YIL (YEAR): 2023 SAYI (ISSUE): 12

DUMLUPINAR ÜNİVERSİTESİ
İİBF DERGİSİ
DUMLUPINAR UNIVERSITY
JOURNAL OF FEAS

DOI: 10.58627/dpuiibf.1409135

Araştırma Makalesi ● Research Article

https://dergipark.org.tr/dpuiibf ISSN 2791-9579

ANALYSIS OF TRANSFORMATIONS IN MONETARY POLICY IMPLEMENTATIONS IN TÜRKİYE AFTER 2021

TÜRKİYE'DE 2021 SONRASINDA PARA POLİTİKASI UYGULAMALARINDAKİ DÖNÜŞÜMLERİN ANALİZİ

Banu Demirhan[1], Erdal Demirhan[2]

[1] *Doç. Dr., Afyon Kocatepe Üniversitesi, Afyon Meslek Yüksekokulu, bdemirhan@aku.edu.tr, Orcid: 0000-0002-0902-4629*

[2] *Prof. Dr., Afyon Kocatepe Üniversitesi, İktisadi ve İdari Bilimler Fakültesi, İktisat Bölümü, demirhan@aku.edu.tr, Orcid: 0000-0001-6843-1868*

MAKALEBİLGİSİ

Anahtar Kelimeler
Para Politikası, TCMB, Ortodoks Politikalar

Jel Kodları:
E52, E58

Makale Geçmişi:
Başvuru Tarihi: *24 Kasım 2023*
Düzeltme Tarihi: *28 Aralık 2023*
Kabul Tarihi: *28 Aralık 2023*

ÖZET

The aim of this study is to analyze the main economic effects of the monetary policies implemented in Türkiye after 2021. Monetary policies implemented in 2021 reflect an unorthodox approach, unlike the policies implemented before 2000. As a result of these policies based on keeping interest rates low, the inflation rate rose to double digits and central bank reserves melted rapidly. As of the second half of 2023, orthodox policies have been returned and improvements in macroeconomic balances have begun. Despite the orthodox policies implemented since the second half of 2023, there is no significant decrease in the inflation rate. There is a partial improvement in reserves. Whether orthodox policies produce the desired results in Türkiye depends on the continuity of these policies and the inflow of foreign capital.

ARTICLEINFO

Keywords
Monetary Policy, CBRT, Orthodox Policies

Jel Codes:
E52, E58

Article History:
Received: *24 November 2023*
Received in revised form:
28 December 2023
Accepted: *28 December 2023*

ABSTRACT

Bu çalışmanın amacı Türkiye'de 2021 sonrasında uygulanan para politikalarının temel ekonomik etkilerini analiz etmektir. 2021 yılında uygulanan para politikaları 2000 öncesinde uygulanan politikalardan farklı olarak ortodoks dışı bir yaklaşımı yansıtmaktadır. Faiz oranlarının düşük tutulmasına dayalı bu politikaların sonucunda faiz oranlarının düşük tutulması ile birlikte enflasyon oranı çift haneli rakamlara yükselmiş ve merkez bankası rezervleri hızla erimiştir. 2023 yılının ikinci yarısından itibaren ortodoks politikalara dönülmüş ve makroekonomik dengelerde iyileşmeler başlamıştır. 2023 yılının ikinci yarısından itibaren uygulanan ortodoks politikalara rağmen enflasyon oranında dikkate değer bir düşme görülmemektedir. Rezervlerde ise kısmi bir iyileşme görülmektedir. Ortodoks politikaların Türkiye'de istenilen sonuçları doğurması bu politikaların devamlılığına ve yabancı sermaye girişine bağlıdır.

Atıf vermek için / To cite: Demirhan, B. & Demirhan, E. (2023). Analysis of transformations in monetary policy implementations in Türkiye after 2021. *Dumlupınar Üniversitesi İİBF Dergisi,* 12, 202-209. DOI: 10.58627/dpuiibf.1409135

Türkiye has been a country with high inflation rates for many years. The inflation problem that started in the 1970s remained on the country's agenda for 30 years until the early 2000s. The main factor behind the high inflation rate in Türkiye after the 1980s was the use of central bank resources to finance budget deficits. A certain percentage of budget deficits were financed by the Central Bank of the Republic of Türkiye (CBRT) through short-term advances. The financing of budget deficits by short-term advances from CBRT resources continued until 1997 and then was terminated with the amendment to the CBRT law in 2001.

