Military Intervention, Coalition Governments and Economic Growth: Evidence from Turkey

M. Veysel KAYA*, Erkan DEMİRBAŞ**

Abstract

The aim of this study is to analyze the relation between military interventions, coalitions and economic growth. In the study the relation between foreign direct investment, unemployment and growth also analyzed. For this purpose a semi-log model is constructed and Ordinary Least Squares (OLS) method used to test the linear relation between military interventions, coalitions, certificates given to foreign companies for investment, unemployment and GDP per capita. According to the results of analysis, presence of the co-integration is confirmed in the long-run between mentioned variables. And it is found out that there is a negative and significant relation between unemployment, number of certificates given to foreign companies for investment, coalition and economic growth. The relation between military intervention and growth is found insignificant and negative. The VECM model was used to test the causality shows that during the transition process from short-run to long-run, balance will be established. Deviation of GDP per capita in the short-run will gravitate towards balance in the long-run.

Keywords: Military Intervention, Coalition, Economic Growth, Co-integration, Vector Error Correction.

JEL Code Classification: O12, O29, O40

[*]PhD in Economics, Kırıkkale University, Turkey. E-mail: mveyselkaya@yahoo.com
[**]PhD in Economics, Fatih University, Turkey. E-mail: edemirbas@fatih.edu.tr

1. Introduction

Democracy is an indispensible component of developed countries. But it is the same democracy which is not completely established well at most of developing countries. The gap which is created by lack of understanding or implementation of democracy is tried to be filled up by military intervention and as a result of this political instabilities take place. Military intervention happened by sometimes in an actual intervention or formal announcement. Regardless of the way it happened, this attempts which is accepted as a coup d'état to democracy, also affects negatively the economic structure and macroeconomic indicators.

Political instabilities do not occur just by military interventions. Governments which consist of more than one parties fall without completing time to govern the country and this situation creates an environment of insecurity and disturbance, and inflicts serious damage to economy such as loss of jobs, lower incomes, greater poverty, anxiety and desperation.

One can easily see that, it can be easily seen by analyzing the political period of Turkey especially from 1987-2002 that there were many coalition governments established and volatility of macroeconomic indicators in this period. Because of these reasons, it has been started many academic studies with taking into account of political factors, instead of traditional models without considering political determinants.

In this study, primarily some of theoretical and empirical studies are analyzed which evaluate the relations between political instability and economic growth. An econometric analysis is carried out to find the relation between military intervention, coalition and economic growth in Turkey covering the years from 1980-2009. In addition to this variable of "foreign investment" and "unemployment" are also included in the model and taken under consideration. In the last section of the study, findings of analysis are given and a general evaluation is carried out.

2. Theoretical Framework and Literature Review

There have been many studies conducted about relation between economic growth and political instabilities which stem from military intervention and coalition periods[1]. Some of them are based on theoretical cornerstone. Most of the empirical studies found out that there have been negative and significant relations between political instability and economic growth. In this part of the study, some analyses about the scope of this study are discussed.

According to the Benhabib and Rustichini (1996) and Alesina and Perotti (1995), the theoretical relationship between political instability and economic growth is about

---

[1] In simplest terms, coalition period means the duration in which two or more political parties come together in parliament to conduct the government.

capital accumulation and investment. In addition to this, it is argued that increase in investment and capital accumulation can just be possible in the presence of a stable political authority. According to the Alesina and Tabellini (1990) and Persson and Svensson (1989), the relation between economic growth and political instability comes up on governments' public expenditure allocation on consumption and investment issues.

In the study of Demirgil (2011) by using the Garch and Egarch models for Turkey from 1970 to 2006, the relation between political instability and volatility of economic indicators is analyzed. General elections, local elections, military coup periods, referendums, coalitions and strikes are used as indicators of political instability. According to the results, it is found out that political instability has a negative impact on economic growth, whereas it has a positive effect on inflation. Şanlısoy and Kök (2010) analyzed the relation between political instability and economic growth in their study. The findings of the research show that there is an inverse relationship between political instability and economic growth.

Telatar (2003) analyzed the causality between increase in rate of real production[2] and policy change for the period of 1986-2001. According to the research, decrease in economic growth leads to increase the interest rate difference and variability on nominal exchange rate conversion ratio. In his study Arslan (2011) analyzed the relationship between political instability and GDP by using Johansen co-integration and Vector Error Correction Model-VECM in Turkey for the period of 1987-2007. Results indicate that there is a long-run relationship between political instability and GDP according to the co-integration analyses. VECM outcomes also show that there is a unidirectional causality from GDP to political instability.

