

EconWorld2015@Torino

Türkiye ve İtalya Ekonomileri Arasındaki Konjonktürel Uyum Anlamak / Understanding Business Cycles Synchronization Between Turkish and Italian Economies

Türker Şimşek¹, Ahmet Güven¹, Atila Karkacier¹, Emre Aslan²

¹Gaziosmanpaşa University, Turkey

²Gaziosmanpaşa University, TR Bölgesel Farklılaşmadan Orta Gelir Tuzağına Çıkarımlar: Türkiye için Coğrafi Olarak Ağırlıklandırılmış Regresyon Uygulaması /

ABSTRACT

In this paper, we aim to identify the affecting factors about business cycles synchronization between Turkey and Italy. Firstly, we give the theoretical and empirical literature. Countries face with crises and recessions due to output volatility in the economy. To deal with crises and recessions we have to analyze the dynamic structure of economic output fluctuations. The relationship between business cycles fluctuations and economic variables must be analyzed with sophisticated econometric methods. Identifying the factors affecting business cycles synchronization is important for determining the prudential policies. To analyze the business cycles synchronization between Turkey and Italy we used Panel Generalized Methods of Moments via E-views. The determinants of business cycles synchronizations provide the effective economic policies in Turkey and Italy. Effective economic policies increase trade volume between Turkey and Italy. If business cycle synchronization is identified well, policy makers would have an advantage of interventions on economy. After the analyzed, we conclude that there is a business cycles synchronization between Turkey and Italy.

KEYWORDS Cyclical harmony; Panel GMM; Turkey Italy

JEL B22, F44, F47