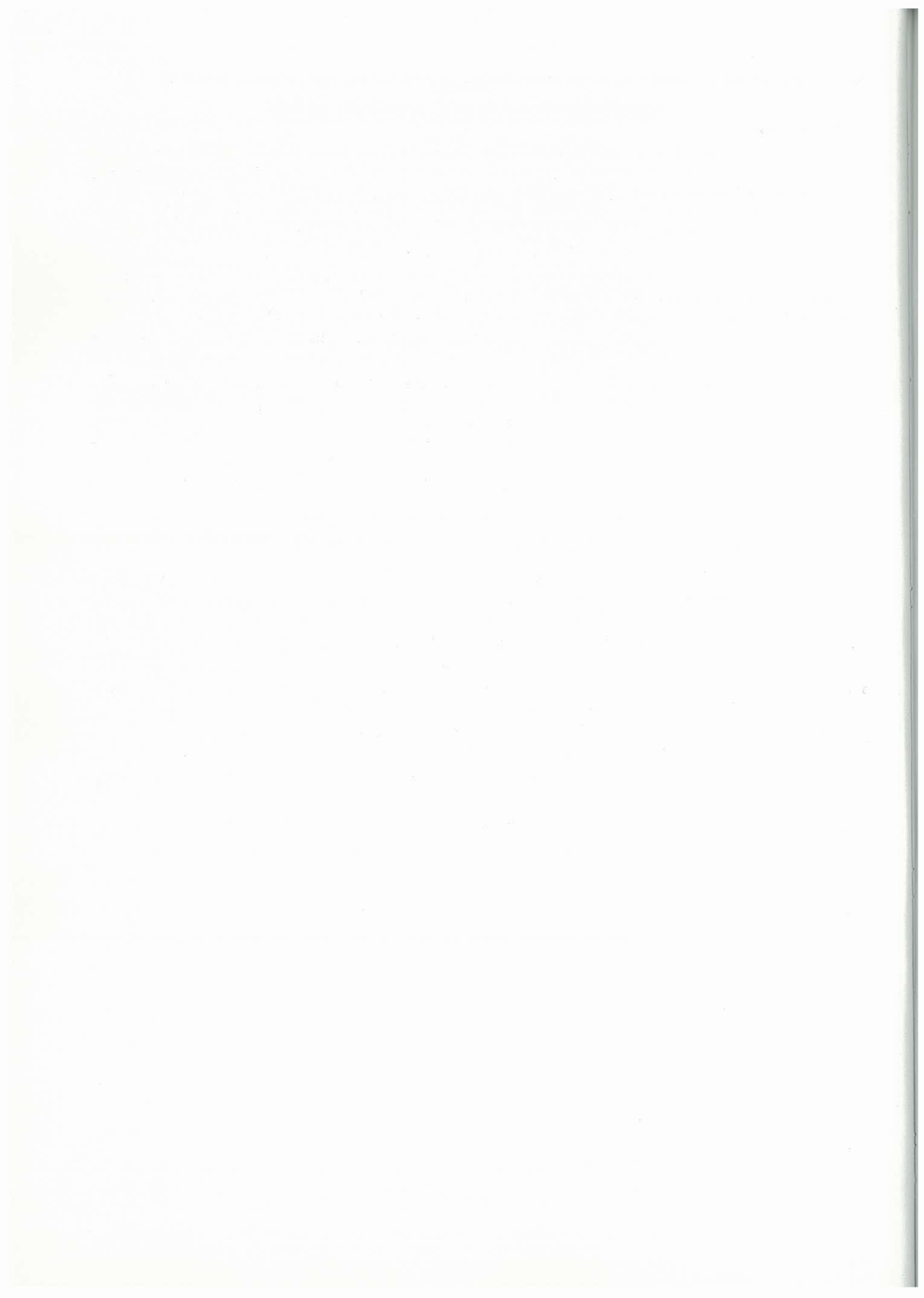
HUMAN DEVELOPMENT REPORT: A STATISTICIAN'S VIEW*

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State Institute of Statistics

Introduction

Each year the UNDP publishes a Human Development Report and provides the results of the Human Development Index (HDI). The 1992 Report concentrates on the international dimensions of human development, and identifies sustained economic growth as the best guarantee for human development. Human development, in turn, consists of the process of enlarging the range of choices for the individual. This is equivocated with increasing opportunities for a higher quality of life based on ensured access to a basic education, health care and a wide variety of economic choices.

The 160 countries studied by the report are ranked according to the Human Development Index. The index is a function of three primary determinants, longevity, literacy, and income. The stated aim of the study is to demonstrate the gowing disparity between the wealthy and the impoverished nations. Within the framework of unequal opportunities, the 1992 Report suggests that the international community must unite in its efforts to support global human development.

While the underlying aims of the HDI are, in this context, applaudable, the limitations of the HDI in these early stages of its formulation must also be considered. Keeping in line with other such studies, most notably Richard Stone's "Social Accounting Matrix", the HDI is best seen as part of the progression of studies in understanding human development.

The object of this paper is to assess the feasibility of examining social and economic phenomena in quantitative terms. The paper looks at the HDI more closely, and aims to facilitate discussion on its virtues and its shortcomings and to contribute to its improvement and wider use in the future. Furthermore, the index will be examined more closely in terms of its results for Turkey.

This paper is divided into three sections, 1) some general considerations on social and economic phenomena, 2) statistical error margins in general, and the example of Turkey's GDP per capita estimations as an illustration, and 3) an up close examination of the HDI and its specific implications for Turkey.

I. General Considerations on the Nature of Social and Economic Phenomena

The specification of social and economic phenomena presents several substantial difficulties arising from biases in the specification methodology and from measurement problems.

The uniqueness of social and economic phenomena, in the sense of taking place at a particular point in history, geography, and society, makes it difficult to undertake controlled experiments as in the natural sciences. The problem is further complicated by the fact that there is a very close relationship between human behavior and the existing social and economic phenomena.

Individual, or decision makers, are affected by the existing social and economic phenomena when making decisions. Once decisions are made and acted upon, the social and economic phenomena that form the bais of future decisions are changed. The continuous structural changes taking place due to the dynamic nature of socia and economic phenomena also pose difficulties in reaching generalizations.

To alleviate these problems, the analysis and quantification of any social and economic phenomena requires the understanding of the global structure which is of a chaotic, complex, and stochastic nature.

As shown in Diagrams 1 and 2, the nature of specification methodology may limit our understanding of social and economic phenomena. As Diagram 1 implies, we do collect a certain infor-

mation set whch is determined by our own perceptions of reality or by the paradigm in which we find ourselves involved. Our biases in quantification and in quantitative interpretation put further restrictions on our understanding of social and economic phenomena.

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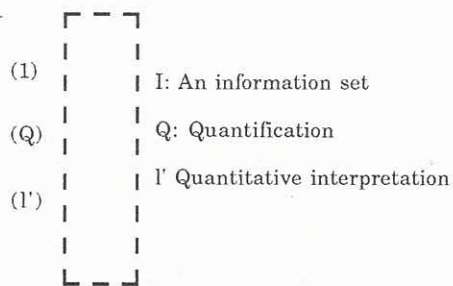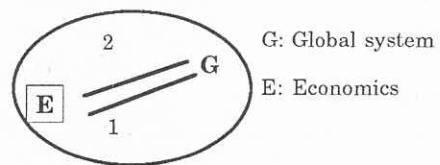
Diagram 1

(1)

(Q)

(l')

I: An information set

Q: Quantification

l' Quantitative interpretation

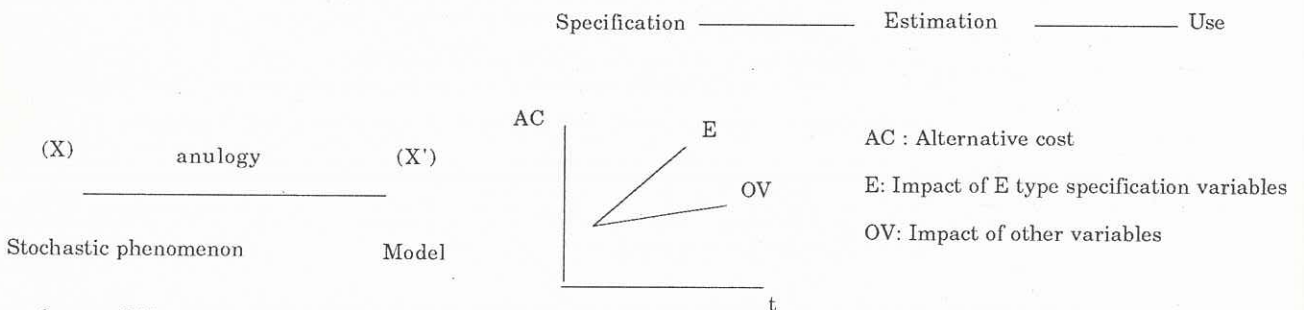**Diagram 2**

2

E

G

1

G: Global system

E: Economics

Source: See p. 273 of the ISI Cairo proceedings, Book number I.

Within the existing mathematical tools, we are not yet able to explain the global structure. what occurs in analyzing and quantifying social and economic phenomena is a subset approach which is a partial analysis of the phenomena disconnected from the global structure (Diagrams 3 and 4).

Diagram 3

Diagram 4

Specification ——————— Estimation ——————— Use

(X)   anulogy   (X')

Stochastic phenomenon   Model

AC

E

OV

t

AC : Alternative cost

E: Impact of E type specification variables

OV: Impact of other variables

Source: Ibid

What is processed at the first stage is the analysis and understanding of the global structure within an interdisciplinary approach; then, via this information, the elaboration of any specification at the structural level. This approach would lead to a different specification, which resrepresents less alternative costs in the medium and long terms, compared to a specification which limits itself to the structural level.

Even if our specification methodology is free of the problems mentioned above, we do face specification problems arising from the lack of data or from mis-measurement problems because the specification methodology is determined independently of the data collection process. A social scientist has to rely on a data base which basically answers to the needs of governments and businesses. That is, some data required by the specification methodology "may not be available in published form, or may not exist at all" (Johnston, 1991).

The best example of this is expectational data. If expectations play an important role in our specifications, then the lack of data on expectations poses a great difficulty.

In this respect, this problem might be overcome to some extent if the data base creation process - or if institutions- pay attention to the needs of different specification methodologies as well as to the needs of the governments and businesses.

II. Statistical Error Margins in General, and the example of Turkey's GDP per Capita Estimations as an Illustration[2]

Before turning to the HDI and its implications for Turkey, there are several items relating to statistical error margins which must be highlighted first. The type of analysis being discussed must necessarily take into account statistical error margins which have significant variations from country to country and from sector to sector. This consideration must be included when making international comparisons.

For example, when analyzing Turkey's GDP, there are several points which must be considered. Firstly, Turkey's GNP is known to be underestimated. This fact is attested to in the OECD's publication "The OECD's Economic Review" (No. 9, Autumn 1987) in an article by Derek Blades and David Roberts entitled "Notes on the Purchasing Power Parity in Reference to the OECD Countries for 1985." Additionally, Turkey's hidden economy has, as yet, no precise estimates. However, it would be reasonable to state this number as at least 25% of GNP.

Furthermore, it is necessary to consider Turkey's informal economy. Because this sector of the Turkish economy makes up a higher percentage than in the OECD countries, the National Accounts of the OECD fail to accurately represent the Turkish figures. Although the Purchasing Power Parity (PPP) figures do not cover the points on the hidden and informal economies, they deserve increased attention as they provide a more accurate assessment of structural and price considerations in international GNP comparisons.

Comparing GDP in billions of dollars, Turkey rates as a middle income country relative to the EC countries and those countries applying for full membership. Although when considering Turkey's population, the GDP per capita ratio is relatively low. However, as stated above, the relatively large size of the informal sector, which is not recorded in the official accounts, leads to the understatement of the GDP in Turkey. Therefore, the official estimates must be weighed within the context of this understatement.[1]

Table 1 looks at the GDP and populations of Turkey, the EC members the EFTA countries, Eastern Europe, and the EC associates for 1990. This helps to assess Turkey's convergence with the EC countries relative to the other countries seeking membership.

Table 2 lists the real GDP per capita figures, showing Turkey at levels very similar to those of Greece, Portugal and Ireland. Table 3 gives the nominal GDP per capita figures. Although the outlook seems poor for Turkey when looking at the nominal GDP per capita figures, the purchasing power parity numbers show that the differences are not quite so large as they appear.

Table 4 and Table 5 show the real and nominal times differences of the EC countries relative to Turkey. As can be seen in Table 4, there exists only a marginal difference in real GDP per capita between Turkey, Greece, Ireland, Spain, and Portugal, with those countries exhibiting less than two times Turkey's real GDP per capita. In fact, the greatest difference between any of the countries listed and Turkey is only 2.7, the number of times difference between Luxembourg and Turkey, which indeed is not quite as large a differential as is suggested by the Real and Nominal GDP's in dollar terms.

TABLE 1
Population and GDP 1990

	Population (millions)	GDP ($ billions)
TURKEY	57.2	148.1
EC Members		
Belgium	10.0	193.3
Denmark	5.1	130.9
w.Germany	63.1	1494.7
Greece	10.1	66.7
Spain	39.0	491.8
France	56.2	1186.0
Ireland	3.5	43.3
Italy	57.6	1087.1
Luxembourg	0.4	8.8
Netherlands	14.9	278.1
Portugal	10.4	59.6
United Kingdom	57.4	969.8
EFTA		
Austria	7.7	159.3
Finland	5.0	137.4
Iceland	0.3	5.7
Norway	4.2	105.3
Sweden	8.6	226.5
Switzerland	6.8	228.0
Eastern Europe		
Bulgaria	9.0	68
Czechoslovakia	15.7	154
Hungary	10.6	92
E.Germany	16.7	207
Poland	38.4	276
Romania	23.3	126
Soviet Union	288.0	2,535
Yugoslavia	23.8	154
EC Associates		
Cyprus	0.7	0.9
Malta	0.35	0.2

These countries GDP amounts were taken from 1988.

Source : The Economist,July 7 1990, p.15 of "A Survey of the OECD's National Accounts of OECD countries,1991 volume 1.

2 Figures for 1990 are provisional.

3 Turkey's figures are based on the new national accounts series,and the calculations are based on 1989's year and exchange rate.

TABLE 2
REAL GDP PER CAPITA: Using PPP Estimates ($'s)

	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
TURKEY	2719	3034	3465	3707	3802	4137	4908	5075	5402	5809	6270	6816
Belgium	7116	8094	8763	9468	9827	10397	10768	11212	11751	12623	13675	14429
Denmark	7732	8389	9107	9993	10602	11468	12279	13027	13309	13682	14373	15295
WGermany	8015	8838	9673	10238	10781	11528	12105	12690	13298	14161	15261	16023
Greece	41111	4522	4907	5213	5379	5695	6010	6188	6347	6799	7296	7382
Spain	5199	5702	6166	6607	6914	7260	7597	8008	8665	9343	10171	11091
France	7868	8683	9563	10382	10759	11246	11720	12240	12791	13603	14627	15445
Ireland	4466	4977	5560	5990	6133	6586	6801	7049	7608	8146	8831	9971
Italy	7023	7973	8797	9373	9767	10303	10927	11467	12133	12985	13923	14785
Lukxembourg	8210	9012	9783	10504	11183	12301	13003	13843	14534	15558	16683	18205
Netherlands	7893	8624	9316	9730	10159	10811	11339	11790	12183	12832	13840	14670
Portugal	3787	4277	4722	5096	5219	5262	5516	5847	6309	6750	7395	7574
U.K.	7370	7852	8475	9185	9826	10373	11020	11659	12533	13428	14268	14861

Source: 1. For Turkey, The State Institute of Statistics (based on the new series, and calculated by using OECD's PPP estimates).
  2. For other countries, the OECD National Accounts, Volume 1, 1988 - 89.
  3. For 1990 figures are preliminary and have been estimated as a function of the OECD's "Main Economic Indicators" PPP figures (October 1991 edition)

TABLE 3
NOMINAL GDP PER CAPITA ($'s)

	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
TURKEY	1837	1556	1574	1387	1280	1234	1353	1487	1671	1748	2005	2667
Belgium	11057	11986	9773	8633	8182	7782	8093	11313	14075	15180	15294	19343
Denmark	12886	12941	11177	10889	10959	10677	11350	16086	18830	20926	20215	25467
WGermany	12380	13216	11054	10683	10679	10085	10189	14565	18271	19581	19398	23698
Greece	4040	4164	3803	3937	3551	3410	3366	3928	4620	5244	5419	6578
Spain	5282	5674	4875	4692	4060	4074	4259	5899	7449	8722	9629	12621
France	10879	12335	10784	10127	9605	9084	9482	13169	15854	10002	16951	21015
Ireland	4811	5656	5310	5458	5240	5046	5277	7101	8386	9182	9284	12361
Italy	6625	8023	7224	7116	7339	7264	7451	10507	13185	14430	14974	18858
Lukxembourg	11477	12489	10455	9495	9334	9157	9445	13256	16332	17592	17476	23097
Netherlands	11220	11970	9926	9651	9292	8648	8688	12005	14510	15461	15038	18607
Portugal	2209	2701	2606	2469	2187	2008	2144	3041	3765	4265	4609	5748
U.K.	7437	9522	9040	8608	8138	7616	8027	9498	11957	14413	14440	16893

Source: 1. For Turkey, The State Institute of Statistics (based on the new series).
  2. For other countries, the OECD National Accounts, Volume 1, 1988 - 89.
  3. For 1990, figures are preliminary and have been estimated as a function of the OECD's "Main Economic Indicators" PPP figures (October 1991 edition)

TABLE 4
The Ratio of EC Countries' Real GDP Per Capita to the Turkish Real GDP Per Capita Using PPP Estimates

	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
TURKEY	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Belgium	2.6	2.7	2.5	2.6	2.6	2.5	2.3	2.2	2.2	2.2	2.2	2.1
Denmark	2.8	2.8	2.6	2.7	2.8	2.8	2.7	2.6	2.5	2.4	2.3	2.2
WGermany	2.9	2.9	2.8	2.8	2.8	2.8	2.6	2.5	2.5	2.4	2.4	2.4
Greece	1.5	1.5	1.4	1.4	1.4	1.4	1.3	1.2	1.2	1.2	1.2	1.1
Spain	1.9	1.9	1.8	1.8	1.8	1.8	1.6	1.6	1.6	1.6	1.6	1.6
France	2.9	2.9	2.8	2.8	2.8	2.7	2.5	2.4	2.4	2.3	2.3	2.3
Ireland	1.6	1.6	1.6	1.6	1.6	1.6	1.5	1.4	1.4	1.4	1.4	1.5
Italy	2.9	2.9	2.5	2.5	2.6	2.5	2.4	2.6	2.2	2.2	2.2	2.2
Lukxembourg	3.0	3.0	2.8	2.8	2.9	3.0	2.8	2.7	2.7	2.7	2.7	2.7
Netherlands	2.9	2.8	2.7	2.6	2.7	2.6	2.5	2.3	2.3	2.2	2.2	2.2
Portugal	1.4	1.4	1.4	1.4	1.4	1.3	1.2	1.2	1.2	1.2	1.2	1.1
U.K.	2.7	2.6	2.4	2.5	2.6	2.5	2.4	2.3	2.3	2.3	2.3	2.2

Source: The State Institute of Statistics

TABLE 5
The Ratio of EC Countries' Nominal GdP Per Capita to the Turkish Nominal GDP Per Capita

	1979	1980	1981	1982	1983	1984	1985	1986	1987	1988	1989	1990
TURKEY	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Belgium	6.0	7.7	6.2	6.2	6.4	6.3	6.0	7.6	8.4	8.7	7.6	7.3
Denmark	7.0	8.3	7.1	7.9	8.6	8.7	8.4	10.8	11.9	12.0	10.1	9.8
WGermany	6.7	8.5	7.0	7.7	8.3	8.2	7.5	9.8	10.9	11.2	9.7	8.9
Greece	2.2	2.7	2.4	2.	2.8	2.8	2.5	2.6	2.8	3.0	2.7	2.5
Spain	2.9	3.6	3.1	3.4	3.2	3.3	3.1	4.0	4.5	5.0	4.8	4.7
France	5.9	7.9	6.8	7.3	7.5	7.4	7.0	8.9	9.5	9.7	8.5	7.9
Ireland	2.6	3.6	3.4	3.9	4.1	4.1	3.9	4.8	5.0	5.3	4.6	4.6
Italy	3.6	5.2	4.6	5.1	5.7	5.9	5.8	7.7	7.9	8.3	7.5	7.7
Lukxembourg	6.2	8.0	6.6	6.8	7.3	7.4	7.0	8.9	9.8	10.1	8.7	8.7
Netherlands	6.1	7.7	6.3	7.0	7.3	7.0	6.4	8.1	8.7	8.8	7.5	7.0
Portugal	1.2	1.7	1.7	1.8	1.7	1.6	1.6	2.0	2.3	2.4	2.3	2.2
U.K.	4.0	6.1	5.7	6.2	6.4	6.2	5.9	6.6	7.2	82	7.2	6.3

Source: The State Institute of Statistics

III. The Human Development Index

The 1992 Human Development Report updates the Human Development Index, which was originally introduced in 1990, to provide a composite measure of human development. Using this index, 160 countries are ranked and classified as High, Medium and Low Human Development countries.

