



AN ANALYSIS OF CONSTITUTIONAL CHANGES IN TURKEY BETWEEN 2007 AND 2017 IN TERMS OF POLITICAL BUSINESS CYCLE THEORIES

Türkiye'de 2007 ile 2017 Yılları Arasındaki Anayasa Değişikliklerinin Politik Konjonktür Teorileri Açısından İncelenmesi

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ABSTRACT

The economic stability of a country varies depending on the legal regulations. In this parallel, it is necessary to examine the impact of the decisions taken on the legal front on the basis of the law and economics approach. In particular, the incumbent party manipulates economic policy instruments in order to be re-elected during the election period. Therefore, making legislative arrangements in terms of legislative period and early election decision leads to a change in economic stability depending on the use of economic policy instruments. In this study, the 1982 constitution, 2007 and 2017 constitutional changes in Turkey were examined and the impact of early elections and legislative period changes on the economy was analyzed. According to the legal regulations, since the legislative period is 4 years in 2007-2017 period, it can be said that the political conjuncture occurs more frequently. It is estimated that the political conjuncture will be seen at longer intervals compared to the previous period as a result of increasing the legislative period to 5 years with the 2017 changes. In addition, the incumbent party may decide early elections before the end of the legislative period according to the time when economic indicators are best. However, with the 2017 amendments, it seems that it is difficult for the parliament and the president to make an early election decision. Therefore, with the 2017 amendments, it is expected that the possibility of using economic policy instruments will decrease due to the elective concerns of the incumbent party compared to the previous periods. In addition, it can be said that there will be a decrease in the possibility of internal election theories in Turkey.

Keywords: Political Business Cycle Theories, The Law and Economics Approach, Internal Election Theories, Economic Stability, Political Surfing Hypothesis, Manipulative Hypothesis.

ÖZET

Bir ülkenin ekonomik istikrarı, yapılan hukuksal düzenlemelere bağlı olarak değişim göstermektedir. Bu paralelde hukuk ve ekonomi yaklaşımı özelinde hukuk cephesinde alınan kararların ekonomi üzerindeki etkisinin incelenmesi gerekmektedir. Özellikle seçim döneminde yeniden seçilebilmek için iktidar partisi iktisat politikası araçlarını manipüle etmektedir. Dolayısıyla yasama süresi ve erken seçim kararı açısından hukuksal düzenlemeler yapılması iktisat politikası araçlarının kullanımına bağlı olarak ekonomik istikrarın değişimine neden olmaktadır. Bu çalışmada Türkiye'de 1982 anayasası, 2007 ve 2017 anayasa değişiklikleri incelenerek erken seçim ve yasama süresindeki farklılaşmaların ekonomiye olan etkisi analiz edilmiştir. Yapılan hukuki düzenlemelere göre 2007-2017 döneminde yasama süresi 4 yıl olduğu için göre daha sık bir şekilde politik konjonktürün oluştuğu söylenebilir. 2017 değişiklikleriyle birlikte yasama süresinin 5 yıla çıkarılması sonucu önceki döneme göre daha uzun aralıklarla politik konjonktürün görüleceği tahmin edilmektedir. İlave olarak iktidar, yasama döneminin bitiminden önce ekonomik göstergelerin en iyi olduğu zamana göre erken seçim kararı alabilir. Ancak 2017 değişiklikleriyle birlikte meclis ve Cumhurbaşkanının erken seçim kararı almasının zorlaştığı görülmektedir. Bu nedenle 2017 yılı değişikliğiyle birlikte önceki dönemlere göre iktidarın seçimsel kaygılardan ötürü iktisat politikası araçlarını kullanma ihtimalinin azalacağı beklenmektedir. Ayrıca buna bağlı olarak Türkiye'de içsel seçim teorilerinin ortaya çıkma ihtimalinin azalacağı söylenebilir.

Anahtar Kelimeler: Politik Konjonktür Teorileri, Hukuk ve Ekonomi Yaklaşımı, İçsel Seçim Teorileri, Manipülatif Hipotez, Siyasi Sörf Hipotezi, Manipülatif Hipotez.

