

STRATEGIES FOR REGIONAL DEVELOPMENT: CHALLENGES FACING TURKEY ON THE ROAD TO EU MEMBERSHIP

The grant of economic and technical aid by the EU for regional development during the pre-accession process and its link to novel forms of territorial governance for administering them for eventual EU membership is increasingly challenging Turkey's traditional state centered politics and regional policy. Based on the concept of Europeanization this paper examines the extent and direction of change in Turkey's regional policy to date under the influence of the EU. The paper suggests that there is a major 'misfit' between the EU and Turkey's regional policy approaches and argues that certain domestic features of Turkey's domestic polity render Turkey's adaptation to the EU's multi-level governance model very problematic.

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On the eve of the accession negotiations between the European Union (EU) and Turkey, which are scheduled to start on 3 October 2005, the issue of Turkey's compliance with EU membership criteria is becoming more important than ever. Research on Turkey's relations with the EU until now has tended to focus more on political reforms, democracy and human rights. However, as accession talks loom large, other public policies in the EU *acquis* have started to attract more scholarly attention.

The fact that Turkey's Gross Domestic Product (GDP) per capita at purchasing power parity (PPP) constitutes around one third of EU15 average, coupled with extreme regional disparities, is a major problem in Turkey's accession prospects to the EU. The EU's strategy for dealing with regional disparities and the issue of Turkey's adaptation, therefore, acquire significance.

The requirements of the EU in the area of regional policy during the pre-accession process have exposed Turkey's institutional incapacity. The aim of this article is to explore the extent of the challenge posed to Turkey's political and administrative system by the EU's demands for designing and planning projects for regional development by situating it in the context of the Europeanization literature.¹

Concept of Europeanization

The impact of the EU on its member states and candidate countries has been the main concern of the Europeanization literature. Europeanization has very often been used to examine the extent and degree of domestic adaptation to the pressures emanating from the EU.² The notion of "goodness of fit" or adaptational pressure has been the main organizing principle indicating that the greater the differences between the national and EU levels the greater the pressure to adapt.³ The bulk of the Europeanization research has sought to identify the differential impact of European policies on national policies and institutions through an assessment of mediating domestic factors.

Knill and Lehmkuhl identified three main mechanisms by which the EU can lead to domestic change.⁴ The first mechanism concerns institutional compliance where policies of "positive integration" are very prescriptive and demand that Member States adopt specified measures. Strictly speaking, the EU regional policy does not

¹ For a critical evaluation in terms of the imposition of a 'neo-liberal' agenda by the EU's regional policy on Turkey, see M. Turan (ed.), *Bölge Kalkınma Ajansları* (Regional Development Agencies) (Ankara: YAYED, 2005).

² On the Europeanization literature see, *inter alia*, T. Börzel and T. Risse, "Conceptualising the Domestic Impact of Europe," in K. Featherstone and C. Radaelli (eds.), *The Politics of Europeanization* (Oxford: Oxford University Press, 2003), pp.57-82; C. Radaelli, "Whither Europeanization? Concept Stretching and Substantive Change," *European Integration Online Papers* (EIOP), Vol.4, No.8, (2000), <http://eiop.or.at/eiop/texte/2000-008a.htm>; H. Grabbe, "How Does Europeanization Affect CEE Governance? Conditionality, Diffusion and Diversity," *Journal of European Public Policy*, Vol.8, No.6, (2001), pp.1013-31; M. G. Cowles, J. Caporaso and T. Risse (eds.) *Transforming Europe. Europeanization and domestic change* (New York: Cornell University Press, 2001); and J. P. Olsen, "The Many Faces of Europeanization," *Journal of Common Market Studies*, Vol.40, No.5, (2002), pp.921-52.

³ M. G. Cowles *et al* (2001) and T. Börzel and T. Risse (2003), pp.57-82.

⁴ C. Knill and D. Lehmkuhl, "The National Impact of European Union Regulatory Policy: Three Europeanization Mechanisms," *European Journal of Political Research*, Vol.41, No.2, (2002) pp.255-280.

prescribe an institutional model on Member States through specific directives. However, in its conditionality towards candidate countries, the European Commission systematically addressed the dimension of regional policy during the pre-accession of Central and Eastern European countries. There was a steady consolidation of a preference for a particular kind of administrative uniformity in territorial organization, which was reflected in the uniformity of conditions imposed by the EU.⁵ From the late 1990s onwards the Commission identified “regional institutional capacity” as a core requirement.

The second mechanism of Europeanization concerns changing domestic opportunity structures, whereby market-making policies of “negative integration” exclude certain options for domestic actors. Regional policy is not a policy of negative integration, however, the Customs Union, which has been operating between Turkey and the EU since 1996, has a significant impact on regional competitiveness, by exposing economies to the vagaries of the forces of globalization, heightening the agenda for regional institutional capacity. Furthermore, the EU regional policy has sought to alter the strategic position of domestic actors by strengthening actors at the regional level.

The third mechanism of Europeanization is through framing domestic beliefs and expectations, which change the political climate by stimulating and strengthening the overall support for broader European reform objectives, since changes in domestic beliefs can produce institutional adaptation over time. Policy-learning plays an important part in this mechanism.

In its conditionality, regional governance units and an efficient system of public administration at regional and local levels are seen by the Commission as essential for both the implementation of the *acquis* on regional policy and the dispersion of Structural Funds. Therefore, Europeanization of regional policy concerns the degree to which the EU changes the power relations between the state, regions and the EU. In addition to vertical relations, Europeanization also involves horizontal changes, development of networks and partnerships and the incorporation of EU ideas and practices. In fact, a large number of studies relate “Europeanization” to the strengthening of sub-national governance.⁶

Europeanization of regional policy can thus be discerned in two domains:

- changes in vertical and horizontal relations, involving the establishment of a regional tier and the involvement of economic and social actors in horizontal networks; and
- reorientation of policy away from fragmented actions of arbitrary development towards integrated regional action plans and initiatives.