In the early 2000s, important steps were taken in the fight against inflation. In 2000, the monetary policy was based on a quasi-monetary board system with pegged exchange rates. With this program, the inflation rate was reduced to 39 percent by the end of 2000. On the other hand, a major economic crisis hit the Turkish economy in February 2001. As a result of the crisis, many banks failed and overnight interest rates rose to 1000 percent. As the crisis continued, a stand-by agreement was made with the IMF and "Transition to the Strong Economy Program" was prepared, the main purpose of which was to reduce inflation.

With the 2008 global crisis, the FED's loose monetary policy led to an increase in foreign capital flows to Türkiye. With the support of global economic conditions, exchange rates and the inflation rate declined significantly. The average inflation rate between 2004 and 2013 was 6 percent. The process of reducing inflation by implementing orthodox policies in Türkiye was interrupted in 2021.

In September 2021, although the inflation rate increased, serial reductions in the policy rate were initiated and the inflation rate increased accordingly. This study was prepared to analyze the results of the monetary policies implemented in 2021. The Turkish experience is important in terms of showing the extent of economic imbalances that arise when orthodox policies are deviated from despite the high inflation rate.

The first section of the study provides information about the monetary policies implemented before 2001. The second section of the study analyzes non-orthodox policies monetary policies implemented from mid-2021 to mid-2023. The third section analyzes the return to orthodox policies and its consequences. The final section is the conclusion.

1. GENERAL FRAMEWORK OF MONETARY POLICIES IMPLEMENTED BEFORE 2021

The Turkish economy has faced ongoing economic crises since the 1990s. The April 5 Decisions were taken, but the 1997 Asian Crisis and the 1998 Russian Crisis were added to the structural economic problems, and a Close Monitoring Agreement was signed with the IMF at the end of June 1998 (Doğan, 2006). As a result of the negotiations with the IMF in 1999, the Close Monitoring Agreement signed earlier was converted into a Stand-By agreement and a 3-year Disinflation Program (Inflation Reduction Programme) was decided, covering the years 2000 and 2002. In this context, it is aimed to control inflation, reduce real interest rates to a reasonable level, increase potential economic growth, and ensure a more effective and fair distribution of resources in the economy as a result of the coordinated implementation of fiscal, monetary, exchange rate and income policies along with structural reforms (Çetin, 2016).

The program, which was implemented in 2000, is based on using the exchange rate as a nominal anchor to combat inflation. (In order to predict monetary and exchange rate developments in advance, the CBRT based its exchange rate policy on the principle of daily exchange rate adjustment for inflation in the first 18 months.) Within the scope of the program, the CBRT announced in advance the value of the exchange rate basket consisting of 1 US dollar + 0.77 euro against the Turkish lira until the end of 2000, in line with the 20 percent Wholesale Price Index year-end target. In addition, it has been adopted and shared with the public that public goods and services prices and incomes policy should be determined according to the anticipated inflation. In addition to the previously announced exchange rate basket, setting a ceiling for the Net Domestic Assets item, excluding the FX revaluation account, and applying a band around the Net Domestic Assets item have been other important elements of monetary policy. In practice, the Net Domestic Assets band is determined symmetrically by taking into account the monetary base size realized at the end of the previous three-month period. It was envisaged that the increases in the monetary base would be achieved through increases in the Net Foreign Assets item. (CBRT, 2001). It was stated that the interval in the band application will end between July 2001 and December 2002 and the band system will be gradually expanded (7.5% between 1 July 2001 and 31 December 2001, 15% until 30 June 2002, and 22.5% until the end of 2002) (Çetin, 2016).

As a result of the failure to implement the practices recommended in the stabilization program implemented in 2000, the bad course of the economy could not be prevented, and banks' demand for liquidity to cover their open positions gave rise to the November 2000 crisis. Even though this crisis was overcome with additional IMF loans, the fragile structure of the economy and political tension brought about the February 2001 crisis. With the February 2001 crisis, financial markets were blocked, the payment system was locked, and the demand for foreign currency continued to rise rapidly. This crisis also became a turning point within the Central Bank. The "Transition to a Strong Economy Program", which was announced in two parts on April 14 and May 15, 2001, was put into effect.

