

A FRAMEWORK TO UNDERSTAND POLICY CAPACITY OF REGIONAL
INSTITUTIONS IN A STATE CENTRIC TRADITION; CASE OF
DEVELOPMENT AGENCIES IN TURKEY

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DEVELOPMENT AGENCIES IN TURKEY**

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ABSTRACT

A FRAMEWORK TO UNDERSTAND POLICY CAPACITY OF REGIONAL INSTITUTIONS IN A STATE CENTRIC TRADITION; CASE OF DEVELOPMENT AGENCIES IN TURKEY

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Transformation of states, as the most complex political organization of the human rationality, has been a critical topic of contemporary governing problematic, as it fundamentally alters the conventional methods of policy making. Functionality of the statehood as the pivotal policy actor has been challenged by supra-national as well as sub-national policy actors and conclusively states, as a social concept, somehow are obliged to re-organize their internal architecture to increase their capabilities.

Within this framework of evolution in the understanding of the statehood, political and functional significance of the regional and local scale have gained an important momentum with the rise of globalization of production systems. In this changing institutional eco-system some policy actors were demolished yet some others have emerged due to the new conditionalities of contemporary policy making. This conflict ridden process of transformation necessitates a conceptualization of the capacities of new institutional fixes whether they adopt into local policy making eco-system or they will be isolated as a result of the resistance that might come from the ground based realities that are intrinsic to the nature of local development and decentralization.

Emergence of the Turkey's development agencies in a similar manner can be conceptualized as the will of the state to decentralize some its fundamental abilities

with a centrally forged motivation that is discussed to be inadequately supported by the local policy makers. Therefore, embeddedness of the regional scale and agencies as the flagship institutional entity of regions, into main policy making channels of state can be argued to be a major element that determines the ideal functionality of the development agencies.

Thus said, within this context, this thesis aims to understand given all the bottlenecks and policy realities of the time being, how policy capacity can be generated in the development agencies in a context that historically inherits local and central tension yet desperately in need of inter-scalar policy coordination for a better delivery of the public policies. Findings of the study indicate that multi-scalar mobility the development agencies with unique position in the local institutional eco-system can play a critical role to generate and sustain policy capacity in the given contextual framework.

Keywords: State Transformation, Rescaling, Policy Capacity, Regional Development Policies, Development Agencies in Turkey

ÖZ

MERKEZİYETÇİ BİR GELENEK İÇERİSİNDE BÖLGESEL KURUMLARDA POLİTİKA KAPASİTESİNİ ANLAMAK İÇİN BİR ÇERÇEVE ÖNERİSİ: TÜRKİYE’DE KALKINMA AJANSLARI ÖRNEĞİ

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İnsan rasyonalitesinin en karmaşık ve ileri düzey politik örgütlenme biçimi olan devletin dönüşümü, geleneksel politika yapma biçimlerini temelden değiştirmesi sebebiyle son dönemde yönetim sorunsalı içerisinde önemli bir alanı oluşturmaktadır. Devletlerin ana politika aktörü olarak işlevselliği, ulus üstü ve ulus altı birçok yapı tarafından farklı biçimlerde zorlanmakta ve aşınmakta ve bunun bir sonucu olarak da toplumsal bir olgu olan devlet kendi kapasitesini korumak adına organizasyonel yapısında önemli dönüşümler geçirmektedir.

Devletin kavranışında yaşanan bu dönüşümler çerçevesinde de, ulus altı ölçeklerin, bölgeler ve şehirlerin, politik ve işlevsel önemlerinde, üretim modellerinin küreselleşmesinin de etkisiyle önemli bir artış görülmektedir. Dönüşen bu kurumsal yapılanma içerisinde kimi kurumlar tasfiye edilirken politika yapma biçimlerinde oluşan yeni dışsallıklara bağlı olarak yeni kurumsallıklar ve işlevsellikler oluşmaktadır. Çatışma ve uyumsuzluk temelli bu dönüşüm süreci, bir anlamda oluşan yeni kurumsal yapıların kapasitelerini ve işlevselliklerini anlamayı da gerekli kılmaktadır. Ulus-altı ölçekte kurulan bu yeni oluşumların yerel kurumsal yapı içerisine adapte olabilme becerileri ya da yerelden gelen olası dirençler karşısında işlevini kaybeden bir yapıya dönüşmeleri bu çerçevede oldukça önemlidir.

Türkiye’de kalkınma ajanslarının kurulması da bu çerçeve içerisinde devletin bazı temel becerilerini ve sorumluluklarını yerele delege etme gayreti şeklinde anlaşılabilir ancak bu çaba merkezci bir tutumla tasarlanmış olup yerel politika yapıcılar tarafından yeterince kabul görüp görmediği ise hala tartışılmaktadır. Sonuç olarak, bölgesel ölçeğin ve bu ölçeğin en önemli aktörü olan kalkınma ajanslarının, devletin ve yerel ölçeğin politika yapma ve uygulama kanallarına dâhil olabilme düzeyleri ajansların işlevselliklerini de önemli oranda belirleyen unsurlardandır.

Özetle, bu çalışmanın esas amaçlarından biri geleneksel olarak merkez-yerel gerilimini yaşayan ancak önemli ölçüde ölçekler arası bir koordinasyona ihtiyacı olan Türkiye bağlamı çerçevesinde kalkınma ajanslarında politika kapasitesinin nasıl inşa edilebileceği sorununa cevap aramaktır. Çalışmada elde edilen bulgular doğrultusunda kalkınma ajanslarının farklı-ölçekler arasındaki hareketliliği ve bu sayede yerel ekosistemde elde edecekleri kendilerine özgü sorumluluk alanları bu kapasitenin inşasında oldukça önemli bir rol oynayacaktır.

Anahtar kelimeler: Devletin Dönüşümü, Yeniden Ölçekleme, Politika Kapasitesi, Bölgesel Kalkınma Politikaları, Türkiye’de Kalkınma Ajansları

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TABLE OF CONTENTS

ABSTRACT	v
ÖZ.....	vii
ACKNOWLEDGEMENTS	ix
TABLE OF CONTENTS	iv
LIST OF FIGURES.....	vii
LIST OF TABLES	ix
LIST OF MAPS	xi

CHAPTERS

1.INTRODUCTION.....	1
1.1 Contextual Setting of the Study	1
1.2 Problem Statement and Hypothesis.....	5
1.3 Methodology of the Study.....	8
1.4 Significance of the Study	10
1.5 Outline of the Study	11
2.STATE AND EMERGENCE OF LOCALITIES	15
2.1 Definitions, Approaches and Features of the State Concept.....	15
2.2 Challenges of State and Transformation in Geography of Production	25
2.3 Governance and Evolving Notion of Statehood.....	37
2.4 Concept of Policy Capacity, Definitions and Approaches	51
2.5 Relevance of State Transformation and Policy Capacity	57
2.6 Evaluation and Synthesis	68
2.7 Limits and the Validity of the Approach.....	79
3.REGIONAL DEVELOPMENT POLICIES IN TURKEY; PRACTICE AND PLANNING	81
3.1 The Background of Region Building and Regional Policies in Turkey.....	81

3.2 Practices of Regional Development Policies	84
3.3 Introduction and Evolution of “Region” in the Public Management of Turkey	94
3.4 Evolution of Regional Scale in Planning Practice	99
3.5 Recent Policy Progress in Regional Development.....	107
3.6 Duties of Development Agencies and Their Position in Turkey’s State Structure	113
3.7 Progress and Bottlenecks of Development Agencies.....	122
3.8 Evaluation of Development Agencies’ Policy Capacity	133
3.9 Conclusion and Synthesis	141
4.METHODOLOGY AND RESEARCH STUDY	147
4.1 Aim and the Context of the Study.....	147
4.2 The Research Design.....	149
4.3 Implementation of Questionnaire.....	155
4.4 Results of the Survey	157
4.4.1 Relations with the Actors	157
4.4.2 Local vs. Regional Tension and Sub-Regional Relations.....	162
4.4.3 Networking Ability of Agencies	169
4.4.4 Management Structure of Agencies	174
4.4.5 Multi-Scalar Relations	178
4.4.6 Level of Priority in the Central Policies.....	191
4.4.7 Technical Capacity.....	195
4.4.8 Ordinal Logistic Regression Model	204
4.5 Evaluation and Conclusions.....	211
5.EXTERNAL OUTLOOK AND STAKEHOLDER PERSPECTIVES	221
5.1 Politics of Scale and Inter-scalar Mobility.....	222
5.2 Domestic Institutions, Local Scale.....	227
5.3 Supra Institutions, State Level	232
5.4 Agency as a Policy Actor, Regional Level	239
5.5 Evaluation and Results.....	246
6.CONCLUSIONS.....	253

REFERENCES.....	271
APPENDICES	
A. TRENDS IN THE REGIONAL GDP	289
B. QUESTIONNAIRE	293
VITA	299



LIST OF FIGURES

FIGURES

Figure 1 - State forms and historical periods	21
Figure 2 - Changing Relationship of State and Regions	27
Figure 3 - Urbanization, state forms and the world economy: Fordist and Post-Fordist configurations.....	31
Figure 4 - External and Internal Challenges on State	58
Figure 5 - Framework to Understand the Policy Capacity in Regional Scale	73
Figure 6 - Growth Rates Target and Realization in Plan Periods	92
Figure 7 - Institutional Structure on Regional Development	109
Figure 8 - State Structure According to Status.....	115
Figure 9 - Chronology of Development Agencies Legislations	117
Figure 10 - Organizational Structure of Development Agencies.....	119
Figure 11 - Representation of Regional Scale in Turkey	120
Figure 12 - Participation to Administrative Board Meetings.....	127
Figure 13 - Perception on the Intervention of Administrative Board Members	128
Figure 14 - Main Categories of Relations that Agencies might Set Up.....	131
Figure 15 - Framework to Understand the Policy Capacity of Development Agencies	135
Figure 16 - Professional Experience of Respondents	157
Figure 17 - Perceived Strength of Different Policy Actors.....	158
Figure 18 - Level of Partnership with Different Forms of Actors	161
Figure 19 - Dominance of a Province over Regional Scale	163
Figure 20 - Presence of Intra-regional Conflict	164
Figure 21 - Comparison of Region with at least One Metropolitan City and Without a Metropolitan City	169
Figure 22 - Networking Ability of Development Agencies in Regional Scale.....	171
Figure 23 - Perception on Effective use of Networking Ability	171
Figure 24 - Relation between the Level and the Effectiveness of Networking Relations.....	173