⁵ J. Hughes, G. Sasse and C. Gordon, “Enlargement and Regionalization: The Europeanization of Local and Regional Governance in CEE States,” in Wallace, H. (ed.) *One Europe or Several? Interlocking Dimensions of European Integration* (Basingstoke: Palgrave, 2001), pp.145-178.

⁶ K. Featherstone, “Introduction: in the Name of Europe,” in K. Featherstone and C. M. Radaelli (eds.), *The Politics of Europeanization* (Oxford: Oxford University Press, 2003), pp.3-26.

While the EU exerts its influence through regional policy, and other public policies, on candidate countries, whether or not and the way in which changes to the governance – policy and institutional – structures of regional policy in these countries take place depends on their specific domestic institutional settings. Europeanization operates through three main mechanisms in national settings. However, domestic political institutions and structures have persistence and robustness. Political structures operate as filter.

Not surprisingly, therefore, the Europeanization process in Turkey faces constraints and contradictions arising from the Turkish political system. These constraints are in the form of a security conscious centralized state, weak civil society, patronage relations and Turkey's traditional approach to regional disparities and regional development.

In order to assess the interaction between Europeanization and domestic structures in Turkey, the next section examines the main principles entrenched in the EU regional policy and approach. This is followed by an evaluation of Turkey's regional policy, the specificity of its political system and the extent of its Europeanization. Finally, evidence from two regions in Turkey is provided illustrating the constraints and opportunities for Europeanization of regional policy in Turkey.

EU regional policy and principles

Before regional policies in most European states underwent change in the 1980s, the traditional approach to regional development consisted of attracting capital from outside the region for economic growth and for creating employment. According to this understanding, it was the material, physical character of the assets that explained the disparities in economic development between regions and nations.⁷

Thus, regional development policies in the 1950s and 1960s were largely managed by central governments and were rather centralized in conception and administration. Regional policy remained largely standardized, based on location factors and incentives to firms, and being driven by the state. They mostly relied on the diversion of industrial activity from one region of the country to another. The most often used instrument to steer large firms to development regions was grants. Large scale manufacturing industry was seen as the motor of development and regional policies relied heavily on developing the physical infrastructure, which large firms required. Regional problems were mostly defined in a technocratic rationale and, therefore, the strategies to pursue and the policy instruments were also determined in a technocratic fashion.

The shift of regional policies in European states in the 1980s was towards an "endogenous development approach," which sees regional development as a product of increased endogenous potential achieved by building institutional capacity.⁸ In this

⁷ A. Michalski and E. Saraceno, *Regions in the Enlarged European Union* (Budapest: Forward Studies Unit, European Commission, 2000).

⁸ M. Bull and J. Baudner, "Europeanization and Italian policy for the Mezzogiorno," *Journal of European Public Policy*, Vol.11, No.6, (2004), pp.1058-1076; C. F. Sabel, "Flexible Specialisation and the Re-emergence of Regional Economies" in P. Hirst & J. Zeitlin (eds.) *Reversing Industrial Decline? Industrial Structure and Policy in Britain and Her Competitors* (Oxford: St. Martin's Press, 1989); M.

approach, the region is viewed as an economic entity full of underused or unused resources. Regional policy seeks the development of these resources rather than importing them from outside, while still keeping many of the policy tools to achieve “exogenous growth” through attracting firm relocations by incentives and infrastructural development.

The new approach focuses on upgrading the local supply-base, favoring bottom-up, region-specific, longer-term policy actions. Growth and development factors such as human capital, local business culture, knowledge-transfer networks, quality of production factors and systems, and learning from the regional experience are emphasized for regional development.⁹ Moreover, the implication of the new approach is decentralization of decision-making to lower territorial levels.

The first major reform of regional policy in the EU in 1988, similarly amounted to a shift to an “endogenous development” approach. Through the package of regulations adopted in 1988¹⁰ the Commission established four basic principles in the operation of the Structural Funds, which is the main mechanism for regional development: partnership (between the EU, the national and regional levels, and with social and economic partners), programming (linking all projects to a coherent developmental strategy), concentration (of resources to the most needy regions) and additionality (Structural Funds supplementing, not replacing, national structural expenditure).

Regional and cohesion policy is one of the most important policy fields in the EU,¹¹ whose objective is not only to achieve economic and social cohesion within the EU but also territorial cohesion following its inclusion in the new European Constitution in order to ensure the smooth functioning of the Single Market. The effective implementation of these policies requires that local and regional governance systems in member states and candidate countries 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. In the EU, regional development means to cope with regional inequalities, by mobilizing regional resources in an optimal way. The entire EU regional policy aims at the organization of institutional preconditions for EU assistance to decrease regional inequalities.

The principle of partnership calls for close involvement of regional and local bodies with the Community and the national authorities in the planning, formulation, and implementation of the Structural Funds. Thus, for the first time, 1988 regulations officially recognized the role of sub-national authorities as a means to allocate

Rhodes, “Conclusion: The Viability of Regional Strategies” in M. Rhodes (ed.), *The Regions and the New Europe: Patterns in Core and Periphery Development* (Manchester: Manchester University Press, 1995), pp.329-351.

⁹ F. Moulaert and F. Sekia, “Territorial Innovation Models: A Critical Survey,” *Regional Studies*, Vol.37, No.3, (2003), pp.289-302.

