Europeanisation of Regional Policy and Regional Governance: The Case of Turkey

Ebru Loewendahl-Ertugal*

Abstract

Since the EU’s Helsinki decision in 1999 to officially admit Turkey as a candidate country, Turkey’s territorial governance has been increasingly challenged towards a more regionalised model. This article offers an analysis of the causes and mechanisms which act upon the development of regional governance in Turkey during the EU pre-accession process. Based on interviews conducted during Summer and Autumn of 2003, this article argues that it is the interaction between state norms, ideas about regional economic development and EU conditionality which constitute the main causes of domestic stability and change in Turkey’s regional governance.

Keywords: Turkey, European Union, regional policy, regional governance

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1. Introduction

The Helsinki summit of EU leaders in 1999 when Turkey was officially admitted as a candidate country to join the EU marks a significant increase in the influence of the EU on domestic political and economic change in Turkey. Whereas, previously the EU-Turkey Customs Union failed to induce major transformation in Turkey (Öniş, 2003), the decision of the Helsinki summit provided Turkey with concrete possibility of EU membership, triggering a process of major domestic change.

The aim of this paper is to examine Turkey’s regional governance and to identify causes and mechanisms, which are conducive to bring about change or maintain stability during the EU pre-accession process. The pre-accession process is a relatively recent phenomenon in Turkey’s case, with the Accession Partnership document drawn up as late as the end of the year 2000. Therefore, it is too early to fully explain domestic change, particularly in regional governance, an area which has lagged behind political reforms in importance. Nevertheless, changes have taken place in Turkey’s regional governance in recent years and based on these changes it is possible to draw tentative conclusions about the way in which institutional change/stability is sustained.

It has become fashionable in academic literature to use the concept of ‘Europeanisation’ in order to understand the impact of the European integration on domestic change not only in member states but also in candidate countries. Even though the concept of ‘Europeanisation’ may have different meanings, it is most often used to refer to domestic institutional and policy adaptation to the pressures emanating from the EU (Olsen, 2002). Similarly, studies on Turkey about the domestic impact of EU conditionality have proliferated following the Helsinki decision. These studies have mostly tended to focus on democracy, human rights, state-society relations in general and foreign policy. However, there has not been significant research on the more subtle influence of EU conditionality towards

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increased regionalisation through the adaptation of regional policy and development of regional governance in Turkey.

One of the most important policy fields in the EU is regional and cohesion policy, whose objective is not only to achieve economic and social cohesion within the EU but also territorial cohesion following the inclusion of the latter objective in the new European Constitution. The effective implementation of these policies requires that local and regional governance systems in member states are compatible with EU practice and regulatory norms. The main aim of EU regional policy is the reduction of regional disparities between the different regions in the EU territory.

The scale of regional disparities between the different parts of Turkey is wider than the scale of regional disparities in the EU. In terms of geographical size Turkey encompasses an area bigger than that of Germany, Italy and Portugal combined, with a population of approaching seventy million. According to the State Planning Organisation (SPO) of Turkey the Gross Domestic Product (GDP) per capita in 2001 was highest in the three regions in the Western and Northwestern parts of Turkey, which were up to 150 per cent of Turkey’s average income. The GDP per capita in the poorest three regions of Turkey in the Eastern and Southeastern parts of Turkey, however, accounted for only 40 per cent of Turkey’s average income.

Despite these regional disparities, Turkey has not experienced decentralisation or devolution to the regional level, as has been the case in most of the countries of the EU. Theorists from a range of disciplines, as Schobben (2000) shows, tend to share the view of the growing importance of regions. It has been observed that a trend across many parts of Europe in the last decade has been an emergence of a regional level of government or a process of decentralisation and regionalisation (Keating, 1998; Bachtler, 1997; Bullmann, 1996; Nanetti, 1996).

In contrast, Turkey’s territorial governance consists of a central and a local level, with the absence of institutional structures for an intermediate level between the two. The only exception to the absence of regional structures in Turkey is the GAP Regional Development
Administration specifically set up for the Southeast Anatolia region of Turkey. Territorial governance of Turkey has been increasingly challenged following the Helsinki decision by the EU’s specific conditions in this area.

Even though, there is a huge research literature on regional and local governance in Western Europe in the context of the broad concept of ‘Europe of the Regions’, and growing research on the Europeanisation of regional governance in the accession countries of Central and Eastern Europe, the lack of research on institutional capacity at the regional level in the case of Turkey is striking. Therefore, another aim of this paper is to contribute towards filling the gap in research literature on regional governance in Turkey.

In the remainder of the paper, the theoretical approach is summarised followed by a comparison of the EU’s and Turkey’s regional policy. Based on interviews three main causal variables are identified to explain the reasons for stability and change in Turkey’s regional governance. This is followed by an analysis of possible mechanisms of institutional change during the EU pre-accession process.

2. Theoretical Framework

In recent years there has been an increased interest in the analysis of institutions in studying European integration and EU governance as can be seen in the works of Bulmer (1994, 1997) or Pierson (1996). In examining regional governance in Turkey, Historical Institutionalist provides useful conceptual tools for analysis because of its focus on the institutions of the state (Lecours, 2000: 513; Hall and Taylor, 1996: 938; Thelen and Steinmo, 1995). This is important for two reasons. Firstly, it has been shown that the emergence of a regional level of governance in Western Europe for the most part was a project of the nation-state, i.e. it emanated from ‘above’, rather than ‘below’ (MacLeod, 2001; MacLeod and Goodwin, 1999;
Brenner, 1999). Secondly, the state has played a dominant role in society and economy throughout the Ottoman and Turkish history.

