working paper series

POLITICAL DETERMINANTS OF GOVERNMENT STRUCTURE AND ECONOMIC PERFORMANCE IN TURKEY SINCE 1950

Ali T. Akarca[1]

Working Paper No. 1241

October 2018

Send correspondence to:
Ali T. Akarca
University of Illinois
akarca@uic.edu

---

1 Department of Economics (mc 144). University of Illinois at Chicago, 601 S. Morgan Street Chicago, Illinois 60607, USA. E-mail: akarca@uic.edu. Telephone: 1 312 996-2683. Fax: 1 312 996-3344

First published in 2018 by
The Economic Research Forum (ERF)
21 Al-Sad Al-Aaly Street
Dokki, Giza
Egypt
 www.erf.org.eg

Abstract

During the last two-thirds of a century, Turkey was ruled by a wide variety of governments: single-party governments, coalitions partnered by two or more parties and by ideologically compatible and incompatible parties, minority and military governments. While single party governments all lasted at least two terms, the rest rarely lasted even one term. The timing of these governments and the order in which they followed each other were not by chance but according to a pattern induced by coups. Typically single party governments were ended by coups. Ideologically incompatible and then compatible coalition governments followed, usually after a brief military administration. Then once again single party governments returned. As economic growth typically exhibits an inverted-U type of pattern over the life of a government, and declines as the number of ruling parties and the ideological distance between them increase, the coups lowered the growth rate of the country and generated political business cycles that are distinct from those induced by elections. In the paper, these assertions are explained in detail, and supported using theory, history, descriptive statistics, and regression analysis. It is also shown that improving democratic institutions of the country would enhance the stability and growth of the economy greatly.

Keywords: Turkey; Coups; Coalitions; Political fragmentation; Economic growth; Political business cycles.

JEL Classifications: D72, E32, H11, O43, O47, O53

ملخص

خلال الثلثين الأخيرين من القرن ، حكمت تركيا مجموعة من الحكومات المختلفة : حكومات الحزب الواحد ، وإئتلافات يشارك فيها حزبان أو أكثر ، وبأحزاب متشابهة أوغير متوافقة أيديولوجياً ، وحكومات أقلية وعسكرية. بينما استمرت حكومات الحزب الواحد ولايتين على الأقل ، نادرا ما إستمرت الحكومات الأخرىَّ حتى لفترة واحدة. كما أن توقيت هذه الحكومات وترتيب تعاقبها لم يكن بمحض الصدفة بل وفقاً لنمط معين نتيجة انقلابات. في العادة ، انتهت حكومات الأحزاب الواحدة بانقلابات. وأعقبتها حكومات ائتلافية مختلفة معها أيديولوجيا ثم تبعتها حكومات ائتلافية متوافقة مع الأيديولوجيات ، عادة بعد إدارة عسكرية قصيرة. ثم مرة أخرى ، عادت حكومات الحزب الواحد. بما أن النمو الاقتصادي عادة يظهر كنمط حرف U مقلوب على مدى عمر الحكومة ، ويتناقص مع زيادة عدد الأحزاب الحاكمة واتساع المسافة الأيديولوجية بينها ، فإن الانقلابات قللت من معدل النمو في البلاد وأدت إلى حلقات من أعمال سياسية تختلف عن تلك التي تأتى عن طريق الانتخابات. في البحث الحالى ، شرح لهذه التأكيدات بالتفصيل ، مدعما باستخدام النظريات والتاريخ والإحصاءات الوصفية وبتحليل الانحدار. كما يبين ألبحث ان تحسين المؤسسات الديمقراطية في البلاد سيعزز استقرار ونمو الاقتصاد بدرجة كبيرة.

1. Introduction

Since 1950, when the first fair and direct election took place and the power changed hands for the first time, Turkey got ruled by a wide variety of governments: single-party governments, ideologically compatible and incompatible coalition governments partnered by two or more parties, minority and military governments. In this paper it will be argued that the timing and duration of these governments and the order in which they followed each other were not by chance but according to political cycles caused by *coups d'état* (or coups).[2] Furthermore, it will be shown that these cycles in turn led to parallel business cycles that are distinct from business cycles caused by elections, because economic performance varies systematically over the tenures of governments, and depend on the number of ruling parties and the ideological distance between them. To the best of my knowledge, this is the first study to tie structure of governments and business cycles to coups. Understanding this link will let us make better sense of the Turkish economic growth over the last two-thirds of a century, abandon the wrong diagnoses made about it and futile cures prescribed for them. The paper hopes to contribute also to the literature studying how economic performance is affected by the structure and tenure of governments.

The outline of the paper will be as follows. In the next section, historical evidence will be presented to show that in Turkey, various types of governments followed each other in a particular pattern and that military interventions were at the root of this. Then, to help us understand how the coup driven political cycles translated into business cycles, the literature studying economic performance under various kinds of governments will be reviewed in section 3. The applicability of the findings of this literature to the Turkish case will be established in the section following that, through descriptive statistics and regression analysis. Finally, in section 5, conclusions reached will be listed.

2. Political and historical background

As shown by Akarca (2018), Turkish electorate exhibits a tendency to gather in four camps: left-statist, right-conservative, Turkish-nationalist and Kurdish-nationalist parties.[3] At present, the Republican People's Party (CHP), the Justice and Development Party (AKP), the Nationalist Action Party (MHP) and the People's Democracy Party (HDP) represent these groups, respectively. Until 1946, only the first group was allowed to organize formally, except during 1924-1925 and 1930 when the Progressive Republican Party (TCF) and the Liberal Republican Party (SCF), representing the second group were permitted for about six and three months, respectively. After 1946, the second and third, and after 1995 the fourth entered the picture formally.

---

[2] In this paper, coups are defined as in Powell and Thyne (2011): "illegal and overt attempts by the military or other elites within the state apparatus to unseat the sitting executive." Note that this definition allows for the possibility of coups not being led by the military, and considers overthrowing governments through threats of military intervention, but without use of force, as coups as well. As O'Kane (1987), a coup is considered to be to be successful if it leads to the "installation in power of a government of the conspirators' own choosing." Thus we can say that of the nine Turkish coups, the ones on 27 May 1960, 12 March 1971, 12 September 1980 and 28 February 1997 were successful, but those on 22 February 1962, 21 March 1963, 9 March 1971, 27 April 2007 and 15 July 2016 were not.

[3] The left-statist group is labeled as such, even though its leading parties cannot be considered left, because they describe themselves as left of the center at least since late sixties, and occasionally small leftist parties have emerged from them. Also left-leaning people vote for them. In many studies, the Turkish nationalist and conservative parties are grouped together, and analyzed as the Turkish right wing. However, since a distinct Turkish nationalist party existed constantly since 1950, except for brief periods when it was banned by military juntas, it is more appropriate to treat it as a separate movement. Although the rest of the right wing occasionally fragmented into several parties, they always regrouped, as will be explained below.

The right-conservative movement, is the largest of the four political tendencies and usually gets more than sufficient support from the public to form a single-party government and shows a tendency to gather in one party. Since 1950, in only two elections the aggregate vote share of this bloc fell below 47 percent, a level more than sufficient to capture at least half of the seats in the parliament. However, after each time they came to power alone or got close to doing so, their government was toppled by the military, often with the help of the judiciary, because they were viewed as a threat to the secular and western orientation of the country. No doubt, fear of losing their influence and guardianship roles, pushed the armed forces and the judiciary in that direction as well. Between 1950 and 2016, five such coups took place, four of which were successful. These involved military taking over for a few years, either directly or through a civilian government they imposed, making some institutional changes to strengthen their privileged position in the established order, and then returning to electoral democracy. We can call this type of interventions classical coups, since transitions from democracy to non-democracy typically occur this way.[4] As Acemoğlu and Robinson (2006) point out, the driving force behind such transitions is the realization by the elites that their de facto power is temporary. Before it slips away, they interfere to change political institutions toward those that give them more de jure power. Although economic crises, social unrest, political instability, and ironically threats to democracy are often cited in the literature as causes of coups, numerous memoirs written and interviews given by Turkish junta leaders reveal that the planning for the coups begin years before they take place, when the economy was performing well and there were no signs of social strife, political instability or authoritarianism. Furthermore, economic crises far worse than the ones experienced prior to the coups and the crises while non-conservative parties were in the government have failed to trigger military interventions. Coups often overlapped with the events cited, because juntas timed them that way to make them more justifiable to the public and international community. Also, as Acemoğlu and Robinson (2006) point out, opponents of democracy are more likely to attempt coups at times of political or economic crises, when the balance of de facto power temporarily tilts in their favor. For that reason, there is a tendency for coups to occur during second or third terms of single party governments, not during their first terms when the economy is performing well, as will be explained below.