Murphy et al. (1991) stated in his study that rent seeking activities have a negative impact on economic growth by using the data for 91 selected countries from 1970 to1985. Olson expressed that (1982) pressure groups are getting to know the political authority by the time and exploit it for their interest. By using the data from 1960-1985 for 71 countries in their analyses, Alesina and Perotti (1995) came to the conclusion that political instability has an unfavorable impact on economic growth.

Alesina et al. (1996) conducted a research using the data for 113 countries covering the years from 1950-1982. Results show that there is a bidirectional relationship between political instability and economic growth, and political instability effects negatively economic growth. In another study under the scope of this study Berthelemy at el. (2002) stated that political instability has a negative and direct impact on economic growth for 22 African countries using the data set from 1996-2001.

Oliva and Rivera-Batiz (2002) argued that political stability increases the foreign investments and this indirectly affects the economic growth. Devereux and Wen

---

[2] Real production is calculated by using constant prices of a particular base year rather than current market prices.

(1997) stated that high political instability decreases the economic growth and also increases public expenditure by using the cross-section analyses for 52 countries using the data from 1960 to 1985. Bienen et al. (1993) drew attention that there is a causality relationship from economic growth to political stability. Asteriou and Price (2001) found out in their study that political instability has a negative and significant impact on growth by using the data set from 1961-1997 for England.

Darby et al. (2004) in their study used the data of OECD countries for the period of 1963-1996 and stated that political instability has a negative and significant impact on investments. Klomp and De Haan (2009) found out in their study that there is a positive and significant relation between political instability and economic fluctuation using the data for 100 countries from 1960-2005. Research of Ghate et al. (2003) also indicates the similar conclusion by stating that there is a negative and significant relationship between political instability and economic growth by using the data set of 58 countries from 1948-1995.

In their research Isham et al. (1997) claimed that military intervention has a negative and significant effect on economic growth by using the data of 56 countries for the period from 1974-1990. Barro (1991) reached the conclusion that military coups has a negative and significant effect on economic growth for the period from 1960-1985 by using the data for 98 countries.

Conducting the similar studies, Easterly and Cevine (1997), Jong-A Pin (2003), Swensson (1998), Perotti (1996), who analyzed African countries for 1965-1990; 90 countries for 1974-2003; 100 countries for 1960-1985 and 67 countries for 1960-1985 respectively, revealed that there is a negative and significant relationship between political instability and economic growth.

In their analyses E.Telatar and F.Telatar (2004) analyzed the relation between economic growth and political regime change for the period of 1951-2001 in Turkey, and reached the conclusion that decrease in economic growth rate increases the probability of government change by military interventions. In the same study by standing this outcome, they made an observation that restricting money and financial policies supported by International Monetary Fund can contribute to political instability by creating regime change.

3. Model and Methodology

In this study the causality relation between military intervention, coalition years, and certificates given for foreign direct investment, unemployment and GDP per capita is explained by setting a semilog model. In semilog models, dummy variables can also take a part in it as continuous explanatory variables (Çağlayan and Güriş, 2005). Semilog models which consist of explanatory variables and also dummy variables can be written as following equation

$$\ln Y_i = \alpha + \sum_i \beta_i X_i + \sum_j \delta_j D_j + \varepsilon_i \tag{1}$$

In this study, in addition to the given certificates to foreign direct investments and unemployment explanatory variables, the impact of two dummy variables included in the model by considering military intervention and coalition years, on GDP per capita is analyzed.

Stationarity of time series is checked by frequently used method of Augmented Dickey-Fuller (ADF) Unit Root test. After unit root tests, analyses of long-run relation between the time series is carried out. According to the unit root tests, if related series are integrated at same order (especially at first order [I(1)]), co-integration test can be used to research the long-run relationship between the time series (Sevüktekin and Nargeleçekenler, 2007: 6). It is possible to carry out the co-integration test of Johansen-Juselius as the series are integrated at same order (Demirci and Er, 2007: 7). In this analysis, the long-run relationship is controlled by considering the Trace and Max-Eigen co-integration tests.

