

AGRICULTURAL DEVELOPMENT IN SOUTHERN EUROPE

By O. E. C. D.

Paris, 1969, 427 pp.

This report is essentially a review of agricultural development, as its title suggests, in Greece, Portugal, Spain, Turkey and Yugoslavia during the fifties and sixties. Since this reviewer has been asked to confine his remarks to the part of the report which deals with Turkey, it must be made clear that this review is not a reflection on the report in its entirety.

On Turkey, the report is as good as one would expect any of its length. It sets out to "throw light on the difficulties met by governments in solving the problems which confront them and to set out the measures which they have taken". The description of the changing structure of agriculture in the economy and the problems that Turkey has been facing in this task is reasonably accurate and clear.

One of the problems that the report has well pointed out is the conflicting nature of agricultural statistics which in Turkey the State Institute of Statistics and the State Planning Organisation have made available. To this reviewer it seems that Turkey is one of the few countries where two separate state institutions have been assigned this responsibility and which they discharge without much care and attention.

Despite this handicap, the use of figures in the O.E.C.D. report is as judicious as it is appropriate. The rate of change in Turkish agriculture has been less than satisfactory. Agricultural output has increased in the main by expansion of land under plough and not by increased productivity. While *the* share of agricultural output in the GDP has been declining rather rapidly, the employment of the labour force in agriculture has not changed proportionately. Nor has the share of agriculture declined appreciably in the total exports of the country. Agricultural price policy has vacillated from good to bad. Agricultural incomes do not seem to have benefited greatly from economic growth. The institution of land tenure has remained more or less unchanged.

It is on the side of analysis that this report must be criticised, and it is to this that this review will now turn. There are at least four major areas where the report has failed to come to grips with the basic problems of agricultural development in Turkey.

First, no attempt seems to have been made to analyse the long-term perspective for the agricultural sector. In other words, no mention has been made about the likely direction and magnitude of changes that may be expected. Also there is no indication of the type of policy changes which would be required to accelerate agricultural growth.

Second, on the policy side, the report has failed to analyse the adverse effects of price and incomes policy on the terms of trade and on the distribution of income during the last two decades.

Third, the report pays no more than lip service to the need for structural changes in the existing land tenure systems and in the other institutions which impeded agricultural change at a rapid rate.

Finally, there is almost no mention of the reasons for the fact that, while agriculture remains predominant in the exports sector, the competitive position it had once enjoyed is weakening vis-a-vis the non-agricultural exports and imports. This, it seems, has been due mainly to the fact that agricultural productivity has not been increasing at a rate which would ensure rapid transformation in the economy without increasing pressure on prices and incomes. However, increased productivity *per se* may not be the answer. In the end, a balanced combination of improved technology and imaginative public policy on all fronts will have to be evolved.

That Turkey, like several other countries in the same state of development, has not yet succeeded in this rather critical task is no surprise. What is, however, surprising is that the O.E.C.D. report under review has failed to point this out. In short, much as the descriptive side is accurate and full, the analysis is incomplete and faulty. One hopes that future reports will address themselves more to critical analysis and less to the description of history.

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