

ABSTRACT

ECONOMIC INTEGRATION AND ECONOMIC GROWTH: GRAVITY ANALYSIS REGARDING TURKEY AND SOME SELECTED COUNTRIES

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The main aim of this study is to the effects of economic integrations on economic growth and foreign trade. In this direction, the concept of economic integrations is explained and the reasons for how economic integrations have emerged are given. Also, the stages in economic integration and its effects are explained. Moreover, we give some examples of regional economic integrations. Trade analysis of integrations between member countries is made and the effects of globalization and integrations on the growth and foreign trade are mentioned. In addition, the tools used and the policies followed to support economic growth are explained. We also give the reasons why Turkey has given importance to regional policies with respect to foreign trade and growth in recent years. Turkey's regional integration efforts and the analysis of foreign trade between selected 9 countries are explained. Turkey's trade gains from economic integration are mentioned.

We analyse the trade between Turkey and some selected developed countries and Middle- Eastern countries by using OLS Estimation Method. Gravity Theory is used for the aim of the study. The effects of variables used for estimation on Turkish foreign trade and on Turkey's economic growth are analysed.

KEYWORDS: Economic Growth, Economic Integration, Foreign Trade, Gravity Theory, OLS Estimation.