In the Turkish case, classical coups aimed also at increasing the relative de facto power of the military and making it more durable. To this end, ruling conservative parties were fragmented after each successful coup. To dilute their power even further and to be able to check it more effectively, the pieces of the fragmented conservative parties were not allowed to form a coalition government by themselves, but forced to partner with a left-statist party aligned with the military. Consequently, the governments formed after the coups were not only fragmented size wise but also ideologically. In each case however, the conservative parties eventually managed to get together again, first in a coalition government and then under the roof of a single party, which in turn led to another coup, followed by another period of coalitions. For that reason, Turkish political history can be thought of as consisting of single party government (lasting more than one term) => coup => military rule => coalition governments (first ideologically incompatible, then compatible) => single party government => coup cycles, as depicted in

---

[4] Of the coups listed in footnote 1, all of the ones labeled as successful, together with the one in 2007 can be considered classical coups. The rest constitute a second kind, which will be discussed later.

figure 1.

The five classical coups are listed in Table 1. After the 1960 and 1980 coups, the military took direct control. In the former the incumbent party, and in the latter all of the parties were banned. In the ones in 1971 and 1997, military forced the prime minister to resign under threat of a takeover, and imposed a new government on the parliament. Although an attempt was made by the military also in 2007 to bring down the conservative government, the incumbent party thwarted it by cleverly calling a snap election and winning it handily.

Certain patterns can be discerned from Table 1. All of the five coups listed took place when right-conservative parties were in power. Only one party was ruling in all of them, except the one in 1997 when two parties were in a coalition but both were from the right-conservative segment. All successful coups occurred during second or third terms of single party governments. Interestingly, the 2007 coup which took place during a conservative party's first term, did not succeed. A chain of coalition governments followed each successful coup immediately, except the one in 1980 when coalitions appeared after a delay for the reasons which will be explained below. No coalitions appeared after the 2007 coup as it was unsuccessful.

The post-coup coalitions always included a statist party. The pieces of the fragmented conservative parties were not allowed to form a government by themselves, but forced to partner with a statist party so that they can be controlled more easily. Even though in 1961 the right-wing Justice Party (AP), the New Turkey Party (YTP) and the Republican Peasant's Nation People's Party (CKMP), which captured the votes of the Democrat Party (DP) ousted by the 1960 coup, were willing and able to form a government, the military junta forced the AP to form a government with the leftist-statist Republican People's Party (CHP) instead. Nevertheless, the planned coalition got formed later, shortly before the next general election in 1965 which brought the AP to power alone. When the 12 March 1971 coup toppled the AP government, leaders of the junta demanded a cabinet composed of AP, CHP and National Reliance Party (MGP) deputies, and a number of unelected technocrats, headed by a prime minister from the CHP.[5] The latter two parties were from the leftist-statist camp. To avoid the AP from coming to power again, the leader of an Islamist party which was banned only a year earlier, shortly after its establishment, was invited by the generals to return from self-exile abroad to establish a similar party with the aim of splitting the AP supporters. That party, named the National Salvation Party (MSP), was encouraged to form and did form a coalition government with the CHP after the 1973 election, the first one following the coup. However, as will be discussed below, when the Welfare Party (RP), which succeeded the MSP and shared with it the very same leadership and ideology, formed a coalition government in 1996 but this time with the conservative True Path Party (DYP), it got toppled by the military within a year. To erect another barrier in front of the AP's path to power, the 1971 junta engineered also separation of a faction from the party by forcing the party leadership, under threat of another coup, to table a proposal granting amnesty to the banned leaders of the DP. Those opposed to the move formed the short-lived Democratic Party (DP2). This time it took two legislative terms for the AP to acquire the power alone, but it got toppled once more in less than a year by the 1980 coup.

By 1980, the military came to the realization that fragmenting conservative parties was futile and had

---

[5] The prime minister resigned from his party before taking office though, to appear as an independent.

harmful side effects, and changed tactics. They decided to control the right-conservative bloc directly, by establishing their own conservative party headed by a retired general they trust.[6] To make the party attractive also to voters from the Turkish-nationalist segment, they named it the Nationalistic Democracy Party (MDP). Because the leader of the CHP had taken strong stands against both the 1971 and 1980 coups, it was felt necessary to establish a new left-statist party as well.[7] That party was named the Populist Party (HP).[8] To give the MDP and HP a head start, the junta excluded from the 1983 election all parties which were continuation of the previous parties. However, the outcome of the election was a total shock for the military. The winner turned out to be not the MDP as planned but the conservative Motherland Party (ANAP), only party among the three permitted to participate in the election that was not designed by the junta. The ANAP was allowed to enter the election to give it an appearance of a true contest and to avoid the MDP from over-dominating the Turkish politics. The party was not supposed to win the 1983 election, just as the DP was not supposed to win the 1950 election. The MDP could not last even until the next parliamentary election. Although the ANAP was able to form a single party government in 1983, its support dropped significantly by the eventual entry of other parties which were excluded from the 1983 election. The party was barely able to hold on to power for another term by calling the 1987 election before other parties could organize, by capturing some of those who left the MDP, and by benefiting from its incumbency advantage and the success of its market-oriented reforms. In 1989 local elections, the party's vote share dropped below that of the True Path Party (DYP), a conservative party formed by the leader of the defunct AP. After the 1991 parliamentary election the third wave of coalition governments began.

One of those governments, formed by two conservative parties, the DYP and the RP, was forced by the military to give up power in 1997. To avoid formation of a new government under the same incumbent parties, one of them was split with the help of the president who was the former leader of that party. The other one and its leader got banned by the Constitutional Court for violating the secularism clause of the constitution. An ideologically compatible two-party government got replaced by an ideologically incompatible three-party coalition formed by the conservative ANAP and the Democrat Turkey Party (DTP), and the left-statist Democratic Left Party (DSP). The DTP was the party that was splintered from the DYP in 1997 as mentioned above. It took not the next election but the one after that in 2002 for a new right-conservative party, the Justice and Development Party (AKP), to form a single party government again. The AKP managed to hold on to power ever since. A coup was attempted in 2007 to change that, but as mentioned above, it failed. Ironically, the 2007 coup, rather than fragmenting, actually facilitated the consolidation of right-conservative votes under the AKP. That happened because the military inadvertently discredited the ANAP and the DYP in the eyes of their supporters by making them complicit in that coup. To stop the AKP from electing its candidate as president, the military

---

[6] Acemoğlu and Robinson (2008) explain how elites try to offset any *de jure* power they have to give up, by increasing their *de facto* power (e.g. in the form of capturing political parties).

[7] It should be noted however that the leader of the CHP in 1980 was not the leader of the party in 1971 but its secretary general, and also that he supported the 1960 coup and his party cooperated with the juntas in 1960 and 1971 and nominated one of the 1971 Junta leaders as their presidential candidate in 1980.

[8] All of the parties banned after the 1980 coup got legalized in 1994 but among them only the CHP regained prominence, and eventually reunited the fragmented left-statist segment. The Turkish-nationalist and right-conservative groups continued under the banners of their new parties.

organized a series of mass protest rallies against the party, and on 27 April 2007 posted on the Armed Forces web page a thinly veiled threat to take over if they do. A highly controversial decision was announced by the Constitutional Court two days later requiring participation of two-thirds of the deputies in the first round of the presidential balloting in the parliament, a rule not practiced in any of the earlier presidential elections. This took away the AKP's ability to elect its candidate without the aid of other parties. When the ANAP and DYP, under pressure by the military, decided not to participate in the presidential balloting so that the quorum required by the Constitutional Court could not be reached, they alienated many of their supporters who switched their allegiances to the AKP, which stood firm against the military and later took measures to dismantle the military tutelage system. The AKP's disavowal of political Islam no doubt facilitated this consolidation.