¹⁰ CEC (Commission of the European Communities), Council Regulation EEC No 2052/88 of 24.03.88 in *Official Journal of the European Communities*, No L 185; 15.07.88. (Brussels: Commission of the European Communities, 1988a); CEC (Commission of the European Communities), (Council Regulation EEC No 4253/88 of 19.12.88 in *Official Journal of the European Communities*, No L 374; 31.12.88. (Brussels: Commission of the European Communities, 1988b).

¹¹ CEC (Commission of the European Communities), *Third Report on Economic and Social Cohesion. A New Partnership for Cohesion: convergence, competitiveness, co-operation* (Luxembourg: Office for Official Publications of the European Communities, 2004).

resources more efficiently. The partnership principle meant the formal involvement in the formulation and implementation of regional development plans of sub-national authorities where their role had previously been consultative, challenging existing hierarchical relationships within member states. The 1993 reform widened partnership to include economic and social partners as well (trade unions, trade and industry associations, environmental groups, etc.).

The principle of partnership has led many scholars to depict the EU governance as “multi-level”¹² in which not only “authority and policy-making influence are shared across multiple levels of government – subnational, national, and supranational,”¹³ but also an increasing range of policy actors have opportunities for participation and influence.¹⁴ As a result of the multi-level governance framework, increasing attention has been devoted to the diverse and contradictory trajectories of institutional change and institutionalization related to building multi-level governance.¹⁵ Due to different national institutional and cultural traditions, implementation of partnership among member states varies enormously. Despite a general trend of territorial decentralization and regionalization in Europe, there are great variations in the nature of regions where they emerge.

The combination of EU funding and novel forms of territorial governance to administer them is challenging traditional state centered politics in candidate countries.¹⁶ The pre-accession strategy links the granting of economic and technical aid and eventual EU membership to progress on political and economic reform. As a result, a growing number of EU policies already find application in the previous and current candidate countries. Even in the pre-accession process, therefore, the EU plays an important role in regional policy structures, and in institutional capacity and network creation at the national and at the sub-national level of government.

Europeanization and Regional Policy of Turkey

In contrast to the shift towards “endogenous development approach” in the EU in the 1980s, Turkey continued with the traditional “exogenous growth” approach in its regional policy. The two main components of this strategy have been public investments and incentives to the private sector to invest in lagging areas, decided and implemented by a centralized system. The main logic behind traditional regional policy instruments has been one of re-distribution. In Turkey’s context the re-

¹² T. Risse-Kappen, “Exploring the nature of the Beast: International Relations Theory and Comparative Policy Analysis Meet the European Union,” *Journal of Common Market Studies*, Vol.34, No.1, (1996), pp.53-80; G. Marks, L. Hooghe and K. Blank, “European Integration from the 1980s: State-Centric v. Multi-level Governance,” *Journal of Common Market Studies*, Vol.34, No.3 (1996), pp.341-78.

¹³ L. Hooghe and G. Marks, *Multi-Level Governance and European Integration* (New York and London: Rowman and Littlefield, 2001).

¹⁴ E. Gualini, “Challenges to multi-level governance: contradictions and conflicts in the Europeanization of Italian regional policy,” *Journal of European Public Policy*, Vol.10, No.4 (August 2003), pp.616-636.

¹⁵ Gualini (2003), p.618.

¹⁶ G. Marks, “Structural policy and multilevel governance in the EC,” in A. Cafruny and G. Rosenthal (eds.) *The State of the European Community, Vol.2: The Maastricht Debates and Beyond* (Harlow: Longman, 1993), pp.391-410.

distribution logic did not achieve its aim of transferring resources to the most needy regions.¹⁷

One reason for this policy failure has been the prevalent patronage politics, where policy instruments are used for delivering material benefits to “clients” or blocs of voters rather than for addressing regional disparities. Another reason is the centralized nature of policy-making and implementation, which does not leave any room for sub-central levels in the determination of policies. Given the geographical size of the country, the assumption that the center knows the needs of the regions and localities was flawed. A third reason for policy failure has been the priority given to ‘national’ development over ‘regional’ development.

The implication of traditional policy instruments for institutional structures has been that they did not require regional institutional structures. The policy instruments applied uniform remedies to every type of region or area. As such they were top-down and did not appreciate the contribution local and regional resources could make to regional development. Therefore, regional institutions to mobilize local and regional resources were not seen as necessary.

For most of the period bureaucrats did not see regional planning as an important function. Since 1960, national planning, formulated according to a sectoral logic, rather than spatial, has always been more dominant. In the absence of political support for regional planning the issue of suitable institutional structuring did not come to the agenda. The State Planning Organization (DPT), which is the central administration responsible for national and regional planning and regional policy, made proposals from time to time to set up regional representations. However, these proposals were limited to the desire to facilitate the implementation of the national plan. Lack of permanent regional organizations prevented implementation of regional plans.

Attempts at regional planning remained limited and *ad hoc* in the past,¹⁸ such as the regional plans for Antalya, Çukurova and Zonguldak regions in the 1960s. More recently Eastern Anatolia Plan (DAP) and Eastern Black Sea Project (DOKAP) have been formulated. However, none of these regional plans could be implemented. In the absence of permanent planning and administrative regions, regional policy has taken as its basis the ‘Priority Development Area’ (KÖY) concept,¹⁹ under which underdeveloped (sub-regional) provinces are grouped, devoid of a regional and a territorial dimension.