It is the standard Granger test which exposes the causality between two variables. Causality test is developed by recent changes on time series analyses. VECM and Granger test can be used for causality analyses. If the variables are not stationary and also not co-integrated, differences of the variables are used for Granger Causality test (Sevüktekin and Nargeleçekenler, 2007: 6). If the series are not stationary but their linear combination is stationary, VECM should be made up as the standard Granger causality estimations are invalid. Hence, is necessary to test the presence of co-integration specification for original series before carrying out tests for Granger Causality (Aktaş, 2009: 39).

4. Data and Findings

In this study, the causality relationship between military intervention, coalition years and certificates given to foreign direct investments, unemployment rate and GDP per capita is analyzed for 1980-2009. "Military intervention" and "coalition" which used as independent variables in the model, envisaged also as dummy variables. "Military intervention" added to model as the first dummy variable is prepared by considering the direct or indirect military intervention to the government. In this scope, in the presence of intervention, dummy takes the value of (1), otherwise (0). The second dummy variable of coalition is represented by (1) if there is a coalition on government otherwise with (0) to express the one party in the saddle. Data of certificates given to foreign companies indicates the given certificates to foreign companies to start investments in Turkey, is obtained from the official web page of The Undersecretariat of Tresuary. Another independent variable is "unemployment rate" is acquired from the official web site of Turkish Statistical Institute. GDP per capita as dependent variable represents the GDP per capita and calculated as PPP (US dollar). This data is obtained from the website of The Ministry of Development from "Economic and Social Indicators".

Ordinary Least Squares (OLS) method is used to test the linear relationship between military intervention, coalition years, and certificates given to foreign

direct investments, unemployment rate and GDP per capita. Established semilog model for this purpose is written below:

$$lnY = \beta_0 + \beta_1 D_1 + \beta_2 D_2 + \beta_3 U + \beta_4 F + e \qquad (2)$$

Here Y denotes GDP per capita as purchasing power parity (ppp) for Turkey from 1980 to 2009; D1 denotes military intervention; D2 denotes coalition years; F denotes the number of certificates given to foreign companies for investment in Turkey, and U denotes unemployment rate.

Definitions and explanation for variables are given at the following table.

Table 1: Variables Used in the Model

Variables	Definition	Explanation
Y	GDP per capita	As PPP (US dollar)
D1	military intervention	Dummy variable. Years of military intervention represented by (1); others with (0).
D2	coalition	Dummy variable. Years of coalition represented by (1); others with (0).
F	Number of certificates given to foreign companies	Number of given certificates to foreign companies by Undersecretariat of Treasury
U	unemployment rate	unemployment rate by years

E-views econometric packaged software is used to carry out unit root tests, co-integration analysis and VECM in this study.

4.1. Unit Root Tests

Stationarity test should be done before starting to find the presence of the long-run relation between time series. Stationarity level of series will determine the selection of econometric analyses to present the long-run relation. Augmented Dickey-Fuller (ADF) Unit Root Test is used to control the stationarity for series in this study. Long-run relation will be analyzed after the unit root assessment. Tables given below give the information about the stationarity of both dependent and independent variables such as GDP per capita as a dependent variable, and number of certificates given to foreign companies and unemployment rate as independent variables respectively.

Table 2: Augmented Dickey-Fuller Unit Root Test on D(Y)

Null Hypothesis: Y has a unit root Exogenous: None Lag Length: 1 (Automatic based on SIC, MAXLAG=7)		t-Statistic	Prob.*
Augmented Dickey-Fuller test statistic		-1.917891	0.0539
Test critical values:	1% level	-2.650145	
	5% level	-1.953381	
	10% level	-1.609798	

Table 3: Augmented Dickey-Fuller Unit Root Test on D(F)

Null Hypothesis: D(F) has a unit root			
Exogenous: None			
Lag Length: 0 (Automatic based on SIC, MAXLAG=7)			
		t-Statistic	Prob.*
Augmented Dickey-Fuller test statistic		-6.254447	0.0000
Test critical values:	1% level	-2.650145	
	5% level	-1.953381	
	10% level	-1.609798	

Table 4: Augmented Dickey-Fuller Unit Root Test on D(U)

Null Hypothesis: U has a unit root			
Exogenous: None			
Lag Length: 0 (Automatic based on SIC, MAXLAG=7)			
		t-Statistic	Prob.*
Augmented Dickey-Fuller test statistic		-5.623025	0.0000
Test critical values:	1% level	-2.647120	
	5% level	-1.952910	
	10% level	-1.610011	

According to the given ADF test results above about stationarity of series, it is found out that dependent variable of Y and independent variables of F and U become stationary after taking their first difference [I(1)].