The Strong Economy Transition Program focuses on issues such as public transparency and accountability, restructuring of banks, maintaining fiscal discipline, effective implementation of macroeconomic policies in the fight against inflation, sustainable growth and realization of structural reforms. An important regulation taken after the crisis was the change in the

CBRT law. The independence of the CBRT has been strengthened with the legal regulations (Önder, 2005). In its announcement in 2002, the Central Bank announced that the ultimate goal of monetary policy was to switch to an inflation targeting regime. In the inflation targeting regime, the Central Bank has to determine the inflation target together with the government and announce it to the public, and short-term interest rates, which are the main policy tool, are determined according to the difference between the inflation target and inflation forecasts. In this regime, central banks are free to use monetary policy tools and are accountable to the government regarding the results of their implementation (Özatay, 2011). Since Türkiye was not yet ready for the implementation of inflation targeting and the prerequisites for the implementation of inflation targeting were not yet completed, the 2002-2005 period was a preparatory period in which steps were taken to eliminate the factors restricting the effectiveness of monetary policy and the necessary preconditions were provided. The monetary policy implementation in the said period, which is described as a transition period, is called the "Implicit Inflation Targeting Regime" (CBRT, 2002)

In addition, short-term interest rates, which are the main policy tool with the implementation of the floating exchange rate regime, have been actively applied only in line with the price stability target. In 2003-2004, the Central Bank continued its implicit inflation targeting within the scope of the floating exchange rate regime and used short-term interest rates as the main policy tool. At the beginning of 2005, an important step was taken regarding the currency and six zeros were deleted. CBRT has implemented the Inflation Targeting Regime since 2006. The Central Bank, together with the government, has determined the inflation target for three years based on the annual percentage change in CPI. The targets are 5% for the end of 2006 and 4% for 2007 and 2008. The Central Bank decided to set a point target and announce a range around this target (Eroğlu, 2009).

Some changes were made in monetary policy practices in Türkiye depending on the effects of the global crisis on financial stability. In the new approach, the aim of financial stability was added to the goal of price stability and policy instruments were diversified within this framework. The purpose of this diversification is to aim to achieve both of these goals. While in the old approach the policy rate was used as the basis, in the new approach additional tools such as liquidity management and interest rate corridor were introduced depending on the price stability aim. (CBRT, 2013). It is worth noting that the basis of the policy implemented by the CBRT based on the interest rate corridor is an asymmetric structure. Active use of the interest rate corridor and liquidity policy caused credit growth to fall to reasonable levels compatible with financial stability in 2012 and showed that the interest corridor can also be used as a macroprudential tool for credit supply (Binici et al. 2013).

In the new approach, an additional reserve requirement ratio has been introduced for banks with high leverage ratios in order to ensure financial stability. The Reserve Option Mechanism (ROM) was also used to reduce the negative impact of volatility in foreign capital movements on financial stability. With the ROM, banks have the opportunity to keep a certain percentage of their TL provisions in foreign currency and standard gold at the CBRT. Thus, the TL liquidity available to banks increases and the CBRT's foreign currency deposits increase.

When evaluated in general terms, it can be seen that orthodox policies have been implemented in Türkiye for approximately 20 years after the early 2000s. These policies were effective in the fight against inflation and there was a visible improvement in macroeconomic indicators. Until 2016, the inflation rate mostly remained in single digits. The average inflation rate in the 2004-2016 period was 8.3 percent. The average inflation rate between 2017 and 2020 was 14.66 percent. This improvement in inflation rates ended with unconventional policies implemented after 2021.

2. NON-ORTHODOX POLICIES IMPLEMENTED FROM MID-2021 TO MID-2023

In Türkiye, in March 2021, the Monetary Policy Committee (MPC) increased the policy rate to 19 percent. The central bank governor, who took office 5 months before this date, increased the interest rate by 875 basis points and was dismissed after this decision. With this dismissal, a central bank governor was dismissed for the third time. The dismissal of the central bank governor after the policy rate increase had a shock effect on the markets. When the policy rate was raised to 19 percent, the inflation rate was around 16 percent.