Figure 25 - Effect of Annual Shift in the Management Structure	175
Figure 26 - Positions in the Administrative Board.....	176
Figure 27 - Perception against the Members of Administrative Board.....	177
Figure 28 - Inter-scalar Conflicts	180
Figure 29 - Ability to Find Correct Interlocutor in the Central Scale	182
Figure 30 - Perceived Effect of Local Conflict	184
Figure 31 - Intervention of Local Policy Actors to Regional Policy Framework	185
Figure 32 - Presence of Conflict of Authority.....	187
Figure 33 - Level of Intervention from the Ministry of Development.....	189
Figure 34 - Relative Importance of Regional Policies in State Agenda.....	192
Figure 35 - Aggregated Effect of Legal Regulations of the last 5 Years	193
Figure 36 - Level of Technical Expertise.....	196
Figure 37 - Amount of Extra-Curricular Workload	197
Figure 38 - Level of Operational Ability	198
Figure 39 - Box Plot Representation of Answer Variety	199
Figure 40 - Association between the Conflict of Authority and Unrealized Projects	201
Figure 41 - Trends in the Regional GDP.....	289

LIST OF TABLES

TABLES

Table 1 - Debates on Regional Theory and Governance	40
Table 2 - Functions of Metagovernance.....	45
Table 3 - Parameters for the Evolution of State Spatial Selectivity.....	60
Table 4 - Factors of Policy Capacity.....	64
Table 5 - Factors of Regional Policy Capacity	77
Table 6 - Distribution of Gross Value Added in NUTS2 Regions	82
Table 7 - Share of Sectors in Economy in some NUTS2 Regions, %	83
Table 8 - Pressures for Regionalism in Turkey.....	94
Table 9 - Definition of Regions according to study of “Classification of Settlement Centres in Turkey”	96
Table 10 - Periodization of the Regional Policies of Turkey.....	105
Table 11 - Division of Income Sources of Development Agencies, 2012.....	123
Table 12 - Composition of Administrative Board	124
Table 13 - Attendance in Development Council Meetings.....	126
Table 14 - Relationship between the number of projects and of the cities in regions	129
Table 15 - Relationship between the Variables and the Method of Inquiry	151
Table 16 - Basic Figures of the Questionnaire.....	156
Table 17 - Relation between the Existence of a Dominant City and Intra-Regional Rivalry.....	166
Table 18 - Association between the Dominant City and Intra-Regional Conflict ...	167
Table 19 - Cumulative Percentages of the Comparison of Region with at least One Metropolitan City and Without a Metropolitan City.....	168
Table 20 - Association between the Intervention from the Ministry and Unrealized Tasks	191
Table 21 - Association between the Intra-Regional Rivalry and Unrealized Projects	200
Table 22 - Association between the Intervention of Local Actors and Unrealized Projects.....	202

Table 23 - Association between the Presence of Dominant City and Unrealized Projects	203
Table 24 - Association between the Effect of Local Conflict and Unrealized Projects	203
Table 25 - Association between the Intervention from the Ministry and Unrealized Tasks.....	204
Table 26 - Output Table of Ordinal Logistic Regression Model – 1	207
Table 27 - Variance Inflation Factor of Variables Used – 1	208
Table 28 - Output Table of Ordinal Logistic Regression Model – 2	209
Table 29 - Variance Inflation Factor of Variables Used – 2	210
Table 30 - Percentages of Provinces with Top 5 share in the Public Investments...	290



LIST OF MAPS

MAPS

Map 1 - Regional Governorships Proposal and Centres.....	97
Map 2 - NUTS2 Region in Turkey.....	98
Map 3 - Boundaries of NUTS2 Regions and Regional Development Administrations.....	110
Map 4 - Geographical Coverage of the Questionnaire.....	149



CHAPTER 1

INTRODUCTION

1.1 Contextual Setting of the Study

Duty of governing societies and in a narrower sense territorial management of countries is a highly complicated, spatially multi-layered and a tangled socio-political phenomenon having a long history in the societal organization of humanity but still with a highly dynamic nature transforming with the rationality and the needs of humankind which is yet evolving with an unprecedented pace within the last decades. Globalization is, by all means, playing one of the most important roles behind the recent phase of transformation in the governing problematic. Intensification and compression of human activities and changing notion of spatiality, especially when considered its relation with the temporality of the contemporary period, deeply affected the manners and approach towards the organization -and the new possibilities of organization- of society. This recent spatiotemporal conditionality, without a doubt, altered the perceptions towards the states as the most complex and recent political organization of human society. Rising political significance of sub-national organizations such as cities/regions together with the increasing demand of people to take more initiative in the political decisions have even deepened the relations between the states and the society as well as the relationship between the states and the elements inside the states. Czarniawska and Sevón in this manner describe the term global as something little more than a hugely extended network of localities (1996, p. 22 quoted in Jessop 2002-b). It, on the one side strictly connects and unifies the world, while on the other it disintegrates the states and gives particular opportunities for localities in terms of economic development policies. That being said, the internal scalar architecture of the nation states, due to the challenges and pressures from the global transformations, have evolved and shifted from what it was used to be earlier. Contemporary capitalism therefore created a breakpoint in the notion of statehood as a whole or in other saying, states through their historical trajectories and external environment, which

they have been a part of, try to produce and reproduce strategies to adjust themselves due to the constraints of the time being. For some (Ohmae, 1995) this adjustment and transformation indicate a fall-back and retreat in the political significance of the states but yet others claim (Brenner, 2004; Peck, 1998, 2012; Jessop, 2002) that; states do transform themselves and open up new channels of capacity and functionality that it did not bear before which enabled them to maintain its primary role in the real world of politics. Thus, while evaluating the concept of local and/or regional, the notion of state is significantly critical to maintain a strong base of analysis.

To go on further, with the internationalization of the capital and process led by the globalist discourse, profitable opportunities of the localities in the distinct parts of the sovereign states offered to the flow of multi-national money has expanded this increasing economic prominence of the cities and regions for the capitalist development. Besides, the idea that the problems and development strategies of such nodes cannot entirely be rationalized under the perspective of national scale and national development prospect aiming to create equitable geographies in the whole territory has even changed perspective against the local and regional development under the policies of nation states. In a broader sense, the increasing challenges upon the state in managing its territory and its pivotal role of in economic growth that maintains the balance of the wealth distribution, have given rise to certain forms of changes in the character and territorialisation of states. Scholars have proposed distinct theoretical approaches to encapsulate this changing nature of the states. Cox (1987) using the concept of “transnationalization of state” to indicate a global process in which nation states had to be adjusted against the demands and need of the global production system. In a broader perspective he underlines the geographical and scalar organization of state find little space to integrate into world system without re-organizing its spatial as well as institutional formation. Following on, Jessop (2003) portrays a transition from Keynesian Welfare National State to Schumpeterian Workfare Regimes where he addresses the erosion of the state centred macro-economic development policies in favour of the locally crafted development strategies prioritizing economic competitiveness and forging profitable local eco-systems over the macro policies of states to create more balanced internal

geography with socially sensitive policies. He defines (2002) three processes to elucidate this shift in the nature of the state; denationalization of state (delegation of certain state duties to either sub-national or supra-national parties), internationalization of policy regimes (expanding importance of international policy communities over the internal state agenda) and de-statization of state (a decentralized management system in more governance oriented stance). Brenner (2004) likewise conceptualizes this new architecture of the nation states as the “new state spaces” where the state power is rescaled in upwards or downwards directions to constitute institutionally polymorphic landscape that do not match anymore with the single unitary notion of Westphalian state geography. Thus said, change in the concept of statehood is extensively elaborated by the scholars in many aspects and with references to its spatial and institutional structure, relations and implications of outer forces with and onto the state power and consequently re-territorialisation of state space through concepts like city-regions, competitive localities or new regionalism. Hence, the contemporary local and regional development policies and their ideological and political background cannot be wholly grasped without understanding the very nature of the transformations happening in the nation state. Specifically competitiveness ridden stance of the recent ideologies and their implications on the geography is of eminent significance in that sense. As a natural outcome of the above mentioned changes in the statehood, the process has produced its own institutional formations in order to create and sustain the politico-cultural system of functionality. Within this perspective what this study aims to achieve is to understand the contemporary regional and local development policies of Turkey through the illustration of development agencies as an intermediary tier of the state space which was historically organized in a binary model of central and local. While doing so, main rationale is to uncover how such institutional emergences of the contemporary geographies can fit into local contexts of states and what kind of contradictions and constraints they might have in the very reality of the policy making. Or more directly main problem of this study is to uncover how policy capacity can be constituted for new institutional emergences of the states in transformation.

Significance of this question lies in the conflicting nature of the rescaling and transformation in the state's architecture. As the reshuffling of state power is exercised through policies that favour devolution and reorganization of the responsibilities in state hierarchy, the social forces that are present inside the state apparatus might show resistance, opposition and a conflicting character. Therefore the contentious nature of the state restructuring is a complicated interplay between the actors that are already present and the ones that are still emerging in various segments of the political hierarchy. In this sense Park (2008, p.42) with reference to Brenner notes that;

the spatiality of the state in terms of strategic interactions among diverse forces acting in and through the state; this has been mainly emphasized in Jessop's strategic-relational approach to state theory ... state needs to be seen as a site of struggle and contestation among diverse forces acting in and through the state — including different branches of the state, class forces, gender forces, regional interests, etc.—with regard to the nature of state intervention, political representation and ideological hegemony within capitalist society. Thus, the forms and actions of the state need to be viewed 'as emergent, contingent, contested, and potentially unstable outcomes of on-going socio-political struggles between opposed social forces' (Brenner, 2004: 85)

Thus said, transformation in the states, in similar vein to their actions, does not come with an innate harmony and a collection of unified motivations but rather it has, as already mentioned, a conflictual character in many segments of its internal structure. In another saying complex set of relations of the agency with the structure is clearly visible in this case in the form of competing forces. What has been aimed in the study is therefore to identify what the political and cultural outcomes of the very particular case of development agencies in Turkey are, as an outcome of state's will to transform its certain responsibilities motivated by policies favouring decentralization. Nevertheless, as the initiative of establishing regional institutions came from the central state actors, it has certain mismatches and the problematic features with the local institutions with long histories and experiences on the field. In these distinct cases, main contextual structure of the study was framed and limited with the concept of policy capacity for the development agencies. That is, in a simpler sense, an effort to uncover the elements that might affect the functionalities of the development agencies in the case of Turkey as a country built on technically and financially stronger centre versus weak localities. While doing so relational

characters of the agencies are specifically underlined since much of the policy outcomes that development agencies might possibly reach passes through their ability to mobilize and build partnership with the local stakeholders. Embeddedness of the development agencies into local context which have been organized in the city scale with a regional perspective is of critical importance for the agencies in order to succeed their goals. So, political, functional and discursive construction of the scale of region stands as one of the most important policy achievement that agencies must reach in order to maintain a successful policy delivery. Additionally, main approach to the problem of scale in this study is not a mere focus of a geographic definition, however to gain an adequate perspective on the problem of policy capacity it is understood as a combination and diagram of group of social relations and forces acting in it in addition to its historical and cultural significance making it a bonding factor among the actors of the particular portion of state spaces. Therefore, positioning regional scale as a space of functionality in the overall spatial strategies of state will be a fundamental achievement in the progress of development agencies, yet will be the most demanding one.

Conclusively, in this study it is accepted that the emergence of regional or intermediary tiers of public institutions should be studied within the framework of the broader transformation of the states. Hence understanding the evolution of the states and their intrinsic features is critical and that is the exact reason why the beginning of this thesis was built upon the idea of understanding the very core of state. Following on the causes and outcomes of the changing notions, the clues of the regional and local emergence have been sought in reference to politics of scale and local eco-system of policy making.