Historical Institutionalism draws attention to three major explanatory variables in its analysis of institutions. One of these variables concerns institutional norms. Institutions are defined as comprising not only formal organisations and informal rules, but also norms, values or beliefs embedded in institutions (Hall and Taylor, 1996; Bulmer, 1994, 1997; Pierson, 1996). Defined as such, political institutions may shape identities, interests, and actions of actors (Katznelson, 1997).

The second explanatory variable in the analysis of institutions concerns the role ideas play in policy-making (Hall, 1995). The concept of ideas may range from political programmes to visions of what is good and they may alter the identities and interests of actors (Hall and Taylor, 1998). Hay and Wincott (1998) stress that perceptions of what is feasible, legitimate, possible and desirable are shaped both by the institutional environment and by existing policy paradigms and worldviews. For example, New Regionalism is a worldview or policy paradigm (Thomas, 2000) that has been very influential in the formulation of new approaches to regional development in national and international frameworks, including the European Union. New Regionalism encompasses several different theories advocating transfer of powers to the regional level in order to achieve regional economic development and competitiveness.

The third explanatory variable concerns the role played by external forces in the analysis of institutions (Steinmo et al., 1995; Hall and Taylor, 1996; Lecours, 2000). External forces may be in the form of international economic structures and requirements of EU membership. Global economic liberalisation and the associated processes of competition, co-operation, and innovation are major external forces heightening the regional agenda. The European Union has been a

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3 See Webb and Collis (2000) and Syrett and Silva (2001) for an account of the establishment of Regional Development Agencies in England and in Portugal, respectively, from this point of view.
4 See, for example, CEC (1993a) and OECD (1996).
key advocate of economic liberalisation among its members and associated countries, including Turkey, which has had a fundamental impact on regions across Europe. Similarly, the requirements of EU membership in the area of regional policy have potentially far-reaching implications for regional governance.

In addition to explanatory variables, Historical Institutionalism elaborates various mechanisms of institutional change. Thelen (1999: 397) argues that “institutions rest on a set of ideational and material foundations that, if shaken, open possibilities for change”. In this view, to understand institutional change, it is necessary first to identify the ideational and material foundations of institutions, which constitute the “mechanism of reproduction”.

Lindner (2003: 917-8) identifies four reproduction mechanisms. The first concerns the power of the dominant actor coalition where institutional stability is ensured by a strong coalition of actors that benefit from the existing institutional arrangements. The second mechanism is where institutional stability is based on the interdependence of different policy sub-fields, each dominated by entrenched interest. In this case the intervention of a higher-level authority, which is hierarchically superior, can overrule entrenched interests. The third mechanism concerns large switching costs where the cost of change may be too high. One way of change in this case occurs when the opportunity costs of continuing the status-quo increase. The fourth mechanism is where small institutional adaptation can meet the demands for change. However, change becomes inevitable when small adaptations no longer suffice to meet demands.

In understanding Turkey’s regional governance, explanatory variables and mechanisms of institutional change, to which the Historical Institutionalism literature draws attention, will be applied.
3. Regional Governance in Turkey: Comparison of Turkey and EU Regional Policy

EU’s conditions in the area of regional policy require both policy and institutional changes, which point to a certain model of regional governance.

Table 1. Comparison of regional policy in Turkey and the EU

<table>
<thead>
<tr>
<th>Criteria for comparison</th>
<th>Turkey Regional Policy</th>
<th>EU Regional Policy</th>
<th>Remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Partnership</td>
<td>No tradition; non-existence of regional agencies in most cases, especially at the NUTS 2 level</td>
<td>Different practice</td>
<td>A draft law for establishing RDAs at NUTS2 level</td>
</tr>
<tr>
<td>Programming</td>
<td>No tradition except for GAP region; but recently some progress under EU influence</td>
<td>Already the third generation of programming documents</td>
<td>Excessive emphasis on analysis in regional plans, weak strategic component</td>
</tr>
<tr>
<td>Concentration</td>
<td>Weak</td>
<td>Focus on the most needy</td>
<td></td>
</tr>
<tr>
<td>Implementation structure</td>
<td>Prevailing sectoral approach</td>
<td>Different systems</td>
<td></td>
</tr>
<tr>
<td>Approach to regional policy</td>
<td>Narrow conception of regional policy and its insufficient coordination with other policies</td>
<td>Integrated multi-sectoral approach</td>
<td>Attempts towards an integrated approach in GAP</td>
</tr>
<tr>
<td>Selection of projects</td>
<td>Problems with transparency, no separation of functions</td>
<td>Clear separation of management, monitoring and control function</td>
<td></td>
</tr>
<tr>
<td>Evaluation of efficiency and effectiveness</td>
<td>Weak tradition, performed infrequently and ad hoc</td>
<td>Systematic attention and pressure for further enhancement</td>
<td></td>
</tr>
<tr>
<td>Involvement of private sector</td>
<td>Low participation for preparation and limited awareness of regional policy</td>
<td>Strong role, often significant initiative</td>
<td></td>
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</table>

Source: adapted from Davey (2003)
Therefore, it is useful to establish the discrepancies between Turkey and EU regional policy through a comparative analysis. The following criteria, which were used in comparing regional policies in the accession countries of Central and Eastern Europe to the EU (Davey, 2003), can also be used to evaluate Turkey’s regional policy. These criteria include major principles governing EU regional policy (see Table 1).

3.1 Partnership

The first criterion for comparison is the principle of partnership, which was introduced by the 1988 reform of the EU Structural Funds. Partnership calls for close involvement of regional and local bodies with the Community and the national authorities in the planning, decision-making, and implementation of the Structural Funds (CEC, 1988). Whereas previously national governments alone had controlled the implementation process, with the 1988 reform the sub-national level of governance plays a formal role in the administration of programmes within member states. In the 1993 reform of Structural Funds, the partnership principle was extended to include an array of non-state actors (CEC, 1993b: 19).

