

KÜRESEL KAPİTALİZMİN GELECEĞİ VE TÜRKİYE KONFERANSI

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Arzuhan Doğan Yalçındağ: Sayın konuklar, değerli basın mensupları,

Türk Sanayicileri ve İşadamları Derneği adına hepinizi saygıyla selamlıyorum. TÜSİAD-Koç Üniversitesi Ekonomik Araştırma Forumu tarafından düzenlenen “Küresel Kapitalizmin geleceği ve Türkiye” başlıklı konferansımıza hoş geldiniz.

ABD finansal piyasalarında başlayan krizin Avrupa’ya sıçrayarak giderek derinleştiği ve yükselen piyasa ekonomilerini de etkisi altında aldığı günlerde düzenlenen bu konferans, dünya ekonomisinin ne yöne gittiğini anlamak ve bu çerçevede Türkiye ekonomisine bakışımızı zenginleştirmek açısından önemli bir fırsat sunuyor.

Toplantıyı düzenleyen TÜSİAD-Koç Üniversitesi Ekonomik Araştırma Forumu’nun değerli direktörü Doç. Dr. Kamil Yılmaz’a ve bu toplantıda değerli görüşlerini bizlerle paylaşacak olan katılımcılara teşekkür ediyorum.

Değerli konuklar,

Tarihi günlerden geçmekteyiz. Yaşadığımız kriz dünya ekonomisinin 1930’lardan sonra karşı karşıya kaldığı en büyük kriz. IMF’nin bu krizin maliyeti ve dünya ekonomisinde neden olacağı yavaşlamaya ilişkin yaptığı tahminler her seferinde biraz daha kötüleşiyor. Daha altı ay öncesinde 4.1 olarak öngörülen Dünya ekonomisinin 2008 yılında ki büyüme hızı bu hafta itibariyle 3.9 revize edildi. 2009 yılı büyüme tahminleri ise 3.9 dan 3.0’a çekildi.

Yine IMF tahminlerine göre gelişmiş ülkelerin ithalatı 2007 yılında % 4.5 artmışken bu hız 2008 yılında % 1.9’a düşecek. Bu durumdan, ABD ve Avrupa piyasaları için üretim yapan birçok ülkenin ihracatı, dolayısıyla üretimi de olumsuz etkilenecek. Çin dışında kalan Asya ülkelerinde üretimdeki yavaşlama şimdiden çok net görülmeye başladı bile. Latin Amerika ve yükselen Avrupa ülkelerinde de büyüme yavaşlıyor. Yatırımcıların risk alma iştahındaki azalma, bu ülkelerde sermaye akımlarını olumsuz etkiledi ve sene başından bu yana yükselen piyasalarda ki borsalarda değer kaybı % 37’yi geçti.

Değerli konuklar,

Gerçekten de dünya radikal, kapsamlı ve acil önlemler alınmasını gerektiren bir durumla karşı karşıya. Nitekim geçen hafta ABD de 850 milyar dolarlık bir kurtarma paketi yürürlüğe girdi.

Bu hafta ise İspanya’nın 30 milyar euroluk destek paketinin ardından İngiltere’nin de 50 milyar sterlinlik bir paketi devreye sokması, diğer Avrupa ülkelerinde de benzeri planları tartışmaya açtı. İrlanda ile başlayan mevduat garantisinin Yunanistan, İtalya, İspanya, Almanya gibi diğer ülkelere de yayılma eğilimi göstermesi, AB içerisinde ortak politika

arayışını hızlandırdı. Avrupa'da bu amaçla başlayan girişimlerin kısa sürede somut ortak önlemlere dönüşmesi, Türkiye açısından da önemli olacaktır.

Öte yandan kuşkusuz, içinde yaşadığımız dönem, acil önlemlerin ötesinde sistemik değişikliklerin işaretlerini taşıyor. Bu kapsamda Ana tema Konuşmacımız Jeffrey Frieden'ın bugün yapacağı "Küresel Kapitalizm Bir Kez Daha Çökecek mi?" başlıklı konuşmanın önemli açılımlar sağlayacağını düşünüyorum.

Ben de izninizle Dünya ve ABD ekonomisindeki gelişmeleri değerli konuşmacılarımıza bırakarak, bu krizin Türkiye üzerindeki etkileri konusuna değinmek istiyorum. Her şeyden önce bu krize finanse edilmesi gereken 45 milyar dolarlık bir cari açık ile yakalandığımızı unutmamamız. Reel sektör açısından en büyük ihrac pazarlarımız olan Avrupa Birliği'nde ve Rusya'da büyümenin yavaşlaması ihracatımızı olumsuz etkileyecek. Ayrıca bu iki coğrafyada yaşanacak daralmanın bireysel gelirler üzerindeki olumsuz etkisi sonucu turizm gelirlerimiz de gerileyecek. Azalan dış talep, 2007'de yavaşlamaya başlamış olan iç taleple birleştiğinde ekonomideki yavaşlama daha da belirgin hale gelecek.

Gelişmelerin mali piyasalara yansımalarını düşündüğümüzde, özel sektörün 140 milyar doları bulan dış borcunu da önemli bir risk faktörü olarak dikkate almamız gerekiyor. Özel sektör yatırımlarının finansmanında etkili olan yurtdışı finansman imkanının bozulması, sadece finansal bir risk unsuru olmakla kalmayacak, aynı zamanda, büyüme sürecini de sekteye uğratacaktır. 2001-2007 döneminde özel sektör yatırımlarının ve dolayısı ile büyümenin finansmanında çok önemli rol oynamış olan bu kaynakların, küresel finansal kriz sürecinde ciddi derecede sınırlanacağı çok aşikar.

Ne yazık ki bu dinamikler bir tehdit olmaktan çıktı ve ekonomimizi bütün gücüyle etkilemeye başladı. Tüketim rakamları, kredi rakamları, ithalat rakamları vb. büyüme hızının öncü göstergeleri olabilecek verilerin tamamı bir yavaşlamaya işaret ediyor. Son açıklanan sanayi üretim rakamları, Türkiye ekonomisinin karşı karşıya olduğu tehlikeyi bütün çıplaklığıyla ortaya koydu. Ağustos ayında sanayi üretimi % 4 gerilerken, imalat sanayiinde gerileme % 5.7'yi buldu. Bu rakamlar üçüncü çeyrekte büyüme hızının beklenenin çok altına ineceğine işaret ediyor. Büyümenin yavaşlaması ise halen % 11,7 olan tarımdışı işsizlik oranının daha da artması riskini barındırıyor.

Daha önceleri defalarca gündeme getirmiş olduğumuz yapısal reformlar tamamlanmış, mikro reformlar uygulamaya konmuş, IMF ile ilişkiler yeni bir anlaşma çerçevesinde formüle edilmiş ve AB uyum sürecine hız kazandırılmış olsaydı, küresel dalganın sınırlamıza ulaştığı bu günlerde biz de sınırlarımızı biraz daha sağlamlaştırmış olurduk. Unutmamalıyız ki kaybedilen zaman, aynı zamanda kaybedilen refah anlamına da geliyor artık.

Bütün bu karamsar arka planda bazı olumlu noktaları da gözden kaçırmamak gerekiyor. Öncelikle, Türkiye'nin bankacılık sektörü 2001 krizinden sonra gayet sağlam bir noktaya gelmiştir. Bankacılık sistemimiz bugün eskisine göre dış şoklara daha dayanıklıdır. Bu tarz öngörülerde bulunmak riskli olmakla birlikte, düzenleyici kurumların özerk yapısı güçlendirildikçe küresel krizin finansal kanallardan ülkemize sirayeti sınırlı olacaktır.

Dünya ekonomilerinde düşen talep ve yavaşlayan ekonomi, petrol başta olmak üzere emtia fiyatlarındaki keskin düşümlere neden oluyor. Petrol sekiz aydan sonra ilk kez 90 doların altına geriledi. Değerli madenlerin fiyatlarında % 60 varan düşüşler oldu. Uluslararası fiyatlardaki bu gerileme, girdi maliyetini azaltacak, ihracatın rekabet gücünü destekleyecek ve enflasyonla

mücadeleyi bir nebze olsun kolaylaştıracak. Ağustos ayında % 11.8'e yükselmiş olan enflasyon oranının daha da artacağı beklenirken % 11.1'e düşmüş olması, enflasyonla mücadele beklentilerimizi iyileştirdi.

Değerli konuklar,

Dünyada kriz sonrası ekonomik yapıların farklı olacağı aşikar. ABD'de patlak veren kriz, "düzenleyici kurum-yatırımcı-merkezi otorite" üçlüsü arasındaki ilişkilerin yeterli derecede düzenlenmemesi durumunda nasıl kontrolsüz bir istismara neden olabileceği açısından önemli bir örnek oluşturmuştur. Piyasa ekonomisinin etkili işleyebilmesi için bu üçlü arasındaki ilişkiler uyum içinde, şeffaf, hesap verebilir ve öngörülebilir olmak durumundadır. Düzenleyici kurumlar, piyasa ekonomisinin ayrılmaz parçalarıdır; Rekabetçi piyasa ekonomisi hassas dengelerin kollandığı bir yapıdır; şeffaf düzenlemeler ile desteklenmelidir.

Bu kriz, kapitalizmin sonu olmasa da, piyasa ekonomisinin çöküşü anlamına gelmese de, 1929 Büyük Bunalımı kadar derin bir ekonomik gerilemeye girilmese de, son yüzyılın en ciddi küresel krizi. Büyüme hızlarının düşmesinin ve kredi piyasalarının daralmasının çok ciddi kısa dönemli sonuçları olacak ve dünyada bu sonuçlardan bağışık bir ülke de pek olamayacak. Türkiye ekonomisi de bu krizden zarar görecektir ve büyüme yavaşlayacaktır. Bu da bizi temkinli olmak zorunda kılıyor.

Krizin en az hasarla atlatabilmesi için dünyada olan biteni çok yakından izlemek ve piyasalarda güven erozyonunun oluşmasına izin vermemek gerekiyor. Olumsuz konjonktürel gelişmelere karşı gerektiğinde çok hızla müdahale edebilecek biçimde her türlü hazırlığı yapmalı daha da önemlisi piyasaları hazırlıklı olduğumuza ikna etmeliyiz.

Bugünkü tartışmalarımızın, global piyasalardaki değişimleri daha iyi anlamamıza ve Türkiye'nin bu krizden en az hasarla çıkabilmesi için uygulanması gereken ekonomi politikalarının oluşturulmasına katkıda bulunacağını umuyor, konuşmasını yapmak üzere, Koç Üniversitesi Rektörü Prof. Dr. Attila Aşkar'ı kürsüye davet ediyorum.

Attila Aşkar: Değerli konuklar, Sayın TÜSİAD Başkanı, Ekonomik Araştırma Forumu Direktörü değerli meslek arkadaşım Sayın Kamil Yılmaz, sayın başkonsolos hepinizi saygı ile selamlıyorum. Ben sizlere içerikli bir konuşmadan ziyade Ekonomik Araştırma Forumu'ndan bahsetmek istiyorum. Ülkemizde ve birçok ülkede iş hayatı ile üniversite arasındaki kopukluk hep bir şikayet konusu olmuştur ve zaman zaman da karşılıklı aynı dili konuşmadıkları iddia edilmiştir. Ekonomik Araştırma Forumu, bir taraftan iş hayatının gerçekleriyle, akademik hayatın getirdiği kuramsal yapıyı bir araya getirip, gerçek hayatın konularına çözümler üretirken, o konuları tahlil ederken, bir taraftan da akademik hayatın uygulama hayatındaki konularla olmasını sağlıyor. Biz bu konuda büyük mutluluk duyuyoruz ve önemli toplantılar, önemli çalışmalar yapabildiğimiz inancındayız. Bu toplantı da bu ortak çalışmanın ürünü. Arzuhan Hanım'ın konuşmasını dinleyince gayet de başarılı olduğumu görüyorum. Kendisi bir akademisyen gibi konuştu. Ama ben bir uygulamacı gibi konuşmaya gayret etmeyeceğim. Biraz daha öğreneceğim şeyler var. Biz akademisyenler konuşmalarımızın ilgi çekmesini hep isteriz. Sayın Frieden da tahmin ediyorum konuşmasına ilgiyi arttırmak için bu dünya krizlerini icat etti ve görüyorsunuz salon dolu. İlginin fazla olmasından kendisi de memnun diye düşünüyorum.

Küreselleşme dünyada olumlu bir hava yarattı. Fakat bir süre sonra bazı çekincelerinden de endişeler peşinden getirdi. Siyasi konuların, kültürel konuların, güvenlik konularının ve insanların gidip gelmesinin mobilitesinin arttırmasına imkan verdiği umudu ve tabii bu arada da sermaye akışlarının son derece rahatlaşması dolayısıyla dünyada birbirine ekonomik olarak da bağlanıyor hissine girdik. Fiziki bilimlerden bir örnek vermek istiyorum. Bir faz değişikliğinden bahsedilir. Mesela su ile buz aynı maddedir, ama suyun davranışı ile buzun davranışı buharın davranışı farklı farklı modellerle incelenir. Şimdi kapitalizm çöktü mü, kapitalizmin sonu geldi mi, tarihin sonu geldi mi sorularını sorarken, bu kadar yerel ekonomiler için geçerli olan kuralların küreselleşmiş bir ekonomide ne kadar geçerli olduğunu da sorgulama zamanı geldiği anlaşılıyor. Keşke bu kriz olmadan bu soruları sorup, cevap verebilseydik, arayabilseydik. Ama belki Prof. Frieden gibi kimseler bu kriz olmadan da bu soruları sordukları için daha derin konular olduğunun da farkındalar. Güncel hayatta hepimiz ilk baktığımız şey borsa indi mi, borsa çıktı mı? Doların fiyatı Euro'ya göre ne oldu? TL.sı ne oldu? Fakat mutlaka konu bundan çok daha derin ögeler içeriyor. Bunları uzmanlarından duyabilmek hepimiz için hem düşündürücü, hem ilerisi için planlama imkanları verecektir. Belki de ekonomi teorisinde yeni düzenlemelerle temel varsayımları sorgulanarak, yeni açılımlara, yeni yapılarla gitme gereği de oluşacaktır. Ben ekonomi bilmeyen bir kimse olarak bunları daha fazla irdelemek istemiyorum, ama gene de sanki fiziki bilimlerden anoloji ile bir faz değişikliği oluyor mu dünyada diye 1920'lerde, 1940'larda kurulan kurallar acaba bugünün ve ilerinin ekonomik problemlerini çözmek için yeterli olacak mı bu modeller, bunun da herhalde derinden sorgulanması gerekiyor. Hepinize katıldığımız için teşekkür ediyorum. Forumumuzun başarılı yöneticisinin Nisan ve Mayıs ayında bu günleri nasıl gördüğünü de merak ediyorum. Bu konuşmanın başlığı belirlendiği zaman Nisan-Mayıs aylarındaydık. Kamil Bey'i bu kadar ileri görüşlü olduğu için kutluyorum. Çok teşekkür ederim. Hoşgeldiniz.

Kamil Yılmaz: Sayın Rektörüm, Sayın TÜSİAD Başkanı, değerli konuklar. Benim burada bulunmamın nedeni Sayın Prof. Frieden'i kısaca sizlere tanıtmak. Ama ondan önce hepimize hoşgeldiniz demek isterim. Evet, bu konferansın başlığını belirlediğimizde hatta Prof. Frieden'i davet ettiğim zaman Nisan ayıydı. Gerçekten kendisi küresel kapitalizmin geçmişini, tarihsel boyutunu ekonomi politik bir açıdan incelediği kitabı ve arkasından gelen yayınlarıyla oldukça etki yarattı ve sanırım şu anda da oldukça zamanlı bir konuşma ve konferans olacak. Ben önce kendisine davetimizi kabul edip, geldiği için huzurlarınızda teşekkür etmek istiyorum. Ardından kısaca kendisini tanıtmak istiyorum. Prof. Frieden Harvard Üniversitesi'nde kamu yönetimi bölümünde öğretim üyesi. Kendi çalışma alanlarına baktığımızda, uluslararası para ve mali ilişkilerle ilgili politikalar konusunda uzman. Kendisi ayrıca döviz kuru rejimlerinin arkasında yatan ekonomi politik dinamikler üzerine çalışmalarını bilinmekte. Doktorasını 1984 yılında Colombia Üniversitesi'nden alan Prof. Frieden 1983-1995 yılları arasında California Üniversitesi'nde Los Angeles kampüsünde görevli bulduktan sonra 1995 yılından bu yana da Harvard Üniversitesi'nde öğretim üyesi olarak çalışmaktadır. Hem kitapları, hem makaleleri var. 1987 yılında yayınladığı "Banking on the World: The Politics of American International Finance", 1991 yılında yayınladığı "Debt, Development and Democracy: modern political economy and Latin American 1965-1985" ve 2006 yılında "Global Capitalism: its fall and rise in the 20th century". Bu kitapların direkt yazarları olmasının yanı sıra, kendi alanında birçok kitabın da editörlüğünü yapmış ve onlarca makaleyi de akademik dergilerde yayınlamıştır. Bugünkü konuşmasının başlığını aslında Brüksel'de araştırma kuruluşu olan Brügel'de 2006 yılında yapmış olduğu konuşmadan aldık. Bugüne oldukça ışık tutuyor ve gelecek açısından da çok önemli ipuçları barındırıyor. Prof. Frieden sadece tarihsel boyutun ötesine geçip, günümüzde yaşamakta olduğumuz krizin Amerika'daki sosyo ekonomik boyutunu ve önümüzdeki dönemde neler

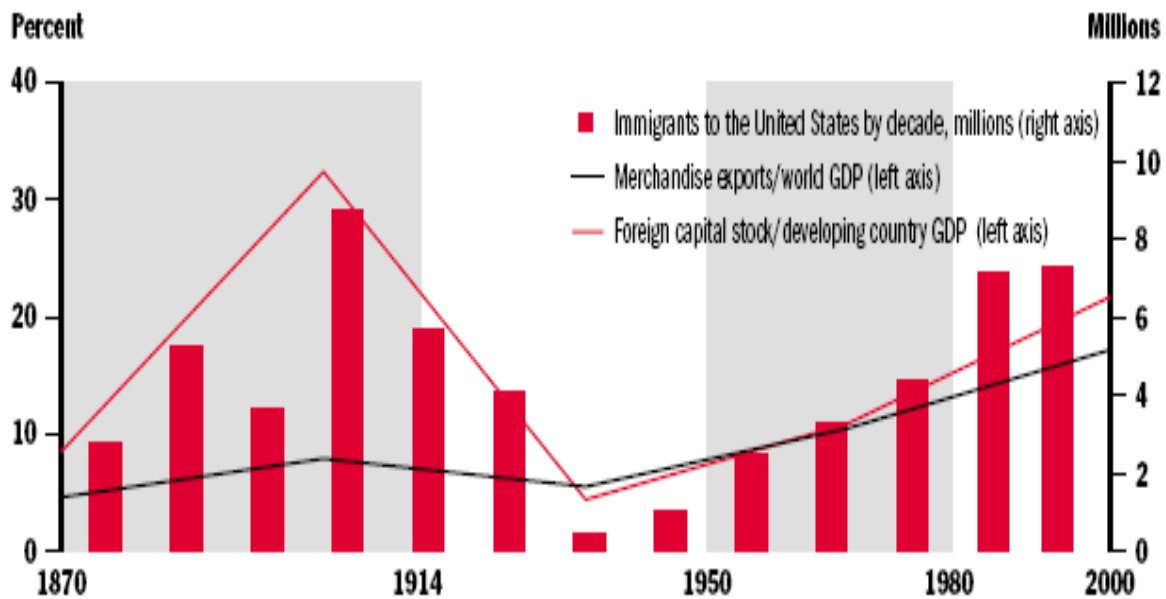
beklememiz gerektiğini ve belki de politika çabalarının hangi yönde ilerlemesi gerektiği konusunda bizleri aydınlatacak. Kendi konuşmasından sonra panel oturumumuza devam edeceğiz. Ben Prof. Frieden'ı huzurlarınızda kürsüye davet ediyorum.

Prof. Jeffrey Frieden: Thank you very much for inviting me here, it is a tremendous pleasure to be here in Istanbul. These are very difficult times in the world economy and difficult times all over the world economy. It is an extraordinarily important moment to contemplate some of the broader issues in the development of international economic relations. Today we observe an atmosphere of tremendous uncertainty and perhaps even fear over the future of global financial markets and global economy more generally. Throughout the world there is a tremendous concern about what even the near term will bring. We wake up every morning and wonder what the markets will be telling us about our future as we see how far they've fallen, not whether they've fallen, but I guess how far they've fallen.

We are, I think clearly experiencing the central reality of an integrated international economy, which is that when world economy such as ours is tied together as closely by trade, by investment, by finance, by monetary relations, by telecommunications, by information that such world economy will transmit both negative and positive signals internationally with brutal efficiency. So on the upside, as the world economy improves and as the world economy is tied together there is a common experience of general improvement in a rising tide, lifting the shifts of many countries around the world and today as we appear to be peering over the cliffs into a vertex of financial difficulties we find that many parts of the world that didn't realize how sensitive the... developments in a minor component of the American financial markets, that is mortgages given out to those who were not previously qualified for American mortgages.