1.2 Problem Statement and Hypothesis

This study particularly deals with the problematic of the possible ways to generate policy capacity in the development agencies. Significance of the selection of development agencies stems from their peculiar position in the management structure of the state hierarchy and the scale they are operating in. In other saying, penetration of regional scale into state structure for the first time is being experienced with the

development agencies¹, which necessitates a deeper look to understand the currents of scalar politics of state. Nonetheless, opening a room for manoeuvre and specific responsibilities for the agencies, as well as reserving a corporate distinctiveness in the local institutional system of economic development in the Turkish state structure is a relatively difficult task than simply being established and imposed upon the already existing patterns. Within this framework, the main problematic of this thesis is to identify the very distinct conditions that are effective on the policy capacity of the development agencies given all the externalities and structural variables.

As is going to be detailed on the following chapters, policy capacity of a state institution can be defined as the internal ability to design and formulate the necessary strategies, allocate necessary resources to relevant solution packages and activating and coordinating the supportive stakeholders to empower policy base and finally implement the decision. This is a broad and comprehensive definition which needs to be refined to understand the policy capacity for the regional institutions emerged in a state centric tradition. For that, relational context and the institutions were identified as the most critical axes of the concept of policy capacity. In these terms, to put more directly, prominent nuance is the notion of multi-scalar management ability. Cole also underlines the necessity of the mobility among different layers to construct a rigid capacity; political capacity requires cognisance of the overarching context within which regional institutions operate and the interplay between micro-, meso- and macro-level processes (2006, p.11). Likewise, throughout the study, emergence and the progress of development agencies was read as a project to be legitimized on the ground of empowered governance ability for the state and a mean to fill the gaps between the centre and the local that state cannot always able to penetrate. Proposed model of policy capacity therefore, aims to encapsulate the nature of the relations varying in different scales of state (and formulates it as one of the two main strands of the approach) and also the implication of the forces and political assemblies operate in both layers, onto the agency. To put into wording used throughout the study, interplay between room for manoeuvre and the instrumental capacity is critical

¹ There have been regional institutions within the state organization of Turkey earlier than the development agencies but they were only local branches of the central policy agents organized to deliver service in the multiple cities. However what have been introduced with the development agencies is the formal definition of the regional scale and the legal responsibilities of the agencies in terms of the management of the country's territory.

in this sense, as any progress in the former opens up new channels for the latter and a discontinuity and refrain in the instrumentality of the agency will negatively affect the structural parameters. Therefore policy capacity for development agencies in Turkey is critically merged into agency's ability of opening up fields of authority and the level of embeddedness into state's overall strategy of territorial management, as well as capacity to generate resources to strengthen the links with the local context, which at the same time will return as generated networking and fiscal power. In a broader context, one of the strands of this study also rest upon the transformation of the state structure in Turkey with respect to regional development policies and the implications of decentralisation as state strategy. In this regard, the literature that was generated around the proposition that administrative and political decentralisation has been pursued by national states as part of a strategy for strengthening the capacity of national economies and their constituent spatial units to compete in the global marketplace (Breathnach, 2010) is supported in this study as well. Following on, rescaling of the state is understood as a strategy of the state itself to increase its functionality and maintain competitiveness in the global economic discourse. That all being said, in this context, hypothesis of this thesis can be formulated as follows;

- *Policy capacity for development agencies can be generated by effective and strategic utilization of new relational context and networking relations created through different forms and social powers inside state apparatus, even the most contested ones.*

Supporting the main hypothesis of the study, core assumptions of the study can be formulated as follows;

- *Multi-scalar management capacity of development agencies is decisive on maintaining the ability to realize policy goals and formulation.*
- *Policy capacity itself is a scalable and relational concept, happening and evolving in different conditionalities of scalar politics of state apparatus.*
- *Policy capacity is sensitive to scalar politics of state.*
- *Restructuring of the statehood and devolution of the government functions can be understood as a centrally forged action to increase its operational*

capacity through new forms of institutional entities to build a relational character that it does not held before. By this strategy arm's length control and connection of the state over non-state actors can even be strengthened.

- *The state spatial strategies in Turkey happening not towards and in favour of the social goals and a more balanced geography, but on the other hand it's more related with creating attractive zones for the investors by utilizing region specific assets with excessive strategies of place marketing.*

1.3 Methodology of the Study

Methodology of this study is essentially built upon the need to examine the contemporary position of the regional policies and regional development problematic from a state theoretical stand point, to understand the relations/implications of the changing spatiality of the statehood over the emergences of the recent subnational institutional formations. This research interest also aims to uncover insights on what kind of reflections and repercussions macro-trends create on a very context dependant phenomenon like state. In another saying it is expected to provide ways to study the complex set of relations within the state apparatus and possibilities of restructuring with reference to development agencies under the framework of possible ways to create policy capacity in them.

In this direction, with a deductive approach, main features of the state concept with reference to on-going transformation phase with the broad tendencies in globalization have been analysed in order to understand the changes in the territorial attributes of the states and the political and functional significance of the sub-state formations. This query was basically held to construct a stronger baseline and theoretical stance while building the empirical and conceptual discussion of the thesis. While clarifying the main approaches and the evolution of the states, the current challenges and the pressures upon them has been another strand of the study. It is critical to understand the contemporary bottlenecks of the traditional organization of the states to point out their selectivities and strategies to cope with these changes and their evolving capacities as well as political power. In the remaining of the theoretical discussion, the question of fitting sub-national emergences into this context of state transformation was the main focus to interlink

two related but contextually variable categories of scalar politics. Policy capacity in this framework has been selected as the analytical concept to attach the different levels of research areas on the study. While deducing the broader variables defined through the challenges of the states, policy capacity on the other hand is benefited to link the micro content of the local policy system through relational notion of institutional landscape. As a result of the discussion, it has been proposed a multi-scalar model of regional policy capacity to identify the contextual variables argued to be affective on the policy capacity.

Following on, in order to adopt the theoretical discussion into the Turkish context, it has been analysed how regional policies have evolved since the beginning of State Planning Organization – as a benchmark in the regional policies - and scalar focus of the development policies as well as trying to give socio-cultural context of the regional scale. In other saying it has been aimed to clarify the path that lead to the emergence of the development agencies in Turkish local economic development context. Specific focus of this portion of the study was the relational character of the development agencies and the particular areas of mismatch emerging from the very nature of the development agencies with the local system of institutions. To underline the simple fact that has been long evaluated in the context of the study, this part tries to uncover problem of constructing regional scale as a space of action and policy in country that have been historically organized in a province system without a perspective of regional scale. An extensive literature survey and strategic reports of the public institutions have been carried out to provide inputs to the empirical part of the study.

While clarifying the theoretical and background discussions of the thesis, empirical part is initially composed of a questionnaire held among the experts working in the development agencies. Questionnaire mainly aims to gather first hand opinions and the impressions of the practitioners working in the development agencies about the issues affecting their operational abilities as well as their associations with the central and the local policy makers. Survey mainly intends to collect data about the position of the agencies located between the central and local scales and particular challenges stemming from this intermediary role. In a more direct way, what sort of

conditionalities exist in the local eco-system that agencies are also a part of yet a subject of these set relations are queried on the one hand. Additionally, relations with the central institutions and centrally controlled macro variables are also point of interest of the case study. Last, but not least survey also includes certain questions regarding the capabilities of agency as an institutional entity in order to gather the perception on the technical abilities of the agencies despite all the externalities that bind them. Methodologically, findings of all set of questions were analysed within themselves to extract meaningful conclusion and secondary analysis were also conducted through merging the conclusions of set of questions by cross tabulations. Statistical tests were also benefited where they are appropriate on the set of questions. Geographical and contextual varieties responses were sought to derive distinct patterns on among the answers given. As for the second strand of the empirical study, semi-structure interviews are designed in a more geographically focused manner. Through means of purposive sampling, interviewees have been selected from different legal background and scalar positioning in order to represent different interest groups and different attitudes towards the regional scale. Main aim behind implementation of the interviews was to structure and frame an external perspective to the agencies and better integrate the theoretical discussion with the empirical findings of the study.

1.4 Significance of the Study

This study at the very core aims to uncover a contemporary problematic of regional governance and regional development field in the Turkish context within the broader frame of transformations in the statehood as a vibrant and extensive effort of literature. Hence, it can be concluded that the goal of the study in this manner to evaluate a contemporary topic through a historically profound perspective and throughout the study it was sought how these two broad areas of research can be overlapped and matched. As was mentioned earlier concept of policy capacity played analytically a bonding role among the fields of research in the study. Benefiting from the particular contributions of the literature of the policy capacity, state, globalization and transformation in the statehood and governance studies, a model of policy capacity was proposed to cover up all the finding of this study. This model can said to be spatially selective one which categorically aims to include the particularities of

the scalar politics and relational variables of the actor interactions. As an effort to briefly conceptualize the approach of this study, this model can be considered to be one of the most important contributions of this study.

On the other hand, this research is also in significance of evaluating the currents of regional development policies of Turkey with reference to positions of different policy agents and of identifying the possible supporting or opposing roles that they might play in the policy field. In other saying, policy responses to geographical inequalities in the territory of country were not evaluated within the limited area of institutions that are directly responsible of the problem but rather whole issue was evaluated within a system of actors and the policy agents. Still, what have been aimed in this study is to understand how global developments in a particular policy field might reflect on the contextual settings. In this study, it was questioned how locally based growth oriented institutional formations can have different repercussions in each variant context and what kind of strategies they can implement in order to survive and reserve a field of authority is of prominent importance. To put directly the main problematic of this study is to unearth the conditions and strategies that development agencies have to fulfil in order to better penetrate into state structure and reserve a solid position in the local eco-system of policy making. In this sense, efforts of this study can considered to be valuable and important both for its contribution to develop the literature of policy capacity and provide practical inputs to a highly complicated policy domain. With the field study conducted in this study, it was aimed to clarify this precise problem and to generate empirical data gathered from direct practitioners and policy makers.

1.5 Outline of the Study

This study has been designed and carried out in four chapters in addition to introduction, where the general contextual framework and the goals of the study are defined, and the conclusion, in which the major findings of the study has been presented in detail with the discussion of the results according to the perspective adopted in the study.

Chapter two introduces the main theoretical discussion and the background information on which the remaining parts of the study has been built. In that chapter

definition and approaches to state concept was discussed in detail with specific attention to its spatial formations and strategies. How the earlier forms of states evolved into what is called modern state now was elaborated in addition to current challenges that states have to face and cope with today. From that point on, concepts of state capacity, governance, transformation in the notion of statehood, rescaling and institutional structures in the state capacity was concluded with a proposition of policy capacity model for the regional institutions.

