

ABSTRACT

POVERTY IN TRANSITION ECONOMIES

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The process of abandoning disusing central planning creates an economic system based on competition, foreign capitalism and privatization. In central economic systems in which the government holds the most fundamental and determinant in social and economic areas at hand, however transition to free market structure means that this power decreases or even demolishes. The focus first chapter of the study is in the transition economies. The notion of transition economies have come to existence in literature for the past 30 years and it includes the changes in related countries economies and political structures. Transition is the process of fundamental change in institutions and rules. The countries previously governed by socialist system and willing to be transferred to free market economy have to change their political and economical structures. In addition to that changes regarding social and economical situations are desired in such countries. To clarify the relationship between them, poverty as the main problem in social and economical issues in present and past, has been elaborated thoroughly. Human developments and poverty index are the main guides to see the changes and compare them. Economic growth and social aspects such as health and education are of great importance in understanding the relationship between demographic issues and human developments.

KEYWORDS: Free Market Economy, Transition Country, Poverty, Human Development