How developments on a minor component of the American financial market can have broad, global really earth shattering consequences? So we are in a world of our own making and world has become familiar to us over the course of the last 50 or 60 years. What we experience today is part of this very familiar record, I think of globalization over the past 50 or 60 years.

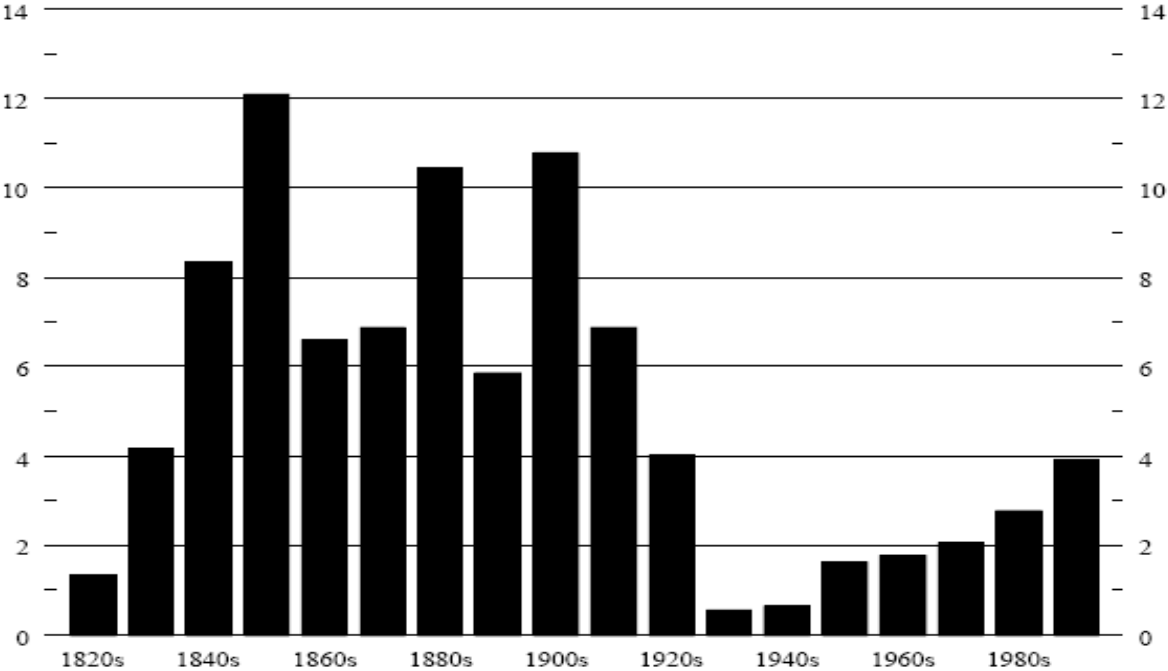
Economic Integration, 1945 - 2000



Graph 1

This graph (Graph 1) is simply an indication of how the world economy has become increasingly and continually more integrated over the past 60 years or so. The black line indicates the growth of world trade, the red line indicates the growth of international investment in the developing countries and the red bars indicate increasing immigration into the USA. So all these are simply indicatives of the general pattern of increased economic integration and I think we share a general belief that this is part of a continuing upward trend in which the world economy has been and will become more and more integrated. And many of us believe and I think with some reason, that this has become an integrated global economy, normal and natural state of affairs. But I think we have to step back a little bit and look at the larger picture. And if we look at the larger picture, we see that in fact contemporary levels of economic integration are simply taking us back to where we were 100 years ago. The world economy has been as integrated as it is today. Back in the 19th and early 20th century for many decades and even generations, trade, investment, finance, immigration, and monetary relations were also globalized and you can see from the V shape of that particular graph, they stopped being globalized at a certain point in time. In fact if we look back at the generations that preceded 1914, most of the world experienced an extraordinary integration of capital markets. If we look simply at an international investment we can see that until a few years ago, the level of international investment was comparable or even below what it had been on the run to World War I. The same thing was also true about the goods trade, that goods trade only recently came up to the levels that prevailed before World War I.

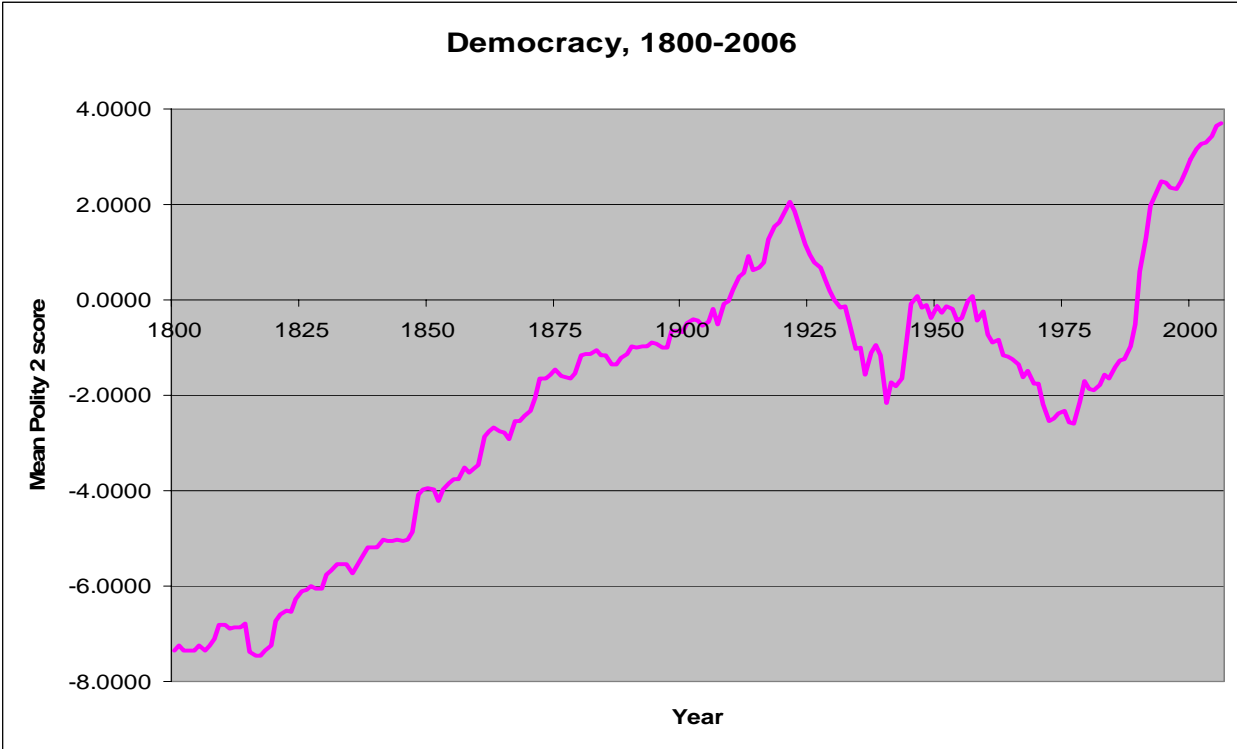
Immigration to U.S. as Percent of Total Population, 1820-2000



Graph 2

In some areas like international immigration, the world economy in fact is much less integrated today than it was, this is immigration into the US in the 19th and the 20th centuries and as you can see (Graph 2), levels of integration of immigration for US are today despite the fact that they are politically very prominent at much lower levels than they were 100 or 120 years ago, so for generations, before 1914, information, technology, capital, goods moved around the world as freely or even more freely as they do today. In those periods immigration as I said was free in the decades before 1914. 50 million Europeans, which were about 10% of

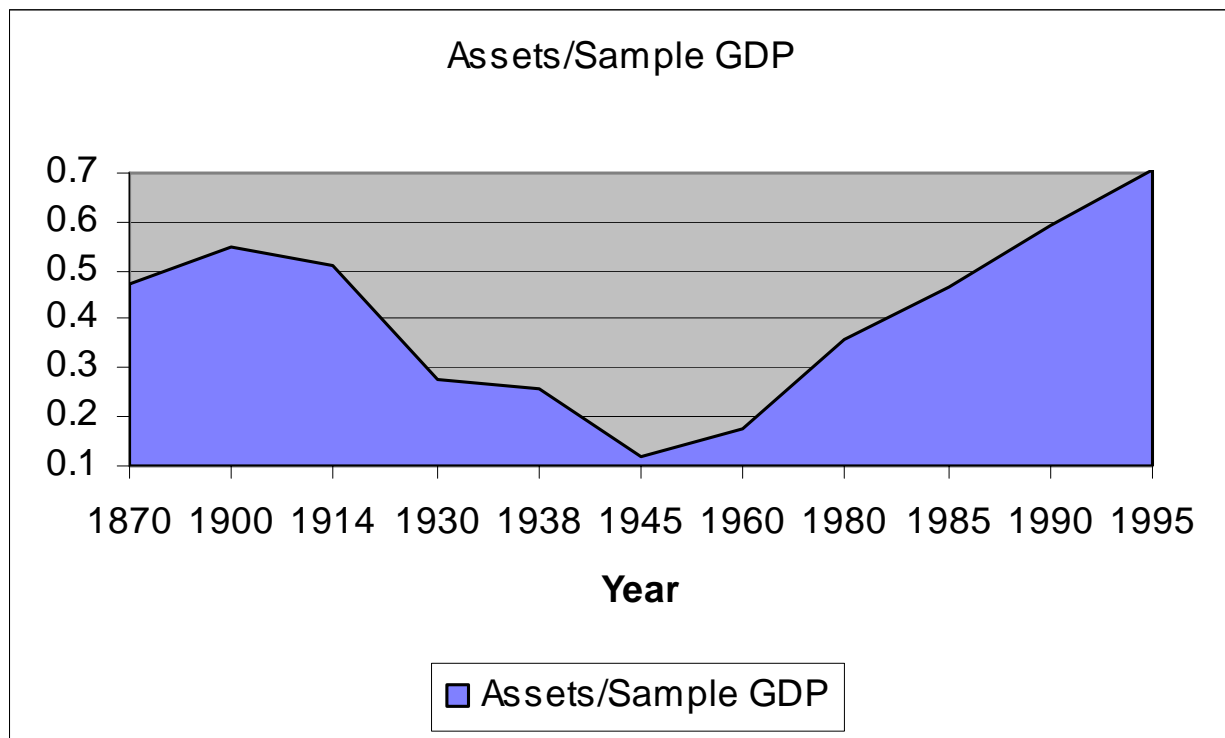
the population of the world at the time and 50 million Asians left their homelands and moved to the rest of the world. There was a common monetary standard, the gold standard, that first era of globalization characterized an extraordinary long period in contemporary world history. It is so unprecedentedly rapid growth, it saw catching up, it saw macroeconomic stability and did also saw political changes that have become familiar to us as well.



Graph 3

If we look at, this is the graph (Graph 3) that uses measures that political scientists have developed to categorize political institutions so what this shows is that we start in the early 1800's very low in the democracy scale and higher numbers more democratic and we move throughout that early 19th and 20th century period, closer and closer to democracy until around 1910, we actually go positive that is the world on average is democratic, reaching a high point in 1920's. So not only was the world at that point in time becoming more and more economically integrated but political institutions were also evolving in the direction of more democracy. However as should be clear from U shape of that curve that first experience with globalization did not end well. It ended with World War I and II, it ended with depression, it ended with political, social and economic turmoil. Despite efforts after 1914 to restore an integrated global economy, the world ended up spiraling downward into depression and devastation. So the first question I want to ask is a broad historical question to introduce some of the contemporary issues: Why? Why was it so difficult to restore that first era of globalization? What went wrong? And perhaps more important, what can we learn, how can we avoid the fate of that first age of globalization? What lessons might it have for us?

Rise, Fall and Rise of International Investment



Graph 4

Let's start by going back to that classical era of the integrated world economy of 19th and early 20th centuries. That previous era of globalization seemed at the time to be working extraordinarily well. The international economy was tightly integrated on capital account (Graph 4). In years before 1914, more than half of all British investment went overseas. That is a level of foreign investment that no major financial center has come close to today. Many developing countries, not just one or two, funded more than half of their total investments from abroad. Again very rare even in today's circumstances, the levels of international trade integration in many instances were higher than they are today. As I say immigration was almost completely free. You could move around the world from most countries to most countries with no documents at all. In the case of US, people could arrive on Ellis Island and immigration service and coming freely with no documents, no papers, all they had to do was prove that they weren't communists or morally inappropriate to enter into the US or insane or have some communicable disease. But if you could prove those things, you could come into US with no documents, with no papers, with no passport. Nearly half of the entire population of many countries including Argentina, Australia, Uruguay and some others were foreign born.

So we are talking about world economy that was tightly integrated and it was particularly tightly integrated on a front that is relevant to today's concerns because all of the world's major economies in addition to being so closely linked on trade, finance, investment, transportation, communications were also linked by a common monetary standard, the gold standard. By the late 19th century and early 20th century, virtually every country of any economic significance was on the gold standard; about 100 years ago only two countries that weren't were Persian-Iran and China. But 95 % of economic activity in the world at that point

was being carried out in countries that fundamentally shared a common monetary standard. That's something that tied countries together even more tightly than they are tied together today and also which allowed for the transmission of crisis even more rapidly than we see today. So I don't want to paint a picture that makes the world economy of hundred years ago looking like nothing but a positive experience, there were plenty of problems and tensions. There was, for example a flood of cheap products coming into the rich countries from rapidly developing regions of the world that was threatening the livelihood of millions and millions of producers in rich countries. And 100 years ago the cheap goods coming into the rich countries were farm goods and they were coming into Europe from the new world, North America, South America, Australia and the people who's livelihoods were threatened were European farmers. You may know that all through this period, European agriculture was in serious crisis threatened by cheap farm goods that could not be competed by European farmers and there was continual agrarian crisis and near starvation in many parts of Europe for decades in late 19th to early 20th century.

So things were not all roses and everything did not work well for everyone and in addition to near starvation conditions in many parts of Europe, there were also periodic financial panics, currency crisis that required substantial economic sacrifices on the part of people around the world. There were the rise of new powers, there was a sense of loss of national identity, there were ethnic uprise in the Balkans, all sorts of things that unfortunately have not gone away. In any event, despite the fact that there were tensions and problems in the world economy of the 19th and early 20th centuries, in the long run, in a general sense at the time and since then we can say that the system worked. It experienced the most rapid growth in all proceeding world history.

The world economy grew more in those 50-60 years than it had in the previous 1000 both on a per capita basis and in aggregate terms. Rich countries grew rapidly, middle income countries caught up with rich countries, poor countries caught up with middle income countries, there was convergence as the world became less unequal, there was a general atmosphere of macroeconomic stabilities. Certainly there were crisis from time to time, but generally prices were stable, economies were stable, trade was stable and on a continually growing path. So the world economy was working, it was growing more rapidly than anyone could have imagined. Tens of millions of people were getting better off than they could every have imagined. Poor countries were doing better than they could ever have imagined. The world was tied together in a single monetary system. And so people at the time I think could have been forgiven for thinking that this was, as many people think today, the natural and normal state of affairs and it would go on forever.

But it all collapsed in a matter of weeks in 1914. Right after 1914, of course the leaders of the world after the war was over said, this was simply a war time emergency, let's get back to the business of rebuilding an integrated world economy. But it failed. Over and over again, attempts to restore that integrated world economy of the 19th and early 20th century failed miserably and in the event of the 20th century, it largely turned out to be series of political and ideological and economic and even military conflicts over what had gone wrong and when and how to fix it. So looking back for the purposes of being able to look forward let's ask why that first era of globalization is not be restored? It was not for lack of trying. For all of those decades after 1918 there were conferences, there were meetings, there were treaties, there were new international organizations, and there were continuing rounds of international and domestic efforts to try to put the international economic order back together; but nothing worked. The reason in a word was politics; international politics and domestic politics.

At the international level, it became obvious over the course of 1920's that the previous international economic order had in a way that the people had not realized at the time rested very strongly on a consensus among the major international economic powers and in their willingness and ability to cooperate; especially to cooperate in times of crisis. During 19th and early 20th centuries major financial and economic centers, specially Britain, France and Germany; but also Netherlands, Belgium, Austria, Russia, Hungary and even USA from time to time, worked together to stabilize global macroeconomic conditions especially in times of the periodic, financial and currency panics that prevailed every 20 to 15 years over the course of 19th and early 20th century. Two of the principle pillars of international cooperation, France and Germany spent all of the intro war period carrying out the battles that did not settle in the battlefield but at the conference table. So France and Germany could not agree and would not agree and would not and could not work together to cooperate over international economic issues after World War I was over.

The most important economy in the world, the US which went into World War I, the world's biggest debtor and came out of it the world's biggest lender refused, the US after 1920 pulled back from the world economy in a period that we in the US call isolationism, refused to participate in the League of Nations, refused to join in the international organizations. US refused to participate in any of the international economic meetings. It's very hard to run a world economy when the most important economy in the world refuses to participate. So between American abdication of its responsibilities and the breakdown of cooperation especially between France and Germans and international consensus that had prevailed for 70, 80 and even 100 years was gone.

So the international political problem was crucially important and those of you who remember the history of Great Depression will remember that the starting point of the real crisis phase, the phase in which we spiral further down and down was the collapse ofaffiliated bank of Austria, the Credit Anstalt, but few realized that there was a rescue package in place that would have kept the Austrian Bank from failing and it was sabotaged by French and German diplomatic disagreements. The French and the Germans were set along with other major central banks to bailout the Austrian Bank and stop the spread of the currency and financial crisis from Austria. That agreement was ended by a diplomatic dispute between French and Germany, which had nothing to do with economics. Within days, the Austrian economy has collapsed, it was followed by the Hungarian economy, the Polish economy, Germany, Scandinavia, Great Britain and then the US. So the trigger for that tremendous collapse in 1931 was a diplomatic dispute, which had nothing to do with economics between France and Germany.

This ending of international consensus at the political level had its added foundation and ending domestic political consensus as well and in some ways particularly relevant to us, it is the domestic political characteristics of the difficulties of the day that are crucially important. Because that international cooperation rested as it always rests upon willingness and ability of domestic actors within countries to agree to have their governments cooperate. Cooperation involves sacrifice, it involves compromise. So for governments to agree to collaborate, to intervene economically or other ways requires a domestic political base upon which governments can rely and that was there in the 19th and early 20th century and was not there by 1920's and 1930's. That domestic political consensus in support of international economic order had disintegrated by the 1920's.

The foundation of that classical gold standard economy was that in every country that it mattered, there was agreement on the priority of international economic commitments. Everyone who mattered, in every country that it mattered agreed that the government had to put as its first priority the maintenance of the country's position in the world economy. That if it required sacrifice at the national level to try to maintain a country's commitment to the gold standard or to its international contracts or to its international economic agreements, that commitment was both desirable and in fact necessary. Even if it required and as it often did a very sharp adjustment of the domestic economy to international conditions, under the gold standards it was not uncommon for governments to push prices down 25, 30, and 40% in a year or two. In the US in the late 1860's we went off gold during our civil war and tried to go back on after the civil war was over, the US government pushed American prices down 45% in 18 months at tremendous economic cost to the American population.

Almost universally agreed among those who mattered that that kind of sacrifice was essential to maintain the position of countries in the international economy. That kind of sacrifice was sustainable in part economically because these were flexible economies more like your textbook competitive economies of small firms and family farms and no labor unions in which the prices could move around a lot, but especially sustainable politically largely because countries were not democratic. Almost no country in this period was by our current standard democratic, those that were in any meaningful sense democratic were very imperfectly democratic.

In Britain may be 4, 5% of the population could vote and in the US was more than that but not a lot more. So that even democratic countries of the world, which was a very small minority, only represented economic elites. The working classes, farmers, small businessmen, shopkeepers were effectively politically unrepresented in the system. That sounds like a terrible thing and of course it is a terrible thing in moral and ethical sense; but from the standpoint of the classical economy it was one of the secrets of its operation. Because it meant that those who were paying the price of the sacrifices necessary to maintain an integrated world economy did not have access to the political system, so their complaints could be ignored. And the people who did have access to the political system were the ones who had the most at stake at the world economy. So the classical international economic order was sustainable because the political systems could largely ignore the cost of international economic integration. What happened? What happened was by the inter-war years non of that was true. Economies were much more like our contemporary economies, big international corporations, large scale labor unions all of which meant that prices were much less flexible and you couldn't push prices down 30, 40, 45 % without creating tremendous havoc and tremendous social and political conflict. More importantly, democracy had spread and spread extraordinarily widely. The change was very rapid and very widespread. So for example in 1890 there were only 3 countries in the world that had male suffrage, that is that allowed all men to vote and had an electoral democracy. By 1920 every advanced industrial country in the world had male suffrage and electoral democracy and in fact all except 2 or 3 had universal suffrage because they had given women to vote as well, a massive change in the course of just a couple of decades.