The new central bank president, appointed in March 2021, kept the policy rate constant at 19 percent until September. During this time, the inflation rate began to increase. In September 2021, the MPC, chaired by the new central bank governor, reduced the policy rate to 18 percent. After this date, interest rate decreases continued and the policy rate was reduced to 14 percent in December. Thus, the policy rate was reduced by 500 basis points within 4 months.

These interest rate decreases actually signaled a return from orthodox policies. Because monetary policies implemented before were based on increasing policy interest rates due to rising inflation. After this policy transformation, the policy rate was deactivated. These policies were called the Turkish economic model by the economic management. It was thought that these policies would create a competitive exchange rate and this would reduce the current account deficit.

Some macroprudential measures were implemented along with the policy rate cuts. These measures were taken to prevent a negative impact of falling interest rates on credit and inflation. On the other hand, selective credit policies aimed to support the investment and export sectors.

By November 2021, the inflation rate had increased to 21.31 percent. On the other hand, there were also increases in exchange rates. There was exchange rate shock on December 21 and the dollar-Turkish Lira parity jumped to 17.47. However, at the beginning of 2021, the dollar exchange rate was around 7.40. Within a year, TL lost 136 percent of its value against the dollar. This jump in exchange rates caused the economic management to introduce a new instrument called “exchange rate protected deposit”, with the press release made by the Ministry of Treasury and Finance. The purpose of exchange rate protected deposits was to encourage economic units to convert their foreign currency deposits into Turkish Lira. In this way, it was aimed to prevent fluctuations in exchange rates and stabilize the Turkish Lira (Çakalı and Baloğlu, 2022).

Although the exchange rate protected deposit application is considered a new system, it is partially similar to the foreign currency convertible deposit system that was first introduced in 1967. The convertible deposit system allowed TL deposit accounts to be opened for the foreign currency brought by residents abroad in order to encourage foreign currency inflow to the country. Exchange rate guarantee was provided in these accounts and the exchange rate difference was covered from the budget. The practice of convertible deposits into foreign currency ended in 1979 due to the fact that payments arising from exchange rate differences created a burden on the treasury (Köstekçi and Özbay, 2023). Bulut and Erdil (2023) explain the advantages/disadvantages of exchange rate protected deposits and provide an applied example.

In the exchange rate protected deposit application, if the exchange rate increase exceeded the determined interest rate, the difference was credited to the depositors' account. The minimum interest rate on an exchange rate protected deposit account was the policy rate of the central bank. This limit was later removed in September 2023 with the regulation of the CBRT. In the exchange rate protected deposit application, the withholding tax rate was also determined as zero. Exchange rate protected deposits were in great demand due to these advantages and limited exchange rate increases.

While unorthodox monetary policy practices continued in Türkiye during this period, the second round of presidential elections were held on May 28, 2023. Expectations that economic management would change after the elections came true. The new treasury and finance minister took office on June 4, and the new central bank governor took office on June 9. With the new economic management taking office, the expectation that there would be a return to unorthodox policies accelerated and the markets focused on the monetary policy board meeting to be held on June 22.

Before the MPC meeting on June 22, the current policy interest rate was 8.5 percent. This interest rate was determined on February 24. The inflation rate was 39.59 percent. Non-Orthodox policies did not yield the expected results: The current account deficit increased, the inflation rate jumped, and macroeconomic balances were disrupted. In addition, exchange rate protected deposits exceeding 120 billion dollars constituted a significant burden on the treasury. Due to negative TL real returns, TL assets were losing their attractiveness and dollarization was increasing. The markets expected that this situation would not be sustainable and that the new economic management would return to orthodox policies, and that's what was expected.

3. RETURN TO ORTHODOX POLICIES AND ITS RESULTS

The MPC, which met on June 22, 2023, increased the policy rate to 15 percent. This increase marked the end of the 1.5-year low interest policy. The first sign was given for the transformation of monetary policy in Türkiye. In this respect, the meeting on June 22 is important as it shows the policy transformation. Evaluations regarding this meeting are summarized as follows: (CBRT, 2023a and CBRT, 2023b)