1. INTRODUCTION

The steady development of developing countries depends on the proper construction of the legal system together with their institutions. However, the fact that state power moves to the party elected by voters by election and the presence of other powers in each election affects the economy by causing differentiations in the legal system. Therefore, the effects of legal regulations on economics are handled with the approach of law and economy. In addition, incumbent party's use of economic policy instruments (*fiscal and monetary policy*) in order to be re-elected during the election period is examined by the "New Political Economy School" with the help of political business cycle theories. Although the political business cycle theories have many distinctions, it is considered within the context of internal and external election theories depending on the timing of elections. External election theories assume that elections are held at the end of the legislative period as constitutional arrangements imply. Internal election theories, even if there are constitutional limits, advocates that elections will be held before the legislative period with additional legal changes. In this respect, whether the constitutional arrangements are solid or soft differentiate the time of the election. This differentiation may lead to more or less use of economic policy instruments used by the government for re-election. For example, if the legal regulations on elections in the country are soft, it can be said that the government will use economic policy instruments more frequently because of electoral concerns. However, there are limits to manipulating the instruments of economic policy, even if the constitutional arrangements on elections are soft. These limits can be expressed in terms of capital mobility, central bank independence, exchange rate regime and the form of government in countries.

In this study, election related regulations in Turkey, the first version of the 1982 constitution and the constitutional changes in 2007-2017 will be analyzed in terms of the elections and the economic effects of the differentiations in the legislative period will be analyzed. In addition, the changes of the legal regulations related to the early election decision will be examined within the scope of the amendments to the constitution of 2017. The study consists of five chapters. In the second chapter, the historical development of the law and economics approach and the economic schools in which it interacts are given. In the third chapter, the relationship between law and economy approach to political economy is examined in terms of internal and external election theories. In the fourth chapter, regulations related to early elections in Turkey during the first version of 1982 constitution, 2007-2017 amendments are explained as comparing the changes. In addition, the impact of these changes on the economy was analyzed. In the last section, the conclusion part is given.

2. THE LAW AND ECONOMY APPROACH

The concept of law and economics is included in the intersection set of law and economic sciences within the social sciences. The investigation of individual behaviors in the analysis of law and economic sciences led these two fields to converge. Although there are differences in the methodology of being different science among them, the successful implementation of economic analysis in interdisciplinary branches has been possible in the field of law and economics (Ulen, 1998: 201; Posner and Parisi, 1997). The relations of economic actors in the field of economics are examined in terms of production, consumption and distribution. However, the arrangement of these relations (*especially within the scope of property rights*) in the field of economics requires the existence of legal science. Although legal and economic sciences are indispensable for each other, they include differences in method and analysis. Firstly, economics makes an analysis of an economic phenomenon in terms of both normative and positive science. The fact that the assumptions used in economics are not compatible with the real world and that the science of law deals with the positive field leads to the distinction between the concepts of law and economy (Cole and Grossman, 2004). Moreover, economics uses intensive mathematical infrastructures together with the Neoclassical school. This situation causes the lawyers to fail in making economic analyzes (Cooter and Ulen, 2016: 3).

The *Law and Economics approach* and *economic analysis of law approach* emerged from the association of the disciplines of law and economics. Although these two concepts seem to be the same, they represent two different concepts. The economic analysis of the law is the use of economic theory in the examination of the decisions taken in the legal front (Rowley, 1989). As such, a lawyer must know economic theory and econometric methods for the economic analysis of law. The economic analysis of the law has developed in the context of analyzing the rules of law and seeking different answers to the analytical questions related to the rule. In this area, answers to the questions of what can be the possible consequences of a particular legal

rule and why there is a legal arrangement of an observed event. It answers the first question that is required to include a series of predictions in order to test the decisions taken. The comparison of legal regulations in terms of possible benefits and cost is the answer to the second question (Backhaus, 2001). Different from the economic analysis of law, the law and economics approach examines the reasons for the emergence of legal regulations and the effects of these regulations on the economic sphere (Mercurio and Medema, 1997: 3). Therefore, in order to examine the economic effects of laws in the approach of law and economy, an economist needs to know the law. Microeconomic infrastructures play an important role in the economic analysis of laws in the law and economics approach. These substructures are in the form of maximization of rationality, price formation and effectiveness (Posner, 1987:5).