Now the political representatives of labor, of farmers, of the middle classes were powerful and they could act to try to counter activities in the world of domestic economy they felt were inimical to their interest. They were not content to sit back and simply wait for their sacrifice to lead to macroeconomic adjustment. The European story perhaps is the most striking, before 1920 it was virtually unthinkable for socialist parties to play any part in the political life of

European countries before World War I, in most European countries socialist parties were illegal. Over the course of 1920's and 1930's every single country in Western Europe had a socialist party in government at some point and the majority of them had socialist parties leading governments at some point in 1920's and 1930's a massive change in the political influence of the working classes, of farmers and the middle classes.

First era of globalization worked because international cooperation and collaboration were generally accepted as desirable. And this collaboration in turn was possible because within nations it was economically and politically feasible to do what was necessary to sustain international economic commitments. That is why the globalization worked the first time around, because within countries people agreed on the need for sacrifice to maintain international commitments and in the world countries could agree on developing consensus to confront difficulties. That first era of globalization collapsed and could not be rebuilt because that stance domestically and internationally was no longer economically or politically practicable. The domestic opponents to globalization turned out to be triumphant and in the absence of a politically viable alternative to the crisis of 1929, there was a terrible backlash and the entire world turned inward towards country specific often militaristic or fascistic solutions to their problems, anti globalism ruled by the late 1930's and appeared to be on the upsurge whether in its fascist or nazi or communist or economic nationalist form.

Now I have to fast forward 60 or 70 years try to see if we can learn from previous experience, because I think today it is important to recognize, there is something that we can learn, we are fully launched into a second age of globalization and there are plenty of problems as we all know that we need to confront. These problems raised the question of what we can pick out of the previous experience and in my view what we can pick out and what we can learn from previous experience is very very important. It is central to the issues that we face today. The problems of global economic integration than as now in my view are not technical. They are largely political. Much of the discussion rightly so and we can have some of them here, talks about certain technical and economic characteristics of futures of the crisis that we're in but the underlying problems we face are not technical and in some instances they are not even economic, they are political. Because what is needed is the political ability. Political systems of the prior era proved out to be wholly inadequate to deal with, to reflect, to represent the concerns of people who mattered politically. That was sustainable as long as those people didn't matter politically but once they did matter politically, once they were politically organized, the inability of the political system to respond to the concerns of those were harmed or thought were being harmed by economic affairs turned out to be fatal. And what was demonstrated was how the discontent of those who are harmed by international economic affairs could quickly, stunningly and with devastating effect overcome support from those who were benefiting from economic integration. That I think is a crucially important lesson that it is the political system of countries that has to deal with the demands of those who feel they are being harmed by economic conditions and not ignore concerns and complaints of those who feel they are on the losing end of the economic relations in favor of the beneficiaries. Global economic integration now as 100 years ago provides enormous benefits, they are palpable and they are widely enjoyed. The world would not be the place that it is today in many many positive ways without global economic integration. However today it is important to recognize that there can be very serious costs for regions, for groups, for industries, for whole countries. These concerns can not be ignored.

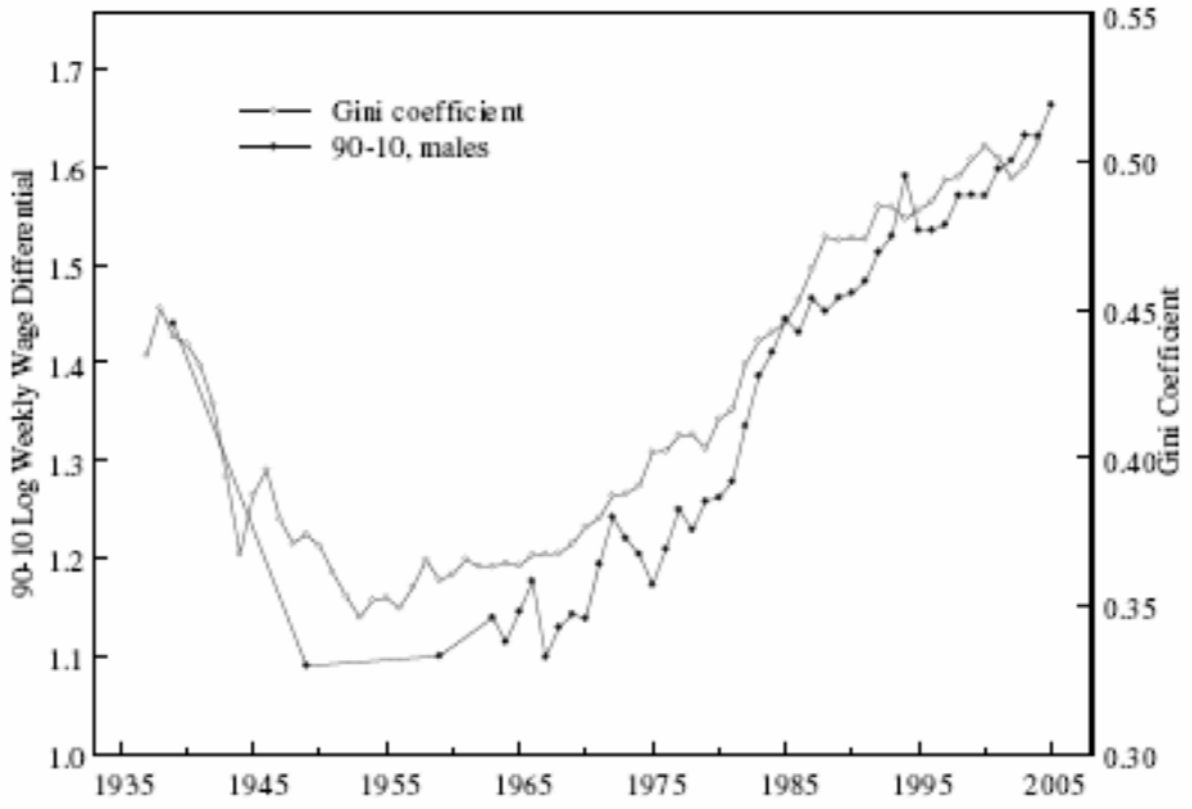
It is not enough simply to reward the winners, we have to address the concerns of the losers from globalization. The prevailing approach unfortunately in addition to crisis management

appears to be to rely on persuasion to convince people in some intellectual sense of the long term benefits of free trade or that there is no alternative or to make the intellectual case for integration but that won't work. There are real concrete and accurately perceived if short termed interest at stake. The challenge is to address the legitimate if sometimes exaggerate interests of those who have real questions about globalization. And we address them in a way that incorporates them into the solution as opposed to simply leaving them as part of the problem.

Now I want to turn to how this plays out in the US, specifically what kinds of challenges we face in the American political economy in the context of the current crisis. I also want to talk about some of the general trends in the American political economy that are relevant to current crisis because they are what have gotten us to where we are today. And also about some of the general trends in the American political economy that I think will be highly relevant to the way in which the current crisis works itself out. Specifically I want to focus on what kinds of issues the American political economy is faced with in the broad sense that might affect and even endanger its commitment to an open international economic order.

There is a set of considerations that I think is especially critical in the light of the current crisis. Back drop of this for those of you who are familiar with the US and the state of public opinion is that there has been a complete turnaround in American views on globalization over the last 10 or 15 years. 15 years ago the prevailing attitude in the US towards globalization was overwhelmingly positive even euphoric. They were some critics but virtually everyone saw globalization in the context of the collapse of the Berlin Wall, the end of the Soviet Union, the end of the cold war as an unmitigated good thing. Today over the past few years it is very difficult to find anyone who will openly and publicly say that globalization is a good thing.

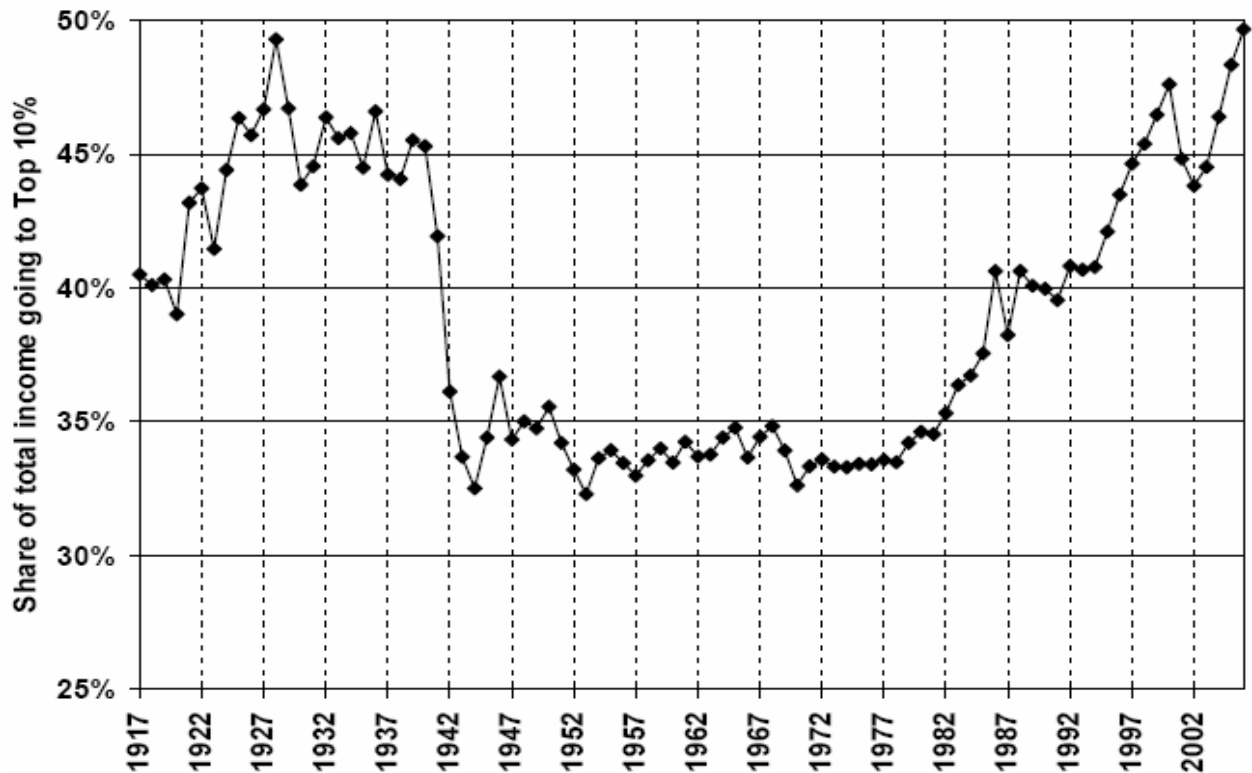
The overwhelming public sentiment in the US is to regard globalization and the world economy as something of a curse word. Globalization has a bad name in the US and there are reasons why. So let me talk about a couple of the backdrops to what's been happening in the US with respect to this. The first thing that we want to look at, these are not very distinct charts but they just set the tanner for what I want to talk about. There has been over the past 30 years a continuing deterioration in the income distribution in the US. And it has number of component parts. If you look here (Graph 5), these are measures of 2 things: gini coefficient, which measures general equality or inequality and arising number is more in inequality; so you can see that from 1930 onwards, the US becomes more and more equal and than starting late 1960's early 70's it becomes more and more and more and more and more unequal.



Graph 5

The second line with the dark dots is the 9 to 10 ratio that measures the relationship between people between in the 90th percentile, richest percentile and the 10th percentile. So rich versus poor relationship and again just like gene coefficient you can see that ratio goes down substantially and than starting in the early 1970's shoots upwards. So income distribution in the US has become substantially more unequal in the last 30 to 35 years. There are some more specific components to that, for the first 15 or so years as you can see from this graph the main story is the bottom falling out of the lower ends of the labor market. Unskilled American workers find their real wages and their relative wages decline from early 1970's until the late 1980's and that is that period here. So the first moment of income distribution deterioration in the US is the collapse in the unskilled labor market. The bottom quarter or the bottom third of the American labor market where unskilled American workers are finding their real incomes declining both in relative terms and in many instances in absolute terms as well.

Share of income to top 10 percent, United States, 1917-2006



Graph 6

Now the second period begins, this shows share of income top 10 %, the wealthy in the US and again you see the same thing as a big decline and then it starts rising over the course of the 80's and it really starts shooting upward into 90's and into the early 2000's. So the second moment starts around 1990 and the bottom of the labor market stays very depressed. What started happening in the early 90's is the top 10% started rising very rapidly compared to the middle classes. So at the first moment you have a collapse of unskilled workers in the bottom of the labor market and at the second moment you have a big separation between the very wealthy in the one hand and the middle classes. Why does this matter? It matters because this is connected both in terms of analysis and it is connected in the public mind with globalization. The first moment, the collapse of unskilled wages in the US is very widely associated with the increasing openness of the US to trade and manufacturing products from developing countries like China and Mexico and other countries with lots and lots of cheap and unskilled labor.

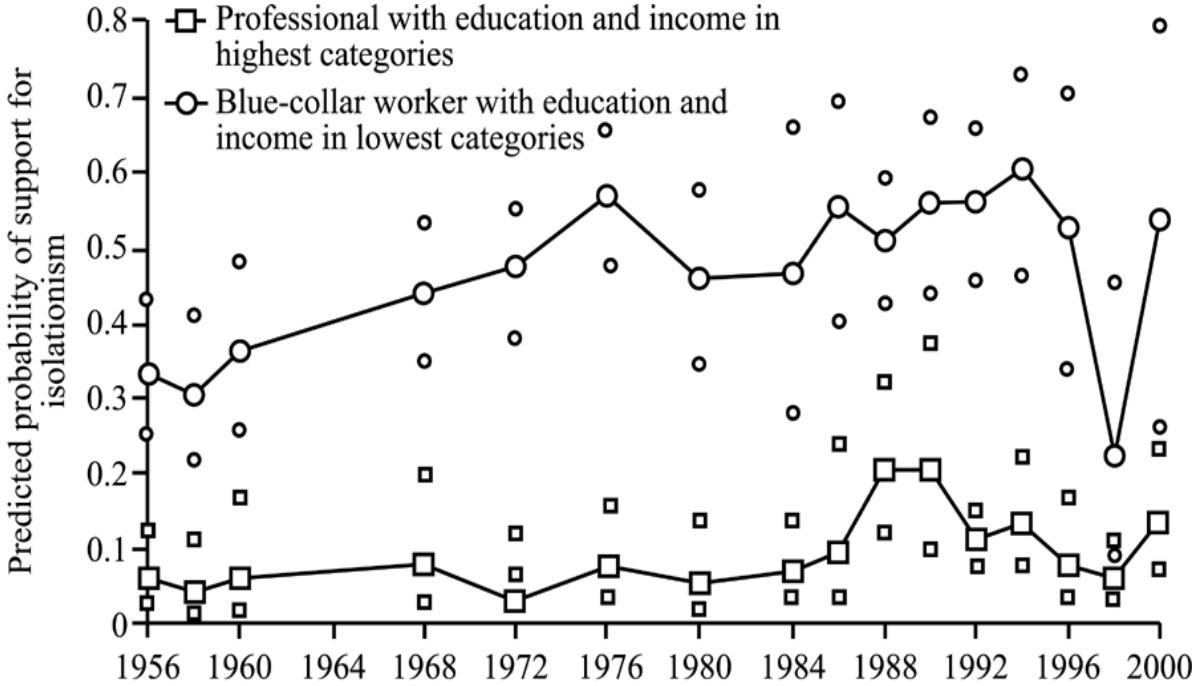
My colleague Freeman has a famous article from the early 90's called "Are your wages set in Beijing?". And that's been the topic of a lot of controversy; but I think the consensus and certainly the public perception is that the reason wages of unskilled American workers have been depressed for so long is that American workers are now in competition with 2 billion very low wage workers in Asia and in other developing parts of the world. So one dimension of the response is to say due to globalization, it is due to the pressure placed on unskilled American workers by trade with the developing world.

The second moment is also associated with globalization because the generalized perception is that the separation of the very wealthy from the middle classes is part of the globalization of

finance, multinational corporations, the emergence of US as a headquarter society, the CEO economy, executive compensation, all of the things that have gotten American middle class voters exercised are again in the public mind associated with globalization. Few wealthy Americans are doing extraordinarily well goes the idea in a global economy while the rest of us being left behind. So it is highly relevant that not only income distribution has been deteriorating but also the popular perception connects income distribution with globalization. So why does it matters? This is an example why. This comes from series of polls on what people feel about trade agreements and you'll notice one things is that Americans don't like trade agreements period. Even the wealthiest Americans are barely at 50 % support for free trade agreements but further you go down the income chain, the more negative you get a point somewhere around 25 or 30 % of people of the median American supports free trade agreements and that around 20 % among the poor. To put it more generally there is almost direct relationship between income and support for economic integration.

This is another example which is more complicated, I am an academic so I apologize for the complication of this particular one but it is a really interesting chart by an excellent scholar who studies American attitudes towards the world. What he is looking here is isolationism. Isolationism defined in terms of responses to questions where people say essentially we don't think the US should be involved with the rest of the world. Back in the 1920's and 30's it was a majority view but even today it is not majority view but there are a lot of people out there who think that the US is way too involved in the rest of the world and should pull back.

Economic bases of support for isolationism



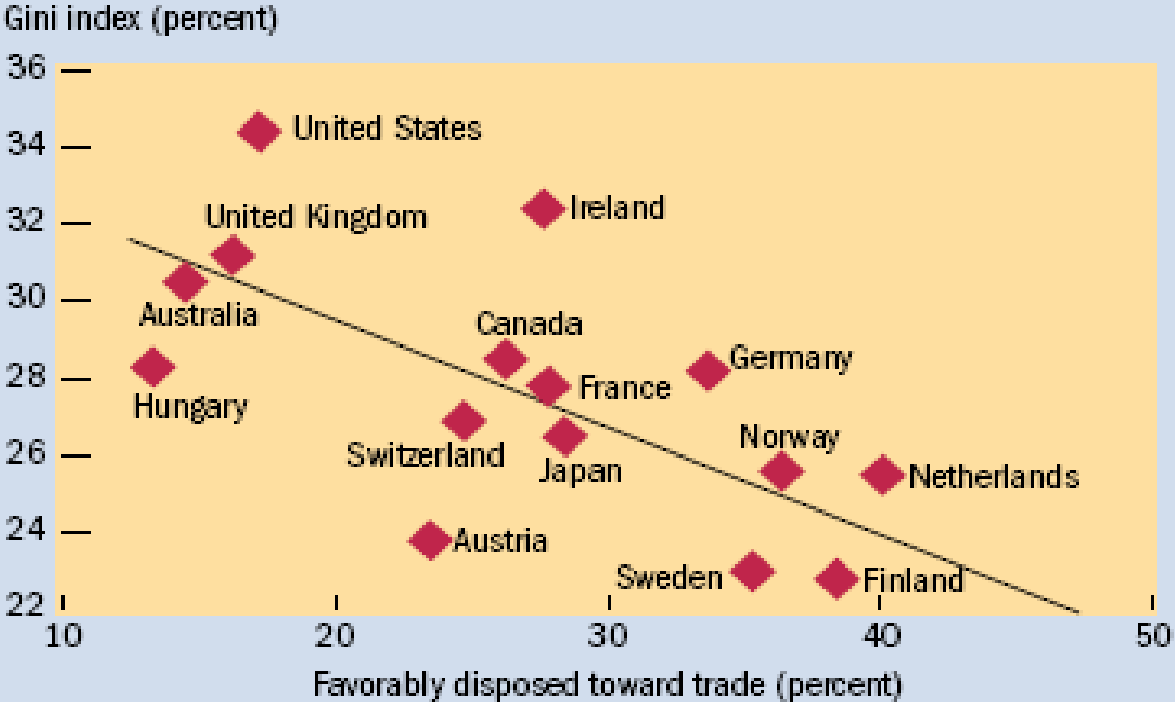
Note: The lines connect the point estimates indicated by the large symbols. The smaller symbols indicate the upper and lower bounds of the 95 percent confidence interval.

Graph 7

In the graph (Graph 7), the top line starting in the 50's is low skilled, poor, blue collar workers with low income and low education and you can see that they're never very enthusiastic but at this point more than half of blue collar workers support isolationism while high skilled, high income professionals, it is about 10 or 15 % , so these economic differences in income distribution have direct effect on how people perceive the role of the US in the world economy. It is not just American phenomena. If we look around the world we can see that there is a very close relationship between how unequal a society is and how positive its people view trade. You'll see here, even here more trade oriented countries it is not that positive but in any event the very very equal economies tend to be very favorably disposed towards international economic integration and the more unequal the society gets the more hostile it becomes. There are lots of survey and evidence to this effect what it tends to show is that the reason for this relationship is that people in lower registers of the income distribution believe that economic integration imposes substantial cost on them which are not compensated and which simply end up being benefits to the wealthy.

Inequality and trade views

In industrial countries, the higher the level of income inequality, the less positive are the attitudes toward trade.



