Content

Course Code	Course Name	Semester	Theory	Practice	Lab	Credit	ECTS
ECON404	Current problems of the Turkish economy	8	3	0	0	3	6

Prerequisites	
Admission Requirements	

Language of Instruction	French
Course Type	Compulsory
Course Level	Bachelor Degree
Objective	The main objective of the course is to analyze current issues in the Turkish economy through theoretical and empirical studies. The first part of the course will focus primarily on macroeconomic policies, while the second part will examine structural issues such as inequality, productivity, human capital, and the labor market.
Content	The course will address the main macroeconomic and structural challenges currently facing the Turkish economy. The first part will cover monetary policy, inflation targeting, macroprudential policies, fiscal policy, taxation, trade policy, capital flows, the banking system, business cycles, and financial crises. The effects of the 2008 Global Financial Crisis and developments in the Eurozone on the Turkish economy will also be examined. The second part of the course will focus on structural issues such as growth, firm dynamics and productivity, the housing market, major labor market problems, the effects of migration on the labor market, human capital, resource misallocation, the middle-income trap, institutions, and regulation. These topics will be examined by combining relevant theoretical frameworks with empirical studies on the Turkish economy.
References	1. Altay, S. (2024). “Trade Policy Review of Turkey. “ The World Economy , 47(9), 3861–3892. 2. Dursun, G. (2023). “The Impact of the Customs Union on the EU–Turkey Trade. “ International Economics , 173, 143–163. 3. Ozatay, F. (2016). “Turkey’s Distressing Dance with Capital Flows. “ Emerging Markets Finance and Trade , 52(2), 336–350. 4. Berument, M. H., Denaux, Z. S., & Emirmahmutoglu, F. (2015). “The Effects of Capital Inflows on Turkish Macroeconomic Performance. “ Empirica , 42(4), 813–824. 5. Ozatay, F., & Sak, G. (2002). “The 2000–2001 Financial Crisis in Turkey. “ Brookings Trade Forum , 121–160. 6. Akyuz, Y., & Boratav, K. (2003). “The Making of the Turkish Financial Crisis. “ World Development , 31(9), 1549–1566. 7. Orhangazi, O., & Yeldan, A. E. (2021). “The Re-making of the Turkish Crisis. “ Development and Change , 52(3), 460–503. 8. Rodrik, D. et al. (2012). “The Turkish Economy after the Global Financial Crisis. “ Ekonomi-tek , 1(1), 41–61. 9. Kara, A. H. (2012). “Monetary Policy after the Global Crisis. “ Atlantic Economic Journal , 41(1), 51–74. 10. Akcigit, U., Akgunduz, Y. E., Cilasun, S. M., Ozcan-Tok, E., & Yilmaz, F. (2020). “Facts on Business Dynamism in Turkey. “ European Economic Review . 11. Bakis, O. (2026). “The Effects of Capital and Labor Reallocation on Total Factor Productivity in Türkiye, 2000–2024. “ Central Bank Review , 26(1), 100243. 12. Taymaz, E., Voyvoda, E., & Yilmaz, K. (2024). “Is There a Virtuous Cycle Between Wages and Productivity? Turkish Experience after the Transition to Democracy. “ World Development , 175, 106474. 13. Erol, I. (2019). “New Geographies of Residential Capitalism: Financialization of the Turkish Housing Market since the Early 2000s. “ International Journal of Urban and Regional Research , 43(4), 724–740. 14. Coskun, Y., Seven, U., Ertugrul, H. M., & Alp, A. (2020). “Housing Price Dynamics and Bubble Risk: The Case of Turkey. “ Housing Studies , 35(1), 50–86. 15. Aksu, E., Erzan, R., & Kirdar, M. G. (2022). “The Impact of Mass Migration of Syrians on the Turkish Labor Market. “ Labour Economics , 76, 102183. 16. Demirci, M., & Kirdar, M. G. (2023). “The Labor Market Integration of Syrian Refugees in Turkey. “ World Development , 162, 106138. 17. Balkan, B., & Tumen, S. (2016). “Immigration and Prices: Quasi-experimental Evidence from Syrian Refugees in Turkey. “ Journal of Population Economics , 29(3), 657–686. 18. Restuccia, D., & Rogerson, R. (2017). “The Causes and Costs of Misallocation. “ Journal of Economic Perspectives , 31(3), 151–174. 19. Rodrik, D. (2016). “Premature Deindustrialization. “ Journal of Economic Growth , 21(1), 1–33. 20. Patrinos, H. A., Psacharopoulos, G., & Tansel, A. (2021). “Private and Social Returns to Investment in Education: The Case of Turkey with Alternative Methods. “ Applied Economics , 53(14), 1638–1658.

Theory Topics

Week	Weekly Contents
1	1. Monetary Policy Issues, Macro-Prudential Policy and Inflation Targeting in Turkey
2	2. Fiscal Policy and Role of Multiplier In Turkey
3	3. Taxation in Turkey
4	4. Trade Policy and Capital Flows
5	5. Banking and Business Cycles and Credit Guarantee Fund
6	6. Financial Crises and Turkish Experience (1994, 2001 And 2008 Crisis)
7	7. 2008 Global Economic Crisis, Eurozone Recession and Their Effects on Turkish Economy
8	8. Growth Diagnostics and Firm Dynamics and Productivity in Turkey
9	9. Housing Market in Turkey
10	10. Labor Market Issues and Syrian Refugees on The Turkish Labor Market
11	11. Human Capital, Misallocation, And Middle-Income Trap s
12	12. Institutions and Regulation