The foundations of law and economics approach are based on the works of Karl Marx and Adam Smith on social regulations. In addition, the law and economics approach developed in two waves. In the first wave, *Institutionalist and German Historian Schools* have contributed. In this wave, the relations between the legal regulations on the economic conditions were analyzed and then the discussions were moved to America (Mackaay, 2000). The second wave of the approach has contributed to the *Chicago School*. The modern part of the approach started with the 1940s, especially with the analysis of the market and firms. Coase, Calabresi, Becker and Posner in the 1960s constituted the formal part of the approach (Backhaus, 2001). *Henry Simons*, a member of the Chicago School, first performed the economic analysis of legal principles and then conducted the legal analysis of economically competitive structures with Aaron Director (Coase, 1993: 246). “*The Journal of Law and Economics*” was founded in 1958 with the contributions of the Chicago School. In particular, Coase’s essay “*Problem of Social Cost*”, published in 1960, has been a major influence both in the field of economics and law (Gürpınar, 2008: 170). Even though the Chicago School was the only school that formed the law and economics approach until the 1970s, the emergence of differences since the 1980s has led to the development of different theories and schools (Oğuz, 2002: 9). The development of the law and economic approach can be examined with the help of Figure 1 below.

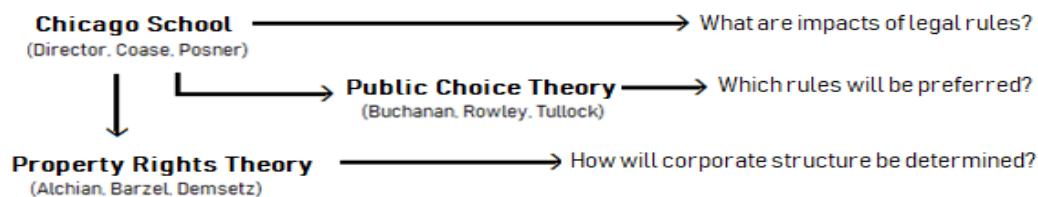


Figure 1. Development of the Law and Economics Approach,

Source: Oğuz, 2002: 5

According to Figure 1, Chicago school is mainly concerned with the economic impact of legal rules. In addition to the law and economics approach, the effect of other science field have revealed two different schools. These schools are *the theory of Public Choice and Property Rights theory*. One of them, Public Choice Theory is based on the work of Buchanan, Rowley and Tullock. Public Choice Theory advocates the concept of state failure as an alternative to market failure by examining politics with economic tools and methods (Tayyar, 2017a). According to this school, political actors have the same rationality and individual interest as actors on the market. Therefore, the individual interest of the decisions taken by political actors can bring to mind the question who will regulate the regulators. This situation demonstrates the necessity of regulating interests on issues involving political processes (Oğuz, 2002). At this point, it is necessary to examine *the Constitutional Economics School* in which the theory of Public Choice forms the basis. The Constitutional Economics School develops its theories and approaches based on economics, law and political science within the framework of these sciences. Basically, the subject of the investigation is how to use the legal rights given to the state, how to use them and what the limits of the legal rights are (Aktan, 2002: 18; Eryılmaz, 2015a: 377). While the Public Choice Theory works to identify problems, the Constitutional Economics approach provides positive and normative suggestions for solving the problems. The Constitutional Economics School proposes the fiscal and monetary constitution to regulate the regulators. The basis of the fiscal constitutional approach is the restriction of the state’s spending, taxation and borrowing powers by constitutional rules. Therefore, it will be prevented from behaving arbitrarily in the fields of spending, taxation and borrowing of the powers that govern the state together with the fiscal constitution. The monetary constitutional approach advocates the determination of the powers to change the level of money by constitutional rules (Aktan ve Dileyci, 2001: 75). Since money is decisive in the volume

of the economy, it must be implemented with a policy based on the rule. In particular, incumbent party's manipulation of the monetary policy in terms of private interests in the election period causes price instability as well as economic instability (Eryilmaz, 2015b: 522). Therefore, it is necessary to establish the monetary constitution and to determine the limits of the political power that comes with elections. According to *political business cycle theories*, it is known that the incumbent party has applied to expand fiscal and monetary policy in order to be re-elected before the elections (Tayyar, 2017b: 5; Nordhaus, 1975). This situation has led to deterioration in the basic economic structure, such as price instability and avoidance of budgetary discipline. With the proposed fiscal and monetary constitutional arrangements, it can be argued that the instability created by political conjuncture in the economy will be prevented.

3. INTERACTION OF THE LAW AND ECONOMICS APPROACH WITH POLITICAL ECONOMY

Political economy is a field of study that develops under the influence of political and economic sciences. In this field, the size of the relationship between political parties that use state power through elections and the impact of policies are analyzed. In the historical process, although the intervention area of the state is limited with classical economics, the state is required as an regulatory authority in market failures (Przeworski, 2014). The state owns the main power. In this respect, the presence of the regulatory role of the state is a sign that it is decisive in the economy. However, the state power is transferred to the power coming from the elections during the election period. The elected government must be responsible for its policies throughout its mandate and must meet with the voters in common interest in order to be re-elected. For this reason, the analysis of the decisions taken by the parties in the political arena from the perspective of benefit and cost is made possible by political economy. In addition, the normative and positive science analyzes of the decisions taken are also made in this field (Drazen, 2000: 20).

