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**TITLE: Inflation and Growth Relationship in Turkey: 1987-2006 Period**

#### **ABSTRACT**

The relationship between inflation and growth in Turkey is examined in this paper with time series analysis using quarterly data related to 2000-2008 period. Models used in the original data, Turkey Statistical Institute of Information Systems for the CPI variable alınmıştır. Enflasyon have been mailed. A unidirectional causality runs from growth to inflation within the Granger causality analysis. The regression analysis we have made points out that growth effects inflations positively. Every 1 point increase in inflation is found to decrease growth rate by 0,0033 points during the examined period. According to the results of Granger Causality Analysis; TUFİ'den GDP to come across a proper level of causality relationship, GDP from TUFİ'ye correct causality relationship has been found. In this case the model as independent variables of the economic model as to be GSYH'nın has shown significantly.

#### **KEYWORDS**

Inflation, economic growth, granger causalty , Turkish economy.