The partnership principle in the implementation of Structural Funds have led scholars to depict the EU governance system as “multi-level governance” to refer to a structure whereby there are horizontal and vertical linkages among sub-state and non-governmental actors (Risse-Kappen, 1996: 60; Marks et al., 1996: 346). According to this model the sovereign nation-state does not constitute the sole focal point for decision-making competencies, which are shared by actors at different levels (i.e. the EU and the regional level). As Bullmann (1996: 17) points out traditionally unitary nation-states now have to think seriously about regionalisation to keep pace with European-level developments.

There is weak tradition of partnership in Turkey. Under the terms of its Constitution, Turkey is a unitary and centralised country. Territorial administrative units (provinces and districts) have very limited powers: their functions have been until present essentially executive, and based on the principle of deconcentration. There are no
real regional structures for handling power. Three types of local
government exist: provinces, municipalities and metropolitan areas,
in addition to village administrations. Turkey therefore does not at
present possess any official regional subdivision, with the exception
of the delineation of statistical regions in 2002 as part of prepara-
tions to join the EU. Moreover, the recent public administration re-
form bill, which still has to be approved by the Turkish Parliament,
does not address the lack of institutional capacity at the regional
level. The lack of regional administrative structures reduces the po-
tential application of the principle of partnership within the country.

The formulation of regional policies and regional planning is en-
trusted to the SPO in the central administration. Involvement of the
local or regional level in the preparation of regional policies by the
SPO does not take place in the centralised governance system of
Turkey. There have been limited attempts at regional planning for
particular regions in the past, most of which could not be imple-
mented due to lack of administrative structures for implementation,
such as the regional plans for Antalya, Çukurova region or
Zonguldak region.

3.2 Programming

The principle of programming was also introduced as part of 1988
reform of EU Structural Funds. Before, most funding had gone to
individual projects. This approach was replaced by the requirement
that projects had to form part of larger multi-annual programmes for
each assisted region. This aimed to encourage a more coherent,
long-term approach to regional development.

In Turkey there is no tradition of programming for regions with the
exception of GAP. Regional plans, to the extent that they existed,
composed of individual project proposals. There are annual pro-
grammes for national investments prepared by the SPO, however,
they are not always realised due to macroeconomic imbalances. It
was reported by the Economic and Social Committee of the EU
(ECOSOC, 2003) that one of the most important premises of the
European regional policy has not been taken into account in Turkey,
that is the very tight link between the programming activity and the
preliminary drafting of the budget: this exposes high uncertainty
concerning the availability of resources to be invested, and the same programming exercise becomes even more difficult.

3.3 Concentration

The principle of concentration in the EU involves the concentration of spending on the most needy regions and states. In the EU’s 2000-2006 programming period three priority objective areas are identified. Some fifty regions, home to 22 per cent of the EU15’s population, are included within Objective 1 status, whose development is lagging behind, and they receive 70 per cent of the funding available.

In Turkey the share of resources within the country seems not to have been always directed to reduce internal disparities. The priority goal of national industrialisation remained the determining factor in national development plans. In fact, the economic inefficiency involved in investing in under-developed regions was accepted only in the initial years of the Republic because of the pressing need for national unity. “Without such an overwhelming concern, it is highly doubtful that the Government would have made the sacrifices in economic efficiency that were required by the Turkish territorial development policy” (cf. Danielson and Keleș, 1985: 211).

Regional projects, formulated since 1960s, were for East Marmara, Antalya, Çukurova, Zonguldak and Kebean regions, most of which were relatively prosperous. Various state mechanisms transferred resources from small rural municipalities to big urban municipalities (Güler, 1998: 163). In 1975 the province of Istanbul alone accounted for 49 per cent of all major industrial establishments in the country. By the end of 1970s Istanbul received 40.5 per cent of financial and physical incentives (Güler, 1998: 228). In 1980, 60 per cent of all public credits were allocated to the most developed regions in the west, while Eastern Anatolia received only 4 per cent (Danielson and Keleș, 1985: 35).

In 1993, there were thirty five provinces within the status of Priority Development Areas, a key tool of regional policy, which included some provinces in the West as well. They had a population of 16.1 million, which accounted for 28.1 per cent of the total population.
Despite that, the Priority Development Area provinces received 15.7 per cent of public investments in 1991, 12.4 per cent in 1992 and 17.8 per cent in 1993\textsuperscript{6}. In contrast, provinces in the Marmara and Aegean regions attracted more than 50 per cent of public investments throughout the period due to their superior port, infrastructure and agricultural conditions and better social institutions (Dağ, 1995: 41).

### 3.4 Implementation structure

In terms of the implementation structure, traditionally there have been two major tools of regional policy in Turkey: public investments and incentives to the private sector. Public investments have been implemented by the relevant agencies of the central administration, which have narrowly defined functional duties, such as the Highways Authority or the State Hydraulic Works. Incentives have been implemented mainly by three development banks and two half-investment half-commercial banks (Ziraat and Halk).

As regards to the implementation of regional plans, in addition to fundamental technical, budgetary and legal deficiencies, there are also problems with the administrative organisation and power vacuums. The problems of implementation continue to show themselves at various levels (Dülger, 2001: 22-3):

- Institutional organisation for implementation of plans at the national level is very weak;
- There is no legal arrangement and division of labour between the central and sub-central administrations about the implementation of regional plans;
- The duties of provinces in the implementation of plans are not evident;
- There is a need for “regional development institution models” responsible for the management of regional plan/project implementation in the regions and a need to re-define the di-

\textsuperscript{6} See SPO, accessible at: http://www.dpt.gov.tr
vision of powers between the central, regional and local levels.