In short, the picture presented by Table 1 and the anecdotal evidence given show that coalition governments in Turkey were a consequence of political engineering by the military. Typically, ideologically incompatible coalitions followed coups first. Then came the compatible ones and eventually single-party governments again. This of course does not imply that coups are the only way coalition governments occur, but that that was the way they occurred in Turkey. Without coups coalition governments would still exist but would be much less frequent and much less fractured. Economic voting literature indicates that losses typically suffered by ruling parties as a result of strategic voting to create checks and balances against them and due to depreciation in their political capital over their tenure, usually cannot be offset by incumbency advantage unless economic performance is exceptionally good and/or it coincides with a political realignment in their favor.[9] As mentioned above and will be shown in the next two sections, economic performances of single party governments in Turkey and other countries deteriorate after their first terms. Thus, it is reasonable to expect the vote share of the ruling party to decline eventually to a level forcing it either to lose power or to form a coalition government. However, the coup plotters in Turkey either did not realize this or did not have the patience to wait for it. Indeed, when the AKP lost its parliamentary majority in the 7 June 2015 election, after serving three terms, Turkey came very close to having its first natural coalition government. Had the opposition parties in the parliament joined forces, or at least one of them agreed to partner with the AKP, the 1 November 2015 snap election would not be called and the first Turkish coalition government not created by a coup would have happened.

Before ending this section, it would be useful to briefly touch upon the non-classical coups that have taken place in Turkey. Use of classical coups as an effective tool to control the power of conservative incumbents encouraged other kind of coups. The 1960 take-over, organized by a small number of low-ranking officers and accomplished quite easily, was particularly inspiring in this regard. The leaders of that coup prepared the grounds for prospective coups also by implicitly "legitimizing" coups as a tool for removing "bad" governments, in the preamble of the 1961 constitution.[10] Marginal groups, with no hopes of achieving power through elections, tried to get it with the help of armed forces and/or the

---

[9] For surveys of the economic voting literature, see Lewis-Beck and Paldam (2000), Lewis-Beck and Stegmaier (2000, 2008, 2009, and 2015), and Stegmaier and Lewis-Beck (2013). Akarca and Tansel (2006 and 2007) and Akarca (2009, 2010, 2011a, 2011b, 2015a and 2015b) show that the behavior of Turkish voters is very similar to the patterns described in that literature.

[10] Londregan and Poole (1990) dub such dynamics of one coup leading to another coup as a "coup-trap."

courts.[11] Also, because after each successful coup officers who were part of the junta which accomplished it got promoted while the rest of the officers were either left behind or forced into retirement, the classical coups motivated formation of competing juntas. These eventually staged their own coups to maintain their positions or to enhance it.[12] Although the second type of coups caused a lot of damage through disruptions and instability they have created, since their goal was not to force coalitions but to grab power permanently, and because they were not successful in the first place, their impacts were short-lived and will be of less interest to us here.

Another side effect of military interventions and the guardianship system they instituted was long-lasting and should be emphasized as well. Frequent party closures and bans on political leaders hindered Turkish political parties from institutionalizing, developing democratic traditions (inter-party and intra-party), and accumulating valuable experience on good governance. It caused politicians to develop a reflex of avoiding making decisions on critical issues, passing them on to the guardianship institutions. These affected adversely not only the performances of forced coalitions but of single party governments as well.

3. Economic performance under various types of government

Economic performances of governments that typically followed each other over the coup cycle were different because economic performance of a government varies depending on the number of years it was in power, number of parties in it and the ideological distance between them. A number of reasons are offered in the literature to explain the observed differences between the performances of various governments.

Bawn and Rosenbluth (2006) point out that incumbent parties undertake projects that benefit mainly their own supporters. However costs of these are born by everyone. Consequently, they undertake many projects for which costs to the general populace exceed benefits. Then government spending and deficits tend to be larger too, which in turn lead to higher inflation and interest rates and lower private investment. This tendency exists in every government, but to a much lesser extent in single-party governments, since larger parties encompass more interest groups and thus internalize more costs than smaller parties. The larger is the fragmentation in the government, the greater is the number of inefficient projects undertaken and investment crowding out, and smaller is the economic growth, A coalition of three parties is worse than a government including two parties, and a three party coalition involving three equally sized parties is worse than one consisting of one large and two small parties. Besides fragmentation in size, fragmentation in ideology matters as well. When the incumbent parties have similar worldviews, the policies preferred by their constituencies overlap. Then more costs are

---

[11] For example, the 9 March 1971 coup plot, which was prevented by the March 12 1971 coup, was planned by some socialist intellectuals and leftist officers. The political parties which espoused to the views represented by the organizers of that coup received no more than 3 percent of the vote in various elections they contested democratically. As Can (2014) explains, the Gülen religious organization, which masterminded the 15 July 2016 take-over attempt, became an asymmetrical power center by infiltrating the armed forces and the judiciary, despite having "2-3 percent support at most."

[12] For example, the failed coup attempt on 22 February 1962 was organized by officers which were about to be removed from their positions by another junta. The 21 May 1963 coup attempt on the other hand was a come-back effort by those removed after the unsuccessful 1962 attempt. The 12 March 1971 coup was implemented to some extent to counter the leftist junta which planned the 9 March 1971 coup. Similarly, the 15 July 2016 coup was timed by the Gülenists to preempt the dismissal of their members from the armed forces suspected to take place in about a month.

internalized. Thus economic growth will be lower under coalitions involving parties from opposite ends of the political spectrum than those including politically coherent parties.

Bejar, et al. (2011) give another reason why policy making and economic performance is likely to be poorer under multi-party governments. They point out that multi-party governments have shorter life spans than single party governments, and consequently have shorter time horizons and lower discount factors in office. They are less concerned with future ramifications of their actions. They engage in log-rolling and pork barrel legislation to appease their constituents with more government money, and shift the burden of higher expenditures to future governments. By favoring inefficient projects, with future costs far exceeding current benefits, and by bloating budget deficits which crowd out private investment, this affects growth adversely. As Bawn and Rosenbluth (2006) suggest, large parties can be thought of as coalitions too, but one in which the commitment among groups in it much stronger and goes way beyond the next election. Thus, single-party governments have longer time horizons. Indeed in Turkey, single-party governments all lasted two or more legislative terms. One is currently in its fourth term. One was in its third and another in its second term when they were toppled by coups and could have lasted longer in the absence of military interventions. On the other hand, of the fourteen coalition governments listed in Table 1, only two (DYP+SHP/CHP and DSP+MHP+ANAP) were able to last as long as one legislative term.

Hall and Nishikawa (2014) approach the issue from the veto-player framework introduced by Tsebelis (1995, 1999 and 2002). 'Veto players' are defined as "individuals or institutions whose agreement is required for a change of the status quo." For example, each political party in a government can be considered a veto player. Hall and Nishikawa suggest that ruling party duration has an inverted U-shaped relationship with economic growth, when the number of veto players is relatively low. New governments typically make substantial changes in macroeconomic policies, which by creating uncertainty dampen investment and growth. However this uncertainty gradually dissipates as investors observe government's policy behavior. Existence of some veto players with divergent preferences makes the policy unlikely to change. Since the largest gains in the reduction of uncertainty come with the initial observation of behavior, economic performance should improve most in the initial phases of a government's tenure. However, as the marginal returns from the stabilization of policy expectations diminish over time, pressure by special interest groups to redistribute resources rise. Market interventions to create rents for these groups distort incentives, drawing resources from efficient uses. Also, resources that can go to productive uses are diverted to lobbying efforts. Furthermore, beneficiaries of reforms instituted earlier try to lock them in and resist any attempt to alter them. This reduces government's ability to reverse policy mistakes and to respond to macroeconomic shocks in a timely fashion. Thus, extended duration in power of ruling parties eventually lead to institutional sclerosis and deteriorating economic performance.