Chapter three constitutes the background chapter for the empirical part of the thesis. Background of the regional policies of today and the evolution of region as a peculiar scale in the policies of state was introduced with an intention to portray the progress of the state spatial strategies in local development field. Besides, variables regarding the policy capacity of the development agencies in line with the model proposed in the former chapter were also elaborated to better posit the current conditionalities of the development agencies. The queries made in this chapter were not limited with a simple evaluation of the agencies as an institutional entity but rather the external environment that might possibly affect the operations of the agencies was studied deeply.

Chapter four on the other hand, deals with the empirical study of the thesis. In that first of all, basic information and the methodology of the case study were described. Sample size calculations and the main categorical definitions regarding the questionnaire were introduced. In the remaining of the chapter Analysis of the data collected from the survey was conducted and presented in detail with first order analysis as well as secondary conclusions of the findings. There is, in the end of the chapter, an evaluation and discussion part regarding the main outcomes of the field study.

As the second tier of the field study, chapter five briefly summarized the main findings of the interviews conducted with the main stakeholders and policy makers in the case of Ankara region. In the chapter main aim was to acquire the perspective of the local and central actors on the implementations of the development agencies and their functionalities. Main contribution of the chapter was to make the cross control

of the outcomes reached in the questionnaire which was aimed to provide an internal outlook to the problematic of agencies' policy capacity, from an external point of view of the affiliated entities and institutions.

Finally chapter six intends to sum up all the core findings of the theoretical discussion, field study and their corresponding results with regard to the main research question. Within the limitations and means of this study conclusive inferences were directly presented in order to be principally clear in the conclusions of the study. In this chapter, state theoretical and a scalar model of policy capacity was supported with the empirical findings of the study and presented as the main contribution of the thesis.





CHAPTER 2

STATE AND EMERGENCE OF LOCALITIES

In this very first chapter of the thesis, it is aimed to understand the core of the reasons and driving forces behind the emergence of regional and local scale as a political actor which has been increasingly gaining significance within last decades. In order to carve out the essence of pushing factors, first of all the definition and the evolution of nation state; which is the sovereign unit of political actor since the Westphalia peace in modern history, will be outlined in following sections. Together with the pressures from globalization narrative and rising demands of governance from sub-national scale, nation states have been redesigning themselves and setting up a new architecture of their inner organization. Conceptualizing this phase of transformation demands a comprehensive understanding of the fundamentals of nation state as we understand it today. Given the centrality of the state in the contemporary socio-political life, the traces of the regional and local emergences will be investigated within the rationale of state transformation. Changing fundamentals of the global production system through the new territoriality of capitalism and growing complexity of policy making within the conflicting interests of a various number of agents, which in the end caused a shift from government to governance, will be key areas to focus on. To begin with, very briefly some of the basic premises of the nation state will be proposed in order to better frame out the discussion.

2.1 Definitions, Approaches and Features of the State Concept

Question of how to define the state is quite a challenging one and have been long discussed within a vast literature. Among all, Max Weber's classical approach stands as a primary resource, according to him, formal characteristics of the modern state are as follows:

...it possesses an administrative and legal order subject to change by legislation, to which the organized activities of the administrative staff, which are also controlled by regulations, are oriented. This system of order claims binding

authority, not only over the members of the state, the citizens, most of whom have obtained membership by birth, but also to a very large extent over all action taking place in the area of its jurisdiction. It is thus a compulsory organization with a territorial basis. ... The claim of the modern state to monopolize the use of force is as essential to it as its character of compulsory jurisdiction and of continuous operation (Weber, 1978, p.56)".

Stemming from the definition, state, very broadly, can be understood as a complex group of institutions and norms bounded by objectively defined rules and laws, which is, at the same time, very distinct in terms of its relation with the external environment as the central authority of power designated to maintain control and governing within a defined territory. Jessop, in that sense, identifies 3 key features of above mentioned Weberian approach as follows;

Building on Weber and his contemporaries, other theorists regard the essence of the state (pre-modern as well as modern) as the territorialisation of political authority. This involves the intersection of three entities: a politically organized coercive and symbolic apparatus; a clearly demarcated core territory; and a population on which political decisions are collectively binding. Thus, the key feature of the state is the historically variable ensemble of technologies and practices that produce, naturalize, and manage territorial space within which political power is exercised by the state apparatus to achieve various, more or less well integrated, and changing policy objectives. (2009, p.43)

Similarly Tilly proposes a further definition of modern nation state as (1985); "relatively centralized, differentiated organizations the officials of which more or less successfully claim control over the chief concentrated means of violence within a population inhabiting a large, contiguous territory". As one of the most sophisticated output of human organization skills, modern state as Gill proposes is a "bureaucratic form of organization. The offices, and many of the institutions of which the state consists, are structured in a formal hierarchy with clear lines of direction and accountability. This formal hierarchy, and the rules of direction and obedience intrinsic to it, is essential for the central state authorities to project their power and authority into the society and across the territory over which they have jurisdiction". (Gill, 2003) As also given some clues in the above mentioned definitions, in terms of capacity of doing things, state is not the only source of power and it is neither isolated from the surrounding environment in terms of autonomy which means, respectively, outer conditions, throughout the modern history of state, have been influential on their evolving relative capacity. Due to the changing notion of governing and the externalities that states are bounded by, this capacity as well as

perspectives against the role and position of the state has evolved correspondingly to the relations with the outer groups and secondary parties. Gill (2003) summarizes perspectives on the state phenomena broadly within 3 main groups;

The State as Partisan; this model elaborates the state as a definite body who is pursuing its own interest beyond all means. To put simply, partisan model of state perspective is in line with Weberian and realist thought in which rationality and objectivity stand as the most prominent features of the state's behaviour.

The State as Guardian; on the contrary to previous view, state is in no pursuit of its own interest but to maintain and keep the social justice and balance of the society. "The state is seen as keeping in view the best interests of the system as a whole and reacting to developments to ensure that that system does not become destabilized.

The State as Instrument; this perspective conceives the state as an instrument who is managed and steered by the outside parties for their own interests. In other saying, state is there only to protect the interests of the dominant classes who are in charge against the labour or economically deprived groups. Marxist² view of state is largely influential on the perspective of instrumental approach. " (Gill, 2003)

What is common in these different perspectives is the fact that state has to set up some peculiar relations with the society and the degree of this indulgence of the state in the regulating the norms and rules of the society determines its features, tools and way of realizing policy decisions. Nevertheless, regardless of the typology and perspectives, almost all discussions of state mechanism have some common features which are as indicated in the Pierson (1996); "(monopoly) control of the means of violence, territoriality, sovereignty, constitutionality, impersonal power, the public bureaucracy, authority/legitimacy and citizenship". Modern states in order to keep the order in societies monopolize of the legal use of power and institutionalize it and construct further functionalities upon it. Nonetheless as was stated in Weber (1978,

² The fundamental approach of Marxism to State as mentioned in German Ideology of Karl Marx; "Through the emancipation of private property from the community, the State has become a separate entity, beside and outside civil society; but it is nothing more than the form of organisation which the bourgeois necessarily adopt both for internal and external purposes, for the mutual guarantee of their property and interests."

p.54), “the use of physical force is neither the sole, nor even the most usual method of administration of political organizations”. But no matter, to maintain a legal force it has always been a core condition of building a state.

Territory, just like legal use of power, is another fundamental and essential conditionality of modern state. Each state occupies a certain portion of geography on the earth and confronts the other states at the edge of their territories; they construct a definition of their nations, their sub-national administrative units; cities and regions etc. within their globally accepted borders. Within this territory, states are the only unit of sovereignty as defined by Hinsley (1986, p.26) “the idea that there is final and absolute political authority in the political community and no final and absolute authority exists elsewhere”. Further on, constitutionality and impersonal power indicates the necessity of the laws and setting up the main rules to regulate the social stabilization and unbiased administration so that every single person regardless of his/her identity will be equal against the rules of the laws. The bureaucracy stands, by definition, as the most rationalized form of organizing management in any modern state that has to maintain effectiveness and well-structured in public management. In bureaucracy all the rules and administration forms are defined clearly and daily tasks of the public officers are fixed in order to keep the state system run. Authority and legitimacy imply that, under normal circumstances and for most people the actions of the state and its demands upon its population will be accepted or, at least, not be actively resisted (Pierson, 1996, p.22). Finally, citizenship addresses the rights and duties of one person but also indicates the codes of relationship between state and individual. “It has meant a certain reciprocity of rights against, and duties towards, the political community” (Held, 1995, p.66). While individuals have a responsibility against the state, states do have a distinct duties towards the individuals and organizational forms that individual compose.

Although state is not the only type of political organization, it is the most complex one since it is built on the cumulative experiences of human being. It is, because of the same reason, difficult to define and frame the state concept into an all-agreed and universal definition. It is therefore more plausible to outline the basic and essential features of the concept, given all the historicity but yet an evolving and dynamic

effort. In other saying, the role and duties of the modern states changes and evolves with time in line with the new conditionalities of human mind. Modern states do re-organize themselves; build new responsibilities and tasks, while eliminating others. Given all these problems in making a definition, Kukathas (2008) briefly list the main features of a state, likewise above mentioned ones;

“A state is a form of political association or polity that is distinguished by the fact that it is not itself incorporated into any other political associations, though it may incorporate other such associations... One state is distinguished from another by its having its own independent structure of political authority, and an attachment to separate physical territories. The state is itself a political community, though not all political communities are states. A state is not a nation, or a people, though it may contain a single nation, parts of different nations, or a number of entire nations. A state arises out of society, but it does not contain or subsume society... The most important aspect of the state that makes it a distinctive and new form of political association is its most abstract quality: it is a corporate entity.”

Morris (2002, p.288) enlists broader but still crucial characteristics of modern state as follows; (1) Continuity in time and space; the institutions of state endure over time... (2) Transcendence; the state constitutes a unitary public order distinct from, and superior to, both ruled and rulers, one capable of agency (3) Political organization; the institutions through which the state acts are differentiated from other political organizations and associations (4) Authority; the state is sovereign, that is, the ultimate source of political authority in its territory (5) Allegiance; the state expects and receives the loyalty of its members and of the permanent inhabitants of its territory.” To him complexity of the states rises from its transformative capacity and ever-evolving characteristics in its sovereign territory.

Poulantzas on the other hand, building on the work of Gramsci who defined states as a combination of political society and civil society, develops the approach of state as a social relation; it is a relationship of forces, or more precisely the material condensation of such a relationship among classes and class fractions such as this is expressed within the state in a necessarily specific form... however state is not purely and simply a relationship or the condensation of relationship; it is a specific material condition of a relationship of forces among class and class fractions (2000, p.128-129)” Jessop notes on this approach; “this elliptical phrase implies that, whether seen as a thing (or, better, an institutional ensemble) or as a subject (or,

better, the repository of specific political capacities and resources), the state is far from a passive instrument or neutral actor. (2009, p.44)” Dynamism of this approach (as opposed to defenders of death of state or radical decay in its power) understands the state as always in relationship with other parties and creates an analytical baseline to capture ever changing role of the state within the history. It may have lost power or gain strategic importance, or redefine itself, re-territorialize itself but that is all happening in an evolutionary manner therefore it is theoretically and historically too immature to manifest a death of state which also prevents the further discussion about the position of state, as well.