- Co-operation processes between the implementing agencies of the central and sub-central administrations are required. Moreover, ways of incorporating co-operation between regional and local officials, NGOs and private entrepreneurship into regional planning processes have to be worked out.

### 3.5 Approach to regional policy

In terms of its approach to regional policy, Turkey's efforts in less developed areas have been designed more to meet production-related (sectoral) requirements rather than those of comprehensive and, most importantly, territorially integrated development (ECOSOC, 2003).

The traditional planning method in Turkey is sectoral and centralised (Dericioğlu, 1989: 110). In the sectoral planning approach, plans are made to encourage the growth of certain sectors without any consideration of regional or sub-regional dimensions and without making any links between different territorial spaces. The incentives scheme was thus oriented towards businesses that would contribute to sectoral targets rather than on the basis of encouraging development in the least developed regions (Dağ, 1995: 147).

The Five Year National Development Plans aim to direct investments at the economic and sectoral levels, without any consideration for regional distribution (Turkey Development Bank, 2002: 33). These national plans predominantly focus on economic measures and city plans at the local level have a physical character, neither of which are suitable for tackling regional disparities (Turkey Development Bank, 2002).

The only exception to the sectoral approach has been the Southeastern Anatolia Project (GAP), which in 1989 signalled a transition from one-centre one-sector planning practice to two-centres (national and regional) and multi-sector planning approach. However, in practice, the financial resources for investments in this region
were made available disproportionately in favour of energy investments, at the expense of other sectors (80 per cent realisation in energy sector investments as opposed to 18 per cent realisation in irrigation as of 2002). Moreover, the GAP Regional Development Administration, established to implement GAP, has been headquartered in the capital Ankara, with only a directorate based in the region.

3.6 Selection of projects, Evaluation of Efficiency and Effectiveness and Involvement of the Private Sector

Whereas there is clear separation of management, monitoring and control function in the selection of projects in EU regional policy, there has been no transparency in the selection of projects in Turkey and no separation of functions. In contrast to the importance attached to efficiency and effectiveness in the EU regional policy, Turkey has a weak tradition with infrequent and ad hoc application.

The role the private sector has played in regional projects has been very limited in Turkey, especially in the least developed regions as against the EU where the private sector plays a strong role. However, there is an increasing emphasis on the need to encourage private sector involvement in regional projects under the influence of the EU, World Bank and the IMF and in the face of dwindling resources and macroeconomic imbalances.

3.7 EU Conditions

The EU Commission has formulated a supranational uniform model of regional governance as part of its conditionalities of enlargement since 1997. The conditions imposed by the EU promote a new functionalist Brussels model for the reconfiguration of the territorial dimension of governance (Hughes et al., 2000). The Commission identified ‘regional administrative capacity’ as a core requirement. An efficient system of public administration at regional and local levels is seen by the Commission as essential for both the implementation of the *acquis* and the dispersion of Structural Funds (Hughes et al., 2000).
The Commission’s conditions, as stated in the various Progress Reports since 2000 (CEC, 2004), require Turkey to strengthen its structures for managing regional development at two levels:

- at the central level, either through the SPO or a specific department given responsibility for regional policy, and
- at the regional level, by setting up Regional Development Agencies (RDAs).

The requirement to set up NUTS2 regions (territorial units for statistical classification of regions in the EU) was met in 2002 by the establishment of twenty six new statistical regions. The new provisional NUTS2 regions group Turkey’s eighty one provinces into clusters with geographical or economic similarities. However, these NUTS2 regions lack corresponding institutional structures. Additionally, Turkey is urged to prepare regional development plans for all NUTS2 regions.

The SPO prepared a Preliminary National Development Plan (PNDP, 2003) covering the period 2004-2006 to meet another requirement of the Commission as stated in the Progress Reports. The aim of the PNDP is to establish a strategic framework for programming pre-accession financial assistance for Turkey’s economic and social cohesion with the EU.

4. Causes and Mechanisms of Stability and Change in Turkey’s Regional Governance

In understanding the causes and mechanisms of domestic change and stability, research findings from 22 interviews conducted during the Summer and Autumn of 2003 are taken into account. Interviewees were composed of: officials in the SPO, the Ministry of Interior, the GAP Regional Development Administration based in An-

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7 Two Heads of Department (Department of Regional Development and Structural Adjustment and Regional Programmes Department), two Planning Experts, two City and Regional Planners and one Local Administrations Expert.
8 Director General of Local Authorities General Directorate.
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In the selection of interviewees SPO was targeted because it has the sole responsibility for regional policy and regional development planning. The other public and non-governmental bodies were targeted due to their interest in regional development and their involvement in the Special Expert Commission on Regional Development, a consultative body which gives its advice to the SPO in the preparation of five-year national development plans. The EU-related bodies were targeted due to the EU requirements for membership.

The interviews were semi-structured in that same questions were asked to every interviewee but the latter were completely free in the way they answered the questions, which are listed below:

- What are the reasons for weak regional governance in Turkey compared to the larger countries of the EU?
- What is the thinking in the SPO on its approach to regional economic development and its relationship with regional institutional capacity?

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9 One Director, one Regional Planner, one Social Projects Co-ordinator and one Economist.
10 The Vice-President and a Director in the Small and Medium Sized Enterprises Development Organisation (KOSGEB).
11 Vice-president.
12 President of Public Administration Institute.
13 Director.
14 President.
15 Regional policy co-ordinator.
16 Desk-officer.
17 Rappoteur on regional disparities in Turkey.
18 See, for example, SPO (2000).
What is the most important factor that is responsible for change in regional governance at present time?

‘Unsolicited’ answers of the respondents to the above questions revealed a strong convergence around certain themes. These themes help to explain the causes of stability and change in Turkey’s regional governance.