Re-distribution of public investments for the purposes of reducing regional disparities was rendered problematic due to institutional structuring at the central level. The DPT

¹⁷ 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 percent 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. (Source: www.dpt.gov.tr)

¹⁸ With the exception of the Southeast Anatolia Project (GAP), which is explored below.

¹⁹ The number of KÖYs remained too many and the provinces and districts included in KÖYs have changed very frequently. Added to these, the failure to ensure co-ordination between public investments rendered KÖY incentives and investments ineffective. See R. Dag, *Doğu Ekonomisi* (Eastern Economy) (Diyarbakir: Diyarbakir Chamber of Commerce, 1995).

with sole responsibility for regional policy has not used its power for coordinating investments of sectoral Ministries for regional policy purposes. The issue of horizontal co-ordination between the sectoral Ministries and the DPT for the purposes of regional planning was entangled with questions of what the status of the DPT should be vis-à-vis the Ministries and, hence, inter-institutional power balance, which could not be resolved in favor of co-ordination.²⁰

Therefore, the multi-level governance model in the context of EU regional policy is increasingly challenging the centralized governance of Turkey towards a more decentralized and regionalized model during the pre-accession process. Turkey's territorial governance has traditionally consisted 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 has been the GAP Regional Development Administration specifically set up for the Southeast Anatolia region of Turkey. The EU conditions specifically in the area of regional policy, however, require the adoption of a system of regional governance.

The EU's regional policy requires the establishment of a "region" in the first place as well as an understanding of regional development strategy and a suitable policy. As a response to EU's conditions, Turkey has made a number of changes in relation to its regional policy. These include the establishment of 26 new regions to form the provisional NUTS²¹ classification in 2002,²² preparation of the preliminary National Development Plan aimed to draw up the guidelines of economic and social cohesion policy for 2004-2006,²³ and the adoption of the draft law establishing Regional Development Agencies (RDAs) for 26 new regions. The draft law on RDAs was submitted to the Parliament in December 2004 and is set to be passed when the Parliament reconvenes in October 2005.

The draft law on RDAs institutionalizes a regional level for the first time in Turkish history. It may require Constitutional amendments since a regional level of governance is not defined in Turkey's Constitution. In addition to this vertical change to inter-governmental relations between the central and local levels, the draft law also makes a weak attempt to address the issue of horizontal coordination, involving economic and social actors in the formulation of regional strategies. However, the legacy of centralized state in Turkey is deep-rooted in its Ottoman and modern history, and capitalist development. The existence of centralized hierarchical structures renders the transfer of planning and implementation duties to regional levels very problematic, not to mention the particularly challenging task of ensuring the participation of civil society in Turkey.

Specificity of Turkey

²⁰ I. Tekeli, *On Regional Planning* (Bölge Planlama Üzerine) (Istanbul: ITÜ Matbaası, 1972)

²¹ NUTS stands for Nomenclature of Territorial Statistical Units, which is the statistical regions adopted by the EU.

²² CEC (Commission of the European Communities), *2003 Regular Report From the Commission on Turkey's Progress Towards Accession* (Brussels: Commission of the European Communities, 2003) The new provisional NUTS 2 regions assemble 81 provinces into groupings with geographical or economic similarities.

²³ PNDP (Preliminary National Development Plan), *Preliminary National Development Plan 2004-2006* (Ankara, DPT, 2003), December, <http://www.dpt.gov.tr>.

Certain features of the Turkish political system constitute major constraints for Turkey's adaptation to a 'multi-level governance' model. There are, in particular, three major characteristics of the Turkish polity, which do not easily allow the decentralization of state power, especially to a regional level, and the formation of partnerships between the public and private sectors and civil society in order to formulate regional strategies for economic development. The three major characteristics are:

- the crucial role of 'security' in Turkish polity;
- historical tradition of a centralized state; and
- patronage relations.

The strong tradition of a highly centralized state and the ideology of Kemalism involving a deep sense of commitment to secularism and the unitary nation-state constitute the essential pillars of Turkey's political system. Inspired by the ethnically homogenous nation-states of Western Europe, the Kemalist ideology aspired to construct a homogenous Turkish nation, officially recognizing all Muslim ethnic minorities, including Kurds, as descendants of Turkish tribes.²⁴ In this way, the vacuum left from the eradication of Islam as the main form of identity would be filled by Turkish nationalism.

Because of the Republic's obsessive anxiety in maintaining national unity in the face of Islam and Kurdish separatism, the military has maintained predominance in Turkish political life as the guardian of the national interest, of which national unity is the most important component. This predominance was not challenged by political elites in the period following the transition to multiparty politics in 1945. On the contrary, political elites followed a conciliatory policy toward the military with the aim of placating it.²⁵

Even though Kemalism embraced Westernization, it did not follow the political liberalization path that the Western European countries did mainly because the perception of the West in Kemalist mindset was strongly shaped by historical experiences with some of the European powers who, following the Treaty of Sèvres, occupied Turkey after World War I. Thus, Turkey's EU candidacy poses a dilemma for the security conscious nationalist elite. While EU membership represents the culmination of the process of Turkish Westernization and modernization, membership conditions such as the recognition of Kurdish cultural rights, are perceived as threats to national security and integrity. It is feared that national sovereignty will be undermined by the EU. A version of Kemalist thinking, thus, has an image of "a conspiratorial West bent on the destruction of Turkish national integrity with the collaboration of internal enemies."²⁶ This thinking is not only unwilling to delegate authority to a supranational body like the EU in order not to lose national sovereignty, but also unwilling to delegate authority to sub-national levels in the face of perceived threats from "internal enemies."

²⁴ H. Kösebalaban, "Turkey's EU membership: a clash of security cultures," *Middle East Policy*, Vol.9, No.2, (2002), pp.131-142.

