World Academy of Science, Engineering and Technology
International Journal of Economics and Management Engineering
Vol:8, No:10, 2014

A Periodogram-Based Spectral Method Approach: The Relationship between Tourism and Economic Growth in Turkey

Authors : Mesut BALIBEY, Serpil TÜRKYILMAZ

Abstract : A popular topic in the econometrics and time series area is the cointegrating relationships among the components of a nonstationary time series. Engle and Granger's least squares method and Johansen's conditional maximum likelihood method are the most widely-used methods to determine the relationships among variables. Furthermore, a method proposed to test a unit root based on the periodogram ordinates has certain advantages over conventional tests. Periodograms can be calculated without any model specification and the exact distribution under the assumption of a unit root is obtained. For higher order processes the distribution remains the same asymptotically. In this study, in order to indicate advantages over conventional test of periodograms, we are going to examine a possible relationship between tourism and economic growth during the period 1999:01-2010:12 for Turkey by using periodogram method, Johansen's conditional maximum likelihood method, Engle and Granger's ordinary least square method.

Keywords : cointegration, economic growth, periodogram ordinate, tourism
Conference Title : ICBEMS 2014 : International Conference on Business, Economics and Management Sciences
Conference Location : Paris, France
Conference Dates : October 30-31, 2014

Open Science Index, Economics and Management Engineering Vol:8, No:10, 2014 publications.waset.org/abstracts/14439/pdf