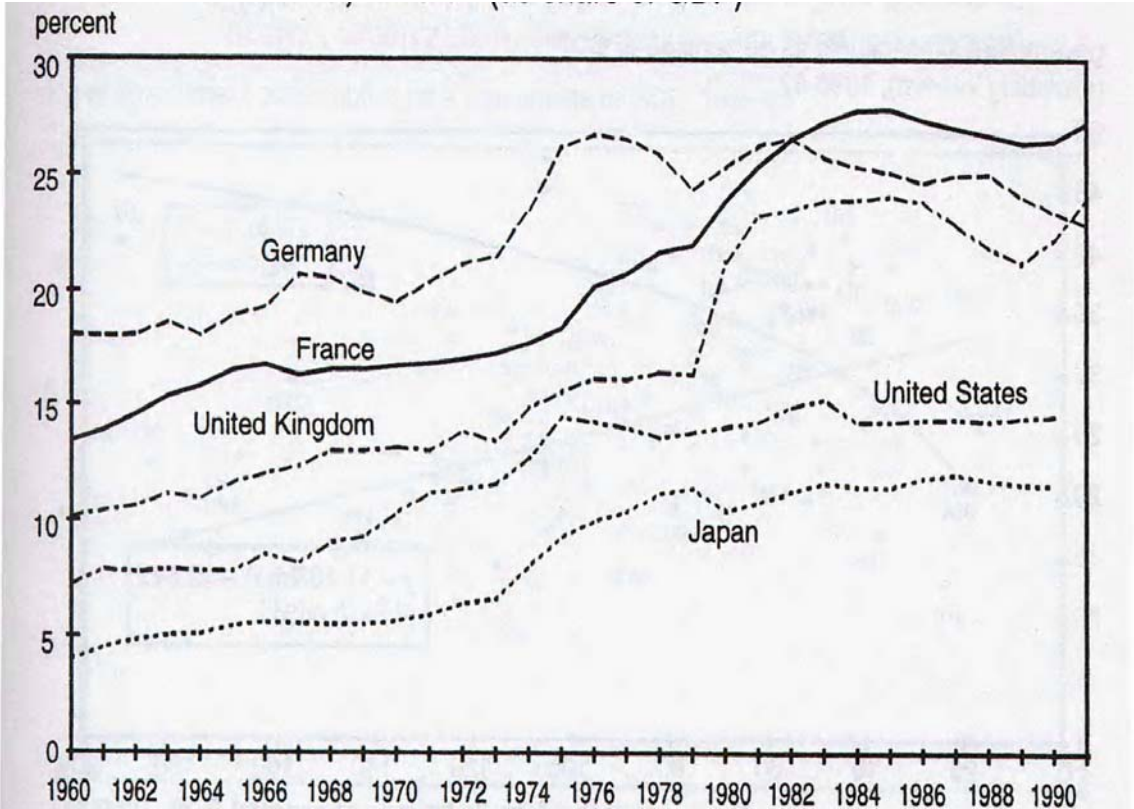
Sources: Förster and Pearson (2002); and International Social Survey Programme (2007).

Graph 8

Now there is something that the government policy can do to try to alleviate the feeling on the part of those who lose from economic integration that it is a zero some game. That they can do something to cushion the blow of economic integration in the interest of economic welfare more generally and what they do is provide social protection, as you see here as economies become more and more economically integrated they tend to spend more on social policies. You can also see across international countries that are more economically integrated have

larger governments, more social spending (Graph 9). This by the way comes from Dani Rodrik who persuaded me last year, who has done a lot of work along these lines and has shown that there is a fairly direct relationship between the extent to which in economy can deal with the losers of the economic integration and its ability to stay in economic integration.

Spending on social protection in five OECD countries(%GDP)



Graph 9

So the point to be made is that the political implications of economic integration are fairly straightforward that is that there are losers and there are winners and the losers want to benefit to some extent from economic integration that is helping their economies as a whole. Economic integration is politically sustainable to the extent that the benefits are spread widely and government policy or other functions allow people to feel that they are participating in the broader economic expansion.

I remember that I was in Brazil in 1983 or 4, in the midst of their particular current account crisis when the military president of Brazil said on TV “Brazilians need to understand that the party is over, we now have to tighten our belts”. The next day on the streets there were vast demonstrations and banners red, “The party is over and we weren’t even invited!”. And that is the general feeling that you have in the US today, that there are many many Americans who feel that the boom of the past 15-30 years passed them by and they are now being asked to sacrifice to make good for benefits that went to wealthy and not to them. So the current macroeconomic environment makes these particular distributional problems crucially important and has led to an explosion of anger precisely when it is hardest to address the sources of that anger. We saw that come out during the debates over the bailout in the Congress and we will see it come out over and over and over again in the US, in Western Europe and around the world as governments necessarily impose austerity measures to

confront the current crisis. Up until now in the US, this kind of dissatisfaction has been dealt with by simply relying on a macroeconomic boom of unprecedented proportions. The reason that this anger has not given rise to major political problems in the US for the last 15 years is that the economy has been growing so rapidly and consumption especially has been growing so rapidly that people have felt much much better off. There has been a proliferation of ways for people even towards the bottom of the income distribution to improve their consumption over the past 15 years. And that has mitigated some of the political and social implications of the trends I've been talking about. But that very process is at the core of the problems that we are now in.

Now let me turn to second issue I want to address, the first being general trends in income distribution, losers and winners and the concern of losers not to be left behind in international economy. That is the first one. The second one is the global imbalances and what they imply for the contemporary state of the US economy. My concern is not going to be global economy, I am not going to worry how the global macroeconomics imbalances affect Western Europe or China or Turkey, I am going to be a typical American and only worry about the US and say the global imbalances are important because of their provincial impact on the US domestic economy and on US domestic politics.

So the development of American political economy over the past 15 years and particularly over the past 7 or 8 years has been centrally determined by our macroeconomic stands. It starts with a set of fiscal policies after the tax cuts of 2001 which takes the central government from a substantial surplus to a very substantial deficit and that begins the process very familiar to people in Turkey. And throughout the developing world, begins the process whereby the US begins to borrow very heavily from the rest of the world. That capital inflow has very predictably fueled an enormous economic expansion. The US has borrowed between a half of trillion and trillion dollars a year from the rest of the world for the last 7 or 8 years. Government and the private sector build up new debts to the rest of the world, about 5 trillion dollars. That capital inflow has fueled an economic expansion that has dramatically softened the blows of the kinds of economic trends that I've talked about. It has had all of the effects that a capital inflow has virtually in any economy that it is has led to substantial expansion in financial activity and it has led to enormous increase in economic activity in the non-tradable sector that is housing, insurance, real-estate has led to big upsurge in imports and in economic expansion more generally. So just as you in Turkey and people in Latin America and in East Asia know what it means for a country to import 5, 6, and 7% of its GDP in capital over the course of 7-8 years, we've now discovered what is like in the US. It leads to a consumption boom, which is concentrated in the finance, insurance and the real-estate sector and which leads to lots and lots of developments in those sectors which expand the range of credit instruments available to consumers in businesses.

It was clear 3, 4, 5 years ago that that macroeconomic stands was unsustainable, that eventually American consumption relying so heavily on massive capital flows from abroad would come to an end. And if we know something after 200 years of development of modern economics, we know that something has to come to an end and eventually it will. Things that are unsustainable do not go on forever. America's financial crisis today is a direct result of the macroeconomic stands of the past 7 or 8 years and I am not saying to blame particular government, you can say for the last 15 years if you want but reliance upon massive inflow of funds is the core source of America, I want to emphasize that because much of the discussion in the press has focused on specifics of the crises. And it is very important to understand the

regulatory environment, subprime market, interlinking of a variety of securities in financial markets.

The core problem is that US is now faced with the results of having lived in the upswing of the capital flow cycle. We talk about capital flow cycles in developing countries and the US is now experiencing upswing of capital flow cycle, which led to an unsustainable boom or bubble. Bubble has now burst and the capital flow cycle has to be reversed. We all know what that means in general terms. In general terms we can consume more than we produce that we can invest more than we saved and our government can spend more than it takes in, now we have to reverse those things. None of the measures are going to be easy; they are all going to be politically extremely unpopular. This is going to mean compression in consumption and increase in savings including for savings, a decline in the real exchange rate, decline in real living standards of Americans. It is not going to be pretty and it is inevitably going to inflame the late intentions that I have been talking about including tensions over globalization.

What I want to emphasize is that we understand why the US is where it is today in macroeconomic terms and we also understand that the implications of the past and how we got here are that there will be substantial austerity in the US. We also understand that austerity in the US will lead to political difficulties. It will not be popular. And those political difficulties will centrally include concerns about and opposition to America playing a leading or constructive role in international economic affairs. The challenge of the coming decade is how to deal with this changed macroeconomic environment, how to deal with austerity in a way that allows the US to play a constructive and productive role in the world economy that allows us to address the legitimate concerns of those who did not benefit from the past expansion and those who are suffering now from current contraction. So I don't know what will happen. It' wanted to read forecast but I can talk about some of the specifics of what is going on today if people ask. But I do know what are some of the lessons of the past century are.

Having spent much of the last 10 years trying to understand how global capitalism rows in the 19th and early 20th century and collapse afterwards and than rows again and what the tensions and dynamics are of that process. I think first area of global capitalism has something to teach us, how it fell and how it eroded again. Remember that in the aftermath of that previous era of globalization there were many attempts to ignore the costs of global economic integration. People said "Don't worry, it will take care of itself". Don't worry about the fact that 20, 25, 30 % of our population or 50 % is suffering on average, the economy is doing well and we need to make these sacrifices. That didn't work. Attempts to ignore the costs of global economic integration led to a terrible backlash and that backlash created the conditions for the rise of some of the worst regimes and some of the worst violence in all of world history. By the same taken attempts to ignore the positive features of the previous era of globalization led to some of the worst policies we've every seen.

So ignoring the benefits of globalization led to terrible policies and ignoring the legitimate concerns of those who were being harmed by globalization led to terrible backlash and we can not let that happen again. There are really not any easy answers, there never were, the easiest questions have the hardest answers and visa versa I guess. But it seems clear to me that this is the world's central issue today and it is heightened by the current crisis. The central question of the 20th century was whether to restore globalized world economy and if so how to restore it. That's what people spent 60, 70, and 80 years fighting over.

The central problem today in the 21st century I think will be how do we build and sustain an international economic, political order and domestic political, economic orders that can perform an extraordinarily difficult balancing act. A balancing act that failed before. On the one hand, we have to allow societies to reap the fruits of international integration. There are tremendous benefits to international economic integration and we have to act in such a way to allow countries like China, India, Sub-Sahara, Africa, Turkey, developing countries and developed countries around the world to take advantage of the extraordinary benefits that the world economy has to offer. So that is on the one hand, on the other hand we have to find a way to maintain the social and political stability that allows domestic consensus to be creative to carry forward with the work of building an integrated world economy. Without that social and political stability and consensus, economies can not thrive.

The current balancing act between those two things is much much harder than it was a few years ago. For now it is all impounded by the need to deal with very dire crisis. So balancing act that we face today between reaping benefits of globalization and addressing its costs in a socially and politically effective way is a very tall order. Addressing the demands of the current day and of current globalization is almost unimaginably difficult. But I think the cost of failure is likely to be unimaginably high. So I'll stop there and see if there are any questions.

Soru: You argued that there is a huge deficit going out and macroeconomic policy that depends upon huge inflows of capital and huge tax cuts leads to bubbles, which must necessarily come to an end. Would you go so far as to say that such macroeconomic policies are never ever wise and that is one of the things we can learn from...

Jeffrey Frieden: Let me say two things, the question was to what extent was this simply Bush economic policies and to what extent do they never... First thing on responsibility, there is plenty responsibility to go around. There is no question that a central core issue is the macroeconomic stance of the administration, but that macroeconomic stance has both a spending side and revenue side so that tax cuts were certainly the catalyst to the fiscal deficit that we started realizing but there is also the spending side. It is also the case that there was widespread agreement on some of the deregulatory moves that turned out to perhaps they've gone too far and as the Republicans have pointed out that democrats were quite insistent on trying to expand the availability of things like mortgages to low income Americans. So there is plenty of blame to go around. I do think however that the bulk of the blame has to go to the Bush administration and that is what the American public by all opinion polls I think drawing some of the correct inferences whether they are drawing those inferences exactly in a correct way is another matter but I think there is a general recognition that this is in fact the result of policies that have been pursued in the last 7 or 8 years. One thing I would have to say and I don't mean any of this to sound or be partisan, but I think we have to assess and reassess the monetary policy that was being pursued at this time especially specific issue that I would focus on there is Greenspan's monetary policy around the 2004 election. If you look at the FED's monetary policy interest rates are driven extraordinarily low in 2004 and that is precisely when some of the bubble aspects of financial market development started to increase. So whether in fiscal policy or monetary policy I think there is enough blame to go around for the entire American policy system because everybody liked the boom while it was happening. But certainly the Bush administration has to go whether they're never justify, no I would not say that because there are lots of circumstances in which fiscal deficits and counter cyclical demand management and monetary expansion make sense. I think that what never makes sense is embarking on a path that is clearly unsustainable. I find it very ironic, I lived

through having traveled around and studied may be a dozen of these capital flow cycles that is this massive capital inflow big run up and then crisis whether in Mexico or Brazil or Argentina, or South Korea, Indonesia, other countries around the world, I studied hundreds of them because that's what I do academically and one of the things that is most striking is that in every instance people in the country in question think that their particular crisis is unique. That you can be in Argentina in 1984 having a crisis which was essentially identical to that of Brazil, next door and the Argentines thought that they were unique and the reason is that there are always national particularities of every crisis subprime, mortgage or whatever it may be but the fact is that the broad outline of these crisis is very very similar and it always involves early warnings that a macroeconomic stance is unsustainable and politicians and policy makers that ignore those early warnings until it is too late. American policy makers and American economists and others typically say 'I can't believe that the Argentines waited until 2000, 2001 to respond to what was clearly an unsustainable macroeconomic environment or the Mexicans in 1994 and Thais in 1997 and Russians in 1998 so here we have an instance which the US government ignored the signals coming from virtually every responsible economist and experts in the country that the stance that it had taken was going to create problems. The only issues that people were arguing about, most economists also were arguing about was whether the downturn would be soft landing or hard landing not whether it would take place but how it would take place. And those warnings were ignored and that I think is a terrible commentary on the American political system but also on most countries' political systems.

Soru: Thank you for the beautiful paper. Now that boom cycle which you mentioned and which seems to be overlapped the American consumer also acted as the consumer of the last resort for the global economy. And relying on that the global economy had a very favorable 5 years from 2002 to 2007 so now if this trend is reverse and the American consumer is no longer the consumer of last resort what will replace this or will anything replace it and will we have a slower growth path for the world economy?

Jeffrey Frieden: You are absolutely right. Inevitably there will have to be an adjustment. The American consumer acting as the engine of the growth for production especially, to stylize things let's call the rest of the world, China, so growth in China relies upon the American consumer and it also relies on a series of policies pursued by the Chinese especially the exchange rate policy, they try to stimulate manufactured exports to the US, inevitably the American macroeconomic stance cannot be reversed without changing that relationship. It doesn't mean that US is going to stop importing goods from China but it means that the ability of China to rely on the American as the consumer of last resort will end. There is a very simple way to think about this which is in terms of relative prices or the real exchange rate, the US had a huge uptick in the real exchange rate. In the relative price of traded and none traded goods so imports were relatively very cheap. That is the counterpart to housing prices going up 20, 30% a year, housing prices doubling over the course of 6-7 years or 5 years is that traded goods prices, imports from China were ridiculously cheap. Now housing prices are going to fall and prices of imports relatively speaking is going to rise so American imports will decline will be less attractive to Americans and the ability of countries like China to rely on the US as this market of last resort will decline. That raises a variety of very serious problems. There are already has been and I think will continue to be adjustment in countries like China, adjustment towards other markets but especially there has to be an adjustment towards the domestic market. Part of the strategy of the pattern of economic policy, pattern of economic growth and development that China has pursued has been to rely almost single-mindedly on manufactured exports as the engine of growth. And if you talk to Chinese they'll

say look we have to create 20-30 million jobs a year. We are not going to do that in farming. The only place you can do that is manufacturing and allied activities and that is why we have to keep the exchange rate so low. That is not an option now. And at this point the Chinese and other economies like them are going to find a way to reorient some substantial part of their productive facilities away from production for exports and towards production for domestic market. There is a good side to that as well because the counterpart to orienting economic activity toward production of manufactured goods for export is that Chinese purchasing power was being artificially restrained that Chinese consumers were not getting to realize the full benefits of the productivity increases in China. Very weak RMB meant that Chinese real purchasing power was artificially low. So from the standpoint of Chinese people this might not be an entirely bad thing because what the Chinese economy is going to have to do is manage partial reorientation away from production for the American market and production towards the domestic market. Now that transition may be very difficult we know that in previous instances like in 1920's and 30's and after World War II, making that shift can involve tremendous dislocations, it can be technologically difficult, it can be financially difficult, it can be regionally difficult as some regions lose their economic powers and it can be socially very difficult but that is inevitably what many countries around the world are going to have to do. They are going to figure out a way to replace the American engine of economic growth with either other markets or other economic activities.

Soru: By the way some people say that wars sometimes can fuel the economy and further growth for instance if we take the example of the first Gulf War I believe it was in 1991 in that case the US had a limited war in Iraq and some other governments actually subsidized the US like Kuwait, Saudi Arabia, Japan and so on but this second war in Iraq, which is far more comprehensive I think has taken a very heavy toll some people claim. If it is added to the already existing domestic difficulties in the US, which you mentioned very well, do you think that has also had a negative influence on the overall picture?

Jeffrey Frieden: I think that the current national security situation has two very negative effects. The first is the direct effect, which is that it costs money that we can't afford. And there is no question that at least some of the fiscal deficit which is causal origin of some of the problems is related to increased national security spending after 11 Sept. 2001 much of which is going into Iraq. So there is no question that that is a negative effect. I think there are much broader negative effects and that is again on the political sphere. I think people outside US don't realize the extent to which America's commitment to international economic integration and to the global economy and to international cooperation was tightly tied up with its military and national security stands after World War II. The late 1940's and 50's international economic integration was not popular in the US. Americans were not favorably inclined towards free trade, towards free capital movements and all the public opinion polls showed that Americans opposed opening borders to capital flows with Europe or trade with Europe or giving economic aid to Europe. American support for all those things was justified and ensued because in the mind of American it was closely connected with the necessity of building a Western alliance against the Soviet Union. So Americans had a very clear sense that our national security aims were in line with our economic gains and if the American foreign policy leadership said 'look we can't talk about having alliance with Japan and Western Europe against the Soviets and then keep them out of markets, we can't do it. Either we're going to be political and economic alliance or we are not going to be in alliance at all'. So there was a very clear connection between our international economic position and our international geostrategic position. And that is no longer present. Since the end of the cold war Americans are confused. And people wonder what the connection between our national

securities is and our international economic policy some people say our principal national security threat is extremist Islamic terrorism. Well if our principle national security threat is extremist Islamic terror than why is so much of our economic activity oriented towards the region of the world that seems to be the source of the problem. Why are we sending 700 billion dollars, this came up during the debates, it drives me crazy, during the debates the presidential candidates harp on the fact that we send 700 billion dollars to countries that are harboring terrorists and someone pointed out afterwards that the vast majority of our oil supplier is Canada which to my mind doesn't produce many Islamic terrorists. But in the popular mind the idea is that we've made our economic policies made us reliant upon and the government says we have to build strong economic ties with the region of the world that the average American regards as the problem not the solution. Some people say no, no the main national security problem is the rise of China. There too our international economic policy has made us dependent on China for what we consume and depended on China for financing hundreds of billions of dollars a year in our spending so there is a disconnect between the international economic stance of the US government and the national security needs. So there is a real sense in American political life that Americans don't see how national security and international economic activities go together and that is a new thing. Back to 40's and 60's up until 1990's international economic relations and national security went hand in hand we could justify foreign aid, economic integration and NAFTA and things like that on the basis of our national security goals. And you can't do that anymore. And that creates added ideological and political and economic problem for the future role of the US in the world.

Soru: I thought your analysis of the politics of the whole dynamics was very interesting. I just want to take issue with the projection forward. Is there a room for politically savvy leadership to frame what happened in a way that will steer us in the right direction? More specifically from the sub-prime mortgage owner's perspective when globalization works this worry is relative wealth position, when globalization fails it is its absolute wealth that is at stake. So we can either say at the current circumstances that the hell with globalization or we can say that we should be more responsible and make sure that globalization works properly. So can a politically savvy leadership turn this around and put it in those terms so change the moral attitude towards globalization and social equality in general so that is one thing. And the other thing is that we have now enough data that inequality is driven as much by the advances in technology driven economies opposed the globalization so can the new political leadership can make that distinction and convince the electorate.