The HDI includes three key components: longevity, knowledge and income which are combined to arrive at an average deprivation index. Longevity is measured by life expectancy at birth. Knowledge is measured by two educational stock variables, namely adult literacy and mean years of schooling. Income is measured by per capita income deflated by US dollar purchasing power parities, adjusted for diminishing returns from income for human development.

Algebraically, the HDI can be formulated as follows:

$HDI = 1 - 1/3(L + E + W)$

$L = (L(Max)-L(i))/(L(Max)-L(Min))$

$E = 2*(1 - LTI) + 1*(1 - YSI)$

$LTI = (LT(Max)-LT(i))/(LT(Max)-LT(Min))$

$YSI = (YS(Max)-YS(i))/(YS(Max)-YS(Min))$

$W = (AY(Max)-AY(i))/(AY(Max)-AY(Min))$

$AY = Y$ for $0 < Y < YP$

$\quad = YP + 2(YP)**1/2 + 3(Y-2YP)**1/3 + 4(Y-3YP)**1/4...$ for $Y > YP$

where,

L= Life Expectancy Deprivation Index

E= Educational Attainment Deprivation Index

W= Utility Derived from Income Deprivation Index

LT= Ratio of Adult Literacy

LTI= Literacy Index

YS= Mean Years of Schooling

YSI= Mean Years Index

AY= Adjusted Per Capita Income for Utility Derived from Income

YP= Poverty Line= $4829

Y= GDP Per Capita in ppp US$

Max= Observed Maximum Value Among 160 Countries

Min= Observed Minimum Value Among 160 Countries

i= Value for the Country in Question.

Verbally, the algebraic formulation above states that the Human Development Index is 1-the average of deprivations from longevity, knowledge and income. The deprivations in the three components of the index are the ratios of the deviations from the norm (maximum) to the maximum deviations observed among 160 countries (maximum-minimum). Longevity is measured by life expectancy at birth, knowledge by a weighted average of adult literacy and mean years of schooling and income utility derived from per capita income, equal to per capita income evaluated at PPP US dollar below the poverty line and with diminishing return above it.

The Extended 1992 Human Development Index

In the report, the HDI given above is extended for selected countries as Gender-Sensitive HDI and Income Distribution Adjusted HDI. These extended HDI's can be specified as follows:

Gender-Sensitive HDI=HDI* (Female HDI/Male HDI)

Income Distribution Adjusted HDI = HDI * (1-Gini Coefficient)

In other words, in the case of gender-sensitive HDI, the overall simple HDI is adjusted in pro-

portion to the difference between male and female HDI's. In the case of income distribution adjusted HDI, the simple overall HDI is adjusted by the degree of inequality in income distribution.

An Analysis of the Variables used in Formulating the HDI

In this section a closer look at the HDI is taken in terms in terms of its variables, assumptions and implications.

In analyzing HDI, the first question that comes to mind is the suitability and sufficiency of the three components combined in it to explain and quantify human development issues. This is a complicated issue and it is difficult to reach a concensus, as the definition of the subject of the index, namely the concept of human development, is difficult to define. The variables that enter into the index, having accepted the definition of UNDP, are easier to dispute. There the problem is one of comparable, consistent and reliable data availability for so many countries. Unfortunately, there are not too many other such series of data which one would be able to experiment with and choose from. This limits the discussion then too a narrower issue: Since HDI is developed as an alternative to GDP per capita, does it say anything more than its alternative?

Certainly, the Use of GDP's adjusted for purchasing power parities is an advance over the conventional real GDP's. Is there any other information in the rest of the components not incorporated in such adjusted GDP's?

To test this, below be present the partial correlation coefficients of the four variables of HDI, including the index itself for 160 countries:

Table 6. Partial Correlation Coefficients of HDI Variables

	HDI	L	E	W
HDI	1.00			
L	0.96	1.00		
E	0.92	0.88	1.00	
W	0.94	0.85	0.76	1.00

The examination of the above table suggests that the adjusted income (W) has a very high correlation with HDI, and can alone explain nearly 95 percent of the variation. Furthermore, the three determinants of HDI are very highly correlated with each other, meaning that the additional information they provide is limited. Therefore, the rankings of the countries using W alone would not have been significantly different from their rankings according to their HDI's.

The Assumptions of the HDI and Their Implications

A little algebra reveals that the following implicit or explicit assumptions are employed in the computation of the HDIs:

a. The three components-longevity, knowledge and income are equally important.

b. In educational attainment, adult literacy rate is twice as important as years of schooling.

c. The utility of income less than the poverty level of $4,829 is the same at all levels, hence diminishing utility does not apply.

d. The utility of income over $4,829 to human development diminishes sharply, such that the utility of an additional $19,000 is only $250.

e. The size of HDI is less important than its distribution in a country. For example HDI for females equal to 50 and males equal to 50 is preferrable (gives a higher gender-specific HDI) to a situation where HDI for females is 60 and males equal to 100 where al parties are better of absolutely and the country is better off overall. Similar examples can be produced for income adjusted HDI, where distribution adjustment nullifies the size differences.

f. When all the weights are taken into account, $1,000 of W contributes, 0.071 units to HDI. 1 unit of L contrubites 0.0091 units to HDI. 1 unit of E on the other hand contributes 0.111 to HDI. In other words, approxumately $1500 of W, 10 of L and 1 of E are equally important in terms of human development.

g. In calculating the HDI, maximum and minimum values for countries are also imoprtant, excluding the countries having minimum value changes, the values of HDI and the resulting rankings of the countries.

As the above examples demonstrate, the assumptions and their implications are not easily supportable, and hence the HDI's are not as judgement free as they appear at first sight. Slight changes in the weights assigned to different components of HDI can significantly change the values of HDI's and the resulting rankings of the countries.

The HDI and the Turkish Case

In the report, the HDI for Turkey is calculated as 0.671, which puts it in the 71st position among 160 countries. Although it is claimed in the report that for all countries 1990 data is employed, it appears that in the case of Turkey, at least, this is not exactly so. The life expectancy and educational attainment data are based on the 1985 Census, as the detailed results of the 1990 Census are not available. The income per capita data is based on the GNP caculations with 1981 as the base rather than the updated base of 1987 which has been available for two years now.

Recalculating the HDI for Turkey using the latest available data for 1990, it can be seen that the HDI increases to 0.745, and ceteris paribus the rank of Turkey moves up by 14 places to 57th place:

Table 7: HDI Calculations for Turkey Updated

Index Variable	1992 Report	Adjusted
Life expectancy at birth 65.10	65.10	
Adult literacy	80.70	81.00 %
Mean years of schooling	3.50	4.75
Literacy index	0.77	0.78
Mean years index	0.28	0.38
Educational attainment	1.82	1.94
Real GDP per capita	4002	5262
Adjusted real GDP	4002	4871

HDI Calculations in 1992 Report
Turkey life expectancy
deprivation= (78.6-1.82)/(78.6-42.0)= 0.389
Turkey educational attainment
deprivation= (3.00-1.82)/(3.00-0.00)= 0.393
Turkey GDP deprivation= (5079-4002)/(5079)-380)= 0.229
HDI= 1-1/3*(0.369+0.393+0.229)= 0.670
Adjusted HDI Calculations
Turkey life expectancy
deprivation= (78.6-65.1)/78.6-42.0)= 0.389
Turkey educational attainment
deprivation= (3.00-1.94)/3.00-0.00)= 0.3533
Turkey GDP deprivation= (5079-4871)/(5079-380)=0.442
HDI= 1-1/3*(0.369+0.353+0.442)= 0.745)

Conclusion

In conclusion, this paper has attempted to show that, while the 1992 Human Development Report does offer some valuable insight into the global status of individual nations' opportunities, the very nature of measuring social and economic phenomena limits the ability of researchers to do so. Thus, while the aim of the report is philosophically correct, it must be considered as only a first step towards a more expanded study on measuring and monitoring human development. The ideal system, in this respect, would be one that is scientifically able to include many as yet unavailable social and economic variables.

It would seem most prudent then to view the HDI as a step in the direction towards achieving a comprehensive understanding of human development. This is in line with previous studies as carried out by Richard Stone's "Social Accounting Matrix" as well as the numerous studies undertaken by the Scandinavian school of welfare state economics.

Finally, it is hoped that this paper will further the discussion in this field so as to reduce the constraints which currently limit our understanding of measurable human development.

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UNDP'S HUMAN DEVELOPMENT REPORTS AND
POLICY IMPLICATIONS FOR TURKEY'S DEVELOPMENT PLANNING*

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Before I start, I wish to express my appreciation to the UNDP for enabling the conclusion and publication of such reports on such an important topic of wide coverage. I wish to congratulate the report team under the guidance of Mr. Mahbub ul Haq for the demanding work they have accomplished.

I am particularly pleased that this conference is organized in Turkey, so that we shall have the opportunity to discuss in detail these interesting studies. I wish to thank Mr. Cain and everyone who has contributed to the organization of this conference.

The establishment of cooperation for technical assistance between the Republic of Turkey and the United Nations and its Specialized Agencies dates back to the earliest stage of planned development in Turkey. At the beginning of this period, technical assistance programmes based on the Technical Assistance Agreement were not systemized enough to satisfy our development needs. This was especially recognised during the 2nd Development Plan when both public and private organizations' needs for technical assistance were identified and evaluated. It was also programmed to be in harmony with both the short and long term objectives of the Development Plan and was coordinated by the State Planning Organization (SPO). The government after 1985 started to encourage those projects and programmes which offered technology transfer so that the country would benefit the most from technical cooperation facilities of the UNDP. For this purpose, projects and programmes integrated in themselves and aimed at achieving concrete objectives that would positively affect efforts for growth and development were given priority. The cooperation which has a primary goal to encourage development efforts in our country is still effective today.

Organization of this conference in our country by the UNDP, where the concept of human development will be discussed, reveals another dimension of this cooperation. While the concept of human development has assumed new definitions during this period of more than four decades, the policy and the strategy of technical assistance has also changed.

In the early 1950's, economic growth was considered as being equivalent to high increases in national income. The primary objective was to change the structure of production and employment in favor of industry and services rather than agriculture. Within the framework of such an approach, GNP per capita was always used as the main indicator of the changes in the welfare of the country. Social indicators such as changes in literacy, education, health services, and housing needs were simply disregarded.

The developments that took place in the 1950's and 1960's revealed the deficiency of such an approach. Although, during the period in question, a considerable number of developing countries achieved the growth rate foreseen by the United Nations, there was no significant improvement in the living standards of the majority of the population. Thus in the 1970's the need for redefining the concept of development has become clearer. The new approach defines development within an ever-growing economic context as eradication of poverty, unemployment and inequitable distribution of income. It further underlines the fact that the development concept bears a multidimensional characteristic comprising basic changes in social, political and national institutions. There are, now among the basic objectives of development, meeting such basic needs as food, housing, health care and social security, offering more opportunities for work, better education, attaching more importance to cultural and human values and increasing both economic and social alternatives for individuals.

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* Statement delivered by Mr. Yavuz Ege, Deputy Undersecretary, State Planning Organization.

In parallel to the transformation in the philosophy of development the development indicators have also changed significantly. The new development indicators tend to exhibit the structure of the interaction between social, political and economic factors. They include factors related to such basic needs as literacy, life expectancy at birth, infant mortality, daily calorie consumption, number of doctors per capita and availability of drinking water.

Some combined indices have been developed which cover the factors I have just mentioned and show the level of development recorded. These indices include: Human Development Index, Political Freedom Index, Basic Needs Fulfillment Index, and Physical Quality of Life Index. Although there is no general description and consensus on them, these indices may be used in determining how far countries have progressed in their development process. There are some difficulties in the calculation of the UNDP-developed Human Development Index as it requires a reliable and systematic data base. The rating of countries in various indices may, therefore, be questioned. For example, Turkey ranks 71st among 160 countries as announced in the Human Development Report of 1992. However, according to our own calculations of the Human Development Index based on 1990 data and assuming that other countries' values remained constant, Turkey ranks somewhere between 56th and 59th. In addition, in calculating Turkey's Human Development Index, it is not yet possible to include such variables as inequality between men and women, inequality in income distribution and the difference in the level of development by regions, as we are yet to develop a current data base to be used in such calculations. It should also be noted that the Human Freedom Index, which is also being developed by UNDP needs further considerations and discussion.

The change observed in the course of time both in the concept and the indicators of development has also resulted in considerable changes in the approach towards the functions of both development strategy and plans.

The basic characteristics of the development strategy that we followed as late as the early 1980's may be summarized as expedition of capital accumulation through encouragement of savings and investments, acceleration of industrialization through transfer of funds from the agricultural sector, promotion of the industrialization strategy to favor import subsidies, and the government's direct involvement in the economy. In summary, the accumulation of material wealth has been determined as the focal point of development.

The last quarter of the 20th century has witnessed considerable changes in the economies of the world. Due to the progress towards the "Society of Information" of the industrialized countries in the period in question, the economic, technological and political transformation has gained tremendous momentum. This has further boosted economic polarization. An intensive economic and technological competition has begun between the North American Free Trade Zone led by the USA and the European Comunity and the Far East Group led by Japan. Information and communication being the basic elements behind this competition, it has reached a global dimension. Thus economic activities moved from a national dimension to a global one.

Economic development and growth explained in this very context is based on global competition. Successful economic development can, therefore, be achieved only through integration of the countries within the global economy. More openness to the flow of international goods, services, capital, technology and ideas, will result in higher recorded growth rates. Economic integration renders developing countries accessible to latest developments in medicine, science and engineering and there by contributing to the development of these countries by encouraging competition and efficiency.

The approach favoring comparative advantage based on natural resources, agriculture and ample and cheap labor is now superseded by one based on innovations, technology and productivity. Innovation, diversity, quality, productivity and flexibility constitute the basic elements of the strategy to be pursued.

The only way of being competitive in a dynamic and ever-changing world is to attach significant importance to technological development. There are various channels of transfering technology among countries. In this context, technology, may be transferred through foreign investments, technical assistance, flow of information, and by being embodied in the goods and services

imported. It is therefore essential for the developing countries to integrate with (the rest of) the world in order to strengthen their economic structures, achieve a reliable industrial structure based on diversification (of products) and acquire advanced technologies.

Integration with the world and keeping up with the latest advances in technology require both developed and developing countries to assume certain responsibilities. It is of great importance in this context for the developed countries to keep their markets open to the developing ones, and to review the sectoral priorities of development assistance.

I welcome the clear message of UNDP's 1992 Human Development Report that the international community must strengthen its support of global human development through improving developing countries access to global markets. Despite global development, there are still significant differences among countries in terms of growth, income and living standards. It must, therefore, be the ultimate objective of international economic policy and international institutions to create political, technical and financial support in order to minimize such differences. On the other hand, developing countries must review the allocations of their funds and take into consideration the fact that technological development is dependent on the accumulation of capital and more importantly on investments in human capital. Moreover, they should consider that maintaining pace with technology in closely related with the countriy's history, culture, educational structure, institutions and policy of openness. Technological transformation may only be achieved in a context of free trade and competition.

In a context where global competition is dominant it is the responsibility of a government to ensure coordination of economic policies, strengthen macroeconomic stability and create an environment which would stimulate the potential of the private sector. It should be noted that one of the basic factors in the development process is the interaction between market mechanism and government policies. In connection with this, it is veryimportant that the government intervention should be kept at minimum and its involvement should be simple, open and dependent on rules.

Another basic prerequisite of being able to remain in the race, in an environment of global competition is to give priority to investments in human capital. It should be a basic objective to ensure sufficient food, training, health, and housing services for low-income groups.

As far as investments to be made in social fields are concerned, an increase only in figures would not suffice, but the quality and content should also be increased accordingly. Sustainable development may only be achieved through full participation of the population in the development process and whereby the population would benefit from the outcome of development.

The Republic of Turkey adheres to the same understanding of development as emphasized in the UNDP's Human Development reports through its objectives and policies as specified in the VIth Five Year Development Plan. It is also specified in this Development Plan, it is the ultimate objective to raise the level of welfare of the Turkish Nation in line with the rules and principles of an open society and competitive economy. along with this, it is also among the main objectives of the VIth Plan to improve income distribution, to reduce unemployment and regional disparities, to upgrade the quality of education, to exand health services nation-wide, and also to enlarge the coverage of the social security services.

Although Turkey has recorded a notable economic performance recently, the corresponding progress in the social sectors has not been is promising. However, as explicitly underlined in the UNDP's reports, economic development in necessary but is not a sufficient condition for human development. Some of the indicators in such fields as health, population, education and social security are still below those used in the calculation of the level of development. One of the most important reasons for this is the high rates of population growth and fertility. The results of the 1990 General Census reveals that Turkey has a very high population growth rate of 2.17% per annum. The total number of births in Turkey is estimated to be around 1.6 million compared to 420 thousand deaths per annum. While infants below one year of age represent 2.5% of the total population, infant deaths account for one fourth of the total number of deaths. 56 out of 1000 infants die before they are 1 year old. Despite positive developments in the demographic structure of the country, the mother and infant mortality rate is still high when compared with other countries having the same level of development. Due to the high rate of infant mortality, life expectancy at birth ratios

are low. The life expectancy, which is expectted to rise to 67 years of age in 1992, is estimated to be 69 for women and 64 for men. Improvement of such negative indicators related with the structure of the population is possible only through investments in human capital which is a prerequisite of sustainable development.

The VIth Five Year Development Plan attaches considerable importance to expanding and strengthening mother-and-child health and family planning services covered under primary health care services. The Ministry of Health, the relevant public agencies and institutions and voluntary organizations are in close cooperation in order to offer family planning and mother and child care services especially in those areas where services are lacking. Through special projects launched in provinces with high rates of fertility as well as mother and infant mortality, family planning and mother and child care services have been expanded and strengthened. Additionally, there are also intensive training and communication programmes in these provinces. There are a considerable number of programmes being carried out concurrently by the Ministry of Health or in collaboration with the UN's specialized agencies namely UNICEF and WHO. For instance, the "Intensified Immunization Campaign" launched in cooperation with UNICEF in 1985 was very successful and 90% of the target population was covered. Since then the programme has been made a continuous one.

As a result of the measures introduced, the total fertility rate is expected to decrease from 3,93 per thousand in 1985 to 3,07 in 2000 and infant mortality rate from 75,30 per thousand in 1985 to 36,71 in 2000 and life expectancy at birth to increase from 64 to 70 years of age. Based on these developments, the rate of population growth is expected to decrease from 2.17% in the 1985-1990 period to 2.02% in the 1990-2000 period.

Some of the health indicators are not as promising as indicators of the level of development in the health sector as well. Availability of or accessibility to health services as well as the efficiency of the services offered are also among the problems facing Turkey. There are studies initiated to set up a decentralized system to minimize the current problems in the health sector. To this end, a "Health Reform" was drafted. Within the same framework of these studies and as targeted in the VIth Development Plan, it is aimed to cover the whole population in 1993 under a General Health Insurance Scheme (GHIS). In 1992, as a part of the initial phase of the scheme, a system named "Green Card" was started to be implemented. It is a scheme of free health care for the low income groups. Preventive Health Services have been offered together within primary health care services under the scope of the "Socialization of Health Services" especially to those in rural areas.

As of 1990, 73% of the total population is covered by a social security scheme and receives such services accordingly. As there are efforts to expand such services to cover the whole population, promotion of a private social security system has also been included among the objectives of the VIth Plan. Establishing an unemployment scheme, having a skilled labor force and upgrading the skills of the existing one are among the objectives of the Plan.

With a demographically young population, Turkey's indicators regarding the education sector are also below the overall level of development. The literacy rate considered one of the main indicators in the education sector is comparatively low especially among women. Around 30% of the female population at the age of 6 years and above are illiterate. The education sector, as seen in the health sector, lacks teachers and the infrastructure insufficient to meet the increasing demand due to the high population growth.

It is the basic understanding of the Government that each and every member of the nation should be educated. Currently, 8 year compulsory and free elementary education is aimed.

Housing is another problem area due to the high population growth and urbanization. In compliance with both the government programme and the VIth Plan, studies are underway to increase the number of housing units in the cities and to upgrade the housing standards in general.

As it is widely accepted, sustainable growth can be ensured through the protection of the environment. We share the same sensitivity and awareness as the international community on the environmental issues. It is also among the important policies of the VIth Plan to consider the environmental aspect in all phases of planning.

In addition, efforts are being made in line with the targets of the VIth Plan to prevent environ-

mental pollution, to provide clean water for both drinking and other purposes, to improve the level of nutrition, to expand the sewever system to cover all housing units, and to increase environmental awareness in the society.

The objectives and the policies of the development plan, as I have just pointed out are in harmony with the UNDP's Human Development Reports. However, realization of human development and expansion of the welfare throughout the country calls for more budgetary allocations for social sectors such as health, education, social security and housing. Being aware of this requirement, the burden brought about by the demographic structure in the countries resembling Turkey, and the limited economic means of these countries prevent them from allocating more funds for social sectors. Consequently, the whole international community may be affected by emerging problems such as migration to developed countries, some environmental problems with global impacts, regional disturbances, and drug trafficking. It may, therefore, be concluded that the polarization between the wealthy and the poor or developed and the underdeveloped benefits nobody thus making international cooperation more important for human development. The contribution of both the United Nations and other International Organizations is important and necessary step as the determination of the developing countries in the eradication of the polarization and regional imbalances. Turkey attaches great importance to international cooperation at all levels to achieve this objective. The O.I.C. Economic and Technical Cooperation Programme and the Black Sea Economic Cooperation Programme are examples of Turkey's willingness to this end. I avail myself of this opportunity to congratulate the UNDP for its contribution to international cooperation.