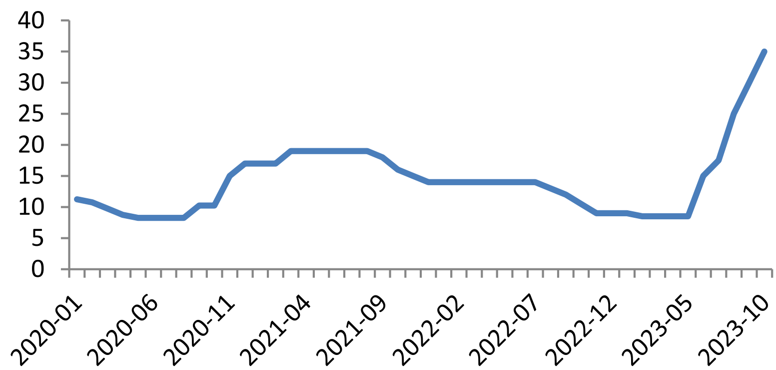
- ✓ It was decided to start the monetary tightening process in order to establish deflation as soon as possible, anchor inflation expectations, and control the deterioration in pricing behavior.
- ✓ It was determined that the strong course of domestic demand, cost-oriented pressures and the rigidity in services inflation caused an increase in the main trend of inflation.
- ✓ It was decided to gradually strengthen monetary tightening as much as needed in a timely until a significant improvement in the inflation outlook is achieved.
- ✓ It was decided to continue supporting strategic investments that will improve the current account balance with the aim of ensuring the continuity of price stability.
- ✓ It was decided to simplify the micro- and macroprudential framework in a way that will increase the functionality of market mechanisms and strengthen macro-financial stability.

After the MPC meeting on June 22, simplification steps began to be taken. For this purpose, on June 25, the CBRT first simplified the securities maintenance regulation. The TL weight liability on banks' balance sheets was reduced from 60 percent to 57 percent. The securities maintenance ratios for banks that cannot fulfill their obligations were reduced from 10 percent to 5 percent. On July 8, the target rate in the application of additional reserve requirements based on the TL share was updated to 57 percent, complementing the first step taken on June 25. In later periods, simplification steps continued increasingly. These simplification steps were considered important for the functioning of the transmission mechanism of monetary policy.

At the MPC meeting in July, the policy rate was increased to 17.5 percent. At this meeting, it was decided to continue the monetary tightening process and it was emphasized that monetary tightening would be gradually strengthened as necessary until a significant improvement in the inflation outlook was achieved (CBRT, 2023c). At this meeting, the policy interest rate was increased below expectations. On July 28, 2023, 3 central bank deputy governors were replaced and new appointments were made. Thus, after this date, monetary policies began to be implemented with new monetary policy board members. These appointments were important in ensuring the credibility of monetary policy because former members had signed unorthodox policies that increased inflation. The monetary policy board, consisting of newly appointed members, increased the policy interest rate by 750 basis points to 25 percent in August. (CBRT, 2023d) In September and October, policy interest rates were increased by 500 basis points and the policy interest rate was increased to 35 percent. (CBRT, 2023e; CBRT, 2023f).

When the monetary policies implemented in Türkiye between 2021 and 2023 are evaluated, two separate periods stand out. The first of these periods covers the period from September 2021 to June 2023. During this period, serial decreases were made in policy interest rates. The second period is after June 2023. After this date, policy interest rates were increased. Figure 1 has been prepared to show these periods. As can be seen in the graph, the downward cycle in the policy interest rate, which started in September 2021, was reversed after June 2023. As we approach the end of 2023, there is an expectation in financial markets that increases in interest rates will continue.

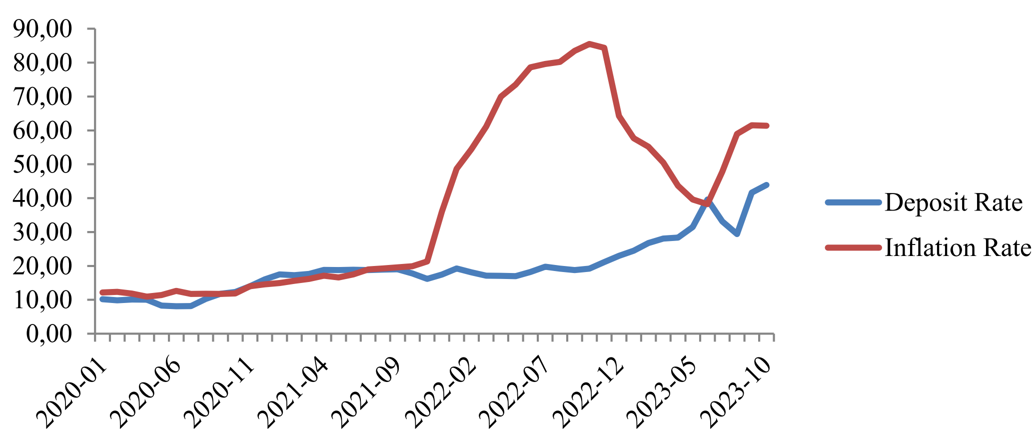
Figure 1: *CBRT Policy rate (The One-Week Repo Auction Rate) (%)*