Although there were some distances between politics and economic sciences over time, with the contributions of the *New Political Economics School* in the 1970s the union was restored. *Political business cycle theories* suggest that the economic policy tools manipulated by the government during the election period led to economic fluctuations (Snowdon and Vane, 1999). According to the theory, in order to re-elect power, incumbent party conducts expansive economic policies before the election. After the election, economic policy uses tools in a contractionary direction by government to ensure economic stability. Therefore, unlike the Classical school, political factors have been internally evaluated. Opportunistic-Partisan behavior of party and voter groups, the ability of government to manage the economy, the internal and external structure of shocks show the internal nature of the politics (Nordhaus, 1989). The impact of these issues on the economy from different perspectives is examined within the context of political business cycle theories. These theories are classified as traditional and modern in terms of expectations structures. While traditional political business cycle theories based on adaptive expectations, modern political business cycle theories use rational expectations in their analysis. According to the tendency of voter and party groups, there are opportunist-partisan types of theories. In opportunistic political business cycle models, voters and politicians have the same ideological tendencies. However, there are ideological differences between the voters and the politicians in the partisan varieties of the theories. The political business cycle theories can be examined with the help of Table 1 below.

Table 1. Distinction Between External and Internal Election Theories

External Election Theories	Traditional Opportunistic Political Business Cycle Model (Nordhaus, 1975; Lindbeck, 1976)
	Traditional Partisan Political Business Cycle Model (Hibbs, 1977)
	Modern Opportunistic Political Business Cycle Model (Cukierman ve Meltzer, 1986; Rogoff ve Sibert, 1988; Rogoff, 1990; Persson ve Tabellini, 1990)
	Modern Partisan Political Business Cycle Model (Alesina, 1987)
Internal Election Theories	Political Surfing Hypothesis (Inoguchi, 1981)
	Opportunistic Cabinet Hypothesis (Ito ve Park, 1988)
	Manipulative Hypothesis (Ito, 1990)

Source: Adapted from Alesina, Roubini ve Cohen, 1997: 2.

Political business cycle theories are divided into two groups as internal and external election theories in terms of determining election timing apart from the differences mentioned above. In all of the theories, it is stated that the election time as an assumption of the model is externalized. External election theories refer to the election time based on constitutional provisions and not to make an election decision before the end of the legislative period by the government (Nordhaus, 1975; Hibbs, 1977; Drazen, 2000; Alesina et al.,

1993). In the theory of external elections, even though the election times are hypothetically external, politicians can determine the election time according to the economic and political environment at a date before the end of the legislative period. Because of the politicians in incumbent party are searching for rents, determining the date of elections apart from the constitutional limitations means internal election theories.

Internal election theories are examined within the scope of the *Political Surfing Hypothesis (Opportunistic Cabinet Hypothesis)* and *Manipulative Hypothesis*. The general opinion of the two theories is that economic performance is an important factor in determining the date of early elections (Chowdhury, 1993; Ito, 1990; Ito and Park, 1988; Kayser, 2005). *The political surfing hypothesis* suggest that the government is focusing on economic performance during the legislative period and determining the date of early elections, especially when macroeconomic indicators are best (Chowdhury, 1993; Inoguchi, 1981). The level of inflation, unemployment and growth rates, the macroeconomic indicators that the voters are most interested in, refers to the government's economic capabilities. In this respect, the government will prefer the period when inflation and unemployment are the lowest and growth is the highest in order to extend its term of office. After the evidence of the political surfing hypothesis for Japan, the political surfing hypothesis was named opportunistic cabinet hypothesis by Ito and Park (1988). Another theory that needs to be examined in terms of early election timing is the manipulative hypothesis. According to the *manipulative hypothesis*, the popularity of incumbent party may decline for political and economic reasons. Thus, it is known as a manipulative hypothesis that the government wishes to be re-elected should use economic policy instruments before the legislative period to increase its popularity (Ito, 1990). In addition, according to the political surfing hypothesis, the government will not need the use of economic policy instruments because it determines the early election date by evaluating the best time for macroeconomic indicators. Therefore, when the political surfing hypothesis is valid, there will be no need for the use of monetary and fiscal policy instruments due to elective concerns. However, in a manipulative hypothesis, the government must use monetary and fiscal policy instruments to increase its popularity. The size of the manipulation of economic policy instruments in the manipulative hypothesis depends on the time from the early election decision to the election. If this time is short, the use of economic policy tools will be less (Chowdhury, 1993).

