

Is a Regional Agreement among Balkan Countries Applicable? A Time Series Analysis

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Statistics of Central Bank of Turkey and World Bank provide evidence for the fact that the volume of trade of Turkey with Bulgaria, Romania and Greece may have a positive effect on Turkey's Economy even under the circumstances of the recent financial crises. Thus, it is important to analyze the impacts of foreign trade volume of Turkey with Bulgaria, Romania and Greece on the real economic activity in Turkey. In this respect, we used time series techniques to make inferences about the possible consequences of regional economic integration. Empirical findings reveal that Turkey may benefit from a regional economic integration between these Balkan Countries.

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