On the other hand to look at the historicity of the modern states it can be concluded that as a political entity, state is a relatively new and rather a European phenomenon. Nevertheless, evolution of modern state is conceptually deeper and wider. Historical adjustment and the transformation of the political systems in the European context have been clearly summarized by Held (1995) on the figure below. It is visible that modern states are the product of the 18th and 19th century but the fact that it has been built on the failures and lessons of the previous forms underlines the rootedness of the state concept.

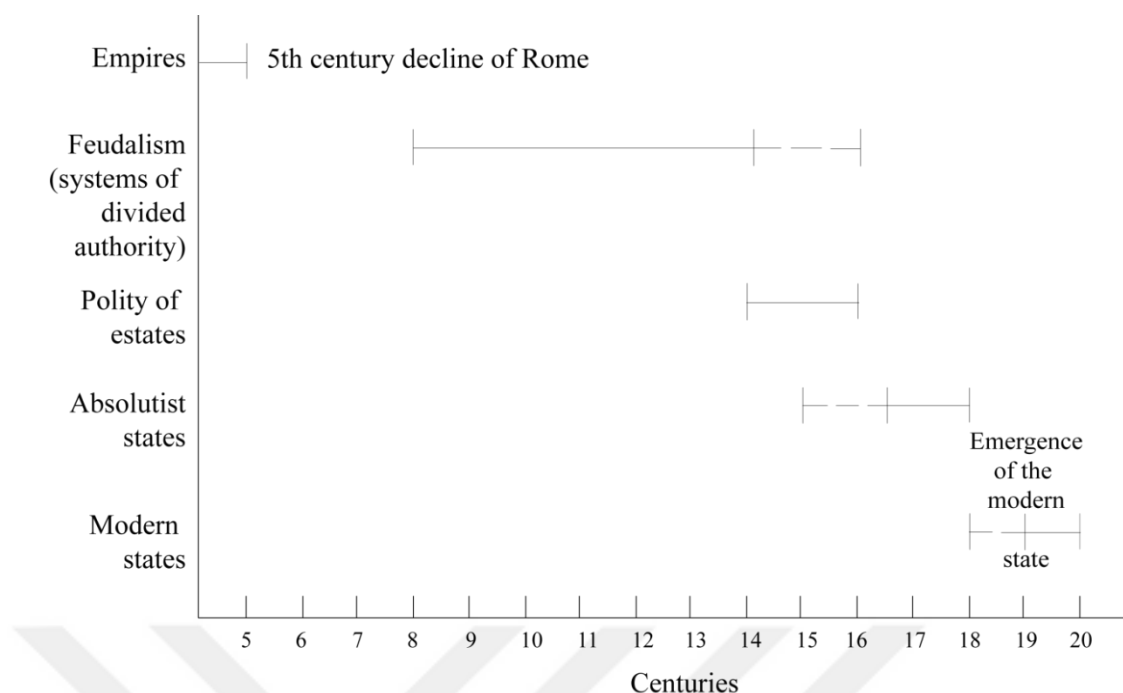


Figure 1 - State forms and historical periods

Source; Held, 1995, p.78

Each corresponding period of political organizations in Held's graphic addresses to certain distinct points of departures from the states of the time being. Feudal system, for instance, was based on a relationship which was a personal bond between lord and the great bulk of population were deeply affected by the feudal relationship without being parties to it and never treated as the subjects of a political relationship (Poggi, 1978, p.23). City states, on the other hand were more institutionalized in the sense of a pursuit in collective benefit rather than the personal interest, which was the case in the feudal system, and corporate needs of commercially influential town-dwellers led them to favour territorially more extensive forms of political organization (Pierson, 1996, p. 44). The pure concentration political power and full centralization, absolute states were considered to be the primitive or traditional forms of modern state. The institutional arrangements, territoriality or the sovereignty of them were the converging elements towards the modern states of today. However, the corrupted and pre-professional forms of bureaucracy in the absolutist state was still one significant characteristic why it is considered as a different entity rather than the nation state. Roughly, the pathways towards the nation state can be framed in the European context as above.

Conclusively, formation of modern state with a democratic sense of management has been the optimal condition as a political organization when compared to its predecessors such as city states, feudal states, emperorships or absolutism, but still evolving and transforming. However, this fact raises the question of why the states could survive instead of any other political form of governing. Tilly, in his 1990 book, raises the same question and proposes an answer based on the by-products of military success; "Why national states? National states won out in the world as a whole because they first won out in Europe, whose states then acted to reproduce themselves. They won out in Europe because the most powerful states - France and Spain before all others - adopted forms of warfare that temporarily crushed their neighbours, and whose support generated as by-products centralization, differentiation, and autonomy of the state apparatus (p.183)". For him, therefore, tendency to create a certain magnitude and autonomous management yielded in the formation of nation states. Strayer on the other hand, sees the modern state as a combination of the strengths of its forerunners; "they were large enough and powerful enough to have excellent chances for survival... At the same time they managed to get a large proportion of their people involved in, or at least concerned with the political process, and they succeeded in creating some sense of common identity among local communities. (1972, p.12)" Strayer, in a sense, stresses the importance of the relation between the governing body and the society, as his state notion relies on the idea of setting up commonalities among the whole society. However, there is one point again which is not clear; why the alternative political formations could not sustain themselves but the states did. Tilly (1975, p.31), in that sense, raises the question "What structural alternatives were possible?" He answers that; "...pre-existing political fragmentation, the weakness of the corporate structures, the effectiveness of specialized organization, the openness of the European periphery and the growth of cities, trade, merchants, manufacturers and early capitalism weighted the outcome toward the national state". He further deepens his analysis and proposes distinctive conditions in the survival of states in continental Europe which are; "(1) availability of extractible resources; (2) a relatively protected position in time and space; (3) a continuous supply of political entrepreneurs; (4) success in war; (5) homogeneity (and homogenization) of the subject population; (6) strong coalitions of the central power with major segments of the landed elite. (1975,

p.40)” A number of such pushing factors came together in the emergence of state as a scale of management of human societies and according to Keating, the nation state differs from pre-modern forms in its claims to absolute sovereignty over a given territory with fixed boundaries, and to the unqualified allegiance of citizens within that territory (1998, p.16). On the other hand, the current presence of the nation states, according to Langenhove can be best understood through the concept of statehood, which is first proposed by Zürn (1999). “Three essential governance features of statehood: (i) it creates a single market in the territory; (ii) it provides a unified space for the provision of public goods and (iii) it acts externally and internally in a sovereign and unified way” are the most crucial features of a constitution of a state (Langenhove, 2001, p.17). Among others, being a single economic space and responsible of both creating wealth and maintain a fair distribution of it among its national territory is a critical aspect of the modern states of today as it determines the economic policies of nation states. It is important as well, in the sense that in the background of emergence of sub-national units as an economic and political actor, there is the aim of creating wealth in the most efficient way within the boundaries of national space. Still though, it is above mentioned characteristics again that is being challenged today, since the unified and single market is no longer limited within the boundaries of nation state, neither as well the logic of the organization of the production.

Thus understood, contemporary dominant paradigm of political entity, nation states are a matter of management organization within a given territory under certain written and unwritten rules where the sovereign power is concentrated in one single authority whose capacity and organizational unity have been evolving and sometimes even challenged by external conditionalities. Therefore what is called as modern state is also an entity whose primary task is to regulate the distribution of welfare and it is eventually a responsible of managing that in its territory. As illustrated above within all approaches to nation states territory and the management of that territory has been an indispensable part of the theories. As noted in Keating (1998, p.38); “ in their various ways, then, European states continued to recognize the importance of territory, incorporating mechanisms for managing it even within ostensibly unitary states. ” The capacity of state which is stemming from the features explained above

is facing serious challenges as a result of the socio-economic transformation that the world has been experiencing. Consequently, emergences of both supra-national and sub-national institutional formations and the types of relations they have been setting-up with nation states have changed the traditional ways of policy design and implementation. Therefore, modern state was forced to regulate and restructure itself due to the changes in the external environment. As noted in Mackinnon (2012,p.346); this transformation of state since the late 1970s has been shaped by several causal factors, including globalization and the development of supranational institutions like the European Union (EU), the prominence of neoliberal notions of limited government (Peck and Tickell 2002), and the rise of regionalist and nationalist movements reacting against centralized control (Keating 1998). Although rejected by some scholars, this transformationalist approach in the state's position is fuelled dominantly by the on-going massive neo-liberal and globalised world³ epoch but not necessarily addresses a decline or fall in the state's power instead it is a re-formulation and a process of restructuring. As mentioned in Peck (2001: 447) what is being 'hollowed out' here is not the state per se but a historically and geographical specific institutionalization of the state, which in turn is being replaced, not by fresh air and free markets, but by a reorganized state apparatus. This overall process, hence, can be regarded also as a transition from the understanding of state⁴ as a

³Mackinnon (2012 p.348) defines three mainstream state formation prior to vast experience of neo-liberalization; First, developed economies in Western Europe and North America were characterized by the existence of Keynesian -welfare states, based upon the maintenance of full employment and the provision of a social welfare system (Lobao, Martin, and Rodriguez -Pose 2009). Second, socialist states based on command economies could be found in the former Soviet Union, Eastern and Central Europe, China, and a small number of other countries in the global South. Third, developmental states had been established in East Asia where states had played the lead role in fostering industrialization (Hayashi 2010).

⁴ Jessop identifies a different perspective in state transformation in being the sense of welfare provision and relationship with the market. He identifies (2009, p.50-51) "the typical state form of the post-WWII advanced capitalism as a Keynesian welfare national state. Its distinctive features were an economic policy oriented to securing the conditions for full employment in a relatively closed economy, generalizing norms of mass consumption through the welfare state, the primacy of the national scale of policy-making, and the primacy of state intervention to compensate for market failure. Another emerging state form in response to the crisis of Fordism in North America and Western Europe in the 1980s and 1990s as a Schumpeterian workfare post-national regime. Its distinctive features are an economic policy oriented to innovation and competitiveness in relatively open economies, the subordination of social policy to economic demands, the relativization of scale with the movement of state powers downwards, upwards, and sideways, and the increased importance of governance mechanisms in compensating for market failure. Finally East Asian developmental states could be categorized as Listian Workfare National States on the grounds that they pursued catch-up development based on neo-mercantilist policies in relatively closed economies oriented to export-led growth; subordinated social policy to the demands of export-led growth by restraining wages and organized labour and by developing social provision that enhanced competitiveness;

welfare provider within in a fixed territorial identity to a state that sponsors competitiveness within a flow of spaces that is either beyond and below its scalar formation. In this framework, in the following sections politics and theory behind the state transformation and its relation with the decentralization and the factors that gave rise to the emergence of the sub-national, specifically regional, scale will be outlined. Correspondingly, contemporary challenges of the modern state will be presented in order to relate the rise of sub-national scales as a political actor and following on concept of governance will be discussed as a further notion that links the re-organization of the state and the sub-national scale as a policy agent.