Search: *CBRT*

As a result of the monetary policies implemented in Türkiye from 2022 to mid-2023, the deposit interest and inflation gap has widened considerably. With the policies implemented by the new central bank management, this gap started to close as of mid-2023. This situation can be seen in Figure 2. As can be seen from the graph, the deposit interest rate, which was around 17 percent in 2022, started to increase as of 2023 and reached approximately 40 percent in October. Both the increases in the policy interest rate and the reduction of precautionary measures have pushed deposit interest rates upwards. By October 2023, although deposit interest rates are still behind the inflation rate, it is seen that positive real returns are approaching.

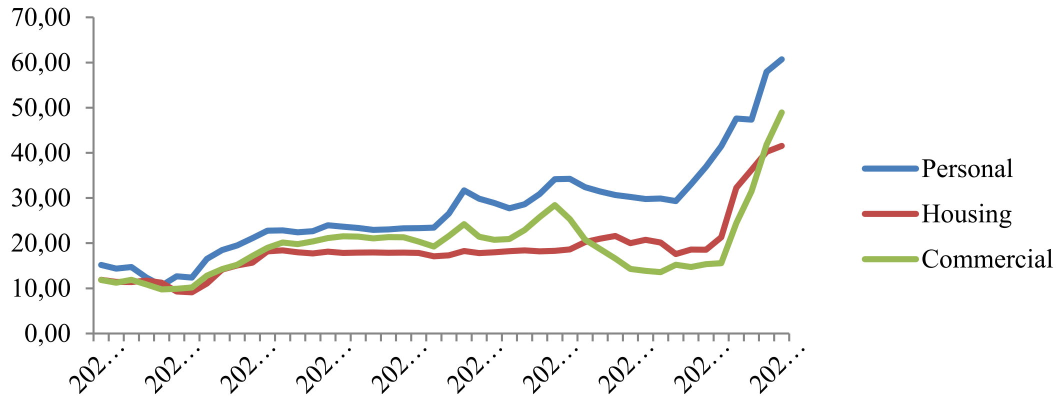
Figure 2: *Deposit Rate and Inflation Rate (%)*



Search: *CBRT*
Note: *Up to 3 Months (TRY Deposits) (Flow Data, %) Weighted Average Interest Rates for Deposits (Flow Data, %); Yearly Percentage Change, Consumer Price Index (2003=100)*

As a result of the policies implemented by the new economic management, the increase in deposit interest rates was also seen in loan interest rates. Figure 3 shows the change in loan interest rates. When the graph is examined, it is seen that consumer loan interest rates, which were around 30 percent at the beginning of 2023, reached 60 percent in October. This rise, which emerged as a result of monetary tightening practices, is expected to contribute to the disinflation process by reducing domestic demand. The increase in interest rates of commercial loans during this period is also noteworthy. Commercial loan interest rates, which were around 13 percent in early 2023, are around 50 percent. This increase is due to the reduction of precautionary measures and increases in policy interest rates. When evaluated in general, there were sharp increases in all loan items within a year. This situation can be seen as a result of the normalization process of monetary policy.