²⁵ Ü. Cizre-Sakallioğlu, "The anatomy of the Turkish military's political economy," *Comparative Politics*, Vol.29, No.2, (1997), pp.57-74.

²⁶ Kösebalaban (2002), p.131.

Many provinces in Turkey have very small geographical areas and very low populations, which make it very expensive and inefficient to provide public services and to conduct planning activities at the provincial level. Because of this reason there were certain attempts in history to merge small provinces in order to create larger administrative units. However, these attempts were not successful at creating regional administrations due to the security considerations of the nationalist elites.²⁷

In addition to the security conscious centralized state, the Turkish polity lacks institutional patterns linking society and the state. In the newly established Republic of Turkey in 1923, the polity featured a charismatic leader with a modernizing mission, and had an ideological rhetoric that appealed to the masses without including them politically or economically.²⁸

When multi-party politics was introduced in 1945, “in the historical context of a state-dominated economy, politics was understood and defined as a strategy to build and sustain power by distributing material benefits generated by the state through clientelistic channels of interest mediation.”²⁹ One result has been that state legitimacy rests on the instrumental role of public spending rather than on democratic norms and institutions. Another result has been the subordination of economic rationality to short-term political concerns in the understanding of economic development. Turkish political leaders have tended to ignore issues such as quality control, innovation and international competitiveness. Populist redistribution instead of tackling income and wealth inequalities in fact evaded distributional issues. Arbitrary and clientelistic approaches prevented the tackling of distributional issues, including regional disparities, by direct instruments.

The implication of clientelism on political culture has been an understanding of democracy that allows people greater access to the resources of the state through the help of political parties.³⁰ As a result, active participation of citizens in non-governmental political and social organizations has remained very low. Despite an increase in the strength of civic associations in Turkey in the 1990s, particularly following the 1999 earthquake, in comparison to Western European countries

²⁷ Attempts between 1926 and 1936 to reduce the number of provinces and therefore to enlarge the scale of main administrative units, so that the provision of public services could be achieved more efficiently, failed. The view that enlargement of provinces may lead to a situation whereby a province is completely inhabited by ethnic groups, which would endanger the unity and security of the nation became very widespread. See N. Demiröz, “Bölge Valiligi Üzerine” (On Regional Governorates), *Amme Idaresi Dergisi*, Vol.23, No.4, (Public Administration Journal), (1990), pp.55-70. For an overview of what these ethnic groups are, including Kurds, see P. A. Andrews, *Türkiye’de Etnik Gruplar* (Ethnic Groups in Turkey) (Wiesbaden, 1989). In 1983 the military government accepted a decree in the force of law to divide Turkey into eight regions and to establish eight regional governorates, for better efficiency in public administration. However, this decree was subsequently repealed because it was against article 126 of the 1982 Constitution, which does not permit a separate layer of administration above that of the province. The other main reason was that the regional governorate system was considered to be damaging to national unity.

²⁸ M. Eder, “Populism as a barrier to integration with the EU,” in M. Ugur and N. Canefe (eds.) *Turkey and European Integration. Accession Prospects and Issues* (London: Routledge, 2004), pp.49-74.

²⁹ Ü. Cizre-Sakallioğlu and E. Yeldan, “Politics, Society and Financial Liberalization: Turkey in the 1990s,” *Development and Change*, Vol.31, No.2, (2000), p.500.

³⁰ I. Sunar, “The Politics of State Interventionism in ‘Populist’ Egypt and Turkey,” in A. Öncü, Ç. Keyder and S. E. Ibrahim (eds.) *Developmentalism and Beyond: Society and Politics in Egypt and Turkey* (Cairo: The American University in Cairo, 1994), pp.94-107.

Turkey's associational culture has remained very low. According to one study, most people believe that petitioning and legal demonstrations lack effectiveness compared to personalized contacts through networks built on primordial bonds, such as kinship or religious brotherhoods, in influencing political authorities.³¹ Therefore, the political culture lacks trust and a participatory nature.

Weak civil society and low levels of trust are also features of local politics. With the transition to multi-party politics in 1945, the traditional patron-client relations between local notables and peasants were transformed into party-directed patronage patterns. The political influence of the notables increasingly depended more on their roles as party functionaries than on their control of traditional patronage resources.³² With the differentiation of social classes brought about by socio-economic change, local traders, businessmen and professionals have replaced local notables, although to a lesser extent in the East and Southeast of Turkey.

The local organizations of political parties serve an important function in conveying local interests to the state structures.³³ Therefore, local authorities, particularly municipalities, have been arenas of local partisan interest mediation. Within the framework of a centralized state, where local governments are seen as extensions of the central government, municipalities have functioned to distribute state resources to clients at the local level. Where municipalities were controlled by opposition parties this generally led to the withdrawal of financial resources from that municipality.

The specificity of the Turkish polity, based on a security conscious centralized state and patronage politics, shapes the nature of the institutional changes made as a response to the EU's requirements. The most prominent change concerns the draft law establishing RDAs for NUTS 2 regions in Turkey.³⁴ The aim of the law is to institute cooperation between the public and private sectors and civil society institutions in order to mobilize local resources and to institutionalize a regional development mentality.

³¹ F. Adaman and A. Çarkoğlu, *Türkiye'de Yerel ve Merkezi Yönetimlerde Hizmetlerden Tatmin, Patronaj İlişkileri ve Reform* (Satisfaction from Services in Local and Central Governments, Patronage Relations and Reform in Turkey) (Istanbul: Tesev Publications, 2000).