2.2 Challenges of State and Transformation in Geography of Production

The basic premises of nation states, as was clarified in the first part, with changing institutionalization and evolving territoriality of the global capitalism, have been facing serious challenges which bring in a reorganization of its main structures. That is however not to raise the premature arguments of the dissolving of the state from economic and political field, instead what will be the searched in this study is the dynamic process of this state reshuffling and its relation with the emergence of the sub-national scales. The role of the state, as the provider of welfare in the post-war era is no longer focal, but as Brenner claims centrality of the state in policy field is neither disappeared;

... as the isomorphic link between territory and the state sovereignty is today being unbundled, emergent political geographies can no longer be represented adequately through the traditional Westphalian image of single sovereign state apparatus that is identical in both size and form of with society... Currently unfolding transformations in state form have entailed not the withering away of the state but, rather, the re-territorialisation of state socio-spatial organization as a means to promote profitability and competitive advantage in the intensified interspatial competition of the 1990s. The state continues to play a central role in the on-going struggle to command, control, reconfigure, and transform social space, even as the scales on which this struggle is organized have been significantly denationalized. (Brenner, 1997, p. 156-157)

Nonetheless, even though the state is not completely disappeared, there is the question of what are these recent changes and pressures that caused a dislocation of

developed a national security state that justified repression and state control of the economy; and compensated for fears of market failure by relying on top-down planning and steering of public and private business.”

its centrality and gave rise to emergence of the supra and sub-national scales and in what senses these changes are relevant with other scalar formations? Keating first of all, frames three interrelated economic tensions in relation to the rise of regions within the context of challenges that the nation states are facing. According to him, quoted in MacLeod (2001, p. 814) there are certain restructuring processes that lead to a change in the territoriality of nation state.

- *Functional restructuring*, under conditions of intensified economic globalization nation-states are no longer perceived to be capable of managing their economies through redistributive policies and the strategic placement of public investments.
- *Institutional restructuring*, where a decentralization of governance might be conducted: (1) in the name of modernization; (2) as a response to pressure from regional political movements; or (3) as a means to enhance national political power by devolving the responsibility to regional stakeholders.
- *Political mobilizations* enacted by strategically significant communities of interest, whether in the name of nationalism or regionalism.

Globalization of the world economic order and increased mobility of the international capital together with the search of most profitable and competitive areas to invest in, have proliferated the increasing importance of localities and race among the “regions” to attract as much as they can from the international capital, have been one major element in the shift of a territorial hierarchy where the states once were at the top. This new organizational features of capitalism as stated in Scott (1998) created a spatial mismatch with the sovereign state and created a fourfold hierarchy; the global level, multinational blocs like the European Union, sovereign states and regions. What has been noteworthy in this structure is the possibility of the direct relationship of the attractive regions/localities with the floating capital itself without interference of the central state. Existence of EU as multinational bloc and its pro-decentralization policy can be considered as another confrontation that nation state has been facing. Wright (1998, p.44) mentions on that, with membership to EU; arenas of policy making has been displaced and the number of relevant stakeholder outside the nation state has increased, EU became a rallying slogan for some localities, created new network linking Brussels with directly some regions, ...

imposed new tasks on regions in areas such as implementation of environmental directives etc. Such relationship is neatly summarized in the figure below where the state once was the mediator of the relationship between the international market and the subnational scale has been destabilized into a condition where the region themselves are turned in to a place of policy making based on their competitive advantages to attract global capital.

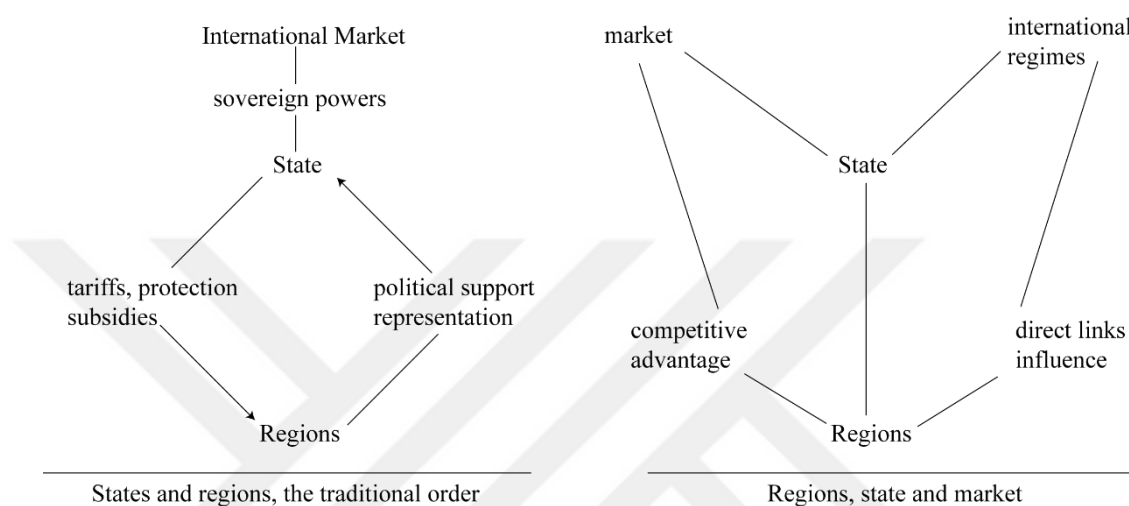


Figure 2 - Changing Relationship of State and Regions

Source; Keating, 1998, p.78

In short, changing geographies of global production has come to a point where it is no more manageable within the codes of traditional nation state and that happen to be the point where the local and regional scales seem to be more operable and offer socio-cultural as well as economic merits from the point of international capital. Thus said, the neo-liberal type of production system and its spatial formation are pushing the boundaries of some of the basic features of the state. Penetration of market forces into policy field as a strong actor, in other saying created strong contradictions with the traditional understanding of the nation state and triggers a re-organization of it.

Within this framework, Jessop portrays similar erosion in the functionality of what he has described as Keynesian Welfare National State (KWNS)⁵ in favour of a transition towards Schumpeterian Workfare Regimes (SWRS)⁶ as follows (2003);

⁵ Basic premises of KWNS can be summarized as (Jessop, 2003); (1) Among the various spatial scales of formal political organization, the sovereign state level was regarded as primary. Local and regional

“The centrality of the sovereign state itself was questioned due to the development of allegedly overloaded 'big government' (globalization). It became harder to achieve official national economic objectives such as full employment, stable prices, economic growth, and viable balance of payments. Regional and local economies were increasingly recognized to have their own specific problems which could not be resolved through national macro-economic policies or uniformly imposed meso or micro-economic policies.”

He elsewhere notes about the characteristics as;

it is Schumpeterian insofar as it tries to promote permanent innovation and flexibility in relatively open economies by intervening on the supply side and strengthen their structural and/or systemic competitiveness, second it is workfare since it subordinates social policy to the demands of labour market flexibility, employability and economic competition, third it is post-national insofar as national territory becomes less important as an economic, political and cultural power container, finally relies on decentralizes steering and networked partnership to compensate market and state failure. (2004, p.78-79)”

Among other forces, he puts emphasis again on the new organizational relations of the global economic order and its effect on the focal role of the state. In his words, overarching pressures coming from globalization in favour of structural competitiveness and the territorial order of this mentality stabilize the narratives of the failure in the welfare delivery policies of nation state and only way of avoiding this defeat is to re-organize the forms of state and its territorial and scalar policies. Intrinsic features of global capitalism thus entail different scalar variations, which partly bypasses the pre-war focuses of nation-states and consequently impose a change of responsibilities through delegation some of them either to supra or sub national scales. Jessop encapsulates this transformation of nation state in three processes as of *denationalization of state*; strategic shifts in capacities and power of the state to regional, local or supra-national, or to put differently; this structural trend is reflected empirically in the “hollowing out” of the national state apparatus with old and new state capacities being reorganized territorially and functionally on subnational, national, supranational, and trans-local levels (Jessop, 2002, p.206),

states served primarily as transmission belts for national economic and social politics. (2) State economic strategies and economic regulation assumed a relatively closed national economy. (3) Among the various spatial scales of economic organization, the national economy was accorded primacy for state action. (4) The primary object of welfare and social reproduction policies was seen as the resident national population and its constituent households and individual citizens.

⁶ In particular, the Schumpeterian workfare regime marks a clear break with the Keynesian welfare state insofar as (1) domestic full employment is deprioritized in favour of international competitiveness; (2) redistributive welfare rights take second place to a productivist re-ordering of social policy; and (3) the primary role of the national state is deprivileged in favour of governance mechanisms operating on various levels. (Jessop, 2003)

internationalization of policy regimes; the indulgence of international communities of politics into domestic state action; “the international context of domestic state action has extended to include a widening range of extraterritorial or transnational factors and processes...this trend is reflected in economic and social policies as the state becomes more concerned with “international competitiveness” in the widest sense (ibid.p.208), and finally *de-statization of state*; broadly a conversion of central understanding of government to a more decentralized system of management which also means a transition from government relations to governance. This involves the complex art of steering multiple agencies, institutions, and systems that are both operationally autonomous from one another and structurally coupled through various forms of reciprocal interdependence (ibid, p.207). These entire trends are building the blocks of states’ new roles and functions mostly related with the transformations that can also be conceptualized under rationality of post-fordism. On the contrary, the homogenized spatial approach of the Fordist era stabilized the nation state and respectively national scale as the prominent unit of accumulation. Nonetheless as Swyngedouw notes;

“This state-based regulation altered the form and structure of competition, partly as a result of the greater scale at which individual capitals began to operate... However, the gradual internationalisation of production and accumulation contributed to more intense competition in the international arena. This growing internationalisation of production amidst a mosaic of nationally regulated consumption spaces would prove to be a fundamental dilemma. (2004, p. 36)”

Furthermore, stressing on the economic restructuring of the world system of production, Cox uses the terminology of “transnationalization of the state” to conceptualize the pressures and constraints it is bounded by. He defines it as; “the global process, whereby, national policies and practices have been adjusted to the exigencies of the world economy of international production. Through this process the nation state becomes a part of a larger and more complex political structure that is the counterpart to international production (Cox, 1987, p.253).” Shields mentions on that; this process of transnationalization does not necessarily means a loss of power but it reveals a restructuring of state apparatuses and hierarchies as the agencies with direct links to national economy like ministry of labour or industry have not been demolished but rather subordinated to finance ministries, treasuries

and central banks (2002, p.5). Although the approach of Cox is sometimes criticized (i.e. Baker, 1999) by overemphasizing the top down relations between the supra-national forces and nation state, it is useful in the sense of underlining the tensions and mismatch between the scalar formations both in terms of economic and political.