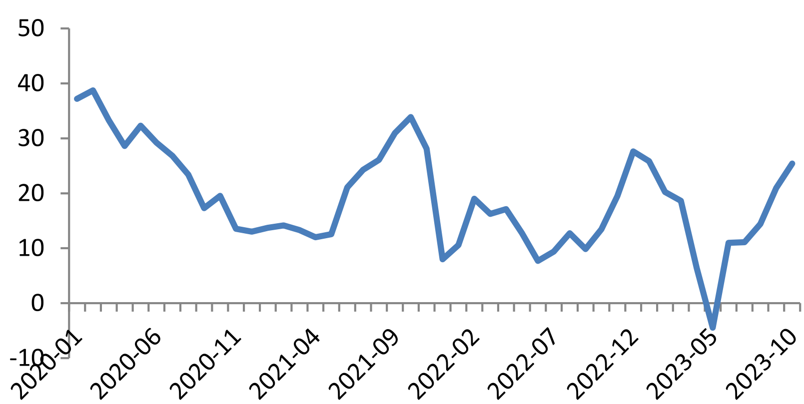
Figure 3: *Loan Interest Rates (%)*



Search: *CBRT*
Note: *Weighted Average Interest Rates For Banks Loans (Flow Data, %)*

The positive effects that emerged in the markets with the normalization of monetary policies in Türkiye were also seen in international net reserves. This situation can be seen in graph 4. Net reserves, which hit their bottom in May 2023, have started to rise. Net reserves, which approached 25 billion dollars as of November, are expected to increase in the following months. On the other hand, it is worth mentioning that net reserves excluding swaps are still at minus approximately 50 billion dollars. Improving net reserves is especially important for the initiation of foreign capital inflows.

Figure 4: *Net International Reserves (Billion $)*



Search: *CBRT*

When the policies implemented in the second half of 2023 are generally evaluated, an effort to return to orthodox policies can be seen. Increases in deposit and loan interest rates due to the increase in policy interest rates indicate that monetary transmission mechanisms may come into play again. In addition, precautionary measures taken in previous periods were reduced. A selective credit policy has been implemented that facilitates access to investment and export credits but limits individual loans. Some practices have also been initiated to exit exchange rate-protected deposits, which were introduced in late 2021 to prevent the increase in foreign exchange demand. It seems that the new economic management is making an effort to exit the exchange rate protected deposit practice. Accordingly, although exchange rate protected deposits decreased to around 110 billion dollars, there is a risk that the instrument on which the outflows are directed will be foreign exchange deposit accounts. The continuation of the downward trend in this amount depends on alternative investment instruments such as time deposits offering real returns and breaking the expectations for an increase in exchange rates. Otherwise, exit from exchange rate protected deposits will be slow.

The monetary policy implemented by Türkiye in 2022 is an important indicator of the negative consequences of unorthodox policies. A country with high inflation needs to take steps to strengthen monetary policy credibility and activate the policy response function. The dismissal of central bank governors in Türkiye and also the ineffectiveness of the policy interest are one of the main reasons for today's high inflation. Continuing the process of turning away from these policies will accelerate the disinflation process.

Currently, the inflation rate as of October 2023 is 61.3 percent and the CBRT's year-end inflation forecast is 65 percent. It is also stated in the inflation reports of the CBRT that the disinflation process will begin in 2024. While the 2024 inflation forecast was 33 percent in the 3rd inflation report (CBRT, 2023g), this rate was reduced to 36 percent in the 4th inflation report (CBRT, 2023h). At this point, let us note that the upper limit of the CBRT's prediction range is 42 percent. Although it seems difficult for the CBRT to reach these rates in 2024, it is obvious that the policies implemented will put the economy in a disinflation process. Especially after the second half of 2024, decreases in the inflation rate may be observed with the support of fiscal policy. On the other hand, we can say that the effects of anti-inflationary policies will be more visible on low- and fixed-income people, especially after the second half of 2024. The success of these steps taken to reduce inflation depends on the monetary policy management remaining in office and foreign capital inflow.

4. CONCLUSIONS

Türkiye is a country that has struggled with inflation for many years. In the early 2000s, important steps were taken in the fight against inflation and inflation rates were reduced to single digits. Ensuring monetary and fiscal discipline is of great importance in reducing the inflation rate to single-digit levels. During this period, important steps were also taken to ensure financial stability. On the other hand, Türkiye's low inflation experience could not maintain its continuity, and by 2021, increases in the inflation rate and deteriorations in macroeconomic balances occurred.