Jeffrey Frieden: There're nice narrow questions there, listen I don't mean to be pessimistic and there is plenty of room for pessimism I would prefer to be optimistic but we could say that pessimist is just a well informed optimist but I am somehow more optimistic than your question might imply. I think there is no doubt that there are serious problems that cannot be manipulated away that there will be substantial adjustment and that adjustment will involve substantial relative and absolute losses to virtually everyone and for that to be politically sustainable there has to be leadership that provides a way for ward that makes both political and economic sense. Up till now we haven't had it. But I am reasonably optimistic, I think that in a strange way the fact that the situation spiraled so quickly out of control has focused the minds of the policy makers and focused the minds of people in both transition teams, I think money is on Obama at this point but I think everybody is aware that whoever takes office in January is going to have to move very rapidly to try to restore confidence. Confidence is a vague term but in this context what it means I think is much more to restore macroeconomic confidence in the financial markets. It means to restore confidence in the fact or hope that we have a leadership that understands that there are series of important measures

that have to be taken that cannot be put off that the political system has to be drawn together in a consensual way to move forward on series of fronts whether regulatory, fiscal, monetary... whether it is McCain or Obama that we will have a Roosevelt style 100 days in which there will be proliferation of very striking new policies and very striking new programs to try to turn sentiment around, so that is the first thing. The second question was about the mix between, I try to gloss over some of the details, there is no doubt that very substantial portions of what's happening in income distribution are driven by technological change but part of what being driven by technological change means is that they are driven by inadequacies of the American educational system. Something which has gotten almost no attention in American politics for 25 years and I think that at this point people are increasingly focusing on both scholars and policy makers the need to reassess the structure and functioning of the American political system in the context of an increasingly integrated world economy in which the US has to compete and also has to adjust to difficulties that are currently faces them. So I am optimistic but guardedly optimistic.

Soru: How long further do you think US dollar will continue to be the world reserve currency?

Jeffry Frieden: Of course it can only be replaced if there is something to replace it and at this point gold seems to be rising as a possibility I guess. The Euro was the alternative of course and I think the prospects are for what we might think as a bi-polar monetary order, which is something very close to what we have today. I think the US dollar is likely to remain as important reserve currency or the foreseeable future because there aren't a lot of alternatives. It is certainly true that Euro can be attractive but I think there are gathering concerns about the future development of the Euro zone economies and about the willingness and ability of Euro zone economic policy makers to act in a concerted way to address the problems that confront especially some members of the Euro zone. So the US dollar is not alone in being in difficulty and Euro is also and will be in difficulty so given the fact that the concerns that investors have and people have about the US dollar they also have or have had or will have about the year I think the prospects are for having to settle for both. In other words we are not in a world in which there is one currency that everybody relies on it and knows that steady as a rock, that is 1890, that is the Pound Sterling. We are not in that world; we are in a world in which 2 may be more but really two currencies both of which are deeply troubled. Neither of them perfect but one of which you have to chose so there'll probably be some diversification away from the dollar, there are already has been some but I think the US dollar will remain as reserve currency for the foreseeable future simply because there isn't a major alternative that doesn't face some of the same difficulties that dollar faces.

Soru: As the US was accumulating 5 trillion of debt on the side of the equation there were sovereign wealth funds oil producing nations herding those reserves what do you think going forward their response to the current crisis will be?

Jeffry Frieden: So there are two crucial questions, what will be the response not just the response of Chinese policy with respect to domestic economy and response to international investing communities and especially the surplus countries what will their response be to the current difficulties. They are in a very difficult situation. On the one hand there is no question that they would like to be diversify away, without going into too much detail one way to look at this is one is that you had a big portfolio correction where people put money into an economy where they previously not had enough of their portfolio. So there is a big portfolio adjustment but it is clearly over shot. So if you are a sovereign wealth fonder or you are a

Chinese Government let's say or Singapore government you say this is clearly way too much in the US. On the other hand if we get out we're going to be creating conditions that are going to really in short, medium or even in the long run harm our own position. So the major players know that they have to move very slowly if at all. So my expectation would be major actors will probably gradually their portfolio simply by rebalancing but I don't imagine that there will likely be a substantial rush away from the US economy or away from the US dollar simply because so many of these actors are big enough that the feedback effects on them would be recognizable. That is they internalize the negative externalities of running the dollar so if Chinathe dollar they are in as much trouble as everybody else, they won't do it. So I think things will continue as they are because there is no real alternative and partly because major players understand that their actions could have negative consequences if they are undertaken too rapidly. I thank for your attention, this has been fun and have a good conference.

Panel Oturum:

Kamil Yılmaz: Yüz yıllık hatta 200 yıllık dönemde bugün için çıkarılabilecek dersler ve gelecek açısından hem Amerikan toplumu açısından yeni yönelimler neler olabilir bu konuda oldukça bilgilendirdi kendisi bizi. Bu bölümde üç konuşmacımız var. Prof. Frieden'in belki de biraz bıraktığı yerden devam edecek. İki yönde gideceğiz. Birinci yön, daha çok günümüzdeki krizin boyutlarını anlamak için, Amerika'daki krizin boyutlarını anlamak için Prof. Bart Van Ark konuşacak. Kendisi The Conference Board'un başkan yardımcısı ve başekonomisti. Daha sonra Koç Üniversitesi öğretim üyesi Prof. Ziya Öniş konuşacak. Türkiye'nin ekonomi politik ve tarihsel incelemesinden sonra Türkiye ekonomisi ve küreselleşme içinde Türkiye'nin yerini analiz ettikten sonra bir ölçüde de aslında konuşmasının başında Prof. Frieden'in konuşmasıyla ve sunumuyla ilgili bazı yorumları olacak. Daha sonra da Yapı Kredi başekonomisti ve Koç Üniversitesi öğretim üyesi Doç. Dr. Cevdet Akçay bize günümüzde küresel krizden Türkiye'nin nasıl etkilenebileceği ve bu konuda yapılması gerekenler daha güncel konularda Türkiye ekonomisi odaklı bir sunum gerçekleştirecek.

Ben size Prof. Ark'ın kısa bir özgeçmişini okuyayım. Kendisi biraz önce bahsettiğim gibi, New York'ta The Conference Board'un başkan yardımcısı ve başekonomisti. Ekonomi alanında master ve doktora derecelerini Hollanda'da Groningen Üniversitesi'nden almıştır. 1988'den 1990'na kadar ulusal ve ekonomi araştırmalar merkezinde araştırmacı olarak çalıştı. Mc Kinsey üretkenlik araştırma programı ve Avrupa komisyonunun üretkenlik konusundaki uluslararası araştırma programlarına katılmıştır. Roningen büyüme ve kalkınma merkezinin direktörlüğünü de yürütmüştür. Prof. Van Ark'ın journal of economic perspectives, economic policy, real of incoming wealth ve brokings papers on economic activity gibi pek çok ulusal ve uluslararası dergide makalesi yayımlanmıştır. Aynı zamanda pek çok akademik derginin yayın kurulunda ve üretkenlik konusunda danışma komitesinde yer almaktadır. Ben Prof. Dr. Van Ark'ı 25 dakikalık bir sunum için kürsüye davet edeceğim.

Bart Van Ark: Good morning, thank you particularly to TUSIAD and University of Koc for putting this event together at such a timely moment, who could have foreseen this must have been excellent in this respect. The other aspect of brilliancy this morning was of course Jeffry Frieden's introduction, which I think was an excellent over view of what is going on in the economy so than if you come up as a commentator the question is what are you going to do? So one thing you can do is let's zoom in and show that i am the real specialist there. The other possibility is let's make it little bit broader than it already is so let's bring a few things to the

table that we haven't talked about. I wouldn't probably succeed in both so I am trying to combine the two things. So what I am going to do is to some extent get a little back to my main profession which is chief economist of the Conference Board in the US so I will try to fill in and fill out if you like some of the details on the US economy and I'll forecast of how the US economy is developing but at the same time I'll broaden the picture a little. I also want to talk about long run because frankly even though we have a lot of short term concerns it seems to me that the biggest risk of the current crisis that we are in is that in the long run we will not be able to transition to a new face of global growth. A face of global growth that is based on technological change and innovation, which the world desperately needs and if you see that from my title you can see that why that long run...., is so important. From the terrible rapid growth of the 1990's and early 2000's we need to move to an environment of sustainable development. You may remember only a few months ago this was a top item on the agenda. Next week, this weekend in Washington, forget about it, I don't think you will hear much about sustainable growth but nevertheless I do think that the big risk is that in this crisis we will not be able to restructure our financial architecture in the world economy to put up the capital that is needed to make that transition for sustainable growth possible in the future. So the two issues are very strongly linked. Today's crisis and the solution of today's crisis is the key for moving forward in the economy. So that is my main message this morning on one hand of zooming a little bit on what is currently happening but second part of my presentation, I will broaden this picture a little.

So here is what is happening, you see this floating by on television all the time but I think nevertheless looking at this chart and seeing what has been happening I think the first issue of course is that in the recent 2-3 weeks we've seen huge decline in the stock markets but on the other hand it is not entirely a new development this has already been going on for a while. we are presently in an episode of an unfolding story of a model as Jeffry said earlier that is not sustainable and it has been said by many for a long time that it would not be sustainable. Nobody could predict how this will evolve and unfold but that it is an episode rather an incident is something that I think we need to keep very well in mind.

Now stock markets and I think that is another thing to say here, stock markets is not the same as capital. Stock market going down doesn't mean that money isn't there. There is a lot of money but the money is in the wrong place and the money doesn't move at the moment because everybody is worried about what is going on the stocks so the real issue at the moment is can we move beyond thinking about stocks towards how can we free up the credit channels and capital flows that this world requires for making that long run movement. Now at the moment this doesn't look very good, this is an index that we do at the Conference Board which we call a financial instability index which actually have been doing for quite awhile I think in the past we actually called it the financial stability index but we changed the title but here you can see that this is an index that is largely based as a composite index based on the development of stock prices but also of the differences between short term and long term yields, differences between government bonds and markets equity so it is a whole combination of financial indicators pulled together in this index. And I think the main thing I want to say two things, first of all financial instability is not something unique this has happened before and even in the time frame of the past 20 years this has happened various times but the other thing is if you look at the latest episode at the moment we are in a financial environment is more instable than we've seen since 1987. So I don't want to make comparison with great depression I think there are a lot of problems in making that comparison but if we look of the past 20 years it is clear that we are in a very serious crisis. So what does the serious crisis means? The most important thing and I think what has

changed really significantly in the past 2-3 weeks is that the financial market turmoil is spilling over into the real economy not just in the US but I think that is now beginning to take place everywhere but I think we see probably at this moment most clearly in the US but also in some of the European countries. I think that is a very significant change. Until 3 weeks ago in the conference Board we had a positive forecast. It was not much it was very slow growth of the US economy between 0 and 1 but we still felt that the economy would be sort of sailing through partly because US non-financial corporations have become incredibly productive in this period of durable growth in 1990's and early 2000 I was just talking about. That is now changed for couple of reasons, which I will briefly address. What is clear in this crisis and to some extent very much related to what Jeffry was saying is who is most affected in this crisis at the moment are the consumers, house owners and workers and quite often they are the same persons who is getting in trouble at the lower end of each of these markets in which these people are operating. The non-financial business sector so far in the US has been doing relatively well because it has been so incredibly productive over the past couple of years and if you have high productivity you can stand a lot of problems but once you get into a problem that the financial market crisis not only affecting securities and derivatives but it is beginning to freeze up short money markets and commercial paper markets and money markets than businesses will see an immediate problem particularly large businesses who are dependent on commercial paper which they need for day to day kind of operations and that is really what is happening right now and that is why we have significantly adjusted our forecast for the US economy downwards because businesses will find it much harder to keep these short term credit channels open. It is not just the US, Europe and Japan are slowing down much faster than we've expected. Several European countries in our view are already in recession territory. And then the emerging economies and I'll come back to that later on in a little bit more I think the emerging economies frankly are still the positive spot. I think the emerging economies are going to pull the global train, which will slow but are going to pull the global train more than has been the case in the past couple of years. It will be at a slower pace but I think the transition of the US consumer running the world economy to the emerging economy consumer running the world economy could actually be one of the major shifts that we are going to see in this global environment. Financial stability issues will stay around us and that is why this is not something that is going to be resolved in a few quarters may not even a year or in two years we are looking at the moment at a long period of slower growth environment and a lot of market volatility that we'll have to see. It doesn't mean that the world is falling apart I will show you one or two numbers on that in a minute but we have to get used to a slower growth environment then what we have seen over the past 10 years.

Couple of numbers on the US, the blue line here is sort of tracking the GDP growth per quarter in the US and here you can actually see if you just look at the blue line on the right hand side, this is growth up to the second quarter yet you can see that the GDP hasn't been doing all that badly in the US despite the problems that has been emerging since 2005 but in a serious way since 2007, US GDP growth has been sailing through right. The red line however is our Conference Board co-incident economic index. This is an index that is not only measuring GDP; it is measuring industrial production, measuring trade and also measuring employment and personal income. So here are the points. The persons affected in the US economy are the consumer, the house owner and the workers and you can see it in those numbers. It is that red line that is going down much faster than the blue line, which is GDP. Now for the next quarter this will look different but I think in the way we've sort of moved into this crisis and you can see that very much confirmed in this numbers. This is our leading economic index for the US so this is not tracking the current conditions but this is looking forward the red line again the blue line is the GDP, the red line is the leading economic index

looking at the development over the next 6 months and again two messages here, this leading economic index has been going down for quite a while this is not a new phenomena, we have been seeing this coming for quite a while. We haven't seen it coming in this kind of format but the fact that the economy was going to slow was clear and the second important message is that even though we see a little bit of upward tick in the last couple of months actually in August it went down again, I mean this is all negative territory and there is really no sign that bottom of the economy on the business cycle basis in the US has already been reached.

The US housing market is of course one of the key factors here this is an index of housing stocks in the US and you can see again how since 2005 housing stocks have been going down long before people came to conclusion that the party was over. At the time people were celebrating the party you already saw that housing stocks were going down and the question is lots of people were apparently not part of that party but apparently the economists weren't there either or they were enjoying themselves so much that they did not see it in time. Where we are not is that housing stocks are way below 1 million a year they are more in the territory of 800.000 and I'll show you in a minute that our forecast is actually showing that this is moving even further down again further developments of the last couple of weeks. Employment coming down the red line shows that we already lost about half a million jobs in the US over the past 6-7 months the blue line again is a forward looking index showing that this trend is going to continue and it is very likely that by the end of the year we will have lost about more than 1 million jobs in the period of 1 year which is comparable to what we lost in terms of jobs after Sept. 11. That's kind of the trend that we are getting into.

Let me move straight to the forecast, this is our revised forecast that we put out this week at the Conference Board as I said we adjusted it downwards as we are moving into negative growth territory already for the third quarter just because of the developments in the past couple of weeks we'll already see slightly negative growth and some people will actually say there is going to be even more. This is a forecast that is based on one important assumption that assumption is that at least some of the plans that have been proposed, whether it is to bail out plan or the coordination of the cuts in the global interest rates or some of the nationalizations that are taking place. But some of these plans will take some affects, if some of these plans do not take affect we are in a disaster scenario and as I said in another presentation yesterday forecasters cannot forecast a disaster because that is not why you do forecasting for. So forecasting is based on some sort of assumptions about regular developments in the economy. So this is based on the fact that capital markets somehow will get de-frozen, they'll start moving again but even in that environment we are going to face slow growth for basically two reasons. The first reason is that because housing prices are going to continue to decline because housing stocks will move down to maybe even 650.000 a year. The consumer will have a very hard time, the consumer is already beginning to save, the US consumer is going to pay all their debts right now may be all good things to do but the impact is that consumer spending will decline very significantly over the next couple of quarters. So that is the first affect and the second affect is that capital spending as you can see in the fifth row is going to decline very significantly over the next couple of months. Companies will have more difficulty to access capital and therefore they'll slow down their investment plans quite substantially. These two components are moving this economy in a downward track. 2008 as whole still won't look all that bad because of the first half of the year as I showed you earlier had reasonably positive growth but 2009 is probably going to be at 0 growth territory at best. This is under the assumption that at least some of the plans are going to take effect.

Well how will the world economy look like, I'll just focus on the red line for the moment is the global leading economic index excluding the US. At the Conference Board we run leading economic indexes for 8 other major economies and you can see that indexes even moving down faster than the one for the US and Europe, all our leading economic indexes and we have four for the major countries as well as Japan are showing very rapid declines over the past couple of months. So whether this is a recession that is a bit of a technical discussion, but certainly the world economy as a whole is slowing very substantially. This is the advanced part of course of the world economy. Here you can see the leading economic indexes for our 4 European countries and you can see all four of them and particularly Germany have been down very significantly for several months now.

What about emerging economies and let me focus again on China. We are running a leading economic index for China, which is somewhat experimental, but nevertheless the blue line here again which is a leading economic index; the red line is the coincident. The red line the coincidence showing you those current economic conditions in China had been pretty flat for a while and the leading economic index shows how rapidly it has declined. Now China won't easily run into negative growth if you have grow rates of 10% it is very hard to get that down to 0, that will not happen but China may have to shave off about 1 to 2% and it will still be about 8% of growth and it will add very significantly to global growth but nevertheless for rapidly emerging economy like China it is definitely taking some of the hit. I think the overall statements that no economy that is exposed to the world economy can avoid this problem. I think that is a correct statement and that includes Turkey. I cannot imagine how we can see Turkey not to take part off the Of course the higher your growth rates the better off you may be in terms of keeping it going but you are going to take part of the burnt.

Here is our global projection, we do not do any global forecasting but this is more prediction and somewhat broader kind of approach to the issues. It is very close to the IMF projections that you have been seeing come out over the past couple of days, growth for 2008 will be in the order of 4%, growth for 2009 may go down to 3% which is in the IMF forecast it may be little bit higher depending on what we expect particularly from the emerging economies. I think there is general agreement on the fact that the advance economy growth will be very low about 0.5% but emerging economy growth is more uncertain and in our estimates could be in the 6% range or it could be little higher or it could be little lower. What is important here is that emerging economies are the only ones who are keeping us at least in positive growth territory. That's where growth has to come from for the next year and probably in the years to come.

In summary in the short term the financial market problems will as I said earlier suppress some of the potential for accelerated growth for quite a while to come and some of the statements that I am making in this chart I already made earlier in my presentation.

So I really want to move on to the second thing I want to do. This was the zooming in. let's look at in little bit more detail into American economy and I think you haven't heard me saying anything that would disagree with Jeffry's broader assessment of the US economy. Now moving more to the long one and moving globally what I see at the moment as the major threat or major challenges about the global growth model in the next couple of years. And again Jeffry has stated very well to say that to some extent we have no alternative to work in this global environment but the selling job so far has been pretty bad and certainly we have to make clear what the problems that need to be addressed are.

Now from my point of view and I will illustrate this with couple of slides and then I will move towards my conclusions but the main challenge that I think the global economy is facing is what I would call for global war for talent. Together with globalization we have gone into this whole period of increased technological change and innovation that is driving a lot of the global growth talent. The demand for skilled labor much of that reflected in some of the inequality figures that Jeffry showed earlier the increased demand for talent is getting a major issue everywhere and could very well become the most important bottleneck in sustaining long run growth in an acceptable pace in the next couple of years. And I will illustrate this with few slides.

Secondly as I said earlier emerging economies are going to account for even bigger share of world economic growth and that's not just an economic statement that has important economic implications but I think it has important political economy type of implications on how we're going to deal with these emerging economies which are taking bigger share in world economic growth. On the political side what does this mean for representation in international organizations where do they get at the table and where do they get involved in some of these discussions. I am not an expert there and I am not a political scientist but I certainly subscribe to the point that this is not just an economic issue but has major political implications and therefore is a big challenge.

Thirdly and I will spend most of my time on that in the next couple of minutes, climate issues and sustainable growth are the main challenges that we are facing to keep this pace of technological change and innovation going.

And it brings me immediately to fourth point and that is that's not going to be cheap. Some of the technological innovations that we'll get in climate change and in sustainable development can be obtained at a reasonable price but some of the major decisions that has been taken are going to be very expensive and it requires a lot of capital and I think the biggest risk that we are facing today because of this crisis we're going to fall back on to some model of financial conservatism that is going to be based on deposit based lending and think that that is enough to keep the economy going. I don't think that will be enough we need to think about financial innovations and as I said at other occasions I don't think that risk spreading is a bad thing, I don't think that leveraging is necessarily a bad thing but it certainly needs to come with some institutional innovations, some people call this regulation, some others would call this self-regulation if you like but it has to come with an institutional innovation to make this workable. The risk of falling back in financial conservatism I think is the biggest threat that we are facing for the long run growth of the world economy. So it requires international coordination and cooperation on regulations and let's hope that in Washington this weekend some of the initiatives in that direction will be taken even when you extinguish the fire doesn't excuse you from at least beginning to think about what the implications are for the longer run.