UNDP'S HUMAN DEVELOPMENT REPORT:
IMPLICATIONS FOR REGIONAL DEVELOPMENT POLICIES

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I. INTRODUCTION

In order to be able to describe the spatial differentiation of development in Turkey and the causal processes, it is necessary to develop a conceptual framework.

The spatial differentiation of development is determined by the redistribution process of population and capital. The redistribition phenomenon arises as a result of the reproduction and the expansion of these production factors in a region and the sum of the net gains and losses due to the relocation of the production factors. According to economic equilibrium analysis, and assuming the perfect mobility of labour and capital, labour and capital are spatially redistributed so as to maximize the utilization of economic opportunities, given the geographic location of the country, availability of resources and technological accumulation. In addition, the value-added is distributed among people and regions without leading to inequalities in income and opportunity. However, empricial observation clearly demonstrates that unequal development is experienced in capitalist countries where development is guided by market forces.

Unequal development arises from the combination of a multitute of factors. In the process of production and development of new technologies, scale economies and extemalities are important. There is unequal exchange of trade between different sectors of the economy. Historically developed spatial system, physical investments and extemalities in cities create an inertia which prevents sudden changes. Neither capital nor labour is as mobile as assumed. They are strongly influenced by local connections and inequalities in human development which constrain choice possibilities. Due to these reasons, the process of population and capital redistribution functions so as to maintain the inequalities between regions. During periods of economic crises and the following restructuring period, the tendency towards inequality increases. On the other hand, during development and welfare periods, this tendency weakens.

Especially in democratic political regimes, governments cannot remain silent for a long time in the face of unequal development. The political party in power has to propose policies to reverse this trend, at least at the discourse level. However, empirical evidence shows that these political processes are unable to eliminate completely the law of unequal development in economy even if political parties have sincere intentions in this respect. During a boom period, in which welfare state considerations are still important, these policies may be effective in decreasing inequalities and welfare may become spatially widespread. However, during crisis periods, other considerations gain importance and these policies cease to be effective.

One of the major characteristics of the capitalist system is that there is a cyclical growth pattern which is interrupted by crises. The weakening of the egalitarian redistribution in not the only effect of crises on the spatial redistribution of population and labour. More important than that, the economic restructuring policies implemented to get out of crises influence the spatial redistribution. Newly applied production technologies, new international relation patterns, new markets abroad and transformations in the structure of firms, all alter the redistribution process of population and capital over space. The new process is still an unequal one but it leads to a new kind of spatial inequality. As certain developed regions start to lose, some underdeveloped regions may become new growth centers. Naturally, in this new unequal development pattern, the majority of old growth centers will maintain their importance owing to the historically developed externalities. The experienced changes will remain at a level of partial adjustments in the unequal pattern.

Within this framework, the redistribution process of population and capital in Turkey can now be analyzed.

TABLE (1)

		POPULATION (x)			GROSS DOM. PRODUCT (xx)			GDP/POPULATION (xxx)		
		% 1975 % 1965	% 1985 % 1975	% 1985 % 1965	% 1975 % 1965	% 1985 % 1975	% 1985 % 1965	% 1975 % 1965	% 1985 % 1975	% 1985 % 1965
01	Adana	1,069	1,108	1,184	1,013	1,015	1,028	1,092	1,034	0,948
02	Adıyaman	1,011	0,988	1,000	0,762	0,968	0,721	0,493	0,372	0,364
03	Afyon	0,897	0,917	0,823	0,907	0,857	0,770	0,681	0,682	0,638
04	Ağrı	1,066	1,016	1,083	0,886	0,580	0,514	0,444	0,379	0,216
05	Amasya	0,879	0,884	0,777	0,861	0,661	0,569	0,791	0,775	0,579
06	Ankara	1,223	1,018	1,246	0,760	0,952	0,733	1,831	1,137	1,063
07	Antalya	1,070	1,060	1,134	1,178	1,062	1,209	0,832	0,916	0,887
08	Artvin	0,044	0,914	0,713	1,194	0,674	0,805	0,538	0,761	0,648
09	Aydın	0,904	0,970	0,877	0,967	1,027	0,993	0,897	0,959	1,016
10	Balıkesir	0,867	0,919	0,797	1,035	0,863	0,866	0,891	1,063	0,968
11	Bilecik	0,767	0,935	0,718	1,030	1,205	1,242	0,754	1,000	1,289
12	Bingöl	1,090	0,914	0,996	1,187	0,579	0,687	0,334	0,363	0,230
13	Bitlis	1,102	1,098	1,210	1,043	0,583	0,609	0,468	0,443	0,235
14	Bolu	0,869	0,937	0,814	1,021	0,726	0,742	0,760	0,894	0,692
15	Burdur	0,889	0,886	0,787	1,102	1,102	0,979	0,789	1,022	0,981
16	Bursa	0,994	1,092	1,086	1,312	1,312	1,483	0,997	1,316	1,362
17	Çanakkale	0,821	0,898	0,737	1,032	1,032	1,000	0,842	1,058	1,142
18	Çankırı	0,823	0,792	0,652	0,857	0,857	0,551	0,601	0,638	0,518
19	Çorum	0,877	0,872	0,765	0,852	0,758	0,647	0,659	0,641	0,557
20	Denizli	0,942	0,947	0,892	1,168	1,153	1,346	0,684	0,849	1,033
21	Diyarbakır	1,065	1,143	1,216	1,423	0,747	1,064	0,514	0,688	0,450
22	Edirne	0,874	0,911	0,786	1,000	0,955	0,955	0,931	1,066	1,118
23	Elazığ	1,008	0,922	0,929	0,768	1,394	1,074	0,924	0,705	1,068
24	Erzincan	0,853	0,842	0,718	0,804	0,689	0,553	0,679	0,640	0,523
25	Erzurum	0,925	0,913	0,845	0,954	0,657	0,627	0,549	0,567	0,408
26	Eskişehir	0,928	0,961	0,892	1,007	0,985	0,992	1,051	1,141	1,170
27	Gaziantep	1,090	1,076	1,172	1,376	0,734	1,008	0,709	0,891	0,607
28	Giresun	0,843	0,863	0,727	1,392	0,653	0,910	0,411	0,678	0,514
29	Gümüşhane	0,870	0,769	0,699	0,689	0,677	0,467	0,480	0,426	0,375
30	Hakkari	1,169	1,154	1,348	1,000	0,538	0,538	0,487	0,416	0,194
31	Hatay	1,114	1,073	1,227	1,155	0,910	1,051	0,720	0,726	0,617
32	Isparta	0,948	0,942	0,889	0,968	1,066	1,032	0,731	0,750	0,846
33	İçel	1,088	1,152	1,253	1,420	1,107	1,573	1,007	1,315	1,264
34	İstanbul	1,324	1,192	1,578	1,058	1,105	1,169	2,685	2,145	1,990
35	İzmir	1,055	1,103	1,163	0,995	1,289	1,282	1,569	1,509	1,763
36	Kars	0,908	0,813	0,738	0,700	0,535	0,375	0,621	0,479	0,316
37	Kastamonu	0,772	0,819	0,632	0,987	0,701	0,692	0,554	0,709	0,585
38	Kayseri	0,982	1,017	0,998	0,816	0,822	0,671	1,048	0,871	0,704
39	Kırklareli	0,810	0,881	0,712	0,886	1,000	0,886	0,959	1,053	1,194
40	Kırşehir	0,920	0,889	0,818	0,917	0,750	0,687	0,766	0,762	0,643
41	Kocaeli	1,117	1,227	1,370	1,732	1,629	2,821	1,571	2,437	3,235
42	Konya	0,980	0,990	0,977	0,821	0,850	0,697	1,045	0,870	0,747
43	Kütahya	0,920	0,920	0,840	1,029	1,377	1,417	0,812	0,909	1,360
44	Malatya	0,988	0,923	0,911	1,000	1,128	1,128	0,610	0,617	0,738
45	Manisa	0,906	0,959	0,869	1,054	0,970	1,022	0,930	1,082	1,095
46	K.Maraş	1,138	1,043	1,118	1,023	1,161	1,188	0,608	0,547	0,609
47	Mardin	1,016	1,000	1,016	1,013	0,698	0,708	0,568	0,566	0,396
48	Muğla	0,930	0,967	0,890	1,063	1,488	1,582	0,740	0,846	1,302
49	Muş	1,046	1,012	1,058	1,030	0,588	0,606	0,521	0,513	0,289
50	Nevşehir	0,954	0,888	0,847	0,944	1,176	1,111	0,833	0,825	1,093
51	Niğde	0,994	0,963	0,957	0,737	0,876	0,646	0,857	0,635	0,578
52	Ordu	0,950	0,916	0,870	0,948	0,876	0,831	0,444	0,443	0,424
53	Rize	0,930	0,887	0,836	0,937	0,770	0,721	0,882	0,888	0,771
54	Sakarya	0,954	0,981	0,936	1,074	0,756	0,813	0,831	0,936	0,721
55	Samsun	0,933	0,974	0,909	1,143	0,849	1,025	0,677	0,859	0,749
56	Siirt	1,121	1,095	1,227	0,840	0,714	0,600	0,889	0,666	0,434
57	Sinop	0,770	0,847	0,652	0,871	0,794	0,692	0,459	0,520	0,488
88	Sivas	0,818	0,829	0,679	0,683	0,646	0,441	0,646	0,538	0,420
59	Tekirdağ	0,867	1,003	0,869	1,035	1,218	1,262	0,918	1,097	1,333
60	Tokat	0,941	0,902	0,849	0,807	0,716	0,578	0,691	0,592	0,470
61	Trabzon	0,939	0,881	0,818	1,097	0,823	0,920	0,542	0,634	0,599
62	Tunceli	0,830	0,735	0,661	1,222	0,454	0,555	0,366	0,539	0,333
63	Ş.Urfa	1,031	1,060	1,093	0,842	0,781	0,658	0,793	0,648	0,478
64	Uşak	0,937	0,940	0,881	1,071	0,933	1,000	1,445	0,791	0,785
65	Van	1,126	1,129	1,271	0,843	0,651	0,549	0,600	0,446	0,259
66	Yozgat	0,889	0,868	0,771	0,734	0,803	0,590	0,595	0,491	0,455
67	Zonguldak	1,000	0,995	0,996	0,772	0,960	0,741	1,733	1,337	1,290

Sources: Population Censuces of Turkey and Tuncer Bulutay Hasan Ersel: "Türkiye Milli Gelirinin İller İmalat Sanayii GelirininÜcretler ve Kâr Arasında Bölünüşü Üzerine Bir Deneme", Siyasal Bilgiler Fakültesi Dergisi Aralık 1969, Cilt IV. No. 4, ss. 245-266, Erdoğan Öztürn: Türkiye Gayri Safi Milli Hasılası İller İtibariyle, DİE Yayını, No. 907, Ankara, 1980. Erdoğan Öztürn: Türkiye Gayri Safi Yurt İçi Hasılasının İller İtibariyle Dağılımı 1979-1986, İstanbul Sanayi odası, Mayıs 1988
(x) 1975 pi 1961 pi (Pi Population of i'th province) 1970 Pt 1965 Pt (Pt population of Turkey)   (xx) 1975 Yi 1956 Yi (Yi GDP of i'th province) 1975 Yt 1965 Yt (Yt GDP of Turkey)
(xxx) 1965 Yi 1965 Pi 1965 Yt 1965 P

		POPULATION (x)			GROSS DOM. PRODUCT (xx)			GDP/POPULATION (xxx)		
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01	Adana	1,069	1,108	1,184	1,013	1,015	1,028	1,092	1,034	0,948
02	Adıyaman	1,011	0,988	1,000	0,762	0,968	0,721	0,493	0,372	0,364
03	Afyon	0,897	0,917	0,823	0,907	0,857	0,770	0,681	0,682	0,638
04	Ağrı	1,066	1,016	1,083	0,886	0,580	0,514	0,444	0,379	0,216
05	Amasya	0,879	0,884	0,777	0,861	0,661	0,569	0,791	0,775	0,579
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07	Antalya	1,070	1,060	1,134	1,178	1,062	1,209	0,832	0,916	0,887
08	Artvin	0,044	0,914	0,713	1,194	0,674	0,805	0,538	0,761	0,648
09	Aydın	0,904	0,970	0,877	0,967	1,027	0,993	0,897	0,959	1,016
10	Balıkesir	0,867	0,919	0,797	1,035	0,863	0,866	0,891	1,063	0,968
11	Bilecik	0,767	0,935	0,718	1,030	1,205	1,242	0,754	1,000	1,289
12	Bingöl	1,090	0,914	0,996	1,187	0,579	0,687	0,334	0,363	0,230
13	Bitlis	1,102	1,098	1,210	1,043	0,583	0,609	0,468	0,443	0,235
14	Bolu	0,869	0,937	0,814	1,021	0,726	0,742	0,760	0,894	0,692
15	Burdur	0,889	0,886	0,787	1,102	1,102	0,979	0,789	1,022	0,981
16	Bursa	0,994	1,092	1,086	1,312	1,312	1,483	0,997	1,316	1,362
17	Çanakkale	0,821	0,898	0,737	1,032	1,032	1,000	0,842	1,058	1,142
18	Çankırı	0,823	0,792	0,652	0,857	0,857	0,551	0,601	0,638	0,518
19	Çorum	0,877	0,872	0,765	0,852	0,758	0,647	0,659	0,641	0,557
20	Denizli	0,942	0,947	0,892	1,168	1,153	1,346	0,684	0,849	1,033
21	Diyarbakır	1,065	1,143	1,216	1,423	0,747	1,064	0,514	0,688	0,450
22	Edirne	0,874	0,911	0,786	1,000	0,955	0,955	0,931	1,066	1,118
23	Elazığ	1,008	0,922	0,929	0,768	1,394	1,074	0,924	0,705	1,068
24	Erzincan	0,853	0,842	0,718	0,804	0,689	0,553	0,679	0,640	0,523
25	Erzurum	0,925	0,913	0,845	0,954	0,657	0,627	0,549	0,567	0,408
26	Eskişehir	0,928	0,961	0,892	1,007	0,985	0,992	1,051	1,141	1,170
27	Gaziantep	1,090	1,076	1,172	1,376	0,734	1,008	0,709	0,891	0,607
28	Giresun	0,843	0,863	0,727	1,392	0,653	0,910	0,411	0,678	0,514
29	Gümüşhane	0,870	0,769	0,699	0,689	0,677	0,467	0,480	0,426	0,375
30	Hakkari	1,169	1,154	1,348	1,000	0,538	0,538	0,487	0,416	0,194
31	Hatay	1,114	1,073	1,227	1,155	0,910	1,051	0,720	0,726	0,617
32	Isparta	0,948	0,942	0,889	0,968	1,066	1,032	0,731	0,750	0,846
33	İçel	1,088	1,152	1,253	1,420	1,107	1,573	1,007	1,315	1,264
34	İstanbul	1,324	1,192	1,578	1,058	1,105	1,169	2,685	2,145	1,990
35	İzmir	1,055	1,103	1,163	0,995	1,289	1,282	1,569	1,509	1,763
36	Kars	0,908	0,813	0,738	0,700	0,535	0,375	0,621	0,479	0,316
37	Kastamonu	0,772	0,819	0,632	0,987	0,701	0,692	0,554	0,709	0,585
38	Kayseri	0,982	1,017	0,998	0,816	0,822	0,671	1,048	0,871	0,704
39	Kırklareli	0,810	0,881	0,712	0,886	1,000	0,886	0,959	1,053	1,194
40	Kırşehir	0,920	0,889	0,818	0,917	0,750	0,687	0,766	0,762	0,643
41	Kocaeli	1,117	1,227	1,370	1,732	1,629	2,821	1,571	2,437	3,235
42	Konya	0,980	0,990	0,977	0,821	0,850	0,697	1,045	0,870	0,747
43	Kütahya	0,920	0,920	0,840	1,029	1,377	1,417	0,812	0,909	1,360
44	Malatya	0,988	0,923	0,911	1,000	1,128	1,128	0,610	0,617	0,738
45	Manisa	0,906	0,959	0,869	1,054	0,970	1,022	0,930	1,082	1,095
46	K.Maraş	1,138	1,043	1,118	1,023	1,161	1,188	0,608	0,547	0,609
47	Mardin	1,016	1,000	1,016	1,013	0,698	0,708	0,568	0,566	0,396
48	Muğla	0,930	0,967	0,890	1,063	1,488	1,582	0,740	0,846	1,302
49	Muş	1,046	1,012	1,058	1,030	0,588	0,606	0,521	0,513	0,289
50	Nevşehir	0,954	0,888	0,847	0,944	1,176	1,111	0,833	0,825	1,093
51	Niğde	0,994	0,963	0,957	0,737	0,876	0,646	0,857	0,635	0,578
52	Ordu	0,950	0,916	0,870	0,948	0,876	0,831	0,444	0,443	0,424
53	Rize	0,930	0,887	0,836	0,937	0,770	0,721	0,882	0,888	0,771
54	Sakarya	0,954	0,981	0,936	1,074	0,756	0,813	0,831	0,936	0,721
55	Samsun	0,933	0,974	0,909	1,143	0,849	1,025	0,677	0,859	0,749
56	Siirt	1,121	1,095	1,227	0,840	0,714	0,600	0,889	0,666	0,434
57	Sinop	0,770	0,847	0,652	0,871	0,794	0,692	0,459	0,520	0,488
88	Sivas	0,818	0,829	0,679	0,683	0,646	0,441	0,646	0,538	0,420
59	Tekirdağ	0,867	1,003	0,869	1,035	1,218	1,262	0,918	1,097	1,333
60	Tokat	0,941	0,902	0,849	0,807	0,716	0,578	0,691	0,592	0,470
61	Trabzon	0,939	0,881	0,818	1,097	0,823	0,920	0,542	0,634	0,599
62	Tunceli	0,830	0,735	0,661	1,222	0,454	0,555	0,366	0,539	0,333
63	Ş.Urfa	1,031	1,060	1,093	0,842	0,781	0,658	0,793	0,648	0,478
64	Uşak	0,937	0,940	0,881	1,071	0,933	1,000	1,445	0,791	0,785
65	Van	1,126	1,129	1,271	0,843	0,651	0,549	0,600	0,446	0,259
66	Yozgat	0,889	0,868	0,771	0,734	0,803	0,590	0,595	0,491	0,455
67	Zonguldak	1,000	0,995	0,996	0,772	0,960	0,741	1,733	1,337	1,290

Sources: Population Censuces of Turkey and Tuncer Bulutay Hasan Ersel: "Türkiye Milli Gelirinin İller İmalat Sanayi GelirininÜcretler ve Kâr Arasında Bölünüşü Üzerine Bir Dene-
me", Siyasal Bilgiler Fakültesi Dergisi Aralık 1969, Cilt IV. No. 4, ss. 245-266, Erdoğan Özötün: Türkiye Gayri Safi Milli Hasılası İller İtibariyle, DİE Yayını, No. 907, Ankara, 1980.
Erdoğan Özötün: Türkiye Gayri Safi Yurt İçi Hasılasının İller İtibariyle Dağılımı 1979-1986, İstanbul Sanayi odası, Mayıs 1988
(x) 1975 pi /1961 pi (Pi Population of i'th province) 1970 Pt /1965 Pt (Pt population of Turkey)   (xx) 1975 Yi /1956 Yi (Yi GDP of i'th province) 1975 Yt /1965 Yt (Yt GDP of Turkey)
(xxx) 1965 /1965 Pi /1965 P

II. THE POPULATION AND CAPITAL REDISTRIBUTION PROCESS IN TURKEY

Table 1 describes the distribution of population and capital in Turkey. In the first three columns, data about the spatial redistribution of population is given. The percentage share of Turkish population residing in each province for a given period is divided by the share in the following period. The resulting number is an indicator of the magnitude of population redistribution in between these two periods. This indicator represents the ratio of population increase in a given province to the overall population increase in Turkey. If it is greater than unity, then, the province is accepted to be successful in the redistribution process. If it is less than unity, it is accepted to be losing.

Similarly, in the next three columns (Columns 4-6), the spatial redistribution of GDP is given. First of all, the share of value-added created in each province is calculated for the census years. By dividing the shares of two periods to each other, the redistribution indicators of GDP are found. If the ratio is greater than unity, then, the contribution of the province to the overall GDP is greater than the national average. The data about the development of the capital stock is not available; therefore, this indicator is accepted to represent the direction of the spatial redistribution of capital.

In the last three columns of Table 1, the GDP shares of each province is divided by the population shares in census years. The ratios compare the per capita value-added created in each province with the national average.

By using the data in Table 1, the provinces are classified with respect to their characteristics in the population and capital redistribution process and according to this classification, Graph 1 and 2 are prepared.