4.1 Norms, Ideas and the EU as causes

Norms

Nineteen out of 22 respondents referred to “fears of separatism” and “the unitary nature of state” in answer to the question asking for the reasons of weak regional governance in Turkey compared to the larger countries of the EU. It is believed that any stronger form of regional governance could provoke regionalist demands for autonomy and undermine the unitary nature of state. The below quote from a SPO official reflects similar statements by most of the respondents:

‘There is fear of territorial integrity and regional identities aren’t encouraged. Regionalism is associated with separatism. It is difficult to have a regional identity. It does not exist or very weak. In GAP there is regional identity, but this identity played a negative role, as a threat.’ ‘A part of the SPO views the problem of decentralisation as connected to the Kurdish problem.’

Historically the Ottoman-Turkish central authority has been characterised by strong state norms (Heper, 1990). Since the founding of the modern Turkish Republic in 1923, a deep commitment to the unitary nation-state has been one of the most important ideological pillars of the Turkish polity. Obsession of the state elites in Turkey, involving not only the military but sections of the political elite and the bureaucracy, with a constant fear of the breakdown of the nation have led observers to depict the term “Sèvres Syndrome” to describe this state of affairs (Öniş, 2000). The “single-minded emphasis” on threats to the unity of the Turkish state (Öniş, 2000: 478) has been the biggest obstacle in the way of change not only in the area of regional governance but also in political and economic governance in general.
More than half of the respondents referred to the centralised culture in public administration as another reason for weak regional governance in Turkey. The centralised nature of governance has led to a belief that “the centre knows best”. There is a political culture in both the SPO and in the Ministries, particularly those which have field organisations, of not wanting to lose the power of decision-making. In the words of a respondent from the SPO: ‘Because Turkey is centralised there is the belief that everything should be from the top.’

Two other factors mentioned by nearly half of the respondents as preventing stronger regional governance are interrelated: lack of coordination and provincial administrative structure. While there is a need to establish coordination at the regional level, this is prevented by the provincial administrative structure of Turkey. The Turkish public administration system is basically composed of the central government and the local authorities. According to Article 126 of the (1982) Constitution, in terms of central administrative structure, Turkey is divided into provinces; provinces are further divided into lower steps of administrative districts. The central government is comprised of the ministries and their field organisations.

The governing authority for the province is a centrally appointed governor. The governors have been mainly responsible for the overall management and coordination of the field directorates of the central government ministries within their jurisdictional areas. The field directorates or administrations of the central Ministries can be at the provincial scale or at the regional scale, depending on the needs of their particular functions. The practice until present has been that various central Ministries have set up regional directorates independent of each other with the result that the geographical area of regions that these regional directorates (of which there are hundreds) cover do not overlap with each other. Moreover, regional directorates escape the co-ordination function of provincial governors as the former comprise more than one province.

There are, therefore, too many institutions, which are involved in decisions related to regional development, especially if one includes the local authorities as well. Most of these have no communication
with each other, with no co-operation and coordination mechanisms, which effectively paralyse the policy-making and implementation processes (Turkey Development Bank, 2002: 32).

Ideas

In order to assess the role of ideas, respondents were asked about the thinking in the SPO on its approach to regional economic development and its relationship with regional institutional capacity. Nearly half of the respondents referred to a recognition in the SPO that a degree of regional governance is necessary for the implementation of regional plans. One respondent from the SPO said:

‘The concept of regional institutions entered Turkey late. A few years ago DOKAP [Eastern Black Sea Region Plan] and DAP [Eastern Anatolia Plan] started in the SPO. Universities in the region prepared the DAP. Projects were good, but who would implement them? An institutional question.’

The failure to implement regional plans in the past, for example Zonguldak, Antalya and Cukurova plans, and more recently Black Sea and Eastern Anatolia region plans, led to a recognition of the need for administrative capacity at the regional level. This recognition in fact dates back to the 1960s when some of the official internal documents of the SPO (see Eraydın, 1983) suggested setting up regional units of the SPO in every region so that regional projects could be implemented. This view, however, did not reflect the opinion of every bureaucrat in the SPO. A special report of the SPO in 1965 questioned whether regional development plans is a useful tool for national economic development and showed the SPO to be suspicious about regional planning (SPO, 1965).

Even though the reduction of regional disparities has always been a major justification for the existence of the SPO, internal reports of the SPO show a lack of consensus on the role of regional planning and regional development in this process. Eraydın (1983) points to the widespread belief in the SPO in the necessity of preparing the country’s development plan at the national level. Tekeli (1972: 150) also points to the desire in the SPO to avoid regional planning in any way influencing the national plan. It was clear that a dialogue between national planning and regional planning was not wanted.
Internal reports of the SPO also showed the absence of a conceptual basis for the discussion of regional planning and approaches to regional planning (Eraydın, 1983: 22).

The lack of knowledge on the role of regional planning in reducing regional disparities can be related to the sectoral nature of national planning, which was mentioned by several of the respondents. Bringing a regional or spatial dimension to national plans, which focus primarily on sectoral targets, is proving to be difficult.

SPO is the co-ordinator in deciding investment budgets, which is determined by the SPO, Treasury and the Ministry of Finance. There is no coherence between the overall national plan, which is based on sectors, and regional development. The difficulty lies in linking national plans with regional development plans, in integrating the sectoral approach with a spatial approach.

Within the SPO there is a complete understanding of this problem from a technical point of view and they try to approach it in the correct way. They realise and are aware that they have to overcome this link with the sectoral approach, however, they do not know how. For many years various SPO reports (most recently by Dülger, 2001) pointed out to this problem, but the problem still remains to be resolved.