According to Hall and Nishikawa (2014), as the number veto players and the ideological distance among them increase, the effects which give rise to the inverted U-shaped curve relating economic growth to tenure may get moderated. Additional constraints placed on the executive enhances the credibility of policy reforms undertaken and diminishes the likelihood of large deviations from the status quo. Although this makes the parties in the government less able to reverse good policies and institute

harmful ones, it also reduces their ability to respond to economic shocks and to reverse prior policy mistakes. However, it is possible for large numbers of veto players to thwart institutional sclerosis by achieving productive policy cooperation over time and forestalling rent-seeking activity. The inverted U-shaped curve in question then gets flattened, and may even become regular U-shaped. On the other hand, if the cooperation among the members of government comes too late or take the form of log-rolling due to the reasons given by Bawn and Rosenbluth (2006) and Bejar, et. al. (2011), the rising portion of the regular U-curve may not be realized. In Turkey, this seems to have been the case. As mentioned above, only two out of the fourteen coalition governments managed to last one legislative term but both came to an end following one of the worst economic crises the country has ever experienced. Only one coalition government (AP+MSP+MHP) was able to continue after an election, serving parts of two terms, but the partners in it were ideologically close. The growth-duration relationship under that government was shaped as an inverted U.

Too few veto players can be a problem as well. So far, we have considered only political parties as veto players and assumed that the number of veto players remain the same during a government's tenure. However individuals and various organs of the ruling parties can act as veto players as well. Initially there are reasonable number of veto players in single-party governments in Turkey but many of them get eliminated over their time in power. All such governments were formed by political parties which were established only a few years before taking office. The DP and the AP came to power in fourth year of their existence, the AKP in its second, and the ANAP in its first. At the beginning, the ruling party's leader was really in a position of being first among equals. Other prominent politicians in the party were integral part of decision making too. Members of cabinet had more decision making latitude. The party's members of parliament and provincial officials were able to give their input as well. The parliament could check and balance the government more effectively. Much needed structural changes and policy actions delayed under the preceding era of coalition governments were all undertaken during this period in a credible manner and economic performance improved. However, in emerging countries like Turkey, lacking strong tradition and legal framework for intra-party democracy, as the party ages the power rapidly gets concentrated in the center and in the hands of the party leader. The limited independence of regulatory bodies and the central bank is curtailed further. Competent technocrats who advise against implementation of populist policies are replaced with 'Yes' men. Ruling party's members of parliament stop speaking their mind freely, as those who are too critical of the government's policies risk being removed from their party's candidate lists in the next election. Often press freedoms suffer as well. Chandra and Rudra (2015) show that higher levels of public deliberation lead to better economic performance not only in democracies but even in authoritarian regimes. With no effective veto players, when constructive criticism is halted also, policy mistakes are not noticed, and even when they are noticed, they go uncorrected. Creative ideas diminish, discretion replaces rules, policies change abruptly and arbitrarily and often not in response to changing economic conditions but due to political reasons. Corruption and rent-seeking increase which impedes dynamism and causes real resources to be shifted away from investment and toward seeking government benefits. Existence of some veto players, concerns over losing the subsequent election and fear of providing an excuse for the military to conduct a coup, may restrain the new ruling party initially, but only until it consolidates its position. Sharma

(2017) argues that markets can sense the approach of the turning point. Examining stock market performance under thirty-three leaders in the emerging world, which reigned more than five years, he finds that the median stock market return for this group tends to rise faster than the emerging world average during the first forty-one months of the leaders' tenures. Ninety percent of that gain occurs in the first twenty-four months of the new regime. After three and a half years, the markets start to move sideways.[13] This implies that in countries with weak institutions, economic performance under single-party governments begin to sour after their first terms. Documenting this process in the case of the AKP rule in Turkey, Acemoğlu and Üçer (2015), and Atiyas (2016) also pinpoint the turning point to the end of the party's first term. More evidence on this will be provided in the next section.

Yet another reason why economic performance is not the same under various types of governments may have to do with the incentives given to them by the electorate not being the same. According to the economic voting literature, voters assess economic performance of governments and reward or punish them through their ballots.[14] However they base their evaluations only on the recent past, providing the politicians with an incentive to create electoral business cycles, in which economy expands right before the elections and contract right after. Some studies, such as Powell and Whitten (1993), Whitten and Palmer (1999), Anderson (2000), Nadeau, Niemi, and Yoshinaka (2002), Hellwig, and Samuels (2008) and Hobolt, Tilley and Banducci, (2013), argue that the strength of economic voting depends on the 'clarity of responsibility' for economic outcomes. Under coalition governments, especially under those fragmented in size and ideology, it becomes more difficult for voters to assign responsibility and sanction incumbent parties for their performance. Then the impact of the economy on election outcomes tends to be smaller. Fisher and Hobolt (2010), Debus, Stegmaier and Tosun (2014), Duch, Przepiorka and Stevenson (2015), Williams, Stegmaier and Debus (2016) and Angelova, Konig, and Proksch (2016) find further that economic voting is not only weaker in multi-party governments, but it is also not the same for all of the ruling parties. It appears that voters hold the junior members of a coalition less responsible for economic conditions than the primary incumbent party and sometimes not responsible at all. Akarca (2017) verifies these conclusions for the Turkish case and shows in addition that in coalition governments which include ideologically distant parties, incentives turn into disincentives for the junior members.

Governments that are rewarded less for a good economy and punished less for a bad one, have less incentive to perform well, and are more likely to sacrifice economic goals for other considerations. When voters do not hold the parties in coalition governments equally accountable, this creates conflict of interest and friction between the partners, delaying critical decisions and reducing the expected lives of the governments, which in turn generates uncertainty and instability. Parties with less or nothing to lose can drag their feet even on reforms they approve of just to deny their main coalition partner any vote gain. Furthermore, when the incumbent parties cannot get votes through good economic performance, they try to get it through populist means, such as distributing cheap credit, patronage, and transfers. Thus, governance worsens as the number of parties in the government increase and their political cohesion decrease.

---

[13] Interestingly, running the same analysis for developed countries, Sharma (2017) finds no clear connection between stock market returns and the tenure of the political leader.

[14] Note that studies surveying this literature were listed in footnote 8.

In short, we should expect the coup related political cycles discussed in the previous section to generate parallel business cycles.

4. Empirical results

Applicability of the assertions made in the previous section can be ascertained from Tables 2 through 4. These show how the rate of change in per capita real GDP (henceforth, the growth rate) varied under various types of Turkish governments which ruled during the 1950-2015 period.[15] According to Table 2, growth was higher under single-party governments than under coalitions. Economic performance was worst under minority governments, followed by military regimes. However, a clearer picture emerges when different terms of single-party governments and different types of coalitions are distinguished. As can be seen from Table 3, growth was substantially higher during the first terms of single-party governments than their later terms, consistent with an inverted U-shaped relationship between economic growth and tenure. The growth in second and later terms of such governments was only one-fifth to one-half of their first terms. This pattern appears to be quite robust. It occurs (although at different levels) under every single-party government. The fact that the same pattern has occurred under different administrations which ruled decades apart, shows that it cannot be attributed to specific factors related to a leader or a period.

No coalition government lasted more than the equivalent of one legislative term which can be taken as a sign that none of them were able to achieve a productive policy cooperation over their tenure to thwart institutional sclerosis. Table 4 shows that performances of coalition governments depend on the number of parties in them and the ideological distance between them. The table examines periods before and after the 1983 election separately. This enables us to check the robustness of the patterns observed. However, there are other reasons for doing this. All two-party coalitions before 1983 and all three-party coalitions after 1983 were ideologically incompatible ones (defined as at least one half of the junior parties being from the opposite wing of the political spectrum than the primary incumbent party). Also, the size fragmentation implied by the number of parties in the government was not the same in the two periods. As indicated in section 2, by closing all of the parties, the 1980 coup caused much greater fragmentation in governments than the previous coups. This manifested itself more so in coalitions involving more than two parties. Whereas, coalitions partnered by three or more parties consisted of one large and a couple of smaller parties before 1983, only few percentage points separated the vote shares of ruling parties after 1983. Average number of effective parties, measured as suggested by Laakso and Taagepera (1979), for two-party incompatible coalitions during the two periods was quite close: 1.8 in

---

[15] The growth rates presented in the tables are computed using the data provided by TurkStat for all years except 1948 and 1968. For latter two years, growth rates for the GNP, provided by the State Planning Organization are substituted for the missing GDP-related figures. The GDP series, from which growth rates are obtained, is 1968 based for years prior to 1968, 1987 based for the years between 1969 and 1998, and 1998 based for years after 1999. The new 2009-based GDP series released by TurkStat on 12 December 2016 is not used because it goes back only as far as 1998, and for the period after 2010 it differs from the old series substantially, not only in level but growth as well. For example, for the years 2012-2015, the growth rate according to the latter series is 1.5 to 2.3 times of the former. The years 2016 and 2017 are not included in the analysis for the same reason.

the former and 1.9 in the latter.[16] The corresponding figures in the case of governments involving three or more parties on the other hand was 1.8 and 2.3, respectively.