In Graph 1, the provinces are marked with coordinate values taken from Table 1 on the vertical axis, the values from Column 3 and on the horizontal axis, the values from Column 6 are used. In Graph 1, the provinces are separated into four groups according to their place in the population and capital redistribution process. The provinces on the northeast part of this coordinate system have gained above the national average both in population and capital. The provinces in the northwest have increased their population shares but their capital shares have decreased. The provinces in the southeast have increased their capital shares as their population increase have remained below the national average. The procinces in the southwest have lost their population as will as their capital.

Graph 2 shows the trajectories of provinces in the population and capital redistribution process. This graph is prepared using the values in the first, second, eighth, and ninth columns of Table 1. Each province is shown as a vectory in this graph. The beginning point of the vectors is determined using the population redistribution ratio of the provinces in the period 1965-1975 and the ratio of per capita GDP to the national average in 1975. The end point is marked by the population redistribution ration in the period 1975-1985 and the ratio of per capita GNP to the national average in 1985.

The vectors in this graph give information about provinces in Turkey. The shorter the vector, the less the province has changed its relative position in the redistribution process. As the length of the vector increases, either the gains or losses of the province increases. If the vector is directed towards north, the province is accepted to have gained in terms of capital. If it is directed towards south, and opposite trend is prevalent. As for population, the direction towards east implies an increase in the population share and the direction towards west represents a loss in the respect.

The most apparent characteristic of this graph is that most of the vectors are parallel to the vertical axis. This implies that the population redistribution trend is quite stable in contrast to the income gains or losses which seem to be fluctuating.

Using Table 1, Graph 1, and Graph 2, we can describet the spatial characteristics of the population and capital redistribution process. The provincial incorne figures for the year 1990 are not available and the increase in the number of provinces due to political reasons make historical comparisons impossible. Therefore, our description will be limited with the redistribution processes until the year 1985. It is assumed that similar trends have been prevailing since then.

We can start describing the spatial differentiation process with the four metropolitan cities in Turkey. The first group includes these cities; Istanbul, Ankara, İzmir, and Adana. The population share of these provinces increased in all the census years. Therefore, they are located in the northern part of Graph 1. Although birth rats decreased substantially, population continued to increase due to high net migration. These four provinces are similar in this respect but they are quite different in the redistribution of capital and value-added. As Istanbul and İzmir kept their superiority in this process, Ankara and Adana seemed to lose so their vector is directed towards south in Graph 2. For example, per capita value-added in Adana is below the national average and Ankara shows the same tendency.

The second group includes the provinces in close proximity to the metropolitan centers. They get a positive share in the capital redistribution process due to the deconcentration tendency in metropolitan centers. Among these are Bilecik, Bursa, Çanakkale, Edirne, Kırklareli, Kocaeli, and Tekirdağ around İstanbul and Aydın and Manisa around İzmir. The other metropolitan centers do not seem to have this effect. Hatay and İçel around Adana appeared to be successful both in the population and capital redistribution processes. However, this is due to the so-called 'south effect' that will be mentioned later rather than the deconcentration tendency in Adana.

The deconcentration effect of metropolitan centers can be traced in graphs in three different ways. The provinces such as Bursa and Kocaeli are in the first group in Graph 1 and they are located on the northwest part of this graph, which means that they increased their shares both in population and capital. On the other hand, the second group provinces such as Bilecik, Tekirdağ, Çanakkale, and Manisa are located on the southeast part of the graph. Birth rates are generally low in these provinces. Due to this reason, per capita value-added created in the provinces increases. Therefore, in Graph 2, the vectors representing them are directed towards northeas. The provinces in group three, which are less influenced by the metropolitan centers are located on the southwest part of the Graph 2 but their vectors are directed towards northeast. This means that they will soon become group two provinces. Aydın, Edirne, and Kırklareli are examples of this kind.

The third group includes the seaside provinces in the south. These are Hatay, İçel, and Antalya on the northeast of the graph and Muğla on the southeast part. The vector of Muğla is also directed towards northeast. The suitable climate of the south provides the opportunity for specialized greenhouse agriculture and tourism activities. In addition, Hatay and Icel function as the harbor for East Anatolia. Due to these factors, the provinces in this group maintain their advantageous position in the population and capital redistribution process.

It is clearly seen in Graph 1 that ten provinces in East and Southeast Anatolia form the fourth group. Adıyaman, Agri, Bingöl, Bitlis, Hakkari, Mardin, Muş, Siirt, Urfa, and Van are located on the southwest part of the graph. These provinces generally cannot get a sufficient share of capital in the redistribution process and their vectors in Graph 2 are directed towards south. In other words, they are experiencing a relative loss of income. On the other hand, their population shares are continuously increasing due to the high birth rate and insufficient population mobility which slows down out migration. In these provinces, both demographic and capital redistribution processes bring about low income levels.

The majority of provinces other than found in these four groups are located on the southeast part of Graph 1. This implies that they are in a relative loss of capital and population. These provinces comprise two types according to the size of the city in the center of the province. These are the provinces which function as regional centers and which do not. The former provinces are labeled as

NÜFUS ve KAPİTALİN MEKANDA YENİDEN DAĞILIMI
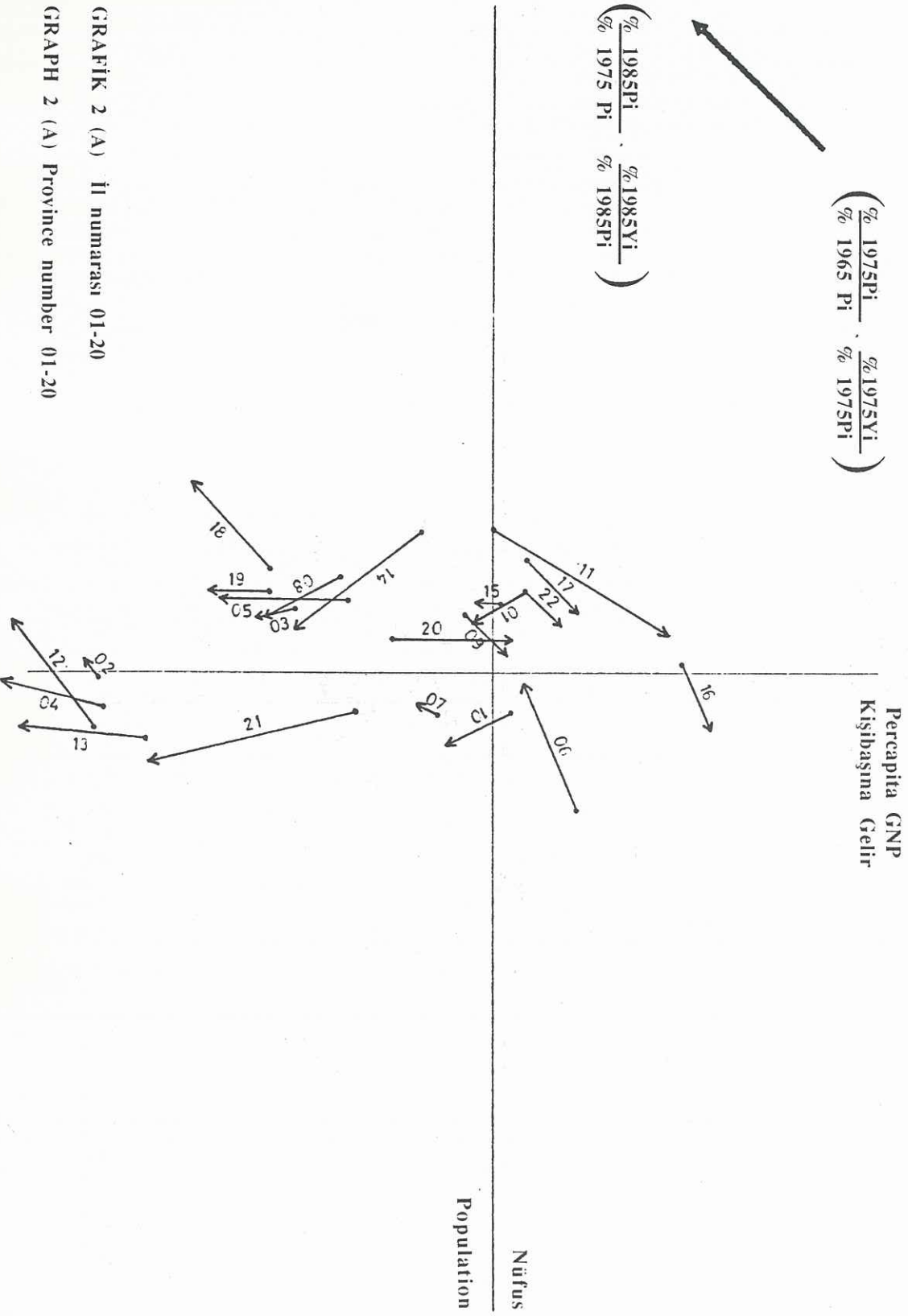## SPATIAL REDISTRIBUTION of POPULATION and CAPITAL

GSMH
GDP

Nüfus
Population
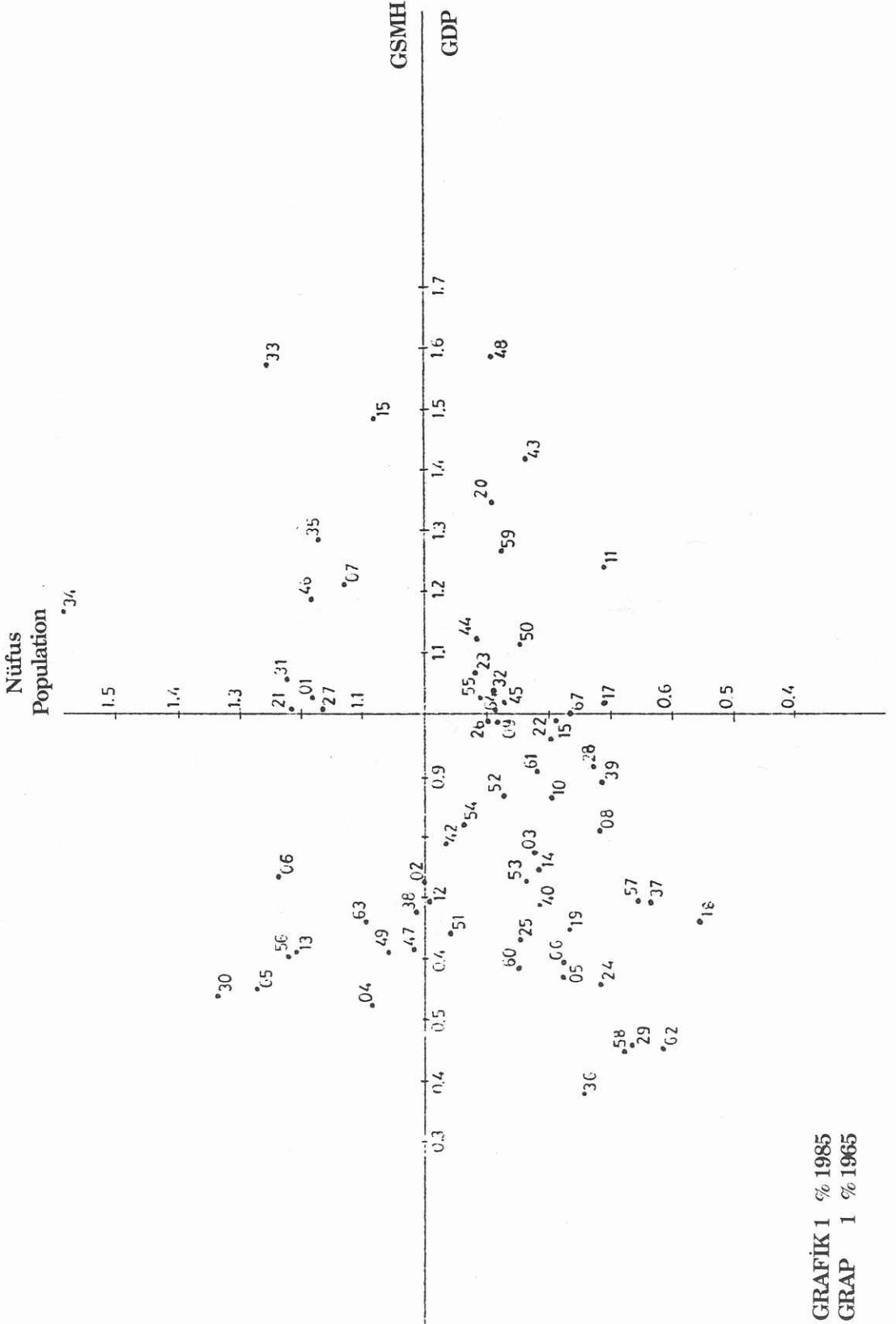
GRAFİK 1 % 1985
GRAP   1 % 1965

İLLERİN YENİDEN DAĞILIM GÜZERGAHLARI
REDISTRIBUTION TRAJECTORIES OF PROVINCES

$$\left(\frac{\%\ 1975Pi}{\%\ 1965\ Pi} \cdot \frac{\%\ 1975Yi}{\%\ 1975Pi} \right)$$

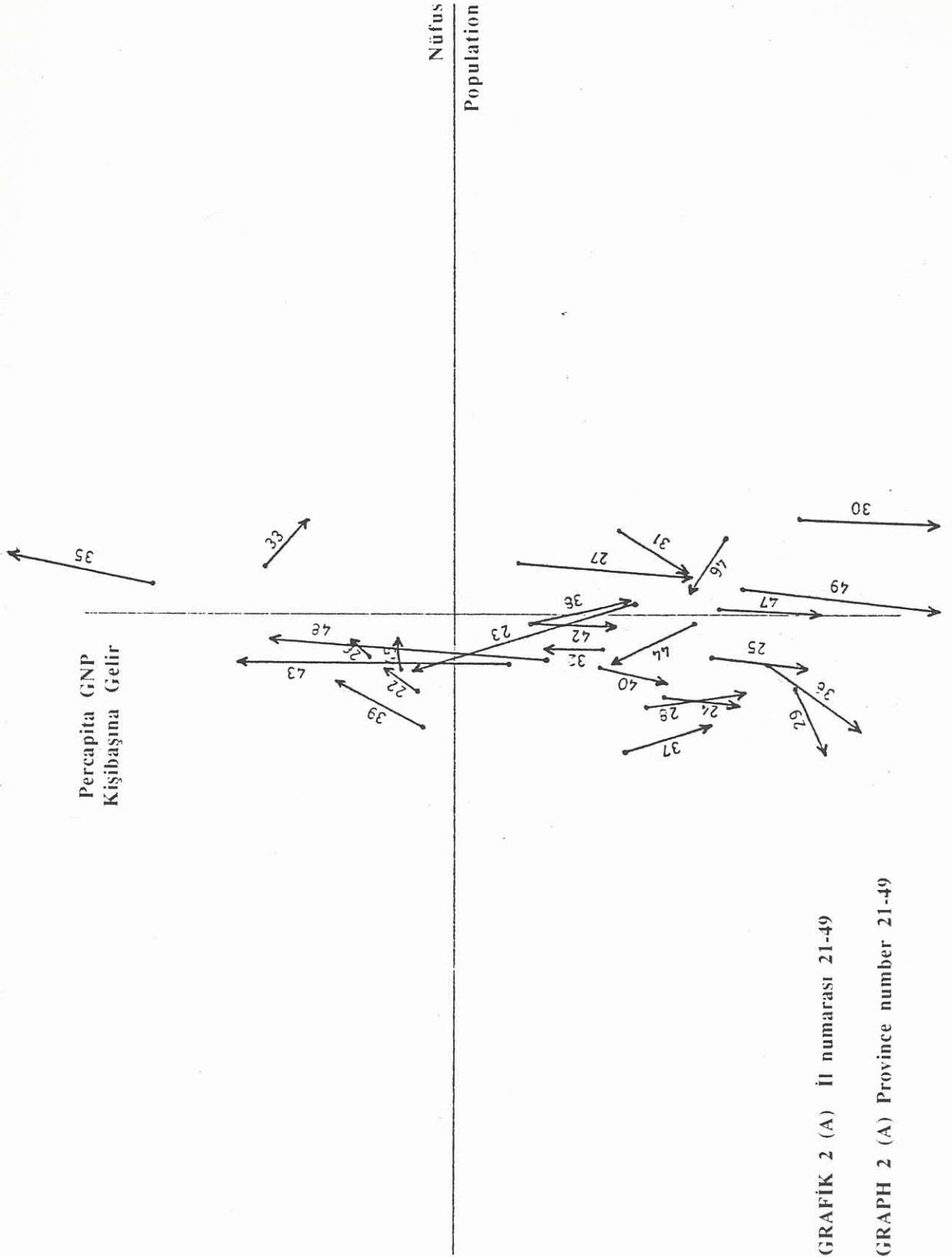$$\left(\frac{\%\ 1985Pi}{\%\ 1975\ Pi} \cdot \frac{\%\ 1985Yi}{\%\ 1985Pi} \right)$$

Percapita GNP
Kişibaşına Gelir

Nüfus

Population

GRAFİK 2 (A)   İl numarası 01-20

GRAPH 2 (A) Province number 01-20

İLLERİN YENİDEN DAĞILIM GÜZERGAHLARI
REDISTRIBUTION TRAJECTORIES OF PROVINCES

Nüfus

Population

Percapita GNP
Kişibaşına Gelir

GRAFİK 2 (A) İl numarası 21-49

GRAPH 2 (A) Province number 21-49

İLLERİN YENİDEN DAĞILIM GÜZERGAHLARI
REDISTRIBUTION TRAJECTORIES OF PROVINCES

Percapita GNP
Kişibaşına Gelir

Nüfus

Population
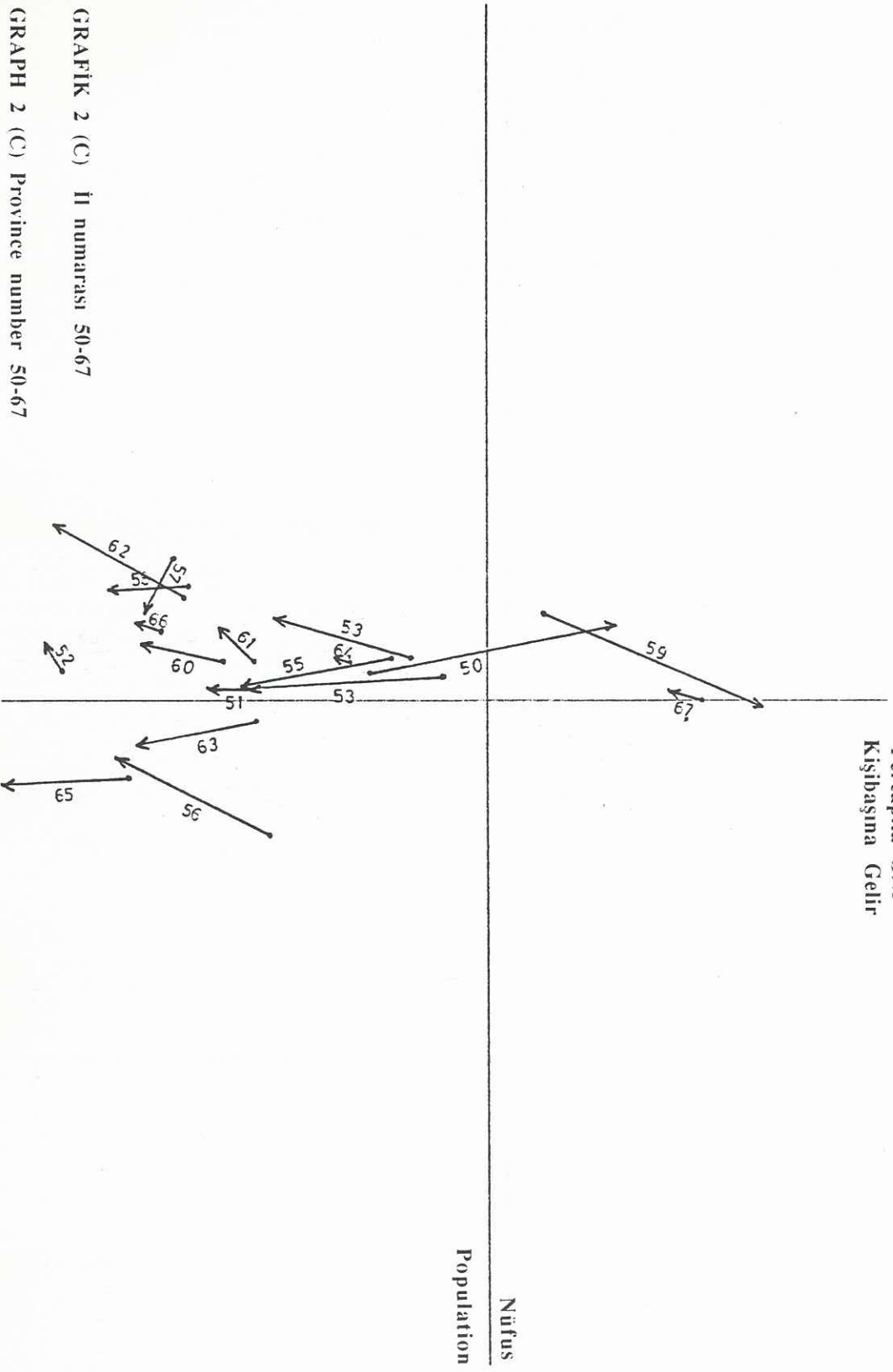
GRAFİK 2 (C)   İl numarası 50-67

GRAPH 2 (C)   Province number 50-67

the fifth group and the latter as the sixth group.