There are limits to manipulating the economic policy tools used by the incumbent's politicians to influence voters during the election period. These limits vary depending on capital mobility, the independence of the central bank, the exchange rate regime and the manner of administration in countries. One of the most important factors for the use of monetary policy instruments is the independence of the central bank (Alesina and Summers, 1993; Hayo and Hefeker, 2001). If the independence of the central bank in a country is less, the government will be able to use monetary policy instruments more intensively in the interest of its own. It is argued that internal election theories are valid in Japan because of the fact that the Bank of Japan is not independent (Cukierman et al., 1992; Cargill and Hutchison, 1991). In some developing countries, central bank independence indexes may be high, but the independence in practice may be different. Therefore, in developing countries, the turnover rate of the governor of the central bank is usually indicative of independence (Sturm and De Haan, 2001). The high rate of turnover in countries means that the independence of the central bank is low. Apart from the independence of the central bank, another important issue in terms of political monetary cycles is the coordination of monetary and fiscal policies. During the election period, the government can use fiscal policy instruments directly and more easily than monetary policy instruments. Although there are delays in the use of financial policy instruments for opportunistic purposes, the financing of these policies takes place in several ways. The first of these methods is the use of monetary policy to prevent the fiscal policy applied before the election from destabilizing interest rates (Beck, 1987). The other way is through the reduction of pre-election tax rates, the budget deficit is financed by seigniorage money (Berger and Woitek, 1997: 15). In this respect, in order for the government to be able to use fiscal policy before the elections, monetary policy must be adapted. In particular, it is stated that M1 money supply is not directly under the control of the central bank and is endogenous because it changes according to demand (Berger and Woitek, 1997). In the econometric study in Turkey, it was determined that domestic credits had an impact on determination of the M0, M1, M2 and M3 supply in 2000-2016 period. Therefore, due to the increasing demand for money in Turkey during the election period, the liquidity requirement is solved by the central bank through its "*Leaning against the wind policy*". Consequently, the existence of endogenous money makes it difficult to investigate the parties that create political monetary cycles (Tayyar, 2018: 104).

In order for the monetary and fiscal policy to be used as an instrument in the election period, the capital mobility structure and the exchange rate regime are of great importance. In the Mundell-Fleming model, while the fixed exchange rate regime is valid in countries with full capital mobility, the use of fiscal policy increases the economic efficiency. In the same model, the use of monetary policy increases the economic efficiency while the flexible exchange rate regime is valid (Hiroi, 2009: 5). In this respect, it can be examined by the help of Table 2 below which of the monetary or fiscal policy pairs will be preferred due to the elective concerns in countries.

Table 2. Validity Matrix of the Fiscal and Monetary Political Business Cycles

	No Central Bank Independence	Central Bank Independence
Capital Mobility and Fixed Exchange Rates	Fiscal Cycles No Monetary Cycles	Fiscal Cycles No Monetary Cycles
Capital Mobility and Flexible Exchange Rates	No Fiscal Cycles Monetary Cycles	No Fiscal Cycles No Monetary Cycles

Source: Hallerberg ve De Souza, 2000: 5

According to the information in Table 2, it is difficult for the government to use the monetary policy instruments during the election period as fiscal policy is effective while there is full capital mobility and fixed exchange rate regime in country. In addition, if the central bank's independence is high, full capital mobility and flexible exchange rate regime is valid in the country, both fiscal and monetary fluctuations will not be seen. Because in full capital mobility and flexible exchange rate regime, fiscal policy is ineffective and the independence of the central bank will prevent the use of monetary policy for opportunistic purposes (Hallerberg and De Souza, 2000). Another important factor in the decision of early elections is the governance structure of the country. If there is coalition government in the country, the decision of early elections will lead to the influence of other parties on this decision. The presence of attrition wars in developing countries where the coalition government is valid, causes delays in economic and political decision-making. While this situation may be legally easy to decide on early elections in the country, it can be understood that other parties in the coalition administration will prevent or delay this situation. For this reason, it is easier to decide on early elections with the validity of one-party government in countries (Smith, 2004; Cargill and Hutchison, 1991).

