Chapter 19
Empirical Analysis of the Relationship Between Inclusive Green Growth and Agricultural Added Value:
The Case of Türkiye

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ABSTRACT

In this study, the relationship between inclusive green growth and agricultural added value in Türkiye for the period 1990-2020 was examined with the help of the ARDL bounds test. In order to represent inclusive green growth, the inclusive green growth index was created using the Principal Component Analysis method. In addition, the effects of inclusive green growth, as well as the effects of total labor force and temperature increase on agricultural added value, were also examined in the study. According to the findings, inclusive green growth in Türkiye positively affects agricultural added value and the coefficient is statistically significant. In addition, in the study, the effect of the total labor force on agricultural added value was found to be positive and the coefficient was statistically significant. While the effect of temperature increase on agricultural added value is found to be negative, the coefficient is statistically insignificant.

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1. INTRODUCTION

The emergence of many problems such as national and international inequalities, environmental deformations, and problems in accessing clean food and water has caused the understanding of growth and development to change and develop. Although pure economic growth provides the condition for increased welfare of the society, it is insufficient to eliminate poverty and inequality for all segments of society. The fact that the opportunities created by growth are not spread equally throughout society has turned attention from pure economic growth to inclusive economic Growth (Avcı ve Tonus, 2020).

The growth model that provides an increase in welfare for the entire population of a society and distributes all material and non-material welfare components homogeneously is defined as inclusive Growth (Keyifli vd., 2022: 41). Problems such as global monetary crises, unfair income distribution, unemployment and poverty cause countries to re-plan their economic growth policies by spreading them equally across the society. In order for economic growth in a country to be inclusive and sustainable, the income of every segment of the society as well as their opportunities in education, health and social fields must be increased.

Inclusive growth ensures the balance between sustainable development and economic growth. While providing this balance, unlike traditional growth models, it does not focus only on the amount of output, but on the equal distribution of the amount of output. When evaluated from this perspective, inclusive growth is at the center of the economic policies discussed in recent years, as it allows both economic and social goals to be evaluated in one pot (Özgün, 2021: 274).

Following the announcement of the Sustainable Development Goals (SDGs), many countries began to implement new development strategies focused on inclusive green growth, which were put forward to focus the world's attention on both green and inclusive growth. At this point, inclusive green growth can be summarized as economic growth that provides greater access to sustainable socioeconomic opportunities for a greater number of people, regions or countries, while protecting the vulnerable, and all of this is done in a fair environment. Promoting inclusive green growth plays a critical role in achieving sustainable development goals, considering the economic, environmental and social dimensions of sustainable development (Desalegn ve Tangl, 2022).

The agricultural sector is one of the key sectors in achieving sustainable development and growth goals.Factors such as temperature increase and climate change due to the effect of greenhouse gases that occur as a result of excessive production and consumption pose a threat to developing countries such as Turkiye.