For ideologically incompatible coalitions involving two parties, during both the first and second halves of the 1950-2015 period and those involving three or more parties during 1950-1983, when effective number of parties in the government was identical, average growth rates were essentially identical as well. However, the growth rate was substantially lower under ideologically incompatible three-party governments formed after 1983, when size fragmentation was much higher. The performances of ideologically compatible and incompatible governments can be compared in the case of two parties only for the post-1983 period, and in the case of three or more parties only for the pre-1983 period. In both cases growth under compatible coalitions is far higher than under incompatible ones. In short, economic performance is adversely effected by fragmentation of the government, both ideologically and size wise. Interestingly, economic performance under compatible coalitions is almost as good as that during first terms of single party governments and far better than that during later terms of single party governments. This shows the need for checking and balancing a party in power either through some veto players within the party, or when that is not possible, through coalition partners acting as veto players. In the case of incompatible coalition governments however, the beneficial effects of checks and balances the coalition partners provide appear to be more than offset by extra common pool problems they create.

Using the information given in Tables 3 and 4, various types of governments formed over a typical coup cycle can be ranked, according to their growth performances, as follows: 1) Single-party governments in their first terms, 2) ideologically compatible coalition governments, 3) ideologically incompatible coalition governments 4) single-party governments in their later terms, and 5) military governments. This shows that coup cycles created parallel economic cycles, as demonstrated in Figure 2, with economic performance going from very good, to below average, then to really bad, to closer to average, then to good and very good again.[17]

Although the descriptive tables presented provide compelling evidence, they do not control for other factors. Three omitted but important factors come to mind. First, the growth rate tends to revert to a mean. It is expected to recover after a sharp drop and return to a normal level after a spurt. Unless taken into account, these will show up as effects of the type of government ruling at those times. Second, as explained in the previous section, governments have an incentive to stimulate the economy before elections and switch to contractionary policies afterwards to offset the inflationary effects of the initial policies (unless another election is looming in the horizon). Such electoral cycles need to be separated from coup related cycles. Third, external shocks affect the economy as well, and unless accounted for, may be attributed to the administration at that time. Of course, the degree to which an external shock impacts the economy depends on the openness of the economy, which varies over time. Thus the two

---

[16] This index, used heavily by political scientists, is really the reciprocal of the well-known Herfindahl index of industrial concentration used by the economist, but applied to the vote shares of the parties rather than the market shares of the companies. Herfindahl index sums the squared shares and varies between zero and one. Its reciprocal on the other hand can vary between one and infinity and it is easier to interpret.

[17] Of course the cycle following each coup was not exactly the same because coups occurred at different terms of the single-party governments, sometimes coalitions began immediately after the coup without a direct military rule first, one time a single-party government got inserted inadvertently between the coup and the coalitions, and it took increasingly longer for the conservative block to reconsolidate after a coup.

dimensions of the issue need to be considered jointly. Effects of these three factors and others discussed above can be measured by regressing the growth rate (G_t) on subsection of the following variables and/or their interactions:[18]

G_{t-1} : growth rate lagged one year,

T_{it} : 0.25 times the number of quarters in year t which was ruled by a single-party government in its ith term (i=1 during government's first term, i=2 in its second term, and i=3 in its third and fourth terms),

DP_{it} : 0.25 times the number of quarters in year t which was ruled by a single-party DP government in its ith term (i=1 during government's first term and i=2 during its second and third terms),

AP_{it} : 0.25 times the number of quarters in year t which was ruled by a single-party AP government in its ith term (i=1 during government's first term and i=2 during its second term),

$ANAP_{it}$: 0.25 times the number of quarters in year t which was ruled by a single-party ANAP government in its ith term (i=1 during government's first term and i=2 during its second term),

AKP_{it} : 0.25 times the number of quarters in year t which was ruled by a single-party AKP government in its ith term (i=1 during government's first term and i=2 during its second, third and fourth terms)

$MIXED_t$: 0.25 times the number of quarters in year t which was ruled by an ideologically incompatible coalition government,

$MIXED2_t$: 0.25 times the number of quarters in year t which was ruled by an ideologically incompatible coalition government consisting of two parties,

$MIXED3_t$: 0.25 times the number of quarters in year t which was ruled by an ideologically incompatible coalition government consisting of three or more parties,

$NMIXED_t$: 0.25 times the number of quarters in year t which was ruled by an ideologically compatible coalition government,

MIN_t : 0.25 times the number of quarters in year t which was ruled by a minority government,

MIL_t : 0.25 times the number of quarters in year t which was ruled by a military government,

$PRE83_t$: equals one during 1950-1983, and zero otherwise,

$POST83_t$: equals one during 1984-2015, and zero otherwise,

$ELEC_t$: B_{kt} minus $\sum_{k=1}^{4} D_{kt}$

where B_k takes on the value of 0.25 if a future parliamentary or local administrations election is within one year of quarter k of year t, and zero otherwise; D_k takes on the value of 0.25 if quarter k of year t is within one year of the last parliamentary or local

---

[18] Because economic performance effects election results, one may think that an endogeneity bias would exist in the proposed regressions. However, vote share changes do not necessarily result in government changes, and not all government changes are due to elections. This can be seen from the fact that single-party governments lasted several terms and most of them came to an end not due to vote losses but due to coups. Also, many government changes occurred between elections.

administration election, unless it is also within one year of a future election, and zero otherwise,

USG_t: growth rate of U.S. per capita real GDP in year t.[19]

$OPEN_t$:   ratio of exports plus imports to GNP in Turkey in year t.

More detailed explanations on the measurement of these variables and the sources of data on them are given in the notes to Tables 2 and 5.

In all of the regressions presented in Tables 5 and 6, coefficients of ELEC and USG*OPEN are positive and that of the lagged growth rate is negative. They are all statistically and numerically significant. Thus presence and importance of external factors, election related cycles and mean reversion in the growth rate are established. However, even after controlling for these, the effects suggested in Tables 2-4 remain unchanged. In Table 5 regressions, the constant represents growth under first terms' of single-party governments. Performance under ideologically compatible coalitions turns out to be not very different from that. On the other hand the growth rate during single-party governments' later terms is significantly lower. There appears to be no difference between second and subsequent terms of such governments. Performances of ideologically incompatible two-party coalitions is about the same as that of single-party governments in their second and third terms, but growth under incompatible coalitions involving three or more parties is somewhat worse. Military governments do as bad as the latter. Performance under minority governments is the worst.

Table 6 regressions allow economic performance to differ under different single-party governments. They show that performances of the DP, AP, ANAP and AKP governments were not the same. However, the pattern of the first term growth far exceeding that of the later terms holds true for each of these governments. The DP's first term record (given by the constants in the regressions) was the best, perhaps partially reflecting yield of returning to democracy after decades of non-democracy. The second regression in Table 6 permits in addition the performances of incompatible governments to be different before and after 1983. It appears that such governments did considerably better in the pre-1983 period than in the post-1983 period. However, the main conclusions obtained from Table 5, namely that compatible coalitions do better than incompatible ones and two-party coalitions do better than coalitions including three or more parties, remain unaltered.

5. Conclusion

As the number of parties in a government and the ideological distance between them rise, its economic performance tends to deteriorate. In Turkey, such fragmentations were caused by coups but were always followed by gradual reconsolidation of the fractured political movements. Thus military interventions not only caused economic growth to be lower but also to fluctuate in a cyclical manner. The coup-induced political business cycles were distinct from the election-induced political business cycles. Although there is an awareness of the latter in Turkey, the dynamics underlying the former, even their existence, is not recognized. Consequently, coalitions and poor economic performance under them are

---

[19] The reason for choosing the U.S. growth rate fluctuations as a proxy for external conditions is not due to U.S. being the most important trading partner of Turkey. It is not. However American economy constitutes a large chunk of the world economy and has links to wide variety of countries including major trading partners of Turkey. Thus most shocks to the international economy effect other countries either directly or through shared trade partners with the U.S. Indeed, for example trying instead British and Greek growth rates, and changes in the crude oil price proved to be unsatisfactory.

viewed as natural phenomena which can be avoided only through tinkering with the electoral and governmental systems. For example, the unusually high ten-percent national vote threshold for a party to gain representation in the Turkish parliament was instituted in 1983 to reduce the effective number of parties and thus the likelihood of coalition governments. However, besides being undemocratic, it failed to avoid coalitions throughout the 1990s. Interestingly, a single party government emerged in 1965, despite the presence of an extremely proportional election system, known as "Milli Bakiye" (National Remainder), and lack of any election thresholds, nationwide or local. Putting an end to coalition governments was also used as the main justification for the recent replacement of the parliamentary system with a presidential one. Actually, the presidential system does not really eliminate coalitions but merely changes their format. When the majority of the parliament is from a party different from the president's, cooperation of more than one party is needed to pass the laws and the budget. The truth is that if the coups could be avoided, coalitions would be much less frequent, and when they occurred, would be formed voluntarily by ideologically compatible parties under which economic growth is reasonably good.