³² E. Özbudun, "Turkey: The Politics of Political Clientelism," in S. N. Eisenstadt and R. Lemarchand (eds.) *Political Clientelism, Patronage and Development* (London: Sage, 1981), pp.249-268.

³³ T. Sengül, "Yerel Devlet Sorunu ve Yerel Devletin Dönüşümünde Yeni Eğilimler" (The Question of Local State and New Trends in the Transformation of the Local State), *Praksis*, Vol.9 (2003), pp.183-220.

³⁴ DPT (Devlet Planlama Teskilati - State Planning Organization), *Bölgesel Kalkınma Ajanslarının Kuruluşu ve Görevleri Hakkında Kanun Tasarısı (Taslak)* (Draft Law on the Establishment and Responsibilities of Regional Development Agencies) (Ankara, 2004).

Although the draft law on RDAs is a response to EU demands, it should be seen as part of the public administration reform undertaken by the current government under the influence and direction of the IMF and the World Bank, whose demands are compatible with the EU's. See, for example, the 5th review of the IMF on Turkey's stand-by in October 2003, available at <http://www.imf.org>, which lists the details of public sector reform as pre-conditions. The public administration reform aims to devolve power to the local administrations (municipalities and provincial administrations) and introduce the principle of subsidiarity into Turkish politics. Although the main framework draft law on public administration was vetoed by the President, the component laws, which make up the framework draft law, are in the process of being passed by the Parliament gradually.

The envisaged RDA structures in the draft law carefully avoid disrupting Turkey's traditional centre-local public administration structure. RDAs are not envisaged to constitute a separate layer of dedicated regional structures for regional development purposes. Instead, their decision-making organ is composed of representatives of local administrations (provincial governors and mayors) and the local private sector (Chambers of Commerce and Industry in each province).

It is one of the governors of the provinces in the region who represents the RDA, and annually the position shifts to one of the other provinces' governor. The key position of governors within the envisaged RDAs is indicative of a lack of long-term approach to regional issues as governors most often change with governments.³⁵ Being part of the central administration, it is inevitable for governors to be directed by the demands of the central government and the state. Furthermore, the DPT is the responsible central administration for the "performance" of RDAs, giving the former significant leeway to shape the development agendas of the latter. The envisaged RDAs, therefore, are likely to institutionalize a type of "governance," in which the central administration will be more dominant.³⁶

The draft law tries to instill partnership between the public and private sectors and the civil society through the Development Councils, which advise the Executive Council and which are composed of representatives from the public and private sectors, civil society institutions, universities and local administrations, meeting at least twice a year. On the one hand, the institutionalization of participation of the private sector and civil society in consultation processes at the regional level represents potentially the most innovative aspect of envisaged institutional change. On the other hand, the general weakness of civil society in Turkey, the more dominant position of the private sector and the tendency for networks to be based on primordial bonds, such as kinship or religious brotherhoods, are likely to influence the nature of cooperation and to constitute major obstacles to the ability of RDAs to mobilize local resources for regional development purposes. Additionally, the way in which members are selected to the Development Councils will be determined by the state, which may introduce bias into the inclusion of social and economic stakeholders. Furthermore, Development Councils have only advisory functions. Their decision will not be binding on the Executive Councils.

Exploring variations of the Europeanization process

Two case studies from two different regions of Turkey illustrate the constraints and opportunities for Turkey's adaptation to the 'multi-level governance' model of the EU. The case of the Southeast Anatolia region is a good example for the study of constraints that inhibit regional governance, i.e. vertical integration of policies and horizontal network formation. The case of the Aegean region, on the other hand, displays the Europeanization mechanism of negative integration, whereby the customs union with the EU is intensifying pressures to become a more competitive regional

³⁵ Sengül (2003), p.208.

³⁶ In metropolitan regions such as Istanbul and Ankara, the decision-making organ or the Executive Council of the RDA is composed of the governor, the metropolitan mayor, the president of the Chamber of Industry and the president of the Chamber of Commerce, as well as three representatives of the private sector and/or civil society elected by the Development Council, the consultative organ, among itself.

economy. It also shows the mechanism of framing domestic beliefs and expectations, whereby regional and local actors are learning from the EU.³⁷

The Southeast Anatolia Project (GAP): The original idea behind GAP was to utilize the rich water potential of two rivers, Euphrates and Tigris, for irrigation and energy production, in a predominantly Kurdish populated, underdeveloped region. GAP is presently the largest development project in Turkey with an estimated total investment cost of US\$ 32 billion, of which about 50 percent has been realized.

In order to ensure co-ordination between public investments in time and space, the GAP Regional Development Administration was set up in 1989, the only one of its kind in Turkey. A deconcentrated arm of the central government, the most important responsibility of the GAP Administration is to ensure co-ordination in multi-sectoral regional planning, which requires the involvement of approximately 40 public investment institutions in both the economic and social sectors. These public institutions have their own budgets, which they implement themselves as well.

In practice, however, GAP has remained outside of the national plan decision-making process. The only organic link between the GAP Administration and the national planning process is through investment budget allocations. The GAP Administration is directly linked to the Prime Ministry and its coordination with the DPT is very weak. GAP is in fact evidence to the lack of unity of the national plan with the concept of regional planning.

Despite the existence of the GAP Administration, government priorities determine the quality and quantity of project activities. The GAP Administration's advice on financial and spatial planning of investments is not binding on the investment institutions. Moreover, the GAP Administration does not have a budgetary package for the region nor its own source of finance. The failure of the GAP Administration to coordinate investments can be seen in the lopsided realization of sectoral investments of GAP, with realization of energy investments at 80 percent and realization of irrigation investments at only 12 percent.