The fifth group includes provinces, such as Diyarbakır, Elazığ, Erzurum, Eskişehir, Gaziantep, Kayseri, Konya, Malatya, Samsun, Sivas, and Trabzon. These centers provide the provinces in their region with higher level services but they cannot initiate growth dynamics that will affect the whole region. Although these central provinces get higher indicator values in population and capital redistribution in comparison to the other provinces in the region, they are still restricted by the characteristics of this region. For example, Diyarbakır is located on the north part of the graph because it reflects the nature of population dynamics of Southeast Anatolia. Although Sivas is a regional center, it is located on the southwest part of the graph together with the other provinces in the region, such as Erzincan and Gumushane. Among these regional centers, Gaziantep has a special place. It seems to be similar to Diyarbakır in the graph but it has specific characteristics due to the active small-scale production pattern.

The sixth group is composed of provinces which are not regional centers. The majority of these provinces are located on the southwest part of the graph. In other words, they are losing both in terms of population and in capital. The differences in the per capita value-added is related to the development level of the region. These are different from the provinces in the fourth group with respect to population dynamics. The birth rate in these provinces is decreasing and the migration rate is increasing owing to the increasing mobility of the population. Among these provinces, Zonguldak, Kütahya, Kahramanmaraş, Denizli, and Isparta have obtained a share higher than the national average in the capital redistribution process due to the public investments for natural resources, political considerations; or small entrepreneurship and an economically active surrounding area. As a result, they are located on the eastern part of Graph 1.

Classifying these provinces into six groups does not only enable us to make a description of the present situation but also gives the opportunity to make projections. These will be discussed together with the proposed policies in the fourth part.

III. THE SPATIAL DIFFERENTIATION OF WELFARE IN TURKEY

In order to describe the spatial differentation of welfare, Table 2 was prepared. Welfare is analyzed in terms of four dimensions. These are: a. the personal consumption level, b. the level of contact with the outside world, c. the education level, and d. the level of using the health services.

In Table 2, consumption is represented by per capita electricity consumption and the number of motorized vehicles per 10000 people. It can be claimed that these two indicators represent consumption better than the per capita value-added indicator given in the seventh, eighth, and ninth columns in Table 1. The value-added created in a given province does not always reflect per capita income and consumption propesly. Especially the value-added created around deconcentrated metropolitan centers is consumed in the center. In fact, in 1975 and 1985, Kocaeli seemed to be better than Istanbul in terms of value-added but according to the selected consumption indicators, in Table 2, Istanbul got much higher values in 1990.

The amount of energy consumption in households, which can be considered as the indicator of the use of durable consumption goods, generally follows the same trend with the differentiation in the spatial redistribution of population and capital. The lowest consumption values are seen in the fourth and sixth group provinces and the highest values are found in the first, second, and third group provinces respectively. The ratio of the highest value obtained in Istanbul to the lowest value in Mus is 11.

We cannot show how the inequality in spatial distribution of consumption has changed in due time using the indicators in Table 2. Instead, per capita value-added indicators will be used. In 1965, the ratio of the highest value obtained in Istanbul to the lowest in Bingöl was 8.03. In 1975, Kocaeli got the highest value and Bingöl got the lowest. The ratio of the former to the latter was 6.7. In 1985, the ratio of the highest value in Kocaeli to the lowest in Agri rose to 14.97. These figures show that inequality decreased in welfare periods but in crises periods and during the following restructuring processes, inequality increases again.

The second dimension of welfare is the level of communication, which enables people to form

relations with the outside world increases the choice opportunities. In Table 2, the number of newspapers and telephones per 1000 people are chosen as two different kinds of indicators. The level of newspaper demand is determined by personal preferences. However, the number of telephones depends on the preferences of the state as well as that of people. The former indicator got the highest value with 1642.5 in Istanbul and the lowest value in Yozgat with 47.9. The ratio of Istanbul to Yozgat in terms of this indicator is 34.3. The highest value in the number of telephones is obtained in Istanbul with 2327 and the lowest in Siirt, Sirnak, and Batman with 132. The ratio between them is 17.6. It is interesting to see that the indicator which reflects only the personal preferences tends to demonstrate a more unequal distribution pattern.

These indicator values reflect a similar tendency to the spatial redistribution of population of population and capital. The highest values belong to the metropolitan centers in the first group and the lowest values are found in the fourth group provinces. The third, second and fifth group provinces follow the first. In this general pattern, certain provinces have special characteristics. For example, Adana from the first group gets a lower value than the other metropolitan centers in the level of communication and remains at the level of third group provinces. Some provinces such as Balıkesir and Sakarya which are loated in the Istanbul region behave like second group provinces with respect to consumption and communication indicators although they are not in the second group in the population and capital redistribution. In East Anatolia, Tunceli, Hakkari, and Erzincan attract attention with a high level of newspaper reading rations in comparison to economic indicators. This can be explained by a large number of civil servants and political reasons.

The level of education was chosen as the third dimension of welfare for it increases the possibility of choosing a place in the division of labour in production and a form of life among different forms. The level of education is given in Table 2 using two indicators. The first one is the percentage of secondary school education. The second one is the percentage of students who have been admitted to university among the students who have taken the exam. The multiplication of these two indicators gives a child's chance of going to university. Istanbul gets the highest value with 19.39 and Hakkari has the lowest with 1.04. The ratio of the former to the latter is 18.64. In fact, this is not a proper indicator which shows the inequality in education opportunities between these two provinces because it does not include the differences in the secondary school graduation levels, the percentage of people who have been admitted to university and who have graduated.

The differentiation in these indicators reflect the differentiation in the spatial redistribution of population and capital. With respect to these indicators, Adana gets a lower value than the other metropolitan centers. Eskişehir has a special place with the fourth highest value in the list.

Health is taken as the fourth dimension of welfare and it is shown by the number of hospital beds and doctors per 10000 people. Due to the hierarchical supply pattern of health services, the deviations seen in provincial comparisons should be kept in mind. These indicators can be considered as the measure of accessibility to health services. The number of beds in pospitals is dependent on state decisions. On the other hand, the number of doctors is determined by the decisions as well as market forces. Isparta gets the highest value with 37.7 in the number of beds. Ankara follows this with 36.2 and Istanbul with 33.4. The lowest number, 2.9, is found in Simak. The ratio of the highest value to the lowest is 13. Sirnak's being a new province has an important effect on this result. When Mardin which has the second lowest value with 4.8 is taken instead of Sirnak, the level of inequality decreases to 7.8.

It is impossible to predict the distribution of this indicator using the population and capital redistribution processes. Because health services are supplied in a hierarchical manner, metropolitan and regional centers get higher values. However, these decisions are closely related to political considerations so Isparta gets the highest value owing to its being the election area of a National Assembly member who has been the prime minister for a long time.

The number of doctors is affected by market forces as well; therefore, it is easier to predict its distribution. It is influenced by the population and capital redistribution processes. Eskişehir is interesting in getting a high value in the number of doctors similar to the education indicators. As Ankara gets the highest value with 14.59 doctors per 10.000 people, Bitlis gets the lowest value with 0.55 doctors. The inequality ratio found by dividing these two each other is 26.55, which is quite high.

TABLE (2)

		CONSUMPTION		COMMUNICATION		EDUCATION			HEALTH	
		(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(K)
01	Adana	175.6	388	509.8	801	43.42	0.1880	8.16	14.5	3.46
02	Adıyaman	78.0	132	77.1	382	19.22	0.1533	2.96	5.6	0.80
03	Afyon	85.0	245	117.6	891	29.77	0.2114	6.29	14.8	1.49
04	Ağrı	67.6	65	80.8	371	12.77	0.1405	1.79	6.0	0.69
05	Amasya	128.0	285	169.3	722	37.73	0.1977	7.46	15.0	2.02
06	Ankara	261.4	879	1097.3	2230	63.27	0.2609	16.50	36.2	14.59
07	Antalya	220.8	615	528.2	1693	35.79	0.2348	8.40	13.0	4.22
08	Artvin	77.8	289	96.6	756	42.74	0.1346	4.75	19.8	2.54
09	Aydın	158.5	488	237.6	1174	40.32	0.2620	10.56	14.5	2.80
10	Balıkesir	165.7	445	424.4	1607	42.41	0.2500	10.60	20.9	3.08
11	Bilecik	138.9	347	113.8	1157	37.53	0.2052	7.70	8.8	1.82
12	Bingöl	58.2	100	92.2	311	13.34	0.1465	1.95	6.6	0.68
13	Bitlis	47.9	102	49.2	386	15.78	0.1411	2.22	5.8	0.55
14	Bolu	146.3	384	357.1	1115	31.26	0.2000	6.25	19.6	2.29
15	Burdur	149.4	519	310.6	1418	36.82	0.2219	8.17	14.6	1.92
16	Bursa	220.1	573	754.9	1549	42.34	0.2974	12.59	17.8	4.09
17	Çanakkale	163.1	398	348.2	1235	36.61	0.2551	9.34	13.8	1.80
18	Çankırı	96.7	370	108.6	917	22.34	0.2102	4.69	10.7	1.25
19	Çorum	96.6	216	108.4	681	22.63	0.2479	5.61	17.8	1.64
20	Denizli	140.4	486	304.9	954	37.75	0.2579	9.80	11.7	2.02
21	Diyarbakır	78.8	136	219.3	647	24.41	0.1475	4.26	16.3	4.28
22	Edirne	172.0	404	614.9	1420	46.69	0.1905	8.89	17.7	6.65
23	Elazığ	123.0	253	321.4	922	38.30	0.2286	8.75	27.5	3.91
24	Erzincan	106.1	197	191.9	1105	31.21	0.1854	5.78	13.9	1.90
25	Erzurum	89.8	158	195.9	639	23.64	0.1898	4.49	23.6	4.07
26	Eskişehir	198.1	497	603.9	1550	60.38	0.2694	16.26	28.6	6.27
27	Gaziantep	129.3	261	246.3	938	30.57	0.2369	7.32	11.2	1.90
28	Giresun	109.1	497	168.9	637	28.75	0.1701	4.89	17.6	1.56
29	Gümüşhane	74.3	197	66.4	549	19.20	0.1300	2.49	9.4	1.18
30	Hakkari	48.9	73	161.5	268	11.27	0.927	1.04	9.7	1.82
31	Hatay	153.0	364	293.6	1002	33.11	0.1950	6.45	7.7	1.10
32	Isparta	92.7	354	207.5	1022	41.00	0.2217	9.09	37.7	2.46
33	İçel	150.5	373	511.5	906	50.23	0.2345	11.78	12.0	2.04
34	İstanbul	278.0	785	1642.5	2327	67.22	0.2885	19.39	33.4	9.26
35	İzmir	242.8	713	1068.0	1697	58.83	0.3076	18.09	28.2	8.70
36	Kars	71.8	82	83.2	422	28.17	0.1097	3.09	.65	0.77
37	Kastamonu	131.1	314	162.8	944	19.50	0.2166	4.22	28.1	1.72
38	Kayseri	137.4	381	291.9	1120	39.61	0.2326	9.21	18.8	5.03
39	Kırklareli	165.5	417	465.2	1276	49.15	0.2174	10.68	11.5	2.78
40	Kırşehir	124.8	288	208.2	1050	38.57	0.2182	8.41	15.1	2.22
41	Kocaeli	203.5	377	499.1	1212	54.44	0.2502	13.62	12.5	2.25
42	Konya	117.5	323	196.7	1041	34.36	0.2535	8.71	14.7	2.88
43	Kütahya	116.8	373	192.5	1073	31.79	0.2126	6.76	18.8	1.92
44	Malatya	120.9	192	236.3	864	39.01	0.2201	8.59	10.5	1.61
45	Manisa	137.7	417	352.8	972	31.52	0.2350	7.41	15.4	2.44
46	K.Maraş	96.3	160	107.0	496	23.92	0.1921	4.59	8.3	0.87
47	Mardin	103.0	132	63.2	433	15.31	0.1074	1.64	4.8	0.68
48	Muğla	152.3	481	465.3	1143	32.54	0.2402	7.82	12.0	2.70
49	Muş	25.2	66	147.0	300	14.90	0.1277	1.90	8.0	0.69
50	Nevşehir	143.5	437	160.2	1301	30.79	0.1991	6.13	5.0	1.49
51	Niğde	74.4	277	149.2	786	25.22	0.1963	4.95	14.4	1.63
52	Ordu	95.2	171	228.0	532	28.33	0.1605	4.55	9.6	1.36
53	Rize	166.6	327	210.5	1393	33.85	0.1225	4.15	24.5	2.58
54	Sakarya	171.9	380	419.6	1155	32.35	0.2156	6.97	11.7	2.12
55	Samsun	132.2	292	297.0	1022	32.81	0.2274	7.46	21.4	3.67
56	Siirt	53.2	204	161.5	132	16.29	0.1390	2.26	5.3	0.74
57	Sinop	129.1	217	149.6	497	18.17	0.2167	3.94	12.6	1.32
88	Sivas	107.6	162	147.8	742	30.05	0.2243	6.74	18.0	3.57
59	Tekirdağ	182.9	379	479.1	1408	43.64	0.2271	9.91	13.1	3.22
60	Tokat	98.7	175	92.2	623	29.04	0.1695	5.70	12.8	1.58
61	Trabzon	129.6	296	215.8	1118	37.41	0.1864	6.97	22.7	4.31
62	Tunceli	77.4	84	183	533	33.45	0.1368	4.58	9.8	0.98
63	Ş.Urfa	66.0	155	80.3	436	16.69	0.1736	2.90	5.6	1.02
64	Uşak	142.3	357	293.4	1329	40.85	0.222	9.08	15.3	2.69
65	Van	71.6	135	141.6	550	15.43	0.1289	1.99	6.4	1.19
66	Yozgat	90.9	147	47.9	708	23.43	0.1598	3.74	8.4	1.16
67	Zonguldak	145.4	310	422.9	1070	33.39	0.2479	8.33	18.5	2.48
68	Aksaray	102.4	199	168.4	854				4.6	1.01
39	Bayburt	96.3	116	66.4	558				7.0	1.30
70	Karaman	107.1	250	185.0	1006				7.8	1.43
71	Kırıkkale	111.5	203	235.2	820				11.4	2.09
72	Batman	53.2	59	161.5	132				4.9	1.22
73	Şırnak	53.2	3	134.5	132				2.9	0.69
	TURKEY	161.2	418	546.2	1221				18.7	4.35

Sources: Ahmet Demir, Serdar Şahinkaya: Türkiye'deki İllerin Gelişmişlik Düzeyleri Açısından Gruplandılması, Türkiye Kalkınma Bankası A.Ş, Nisan 1992. İlhan Tekeli:"Reafahın Mekansal Farklılaşması Üzerine", Türkiye'de Bölgesel Politika, Ekonmik ve Sosyal Etüdler Heyeti, İstanbul 1989, s.154-177.
(A) Per capita electiric consumption in houses (1990)
(B) Number of motorized vehicles per 10000 population (1990)
(C) Number of newspapers per 10000 population (aprıl)
(D) Number of telephone connections per 10000 population (1990)
(E) Schooling ratio in secondary schools (1984)
(F) Placement ratio of university selection examination takers (1986)
(G) Multiplication of (D) and (E) colums
(H) Number of hospital beds per 10000 population (1990)
(K) Number of medical doctors per 10000 population (1990)

IV. THE POLICIES THAT CAN BE PURSUED FOR MORE EGALITARIAN DEVELOPMENT IN TURKEY

Our investigations about the population and capital redistribution processes and the spatial differentiation of welfare give us a chance to predict the different kinds of inequalities which societal development will bring about.

It can be claimed that the western part of the E-5 highway which connects Istanbul, Ankara and Adana enclose all the metropolitan centers in the first group, all the second group provinces which are affected by these metropolitan centers and the third group provinces which are affected by the 'south factor'. In addition, when we consider the fact that two regional centers like Eskişehir and Konya are situated right at the west of this axis and again two other regional centers like Kayseri and Gaziantep are situated next to it, it is easy to recognize the advantages of being on this axis or in the area to the west of it as far as the developmental dynamics are concerned. On the eastern side of the axis, there are a few regional centers whose developmental dynamics have weakened. Current dynamics of the country are continuously reproducing such an unequal structure (Graph 3). Before proposing policies to create new strong dynamics for decreasing this inequality, it will be benefical to consider certain behaviourial features that are effective in the spatial redistribution of capital and labour.

In general, market processes lead to an unequal growth pattern. In the formation of this pattern, private enterprises take different roles according to their scale. Small enterprises, in general, do not have a tendency to move or invest at points far away from their locality. They are tied up to their localities. As the scale of an enterprise increases, the tendency towards and the possibility of deconcentration increases. In general, holdings controlled by a family have the tendency to be decentralized in the region where the holding headquarters are located. They do not decentralize to farther distances. However, big capital which is not under the control of a family or a person perceives investment opportunities all over the country space and can invest in the most suitable place. They can decentralize over interregional distances. The share of this kind of capital within the national capital structure is relatively small. If private enterprises have these kinds of behaviourial patterns in choosing sites, then, stimulative measures to attract other regions' capital to underdeveloped regions will not be effective. These measures can be effective only in manipulating deconcentration within metropolitan regions themselves. They are insufficient in directing interregional movements. Therefore, the most effective way for the development of the underdeveloped regions is to stimulate entrepreneurship in those regions and to keep a greater portion of the regions' accumulation inside.

The second mechanism that affects the redistribution of capital over space is state decisions. Under the oppression of political processes, state decisions are more sensitive to inequalities in spatial distribution. However, this distribution is quite arbitrary. Distribution cannot always be explained with objective criteria. For this reason, it is difficult to make predictions in advance.

Political considerations play an important role in the direction of state resources. In the democratic process, the regions where votes are determined by individual decisions have stronger bargaining power in comparison to the regions where votes are determined by religious leadership or tribal dependencies. In the latter case, resources can be directed to satisfy these mediators without directing the resources for the benefit of the whole region.

Our conclusions about the behaviour of the agents that will use policy tools used in guiding the redistribution process will enable us to use these tools properly. The unequal statial pattern that prevails over the country space can be converted into a more egalitarian one by means of these tools. However, it has to be recalled that their guiding power depends highly on he characteristics of the current historical period.

The unequal spatial development pattern that is observed over the country space today is closely related to the Turkish Republic phenomenon. Three important changes occurred when the Ottoman Empire disintegrated and the Turkish Republic took its place. First of all, the economic relations of East Anatolia with the Halep region in the south and Caucasia and Russia in the north was interrupted. The second was the decrease in the population density of East Anatolia into the half as
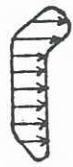
MEKAN DİNAMİKLERİ
SPACE DYNAMICS
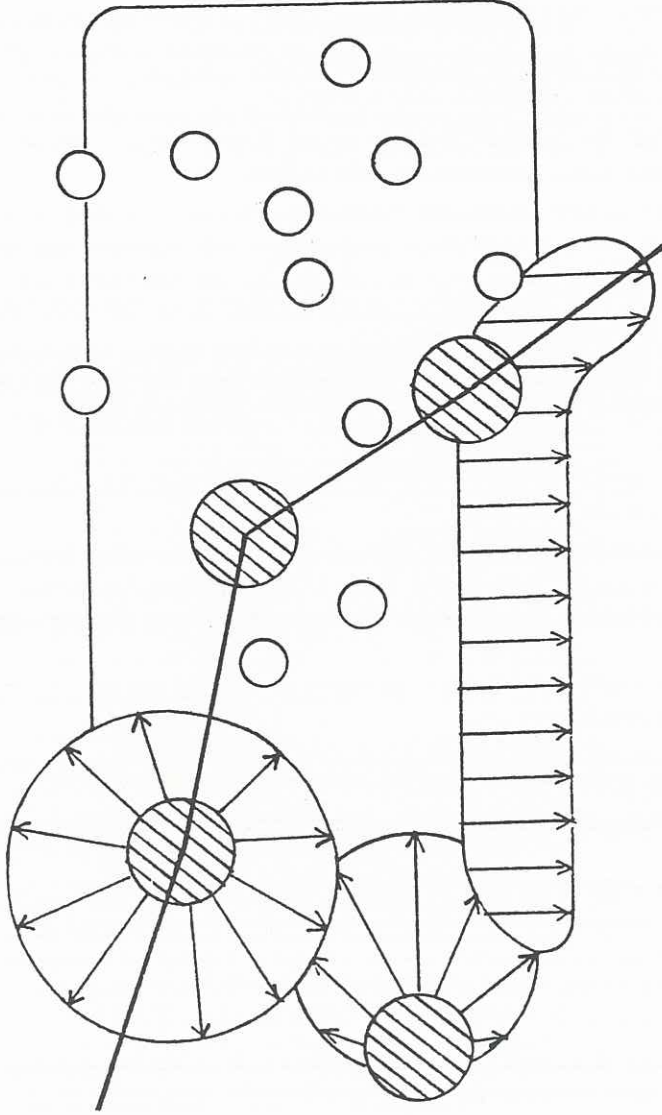
Metropoliten Merkezler
Metropolitan Centers

Güney Faktörü
South Factor

Bölgesel Merkezler
Regional Centers

Metropoliten Dekonsantrasyon Alanı
Metropolitan Deconcentration Area

GRAFİK 3
GRAPH 3

a result of war losses and involuntary population movements. These two important changes highly determined the underdevelopment phenomenon of East Anatolia and restricted the formation of counter dynamics. The third factor was the selection of Ankara as the as the capital city and the identification of the development of this city with the success of the regime. Due to the long-term efficiency considerations of the Turkish Republic, a center like Ankara was formed in central Anatolia and this contributed to an improvement in the unequal pattern.