As there is a tendency towards a single-party government in Turkey, for good governance it is essential to have effective checks and balances to it not only from the opposition parties but also from within the ruling party itself. However, coups and the military guardianship system they have created through frequent party closures and bans on political leaders, have hindered political parties from institutionalizing, developing democratic traditions, and accumulating valuable experience on good governance. Lack of intra-party democracy caused all parties, but in particular those which rule alone, to become gradually more centralized and more authoritarian. Consequently a wide performance gap exists between the first and later terms of single-party governments. In fact, economic performance is far better under compatible coalitions than during later terms of single-party governments. Apparently lack of checks in the latter and parties acting as veto players in the former makes the difference.

In short, coups had long lasting consequences not only politically but economically as well. Their adverse impacts in Turkey were not restricted to the periods of direct military rule but continued way into the future through the guardianship system they established, which created political fragmentation and laid coup traps. Curtailing coups will produce better economic outcomes. In that regard, failure of the last two coup attempts in 2007 and 2016 can be taken as a good sign. Especially the way the last attempt was quashed, with immediate resistance from all political parties, mainstream media, business associations, most members of the armed forces, police, judiciary, and other state institutions, and most importantly, the active involvement of ordinary people of all backgrounds, a first in Turkish history, is promising. However, using the terminology of Acemoğlu and Robinson (2006), to move from a semi-consolidated to a fully consolidated democracy, it is necessary to fill the vacuum created by the dismantling of the military-judiciary guardianship system with new political institutions that provide strong checks and balances.[20] Improving the quality of the country's democracy is of paramount

---

[20] For example, it would be desirable to couple the presidential system, which will take effect in 2019, with parliamentary single-member districts for which party candidates are chosen through primaries rather than by party leaders, and winning candidates determined through two-round elections just as will be the case with the president. This will empower the legislature and help them check and balance the powers of the executive which are being increased and concentrated. It will also render members of parliament more responsive to their constituents than to their parties and leaders. Reforms are needed

importance for its economic well being. Had the average growth rate of per capita real GDP during 1950-2015 was the same as the rate achieved during the first terms of single party governments, Turkey's per capita real GDP today would be 5.5 times higher.[21]

---

to make the judiciary independent and impartial as well, so that it neither controls the government nor is controlled by the government.

[21] The lesson to be drawn from this is not that term limits should be imposed but that a system needs to be established which will extend the motivation, creativity and checks and balances of the first term to the latter terms.

References

Acemoğlu, D. and Robinson, J. A. 2006. Economic Origins of Dictatorship and Democracy. Cambridge University Press: New York.

Acemoğlu, D. and Robinson, J. A. 2008. "Persistence of Power, Elites, and Institutions." American Economic Review 98: 267-293.

Acemoğlu, D. and Üçer, M. 2015. "The Ups and Downs of Turkish Growth, 2002-2015: Political Dynamics, the European Union and the Institutional Slide." Working Paper No. 21608, NBER: Cambridge, Massacusetts.

Akarca, A. T. 2009. "A Prediction for AKP's Nationwide Vote Share in the 29 March 2009 Turkish Local Elections." İktisat İşletme ve Finans 24 (276): 7-22.

Akarca, A. T. 2010. "Analysis of the 2009 Turkish Election Results from an Economic Voting Perspective." European Research Studies Journal 13: 3-38.

Akarca, A. T. 2011a. "A Prediction for AKP's Nationwide Vote Share in the 12 June 2011 Turkish Parliamentary Election." İktisat İşletme ve Finans 26 (302): 53-74.

Akarca, A. T. 2011b. "Inter-election Vote Swings for the Turkish Ruling Party: The Impact of Economic Performance and Other Factors." Equilibrium 6: 7-25.

Akarca, A. T. 2015a. "Modeling Political Performance of Islamist and Islamist-rooted Parties in Turkey." Middle East Development Journal 7: 49-69.

Akarca, A. T. 2015b. "Putting Turkey's June and November 2015 Election Outcomes in Perspective," Insight Turkey 17: 81-104.

Akarca, A. T. 2017. "Economic Voting under Single-party and Coalition Governments: Evidence from the Turkish Case." Working Paper No. 1128, ERF: Giza, Egypt.

Akarca, A. T. 2018. "Single Party Governments as a Cause and Coalitions as a Consequence of Coups in Turkey." In Aysan, A. F., Babacan, M, Gür, N. and Karahan, H. eds., Turkish Economy: Between Middle Income Trap and High Income Status, Palgrave Macmillan, Cham: 59-100.

Akarca, A. T., and Tansel, A. 2006. "Economic Performance and Political Outcomes: An Analysis of the Turkish Parliamentary and Local Election Results Between 1950 and 2004." Public Choice 129: 77-105.

Akarca, A. T., and Tansel, A. 2007. "Social and Economic Determinants of Turkish Voter Choice in the 1995 Parliamentary Election." Electoral Studies 26: 633-47.

Anderson, C. J. 2000. "Economic Voting and Political Context: A Comparative Perspective," Electoral Studies 19: 151–170.

Angelova, M., Konig, T. and Proksch, S. 2016. "Responsibility Attribution in Coalition Governments: Evidence from Germany," Electoral Studies 43: 133–149.

Atiyas, I. 2016. 'Replace Discretion with Rules: How Policy Reform Can Boost Economic Performance," Economic Research Forum (ERF): Giza, Egypt, Policy Brief No. 10.

Bawn, K. and Rosenbluth, F. 2006. "Short versus Long Coalitions: Electoral Accountability and the Size of the Public Sector." American Journal of Political Science 50: 251-265.

Bejar, S., Mukherjee, B., and Moore, W. H. 2011. "Time Horizons Matter: the Hazard Rate of Coalition Governments and the Size of Government." Economics of Governance 12: 201–235.

Can, O. 2014. "The Structural Causes of Political Crisis in Turkey." *Insight Turkey* 16: 33-41.

Chandra, S. and Rudra, N. 2015. "Reassessing the Links between Regime Type and Economic Performance: Why Some Authoritarian Regimes Show Stable Growth and Others Do Not." British Journal of Political Science 45: 253–285.

Debus, M., Stegmaier, M. and Tosun, J. 2014. "Economic Voting under Coalition Governments: Evidence from Germany," Political Science Research and Methods 2: 49–67.

Duch, R., Przepiorka,W. and Stevenson, R.T. 2015. "Responsibility Attribution for Collective Decision Makers," American Journal of Political Science 59: 372–389.

Fisher, S. D. and Hobolt, S. B. 2010. "Coalition Government and Electoral Accountability," Electoral Studies 29: 358-369.

Hall, S. and Nishikawa, M. 2014. "The dynamics of within-regime stability: Party tenure and economic performance." International Political Science Review 35: 430–447.

Hellwig, T. and Samuels, D. 2008. "Electoral Accountability and the Variety of Democratic Regimes," British Journal of Political Science 38: 65-90.

Hobolt, S., Tilley, J and Banducci, S. 2013. "Clarity of Responsibility: How Government Cohesion Conditions Performance Voting," European Journal of Political Research 52: 164–187.

Laakso, M., and Taagepera, R. 1979. "Effective'' number of parties: a measure with application to West Europe." Comparative Political Studies 12: 3-27.

Lewis-Beck, M. S., and Paldam, M. 2000. "Economic Voting: An Introduction." Electoral Studies 19: 113-21.