So couple of slides to illustrate these points, here is a slide on the acceleration in international migration very much in line with the slide Jeffry showed earlier, you see that increase in international migration just over a period of about 20 years from about 1 million to about 2 million migrants still no more than 2 to 3% of the world population but increase is very rapid and increase is particularly fast in some of the developed countries and this doesn't into account of the internal migration that is also taking place in some of the bigger countries. The other challenge is that most of the growth of the labor supply is shifting to low income economies so that's where the labor pool is coming from whereas the demand for skills is about everywhere in the world so this migration trends are going to accelerate in order to

mach demands and supply and a lot of mismatching will have to continue. At the Conference Board we also do some really long run projections don't call these forecast, this is really trying to sort of think about the couple of scenarios on how the world economy might be moving forward so one exercise that we are doing is to say let's assume that the world economy is moving forward in a way that we've historically seen in countries at similar income levels than where countries are right now. So if we take China we would look at how countries that was at the similar income level as China today had been developing and moving forward. Now the important message that there is and that's a difficult message for China and for any emerging economies is that growth rates of 6, 7, 8, or 9% are not sustainable. These are growth rates that you can have for a period that you are emerging but as soon as the economy begins to mature some of the growth rate is going to slowly hopefully gradually will slow down. So working on the assumption that productivity growth which is a derivative of the GDP growth will slow to about 3% by 2025. You can still see that our large gaps in economic performance in the world economy, this may be a sustainable model but we have to keep in mind that there is some pressure here because some of the emerging economies may not see their income improve as rapidly relative to the advance countries as they would like and this is also on the basis of fairly conservative assumption on the growth performance of the advanced economies. This is just a regular scenario but let's now talk about the climate issue and about if growth continues at the sort of pace that we are assuming in the previous chart, what will happen to for example greenhouse gas emissions and to CO2 emissions? I am not a climate expert so I'll just base myself on estimates that are done by other organizations like the Water resources institute and this environmental planning agency there are many organizations that do this and what you can see, the blue numbers show you the emission in as of 2000 and the dotted numbers show you percentage increase in CO2 emission on a normal growth scenario as I just explained until 2025. So this is a big increase and many people and most of the people are beginning to agree that this is not a sustainable model. We cannot have these rapid increases in greenhouse emissions, which is exactly why people are arguing in favor of significant cuts in greenhouse gas emissions. So suppose that we would agree more or less on the greenhouse emission cuts that are presently discussed and let's assume that these cuts would be agreed and would be implemented and let's assume that we are not able to have technological change and innovation in order to process these cuts so let's assume that all these cuts simply mean that we have to reduce growth what will that mean for the growth rate for example productivity in the world economy? You see that this is a disaster scenario if the cuts would just come from cutting on growth and no technological change productivity growth in emerging economies would drop to 0.5% or 1%, in the advanced economies it may be 1% or may be even negative.

So what needs to be done is technological change and innovation so this is the scenario that says let's assume that we can improve technological change and efficiency and innovation in climate change technology by about 2 or 3 times as much as what we are doing presently and you see on that condition we can actually could get back the growth rates that are acceptable and more sustainable.

My last slides, we have been building on a model, this is a very stylistic chart but we have been building our financial change and our capital support in the past couple of decades on the basis of new financial models of financial innovations, they have raised the amount of capital to more than 2 times GDP. Are we going back to a model as we had in 1970? Is that going to be enough to meet all these challenges or do we have to think very hard about a new financial architecture that finds the balance between regulation and institutional innovation to make financial markets sustainable and the model that provides the capital that this world needs to move forward. Thank you very much.

Kamil Yılmaz: Prof. Van Ark'a çok teşekkür ediyoruz. Sunumunda benim algıladığım, tabii ki uzun vadeli teknolojik değişimin önemi kadar bir ölçüde geçtiğimiz yıl bizim konferanslarımızın birinde ele aldığımız ayrışma konusu. Acaba yükselen piyasalar ayrışmayı sağlayacak mı? Belki kısa vadede bu gerçekleşmeyecek ama en azından orta ve uzun vadede yükselen pazarlar, ya da yükselen ekonomiler tabii Çin'in öncülüğünde belki de küresel kapitalizmin yeni feyzinde daha önemli rol oynayacağını aynı şekilde Prof. Frieden'dan da aynı yönde bazı sonuçlar çıkarabiliriz.

Şimdi sırada Prof. Ziya Öniş'in konuşması var. Prof. Öniş, doktora derecesini 1984 yılında Manchester Üniversitesi'nde aldıktan sonra Boğaziçi Üniversitesi'nde iktisat ve uluslararası ilişkiler bölümlerinde çalıştı. Kendisi profesör olarak BÜ'nde devam etmekteyken daha sonra Koç Üniversitesi'ne geçti ve şu anda Koç Üniversitesi'nde siyasal ekonomi profesörü olarak görevine devam etmektedir. Aynı zamanda araştırmaların dışında sosyal bilimler enstitüsünün de direktörlüğünü yapmaktadır. Makaleleri hem siyasal ekonomi, hem de ekonomi alanındaki önce akademik dergilerde yayımlanmıştır. Ayrıca, "state and the market political economy of Turkey in comparative perspective" BÜ'nden 1998 yılında bu kitabı yayınlandı ve daha sonra Bilgi Üniversitesi yayımlarından 2007 yılında "Turkish politics in a changing world, global dynamics and domestic transformations" adlı bir kitabı yayımlandı. Aynı zamanda kendisinin editörlüğünü yaptığı The Turkish Economy in Crises, Frank Cass tarafından 2003'te yayımlandı. Bu kitap Türkiye'nin özellikle 2001 krizini ele aldı.

Ziya Öniş: I would like to start with making a few observations about the global crisis and the previous talk by Frieden. I think Jeffrey Frieden identified a very important element if you want to understand the crisis of neo-liberal globalization in historical perspective. One of the major weaknesses of neo-liberal globalization is the inability to balance between winners and losers of globalization. And if you look at the golden age of the post war period, the 1945 – 1973 periods, it will be easily seen that one of the key elements of that phase was Keynesian consensus- i.e. the class compromise between capital and labor and the ability to take the distributional issues into account, which was at the forefront of the ability to form the basis of rapid growth. However, overtime with rapid integration of markets, we see an erosion of this Keynesian consensus and no-corresponding replication of Keynesian consensus at the global level and this is one of the underlying structural weaknesses of neo-liberal globalization as he rightly points out and is one of the facts that contributed to the current crisis. However I'd like to argue that this analysis has to be complemented by taking into account four additional factors, which if you want to understand the current crisis in a global context need to be brought in structural factors. First of these is the fact that financial globalization -the integration of financial markets- forms the most powerful wave of integration. And here we have to take into account the fact that the politics of regulating powerful actors is crucially important to the future of globalization, as is the case of the reactions of weaker actors. And one of the problems here is the inability to discipline financial markets -especially new financial instruments, which lies at the heart of the current global crisis. Associated with this the second structural weakness, which underlines the current crisis the institutional weaknesses of global governance structures, I think we observe weakening of the IMF and declining of its influence in the 1990's. IMF becomes a disciplining device of emerging markets rather than regulator of global financial architecture. In the aftermath of 2001 Turkey and Argentine crises, in an environment of favorable global liquidity conditions, IMF itself faces an identity crisis and IMF is basically pushed into a more advisory role so in terms of key international institutions. We see a significant decline in their capacity to regulate and discipline financial globalization. The third element again associated with structural element

is the role of the US, namely the weakening commitment of the US to multilateralism as the most important hegemonic power. We see this as weakening of commitment in several areas including trade, security issues, environmental issues as well as finance and here I think there is a similarity with the interwar period. I think if we look at the interwar period and the crisis culminating with great depression of the 1930's what are the common elements between 1930's and today: absence of leadership and weak institutions so that element also need to be brought in to explain as a structural element to understand the current crisis. The fourth element is the limits of the emerging post Washington consensus. I think some colleagues in Turkey tend to associate the current crisis with the complete and the failure of the Washington consensus notion of belief in totally free unregulated markets but in fact if you look at the late 1990's and early 2000 we see a move away from Washington consensus and there is much more emphasis especially after the Asian crisis with institutions like the IMF on regulation especially bank regulations, the regulatory role of the state but nevertheless this post-Washington consensus doesn't go deep enough and we see the limits of post Washington consensus in terms of the inability to implement strong regulation of financial systems especially the financial instruments at the center of the system and what distinguishes the current crisis of neo-liberal globalization from the 1990's is that the crisis is at its very center. And one of the limits of post Washington consensus is the failure to tackle the question of regulating financial globalization at the global level. Now if the problem is global market failure, then the solution has to be at the source of the problem, which is global regulation, and one of the ironies of the late 1990's and early 2000's are that strong regulations of by banking and financial systems are encouraged at the periphery of the system but no tendency to regulate in the center. Capital flows and financial regulation has been a weak element at the global level and this also brings back importance of politics I think in the sense that politics comes in the form of the reaction of losers but politics comes in also in terms of the ability of more powerful actors to escape. Regulation provides an opportunity in the sense for a new wave of more controlled, managed globalization but for this to happen I think several things have to change at the same time. Clearly a new global rule of the game, new institutional framework is needed for regulation of financial systems. The social issues need to be tackled they cannot be dismissed as unintended consequences of market led development and there is also a need for leadership in the same way that US provided that kind of leadership and soft power in the immediate post war period through setting up of institutions through the Marshall Plan for reconstruction of Europe and this kind of leadership will be crucial but this kind of leadership is also important in terms of accommodating rising powers. There is a need for power sharing accommodation in international institutions for example an institution like the IMF. IMF not only has to become stronger in terms of its regulatory powers but it also has to reflect this changing balance of power involving the rise of new powers like BRIC countries.

So following from this global background I want to make a few comments about the Turkish context, where does Turkey fit in into this global context? And here I want to briefly summarize a paper which I have written with a student of mine trying to locate the Turkish experience in a broader, historical and comparative context. My central analytical point is that Turkey as opposed to more proactive states of East Asia like China, Korea or Japan tends to have the characteristic of a reactive state. The main driving force of policy changes in the Turkish context tends to be major crisis and external actors change, policy change in Turkey tends to be crisis induced and externally driven. And this pattern also involves certain elements of rupture and continuity and we see this in a striking fashion in the post 2001 context. I think post 2001 context has involved number of important ruptures and deviations from the previous pattern. I think this today puts Turkish economy in a much stronger

position. What are these ruptures? Much better regulated banking system, the ability to solve the inflation problem, fiscal discipline, ability to create an environment, which is favorable for foreign direct investment, internationalization of Turkish firms, trade and investment linkages with number of adjacent regions so Turkish economy as part of this rupture in the regulatory phase of neo-liberalism in the post 2001 period has created a number of points of strength which makes it less vulnerable to possible global crisis today compared to its position in the previous decade in the 1990's. However, there are also elements of weaknesses, elements of continuity which also carry from previous periods and make a contrast for example with the experience of more proactive states of East Asia.

What are these elements of continuity? Growth in the Turkish context tends to be externally driven and I think the unusual liquidity conditions in the post 2001 period as one of the major phases of growth of the world economy period from 2001 to 2006 helped to disguise some of the underlying structural weaknesses of the Turkish economy and Turkish economy has grown very rapidly but there are underlying weaknesses. One underlying element of weakness is low domestic resource mobilization. Turkish domestic saving ratio is low compared to some of the hyper growth economies of Asia. So there is a pattern of unbalanced growth, the domestic leg of economic growth in the Turkish context in spite of its strengths has been relatively weak and the process has been fueled primarily by capital flows and external forces. Another structural weakness is the inability to spend enough as a proportion of GDP on research and development. In other words the point I am trying to make is that the regulatory arm of the state in Turkey has been strengthened in the post 2001 period but developmental dimension of the state has been relatively weak. The saving performance, research and development, technology performances have been improving but still considerably lower than sort of comparable figures for hyper growth economies of Asia.

And what are the structural weaknesses? How these structural weaknesses manifest themselves? One element here is very large current account deficit which also reflects the fact that although exports have been increasing and diversifying in the post 2001 the economy is continued to be characterized by heavy import dependence and in our study we highlight this. If you look at the comparative context, Turkey is among relatively few cases of emerging markets where there is this kind of current account deficit if you look at Asia current account surpluses large reserves to shield themselves from possible crisis. Even Latin America as you know in the past the Turkish economy displayed certain Latin American features but if you look at Latin America as a region in the recent period Latin America is characterized more by current account surpluses rather than deficits. We seem to be moving in the direction of Eastern Europe, Turkey seems to be more Eastern European than Latin American in terms of structure of its current account deficit and balance of payments structure. If you look at FDI again this has been an area where we had major improvement and here again we need to raise the question of sustainability. If you look at the wave of foreign investment which has come into Turkey -closely associated with the strength of EU anchor- and reforms very strongly associated with massive privatization drive and large inflows into the banking sector and one has to raise the question about sustainability especially if you need to think of privatization not as an infinite process, what happens after privatization? So the problem of sustaining FDI remains a crucial problem.

To sum up, the Turkish economy in the post 2001 period has this combination of change and continuity, combination of significant strengths especially in regulatory realm but there are number of weaknesses -structural weaknesses of Turkish economy which make it vulnerable in the context of current crisis.

Fortunately from a short term perspective what protects the Turkish economy in the short term context is that banking sector is better regulated, the new financial instruments which are at the heart of the financial crisis in the US are of limited significance in the Turkish context, high interest rates in Turkey, all these factors are factors which may limit the immediate impact of the global crisis but nevertheless I think given these structural weaknesses of the Turkish economy, Turkish economy is likely to be affected through several channels and these will include slowdown of economic growth, slowdown of export performance especially to Europe, reversal of capital flows and the debts of the private sector which seems to be important sources of instability.

So to conclude, Turkish economy is in a much stronger position in the post 2001 period but there are number of structural weaknesses which places the Turkish economy in a more difficult position compared with some of the Asian economies in the context of the current global crisis. Thank you.

Kamil Yılmaz: Prof. Öniş oldukça önemli bir konuyu vurguladı. Kısa vadede belki bugünlerde diğer yükselen pazarlara göre çok fazla etkilenmiyor gibi görünebilir Türkiye. Ama orta ve uzun vadede en çok etkilenecek ülkelerden birisi Türkiye. Çünkü gerçekten Türkiye'nin büyümesi sermaye akımına çok bağımlı ve sermaye akımının tekrar eski düzeylerine ulaşması ne kadar gecikirse Türkiye'nin büyümesi açısından da oldukça olumsuz etkisi olacaktır. Sanırım bu konuyu biraz da Cevdet Akçay tartışacaktır diye düşünüyorum. Cevdet Akçay, New York Şehir Üniversitesi'nden doktorasını 1992'de aldıktan sonra 2001 yılına kadar BÜ ekonomi bölümünde öğretim üyesi olarak çalıştı. Daha sonra Koç Üniversitesi'ne geçti. 1998 yılında aynı zamanda Koç Yatırımın başekonomisti olarak çalışmıştı. 2001 yılında Koç Üniversitesi'ne transfer olduktan sonra kendisi şu anda hem Koç Üniversitesi'nde doçent doktor olarak görevini yürütmekte, hem de Yapı Kredi'nin başekonomisti olarak görevine devam etmektedir.

Cevdet Akçay: Sayfalarca not aldım. Önce Mr. Frieden'e teşekkür edeyim. Çünkü birkaç senedir özellikle yaptığım bir şey var benim. Başkalarının fikrini pek fazla ekspoz etmiyorum kendime. Yani dataya bakıyorum, data hakkında söylediklerine bakıyorum. Kendim aynı dataya bakıyorum ama fikre çok fazla ekspoz etmiyorum. Kasıtlı yapıyorum bunu da. Zehirlenmeye izin vermiyorum. Ama Mr. Frieden çok hoş bir kaçış oldu. Çünkü çok zevk aldım. Bazı fikirlerimizin uyuştüğünü görmek de hoşuma gitti. Oradan biraz kuvvet de aldım ve işin siyasi kısmına vurgu yapması bence çok önemli. Aynı şeyi ben Türkiye'de birkaç yıldır söylüyorum. Kamil de çok uzun zamandır söylüyor. Ziya bey mesela Washington consensustan bahsetti. Bunlar çok tükaka olmuş programlar aslında. Fena halde repütasyonları İngilizcesiyle tarnish olmuş deniyor ama belli çevrelerde. Bir de bir hikayenin her zaman iki tarafı var diye bakıyorum. Mesela Washington consensus programlarının şöyle bir zorluğu var. Bunları sonuna kadar götürürseniz başlayın. Götürmeyecekseniz hiç yapmayın daha iyi. Çünkü statükoyu sarsıyorsunuz ve yerine bir şey koyamayacaksınız, yarım yamalak bir şey koymaya niyetlendiğiniz anda bu kadarı yeter dediğiniz anda ilk başlangıç noktanızdan daha fena bir hale düşüyorsunuz. Neyi nasıl yaptığımızı, niye yaptığımızı iyi anlamak lazım. İşin siyasetçiler tarafında bence en önemli tarafı bu. Bugünkü krizle ilgili bir başlangıç notu yapmam gerekirse, bana bu biraz da 1980'lerde gördüğümüz büyük dünya çapında yapılan dezenflasyon kavgasını hatırlatıyor. Orada çok ciddi bir koordinasyon problemi vardı. O koordinasyon probleminde de teker teker bir dolu ülke yapmaları gerekenden çok daha fazla bir parasal sıkılaştırmaya gittiler ve gerekli de olmayan

resesyonlar yarattılar. Bu textbook'lara kadar geçmiş bir şey. Bu coordination problemi bir arada halletmeye kalksalar yapmaları gereken parasal sıkılaştırma çok daha az olacaktı. Dolayısıyla, reel ekonomiye de etkisi o kadar az olacaktı. Sonucu textbook'larda var. Bugün baktığımızda, bir learning curve varmı acaba diye bakıyoruz. Var. Bugün AB'nin yaptığını çok fazla beğenemiyoruz ama AB standartlarında muazzam bir iş yapıyorlar bana sorarsanız. O hantallıktaki bir yapıda 1 hafta sonu birden Benelux ülkeleri toplanıyor, Fortis kararlarını alıyorlar. Bunlar "by European standarts" Avrupa standartlarında çok hızlı hareket ettiler. Hala bir union gibi davranamıyorlar. Bence ikinci büyük bir testten geçiyorlar. Birinci büyük test anayasa konusundaydı. İkinci büyük test de, buradaki müdahalenin ne kadar birlik halinde yapılacağı konusunda. Çok basit bir şey söyleyeyim: Ülkeler depozitlere teminat veriyorlar. 50.000 € veriyor bazı ülkeler. İrlanda'nın ilk yaptığı neden çok tepki aldı? Çünkü birden İrlanda'ya para akını olmaya başladı. Her ülke aynı depozit garantisini verirse, bir ülkeden diğerine kaçmak için bir sebep kalmayacak ortalıkta. Biri 50, biri 75, biri 100 verirse AB üyesi insanlar da elbette o 50'deki parasını alacak ve 100'e götürecektir. Bu çok basit bir örnek.