The main aim of the new Master Plan for the region in 2001 was to create regional synergy by establishing networks among public, private actors and NGOs in order to share knowledge and experience. However, in practice the implementation of the principle of partnership proved to be difficult due to the ethnic structure of the population³⁸ and lack of co-ordination between public investment institutions. The preparation stage of the new master plan failed to generate bottom-up consensus and innovative policy proposals as the government continues to determine priorities.

In addition to the centralized culture, another important source of resistance to participation and to the formation of an associational culture in the region comes from the quasi-feudal structure of the Southeast Anatolia region. Socially the region displays a high degree of segmentation among numerous tribal groups and religious

³⁷ The analysis of the two case studies is based on 24 interviews in the Southeast Anatolia region and 19 interviews in the Aegean region with local actors in the Summer of 2003.

³⁸ The majority of the population in the Southeast Anatolia are Kurds. Although their exact number is not known, it is estimated there are 12 million Kurds living in Turkey.

orders and communities. Linguistically a substantial portion of its population speaks a dialect of Kurdish (or Zaza). Culturally the gap between the Westernized legal systems of the nation and the customary law and morality of local society is also the widest in this region. Thus patron-client relations thrive on the communication gaps between government and low-status individuals. The nature of the clientelistic pattern in this region is also different from other regions.³⁹

In this quasi-feudal system the few landowners deliver block votes for the political parties and get themselves or their candidates elected as national or local politicians. Regions where individuals decide their own votes can more effectively bargain to attract public services to their regions. However, in regions where voting is not determined by individuals but by primordial loyalties and considerations, politicians can easily find ways of winning these votes without shifting public services to these regions.⁴⁰

Until recently a hard line approach has been dominant in the governments' reaction to the growing sense of ethnic and cultural consciousness among Kurds.⁴¹ This approach, which has been supported by the military and various governments, denies the existence of a Kurdish problem, in the form of lack of cultural rights and freedoms, and argues that there is a problem of terrorism aggravated by the socio-economic underdevelopment of the region⁴². The solution, therefore, according to this approach, lies in GAP investments in economic and social programmes aided by eradication of terrorism. Viewed from this perspective, decentralization is a major "security issue."⁴³

The GAP Administration, therefore, remains a top-down institution with little local participation. GAP, in the way it currently is being implemented, lacks the institutional cohesiveness and autonomy, as well as the strategies and instruments for facilitating regional development. There exists institutional fragmentation, lack of institutional networks and a very strong state presence.

Aegean region: In contrast to the Southeast Anatolia region, there have not been security concerns in the Aegean region, which has also not been the subject of regional planning efforts by the DPT and, therefore, the presence of the central state has not been as strong in the Aegean region. Unlike the Southeast Anatolia region, there is no specific national regional project aimed at the Aegean region, and therefore there is no top-down GAP Administration type of regional institution. In contrast, however, there is a bottom-up regional institutional network, which has been relatively more effective in achieving consensus on the identification and implementation of regional development strategies.

³⁹ Özbudun (1981), pp.253-254.

⁴⁰ I. Tekeli, "Refahin Mekansal Farklılaşması Üzerine" (On the Spatial Differentiation of Welfare), in Ekonomik ve Sosyal Etüdler Konferans Heyeti (Economic and Social Studies Conference Delegation), *Türkiye'de Bölgesel Politika* (Regional Policy in Turkey), (Istanbul, 1989), pp.154-177.

⁴¹ K. Kirişçi, "The Kurdish Question and Turkish Foreign Policy," in D. Keridis and L. Martin (eds.) *The Future of Turkish Foreign Policy*, (Cambridge, MA: MIT Press, 2004), pp.276-314.

⁴² The separatist Kurdish organization, the Kurdistan's Workers Party (PKK), has been engaged in terrorism since the 1980s with the aim of establishing an independent Kurdish state in the Southeast of Turkey.

⁴³ K. Göymen, "The role of local administration in regional development," Available at <http://www.tesev.org.tr> in 2001.

Whereas the Southeast Anatolia region is one of the most underdeveloped regions in Turkey with a predominantly rural economy, the Aegean region is one of the most developed, with industry and trade as well as agriculture being the most important economic sectors. There are important differences in their climate and geography, with the Aegean region enjoying close proximity to Europe whereas the Southeast Anatolia region is located inland on the border with Iraq and Syria.

In the Aegean, starting in the 1990s a concept of 'region' with a territorial dimension developed and regional institutions have been increasingly seen as crucial for innovation, technological development and economic competitiveness in line with practices in the EU.⁴⁴ The main reason that instigated policy learning has been dissatisfaction with existing policies and lack of expectations of change emanating from the state. Private sector led institutional networks emphasize knowledge based factors in fostering economic competitiveness of the region, which has acquired significance especially with globalization processes and the Customs Union with the EU. Lack of regional planning by the DPT for the Aegean region has ironically left a vacuum and helped the emergence of a region-wide bottom-up institutional network.

The Aegean Economy Development Foundation (EGEV), which is led by the private sector, was formed as a non-governmental organization in 1992 and can be seen as a precursor of a RDA. Since 1998 EGEV has been engaging in region-wide economic co-ordination by the participation of governorates, municipalities, professional chambers, business associations, the private sector, firms and universities in each of the provinces on an informal basis.

The overriding aim of EGEV is to introduce a regional development planning mentality in the region, which would facilitate an effective institutional infrastructure and organization of technology in the region. For this purpose, EGEV has been promoting the bottom-up formulation of a regional plan for the Aegean and has requested the co-operation of the DPT for this purpose.⁴⁵ Consequently, both the DPT and the Treasury have been sending observers to the meetings of EGEV.