Thus, unhindered process of internationalization of capital accumulation system and reorganization of world productive system increased the tension between the scalar formation of nation state and the mentality of the profit seeking bourgeoisie. Neil Smith's notion of jumping of scales, in this sense, is of eminent importance to understand the dislocation of capitalist production system from the national context and change the inter-scalar hierarchy in its favour by creating the landscape of profit within the territory of state. Brenner (1997) with reference to his analysis of Lefebvre mentions this restructuring and correlates it with the rise of regional and local discourse; "This wave of state territorial restructuring (since 1980s by the competitiveness paradigm) has entailed on the one hand a retreat from national social welfare programs, national protective labour legislation, and national monetary policies and on the other hand growing concern with product innovation, labour market flexibility, technological expertise and global structural competitiveness particularly with reference to sub-state scales of industrial districts, regions and cities." The relationship between the territorial organization of the state and the form of cities and localities with reference to transformation of the world economic structure is summarized in the figure below.

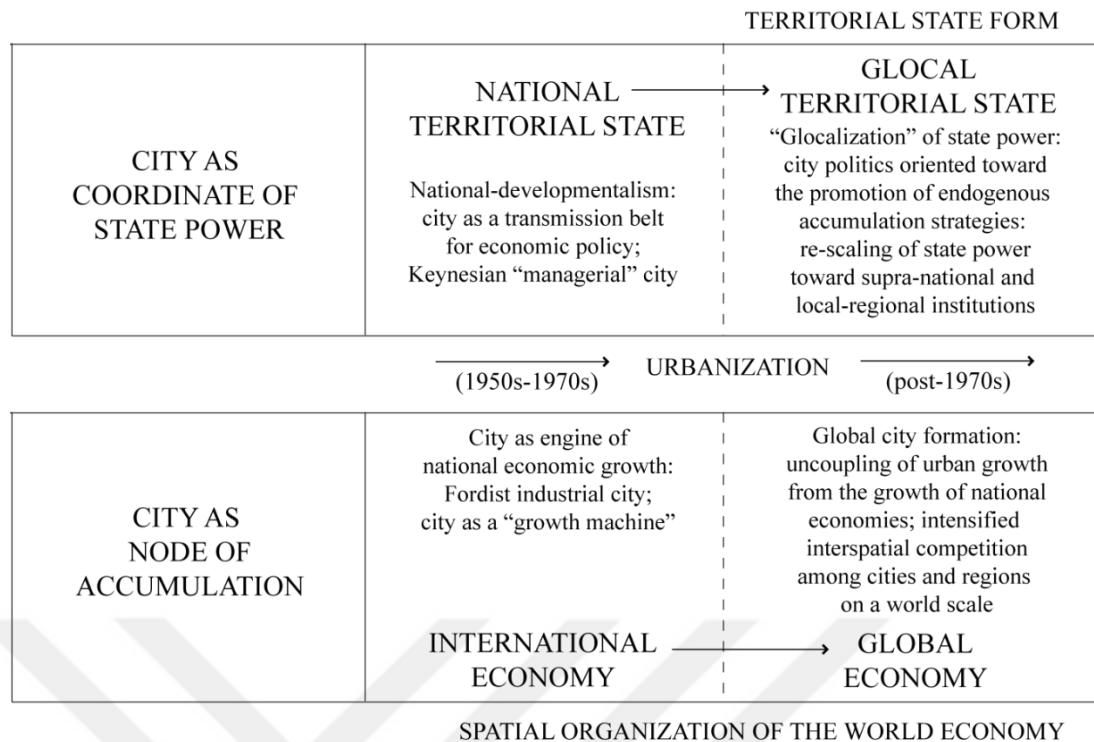


Figure 3 - Urbanization, state forms and the world economy: Fordist and Post-Fordist configurations

Source: Brenner, 1998, p.21

Brenner in the figure clearly conceptualizes the mismatching structure of capital accumulation and the territorial organization of the state scale. He points out that; the scales of capital accumulation have never coincided exactly with those of state territorial organization, but the most recent round of globalization has intensified this scalar disjuncture to a historically unprecedented degree... The state’s efforts to restructure itself by devolving tasks and responsibilities downwards to its regional and local levels have actually magnified the territorial non-coincidence between the scales of state territorial organization and those of capital accumulation (1998, p.20). He further adds up elsewhere (2004, p.67) that;

“Contemporary state institutions are being significantly rescaled at once upwards, downwards, and outwards to create qualitatively new, polymorphic, plurilateral institutional geographies that no longer overlap evenly with one another, converge upon a single, dominant geographical scale or constitute a single, nested organizational hierarchy. These developments undermine traditional, Westphalian models of statehood as an unchanging, self-enclosed national-territorial container and suggest that more complex, polymorphic, and multi-scalar regulatory geographies are emerging than previously existed.”

To him therefore, of regional/local scale is gaining importance as new sites of capital accumulation but also as a departure from what has been defined as spatial Keynesianism towards a more competitive field of local development. Regions or localities could set up links with global flow of capital and integrate themselves to this network in order to gain competitive advantage, even in some cases they are detached from the national context. To illustrate very roughly, London as a global phenomenon and giant metropolis, has different priorities, goals, attainments and management structure that can no longer be rationalized within the boundaries, both physical and fiscal, of England. In order to compete with other big cities of the world fundamental problems of unequal spatial development in state scale is no longer in the scope of city development. Therefore, transformation in the spatial structuration of state, due to changing patterns of global capitalism necessitated a rise in the scalar importance of localities. McMichael notes on that;

this new era is marked with incline of political economy to liberalized markets and monetary policies from state-regulated markets and Keynesian welfarism, development model of countries are no more framed by national economic management but with participation into world market and comparative advantages and finally the focus of local and regional development has moved from national spatial policy and growth redistribution to supranational and devolved (sub-national, regional and local) policy and institutions and economic competitiveness focus. (2008)

This reconfiguration of socio-spatial hierarchy among state and the external agents therefore prioritized the significant sub-national scales as strong alternatives to state scale in terms of regulation of wealth generation through the manners of competitiveness and the global order of production systems. In other words, rise of the regions and cities as alternative policy option for the efficiency of the capitalist production order, strategically also by linking of supra-national and sub-national nodes directly, promote the global competitiveness in an evolving state territoriality and this territoriality of state “is now increasingly superimposed upon- and to some extent decentred by - various socio-spatial forms that cannot be described as contiguous, mutually exclusive and self-enclosed block of space, that is, as spatial analogues of territorial state (Brenner, 1997, p. 157)”. Brenner elsewhere notes about the emergence of new institutional arrangements as a part of the state re-structuring process; “the increasingly widespread demand for place-specific regulatory, institutional, and infrastructural arrangements is to be interpreted less as the

reflection of inexorable economic requirements than as the expression of newly emergent political strategies intended to position particular subnational economic spaces within supranational circuits of capital accumulation. (2004, p.166) ” Initial relation of capital accumulation and the territorial organization of the state was once overlapping as the production systems were organized so, nevertheless since the beginning of early 1970s, world has been experiencing a transformation in the spatial organization of global capitalist system which in the end favoured the regional and metropolitan agglomerations as the hubs of competitiveness based growth policies. Jessop in that sense (2002, p.186) defines three significant changes that favours the city and regional scale; (1) the vast expansion of the size and scale of leading cities within urban hierarchies so that they become larger metropolitan or regional entities with several centres, (2) an increasing structural integration and strategic orientation of cities' activities beyond national space..., (3) the growing role of some leading cities as state-sponsored and *state protected national champions* in the face of intensifying international competition. These “new state spaces” (Brenner, 1999) are rationalized in the sense of being the nodes of global competitiveness instead of holding a specific role within the logic of national development. Most famous examples of such locational competitiveness’ success stories are notably the Third Italy and the Baden Württemberg⁷ in the European context, where both regions and localities, based their unique assets, succeeded to integrate them within the global production system with a sharp departure from the mass production in favour of the flexible production system. Not only was the mode of production systems but also socio-cultural adaptations of the regions are decisive and critical in much of the success of regions. Networking and trust relations among the small scale enterprises, social capital of the region, milieu, path dependency or the untraded interdependencies were noteworthy cultural features of the regions that has resulted in as a new spatial organization. Similarly, Silicon Valley example was also explained as a success story within a similar terminology in the American frame. These new industrial districts, as formulated by Alfred Marshall, flourished based on the success stemming from the strong firm based interaction and free flow of the knowledge within the industrial district and thus created a region-based economic

⁷ Further details can be found in Bagnasco (1977), Piore and Sabel (1984), Sabel and Zeitlin (1985), Sabel (1988)

mentality and conclusively spread the similar type of territory based locational production system mostly organized in the region scale. More globally, this process of regional emergences favoured the idea of regions as the optimum scale of new economic organization and the ideal scalar unit to attract and extend the capital. However, within the discussion of this study, the real message is not how the global production system is organized and managed, but in fact how this process of re-organization changed the way of scalar management of state spaces. In that sense, it was argued above that regions and city scale agglomerations provide the optimum scalar codes and include socio-cultural factors to promote the production in the most effective way which respectively was evaluated as one the most critical factors behind the rise of regional and local scales. This point has been mentioned in the Keating (1998) as well; the increase of place-based competition for investment, markets and other opportunities may lead to displacement of intra-regional political competition by inter-regional competition. In this sense, regions constitute themselves as actors within the new system of decision making. To sum up, regions and cities have been in the rise within the last decades as they provided the relatively better fitting conditionalities within the logic of global production system that national scale has been relatively unsuccessful. Nonetheless, this era of emergence of localities not necessarily premise a full withdrawal of state but instead a re-organization in the inner structure of it, as mentioned already earlier. This is due to; (1) it is not clear that functional restructuring is producing a single territorial hierarchy, (2) not all regions are affected by this functional/spatial restructuring; the literature has tended to focus on the easiest cases to the neglect of those in which territorial principle is weakly articulated, (3) functionalist analysis neglect the autonomous role of politics in shaping territorial system of action (Keating, 1998). Furthermore as MacLeod (2001, p.815) notes;

“Out of this creative restructuring of political economic flows, new institutional spaces (Jones,1999) and new state spaces (Brenner,1999) are being re-forged with urban and regional scales coming to represent particularly significant strategic sites in the performance of accumulation, regulation and political compromise... adapting Brenner’s (1999:433) insights, it becomes reasonable to argue that cities, regions and states ‘operate not as mutually exclusive or

competing geographical configurations for capitalist development, but rather as densely superimposed, interdependent forms of territorial organisation’.”⁸

Similarly McGuirk (2007, p.181) proposes, while she discusses about the regionalism in Sydney, that; “there have been no formal scalar devolutions of state power: there is no formal metropolitan-scaled level of government in the Australian political structure. Clearly, Sydney city-region’s formation can neither be dis-embedded from national political–economic structures nor could it have emerged in the absence of national strategies for economic–territorial governance. In short, the decline of nation-state sovereignty assumed in city-region theory is problematic.” Further on, as one of the most prominent examples of rising importance of regionalism and regional economies in the contemporary world, European Union and its regional policies can be considered as the most well-known examples of decline in state’s role in political field. On that, Le Gales mentions that although European Union has been built by the polycentric governance principles and this correspondingly fostered the competitiveness paradigm and gave critical roles to regions and cities as political actors, this shall never be considered as “regions, supported by Brussels, are in a process of replacing the state (1998, p.486) ”. National scale as a territorial unit is perhaps less operable within the global economic conditions and proliferated the regional/city scale formations or in general sub-national spaces in the organization of the economy, but this process, in short, is far from being a universal fact. Le Gales again in his work (ibid, p.487) underlines even it is accepted so, there still remains many questions unanswered such as “how should power relations be organized” or “how should principal interests be brought together” which are still strictly in the domain of state.