Yine Frieden'in sürdürülebilirlik konusunda söyledikleri çok önemli. İnsanların buralardan bazı başka sonuçlara atlamasında dikkatli olmak lazım. Çünkü hiçbir ülke bir diğerine benzemiyor. Yani kendi tecrübelerine baktığımızda, benzerlikler var, farklılıklar var. Benzerliklerin nasıl çıktığını da farklı yapılarda birazdan göstereceğim size. Şu teşhisi yapmak lazım: Bu kriz bizim literatürde muson yağmuru etkisi. Yani Amerika'da bu oluyorsa, bundan kaçacak bir ülke yok. Var. Kuzey Kore. Kuzey Kore'de hiçbir şey olmayacak. Ama başka bir ülke iseniz, illaki etkileneceksiniz. Yani şemsiyeniz sağlam olur, biraz kırılabilir ama ıslanacaksınız. Yani İngilizceyle ya You'll get soaked ya da you'll get wet. Ya biraz ıslanacaksınız, ya da sırlıklam ıslanacaksınız. Olmaması mümkün değil. Dolayısıyla, şu iki yaklaşımı ben hatalı görüyorum. Birincisi, "bize bir şey olmaz." İkincisi de, "bir tek bize bir şey olur." Ben Türkiye'de ikisini görüyorum. Yani herkes bir şeyler yapıyor, biz çok kötü bir durumdayız. Bu bir tavır. Öbürü de, bizim zaten bir şey yapmamıza gerek yok. Yapılabileceklerin fizibilite listesine bakmakta büyük fayda var. Şöyle bir yanılma var. Her şeye gücü yetebilen bir hükümet aslında var. Fakat hiçbir şey yapmıyor. Globalizasyon bizzat bu durumun aslında reddidir. Fizibilite listeniz zaten kısıtlıdır. Eğer global sisteme endekslenmişseniz, oradaki trende gitmek zorundasınızdır. Aynı cycle'ı yaşamak zorundasınızdır. Bizde şöyle bir anlayış var. Türkiye'yi biz buradan çıkaralım. Nasıl çıkaralım? Hükümet gerekli kararları alsın. Hangi kararlar? Ben iki senedir bundan konuşmayı kestim. Çünkü bir reform paketi lafı var. İçinde ne olduğunu ben hala bilmiyorum. Herkes diyor ki, "Türkiye'de reform paketi uygulansın". Peki, içinde madde madde görebilir miyim? Görmüyoruz. Dün eski bir siyasetçi hükümetin ne yapması gerektiğini söylüyor bize. Sabahlara kadar mesai yapması lazım diyor. Ama ne? 10 dakikada çok önemli kararlar alırsınız veya sabaha kadar mesai yapıp hiçbir şey yapmazsınız. Liste diye baktığınız zaman, söylenen tek bir şey yok içinde ve yüklen hükümete. Hükümete öneri götürelim ve öneriler tartışılsın. Bu sabah bir haber duydum. Özel sektörle, şununla bununla belki akademiyle birleşilip bir şeyler konuşulacak da, demek ki, konuşulacak bir şeyler var. Yoksa, empoze edilecek hükümetin anlamadığı vs. bir şey yok. Önce bunun ortaya çıkması lazım. Amerika'nın da, AB'nin de işi zor, bizim de işimiz zor. Bizimki niye zor? Demin Kamil ve Ziya bey söyledi. External financing dediğimiz dışsal fonlama Türkiye'nin büyümesinde önemli, güzel. Biz bir problem yaşayacağız da birazdan slaytta göstereceğim ülkeler de aslında birtakım problemler yaşayacaklar. Şöyle problemler: Bizde net ihracat, büyümenin motoru zaten hiçbir zaman olmuyor. Bunun olduğu ülkeler var. O ülkeler net ihracat motoruyla büyüyememe sıkıntısı yaşayacaklar. Neye dönmek durumundalar? Domestic absorption deriz. Belki iç talebe dayalı büyüme modellerini artık birazcık daha adapte

etmeleri gerekiyor kendilerini. Bu da kolay bir adaptasyon değil eğer ihracata odaklanmışsanız. Bizim böyle bir problemimiz yok. Zaten biz sürekli iç dinamiklerle büyüyen bir ülkeyiz ama fonlamamız dışarıdan. Yani biz sıkıntıyı fonlamada çekeceğiz. Onlar sıkıntıyı büyüme structure'larını, yapılarını dönüştürebilmekte çekecekler ama çekecekler onlar da. Bunu bir kere teslim etmek lazım. İkincisi, ben data olmadan konuşmayı sevmiyorum ve borsa çöktü, kur 1.44'leri gördü vs. bunlar volatilité olacak. Bu dönemde volatilité olmazsa ne zaman olacak? İlla ki olması lazım ama bir snap shot'u çektiğiniz zaman bakalım 2008'den beri ne olmuş? Bizim anayasa mahkemesi kararından beri ne olmuş? Göreli performanslarına baktığımızda, Türkiye göreli performans açısından da iyi performe edenlerden biri. Bunu da teslim etmeniz lazım. Bu şunun teminatı değil. Merak etmeyin böyle gidecek teminatı değil. Ama bunun da bir anlamı vardır. Şöyle söyleyeyim: 2001 öncesi Türkiye bugün yoktu. Bu global ortamda 2001 öncesi Türkiye bugün yoktu ortalıkta. Öyle bir durumda olurduk. Bunun hakkını teslim etmek lazım. Ama ne yapmamız gerektiği konusunda bir ortak kafa belki biraz oluşturmaya çalışmamız lazım. Burada en önemli şey bence, fizibilite listesinin çok da uzun olmadığını farkına varmaktır. Yani hasar minimizasyonuna gideceksiniz. Bu durumdan "karlı çıkarım" falan onlar hiç mümkün değil. Orta-uzun vadede belki çıkabilmek için neler yapmanız gerektiğini konuşabiliriz. Onun da listesi kısadır. Bazı şeyleri değiştiremezsiniz bu konuda. Ya gerçek bir avantajınız vardır ki Türkiye'nin var. Slovakya'nın yok. Neden because size matters. Türkiye'nin tabii ki prospect'leri Slovak'yanınkiyle aynı olmayacak. Türkiye'nin prospect'leri bana sorarsanız o tür küçük Avrupa ülkelerinden çok daha büyük ve yüksek. Bunun böyle olmaması mümkün değil. Bugün bu tuhaf haliyle bile Rusya'ya büyük prospect diye bakılıyor. Rusya'nın problemleriyle ben Türkiye'ninkini karşılaştırdığım zaman, mukayese kabul etmez görüyorum. Bizimkiler daha azdır. Benim görüşüm bu. Bunun tersini söyleyen finansçılarla ben çok kapıştım. Ama bugün finans dünyasının durumu da belki beni birazcık haklı çıkartıyor. Bir gün açıp bir gün kapatan bir Rusya borsası var. Bu mu yani Türkiye'den çok sağlam olan Rusya. Olacak iş değil. Bir iki anekdotla gideyim isterseniz. Ben biraz meseleye nerede uyandım? Hasbel kader biraz akademik geçmişim var. Bir de piyasalarla uğraşıyorum. Dolayısıyla, yurtiçi yurtdışı bir dolu yeri geziyorum. Benim uyanmaya başlamam şununla oldu: Biz academia'da buradaki arkadaşlar bilirler, bu makro teorisi geliştirdi ve biz şu anda en üst düzey derslerde falan makro iktisadın mikro temelleri üzerinden gidiyoruz. Ben 4-5 sene önce UPenn'den misafir bir hocamız geldiğinde söylemişim. Orada da tamamen piyasa tecrübemden edindiğim içgüdüyle söylemişim. Bir zaman bunu bırakıp yani micro foundationda macro'yu bırakıp, finance foundation'u maçooya gitmemiz gerekecek dedim. Yani ileride ders kitapları artık mikro temelli makro değil, finans temelli makro yazmak zorunda kalacaklar. Bunu şuradan gördüm: Gittiğim fund manager'ların hiçbiri makro bilmiyorlar ve feci bir şekilde makroyu aşağılama var. Makroculara bakıyorsunuz, finans bilmiyorlar. Dataya bakıyorum. G7'nin GSMH'sının % 110 kadar rezerv para var Merkez Bankalarında G7'nin. Bunun % 1000'ni kadar derivative piyasası var. Ben de tek başıma akıllı bir adam değilim elbette. Sonra Rshan'ı okuyorum. Eski IMF başekonomistidir. Diyor ki, artık dünyada bir fund managers channel var. Merkez Bankalarını bunlar replace ediyorlar, yerine geçiyorlar diyor. Durum vahim diyor. Ve aynı fund manager'larla iş yapan ben gidiyorum bakıyorum ki, bu adamlar illiquide asset kovalıyorlar, kuyruk riski alıyorlar ve relative under performance imkansız hale gelmiş. Herkes aynı şeyi yapıyor. Böyle bir yalan alem gidiyor. Bunun bir zaman correct etmesi gerektiğine ben inandım. Ne zaman olacak, nasıl olacak, mekanizma ne? Onu çözmek mümkün değil elbette. Şimdi oluyor. Gördük ki, ucuz parayla regülasyon eksikliği birleştiği zaman felaket sahnesi ortaya çıkabiliyormuş. Ama çıkabileceğini zaten ben gördüm. Akademisyenler tam göremiyorlar çünkü finans dünyasını bilmiyorlardı. Finans dünyasını tam göremiyor çünkü makro bilmiyorlardı. İkisini biraz biliyorum ve bir şeyin ters olduğunu görebiliyordunuz. Ama zamanlamasını kestirmeniz mümkün olmuyordu. Şu anda olana benim

yorumum bu. Peki, buradan dersler çıkarılacak mı? Bu konu bence çıkarılacak ama risk şurada: Bence Frieden'in çok doğru söylediği şey, globalizasyonu zaten piyasaya sunması, insanlara yedirmesi çok kolay bir şey değil. Türkiye özeline baktığımda da bunu görüyorum, dünyada da bence bunu daha fazla göreceğiz. Biraz talihsiz bir zamanda yakalandık. Neden? Bence şu anda AB kötü bir sınavdan geçiyor. İkincisi, Amerika çok zayıf bir zamanda yakalandı buna. Ne açıdan zayıf? Bence siyasi liderlik açısından zayıf bir zamanda yakalandı. Yani Amerika'nın son dönemine baktığım zaman, sıradan dünya insanı Amerika'yı tekrar bir ülke gibi algılamaya başladı. Amerika bir fikirdi. Fikirlikten çıktı bence Amerika ve sıradan bir ülke haline geldi. Eğer bu globalleşme dediğimiz şeyin önderliğini birileri yapacaksa, bunu bence en başta Amerika'nın peşinde bir birlik haline gelmiş olan ya da en azından geleceğini bize gösteren Avrupa'nın vs. yapıp, bizleri de peşinden sürüklemesi lazım. Ama bu konumdaki ülkelerin başındaki insanların pek de fazla oralarda olmadıklarını görmek birazcık umut kırıcı, en azından kısa vadede. Bunu böyle teşhis etmem gerekli.

Şimdi slaytlarımı göstereceğim. Birinci slaytı zaten hepimiz biliyoruz. 2001 senesinden buyana gerçekleştirdiği Türkiye'nin borç dinamiklerindeki muazzam iyileşme. Peki bu iyileşmeyi biz neden yaptık? Sürdürülebilirlik çok önemli bir şey. Borç dinamiklerinin sürdürülebilir olması vs. Ama esas buradaki iyileşme bence şuna yarayacak: Türkiye'de hakim olan durum fiskal daralmaya yani fiscal contraction base growth denilen fiskal daralmaya dayalı bir büyüme sürecinin Türkiye'nin geçirmesi gerekiyordu. Türkiye bunu başarıyla geçirdi. Bunu yaptıktan sonra ne yapacaksınız? Artık "normalleşmiş" olacaksınız. Normalleştiğiniz zaman da yavaş yavaş doğru fiskal harcamaları yapmak mali harcamaları yapmak sizin büyümenize sekte değil, tam tersine destek olmak durumunda olacak. Buradaki soru şu: Türkiye burada mı, değil mi? Bu noktaya geldi mi, değil mi? Bu noktaya belki gelmiş olsa bile, olağan konjonktürde bunu yapması doğru mu değil mi? Ben bunları tartışan insan görmüyorum açıkçası. Herkes hükümete bir şeyler söylüyor, şunu yap bunu yap vs. ama bu konunun mesela kantitatif analizini yapıp, bir şeyler söyleyen ben duymadım. Yine hasbel kader nacizane biz şöyle bir şey yaptık: Türkiye'de kamu harcamalarını aşağıda gördüğünüz bizim "window" dediğimiz pencereler. Yani dönemleri pencereler halinde alıp, kaydırıyoruz. Buradan neye bakmaya çalışıyoruz? Türkiye'nin 1996-2004, 1997-2005 belli periyotlarla pencereyi kaydıra kaydıra kamu harcamalarına toplam büyümenin ve özel kesim yatırım harcamalarının verdiği reaksiyonda bir değişiklik oluyor mu diye bakıyoruz. Şöyle göstereyim. Aşağıya doğru inen "V"ye doğru bakarsanız, Bubi şunu söylüyor: bu dönemlerde en yukarıdaki yeşil ve mavi gibi olan çizgi bakarsanız en son dönemler. Yani içinde 2007 ve 2008 olduğu dönemler. Yani yukarıda olması bize şunu söylüyor: Kamu harcamalarına artırım anlamında verdiğimiz şoklar artık büyümeye pozitif etki yapabiliyor hale gelmiş. Önceki dönemlere bakarsanız yani üç döneme, ne oluyor orada? Aşağıda negatif alanda olduğu için kamu harcamasını artırırsanız büyümeye katkı yapmadığınız gibi, büyümeden çalışırsunuz. Bu yüzden Türkiye'nin düzeltmesi borç dinamikleri üzerinden olmak durumundaydı. Yani fiscal tabloyu düzeltmek durumundaydı Türkiye. Peki, düzeltiyoruz ama ne zaman bitecek bu? Yani ne zaman biz akıllıca, dozunu kaçırmadan ve doğru yerlere odaklanmış mali harcamalar yapabileceğiz? Nasıl mali harcama bunlar? Özel sektörün etkinliğini arttırmaya yönelik doğru kamu mallarının üretilmesi. Bu tür harcamalara Türkiye'nin gidebilme lüksü yavaş yavaş doğmuş mu, doğmamış mı diye baktığınızda, bu tablo büyüme açısından doğmaya başladığını gösteriyor. Yalnız bu son krizden evvel bu. Şimdi bir daha sorgulamamız lazım. Bir şeye daha bakıyoruz. Yine kamu harcamaları acaba özel yatırım harcamalarına ne yapıyor diye baktığınızda, ilk başlarda aşağıya sarkan bölümler eski dönemler. Yeni dönemlere baktığınızda, yeşil ile açık mavi olan eğri artık pozitif tarafa sarkmış. Başlarda bayağı bir pozitif etkisi olmaya başlayabiliyor diye gösteriyorum size bunu. Çok sert yorumlamayın. Ama data size bir şey söylüyor. Data diyor ki, Türkiye'nin borç

dinamiklerinde yaptığı düzeltme artık fiscal tarafta ufak ufak doğru yatırımları düşünmeye başlamasını gerektiriyor. Ama elimizde böyle bir opsiyon var. 1) Bu konjonktürde kullanılabilir miyiz, kullanamaz mıyız? Konuşalım, tartışalım. Burada değil, büyüklerimizin tartışması gerekiyor. Bize de sorarlarsa fikrimizi söyleriz ama tartışılması gerekenler bizzat datanın kendisinden hareketle, dataya işkence etmeden. Bizzat size söylediğini alıp, oralardan belli noktalara gidebiliyorsanız gidersiniz, gidemiyorsanız gidemezsiniz. Bu bize tam tersini gösterseydi, biz hep negatif alanda kalsaydık hükümete ne diyecektik? Sakın dokunma, kurşun harcama, çukur varsa doldurma. Çünkü yapma lüksün yok. Şu anda sormamız gereken yine yapma lüksümüz doğmaya başlamış mı bunu bir konuşalım. Belki sonunda diyeceğiz ki, gene yapmasan daha iyi olur. Ama güney doğu planı var mesela hükümetin açıkladığı. Bakıyorsunuz, kimi kısımda ki yabancı yatırımcı ve yerli yatırımcıda muazzam bir heyecan doğuyor. Ama kamuoyu oluşması o yönde olmuyor. Çünkü genellikle, mali sorumsuzluk, hükümet gene açtı saçıldı vs. Ben bunun normatif yorumuna girmek istemiyorum ama en azından bir datasıyla giderek bir yorum yapsak bence daha iyi olacak. Çünkü o plan açıklandığında sorulması gereken soru şuydu: Bunu yapma lüksümüz var mı? Baktınız mı? Baktıysanız gösterin bize, bizi ikna edin. Hükümetten istememiz gereken budur. Herhangi bir hükümetten sadece bu hükümetten değil. Bana hükümet policy move'ını söylediği zaman bunun hakikaten işe yarayacağı konusunda lütfen beni ikna eder misin? Bunlar Türkiye'de gördüğümüz governance eksiklikleri. Ama doğru yola itirme anlamında da ben çok fazla bir çaba göremiyorum. Böyle bir sıkıntı yaşıyoruz. Dışarı da giderek durumu daha fazla zorlaştırıyor. Bankada araştırmadaki arkadaşlarımla bir şeye daha baktık. O da şu: Türkiye'nin dış açığı açıldı. Bunu herkes biliyor. Bir de şöyle bakmak lazım: Bunu da söylemekten nefret ediyorum ama enerji dışındaki Türkiye'nin cari açığına baktığınızda, aramızda toplayacağımız bir cari açık. Bir de böyle bir durum var. Bu konuda ne yapabilirsiniz. Her yeri delip, petrol fişkırtamayacaksa yapabileceğimiz bir şey yok. Bununla yaşamak zorundasınız. Dua edeceksiniz ki, petrol fiyatı 40-50'ye insin. Bu ayrıma bakmadan bence cari açık yorumu yapmak son derece yanlış. Ondan sonra non energy current account deficit'e bakıp, onun tehlikeli bir seyirde gittiğini görüyorsak o zaman oturalım konuşalım. Ama özellikle non energy tarafında bir bozulma değil, tam tersi biraz düzelme bile görebiliyorsam ama öbür tarafta feci bir açılma varsa yapabileceğiniz bir şey yok. Yani konjonktürel mi, strüktürel mi? Buna bakmanız lazım. Bugün konjonktürel gözüküyor petrol fiyatı da yapısal olarak 100'e kitlenebilir. O zaman bu yapısal bir problem olur. Şu anda bilmiyoruz. Ama bunların hepsi değişebilecek olan şeyler. Şuna baktık biz. Türkiye'nin hep şikayet edilen ihracat performansı. Çok basit bir örnek vereyim. İhracatınız 10, içindeki import content'i diyelim % 60. İhracatınız 100'e çıktı. Import content 70 oldu. Hangisini isteyeceğiz. Birincide kalsın. Çünkü orada content 60. Bunu da demeyeceğiz herhalde. Dolayısıyla, doğru bakmak bence çok önemli. Bunun da bir adım ötesine gidelim dedik. Türkiye'nin ihracat performansı emerging market dünyası içinde hangi ülkelerin tecrübesini daha fazla yansıtıyor, onlara benziyor. İki gruba ayırdık. Birincisi, eastern Europe dediğimiz grubumuz var. Burada Polonya, Çek Cumhuriyeti, Bulgaristan, Romanya ve Macaristan var. Bir de ikinci grubumuz var: Orada da Kore'yi de bunun içine koyduk. Kore artık gelişmekte olandan yukarıya gitmiş ama gene de Kore'yi koyduk. Meksika, Brezilya var ve Güney Afrika var. Türkiye hem sharing world market diye baktığımızda yani dünya piyasasındaki share'nin artışı anlamında, hem de export büyümesi anlamında baktığımızda, Türkiye aslında gayet iyi performe ediyor. İki tane sıkıntı çeken sektörümüz var. Share'leri büyük fakat performansları bayağı kötü. Demek ki, rising star'lar var. İyi performe edenler var. Bir de eskinin yıldızı olan şu anda biraz artık devre dışı kalmaya başlamış olanlar var. Bu tablo, endişe veren, bir şey yapmamız lazım mı bunlar konusunda vs. Bu teşvikler meselesi. Onun ayrı bir literatürü var. Ona hiç girmek istemiyorum ama bir tek cümle söyleyeyim. Teşvikte sektör seçemezsiniz. Siz hangi sektörü teşvik etmeniz gerektiğine karar veremezsiniz.

Yapabileceğiniz en büyük yanlışlardan bir tanesi. Böyle bir seçme kapasiteniz ve gücünüz yok. Olduğuna inanıyorsanız yanlış yapıyorsunuz. Şuna baktık biz: Bir market diversification var, bir de product diversification var. Product diversification, bir mal grubu içinde yaptığınız diversification, öbürü market. Burada baktığımızda, Türkiye aslında bayağı iyi performe ediyor. Product konusunda eastern Europe'un biraz gerisinde kalıyor. Bu da tabii olduğunuz şoklar halinde mal bazında mı yoksa piyasa bazında mı şoklar oluyor buna göre sizin kırılma eğiliminizi gösteriyor ama Türkiye hiç de öyle kötü değil. Tam tersi gayet iyi karşılaştırdığınız zaman Doğu Avrupa ülkeleriyle. Türkiye içi dolu olan toplardır. Diğerleri çizgili olanlar. Renkler yine aynı gruba tekabül ediyor. Diğer ülkelere göre baktığımız zaman da, yani diğer emerging market grubunu aldığımız zaman da, Türkiye export performansında bayağı iyi performe ediyor. Yani bizim yakın gibi durduğumuz bir tarafta üstün, bir tarafta biraz aşağıda olduğumuz kesim doğu Avrupa ülkeleri ama şu ülkelere baktığımız zaman, Türkiye gayet iyi performe ediyor.