The validity of internal election theories in countries varies depending on constitutional regulations. If the constitutional rules in countries are soft about early elections, the possibility of internal election theories will rise. Hence, the fact that governments can make elections before the legislative period varies from country to country depending on the constitutional rules. For example, in countries such as Norway and The United States, elections are set as a constitutional rule at the end of the legislative period. However, because there is no constitutional limit in some countries, it is possible for the government to decide to election before the legislative period (Grafstorm, 2013). In this case, the law and economics approach are effective on political economy. It changes the frequency of the political conjuncture that the government can change the election dates determined by the constitutional rules with legal regulations. For example, a decrease in the legislative period from 5 to 4 years means that economic fluctuation are more frequent in the country due to the election. The determination of the conditions of early elections by the government and sufficient majority of the decisions of early elections show that the law is effective on the economy. As a result, the impact of legal decisions on the economy will vary depending on capital mobility, the independence of the central bank, the existence of a single party or coalition government in the country and the exchange rate regime.

4. EXAMINATION OF ELECTION-RELATED PARTS OF THE 2007 AND 2017 CONSTITUTIONAL CHANGES IN TURKEY

The most important indicator of a country's democratic structure is that elections are regulated according to certain rules. The repetition of the elections at regular intervals constitutes one of the tasks of the democratic state in terms of law. The responsibility of the democratic state for the election issues is guaranteed by constitutional provisions. The relevant articles of the 1982 constitution in Turkey contain information about the conditions of elections and the legislative period¹. However, due to the requirements of the period, changes were made in 2007 and 2017 in terms of election laws. According to the original version of the 1982 constitution, it was decided to make the general elections every five years in article

¹ Law No: 2709, Accepted Date: 18.10.1982, Official Gazette: 09.11.1982/17863.

77/1. Therefore, it is understood with this article that the legislative period of incumbent is five years. However, with the “*Law on amendment of certain articles of the constitution of the Republic of Turkey*” (Law No. 5678), most articles covering the election period have been amended in 2007². With the amendment of the law, it was decided that the general elections should be held every four years in article 77/1 of the 1982 constitution (Bilir, 2008). The most recent amendment to the legislative period was the referendum on 16 April 2017. Accordingly, the legislative period regulating 77. article has been changed with the “*Law on amendment of certain articles of the constitution of the Republic of Turkey*” (Law No. 6771)³. According to this article, “*The Turkish Grand National Assembly and presidential elections are held every five years on the same day. The deputy who ends the term of office can be elected again*”. Therefore, with the constitutional amendment of 2017, it is observed that the legislative period has been increased again to five years⁴.

According to the external election theories, the government uses economic policy tools to re-election at the end of the legislative period. As a common feature of the external election theories, the election is held at a fixed period (*at the end of the legislative period*) depending on the constitutional rule. Therefore, when the constitutional changes in 2007 and 2017 are examined, it is observed that the legislative period is changing. The legislative period between 1982-2007 is 5 years and the legislative period between 2007-2017 is 4 years. With the decision taken since 2017, it has been reorganized as 5 years. Therefore, changing the election periods in the constitution will lead to economic fluctuations by changing the use of monetary and fiscal policy instruments depending on certain conditions. Since the legislative period was five years between 1982-2007, it can be said that political conjuncture was formed at longer intervals. It can be said that the legislative period was four years in 2007-2017, creating a political conjuncture at frequent intervals. With the changes in 2017, it is possible to predict that the political conjuncture will be longer with the legislative period being five years again. However, due to Turkey’s unique characteristics, a majority at the elections were held before the legislative period. For this reason, it is necessary to examine the conditions in which early elections are held in Turkey and the functioning of legal arrangements in terms of early elections.

It is known as the early election of the assembly to renew itself before the end of the legislative period. In Turkey, 10 general elections were held between 1987-2019. Except for the elections held between *12 June 2011 and 7 June 2015*, other elections were held before the end of the legislative period. There are political and economic reasons for the intensive early elections in Turkey. These reasons are political or economic conjuncture in favor of the ruling party, political disagreements during the coalition government, economic crises, military interventions and party closure cases (Altan, 2008: 153). The fact that the political and economic conjuncture is in favor of the government can lead to an easy determination of the early election decision. Therefore, it is necessary to examine whether the legal regulations related to early elections are soft or hard. If the legal regulations related to early elections are soft, incumbent will increase the possibility of creating a political conjuncture.