Before proposing policies that will affect the spatially unequal structure, itis crucial to question whether we are in such a turning point at the moment. In this respect, Turkey is either experiencing or at the threshold of three important changes.

The first one is the increasing magnitude of economic and social relationships with the eastern and northern countries after the disintegration of the Soviet Union and the changing importance of Northeast Anatolia over the economic space. The redistribution processes of market forces, capital and population will be advantageous for this region compared to previous periods.

The second important factor is the Kurds' demands for the acknowledgement of their identity as well as the problem of underdevelopment especially in Southeast Anatolia. The armedactions parallel to these problems have important effects on the spatial redistribution of population and capital. These developments put Southeast Anatolia in a disadvantageous position in the capital redistribution processes of market forces. On the other hand, these make political decision mechanisms more sensitive indirecting state resources to this region.

The third important factor is the Southeast Anatolian Project. Turkey has invested large amounts of resources in this project. The part of the project that will increase the level of agricultural production and therefore the level of income in the region has not been completed yet, but within ten years it will be completed creating a very important potential in agricultural production.

It is clearly seen that these three factors will be effective in the spatial redistribution processes. However, in order to acquire a more equal welfare distribution than the present situation through these processes, certain strategic choices must be made and planning decisions must be given. These can be listed as follows:

1. In order to obtain a more egalitarian redistribution, the spatial distribution processes of both population and capital must be manipulated.

2. To make East and Southeast Anatolia more advantageous in the redistribution of capital, policies to convert the production increase resulting from the Southeast Anatolian Project into investments should be given importance. The policies which try to attract the big capital of the western regions are not effective.

2.1. A necessary condition to realize this goal is to reach a political solution in Southeast Anatolia and set up peace and safety conditions.

2.2. Big land ownership is prevalent in the irrigation area of the project. Transformation into modern agriculture through big landowners will not only lead to an insufficient utilization of the created potential but also decrease the portion of the capital accumulation that will remain in the region.

2.3. In order to increase the value-added created in the region and to realize that transformation of this capital into investments in the region, various policies should be pursued to make small scale production widespread. If this cannot be achieved through land reform, then, various opportunities within market mechanism should be utilized to make this transformation.

3. Precautions that will affect the redistribution of population in the region should also be taken. In this respect, family planning techniques should be utilized comprehensively. On the other hand, it must be recalled that local political movements will make this type of planning difficult.

4. In order to utilize the increasing production potential and use the new market opportunities in the northeast in improving the conditions in the region, it is necessary to develop a transportation axis connecting Southeast Anatolia to Caucasia and the Commonwealth of Independent Nations. This axis will not only bring the external dynamics to the region, but also strenthen the internal dynamics of the region's economy by developing its internal complementarities.

5. The political decisions must be made in order to prevent the authorities from using their

power in an irresponsible way lead to the failure of the public economic investments. On the other hand, the myth that the new-right has created about privatization has taken away a very important tool that the state can use in redistributing the productive capital over space. It is time to make an account of the inefficiently used development incentives directed to the private sector with the expectation of initiating economic development and the inefficiently utilized infrastructural investments. The state's long-term rational behaviour in redistributing capital into these regions should be reconsidered putting aside prejudices. Abandoning the state's guidance in eliminating these inequalities means abandoning the concern about equality completely.
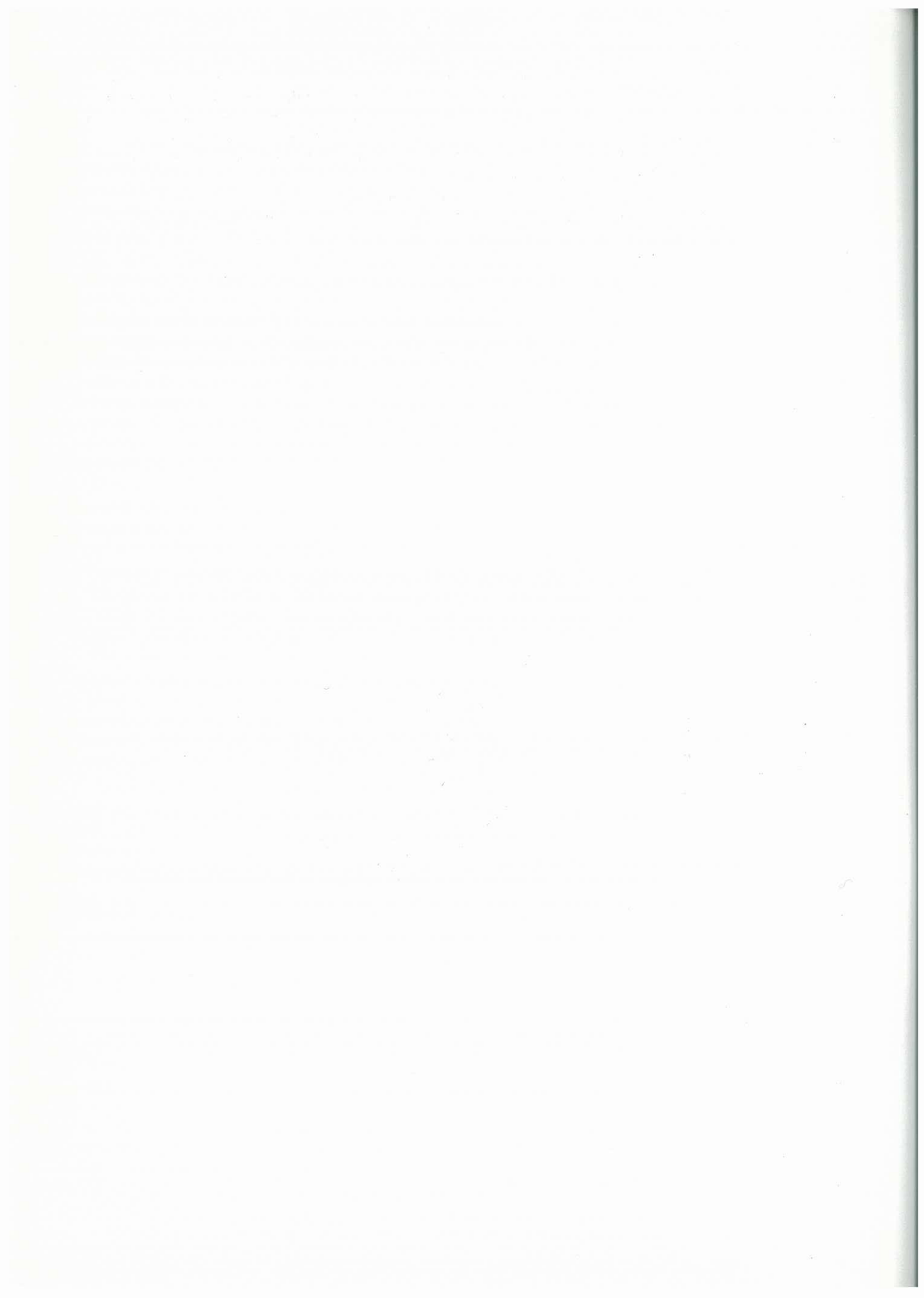
UNDP's HUMAN DEVELOPMENT REPORT:
IMPLICATIONS FOR THE INTEGRATION OF WOMEN IN DEVELOPMENT

Prof. Türkan Akyol
State Minister for Women Affairs

It is an honor and distinct pleasure to have the opportunity to address such a distinguished group of prominent representatives from national and international organizations who are gathered here today for this National Conference on Human Development which is being hosted by the United Nations Development Programme jointly with my Government. I am assured that the discussions of yesterday and today will contribute to the strengthening of the progress made on the human development issues in my country and in the world community and that the complex inter-relationships that exists between human development, economic growth, political processes, environment, population, and, all other development factors will be better defined for more effective and comprenehsive national and international policy formations on human development issues.

I shall, confine my statement to my understanding of the concept of development, and its linkages as regards the state of women in the world and in my country, as much as those are outlined for us in UNDP's Human Development Reports.

When attention turns to solving the economic problems that have afflicted the majority of developing nations of the past decades, only rarely is the impact on the lives of women taken into consideration. Women's varied economic roles, contributions and voices remain largely invisible and ignored when it comes to addressing such macro economic issues as growth rates, foreign debt and trade.

Yet, evidence shows that in key respects women are more seriously affected than men by the on-going economic deterioriation in many countries of the world. Poor women have become poorer, more women are poor and women are poorer in relation to men. Through their hard work, women try to ensure the survival of the poorest segments of the population, but at great cost to themselves.

The decline in per capita income so closely associated with the debt crisis, experienced by many of the developing countries today, have disrupted virtually all aspects of women's lives, forcing them to shoulder extra burdens to keep families afloat. In general, women have to work much longer hours in and outside the home and ofter suffer physically and emotionally as a result. This drain on women's time, resources and energy also inhibits their ability to participate in political life and, hence, in having an influence in changing the policies which affect them adversely in many cases.

If nothing is done to compensate for the blows to their standard of living, the economic policies adopted to deal with national growth will often have negative side-effects on the poorest and the most vulnerable populations, especially women. This "state of things" becomes particularly true in the case of the conventional "structural adjustment" measures advocated by international financial institutions.

Women's traditional caring and domestic responsibilities and their "unpaid work" in the home, family enterprises, on the land, and in the community are often **not acknowledged** or **undervalued.** They carry no economic value or a price tag, which consequently leads to statisticians and planners not considering women's workload as an important variable in economic or development planning. It is assumed women will go on fulfilling their responsibilities, with perhaps a bit of adjustment, even though changing social and economic circumstances may make this impossible.

These are serious problems with far-reaching implications, for if policy planners do not take women's multiple roles and needs into consideration, the adjustment programmes may actually backfire, undermining attempts to improve the health of the economy and put it on a path of sustai-

nable growth.

UNDP's Human Development Reports beginning with its first report in 1990 showed that women, in many **developed, developing and under-developed countries.** are held back by pre-existing inequalities - in the case of education, training and employment, and perpetuated by stereotype beliefs about their capabilities and their confinement to family roles. The reports tell us that these inequalities must be changed so that women can meet their responsibilities and to take active part in bringing about better conditions for themselves and others in today's world. The reports tell us even more: that women are hardly represented in highest paying jobs. In the USA for instance, which is placed in the first 10 highest ranking countries with highest Human Development scores, only 15 percent of women as against 52 percent of men are in the highest paying job categories.

I shall not make a critical assessment of the methods of calculations used by these reports, however, I have noted that these percentages for the less developed and developing countries are extremely low. The indicators both of UNDP's Human Development Reports and of the UN's World Survey Reports on the Role of Women in Development clearly show that **women are the servants of society** without sharing equally the benefits of economic and social development.

Women are also the silenced majority in the world - the Human Development Reports tell us! We have been alerted once again that women who are more than one half of the world's population are hardly represented in the world's parliaments. We are told that while about 91 percent of male representation occurs globally in the world's parliaments - female parliamentary representation remains at 9 percent only. On the average, we are told that for every 100 ministerial level decision-makers, there are only four women on the average on a global scale.

We have been able to derive again from the Human Development Report indicators that, women, worldwide, still earn only two-thirds of men's pay and that female unemployment continues to increase. Women in the market place where their survival is based on informal trade are without legal protection or security. In the manufacturing industry the wages for women are almost always and universally only two-thirds of the wages of male workers.

The UN reports further point out that management is the men's domain. The percentage of women in administrative and managerial jobs is very low even within those countries with High Human Development Index. In Sweden which is the first ranking country in accordance with gender-sensitive Human Development Index, women in management constitute only 21% of those high-management jobs. In Japan this percentage is as low as 6.6 percent. In Turkey, this percentage is about 6.2 percent.

We're able to read from the Human Development Reports as well as from other UN reports that the lives of rural women have also often deteriorated on an universal basis with economic crisis situations and certain structural adjustment measures. Under new economic conditions, rural families are very often forced to migrate to find work. Rural women in almost all cases work as domestic servants under vulnerable conditions without any social benefits. Young women and wives are pulled off the land to work as day laborers where they have no social security. For those women left behind, there is always more work to be done which remain unaccounted for in national accounts. As a result of the economic crisis and of austerity policies which are followed in much of the developing world today, rural poor women find themselves working ever longer hours. This means also need for more helping hands who often happen to be the young girls and female children in the rural family. This necessarily results in no time and or "will" to go to schools. The vicious circle continues when rural schools are closed or classrom hours are cut back together with cutbacks on other social and health care services. In such cases, women become the most affected.

Cuts in health and education expenditures are further causes of concern for women all over the developing world. Lack of rural public health facilities immediately result in increased maternal and child mortality rates. Cuts in education expenditures, which are experienced in many of the developing countries having economic growth and adjustment problems, particularly affect girls' education. When a family is unable to pay the school fees/expenditures for all children, changes are given to the boys first. These trends are unfortunately pervasive and are visible in particularly the rural regions of the developing countries. Cutting a girl's education short has po-

tentially adverse long-term consequences for society, when we consider particularly the positive correlation between high fertility rates and low female educational attainment.

The UN reports also tell us that women's participation in upper levels of decision-making is not commensurate with the impact on them of the decisions made. World wide, women occupy only 3.5 percent of all cabinet-level positions.

The UNDP's Human Development Report has also shown us that, Canada, a country which is first among 160 countries according to the Human Development Index, can slip to eight place overall when employment and income of women is specifically factored into the calculations. That is, in my opinion, one of the most significant messages of the 1992 Human Development Report which is that "While Canada may be the best place in the world to live - it is the 8th best country to live if you are a woman" We can multiply this message for many of the developed countries. Japan which ranks second overall, slips to 18th place when the gender-sensitive Human Development Index is applied. I am certain that if careful calculations of the indexes used by the Human Development Report is applied in Turkey for women in different regions and provinces we shall see great disparities.

On this note, please allow me to view with you those human development indicators provided further in the report with respect to women in Turkey.

The only female average which is higher than the male in Turkey is the life expectancy factor. Somehow women in Turkey manage to live a bit longer than men. For the rest of the indicators, the Human Development Indicators for women are as follows for Turkey:

- for every 100 literate males, there are 79 literate women
- for every 100 primary school male children there are 93 girls enrolled. This is not a bad ratio at all. However, beginning with secondary and higher-education enrollments the male-female gap widens in Turkey:
- for every 100 male secondary school enrollment there are 62 female children
- for every 100 male enrollment at higher-eduation levels, there are 54 girls
- for every 100 male wage earners, there are 49 females
- for every 100 male parliamentarians in Turkey, there is only one female representative
- 130 mothers die in every 100.000 live births
- of 100 women aged 15 years and older, 71 women are literate
- for females aged 25 years and older in Turkey the mean years of total schooling is 2.3 years
- per 1000 live births in Turkey 80 children die before they are 5 years old.
- of the total 7.1 percent of all illiterate adults in Turkey, females constitute 5.3 percent.
- out of total 2.9 percent of children without any schooling, girls constitute 2.2 percent.

For many other indicators used by the report in the construction of the Human Development Index and in the ranking of countries, I have also noted that data from Turkey is missing. This is a problem which we need to overcome as soon as possible and initiate statistical information collection and dissemination and data disaggreation mechanisms on many relevant social and human development factors.

To summarize up to this point, the message we derive from the reports and our own analysis of other relevant sources, I would like to say that Turkey is a country which is well on its way to ultimate progress, but we need to make special efforts for the betterment of the situation of women in Turkey and to integrate her more fully into the development process.

How are we going to realize this, is indeed, a very important question and undoubtedly is an enormous task. How are we going to make development work more fully for the women, and, how are we going to enlarge the range of their choices as the UNDP's Human Development Reports has defined for us the concept Human Development. There are of course significant policy messages which are put forward by the report for the world community and for all national governments. In a nutshell these messages are as follows:

- First, increase people's opportunities for education, health care, income and employment by covering the full range of human choices from a sound physical environment to economic and political freedoms.

- And second, economic development does not automatically improve people's lives, either within nations or internationally. There are enormous gaps within the same country between the richest 20% and the poorest 20% in respect to their income and other human development indicators. The champagne glass which symbolizes this years' report is relevant both globally and nationally where world resources and national resource distribution among the peoples need to be made more equitable.

I believe, as many other leaders of my Government, that we need to follow a national development strategy which is for the people and, which is, by the people. A participatory approach is therefore most necessary. We need to fulfill the minimum requirements for achieving sustainable development for every men and women and a nation for the elimination of poverty. We need perhaps to do this by adopting national, regional and global measures for:
- a reduction in population growth
- more equitable distribution of national resources
- healthier, more educated and better trained people
- better understanding of the socio-cultural, economic and traditional trends which adversely affect the well being of particular groups of people such as women and which impede and slowdown our efforts in finding permanent solutions to the problems of human development.

The complexity and far reaching nature of the problems of development and of the obstacles to bringing women into mainstream development on a fuller basis, makes our jobs not a very easy task.

I must underline here that, as the State Minister in charge of Women Affairs, my first task is to make sure that women's activities in all spheres of Turkey's economic life, including women's work in the home-place and in unpaid agricultural work - are accounted for. We need to first make women visible and make visible the economic value that she creates for the national economy.

We shall also take bold steps to ensure that women's concerns are made an integral part of every sectoral planning at short, midterm and long-term planning levels. We need to educate Turkish women more in non-traditional sectors. We need to develop legislation and policies which ensure that women have prominent voices and influence on the utilization of national resources. We need to make women cooperate and consolidate themselves with Turkey's development.

We all need to understand more fully that women's role in Turkey's development process has been, and is crucial.

The task is difficult, but we shall relentlessly continue to achieve our goals. In this regard, I view the technical cooperation between my government and the international organizations most important. We have been able to draw up a large scale national programme with the assistance of the United Nations Development Programme in Turkey which aims to deal with many of the multifaced aspects of women's integration in Turkey's development process.

This programme will be carried out under financing mainly by the Government. I view the momentum created by UNDP's Human Development Reports most significant, therefore for putting firmly the gender-in- development issue on the international development agenda.

I will take the benefit of the opportunity of having Mr. Haq here with us in this Conference and ask him to devote perhaps one issue of UNDP's Human Development Report in the coming years on the Problem of Women and Development. This would no doubt contribute to the international preparations for the upcoming International Conference in 1995 which will be convened on the occasion of the completion of the United Nations Second Decade of Women.

As the State Minister in charge of Women Affairs, I shall follow a commitment to take appropriate actions for effective policies and formulation of national programmes which would yield to the further enhancement of the status of women in Turkey. This commitment will no doubt interlink with further human development efforts of my government which has embraced fully the basic principles of human development in Turkey and which has become a front runner in the world supporting all initiatives in the world community for human development related programmes.

UNDP'S HUMAN DEVELOPMENT REPORT:
IMPLICATIONS FOR IMPROVEMENTS IN HEALTH SERVICE POLICIES*

Prof.Ayşe Akın-Dervişoğlu
General Director
Ministry of Health and Social Assistance

Today, rapid changes which are taking place in all fields are also making their impact on the health sector. All nations are engaged in efforts to adapt to these changing and developing conditions. There emerges a need to make a correct assesment of what impact these changes will have on the health sector and to reach decisions in line with new developments. Even nations with a variety of financing and service delivery systems are reviewing their models these days.

Concurrent with proclamation of the Republic, major steps were taken in Turkey with respect to establishment and development of health servicse.

In that period, the adopted principle was to accord priority to preventive services and to combat major diseases. The health policy was also approached from the aspects of health manpower and organization.

The personnel rights of all personnel working in the public sector were combined under one authority, that of the Ministry of Health.

New schools were opened to increase health manpower woking in preventive services, the private practices of physicians were banned and higher wages were paid to persons working in the field.

Again in that period, the Vertical Organization Principle was adopted where health services were delivered through Provincial Directors reposible to the Governors in provinces and Government Physicians responsible to the Kaymakams in townships.

The Social Insurance Institutions (SSK) was establish in 1945 and also started serving in the health field as of 1952.

After the Second World War, the view of providing curative services together with preventive services gained predominance and Health Centers to serve a population group of 20,000 were established. In this period, responsibility for curative services carried out by local administrations was also delegated to the Ministry of Health.

As of 1960, Turkey entered the Planned Development Periods. This ushered two major organizations in the health sector, the Law on Socialization of Health Services #224 accepted in 1961 and the Population Planning Law #557 accepted in 1965.

Law #224 accepted in 1961 brought innovations to health services. It accepted the basic principle that proper and monitored health services would be delivered as team work in an egalitarian, continuous, entergated, progressive, priority, participatory manner, according to population size.

State responsibility for health services are embodied both in the 1961 and 1982 Constitutions.

In Article 49 of the 1961 Constitution, "Ensuring that everyone lives in a medium of physical and emotional health and receives medical care" was defined as being among State responsibilities.

In the 1982 Constitution, it is stated that "Everyone has the right to live in a healthy and balance environment" (Article 56) and in this manner, the concepts of health services and healthy environment are approached integrally.