Lewis-Beck, M. S., and Stegmaier, M. 2000. "Economic Determinants of Electoral Outcomes." Annual Review of Political Science 3: 183-219.

Lewis-Beck, M. S., and Stegmaier, M. 2008. "The Economic Vote in Transitional Democracies." Journal of Elections, Public Opinion and Parties 18: 303–23.

Lewis-Beck, M. S., and Stegmaier, M. 2009. "American voter to economic voter: Evolution of an idea." Electoral Studies 28: 625–31.

Lewis-Beck, M. S. and Stegmaier, M. 2015. "Economic Evaluations and Electoral Consequences," in James D. Wright (ed.), International Encyclopedia of the Social and Behavioral Sciences, 2nd edition, vol. 7. Elsevier: Oxford: 26-32.

Londregan, J. B., and Poole, K. T. 1990. "Poverty, the Coup Trap, and the Seizure of Executive Power." *World Politics* 42: 151-83.

Nadeau, R., Niemi, R. G. and Yoshinaka, A. 2002. "A Cross-national Analysis of Economic Voting: Taking Account of the Political Context Across Time and Nations," Electoral Studies 21: 403–423.

O'Kane, R. 1987. *The Likelihood of Coups*. Aldeshot: Avebury.

Powell, J. M., and Thyne, C. L. 2011. "Global instances of coups from 1950 to 2010: A new dataset." *Journal of Peace Research* 48: 249–59.

Powell, G. B. and Whitten, G. D. 1993. "A Cross-national Analysis of Economic Voting: Taking Account of the Political Context," American Journal of Political Science 37: 391–414.

Sharma, R. 2017. The Rise and Fall of Nations. W. W. Norton and Company: New York.

Stegmaier, M., and Lewis-Beck, M. S. 2013. "Economic Voting." In Oxford Bibliographies in Political Science, edited by R. Valelly, Oxford University Press: New York.

Tsebelis, G. 1995. "Decision Making in Political Systems: Veto Players in Presidentialism, Parliamentarism, Multicameralism and Multipartyism." British Journal of Political Science 25: 289-325.

Tsebelis, G. 1999. "Veto Players and Law Production in Parliamentary Democracies: An Empirical Analysis." American Political Science Review 93: 591-608.

Tsebelis, G. 2002. Veto players: How political institutions work. Princeton University Press/Russell Sage: Princeton.

Tuncer, E. 2002. Osmanlıdan Günümüze Seçimler: 1877-1999. TESAV: Ankara, Turkey.

Tuncer, E. 2007. 22 Temmuz 2007 Milletvekili Genel Seçimleri: Sayısal ve Siyasal Değerlendirme. TESAV: Ankara, Turkey.

Tuncer, E. 2011b. 12 Haziran 2011 Milletvekili Genel Seçimleri: Sayısal ve Siyasal Değerlendirme. TESAV: Ankara, Turkey.

Tuncer, E., Kasapbaş, C. and Tuncer, B. 2003. 2002 Milletvekili Genel Seçimleri: Sayısal ve Siyasal Değerlendirme. TESAV: Ankara, Turkey.

Tuncer, E., and Tuncer, B. 2016. 1 Kasım 2015 Milletvekili Genel Seçimleri: Sayısal ve Siyasal Değerlendirme. TESAV: Ankara, Turkey.

Tuncer, E., Yurtseven, H. and Tuncer, B. 2015. 7 Haziran 2015 Milletvekili Genel Seçimleri: Sayısal ve Siyasal Değerlendirme. TESAV: Ankara, Turkey.

Whitten, G. D. and Palmer, H. D. 1999. "Cross-National Analyses of Economic Voting," Electoral Studies 18: 49-67.

Williams, L. K., Stegmaier, M. and Debus, M. 2017. "Relaxing the Constant Economic Vote Restriction: Economic Evaluations and Party Support in Germany," Party Politics 23: 286–296.

Table 1. Political parties in power before and after coups

| Coups | Ruling parties | | | |
	Immediately before the coup	Immediately after the coup	Elections	Following post-coup general elections
27 May 1960	**DP**	Military	1961	CHP + **AP** CHP + **YTP** + CKMP CHP + Ind. **AP** + **YTP** + CKMP + MP
			1965	**AP**
			1969	**AP**
12 March 1971	**AP**	CHP + **AP** + MGP **AP** + CGP	1973	CHP + **MSP** **AP** + **MSP** + CGP + MHP
			1977	**AP** + **MSP** + MHP CHP + CGP + **DP2** + Ind. **AP**
12 September 1980	**AP**	Military	1983	**ANAP**
			1987	**ANAP**
			1991	**DYP** + SHP/CHP
			1995	**ANAP** + **DYP** **RP** + **DYP**
28 February 1997	**RP** + **DYP**	**ANAP**+**DSP**+**DTP**	1999	DSP + MHP + **ANAP**
			2002	**AKP**
27 April 2007	**AKP**	**AKP**	2007	**AKP**
			2011	**AKP**
			2015	**AKP**
			2015	**AKP**

Notes:

The right-conservative parties are in bold and underlined. The largest coalition partner is listed first. The governments are listed in chronological order. Governments which failed to receive a vote of confidence are ignored.

The Turkish acronyms used in the table and the parties they represent are as follows:

AKP: Justice and Development Party
ANAP: Motherland Party
AP: Justice Party
CGP: Republican Reliance Party
CHP: Republican People's Party
CKMP: Republican Peasant's Nation Party
DP: Democrat Party (1946-1960)

DP2:   Democratic Party
DSP: Democratic Left Party
DTP: Democrat Turkey Party
DYP: True Path Party
FP: Virtue Party
MHP: Nationalist Action Party
MSP: National Salvation Party
RP: Welfare Party
SHP: Social Democratic People's Party
YTP: New Turkey Party

Of these parties, AKP, ANAP, AP, DP, DP2, DTP, DYP, FP, MSP, RP and YTP are right-conservative; CKMP and MHP are Turkish-nationalist; and CGP, CHP, DSP, SHP are left-statist. The first two groups constitute the Turkish right wing and thus considered ideologically close. Even though its leading parties cannot be considered left, the left-statist group is labeled as such because they label themselves as left at least since late sixties, and occasionally small leftist parties have emerged from them. Also left-leaning people vote for them. The Kurdish-nationalist parties represent the fourth tendency in Turkish politics. Since they never came to power however, they do not appear in the table. The parties representing the third and fourth tendencies are usually placed in the left wing of the political spectrum. The SHP merged with the CHP shortly before the 1995 election.

Sources:
Tuncer (2002, 2007, 2011b, 2012b), Tuncer, Kasapbaş and Tuncer (2003), Tuncer and Tuncer (2016), and Tuncer, Yurtseven and Tuncer (2015).

Table 2. Average growth rate of per capita real GDP under different types of governments (1950-2015)

Single-party (*36.5 years*)	3.4
Coalition (*21.25 years*)	2.6
Minority (*3 years*)	-1.2
Military (*4.75 years*)	0.8
All (*65.5 years*)	2.7

Notes:

Figures reported are in percentage points and are obtained from annual data, as quarterly data is available only since 1987. In computing the averages, years in which more than one type of government prevailed are given a weight of 0.25, 0.50 or 0.75, depending on whether the regime in question ruled one, two or three quarters. A quarter is assumed to be under the type of government which prevailed during majority of that period. First half of 1950 is treated as if it is not part of the analysis.

Sources of data:

The growth rates are computed using the data provided by TurkStat for all years except 1948 and 1968. For latter two years, growth rates for the GNP, provided by the State Planning Organization are substituted for the missing GDP-related figures. The GDP series, from which growth rates are obtained, is 1968 based for years prior to 1968, 1987 based for the years between 1969 and 1998, and 1998 based for years after 1999. The new 2009-based GDP series released by TurkStat on 12 December 2016 is not used because it goes back only as far as 1998, and is not comparable to the old series. For the period after 2010 the two series differ not only in level but growth as well. Sources listed in Table 1 are used to determine the periods each type of government was ruling.

Table 3. Average growth rate of per capita real GDP under various single-party governments (1950-2015)

Ruling Party	Legislative Terms			
	1st	**2nd**	**3rd & 4th**	**All**
DP *(10 years)*	6.9	2.2	1.3	**3.9**
AP *(5.5 years)*	4.4	1.3	-	**3.2**
ANAP *(8 years)*	4.4	0.9	-	**2.7**
AKP *(13 years)*	5.9	1.5	2.7	**3.4**
All *(36.5 years)*	**5.4**	**1.5**	**2.2**	**3.4**

Notes:
Same as Table 2.