The biggest factor behind the deterioration of the economy is that a policy transformation took place in September 2021. Within the framework of this policy transformation, interest rates were reduced. It was aimed to increase production with the low interest policy. In addition, this policy aimed to ensure an improvement in the current account balance by supporting exports. With this policy transformation, exchange rates were intervened and thus the volatility in exchange rates was reduced. A number of micro and macroprudential measures have been taken to reduce the increasing effect of low interest rates on exchange rates. These regulations aimed to prevent TL from shifting towards foreign currency.

The results of this policy were not as expected. The inflation rate has risen to historical levels and the deterioration in macroeconomic balances has increased significantly in the 18 months that this policy has been implemented. It is aimed to improve the economic outlook with the measures taken by the new economic management starting from June 2023. The decisions taken by the new economic management and the central bank indicate a significant improvement in the economy. Whether this improvement will continue in the future depends on the continuity of rational economic policies. It is clear that a policy transformation similar to policies implemented in 2021 will cause great damage to the Turkish economy. Türkiye's experience has shown that in countries with high inflation, irrational policies and ineffective monetary policy will have negative consequences. Countries with high inflation should not deviate from the path of fighting inflation by implementing orthodox policies and providing credibility to their central banks.

AUTHOR DECLARATIONS

Declarations of Research and Publication Ethics: This study has been prepared in accordance with scientific research and publication ethics.

Ethics Committee Approval: Since this research does not include analyzes that require ethics committee approval, it does not require ethics committee approval.

Author Contributions: The authors have done all the work alone.

Conflict of Interest: There are no conflict of interest arising from the study for the authors or third parties.

REFERENCES

Binici M., Erol, H., Kara H., Özlü P. and Ünalmış, D. (2013). Faiz Koridoru Bir Makro İhtiyati Araç Olabilir mi?. TCMB Ekonomi Notları, No:2013-20.

Bulut, N. and Erdil, S. (2023). Döviz Dönüşümlü Kur Korumalı Mevduat Hesabı ve Muhasebeleştirilmesi, Akademik İzdüşüm Dergisi, 8 (1): 495-524.

CBRT (2001). Annual Report 2000, Ankara.

CBRT (2002). Monetary Policy and Exchange Rate Policy in 2002 and Prospective Developments. lease, Press Release.

CBRT (2013). CBRT Bulletin, March, Issue: 26.

CBRT (2023a). Press Release on Interest Rates, (2023-22).

CBRT (2023b). Summary of the Monetary Policy Committee Meeting, (2023-24).
CBRT (2023c). Summary of the Monetary Policy Committee Meeting, (2023-25) .
CBRT (2023d). Summary of the Monetary Policy Committee Meeting, (2023-32).
CBRT (2023e). Summary of the Monetary Policy Committee Meeting, (2023-35).
CBRT (2023f). Summary of the Monetary Policy Committee Meeting, (2023-39).
CBRT (2023g). Inflation Report 2023-III, 27 July 2023.
CBRT (2023h). Inflation Report 2023-IV, 2 November 2023.
Çakalı, K. R. and Baloğlu, G. (2022). Kur Korumalı Türk Lirası Mevduat Hesaplarının Muhasebeleştirilme Esasları, PIAR, 9(22): 564-376.
Çetin, M. Ö. (2016). Türkiye Cumhuriyet Merkez Bankası Para Politikası Uygulamalarının Gelişimi, Finansal Araştırmalar ve Çalışmalar Dergisi, 8(14): 67-101.
Doğan, S. (2006). 2000li Yıllarda Türkiye'nin Ekonomik İstikrar Arayışları, İstanbul Üniversitesi İktisat Fakültesi Maliye Araştırma Merkezi Konferansları, 49. Seri.
Eroğlu, N. (2009). Türkiye'de 1990'lı ve 2000'li Yıllarda Para Politikaları. Marmara Üniversitesi İ.İ.B.F. Dergisi, Cilt XXVI, Sayı 1.
Köstekçi, A and Özbay, F. (2023). Kur Korumalı Mevduat Sistemi ve Vergilemenin Amaçları Üzerine Bir Değerlendirme, Business, Economics and Management Research Journal, 6 (1): 44-56.
Önder, T. (2005). Para Politikası Araçları Amaçları ve Türkiye Uygulaması. TCMB Uzmanlık Yeterlilik Tezi, Ankara.
Özatay, Fatih (2011). Parasal İktisat Kuram ve Politika. 2. Baskı. Efil Yayınevi. Ankara.