In the Development Plans, prepared at 5 year intervals after the Planned Development Period which started in 1960, various measures are incorporated to enhance the health level of the people, and to improve as well as expand health services.

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* Paper delivered by Dr. Arzu Köseli, General Directorate of FP/MCH, Ministry of Health and Social Assistance

When various indicators of Turkey's developedness are compared with those related to health, a marked imbalance can be seen. Although Turkey made major advances in the health field after proclamation of the Republic, when reviewed from the aspects of international criteria, it is apparent that there remais many initiatives which have to be taken in the health field.

The health level in Turkey demonstrates marked differences between geographical areas, urban-rual sectors and among various income groups. Rapid population growth, migration and unchecked urabanization have tended to exacerbate the health problems of risk groups such as infants, children, women, workers and the aged.

Reproductive age women and children constitute 62% of Turkey's population; children in the 0-14 age group account for 37% and those under 5, 15%.

When the health level of children in Turkey is compared with other countries, Turkey is in 61st place among 129 countries. The Infant Mortality Rate is 59 per thousand according to the State Planning Organization projections for 1990. This rate varies markedly between the urban-rural areas and by regions. The same projections put the mortality rate for children below 5 at 78 per thousand.

Reproductive age women alone constitute 23% of the population, and number about 13 million.

Indicators of maternal health also vary by characteristics of the settlement area, regions and groups with different socio-ecomonic level. According to results of research conducted by the State Institute of Statistics, the maternal mortality rate for 1981 is 132 per hundred-thousand.

43% of the women benefit from pre natal services and are monitored an average of 1.7 times during their pregnancy.

In family planning practices, the rate of effective method usage is low and that of unmet need high (52%). The most commonly used effective method is the intra-uterine device (IUD). The prevalence of effective method usage is 38%, low when compared to Great Britain (% 97), India (% 64) and Brazil (% 56).

Groups with a high level of fertility and therefore at risk are those living in rural areas and having difficulties in accessing the services, those living in the gecekondu areas of large cities who have not yet changed the fertility behavior associated with low socio-economic and educational levels.

Health services in Turkey have a multi sectorial management and structure. This structure brings with it a centralized style of management. Under the circumstances, coordination becomes difficult and it leads to each organization and institution in the health sector establishing its own organization, resulting in duplication of health services country wide.

The resolution of problems related to health services which beg urgency can only be possible by implementation of long term, consistent policies. Today, major changes are taking place worldwide in the health field and Turkey is orienting policies in order to attain the place where she should be in the year 2000.

33 countries which are members of the World Health Organization Europe Region in the Regional Committee meeting of 1980 accepted the first common health policy, or the Europe Region Strategy to reach the Health for All targets. This regional strategy envisages radical changes in health field development of national and detemines 4 main fields of activity.

They are:

- Life style and health,

- Risk factors affecting the environment,

- Reorientation of the health service systems, and

- Provision of the necessary political, administrative, technical manpower and research support in order for these changes to be made.

In order to utilize limited resources in the most efficient manner and create lasting health policies in line with policies of the WHO Europe Region, the First National Health Congress was organized by. the Ministry of Heath in Ankara between 23-27 March 1992 with the participation of all public organization and institutions, democratic mass organizations and national/international

voluntary organizations.

By the same token, the basic principles of the draft National Health Policy drafted to attain the "Health for all by 2000" target is attaining a healthy society composed of healthy individuals. At the end of this Congress, a draft National Health Policy was formulated to attain a healthy society made up of healthy individuals.

In order to attain the "Health for All by 2000" targets which can only be reached by readily accessible, quality health services commanding the active participation of all sectors of the society, public organization and institutions, national and international voluntary organizations, persons with a public image and the society should join forces and collaborate to mobilize existing resources for the same purpose.

UNDP'S HUMAN DEVELOPMENT REPORT:
IMPLICATIONS FOR NATIONAL POPULATION POLICIES

Prof. Aykut Toros
Hacettepe University

When UNDP's Ankara office asked me whether I could speak in this conference, I felt honoured. I immediately started reading "Human Development Report - 1992" and other enclosed studies prepared by UNDP. I can not exaggerate how much I was impressed by the amount of work invested in producing the book as well as the inherent consistency and the strength of the outcome, In this regard, I have looked at the development concept put forward by the report and began my analysis of Human Development concerns in the context of global as well as Turkish national policies on population. My analysis resulted in the following:

I. Human Development Index:
A. Basic Components of Human Development Index

Quite commonly, the level of development of human societies is taken to be the same as the level of economic development inthose societies. However, reading through the Human Developmen Index report, one gets the feeling that the book fills in the gap quite satisfactorily of presenting the development level of the worlds people with components not limited only to economic production levels. It covers other aspects of organized social life as well. It does this within a broad global perspective.

Although the report presents a broader and more detailed coverage of different facets of social and economic life, the index itself, that is HDI is an outcome of a formula including three major phenomena. These are GNP (scaled not in terms of parity, but in terms of purchasing power), Educational attainment (including both the level of literacy and years of schooling) and expectation of life at birth. Thus economic social and health aspects of human life seem to be represented in the formula. Technically speaking the formula is a linear presentation of variables which themselves may be are, internally of higher degree (second, third or even higher levels) relationships. Therefore the weights of the different components of the index are not expected to be equal. Visually inspecting the statistics compiled in pages 127 thru 129 of the report, with the purpose of discerning main relationships between HDI on the one hand and the principal componants on the other can make the following observations:

Crossing income with development, indicates a fairly a strong association between the HDI index and Gross Domestic Production (adjusted to purchasing power). But even though, nations with low values of GDP do not necessarily have low values of HDI and vica versa. The variable named as "Educational Attainment" seems to be doing as well. Expection of life at birth, the third component of the Index, appears to be the one with the closest linkage with HDI. Among others, two important aspects worth mentioning: one, expectation of life at birth which itself is a function of developments both in economic end social life, contributes to the strength of the validity of the issue to be measured; two, measurement errors of the three principal components of the index are well known among the technicians of the field, but among the three the one which is least subject to above considerations is the expectation of life.

B. Turkeys Rank Within HDI indices

Turkey ranks 71 in overall HDI. Interestingly, she ranks lower with respect to all three componants namely, GDP, expectation of life and educational attainment. She ranks 72, 87 and 82 respectively on these components. How come she is doing better with the overall index compared to each of the components taken mutually exclusive of each other? This is possible with the level-rank consistency, meaning to say other nations who are better then Turkey in one index is much worse off in the other.

C. Implications of Turkish Ranks in HDI

The correlations we observe above may be an outcome of the formula used. The internal structure of the data from which each of the variable has extracted may have an impact in the final outcome (i.e. distribution and standard deviations). Whatever the cause is life expectancy seems to be a very important contributor. Maybe it is dominating HDI. Considering each variable separately one has to be carefull about questions and data collection mechanism for collecting data to construct each variable. This should include reference periods, and assumptions as well.

This brings us to the next topic. Issues pertinent to measurement of life expectancy. Life expectancy requires information on probability of survival by single ages. This is very difficult to collect, virtually non-existent in the developing world. (Thanks to demographers and their elegant methods of indirect estimations. Turkish case is complicated by the fact that child and adult mortality are at different "mortality levels" which necessitates two estimations instead of one. Unfortunately indirect methods provide estimates for earlier dates. This fact does not create an imbalance among the componants of HDI because education and GDP are also outcomes of past events and socio-economi accumulitions. Also neonatal to postneonatal ratio of infant mortality rates require special attention, their higher the ration, the more developed should be the society.

II. Turkish Population Policy

Before going into describing major aspects of population policy in Turkey it may be appropriate to review some macro characteristics and trends in the Turkish demographic structure. Long-term policies should depend on long-term macro trends. Most of the macro trends are quite well known to this distinguished audience.

A. History of Population Growth in the Recent Past Stepwise Declines in Demographic Rates

The Turkish population has been growing very rapidly during the recent past, that is since the establishment of the Republic in the early Twenties. During this period, population size had doubled every thirty years. In 1930 the population was around 14 million, in 1960 it became 28 million. In 1990 it doubled to around 56 million. Many of us had witnessed this increase during our lifetimes. Both the birth and death rates declined during this process, but the difference between the rates basically (techically speaking intrinsicly) stayed the same. The declines in the above vital rates did not take place in a smooth fashion. They were stepwise declines. The first decline took place around 1930ies and the second one around the 1960s. Major governmental reorganizations which preceeded these periods can be taken as the macro changes leading into developments in vital rates. Whether the reforms of 1970s will lead into further developments in 1990s are yet to be seen. As of today, mortality (except infant mortality) seems to be approaching modern levels, but fertility remains high. About 45% of annual births are results of unplanned pregnancies. SPO projects total population to be around 70 million by the year 2000, with two thirds of the population being concentrated in urban conglomerations and a substantial portion of the population being children. I believe that the limits of the effects of the composition of the population on organized social life (including freedom of informed choice, institution building, utilization of democratic rights and duties and the like) should be among the major determinants of formulation of population policies.

B. Definition of Population Policy

What is meant by the term "policy"? What are the ingredients of a good population policy? I believe there are two constituent elements of a policy. On the one hand there are important goals that the policy-makers want to achieve, on the other are the set of means to achieve these goals. Goals embodies theories. A well define set of means constitute a program. So good policies should include sound theories and prescribe a program to achieve the goals. Unfortunatally only some policies posess these characteristics simultaneously. The strength and meaning of a population policy is directly related to the strength of its theoretical background and feasibility of the means prescribed by the policy stated.

C. Dual Nature of Population Policy in Turkey
(Overt and Covert Approaches)

The recent past of Turkish social history has witnessed changes in the State's perception of population issues. The high level of land per capita, loss of land and population during the long wars around the turn of the century, were the main reasons for pronatalist policy declered overtly by the governments of those times. Establishment of State Planning Organization in the early sixties brought new dimension into the governments' agenda and the pronatalist policy was reversed into an anti-natalist one. Since than it seems to me that, in Turkey, we are living through a dual nature of population policy; one beign a covert one and the other being an overt one. On the covert side Parliament accepted law number 557 promoting production and distribution of fertility regulation products and mechaisms and established the Population Planning General Directorate within the Ministry of Health and Social Assistance then. Turkish current the constitution (which was accepted in 1982) imparatively holds The state responsible for establishing and developing adequate measures and mechanisms of providing family planning services (article 41). Law number 2827 enected in 1983 legalizes abortion on demand. Thus one can fairly securely claim that according to legal documents, Turkey is among the most advanced countries concerning an anti-natalist population policy.

Although official documents lay a favourable atmosphere for population control policies they seem not to be very influencial in practice. Two indicators stand for covert nature of population policy. The first one is the amount and percentage of resources made available from the national sources for implementation of population programs. This is minimal. Only three percent of the central government budget is made available to the ministry responsible for family planning programs. Of this three percent, only three to four percent is spent for the activities of General Directorate responsible for population programs. So there is a wide difference between what the governments are saying and what they are doing. Secondly policy statements of political parties are silent on the issue of population planning. This is true both for left wing and right wing parties. It is ironical to note that most of the members of the parliament refrain from promoting family planning services publicly, but their electorates, as the national surveys indicate desire to limit their family size and expecet to get relevant services from the government. One of the bottleneceks that Turkey has to overcome is, to free herself from the pressures of covert considerations against population planning and show the necessary courage to challenge the problem.

D. The Coverage of Population Policy in Turkey

Turkey participated in the 1974 and 1984 World population conferences. Perhaps the scope of the official population policy is best expressed in the documents prepared by Turkey for these conferences. Some of the topics falling into the domain of population policy can be summerized as follows:

- Rapid growth rate adds approximately one million people annually to the Turkish population.

- The rate of population growth is uneven throughout the country and may even go higher in some regions because of built in momentum for growth in those regions.

- Changes in population structures, particularly in relation to age structure, household composition and high dependency ratios put adequancy and production efficiency pressures on limited economies in the country. Aging as well as youth appearing as special target groups.

- High levels of infant and maternal mortality and significant differentials of mortality observed among different segments of the country. For instance infant mortality is twice as much are in the rural areas compared to urban areas and again twice as much in the east comparaed to the West.

- Fertility rates are substantially higher than those desired by the people as stated in the official government documents. The unmet need will continue to grow in the future as the number of couples in the reproductive ages increase over time.

- Environmental protection can cope with the population increase and protecting and upgrading the environment is a governmental concern.

- High rates of internal migration, and concentration of population in large cities have negative consequences for development. The importance and diversities of international migration necessitates co-operation among countries. Turkey both sends (as is the case with Western Europe) and receives (as is the case with Bulgarian immigration to Turkey) population.

- Refugee problems which can be associated with gulf incidence are being handled in accordance with international conventions which Turkey has ratified.

- The continued need to further promote the status of women and expansion of their roles. Development can not be achieved if half of the population is neglected. Women play important roles in economic and social life. Development policies should pay special attention to this fact.

E. Mythologies in Brief

Implementation of population policies in Turkey are unfortunately jeopardized by some false beliefs about the facts of population. I call them mythologies. The scope of these false beliefs (myths) do not stay the same but rather new deductions are being added over time to the original false beliefs. Let me reiterate some them.

1- Cause of rapid growth rate is high fertility

2- High fertility can be reduced effectively only by technologically advanced methods like IUDs, pills, subdermal injectables.

3- Turkish men are indifferent and feel irresponsible towards family planning

4- Women do not go to male doctors. Therefore medical services for family planning must be provided by female OB/GYNs.

5- Family planning is needed in the eastern provinces more than in the western provinces.

6- In Turkish history, extended family type was predominant. Consequently, nuclear family type is against Turkish culture.

7- Family planning services are required for high fertility women.

8- The international community is trying to limit Turkish population while they are promoting their own fertility.

9- Family planning was not respected in Turkey within the historical perspective. Our ancestors did nothing to limit their family size. Therefore, fertility regulation is a new behaviour in Turkish culture.

Now, let me take these myths briefly one by one.

1- Cause of rapid growth rate is high fertility

The historical course of fertility change had always been from high to low. The growth rate is a function of birth and death rates. The gap between these two rates is mostly a function of declining mortality (historically never of increasing fertility).

2- High fertility can be reduced effectively only by technologically advanced methods like IUDs, pills, subdermal injectables.

Societies could limit their family size with traditional methods. For instance, France achieved contemporary levels of fertility mainly through withdrawal.

3- Turkish men are indifferent and feel irresponsible towards family planning.

Studies since 1968 have shown that withdrawal had been the most widely practised method of birth control. For instance, in 1988, total users of contraceptives was 77 percent. The breakdown of the 77 percent is as follows:

IUD	17%
Pills	9%
Condom	9%
Withdrawal	30%

Methods used by men (Condom and Withdrowal) account for 39 % whereas methods used by women (IUD and Pill) account for 26%.

4- Women do not go to male doctors. Therefore medical services for family planning must be provided by female OB/GYNs.

Tarsus studies showed that personality of the physician is more important than the sex of the doctor for female patients seeking family planning services. There is no study which proved the otherwise.

5- Family planning is needed in the eastern provinces more than in the western provinces.

The latest survey showed that 51.5 percent of women had achieved a family size greater than the desired number of children. Thirty-two percent of women who had more children than desired live in western provinces. Nineteen percent live in eastern provinces.

6- In Turkish history, the extended family type was predominant. Consequently, nuclear family type is against Turkish culture.

Small ethnographical studies carried out before 1960 implied extended family types to be between 20 and 40 percent. Hacettepe studies showed nuclear family size to be around 60 percent. This belief again is not supported by empirical studies.

7- Family planning services are required for high fertility women.

Family planning should be made available to all women within the context of informed free choice. Being a user of a method does not necessarily mean that the choice was made on an informed basis.

8- The international community is trying to limit Turkish population while they are promoting their own fertility.

It is true that some Western societies are implementing policies to increase their fertility. These societies are below replacement level and they want to increase their fertility up to 2.1 child but not more.

9- Family planning was not respected in Turkey within the historical perspective. Our ancestors did nothing to limit their family size. Therefore, fertility regulation is a new behaviour in the Turkish culture.

Population growth rate historically had been very low in Turkey. If the current annual growth rate (about 2 percent) was sustained throughout our history, this would mean that Turkish population was only 12 million in 1950, 6 million in 1881 (year of Atatürk's birth), only 350 thousand in 1711 (the Russian War) and about 189 in 1453 (the year of the conquest of İstanbul). In other words, if Turkish population was 5 million in 1453, and if we had the same growth rate of 2 percent since 1953, Turkish population would now be 364.460.000.000.000. Considering possible growth rates under "natural fertility" vis a vie post medival mortality. Turkey should have never been close to natural fertility levels. So, our ancestors must have practiced some forms of family planning.

III. New Horizons in Population Policy Issues

The 1984 Mexico conference witnesced the emergence of new population issues into higher priority levels. Among these new issues are population and conflict; population and human rights and freedom; population and political participation. Population and related variables seem to emerge more and more as a significant element of domestic and international conflict. Nazlı Chukri points out that agressive and nonagressive systems can be traced down largely to internal demographic structures. In about 80% of the 307 explicit conflicts between 1945 and 1980 population factors played an important role. Peace and security can be achieved more easily under favourable population compositions. Political Participation is a two sided issue. On the one hand there is the question of allocation of representatives (members of the central government, seats in the local administration bodies etc) by the population base of the political constituencies; on the other hand, there is the question of access to means and information for utilization of political rights being seriously jeopardized by demographic factors. Differential access to relevant information by rural urban divisions; electorate vs non-electorate population ratios, establishment of local community democratic organization. Differential participation ratios (i.e. women, minorities, handicap-

peds) among different sub groups of population within these organizations are some examples of some political isues related to population factors. Also, key elements of social life are institutions. The number, scope and nature of institutions are highly dependent on the population size composition and distribution. Societies in transition should provide adequate institutions in line with the composition of their population resource. Democratic institutions function more effectively when based upon more favourable population structure.

Within this overall perspective, "further promoting the status of women" in developed as well as in developing regions of the world appears to be a mega trend in the future of the global population.

PANEL DISCUSSION

CREATING A MODERN MARKET ECONOMY:
INSTITUTION BUILDING AND HUMAN DEVELOPMENT
THE TURKISH EXPERIENCE IN HISTORICAL PERSPECTIVE*

A "Panel" composed of Mr. Yavuz Canevi, former Governor of the Central Bank of Turkey and currently the Managing Director of Euroturk Bank and Prof. Çelik Kurdoğlu, Director of the Foreign Economic Relations Board addressed the question of the relevance and importance of Turkey's experience in economic reform for the emerging nation-states of Central Asia. Dr.Necat Erder, from the UNDP, acted as the moderator.*

In his opening remarks, intended to set the framework for the discussion, Dr. Erder made the following remarks:

"The problems faced by the Turkish Republics of Central Asia, are usually discussed under the heading of "transition from centrally planned economies to a market economy", similar to the situation confronted by the countries of Eastern Europe, namely, Poland, Hungary, Russia. In discussing the relevance of Turkey, reference is made only to Turkey's recent experience with structural adjustment policies, as a step towards the broadening the bases of the market system and integration into the world economy. Both approaches are inadequate, since they relate only to a limited part of a broader transformation process.

This discussion will address the issue from a different perspective. The Republics of Central Asia are involved in a process of fundamental transformation which is the creation of a modern nation-state, with all its legal and institutional implications. Turkey is significant for them, not only for her more recent dealings with economic policies but also for the earlier experiences involving a process of radical institutional change. The fact that Turkey sets an example of a secular state in an Islamic society is only a part of a broader picture.

The creation of a modern nation-state involves:

- Establishment of legal-legislative foundations of a new state (constitution, public and private law, etc.)

- Development of a political-administrative apparatus (ministries and government departments and agencies to manage internal and external affairs of an independent state)

- Making available a corps of well trained administrative and managerial staff.

The new Republics of Central Asia, whatever their formal legal status, were nothing more than provinces executing instructions formulated at the capital and implemented by and responsive to the concerns of the central administration. Most of the administrative staff, were ethnically non-indigenous and those of local origin, were associated with the system through the Communist Party. Thus, these States, now find themselves in a position to create the legal and administrative foundations of an independent state and develop the staff to manage the system. The only comparable historical example can be found in the former colonies after independence.

On the economic front, the vacuum is even more dramatic. Previously, these Republics, were managed by agents transmitting the messages of a centrally planned economy, where local consideration, played only a secondary role, within a system of complementarities designed to serve broader objectives. These messages were formulated in their very minute details. They were rigid, inefficient and proved to be dysfunctional.

The transformations in the economic realm are to be substantive and fundamental. They are expected to fulfill three functions:

- Creation of the legal foundations of a capitalist system (from the basic property and contract laws, to more complex rules to govern economic transactions and corporations; from the banking laws to international economic relations).

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* Prof Mümtaz Soysal, Member of Parliament, the third member of the panel, was unable to attend the conference

- Establishment of institutions for economic management (from policy-making and regulatory mechanisms, to implementing agencies: i.e.a Central Bank, banks, public-private corporations).

- Development of human resources for economic management. (The "Management of Reform" being in itself a major function).

