

## The Linkage Between Economic Growth, Energy Consumption, And Financial Deveopment In Turkey

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### Abstract

This study examines the relationship between economic growth, energy consumption, financial development, trade openness and CO<sub>2</sub> emissions over the period of 1960-2012 in the case of Turkey. The stationary analysis is performed by using Zivot-Andrews structural break unit root test and the ARDL bounds testing approach for a long run relationship between the series in the presence of structural breaks. Our results confirm that the variables are cointegrated. It means that the long run relationship exists in the presence of structural break stemming in the series. The empirical findings indicate that financial development and energy consumption increases CO<sub>2</sub> emissions and CO<sub>2</sub> emissions have long run relation with energy consumption and financial development. CO<sub>2</sub> emissions also have short run relation with energy consumption

**Keywords:** Growth, Energy, Financial Development, CO<sub>2</sub> Emissions, Turkey.

**JEL Codes:** O52, Q43, Q56.