Sources of data:
Same as Table 2.

Table 4. Average growth rate of per capita real GDP under various coalition governments (1950-2015)

Number of parties in government	Period	Ideological composition of government		
		Compatible *(4.5 years)*	Incompatible *(16.75 years)*	All *(21.25 years)*
Two *(7.75 years)*	**1950-1983**	-	2.3	**2.3**
	1984-2015	6.3	2.3	**3.2**
Three or more *(13.5 years)*	**1950-1983**	4.0	2.5	**3.1**
	1984-2015	-	1.2	**1.2**
All *(21.25 years)*	**1950-2015**	**4.6**	**2.0**	**2.6**

Notes:
A coalition government is considered ideologically incompatible if at least one half of the junior parties in it are from the opposite side of the political spectrum than the primary incumbent party. Notes given in Table 2 apply here as well.

Sources of data:
Same as Table 2.

Table 5. Regression results I

Variables	Regressions	
	1	2
Constant	4.985 (4.14)	4.956 (4.08)
G_{t-1}	-0.236 (2.19)	-0.236 (2.18)
T_{2t}	-3.483 (2.34)	-3.452 (2.30)
T_{3t}	-3.313 (2.15)	-3.307 (2.13)
$MIXED_t$	-3.987 (3.16)	
$MIXED2_t$		-3.480 (2.07)
$MIXED3_t$		-4.321 (2.95)
$NMIXED_t$	0.284 (0.15)	0.274 (0.14)
MIN_t	-8.602 (3.38)	-8.508 (3.31)
MIL_t	-4.373 (2.21)	-4.348 (2.19)
$ELEC_t$	1.480 (1.85)	1.521 (1.88)
$USG_t * OPEN_t$	2.071 (2.60)	2.100 (2.61)
F **(Prob > F)**	4.62 (0.00)	4.12 (0.00)
Durbin-h **Prob > h**	0.14 (0.44)	-0.00 (0.50)
R-square **Adj. R-square**	0.43 (0.33)	0.43 0.32

Notes:
Dependent variable is the growth rate in per capita real GDP (G_t). For definitions of independent variables, see Section 3. Estimates are obtained using the Ordinary Least Squares method. The numbers in parantheses, next to the parameter estimates, are the t-values. The dark-gray shaded cells indicate significance of the parameter estimates at one percent level, medium-gray shaded cells at five percent level and the light-gray shaded cells, at ten percent level, in one-tailed tests.

Sources of data:
Sources listed in Table 2, for all variables except the last two, U.S. Bureau of Economic Analysis, for USG, and TurkStat for OPEN. However for the years 2006-2015, ratio of exports plus imports to GDP, multiplied by 1.3, is taken as the ratio of exports plus imports to GNP (the latter ratio was 1.3 times the former ratio in 2006).

Table 6: Regression results II

| Variables	Regressions	
	1	2
Constant	7.154 (3.97)	7.033 (3.87)
G_{t-1}	-0.254 (2.34)	-0.262 (2.38)
AP_{1t}	-2.894 (1.16)	-2.855 (1.13)
$ANAP_{1t}$	-4.394 (1.89)	-4.499 (1.92)
AKP_{1t}	-2.110 (0.92)	-2.213 (0.96)
DP_{2t}	-5.120 (2.25)	-5.001 (2.18)
AP_{2t}	-5.149 (1.65)	-5.085 (1.61)
$ANAP_{2t}$	-6.636 (2.84)	-6.593 (2.80)
AKP_{2t}	-5.585 (2.75)	-5.535 (2.70)
$MIXED_t$	-6.280 (3.34)	
$MIXED2_t * PRE83_t$		-4.629 (1.53)
$MIXED3_t * PRE83_t$		-5.378 (2.29)
$MIXED2_t * POST83_t$		-6.348 (2.68)
$MIXED3_t * POST83_t$		-8.082 (3.47)
$NMIXED_t$	-1.928 (0.81)	-1.805 (0.75)
MIN_t	-10.782 (3.74)	-10.606 (3.64)
MIL_t	-6.589 (2.76)	-6.506 (2.70)
$ELEC_t$	1.665 (2.03)	1.724 (2.06)
$USG_t * OPEN_t$	2.269 (2.84)	2.506 (3.05)
F **(Prob > F)**	3.24 (0.00)	2.74 (0.00)
Durbin-h **(Prob > h)**	-0.11 (0.46)	-0.81 (0.21)
R-square **Adj. R-square**	0.47 0.33	0.49 0.31

Notes:
Same as Table 5.

Sources of data:
Same as Table 5.

Figure 1. Coup induced political cycle
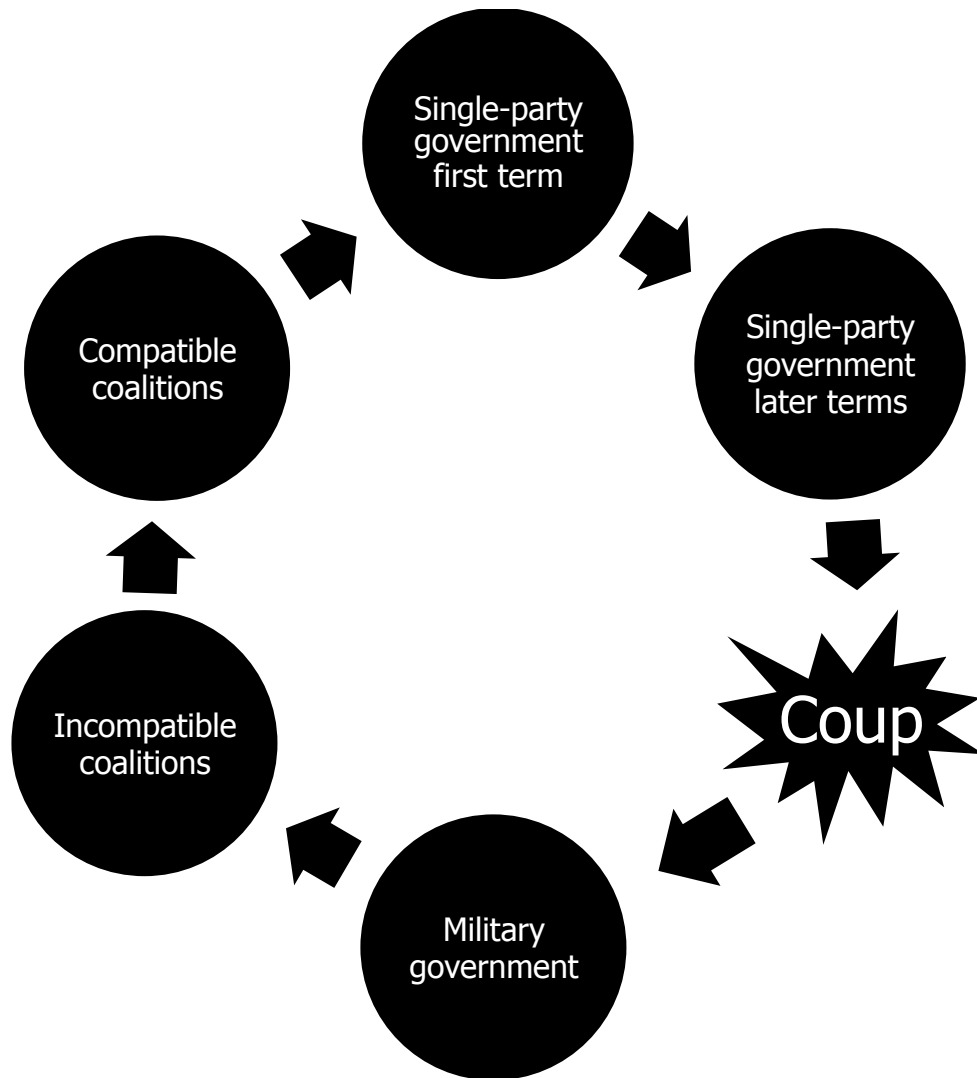
Figure 2. Average growth rate of per capita real GDP over the coup induced economic cycle