Article 96 of the 1982 Constitution regulates the issues related to the early elections decision. According to this article “*Grand National Assembly of Turkey collected at least a third of the total number of members in all affairs, including the elections to be decided. If no other provisions of the Constitution, The Grand National Assembly of Turkey shall take decisions by an absolute majority of those attending the meeting. However, the quorum for a decision cannot be less than a quarter of the total number of members in any way*”. It is understood that the decision on early election of this article will be taken by the council decision without the need for additional law. Moreover, this decision of the assembly is outside the control of the constitutional jurisdiction under article 148 of the constitution⁵. The procedures specified in Article 8 of the law on “*Election of Deputies*”(Law No. 2839) shall be applied in the renewal of elections upon the decision of the assembly. According to this, “*if the renewal of the election before the end of the legislative period is decided by the Turkish Grand National Assembly or the president of Turkey, this situation shall be announced within forty-eight hours by the council of ministers. If the renewal decision was made by the assembly, the assembly will also determine the date of the election*”. There is no definite time limit

2 Law No: 5678, Accepted Date: 31.05.2007, Official Gazette: 16.06.2007/26554.

3 Law No:6771, Accepted Date: 21.01.2017, Official Gazette: 11.02.2017/29976.

4 The legislative period varies between countries. Some countries have 2, 5, 6 and 9 year legislative period. However, the average legislative period is between 4 and 5 years among the countries (Bilir, 2008).

5 In the decision of the Constitutional Court on early elections dated 1977, “The renewal of the Turkish Grand National Assembly elections before the end of the term is one of the General Assembly’s powers and the National Assembly uses this power by decision (Bilir, 2008).



specified between the date of the early election decision by the assembly and the date of the election⁶. Therefore, even though it is difficult to implement in practice, lack of time limit can lead to dominant early election in a short period of time⁷.

According to article 77 of the 1982 constitution, *“The assembly may decide to renew the elections before this period, or elections shall be renewed the decision made by the president under the conditions laid down in the constitution. The deputy who ends the term of office may be re-elected. The powers of the assembly, which is decided to be renewed, will last until the election of the new assembly”*. As it can be understood from this article, elections can be made by the president’s decision as well as by the Parliamentary decision before the end of the legislative period. While the Turkish Grand National Assembly may decide an early election without relying on condition and qualified majority, the president’s early election decision was regulated in accordance with Article 166 of the constitution. According to this article, *“The council of ministers can not take the vote of confidence in Article 110 and the vote of confidence in accordance with articles 99 or 111 are dismissed; if the new council of ministers cannot be established within forty-five days or if it cannot take the vote of confidence even though it has been established, in consultation with president of the Turkish Grand National Assembly, the president may decide to renew the elections. In the event that the prime minister’s resignation or the absence of the Council of ministers within forty-five days after the election of the Presidential Council, the president consult the president of the Grand National Assembly of Turkey and may decide to renew the elections”*. Therefore, according to the article, the president’s decision to early election may vary depending on the opinion of the Grand National Assembly president of Turkey and on various conditions. In addition, according to the first version of the 1982 constitution, it is understood that the authority for early elections was given to the president of the Turkish Grand National Assembly. The assembly could take the decision of early elections more easily than the president of the republic. According to the 2017 constitutional amendments, the provisions concerning early elections are set out in article 116. According to this article, *“The Turkish Grand National Assembly may decide to renew the elections with three-fifths of the total number of members. In this case, the general election of the Grand National Assembly of Turkey and the presidential election are held together. If the president decides to renew the elections, the Turkish Grand National Assembly and the presidential election shall be held together”*. Therefore, with the amendments of 2017, it is difficult for the parliament to make an early election decision because it depends on the decision of the three-fifths majority. Moreover, with the amendment, the conditions required for the president to make an early election decision were abolished. However, since the president’s early election decision means that he should renew his own election together with the assembly, this is considered a situation that makes it difficult for the president to make an early election decision.

According to the manipulative hypothesis in the theory of internal elections, the government uses monetary and fiscal policies to increase its popularity before the end of the legislative period (Ito, 1990). At this point, the use of economic policy instruments before the legislative period depends on the period from the date of early election decision to the date of the election. According to the law, the lack of time limit from the early election decision to the date of the elections means that the economic policy instruments will be used more. However, after the 2017 amendments, it seems that the Parliament and the president have become more difficult to make an early election decision. Since it is difficult to make an early election decision with the recent constitutional amendments, it can be said that the political surfing hypothesis and the manipulative hypothesis are less likely to be seen in Turkey compared to the period before the 2017 change.