The EU

In response to the question “what is the most important factor that is responsible for change in regional governance at present time”, 20 of the 22 respondents mentioned the institutional conditions to join the EU or in other words the EU *acquis*. As one respondent from the SPO states:

‘We were forced to conform to the EU, so that is how we give up our power.’

‘The EU has triggered change and is forcing us to think globally and to implement locally.’

In mentioning the EU as the most important factor, the interviewees referred to the establishment of NUTS level regions in Turkey by the SPO in 2002, preparation of the Preliminary National Development Plan covering the period 2004-2006 and the draft law being
prepared by the SPO on establishing RDAs for NUTS2 level regions in response to EU requirements.

In understanding the nature of the impact of the EU on Turkey’s central administration in regional governance one consideration is the distinction drawn between “voluntary” and “coercive policy transfer” (Dolowitz and Marsh, 1996; Bache, 2000; Bache and Marshall, 2004). Voluntary policy transfer refers to instances where policy-makers adopt new policies or practices willingly from another country or the EU, mostly due to dissatisfaction with existing policies and a perceived need for change. Coercive policy transfer, on the other hand occurs, when an organisation, such as the EU forces a country to adopt different policies or practices.

The impact of EU conditionality on Turkey in respect of regional policy and regional governance is an instance of “coercive policy transfer” as indicated by the remarks of respondents. Even though the existing system has been questioned and the inclusion of local levels into the regional policy process has been increasingly viewed more positively, the interviews indicated that there is no consensus at the central level as to what the role of the regional level should be in a more decentralised form of governance. Some of the respondents did not think regionalisation was necessary for regional development.

The reason for the identification of EU conditions as the most important factor behind change is due to the commitment of the current government to make Turkey a EU member. The political commitment to meet EU requirements is forcing the bureaucracy, in this case the SPO, to consider making changes in the field of regional policy.

Turkey’s aspirations to join the EU date back to 1964 when an Association Agreement was signed between the two. However, it was only in 1999 that Turkey was officially admitted as a candidate country. Following the EU’s adoption of the Accession Partnership document in 2000, which listed the reforms that Turkey should undertake. Turkey went through three years of divisive debates and re-

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19 See, inter alia, Karluk (1996) and Hale (2000).
sistance to reforms under a coalition government composed of three political parties. By 2002 the reform process had slowed down due to the objections of the nationalist right wing partner of the coalition government to some of the critical reforms demanded by the EU (Avcı, 2003). Their argument was that the EU would never admit Turkey as a member and that the aim of the reforms demanded was to undermine the territorial integrity of the Turkish state. The absence of powerful enough political will to pursue reforms weakened the government’s ability to mobilise support from the bureaucracy, as manifested during the preparation of the first National Programme for the Adoption of the Acquis (Kirişçi, 2004).

It was the decisive outcome of November 2002 elections that brought in a parliament and a government with a strong will to meet EU criteria for membership. The Justice and Development Party (AKP), a breakaway party from an existing Islamist one, won the overwhelming majority of the seats to form a government. As compared to the previous coalition government’s two EU harmonisation packages to carry out legislative changes, the AKP government, since coming to power, adopted five major political reform packages to meet EU requirements. In 2003, the AKP government’s Emergency Action Plan (EAP, 2003) and its revised National Programme for the Adoption of the Acquis (NPAA, 2003) promised to meet all EU criteria in the field of regional policy, including the establishment of RDAs.

As to the reasons for the willingness of the AKP government to meet EU requirements, there are two key explanations. The first reason is the powerful incentive of EU membership, having access to the material and social benefits offered by the EU. The 1999 decision brought more certainty to the relationship between carrying out reforms and eventual EU membership. The second reason is that the aims of EU induced reforms are not incompatible with the ideology of the AKP (Güler, 2003). Coming from an Islamist background the AKP does not share the same state ideology with the military and large sections of the bureaucracy. The military, in particular, is suspicious of the commitment of the AKP to secularism (Kirişçi, 2004). Similarly, the AKP does not share the same sensitivities of the state elites about the relationship between decentralisation and threats to the territorial integrity of the country. The EU
induced reforms further the interests of the AKP by creating a political environment in which the AKP and their constituents can operate freely without the supervision of the military.

4.2 Mechanisms of Change

In order to understand how various causes in the form of norms, ideas and the EU interact and act upon regional governance, either in the direction of change or stability, it is important to analyse the various mechanisms of institutional change, developed by Lindner (2003), in the case of Turkey.

Dominant actor coalition

The key actors involved in the process of change to regional policy during the EU pre-accession process are the government, the SPO (which forms part of the bureaucracy), the Parliament and the President. The involvement of the latter two takes place when legislative change is required in adopting EU conditions.

Change is triggered by the willingness and commitment of the government to meeting EU requirements, which in turn forces the SPO, in the case of regional governance, to undertake the necessary work. When the required change is directly within the responsibilities of the SPO, such as the formulation of a national regional development strategy in the Preliminary National Development Plan, then the SPO is fully in charge of this process. Similarly, it is the SPO, which makes the necessary arrangements to ensure the involvement of local actors in the preparation of regional plans.

In other cases, such as the establishment of statistical regions, other bureaucracies may be involved, the decision of which has to be approved by the Council of Ministers. It was the SPO and the State Institute of Statistics, which together determined the NUTS regions in Turkey. The map of regions was approved by the Council of Ministers, which forms the core of the government.

When the change concerned has far-reaching institutional implications, such as the establishment of RDAs, then legislative change is needed which requires the approval of the Parliament and the Presi-
dent. In establishing RDAs, it is the SPO, in consultation with other Ministries, which is preparing the draft law. It is this draft law prepared by the SPO and approved by Ministers that will be debated in the Parliament.

The procedure for becoming law is that the Parliament has to accept it with a simple majority, which the current government can comfortably meet with its seats in the Parliament. Once the Parliament approves then the draft law requires the approval of the President.