Burada 4 tane faktör var gibi ama şu ortadaki iki faktörü toplayayım ve onlara şöyle diyeyim: Specialization effect diyelim buna. Üç tane etki var sizin dünya piyasalarındaki share'inizin nasıl değiştiğini belirleyen. Bunlardan bir tanesi rekabet gücünüz. Bu bizzat sizin market share'inizin yani bunlar hipotetik kayıplar ya da kazançlara tekabül ediyor. Neye istinaden? Source'ları söylüyoruz. Competitiveness effect sizin hakikaten market share katmanızla ilgili. Adaptation effect dünya talebindeki değişmelere nasıl uyum sağlıyor dediğinizle ilgili. Diğerleri de şöyle söyleyebilirim: İkisini birleştirirseniz özet olarak import market'ten yani ithalat piyasalarının dinamiklerinin sizi drive etmesi. Yani regardless of your stance import piyasalarının dinamiklerinin sizi drive etmesi. Baktığımızda, nasıl dağılıyor. Türkiye, eastern Europe ve diğer grup. Türkiye'nin market share'ni arttırmasında competitiveness effect'in ne kadar önemli olduğunu görüyorsunuz. Diğer ülkelere baktığımızda zaten market share artışları çok aşağılarda seyrediyor artı competitiveness orada pek fazla yok. Competitiveness nerde gözüküyor? Eastern Europe ve bizde gözüküyor. Bu resim de iç karartıcı bir resim değil. Bu resim aslında bayağı iç açıcı bir resim. Toplam rakama baktığımızda cari açık içinizi karartıyor olabilir ama iç dinamiklerine bakmadan en azından ayrımını yapmadan çok da fazla iç karartıcı konuşmakta ben açıkçası hiçbir yarar görmüyorum. Gene dediğim gibi, bu dinamiklerin süreceğinin teminatı değildir. Bu ne olduğunun bir snap shot'ıdır. Ama önce ne olduğunu doğru görmezseniz nereye gitmesi, ne yapılması gerektiği konusunda bence doğru fikir üretme şansınız sıfır. En büyük yapılan yanlış bence Türkiye'de hala bu. Neyin nasıl olduğu konusunda dahi fikir birliğimiz yok. Yani bir kısım diyor ki, son altı sene büyüme bile olmadı diyor. O zaman konuşacak bir şey kalmıyor. Bu aynı şuna benziyor: "Türkiye'nin yeni anayasaya ihtiyacı yoktur" diyen insanla benim konuşacak hiçbir şeyim yok. "Vardır" diyen insanla saatlerce konuşabilirim nasıl bir anayasa gerektiğine dair ama yoktur dediği anda konuşma bitmiştir. Türkiye büyümemiş dediği anda bitmiştir. Nasıl büyüdü? Kaynak nereden geldi? Funding nereden geldi? Hangi tehditler, tehlikeler var? Bunları görürseniz bir şey yapabileceğiniz şansınız var. Burada Amerika'nın bizden üstünlüğü ne? Orada ne olduğu konusunda aşağı yukarı herkes hemfikir. Ama sinirlilik katsayısı farklı. Bir kısım insanlar feci agresif vaziyetler, bazı CEO'lar da yine söylendiği gibi muazzam rahat yaşıyorlar. Onu da şöyle bağlayayım. Orada kamusal alanda bence çok ciddi bir regülasyon problemi vardı. Özel sektör tarafında da risk management ve governance problemi vardı. Bence governance konusunda da özel sektör yani dünyanın özel sektör öncüsü ülkeleri bence çok kötü sınav verdiler. O governance modeli iflas etmiş vaziyette. Onun da sıkıntısını çekecekler.

Bu, TL.sının belli dönemlerden itibaren nasıl performe ettiği. Yani değeri artıyor mu azalıyor mu diye baktığımızda, kırmızı olan Türkiye. İki gruba ayırdık bunları. Birinci slaytta Türkiye, Brezilya, Arjantin ve güney Afrika var. İkinci slaytta da, kendimize daha yakın gördüğümüz

dođu Avrupa ülkeleri Türkiye, Macaristan, Rusya ve Polonya var. Rusya'yı atabilirsiniz. Diğerlerindeki oynamalara bakarsanız, genellikle aslında beraber oynuyorlar. Demek ki, bir emerging market r,,, diye bir şey var. Aşağı yukarı ortak hareket ediyorsunuz. Belli dönemlerde grup içinde kopabiliyorsunuz ki Türkiye o kopmaları zaman zaman yaptı. Anayasa mahkemesi kararıyla mesela yaptı. Karar açıklandıktan sonra tekrar toparladı. Aynı şeyi emecial performanslarında da görebilirsiniz. Özellikle, Brezilya Türkiye farkını vurgulamak isterim. Tam bizim kriz zamanlarımızda o fark Brezilya tepe en yeşil, Türkiye aşağıda en kırmızı. Bu görelî hisse senedi piyasası performansı. Kopmuşuz, gitmişiz. Bugün ne olmuştur? Neredeyse aynı yere geldik Brezilya Türkiye. Bir yerde öyle bir muson yağmuru ki bu, birleşmek durumundasınız, kaçış yok. Birbirinizden çok da farklı olamıyorsunuz. Türkiye ne yapması gerektiđi konusunda soru cevap kısmında sorarsanız belki anlatırım ama fizibilite listemiz çok uzun deđildir. Fiscal tarafı çok dikkat düşünmek zorundayız. İki ekstreme kaçmamamız lazım. Kuruş harcamayacaksınız, saçılıp gideceksin. Bu deđildir Türkiye'nin seçeneđi. Belirli koşullarda bu konjonktürde bir lüksü var mıdır? Bunu dikkatli düşünmek lazım ve gene kantitatif bakarak düşünmek lazım. Bu birincisiydi. İkincisi, yine bahsettiğimiz external funding'e bu kadar dayalı bir büyüme sürecinde fiscal harcama niye çok önemi hale gelebilir bir yerde. Bu nihayette bir tasarruf problemi olduđu için iç tasarrufları arttırmamız gerekiyor. Nasıl arttıracaksınız? İç tasarrufun arttırılması bir rate return problemidir Türkiye'de. Yavaşlayan bir ekonomide rate return problemi ortaya çıkacaktır. Çıktığı için tasarruf artması daha da zorlaşacaktır. O zaman üretkenliğe abanmanız lazım. Nasıl abanacaksınız? Reform literatürünü çok iyi bilen idarecilerinizin olması lazım tepede. Üretkenlik artışını nasıl devreye sokabiliriz, limitler nedir bunların iyi bilinmesi lazım ve ondan sonra elinizden geleni yapacaksınız. Belki elinizden gelenin en iyisi de sizin daralmanızı önleyemeyecek. Neden? Çünkü kuzey Kore deđilsiniz. Global sisteme endekslendiniz. Burası grup olarak nereye gidiyorsa siz de oraya gideceksiniz. Ben tartışmanın önce böyle ortaya konması gerektiğine inanıyorum. Murat Üçer ile paper'lar yazıyoruz. Ne yazalım diye düşündüğümüzde hep soruları önce dođru soralım diyoruz. Öyle bir karmaşa var ki, en azından dođru soruları sorup, ortama bir katkı yapmış olalım ve Türkiye burada hala. Dođru soruları sormak durumundayız. O sorunların da ben henüz geldiđini maalesef görmüyorum. Dediğim gibi, iki tane kutup var. Bir tanesi bize bir şey olmaz. İkincisi, feci şeyler olacak ve bir tek bize olacak. İkisi de yanlış. Muson yağmuru şemsiyeniz sizi korumayacak. Bu böyle. Teşekkür ederim.

Kamil Yılmaz: Cevdet'e çok teşekkür ediyoruz. Diğer konuşmacıların ele aldıđı konulara da deđindi ve özellikle de Türkiye ekonomi politikaları konusunda bize bazı önemli ipuçları verdi. Ancak, bugünlerde IMF ile tekrar el sıkışma döneminde acaba kamu yatırımlarını nasıl gündeme alabiliriz. Yani IMF'ye bunu kabul ettirmek gerekiyor gibi gözüküyor.

Şimdi soru ve cevap bölümüne geçeceđiz.

Soru - : Tüm konuşmacılara çok teşekkür ediyorum. Çok bilgilendim. Genel bir sorum var. Bugün içinde bulunduğumuz ortamda dünyadaki veriler ileriye dönük. Türkiye'de pro aktif olarak bir mevduat garantisine ihtiyaç var mıdır? Zor bir soru olabilir ama merak ediyorum. Çünkü diğer ülkeler bunu yaptı. Bizden daha iyi olduđu görünümünde olan ekonomiler yaptı. Dolayısıyla, bu karizmayı çizdirecek bir political karar olmayacağını düşündüğüm için söylüyorum. Cevdet beyin presentasyonunda ise birinci slaytta şöyle bir şey görüyorum. Devlet borçlanmada daha rasyonel davranmış özel sektöre göre. Öyle bir sonuç çıkıyor galiba. Neden reel sektör yabancı para borçlanıp ki devlet reel sektörü yabancı para borçlanma konusunda da guide etmiştir. Niye? Enflasyon hedeflemesi gibi bir bastırılmış kur üzerinden enflasyon düşürme modeli geliştirmiştir. Yani kurun artmayacağı ortada iken, reel sektör tabii

ki yabancı parayla borçlanmıştır da buna guide eden devlet niye böyle davranmıştır? Benim kafamda da böyle bir karışıklık oluyor. Rasyonalite hangi tarafta?

Cevap - : Sorularınıza belki soruyla cevap vermek lazım. Kurun artmayacağını kim biliyordu? Kur bugün artıyor, yarın 1.50 olmayacağını bilen var mı? Bizim bankada dizlerimiz boşuna titremiyor. Dolayısıyla, bilme lafını bence çıkartalım. Kimse bilmiyor. Ben hatırlıyorum, 2006 senesinde 1.67'ye çıktı kur. Gene TÜSİAD'ın konferasında ben 1.40'a inecek dediğim için cemaatten atılıyordum. O zaman da herkes 1.67'nin altına inmeyeceğini sanıyordu. İndikten sonra bir de özel sektör devlet ayırımını böyle yaptığınız doğrudur. Devlet, bunları yapmadan Türkiye'nin özel sektör eliyle büyümesinin olmayacağını idrak etti nihayet. 17 tane stand-by batırdıktan sonra. O iyi bir şey. Özel sektör bata bata batmamayı öğrenecek. Ama ben özel sektörün ne yaptığını bilmediği kanaatinde değilim açıkçası. Dış borçlanma konusunda irrasyonel davrandıkları kanaatinde çok fazla değilim. Onu da söyleyeyim size. Merkez Bankası'nın bu konuyla ilgili çalışmaları var. Şu anda da yapılıyor. Kimler dış borçlanmayı şirketler bazında gerçekleştirdi yani Merkez Bankası şu anda çok ayrıntılı çalışma yapıyor ve şunu da düşünmek lazım: Türkiye'ye BASEL geldiği zaman burada sistem ciddi probleme girecek. Çünkü şirketler bankalardan kredi alamamaya başlayacak dediğimiz şirketler mi kendilerini gidip Avrupa'dan fonluyorlar. Mümkün değil. Dolayısıyla, endişe konusunda da bence şöyle yapmak lazım. Batacak olanlar varsa diyelim ki, kur 1.45'den 1.50'lere çıkmış, hiç kendilerini hecetmemişler. Demek ki, o şirketin mal varlıkları el değiştirecek. Bu da bence kapitalizmin esasına hiç de ters düşen bir şey değil. Dolayısıyla, özel sektörü sorumsuz davrandı, bunun sonu ne olacak vs. gidip özel sektörle konuşmak lazım. Teker teker bu borcu niye aldınız, ne yaptınız Koç Holding Tüpraş'ı aldığı zaman bir dolu insan "Koç intihar etti" diyordu. Şimdi çok affedersiniz ama "Koç, Türkiye'yi soyuyor" diyenler var. İki de değil. Exposed durumla birbirine karıştırmamak lazım. O zaman demek ki, herkes hesabını kitabını yaptı ve 4.2'den fazla veren yoktu, Tüpraş'ı aldı. Exposed çok kötü durumda da gözükebilirdiniz. Bu kur rejiminde de "kurun artmayacağını biliyorduk" yargısı bence çok yanlış. Bugün bana sorarsanız "kur ne olacak?" diye, ben de size kafamda bir rakam olmasına rağmen söyleyemem. Çok zor.

Cevap - : Ben size cevap verirsem, yani bizim derslerde öğrencilere söylediğimiz konu. Burada tamamen sermaye hesabını kapatacaksınız. Bu kadar küresel sermaye bütün yükselen pazarlara akarken siz çok hızlı mali fiscal taraftan, hükümetin bütçesi açısından hızlı bir düzeltme yapan her yıl 5.5-6 civarında fazla veren bir bütçeyle dünya çapında IMF'nin programını da izlerken elbette ki Türkiye'ye sermaye girişi olacak. Bu kadar büyük sermaye girişi olurken de o zaman arz talep meselesi. Yani bu sermaye girdikçe bunun hiçbir şekilde bence para politikasından dolayı kurları sabitlemek diye bir şey yok. Dalgalı kur vardı ve dalgalı kur rejimi altında da olması gereken TL.sının değerlenmesiydi. Şu anda da değer kaybettiği gibi. Çünkü sermaye çıkışı olmakta. Ya tamamen diyeceksiniz ki, ben sermaye hesabını kapatıyorum, Türkiye bu küreselleşmenin parçası değil. Onu da bu noktadan sonra yapamayacağımıza göre bence bir ölçüde özel sektörün verdiği rasyonel bir reaksiyondur. Bir tek bir nokta: Bankalar daha fazla denetlenebildiği için onlar çok hızlı büyütmediler. Ama reel sektör borçlarını daha da büyüttü. Yani o anlamda biraz önce Cevdet'in gösterdiği gibi, Rusya oldukça sabit bir kur izliyor ama özel sektörün Rusya'ya da 500 milyar dolar borcu var. Onlar tabii ki bizden daha fazla etkilenecek. Bizde reel sektörün 130 milyar dolar borcu var. O anlamda burada suçlanacak varsa yine Amerika'yı suçlamak lazım. Çünkü küresel ekonomiyi bu kadar hızlı büyüttüler. Bütün dünyaya sermaye hızlı aktı. Bizim sucumuz yok belki de.

Cevap - : Şöyle cevap vermek lazım. Kesin cevap vermek şundan dolayı zor. İki tarafı keskin bıçak gibi. Eğer hakikaten şu anda sistemde mevduat garantisi talebi yoksa mevduat

sahiplerinden, bunu getirmeniz ters etki yaratır. Yani “benim görmediğim bir şey varmış, eyvah panikleyeyim” hissiyatını insanlarda yaratırsınız. Bizim bankalar olarak gördüğümüz şu anda böyle bir şeye gerek yok. Bir de insanlara mevzuatın doğru anlatılması lazım. Yani buradaki HSBC'nin Ziraat Bankası'ndan bir farkı olmadığını mevzuat itibarıyla insanların anlaması lazım. Şehir efsaneleri insanlar arasında çok çabuk dolanmaya başladı. Orada batar ama paramı burada kurtarırım. Yok öyle bir şey. Her bankanın sınırı 50.000'dir. Mevzuat açısından hepsi aynı mevzuata tabidirler. Dolayısıyla, onu gerektirecek bir durum, panik Türkiye finansal piyasalarında ortaya çıkarsa, onu da vaktinde yapmanız lazım. Geciktirdiğinizde bir anlamı yok. Ama vakti gelmeden de yapmanız tamamıyla ters etki yaratabilir ve Türk insanı da buna çok teşnedir. Ama şu anda ben maddi olarak böyle bir ihtiyaç olduğu kanaatinde değilim.

Soru - : Çok güzel presentasyonlar dinledik. Çin % 8'lere yavaşlasa, Hindistan % 6.5'lere veya 7'lere düşse Türkiye de eğer if we put our act right, % 5'ler civarında kalkınmaya devam edebilir önümüzdeki 5 sene diye bir iddiam var. Bunu yapabilmek için de özellikle is....daki problemi aşacak ve cari açıkta şu anda görülür zaafiyeti telafi edecek 1-2 proje var. Ben sadece ikisine değineceğim. GAP projesi presante edildi ama toplum henüz benimsemedi. İddiam şu: 30 milyar dolar yatırıldığında, 1.5 milyon kişi prodüktive olarak istihdam edilecek ve agro business dediğimiz süt ve et mamulleri Hindistan ve Çin'e yönelik olarak ihracat yapabilecek bir kapasiteye ulaşacak ve bu ihracatın yıllık hacmi 20 milyar dolar civarında olacak. Bu güzel projeyi mutlaka neredeyse ana arter olarak seçmek lazım. İkincisi, sayın başbakana da 3-4 senedir işaret ettiğim, bilişim ve teknoloji konusunda Hindistan'ı emule etmek derken, bizdeki yazılımcı profesörler Türkiye'nin daha üst seviyede bir piyasaya hitap edebileceğini söylüyorlar. Call center yaklaşımlarını geçiyorum ama kabaca modelin şu olması lazım: Şu anda israf ettiğimiz eğitim potansiyeli dersanelerin yarısını bilişime programcı yetiştirmek üzere 2-3 senelik programlara yönlendirsek 1 milyon kişiyi yazılımcı yapar hale gelebiliriz. Bu kapasite var. Aramızda Siemens ilgilileri de var. Türkiye buradan da yılda 6-7 milyar dolar net ve ithal girdisi olmayan bir gelire kavuşur. Üçüncü proje de, Sayın Akçay'a katılıyorum. Kamu eliyle yapılacaklardan bir tanesi de kentsel dönüşümdür. Çünkü akılcı bir şekilde gayrimenkul değerlerimizi arttırıyor ve biz AB'ne girsek de girmesek de Türkiye'de arsa ve gayrimenkul fiyatları Avrupa'ya yaklaştıkça sermaye birikimi sözkonusu olacaktır. Sayın Akçay bu görüşlerime katılıyor mu?

Cevap – Cevdet Akçay: Birincisine çok katılıyorum. Diğer ikisi hakkında yorum yapabilecek durumda kendimi görmüyorum. Ama bahsettiğim çalışmayı yapma sebebimiz de güney doğu projesiydi. Çünkü o açıklandığı zaman belli bir mali yük getiriyor. Türkiye bu mali yükün gelebilecek lüksü var mı diye biz bakmak istedik ve bu yüzden bankada biz o çalışmayı yaptık ve çıkmaya başladığımızı gördük. Ben sadece kandidate açıdan değil, siyasal ve sosyal açıdan da Türkiye'nin güney doğu problemini halletmeden ileri yürümesinin pek mümkün olduğu kanaatinde değilim. Artı, orası bir anlamda tabiri caizse Türkiye'nin Çin'i gibi. Yani ciddi şekilde oradan bir ivme kazanabilir Türkiye büyümesi. En önemli yer bence güney doğu. Çünkü herşeye çok ciddi şekilde aç insanlar var. Bence bizim açımızdan da, bankacılık açısından da baktığımız zaman ben birazcık bencil bir şekilde en büyük potansiyeli orada görüyorum. Yatırımcı listesine baktığımız zaman sizin bahsettiğiniz agro industry vs korkunç bir yatırım. Enerji, agro sanayi, mermere kadar bir dolu çok ciddi yatırım yapma niyetinde olan yerli ve yabancı yatırımcı vardı ve ben o listenin ortadan kalkacağına inanmıyorum. Finansal piyasalara da kaydırırsam getiri hırsının da bir şekilde hiçbir zaman ortadan kaybolacağı kanaatinde değilim. Buna sadece doğru gem vurulması çok önemlidir. O da bir regülasyon problemi. Ama reel sektör tarafında da ben insanların yatırım iştahının bittiği kanaatinde değilim. Konjonktürel olarak bir miktar sektöre uğrayacak ama o projeler hayata

geçtiği takdirde, ben size tamamıyla katılıyorum. Türkiye oradan büyük ivme kazanabilir ve güney doğu bence Türkiye'nin en büyük şansı. Şu ara o şans kullanma şansımız sanki biraz daha azalıyor gibi gözüküyor. O da talihsiz bir durum ama. Bence üstüne siyasi irade olarak ısrarla gitmek lazım.

Diğer ikisinde sadece sizi dinlerim.

Cevap – Kamil Yılmaz: Ben ikincisi konusunda bir şey söyleyeyim. Kore 1998 krizinden sonra işsiz kalan 500 bin kişiyi bilgi işlem konusunda eğitti ve bunların internet ekonomisinde çok katkısı oldu. Aradan on yıl geçmiş durumda, yani hükümeti eleştirmiyorum ama biraz daha hızlı olmamız lazım. Ayrıca, sizin söylediğinize de katılıyorum.

Soru -: Benim sorum Ziya Öniş'e olacak. Bu kadar kötü performans gösteren AB ile Türkiye'nin daha ne kadar gidebileceği bir yol olabilir? Ayrıca, geçtiğimiz günlerde bir dergide gördüm. Anadolu'nun en büyük 250 şirketi diye. Bu şirketler arasında yalnızca bilişim sektöründe faaliyet gösteren iki şirket var. Bu durumu nasıl açıklayabiliriz?

Cevap – Ziya Öniş: AB ile ilgili sorunuzu yanıtlayayım. Tabii halen ihracatımız açısından ve yabancı sermaye açısından son derece önemli. Avrupa bütün koordinasyon sorunlarına rağmen, bütün kimlik sorunlarına rağmen son derece önemli bir ekonomik güç. Bir de tabii AB ile olan ilişkilerimizi sadece ekonomik bazda değerlendirmemek lazım. Yani AB, aynı zamanda Türkiye'nin demokratikleşme süreci, dış politika süreci açısından da son derece önemli ve AB ile ilişkilerimizi geliştirirken bunu bir alternatif seçenek olarak da görmemek lazım. Yani çok boyutlu bir dış politikasının temel eksenini olarak AB ile ilişkilerimizin derinleştirilmesi olabilir ama diğer taraftan Rusya ile, orta doğu ile, Çin'le, diğer bölgelerle de ilişkilerimizi geliştirebiliriz. Yani ben AB'ni bir alternatif seçenek olarak görmüyorum ve sırf ekonomik olarak da bakmamak lazım bu konuya diye düşünüyorum.

Kamil Yılmaz: Ben konferansımıza katıldığınız ve bizi sonuna kadar dinlediğiniz için çok teşekkür etmek istiyorum.