5. CONCLUSION

The consistent structure of the legal system with its institutions is the key to the political and economic development of the country. Therefore, it is necessary to examine the effects of legal regulations on economy from a positive and normative point of view. This field of study finds a body within the framework of the law and economics approach arising from the association of law and economy sciences. The legal arrangements of the government, which has political power in the political arena in terms of law and economic approach, are economically important. Since the government is responsible for its policies

⁶ The requirement to be ninety days between the elections after the early election decision is not for the early election decision of the assembly. It is valid in the decision of the president to renew the parliamentary elections (Bilir, 2008).

⁷ There is no upper limit for the applicability of this decision after an early election decision. For example, the parliament held the elections on 18 April 1999, 10 months after the early election decision (Bilir, 2008).



during the legislative period, it must have a common interest with the voters in order to extend its term of office. The mutual action-reaction of the government's politicians and the voters are analyzed within the framework of the political business cycle theories. Although political business cycle theories are subject to many classifications (*opportunistic-partizan and traditional-modern*), they are divided into internal and external theories in terms of determining election times. In countries, according to the conditions specified by the constitution, elections at the end of the legislative period is known as external election theories. Internal election theories are based on the assumption that elections will be made before the legislative period. In theory of the external elections, although it is argued that elections will not be held before the legislative period, the government may decide early elections with various legal regulations depending on the rent-seeking behavior. According to political surfing (*opportunistic cabinet hypothesis*) and manipulative hypothesis that constitute internal electoral theories, they emphasize that economic performance is important in determining the early election date. The political surfing hypothesis suggest that government determines the date of early elections, when macroeconomic indicators are at their best (*growth is high, unemployment and inflation are low*). According to the manipulative hypothesis, it argues that the government uses economic policy instruments before the legislative period in order to increase its popularity and to be re-elected. In the manipulative hypothesis compared to the external theories, it can be said that if the time between the early election decision and the date of elections is short, the manipulation of the economic policy tool will be less. However, there are some limitations in the use of economic policy instruments in order to be effective in the economic field of the legal regulations related to elections. The type of capital mobility, independence of the central bank, exchange rate regimes and the form of government in countries refer to these limits.

According to the requirements of the period, the legal arrangements related to the election of the 1982 constitution in Turkey were changed in 2007 and 2017. In addition to the changes made in many areas, these changes include issues related to the legislative period and the early elections. In the original version of the 1982 constitution, the legislative period was 5 years. Then it was decided that the general elections will be held every 4 years with the change of Law No. 5678 in 2007. Finally, the legislative period was extended to again 5 years by Law No. 6771 in 2017. Therefore, changes in the legislative periods will change the frequency of the emergence of external election theories. According to the legal regulations, since the legislative period was 5 years in 1982-2007, it can be stated that political conjuncture has formed at longer intervals. Since the legislative period was 4 years in 2007-2017, it can be said that political conjuncture has occurred more frequently. It can be estimated that the political conjuncture will be seen at longer intervals as the legislative period is re-raised to 5 years with the amendments of 2017. However, most of the elections made in Turkey were held before the legislative period. For this reason, legal regulations on early elections should be examined in terms of the validity of the political conjuncture within the framework of internal election theories. According to the original version of 1982 constitution, the issue of early elections and renewal of elections were regulated in article 96 of the constitution. In this article, it is stated that the assembly may convene at least one third of the total number of its members and take the decision of election with the absolute majority of the participants. Furthermore, according to Law No. 2839, there is no specific upper and lower limit between the date of the early election decision and the date of the election. According to article 77 of the 1982 constitution, the president is another organ to decide on early elections except for the assembly. However, the president's decision to hold an early election depends on the conditions in article 116 of the constitution. Therefore, it can be said that the parliament can make an easier early election decision than the president. According to the constitutional amendment of 2017, it is stated that the parliamentary and presidential elections will be held together. In addition, in order for the assembly to make an early election decision, three-fifths of the total number of members is required. Therefore, with the amendments of 2017, it was difficult for the parliament to make an early election decision. With the amendments, the conditions required for the president to make an early election decision have been abolished. However, the president's early election decision is considered a situation that makes it difficult for the president, because president will renew his own election with the assembly. After the early election decision, the lack of time limit until the date of elections means that economic policy instruments will be used more with elective concerns. However, with the 2017 amendments, it seems that it is difficult for the parliament and the president to make an early election decision. As a result, with the 2017 amendments, it can be concluded that the possibility of using economic policy tools is reduced due to the electoral concerns of the government compared to the period before the

change. It can be said that there will be a decrease in the possibility of the emergence of internal electoral theories in Turkey.

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