After stationarity tests, co-integration analyses should be carried out to find out the long-run relationship between series.

4.2. Johansen Co-Integration Test

Co-integration means that two or more time series which are not stationary individually but their linear combination is stationary, and test whether these series move together in the long-run (Gökalp et al., 2011). If the related series are integrated at same order (especially at firs order [I(1)]), co-integration test developed by Johansen and Juselius, can be used to find out the long-run relation (Sevüktekin and Nargeleçekenler, 2007: 6). Before starting the co-integration analysis, lag length needed for analysis should be determined. Optimal lag length is chosen (5) by AIC selection criteria.

After deciding the lag length, AIC criteria is considered to find out that which model to be used out of five models for co-integration analysis, and model number (4) is decided to most appropriate one as a result. Co-integration analysis is conducting by doing Trace and Max-Eigen Test after chosen lag length (5) and model number (4) for long-run relation between 3 variables. According to the Trace Test, 2 co-integrated vectors have been founded at % 1. (Null hypothesis is rejected as trace statistics 83,31 is greater than critic value of 42,91. Similarly, second null hypothesis is also rejected due to greater trace statistic).

Table 5: Unrestricted Cointegration Rank Test (Trace)

Trend assumption: Linear deterministic trend (restricted)				
Series: LnY U F				
Lags interval (in first differences): 1 to 5				
Unrestricted Cointegration Rank Test (Trace)				
Hypothesized No. of CE(s)	Eigenvalue	Trace Statistic	0.05 Critical Value	Prob.**
None *	0.880111	83.31615	42.91525	0.0000
At most 1 *	0.626672	32.40755	25.87211	0.0066
At most 2	0.305814	8.760380	12.51798	0.1956

Trace test indicates 2 cointegrating eqn(s) at the 0.05 level
* denotes rejection of the hypothesis at the 0.05 level

Table 6: Unrestricted Cointegration Rank Test (Maximum Eigenvalue)

Hypothesized No. of CE(s)	Eigenvalue	Max-Eigen Statistic	0.05 Critical Value	Prob.**
None *	0.880111	50.90861	25.82321	0.0000
At most 1 *	0.626672	23.64717	19.38704	0.0113
At most 2	0.305814	8.760380	12.51798	0.1956

Max-eigenvalue test indicates 2 cointegrating eqn(s) at the 0.05 level
* denotes rejection of the hypothesis at the 0.05 level
**MacKinnon-Haug-Michelis (1999) p-values

Max Eigen Test results are also same with the Trace Test. According to the Max Eigen Test, there are 2 co-integrated vectors found at the 0.01 and 0.05 levels respectively. Null hypotheses are rejected as Max-Eigen statistics are greater than the 0.05 critical values. After Trace and Max-Eigen Test, the relation between dependent and independent variables are presented by considering OLS method in following regression results.

Table 7: Regression results

Dependent Variable: D(Y)				
Method: Least Squares				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.080077	0.010967	7.301694	0.0000
D(U)	-0.036847	0.007900	-4.664247	0.0001
D(F)	0.000395	0.000201	1.971824	0.0603
D1	-0.013572	0.015737	-0.862429	0.3970
D2	-0.039505	0.014595	-2.706725	0.0123
R-squared	0.592427	Mean dependent var		0.055030
Adjusted R-squared	0.524498	S.D. dependent var		0.055752
S.E. of regression	0.038444	Akaike info criterion		3.523618
Sum squared resid	0.035471	Schwarz criterion		3.287877
Log likelihood	56.09246	F-statistic		8.721289
Durbin-Watson stat	2.275796	Prob(F-statistic)		0.000170
χ^2 BG(2) =2,53 [0,28], χ^2 White = 9.21 [0,16], χ^2 JB = 1,46 [0,48]				

According to the estimation results, differences of independent variables of U and F and dummy variable of "coalition" are founded significant at %1, %10 and %5 respectively. When the signs of coefficients are considered, it is seen that unemployment and coalition have a negative impact on growth, whereas certificates given to foreign investors have a positive impact on it. Another dummy variable of "military intervention" is founded insignificant however its sign is negative as expected.