The President can accept it, in which case the draft becomes law. However, if the President rejects the draft law, then there are two alternatives. Either Parliament accepts the draft for the second time without changes and returns it to the President, who then has to accept it. The draft becomes law, however, the President, then, can apply to the Constitutional Court, challenging the new law on grounds that it is against the Constitution. In that case, the final decision rests with the Constitutional Court. Constitutional changes in the Parliament, in turn, require three-fifths majority approval.

Alternatively, the Parliament can make changes to the draft law in the second round in accordance with the reasons stated by the President in his rejection. In that case, the draft law accepted by the Parliament is considered as a new one, and therefore the President can refuse it once more and return it to the Parliament.

In this procedure, the President can therefore delay the process of change substantially or even block it for a period if he goes to the Constitutional Court and the Court rules in his favour, necessitating constitutional change. Whether the President shares the same state ideology with the military and large sections of the political elite and the bureaucracy, thus, gains importance in order to understand the future pace of change in relation to regional governance.

Turkey’s current President was elected by the previous Parliament in 2000 for a term of seven years. Having served previously as the Head of Turkey’s Constitutional Court, he shares the fundamental values of the state ideology. The most recent evidence of this can be seen in the reasons the President announced for his refusal to accept
a draft law, which was approved by the Parliament in the summer of 2004\textsuperscript{20}.

The draft law in question aimed at decentralisation to the local level by transferring powers from the provincial governors, who form part of the central administration, to Special Provincial Administrations, which are elected local governments. The President in his justification listed the following reasons for his veto: that Turkey is a unitary state according to the Constitution, which requires a centralised structure; that subsidiarity, which the draft law aims to introduce, is therefore against Turkey’s Constitution and is incompatible with a unitary state; and that the unity of the nation and the secular nature of state require centralised planning, programming and implementation.

Although not submitted to the Parliament yet, it can be reasonably expected that the establishment of RDAs may be delayed or rejected on similar grounds. Most importantly, RDA type structures are not defined in Turkey’s Constitution (Güler, 2003) and therefore may require constitutional changes\textsuperscript{21}.

**Interdependence between policy sub-fields**

One of the main responsibilities of the SPO is to co-ordinate the investments of the central Ministries and their related institutions with the aim of reducing regional disparities. In the performance of this function, the SPO does not constitute a higher level of authority, but has an equal status to the other Ministries. Therefore, the SPO cannot force these institutions.

Interviews with the GAP Administration, in particular, emphasised that the Ministries and their related institutions, such as the Highways Authority or the State Hydraulic Works, have their own budgets, which they themselves decide to spend. These decisions do not always take regional disparities into consideration particularly as the national plan has a sectoral approach. Additionally, interviews with the SPO pointed to the conservative nature of the bureaucracy

\textsuperscript{20} Available in Turkish at http://www.cankaya.gov.tr

\textsuperscript{21} Interview with the General Director of the General Directorate of Local Authorities in the Ministry of Interior.
whereby the “Ministries do not want to lose their own power in providing services”. The SPO has thus proved not to perform its co-ordination function effectively as the EU’s progress reports pointed (CEC, 2003).

However, governmental intervention can overrule the interdependence between policy-fields and the entrenched interests within them due to the superior hierarchical political authority of the government above that of the Ministerial bureaucracies -. In fact, the government’s commitment to reform, particularly in public administration and local government\textsuperscript{22}, has implications for overcoming the interdependency of policy-fields. According to the proposals for reform\textsuperscript{23}, some of which have become law, but some others still waiting, most of the field organisations of the central Ministries will be transferred to local authorities, either to Special Provincial Administrations or to municipalities. Thus, most of the public investments and services provided by the central Ministries until now will be provided by the local authorities. The implication is that if these proposals are finally accepted, the SPO will be less constrained by other Ministries in introducing changes to regional policy.

\textit{Large switching costs}

The costs associated with switching from a centralised to a regionalised institutional structure would have been very high for the dominant actor coalition in the 1990s at the height of the violence surrounding the Kurdish question in the Southeast of Turkey accompanied with a deterioration of human rights\textsuperscript{24}. Since then the violence ended with the capture and trial of Abdullah Öcalan, the leader of the separatist Kurdish organisation, the Kurdistan’s Workers Party (PKK), at the end of the 1990s.

\textsuperscript{22} Public sector reform in Turkey is driven, to a large extent, by the conditions imposed by the IMF stand-by agreements and the World Bank structural adjustment loans, which are similar to and compatible with EU requirements (see Güler, 2003). These conditions require, among others, decentralisation in general, without making a reference to the regional level or to regionalisation.

\textsuperscript{23} The Draft Framework Law on Public Administration is available in Turkish at http://www.tbmm.gov.tr

\textsuperscript{24} For an analysis of the Kurdish question see Kirişçi and Winrow (1997).
Even though costs are lower today than in the past, they are still high enough to obstruct change for actors who share the belief that regionalisation is dangerous for the country’s territorial integrity. The political conditions of the EU as stated in Copenhagen criteria are seen as specifically promoting separatism in Turkey by being forced to recognise Kurds as a minority. One respondent from the SPO said:

‘The EU has prejudices. They always look at the issue of regional development and regional governance from a Kurdish point of view. They do not understand that Kurds are not a minority.’

Another reason for large switching costs is that it entails loss of power from the SPO to regional and local levels in the preparation and implementation of regional plans. Interviews revealed a resistance in the SPO to delegating resources to the local level.