Key stakeholders in the region make a direct link between the institution of regional government and the ability to achieve economic development and international competitiveness.⁴⁶ The weakness of institutional capacity and lack of synergy and co-operation among institutions in the Aegean region are seen as preventing the competitiveness of the region in the global economy. The Customs Union with the EU, which started in 1996, has led to pressures of technological development and innovation in the Aegean region similar to that of regions in the EU. The need to create an innovative regional economy is closely associated with inter-regional

⁴⁴ See EBSO (Ege Bölgesi Sanayi Odası - The Aegean Region Chamber of Industry), *Ege'de Planlı Kalkınma Modeli* (Planned Development Model in the Aegean), (Izmir, 1993).

⁴⁵ I. Dülger, *Bölge Kalkınma Planlaması ve Uygulamaları için Yönetim Modeli Seçenekleri* (Governance Model Alternatives for Regional Development Planning and Implementation) (Ankara:DPT, 2001).

⁴⁶ For example, one stakeholder in the region said: "A regional level organization or administration or government, whatever you want to call it, is necessary for organising resources around the objective of technological development if we want to compete in the world economy."

competition both domestically and internationally. The EU's regional policies and assistance in neighboring Greek islands is a major cause for concern.

It is policy learning illustrated in the emergence of a consensus on the notion of 'region,' regional development and regional planning that has led to informal institutional networks at the regional level with the ability to arrive at consensus on the identification of regional problems and new policy options⁴⁷. Informal institutional change, however, will be constrained unless supported by formal institutional change emanating from the state.

Conclusion

This article has explored the challenges involved in the Europeanization of regional policy in Turkey. It has demonstrated that the demands of the EU to formulate regional plans and programmes by providing financial resources and organizing principles constitutes the main vehicle of Europeanization. This article has, in particular, focused on the degree of 'misfit' between the EU's and Turkey's strategies for regional development and for reducing regional disparities.

A certain degree of Europeanization has taken place as evidenced by the adoption in Turkey of the EU's statistical classification of regions, a preliminary national regional development strategy more in line with EU priorities and the draft law on establishing RDAs. However, it has been argued that domestic factors interact with the EU's impact and influence the nature of the changes taking place. These domestic factors concern the significance of 'security' in Turkish history and politics, a highly centralized and hierarchically organized state, lack of a regional level of governance, patronage relations, and weak civil society lacking the norms of reciprocity, mutual trust and civic engagement.

The case of the Southeast Anatolia region illustrates the constraints to Turkey's adaptation to the 'multi-level governance' model implied by the EU's regional policy. Despite the existence of a regional development administration, there exists institutional fragmentation, lack of institutional networks, a very strong state presence and quasi-feudalism. The ethnic structure of the region and the associated perception of a security threat to Turkey's territorial integrity by state elites have rendered the concept of decentralization a security issue. GAP investments have formed part of a nation-building project.

The case of the Aegean region, on the other hand, illustrates the opportunities for Europeanization, the main two vehicles of which are the Customs Union with the EU and policy-learning. Policy-learning in the Aegean region is taking place whereby local and regional actors are freely choosing to adopt policies or practices from the EU in the face of dissatisfaction with existing arrangements and lack of expectations from the state. Bottom-up initiatives, led by the private sector, to establish institutional networks are a response to the pressures of globalization felt through the customs union and a reflection of policy-learning on the part of local and regional actors from the EU.

⁴⁷ See <http://www.usak.gov.tr/faydali/egevvdos5.doc> for the results of the meetings and conferences held by regional stakeholders.

The main lesson to be learnt is that policy-learning is potentially a powerful mechanism of Europeanization of regional policy in Turkey. The draft law establishing RDAs discusses the failure of past approaches to regional policy in Turkey and the need to adopt a new approach emphasizing endogenous development based on local and regional resources and co-operative networking between stakeholders in order to achieve innovative learning regions able to compete in the global economy. Therefore, although the motivation of the draft law is to meet EU requirements in order to be eligible to apply for EU funding, it seems that the EU accession process may also provide an opportunity for policy-learning based on the perception that past approaches have failed.

Until now, this opportunity has not been properly taken by the EU by sending experts to train Turkish bureaucrats. In interviews conducted with a number of DPT officials in the Summer of 2003, it was commonly emphasized by the respondents that they needed to “learn” about the EU’s approach in order to make the necessary changes to adapt to the EU’s requirements. However, they complained that the European Commission started to send experts “too late” and that their training has not been, so far, sufficient to change mentalities or ways of thinking.

Another main lesson to be learnt is that patronage relations pose a formidable obstacle not only to Europeanization of ‘effective’ regional governance but also to social and economic development efforts in Turkey. Clientelist type of relations between state and society and the tendency of the civil society and the business sector to be formed on the basis of primordial bonds render the inclusion of non-state actors into policy-making for developmental purposes, as foreseen by EU rules, very problematic. However, the issues of clientelist relations and patronage politics are not addressed by the EU nor do they form part of the EU conditions for membership. Therefore, the EU’s approach ought to take into account the nature of “civil society”⁴⁸ in Turkey if the ultimate aim of Turkey’s transformation is to be achieved. Otherwise, the EU’s standard remedies, which may very well produce the intended consequences in a developed Western European society, can easily lead to unintended or undesirable consequences in the Turkish context.

⁴⁸ For a critical analysis of “social capital” and how it sabotaged local developmental efforts in an interior Anatolia town, see G. B. Özcan, “A Critical Analysis of Decentralisation and Local Economic Development: The Turkish Case,” *Environment and Planning: Government and Policy*, (2006, Forthcoming).