After confirming the long-run relationship, causality relation is analyzed by using the VECM model. In VECM model, causality relation is just found in one equation where Y is a dependent variable. In this model, error correction term-ect which shows the short run causality mechanism is founded significant and its sign is negative as expected. In the other models, where U is a dependent variable, ect founded significant but its sign is positive; whereas where F is a dependent variable, ect founded insignificant and its sign is positive.

Expansion of the model includes the lagged values of variables is given in following box. In model the value which is in bold denotes the ect, and C(1) also denotes coefficient of ect. In model letter of (D) denotes the taking the difference of series, C(8) denotes intercept. Other coefficients represent the coefficient of difference of lagged value of dependent and independent variables (except dummy variables).

$D(Y) = C(1)*(LOG(Y(-1)) - 0.1943643381*U(-1) - 0.004842849444*LIS(-1) - 6.320409472) + C(2)*D(LOG(Y(-1))) + C(3)*D(LOG(Y(-2))) + C(4)*D(U(-1)) + C(5)*D(U(-2)) + C(6)*D(F(-1)) + C(7)*D(F(-2)) + C(8) + C(9)*D1 + C(10)*D2$

In VECM models, both of short-run and long-run causality can be observed. It should be said that related variables cause the dependent variable in the short-run, if they are significant (between %1 and %10). The output of table located above shows that C(1) which is the coefficient of ect), C(4), C(5), C(6) and C(10) are significant. Among these coefficients, the dummy variable of "coalition" is significant at %1, where others are significant at %5.

The coefficients of "unemployment", is found significant and its sign is negative as it is expected. According to this, GDP per capita will decrease as unemployment rate will increase. For the giving certificates just one coefficient of variable for difference of first lagged is significant and negative. According to this finding, in the short-run GDP per capita will decrease as the number of given certificates will increase (However, in the long run the sign becomes positive). Among the dummy variable just "coalition" is founded significant. The sign of this variable is negative which means that in the situation of having one or more partners to form the government, GDP per capita will decrease 7 %.

The long-run causality and equilibrium of the model is determined by the ect which is the one period lagged of the residual derived from the long-run model and symbolize the process of transition from disequilibrium to equilibrium. Satisfaction of this condition relies on the significance and sign of it assumed to be negative. As

it is seen in the probability column, ect is significant at 5% (0,0181) and its sign is negative. Coefficient of ect (-0,19) means that in each period 19 % of the disequilibrium is eliminated.

In terms of diagnostic test, according to the "Durbin Watson statistic" and "LM serial correlation test", serial correlation problem is not detected. Jarque-Bera test shows that residuals are distributed normally. Also there is no heteroscedasticity.

Table 8: VECM Estimation Results

Dependent Variable: D(LOG(Y))				
Method: Least Squares				
Included observations: 28 after adjustments				
	Coefficient	Std. Error	t-Statistic	Prob.
C(1)	-0.198626	0.076359	-2.601206	0.0181**
C(2)	-0.280790	0.254559	-1.103042	0.2845
C(3)	-0.180505	0.265351	-0.680252	0.5050
C(4)	-0.038342	0.016104	-2.380969	0.0285**
C(5)	-0.046927	0.018404	-2.549746	0.0201**
C(6)	-0.000804	0.000378	-2.129006	0.0473**
C(7)	-0.000321	0.000347	-0.925961	0.3667
C(8)	0.125721	0.033093	3.798970	0.0013
C(9)	0.003849	0.026842	0.143410	0.8876
C(10)	-0.073685	0.023777	-3.098983	0.0062*
R-squared	0.494937	Mean dependent var		0.053029
Adjusted R-squared	0.242405	S.D. dependent var		0.055498
S.E. of regression	0.048305	Akaike info criterion		-2.950102
Sum squared resid	0.042001	Schwarz criterion		-2.474314
Log likelihood	51.30142	Durbin-Watson stat		2.270407
χ2 White	17,2(0,63)	χ2 BG(2)		2,93 (0.23)
χ2 JB	0,67 (0,71)			

*, ** and *** denote significance at %1, %5 and %10 respectively.