In this context, it is apparent that the transition to a market economy, is only a part of a global transformation. Privatization of existing state-owned and managed enterprises is, of course, a task of fundamental importance. But, building the regulatory machinery of the State, is not less important. To quote Jacques Attali:

"The first relates to the economic system: Do we want to build a market economy dominated by the mafia

It is ill-advised to free the market in the short term without first having put in place the necessary institutions. Without such institutions, there is a black market, not a market in the proper sense. Without a modern State based on strong institutions, a market economy will only be a mafia economy, market by violence and social injustice, with money being earned from drug traffic and other unlawful sources, and in which all types of corruption will be rife.

Each country must build a modern State that has sufficient tax revenues to finance the maintenance of law and order, justice, environmental protection and social welfare. It must also be able to restructure and privatize, in a manner that achieves a politically acceptable balance between speed of implementation and justice. Without democratic support, privatization will not be durable. Without successful privatization, democracy will be threatened".[1]

Such are the dimensions of the institutional transformation that should be undertaken in order to create the bases for functioning political and economic systems in Central Asia. Such an effort should not ignore changes in the cultural setting which should be conductive to economic reform, including the creation of a climate for initiative and enterprise.

This statement of the functions should guide the discussion of the relevance of Turkey's experience.

Historically, Turkey, from the beginning of the Republic, has experienced a process of transformation, similar to that of the new States of Central Asia, both in scope and magnitude:

- establishment of the legal foundations of a Modern State (elaboration of a constitution, adoption of the Swiss Civil and Contract Codes, Italian Commercial Law and the long experience of their adaptation to national conditions, are just a few examples).

- creation of new economic and financial institutions (i.e.a Central Bank, public and private banking systems, etc.)

- training of the administrative and managerial classes and the long process of development of a climate for private enterprise (the more recent example of structural adjustment policies should be considered as the culmination of the earlier experiences).

These examples can be multiplied. Thus, Turkey is in a unique position to understand what is at stake in the new Republics and has a stock of rich experience to offer, including people who were involved in comparable situations.

Two additional remarks. One relates to the long and painful process of building a democratic system (including the maintenance of a safety net) and the second is the fact that Turkey has achieved the establishment of a modern secular state in an islamic society.

This is the background against which the relevance of Turkey's experience and the scope and modalities of a possible transfer of experience should be discussed.

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[1] Jacques Attali President, European Bank for Reconstruction and Development Opening Statement, Budapest, (13 October 1992 (para 4.1.)

The task is gigantic, if not impossible. There is, however, room for optimism. History can be viewed as a learning process, as a guide in avoiding mistakes and minimizing the human cost of transition. If such a view is adopted, Turkey's experience can be used as a source of inspiration and guidance in the formulation of the reforms which are much needed in the new Republics of Central Asia.

In his statement presented under the heading of "OUR MISTAKES AS MUCH AS OUR EXPERIENCES CAN BE THE MOST VALUABLE ASSET", Mr. Yavuz Canevi made the following comments:

1. Part of the World which represents 15-20% of the World population is moving backwards. In other words, as Prof. Louis Emmerij of the OECD puts it, an involuntary detaching of the LDCs from the main stream is occurring. The rest of the World is changing track. It is not a two speed growth story any more. This is the main challenge.

2- The Emergence of Eastern European states and former Soviet republics with an aim of free market orientation and eventually integration to the world economy is the second major challenge of the 1990s and onward.

The world geo-political and economical map has been virtually redrawn, and with this comes the need for equally radical change in the worlds of investment, industry and commerce. For it is evident that a simple extrapolation of past experiences and thinking will not be on appropriate basis for future decisions.

I repeat, the above challenges are not only for the countries in question but for the whole world, i.e. "if the members of the world community do not hang together, they will be hanged together."

Why do we still face the first challenge?

One can mention some classical indigenous factors such as, lack of clear development strategies, wrong priorities, wrong incentives, lack of timely introduced adjustment policies etc.

One should also add to the above, some well known exogenous factors such as unstable oil and other commodity prices, foreign exchange and debt crisis, protectionism, lack of development aid etc.

Both challenges will have to be taken more seriously than before by both the nations concerned and by the world, Western World that is. Indeed, we are witnessing the emergence of the institutional foundations of a "New World Order". Therefore, it is reasonable to assert that these changes have raised the expectations of the world public opinion to a great extend. The process we are going through, despite all the uncertainties involved, creates new opportunities and hopes, and enables humanity to harbor a justifiable optimism. We are living through an era when the universal values that we have been defending all along are finally being incorporated into international treaties.

It is clear today that there is no short-cut to the integration of the world economy in which globalization of markets takes the lead. Access to these markets without a well-trained, educated and cared human capital who is the base stone for an institutionalized market culture is unthinkable. That is why development and market orientation concepts need a long term view from both South and North. There is no short-cut. However, this realistic assessment implicitly assumes that a gradual increase in the world economy. In this vein, the new world order will only be fully realized, if ever, when a sustainable atmosphere of confidence is created and everyone involved takes part in sharing responsibility.

If one considers the fact that in the Western World today, 55% of the GNP comes from the services sector and not from the production of goods, then it can easily be concluded that in the 21st century, the competition will be in services. In other words human resource and its quality will make the difference. In fact, technology-oriented services in general and high tech services in specific are the new kids in town in the global market in more and more sectors. Access to high-tech is the way to these markets, so as to create competitive advantage for yourself to design late comer strategies to enter the global market.

As Dr. Mahbub ul Haq puts it, indeed economic growth is an imperative not a choice. With-

out growth you can not achieve much. But what is important today is the model of growth which links growth with the life of people. That is development of the people, for the people and by the people. So, the problem is now is how to survive, not how to grow sufficiently, for the new concept of sustainable development is based on structural economic and environmental constraints.

As I tried to summarize in an analytical way in the attached chart, Turkish experience and adjustment policies toward market orientation clearly shows that both physical and human infrastructure are the main causes of the crisis as they become the only way out.

Investment in physical infrastructure is essential. Of course, capital expenditure should be integrated with a viable development strategy, since it is a function of government to ensure that public goods such as roads, ports, water and sewerage, power, are provided regardless of whether it is the public or private sector which actually finances, builds or operates such facilities. A key issue is whether infrastructure investments should anticipate demand or meet it; occasionally, the first priority is not investment but repair and maintenance. The challenge is not to miss opportunities to accelerate and guide development with forward looking, innovative investments.

Investments in social infrastructure is equally essential. It has long been know that the best asset a country can have is a well educated and healthy population. A recent IBRD assessment of the outstanding results of Malaysia's economic policies over the last two decades points to basic education investments as perhaps the single most important equalizer of incomes.

Thanks to a new dimension of human development introduced by the UNDP, new thinking is emerging on more cost-effective ways for governments to promote social services, for instance through budget reallocations to activities that lead to increased welfare, or through more effective programmes within the same allocation. This is the area that policy-markers have to protect during budget squeezes, because the social sectors may not have as vocal a support as others.

On the other hand, as A. Karaosmanoğlu of IBRD rightly observes there has been a remarkable turnaround from indifference to concern about the environment. Governments now know that they have to address the negative externalities that private agents ignore when they are free to choose. Even more, these days it is common to hear about "perverse policies" the policies at macro or sectoral level that turned out to have a negative impact on the environment - and that need to be changed. The challenge is to find the most cost-effective way to internalize externalities, to avoid penalizing private activities. This is more difficult in developing countries, where the possibilities of monitoring and enforcement are limited.

In this context, Turkey, with her newly emerging entrepreneurs, managers, disciplined and productive manpower, and a fast growing service sector highly adaptive to new technologies is very well placed for new challenges within the framework of UNDP's human development concept.

Our decade old structural adjustment and economic transformation programmes were in fact intended to build on the achievements and mistakes of the past. Similarly, to impart a new element of dynamism and to inject a new momentum into the Turkish economy in which the problems are less severe and fundamentals are much stronger, all we have to do is to look back and take stock of the developments and develop a skill for converting our mistakes into our assets. Because that is what they are. This does not mean that we don't have shortcomings. We still do, but one can easily identify them and reach the conclusion that we are also not short of solutions.

In conclusion, what is striking today is the awareness of the Turkish people that to avoid an increasing marginalization of the country within the context of the 1992 Europe and the evolving world economy, not only the reforms will have to be consolidated as they go along, but new attempts in reforming the public sector activities, including privatization, will have to be accelarated to take full advantage of global opportunities.

In the attached chart, an analytical presentation is made of Turkey's structural adjustment policies, from the "early crisis" to "macro-economic" policies and "crisis management" measures. These are steps to be taken in response to a "crisis, shown in their sequence. Such a framework can be used for the formulation of policies and action programme for other countries. They can be adjusted, for example, to respond to the needs of the Central Asian Republics.
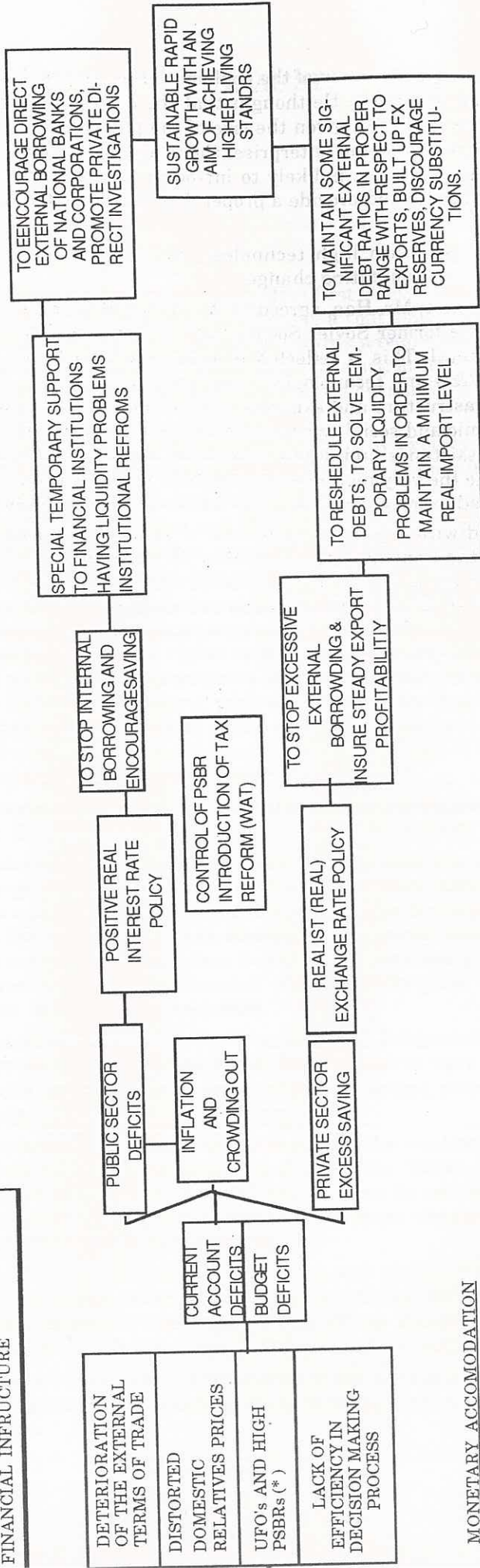
EARLY SIGNALS AND
IAGNOSIS OF ECONOMIC

LACK AND/OR DETERIORATION OF :

PHYSICAL INFASTRUCTURE

ADMINISTRATIVE INFRASTRUCTURE

LEGAL & REGULATORY

FINANCIAL INFRUCTURE

MACROECONOMIC POLICIES

OBJECTIVES

MANAGEMENTS OF FINANCIAL
CRISIS

MANAGEMENTS OF EXTERNAL
DEBT AND CURRENT ACCOUNT DEFICIT

TO EENCOURAGE DIRECT EXTERNAL BORROWING OF NATIONAL BANKS AND CORPORATIONS, PROMOTE PRIVATE DIRECT INVESTIGATIONS

SUSTAINABLE RAPID GROWTH WITH AN AIM OF ACHIEVING HIGHER LIVING STANDRS

TO MAINTAIN SOME SIGNIFICANT EXTERNAL DEBT RATIOS IN PROPER RANGE WITH RESPECT TO EXPORTS, BUILT UP FX RESERVES, DISCOURAGE CURRENCY SUBSTITUTIONS.

OPENING-UP OF THE FINANCIAL SYSTEM TO WORLD CAPITAL MARKET FOR FURTHER INTEGRATION AND GLOBALISATION

SPECIAL TEMPORARY SUPPORT TO FINANCIAL INSTITUTIONS HAVING LIQUIDITY PROBLEMS INSTITUTIONAL REFROMS

TO RESHEDULE EXTERNAL DEBTS, TO SOLVE TEMPORARY LIQUIDITY PROBLEMS IN ORDER TO MAINTAIN A MINIMUM REAL IMPORT LEVEL

PREVENTION OF FINANCIAL CRISIS
Financial Reform

TO STOP INTERNAL BORROWING AND ENCOURAGE SAVING

CONTROL OF PSBR INTRODUCTION OF TAX REFORM (WAT)

TO STOP EXCESSIVE EXTERNAL BORROWDING & INSURE STEADY EXPORT PROFITABILITIY

INCENTIVES FOR SELF-FINANCING
Institutional reforms to modify behaviour of economic agents

POSITIVE REAL INTEREST RATE POLICY

REALIST (REAL) EXCHANGE RATE POLICY

CONTROL OF MONETARY ACCOMODATION
More flexibility for Interest Rate Policy to control inflationnary expectations. Daily Announcement of exchange rates to follow purchasing power parity Market Economy: Incentives to develop a Money and Capital Market for banks and corporations in order to avoid direct Central Bank refinancing facilities. Encourage monetisation and deepening of financial system.

PUBLIC SECTOR DEFICITS

INFLATION AND CROWDING OUT

PRIVATE SECTOR EXCESS SAVING

CURRENT ACCOUNT DEFICITS

BUDGET DEFICITS

MONETARY ACCOMODATION

DETERIORATION OF THE EXTERNAL TERMS OF TRADE

DISTORTED DOMESTIC RELATIVES PRICES

UFO's AND HIGH PSBRs (*)

LACK OF EFFICIENCY IN DECISION MAKING PROCESS

Controlled Interest Rates
foxed Nominal Exchange Rates
Overdraft Economy: Excessive reliance of corpo rations on bank credits. Excessive reliance of banks on Central Bank Redis ount facilities.

*) UFO: Used for SEE (KIT) s
Underpricing False mana
gement Over employment

Mr. Kurdoğlu, stated that the presentation of the poblems of the Central Asian Republics may have given a gloomy and pessimistic picture. He thought that the despite the difficulties involved in the management of the economic reforms, given the size of the public sector and lack of experience with the system of private initiative and enterprise, there was room for optimism. First, the market mechanism, with its transparancey, is likely to introduce a climate for change, specially if supported by public policies which should provide a proper framework for the development of the private sector.

The availability of experience with high technology and particularly of a stock of well trained manpower is the other asset facilitating change.

In the discussion on the subject, Mr. Haq, agreed with the view that, whatever the inefficiencies in economic performance, the former Soviet Socialist states benefitted from policies emphasizing investment in human capital. This is reflected in relatively high levels of education and health and in experience with R&D and technological development. What is lacking, however, is the basic legal institutional infrastructure and experience with the functioning of the capital system. He emphasized that economic and social reforms in these countries should be an indigeneous process and foreign technical assistance and advice should be supportive of this process rather than substituting it. This, despite the very high expectations from the local people and their administrators that foreign capitalist advisor's dispose of ready made solutions to be implemented.

The session was concluded with a general expression of support to Turkey's efforts to provide and channel assistance to the Central Asian Republics. It was underlined that, in doing so, one should identify carefully the areas where the experience and knowhow are relevant, and, in approaching these countries, one should act with humility and respect.

FINAL STATEMENT

Özdem Sanberk
Undersecretary
Ministry of Foreign Affairs

Distinguished Guests,
Ladies and Gentlemen,

It is a great pleasure for me to address this first Conference on Human Development held in Turkey. I am confident that its outcome will make a contribution to our understanding of the "development problematique" and to our efforts towards advancing the quality of life of our people. May I also take this opportunity to express our satisfaction in welcoming Mr. Mahbub ul-Haq in Turkey, a personality of international dimension renowned for his work on the questions of development.

Before me, we have listened to the interventions by experts. However, since I am not a specialist in this field, I would like to approach to the subject mainly from a historical perspective.

This conference is convened at a time of global political and economic changes. I will dwell in my intervention on these changes and distribute instead a paper on Turkey's cooperation with UN agencies and recently undertaken massive economic cooperation program with the countries of the Black Sea region and Central Asia as well as the close economic ties with Islamic countries.

Communism as one of the two rival ideological systems in the cold war era has collapsed. Together with it has gone its politico-economic model. There is a historical momentum towards democracy and respect for human rights as well as an economy based on free market. As a result, there appeared a wide ranging convergence of views between developed and developing countries on the approach to the development problem. Human development as a guiding concept has emerged in the gestation process of these momentous changes. The Technological revolution spurred by the advances in the service sector has also brought to the forefront the crucial importance of the individual as a production factor.

It may be useful to look back and take stock of the developments since the early 1960's in order to understand the present stage at which humanity finds itself.

Development as a distinct socio-economic phenomenon was conceived of soon after the decolonization of a large number of countries. The international community considered the problem at first mainly as a lack of physical infra-structure in the developing world and negotiated a target for ODA's. In the same vein, it was thought that a special and differential treatment in trade was necessary in order to protect infant industries of developing countries against international competition. Domestically, this was coupled with a priority given to import substituting industrialization programs in developing countries.

Another step in the same direction was to launch Integrated Program of Commodities (IPC) and the establishment of the Common Fund. Both initiatives were conceived of as providing developing countries with opportunities in terms of market access, price stability, and increasing revenues for commodities of export interest to them.

Despite important delays and shortcomings in the implementation of these measures, the growth performance of developing countries through the 1960's and early 1970's to the first oil shock had been much higher than the following decades. In retrospect, one can conclude that the international economic environment rather than these development-oriented measures had played a more important role in this outcome.

By the mid-70's, high oil prices were coupled with real positive interest rates adopted by the West, steady decline in the prices of non-oil commodities, shrinking markets and higher inflation. Middle-income countries including Turkey which failed to adjust themselves financially defaulted either before or under the impact of the second oil shock.

In this period, we witnessed the emergence of the concept of basic needs to which Mr. Mahbub ul-Haq contributed greatly, and which foreshadowed the human development concept. If I am not

wrong, the purpose was not only to help the segments of the population which were most seriously affected by the adjustment programs, but also find a way out of the impasse for the development process.

In the 1980s the volume of development assistance got stabilized at the half of the target level and was shifted from middle-income to less developed countries, a kind of financial graduation.

At the same time, industrialized countries operated a historical change in their policy response to the economic problems they were facing. Monetary policies took priority over other tools in their struggle against inflation, structural adjustment measures were gathered under the heading of supplyside economics which envisaged less taxes and smaller state. Market forces were given freer hand in terms of price deregulations.

As a result, the rate of inflation was reduced as a tradeoff with a higher rate of unemployment and a low growth. Official assistance went down in real terms and despite appeals for free market, protectionism gained ground. Commodity markets, in turn, collapsed. This international environment played havoc on the economies of developing countries. Their indebtedness increased dangerously while their development slowed down at best, came to an halt or turned negative at its worst.

Towards the end of the 1980s bells of the doomsday rang for communism. The camp of democracy, in other words, the West won the day, seemingly for good, leading to the assertions that history came to an end.

Nevertheless, history is going on with all inherent risks, not least for the development problems.

Structural adjustment programs undertaken by developing countries envisage the opening up of their economies, integration with the globalizing world economy and smaller state with less public investments. From the external trade point of view, they are being graduated in such a way as not to use the special and differential treatment which are disappearing in the Uruguay Rund. IPC and the Common Fund tell far short of expectations. Foreign savings are not forthcoming on the needed scale.

The problem is now how to survive, not how to grow sufficiently for the new concept of sustainable development is based on structural economic and environmental constraints.

In this context, the dimension of human development elaborated by the UNDP appears as the only way out, as a means of salvation. Only then can the creative capacity of well educated human beings seize the opportunities offered by and, overcome the difficulties arising out of the integration with the world economy. Only then can they compensate for the lack of official assistance, declining commodity prices and increased competition. Only then can they raise foreign savings and investments and import and adapt appropriate technologies. Only then can they reach the global market.

Turkey is a much luckier developing country than many others in this respect. Paradoxically, the fact that it was one of the first which went virtually bankrupt in the late 1970's led it to a major policy shift in the early 1980's, hence gaining very valuable time. You know our experience, therefore I will not dwell on it. I wish only to stress one point. Success in a free market economy depends squarely on private initiative. In this process, Turkey discovered that it had some very good entrepreneurs, disciplined and productive manpower and a service sector highly adaptive to new technologies. In other words, the new era found Turkey quite ready for new challenges in terms of human development. This does not mean that we don't have shortcomings. But we are well aware of them and not short of solutions, as other Turkish participants elaborate adequately.

It is certain that if there is an essential condition to the development of the individual, he should be in harmony with the cultural, economic and social environment. Whenever an imbalance exists between the individual and the rest of the world, he can not be himself. Hence, the best contribution to the civilization would be to enable men to flourish in freely established societies. It is precisely at his juncture that the human development dimension attains significance.

I would like to extend my sincere thanks to the UNDP Ankara Office for having prepared the setting for this Conference, which enabled us to discuss major factors in enhancing human development in a comprehensive manner. I'll conclude my remarks by wishing success to the UNDP and other UN agencies in their future activities.