On the other hand, the opportunity costs of staying on the same path, i.e. centralised governance system, are rising as political priorities change and the prospects for EU membership increase with the recognition of Turkey as a candidate country. As a result, a certain degree of policy change has already taken place where adaptive costs are lower. For example, policies were re-oriented towards supply-side measures such as SME support, training, private initiatives and NGOs in the preparation of regional plans (PNDP, 2003). Similarly, the establishment of NUTS level regions was predominantly a statistical exercise.

However, for further institutional change to take place the opportunity costs have to rise further, by the starting of accession negotiations between Turkey and the EU. Interviews show that there are doubts about the intentions of the EU towards Turkey. Respondents from the SPO stated:

‘Bureaucrats in the SPO think that Turkey won’t join the EU anyway, and so wonder what the point or need for these changes are.’

Similarly, the preliminary National Development Plan (PNDP, 2003) clearly states that further progress on developing a national regional development strategy as demanded by the EU is dependent on the start of accession negotiations.
Another way in which opportunity costs might increase is through ideational change whereby domestic policy-makers “learn” from EU policies that regional governance is important for regional development. As a result of such learning, the perception of continuing in the existing institutional path may be seen as increasingly costly. Interviews show that the technical assistance provided by the EU may lead to “experiential learning” (Olsen, 2002) in Turkey in time. It was stated in an interview with the SPO:

“If aid instruments are open to Turkey, then it is possible that people may be socialised. Mentalities may change through mutual interaction.”

Ideational change is taking place in certain regions of Turkey, in particular in the Aegean region25. This has led to the formation of an informal Regional Development Agency for the Aegean region through a bottom-up process based on co-operation between the private sector, local authorities and NGOs. Bottom-up ideational change among regional and local actors may, thus, filter up or at least meet half-way the partial top-down change of the central administration.

Small institutional adaptations

As the initiator of change under the political direction of the government, the SPO has been accommodating pressure for change through small institutional alterations. In reference to the establishment of RDAs, a respondent from an NGO said: “The SPO is trying to get away without a major accident”.

The SPO prepared two draft laws on establishing RDAs for NUTS2 level regions in Turkey (SPO, 2003a, 2003b). In both of the drafts RDAs are envisaged as structures, which institute co-operation between the local authorities (Special Provincial Administrations and municipalities), the private sector and the NGOs, under the leadership of provincial governors. This kind of arrangement is different from creating a dedicated, separate, layer of regional institutional structure, as was indicated in the EU’s progress reports (CEC, 2003).

25 Interviews with officials in the SPO.
The draft laws on establishing RDAs give the impression that they are being created only for the purpose of administering EU funds, carefully avoiding to disrupt Turkey’s traditional centre-local government structure. RDAs are not envisaged to constitute a separate layer of dedicated structures for regional development purposes. The members, most important of which are governors, provincial administrations and municipalities, are expected to perform their RDA related duties in addition to their existing ones.

The SPO’s strategy of small institutional adaptation at the same time incurs lower switching costs as the changes foreseen are more compatible with the existing institutional structure. It is when these small changes fail to meet EU requirements and to ease the pressure for change that “off-path” institutional changes are likely to take place (Lindner, 2003: 919).

5. Conclusions

The most important causes which act upon the development of regional governance at the national level in Turkey can be explained in terms of institutional norms, ideas, and external forces. While EU conditionality is found to be the most important external force driving change in regional governance, norms and ideas prevailing within the bureaucracy, in particular the SPO, act as counter forces obstructing change. The reason for the greater influence of the EU since the end of 2002 lies in the commitment and willingness of the current Turkish government to fulfilling the EU criteria for membership, which is putting pressure on the national bureaucracy to undertake the necessary reforms.

According to the research findings, regional governance and regionalisation are strongly associated with regional separatism and demands for political autonomy in Turkey. Due to the norm of territorial integrity regionalism is seen as a threat. There is a tendency of state elites in Turkey, therefore, to put economic and political regionalisation into one basket even though in the EU regionalism is
about economic development and about stronger administrative capacity. Research findings have also shown a strong central planning tradition, whereby all decisions are taken by the centre because it is believed to “know best”. The strong centralised tradition creates the fear that this power can be lost if authority is devolved to the regions, even though the main motive for devolving power to the regions in Western Europe has been most of the time to enhance the capacity of the national level and is a project of the nation-state.

In terms of ideas, the research revealed that while regional governance is seen as useful for abolishing regional disparities and for resource allocation between regions, there are no clear ideas about what kind of a role regional planning and development should play in national development or even about the usefulness of regional planning. National planning, which in Turkey is sectoral in nature, is seen as more important. Lack of ideas about regional planning has prevented the formation of suitable institutional structures and capacity at the regional level. Under EU influence, it seems that there is an opportunity for the central administration to learn from the practices of the EU countries, especially through EU technical assistance.

An explanation of institutional change/stability in Turkey’s regional governance is not complete without an account of the mechanisms of change. While the full influence of the EU on domestic change in Turkey is still being observed and will depend on whether EU accession negotiations start, it is possible to make an initial assessment of the mechanisms of institutional change/stability using the framework developed by Lindner (2003). These various mechanisms of institutional change point to the ways in which norms, ideas and the EU interact and lead to institutional change/stability in Turkey’s regional governance.

If it was not for EU conditionality, the current process of domestic change in Turkey in respect of regional policy and regional governance is very unlikely to have taken place in the absence of “pol-

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26 But in certain cases political regionalisations support greater administrative capacity. See Cooke and Morgan (1998).
icy learning”. The main reason is not only the strong influence of state norms, which has blocked institutional change, but also the lack of sufficient knowledge and ideas about the relationship between regional economic development and regional governance. However, it can also be claimed that ideas are changing, and especially under EU influence experiential learning may take place. The various mechanisms of institutional change indicate that as EU conditionality and changing ideas increasingly challenge deep-rooted state norms in Turkey the prospects for institutional change are high.

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