5. Conclusion

In this study, it is found out that there is a co-integration in the long-run between related variables according to the outcomes of Johansen Co-integration analyses carried out with time series of GDP per capita, military intervention, coalition, unemployment rate and certificates given to foreign companies for invest investment for the years from 1980 to 2009. Results of multi variable Granger causality test to research the direction of detected relationship between variables after presence of co-integration shows that in the short-run there is causality from coalition, given certificates, and unemployment rate to GDP per capita. Decrease in unemployment rate, will affect the growth positively in the short-run. But, certificates given to foreigners companies to invest in Turkey and presence of coalition will have a negative impact on growth. The ect term in VECM shows that during the transition process from short-run to long-run, balance will be establish.

It also shows that deviation of GDP per capita in the short-run will gravitate towards balance in the long-run. There is a negative relation is confirmed between military intervention and economic growth. But the variable of military intervention is found out insignificant statistically.

One-party rule was administrating the country for two consecutive periods in the following years of actual military intervention in 1980 in Turkey. After the end of the period called post-modern intervention took place in 1997, coalition governments had administrated the country and after 5 years, one-party rule was experienced again.

Having administration of the country for the third time by increasing their votes as already existing one-party rule after the statement issued by military in 2007 minimized the disadvantages brought by military interventions, also led to improvements in the main macroeconomic indicators[3]. Starting from this point, it can be interpreted like that finding no relation between military intervention and economic growth is caused by one-party rule which is successful and being the only political party in a vote of confidence by the public. However, the relation between coalition and economic growth is found negative as expected. This result is consistent with the literature and also shows that political stability has a positive impact on economic growth.

References

Aktaş, C. (2009), "Türkiye'nin İhracat, İthalat Ve Ekonomik Büyüme Arasındaki Nedensellik Analizi", Kocaeli Üniversitesi, Sosyal Bilimler Enstitüsü Dergisi, (18), 2: ss. 35–47.

Alesina, A. and Perotti, R. (1995), "Income Distribution, Political Stability and Investment", European Economic Review, 40: 1203-1220.

Alesina, A. and Tabellini, G. (1990), "A Positive Theory of Fiscal Deficits and Government Debt", Review of Economic Studies,(57): 403-414.

Alesina, A., Özler, S., Roubini, N. and Swagel, P. (1996), "Political Stability and Economic Growth", Journal of Economic Growth, 1(2): 189-211.

Arslan, Ü., (2011), "Siyasi İstikrarsizlik ve Ekonomik Performans: Türkiye Örneği", Ege Akademik Bakiş / Ege Academic Review, 11(1): 73-80.

Asteriou, D., and Price, S. (2001), "Political Instability and Economic Growth: UK Time Series Evidence", Scottish Journal of Political Economy, 48 (4): 383-399.

---

[3] After the following years of 1980 military coup, periods of 1983-1987; 1987-1989; 1989-1991 Motherland Party (Anavatan Partisi) was the administrating party in the country alone. After five years of post-modern military intervention in 1997, AKP (Justice and Development Party) became ruling part alone in 2002, with % 34 voting rate. While the period of single party rule was continuing, in 2007 a statement published by the military and In the election which held in the same year after this declaration, AK Party came to power again alone with a % 47 vote rate. In the general election held in 2001, AKP succeed to be power alone also at third time by increasing its votes to % 50 vote ratios. AKP has been ruling the country alone from 2002 to 2012 and it is expected to rule the country until 2014, if there is not any extraordinary situation.

Barro, R. J. (1991) ,"Economic Growth in a Cross Section of Countries,", Quarterly Journal of Economics, 106 (2): 407- 444.

Benhabib, J. and Rustichini, A. (1996), "Social Conflict and Growth", Journal of Economic Growth, 1 (1): 125-142.

Berthélemy, J., Kauffmann, C., Renard, L. and Wegner, L. (2000), "Political Instability, Political Regimes and Economic Performance in African Countries", Draft Paper for African Economic Outlook, Paris.

Bienen, H. S., Londregan, J. and Van de Walle, N. (1993), "Ethnicity, Leadership Succession, and Economic Development in Africa." Institute for Policy Reform, Washington, D.C.

Çağlayan, E., and Güriş, B., (2005), "Yarı Logaritmik Modellerde Kukla Değişkenlerin Katsayılarının Yorumu", Marmara Üniversitesi İİBF Dergisi, 20(1): 393-401.

Darby, J., Chol-Won, L., and Muscatelli, A. V. (2004), "Political uncertainty, public expenditure and growth," European Journal of Political Economy, 20(1):153-179.

