

# Variety of Capitalism in Turkey: A Comparative Institutional Analysis

**BaharBaysal**

Uludağ University  
Turkey  
*bhrbysl@gmail.com*

**MikailKar**

Uludağ University  
Turkey

***Abstract:** With the collapse of communism, the question why national capitalist countries have different economic performance has stimulated the emergence of the new comparative political economy. This approach focuses on economic, social and political institutions and organizations that account for this capitalist diversity. Political power which drives institutional change is critical importance for understanding the formation of these institutions and their consequences for wealth or income in parallel with public choice theory. This paper emphasizes two assertions. First, even though advocates of neo-liberalism claim that all nations converge to a single development path, capitalism is a complex socio-economic order that has developed at different places and times, so, secondly, apart from varieties of capitalism which focus on advanced capitalist nations, there are rich variety of new forms of capitalism which shaped by domestic and international structural forces in emerging market economies. From this perspective, it is a comparative institutional approach.*

*In this context it aims to explain how Turkish capitalism has evolved from state capitalism to a hybrid variety of capitalism in the neoliberal era. This clearly implies that there is a high degree of continuity between the different policy phases. The coexistence of this continuity and change points out the importance of institutional path dependency in development process.*

***Keywords:** varieties of capitalism, comparative political economy, institutions.*