Demirci, E. and Şebnem, E. (2007), "Ham Petrol Fiyatlarının Türkiye'deki Cari Açığı Etkisinin İncelenmesi", 8. Türkiye Ekonometri ve İstatistik Ulusal Kongresi, 24 – 25 Mayıs 2007, İnonu Üniversitesi, Malatya.

Demirgil, H. (2011), "Politik İstikrarsızlık, Belirsizlik ve Makroekonomi: Türkiye Örneği (1970-2006)", Marmara Üniversitesi İİBF Dergisi, Cilt:31, Sayı: 2, ss. 123-144.

Devereux, M. B. and Wen, J. (1997), "Political Instability, Capital Taxation and Growth", European Economic Review, 42: 1635-1651.

Easterly, W. and Levine, R. (1997), "Africa's Growth Tragedy: Policies and Ethnic Divisions", The Quarterly Journal of Economics, 112(4): 1203-1250.

Ghate C., Vu Le, Q., and Zak, P. J (2003), "Optimal Fiscal Policy in an Economy Facing Socio-Political Instability", Review of Development Economics, 7(4): 583-598.

Gökalp, F., Baldemir, E. and Akgün, G., (2011), "Türkiye Ekonomisinde Dışa Açılma ve Gelir Eşitsizlikleri İlişkisi", Celal Bayar Üniversitesi, İİBF, Yönetim ve Ekonomi, C:18, S:1, ss.87-104.

Isham, J., Kaufmann, D. and Pritchett, L. (1997), "Civil Liberties, Democracy, and the Performance of Government Projects." The World Bank Economic Review, 11(2): 219–42.

Jong-A-Pin, R. (2009), "On the Measurement of Political Instability and Its Impact on Economic Growth", European Journal of Political Economy, 25: 15-29.

Klomp, J. and Jakob, D.H. (2009), Political Institutions and Economic Volatility, European Journal of Political Economy, 25: 311-326.

Murphy, K., Sleifer, A. and Vishny, R. (1991), "The Allocation of Talent:Implications for Growth, Quarterly Journal of Economics, 106: 503-530.

Oliva, M. and Rivera-Batiz, L. A. (2002), "Political Institutions, Capital Flows, and Developing Country Growth: An Empirical Investigation", Review of Development Economics, 6: 248-62.

Olson, M. (1982), "The Rise and Decline of Nations: Economic Growth, Stagflation and Social Rigidities", New Hawen, Yale University Pres.

Perotti, R. (1996), "Growth, Income, Distribution and Democracy: What the Data Say?", Journal of Economic Growth, 1(2): 149-187.

Perrson, T. and Svensson, L. (1989), "Why Stubborn Conservatives Run Deficits: Policy with Time-Inconsistent Preferences," Quarterly Journal of Economics, 85. 325-45.

Şanlısoy, S., and Kök, R. (2010), "Politik İstikrarsızlık ve Ekonomik Büyüme İlişkisi: Türkiye Örneği", Dokuz Eylül İİBF Dergisi, 25(1): 101-125.

Sevüktekin, M. and Mehmet, N. (2007), "Türkiye'de İMKB ve Döviz Kuru Arasındaki Dinamik İlişkinin Belirlenmesi", VIII. Ulusal Ekonometri ve İstatistik Sempozyumu Bildirileri İçerisinde, Malatya, 2007.

State Planning Organization of Turkey, www.dpt.gov.tr/PortalDesign/Portal, (20.03.2012).

Swensson, J. (1998), "Investment, Property Rights and Political Instability: Theory and Evidence, European Economic Review, 42: 1317-1341.

Telatar, F., and Telatar, E., (2004), "Standart IMF İstikrar Politikaları: Politik İstikrarsızlığa Yol Açan Bir Kanal", İktisat,İşletme ve Finans, 215 (19): 53-65.

Telatar, F. (2003), "Türkiye'de Politika Değişkenliği ile Ekonomik Büyüme Arasındaki Nedensellik İlişkileri", İktisat, İşletme ve Finans, 211: 71-91.

Turkish Statistical Institute, www.tuik.gov.tr, (08.02.2012).

Turkish Treasury Undersecretariat, www.hazine.gov.tr/irj/go/km/docs/documents/…/V…/YSGM.xls, (05.02.2012).