Still to add, recent literature on the new roles of the state vis-à-vis this evolving territorial organization and the governance relations regarding the urban and regional

⁸ Jones and MacLeod (1999, p. 297) notes about the regional development agencies in England as an effort to create an institutional fix to post-fordist era; “We argue, however, that these attempts to contrive a new territorial map of institutional compromise by way of political fiat, policy dictate and ‘overnight institution building’ (Amin 1994, 23) may, over time, fail effectively to coalesce and represent the diverse set of interests that prevail within Britain’s regional spaces (see Murphy and Caborn 1996; Amin 1997). In short, the RDAs may only serve to rescale rather than resolve Britain’s long-standing regional problem (Massey 1979).” They further quote Jessop’s observation in this sense; Governmental manipulation of contrary and/or contradictory demands might produce a mechanical compromise but it cannot produce an organic solution transcending particularist demands. (Jessop 1990, p. 156)

scale, underlines the entrepreneurial character of state and partially authoritarian tendencies (Eraydın and Tasan-Kok, 2014). Adoption of neo-liberal policy priorities into state agenda and transforming the relations of the state with the business sector imposes challenges where governments pursue the ways of abandoning societal demands. Swyngedouw's notion of Governance beyond the State (2005), encapsulates the conditionalities where the codes of conduct of the state shifted towards a more control oriented and the "governance regime is concerned with policing, controlling and accentuating the imperatives of a globally connected neo-liberalized market economy. (Swyngedouw, 2010)" As mentioned above, regions and cities are happening to be strategic sites for the global capitalism because of their roles in organization of production system and correspondingly states' articulation of local economic spaces value their competitiveness oriented assets. Thus, neo-liberal adjustment of the state spaces consolidated the market oriented urban management to governance approaches of states. As noted in Fuller and Geddes (2008) states through the spatial strategies seek to influence the geographies of socio-economic processes often involving the targeting of particular places, and are articulated through a range of policy initiatives such as urban programmes (p.253). Therefore, complex structure of urban governance within the evolving notion of statehood is with the neo-liberal agenda, getting even more complicated as the indulgence of the business elites and their political pressures on the states together with the entrepreneurial stance of the social forces inside the state apparatus.

Finally, in addition to this changing spatio-temporality of the governing tools and mechanisms, it is easy to notice the homogenization of the policy discourses and practices in distinct ways that spreads with a big velocity through the world geography. In this regard as the final remark of this part, the notion of "fast policy" proposed by the Peck and Theodore (2015) provides critical insights to understand the practice of statehood in the current age of policy making. Referring to selectively compressed learning cycles (Baker et.al, 2015) and "increasingly reflexive, transnational consciousness that characterizes many policymaking communities" (Peck and Theodore, 2015, p. xv), fast policy concept underlines the significance of the historical and the social construction of the external environments that policy options are realized in (Baker et.al, 2015). As the spread of the policy alternatives is

unprecedentedly mobile, they are imitated by the various policy makers with a fragile expectation of fitting in rather than strategically analysed in a contextually susceptible way. Thus said, the new institutionalism required and demanded to redefine the capabilities of the policy agents as a product of the globalization and intensification/compression of social practices can be prone to the conditions that are defined in the context. Some of these characteristics that determine the concept of fast policy in this manner can be summarized as follows;

- “Transnationalization of policy discourses, debates, and dialogues,
- Cosmopolitanization of policy actors and action
- Deference to global best practices and models
- Foreshortening of research and development phases
- Performance of pragmatism, embracing “ideas that work.” (Peck and Theodore, 2015, p. 224-225)”

Therefore, as the decision of the policy makers in a specific context may penetrate considerable distant in the geography, the context dependant nature of the policy environment, geography specifically, should be carefully studied.

Therefore, one can note a changing mentality in the statehood but it does not necessarily addresses a withdrawal as argued in this study. However, a restructuring in global production system, though a very important one, solely cannot suffice to explain the emergence of sub-national institutional arrangements. Demands and expectation of the people against the state have also been changing in line with the capacities and responsibilities of state. In other saying, the shift from government to governance and adopting a more pluralistic type of management with more parties’ participation into decision making processes signals a different side of politics of scale. All in all, the transition from government to governance and its relation with sub-national scales will be presented in the following section.

2.3 Governance and Evolving Notion of Statehood

Quoted from Jessop (1999), state is neither a neutral instrument (*equally accessible to all forces and useful for any purpose*) nor a rational calculating subject and its power results from a continuing interaction between the structurally-inscribed

strategic selectivities of the state as an institutional ensemble and the changing balance of forces operating within, and at a distance from, the state and perhaps, also trying to transform it (emphasis added). Stressing the societal character of the state, this quote neatly underlines the competing forces within and outside of the state in order to perpetuate the possibilities of coalition in the frame of specific interests. That means, state is an entity that is not completely detached from the forces of the society and naturally it is the only political force that can regulate and steer the competition of these forces and mediate them. Nonetheless in doing so, specific character of state addresses the type of relation that it sets up with the other agents⁹. While it was more hierarchical and command/control type in the Fordist epoch, dramatic shifts in the world productive system and its political outcomes have changed the way that state establishes links with the other agents. Emergence of local and regional scales as a new actor within this context, as was tried to clarify above, resulted in new types of scalar interaction. Not only sub-national scales fed the discussion of governance, where other nodes of authority rather than the state itself is involved, but also as Goodwin and Painter puts; there are institutions which operate, at least in part, at a spatial scale lower than that of elected local government... at the 'highest' spatial scale, global corporations may play a role in local governance by, for example, obtaining financial concessions associated with inward investment... (1996, p.636)” To reformulate, what they said; there are many other forms of power other than the state itself, upper and below of it with distinct political representative power, and the complex relationship among those agents do not work in a rigid hierarchy anymore. It is a rather merged and complicated structure than following a single line of linear interaction. From the point of view of state that is crucially important since it is no longer responsible to interact with already known agents in a perceivable

⁹ In terms of the relation of state with society Swyngedouw (2004, p.42) notes; “Contrary to state-based arrangements, which are hierarchical and top-down command-and-control forms of setting rules and exercising power (but recognized as legitimate via socially agreed conventions of representation, delegation, accountability and control), governance systems are presumably based on horizontal, network and interactive relations between independent but interdependent actors that share a high degree of trust, despite internal conflict and oppositional agendas, within inclusive participatory institutional or organizational associations (Schmitter 2002). These are systems of negotiation and covenant that operate beyond the state, albeit not independently from the state. The participants in such forms of governance partake (or are allowed to partake) in these networked relational forms of decision making on the basis of the ‘stakes’ they hold with respect to the issues these forms of governance attempt to address (see Schmitter 2002, 62–63). These new forms of governance fundamentally transform state/civil-society relations (see Swyngedouw et al. 2002). “

manner but instead the form and the scale of power concentrations are much more complex. They may be either sub-local or supra-national in a form of NGO or a firm, in addition to a mentality shift from a fordist perspective which is more perceivable but to post-fordist era where systems are more open to contingencies. Again as Goodwin and Painter put; “The rise of the new local governance is not, therefore, merely a consequence of the break- down of Fordism but is also a causal factor in the dissolution of the possibility of pursuing Fordist strategies. Moreover, its geographical unevenness is not just a by-product of change but is part of what makes the changes possible” (p.645). Within this framework consequently, the relationship of the state and the local/regional scale have been reassembled in the sense that centre do/can no longer pursue the organizing and decisive role against the “places”. Moreover, cities and regions compete with each other in the sense of earning an image of profitable areas of investment without any perspective of national redistributive orientation. As no longer controlled by the rules of the centre, national territory therefore, host a variety of different lands of opportunities and fragmented into a canvas of heterogeneity. In addition to policy discourse, institutionalization of this picture is a matter of concern for the nation state since new actors emerged, new forms of power nodes were materialized through networking and establishing clientalist relations with the state, new agencies like development enterprises, industrial districts, trade associations have been either set up or empowered as favouring entrepreneurial localism. This whole framework occasionally demanded a shift from government to governance that further forced the states to set up new forms of relations with each form of actor and case, which in the end underlines its relational character. Still however, although regions/localities have been interpreted as a rising scale of economic competitiveness and gaining political significance within the conceptual framework of globalization, it is still necessary to underline the process of how regions earned compelling roles and how this process affected a shift from government to governance. And more importantly what is so crucial of this transformation in the sense of a weakening in the traditional role of the nation states and which respectively affected their capacities to get things done. A further question can be perhaps; is this type of transformation universal or are there alternative pathways of building relations of governance in relation to the regional scale. In the

search of answer to these questions, Herrschel and Newman summarize the approaches to regional theory and governance in two main branches as follows;

Table 1 - Debates on Regional Theory and Governance

Economy and Territory	Territory and Governance
Globalization economic competition and policy choices	Rescaling the state the interaction of economies, institutions, identities
Untraded interdependencies firms and soft institutional infrastructure	Multilevel governance tensions between national and regional identities
Industrial districts reflexive and learning regions	Growth politics 'innovative milieu', urban boosterism
Post-Fordism and regulation theory flexibility, specificity, individuality	Governance and networks uneven institutional development
The New Regionalism The normative city region – learning from success?	

Source: Herrschel and Newman, 2002, p. 13

On the table first of all, there is the relationship of economy and the territory where the explanations converge to the concepts of economic competitiveness and territory, occasionally relate these discussions on the governance problematic. In this literature, regions are considered to be optimal scale of economic organization and institutionalization of the territorial governance should therefore bear the regions as an actor against the central state. Soft infrastructure of economic agents, equip the regions with the best possible conditions to utilize the region specific assets that are convertible to economic competitiveness, such as learning capacity of regions, flexibility, institutional thickness, networks etc. Conclusively, as mentioned in the Herrschel and Newman; “successful regions demand flexible policy responses and also flexibility in governing institutions themselves. The idea of networks of relationships between firms and between governance institutions and across sectors lies at the heart of work on flexible regions and industrial districts” (2002, p.20). It can be concluded here that there is a twofold relationship between the emergence of regionalization and the new architecture of governance. On the first hand, economic

success of regions through the rational of utilization of territory based assets, demands higher flexibility on the management of economy that is sometimes beyond the capacities of national scale up onwards to supra national institutions and firms. And on the other, applied to subnational scales, new forms of regulation creates even further flexibility and operability for the firms and generates political or representational power in the non-state actors like business chambers and network based organizations as patterns of governance.

On the second hand, academic debate focuses on the changing territorial organization of state and “points to the mutation of established state organizations and territorial structures to include new scales of government (either in addition to, or in substitution of, existing ones) which are deemed more appropriate for responding to changing societal-economic arrangements (ibid, p.21)” Nevertheless, possibility of success to build organizations and change mentality in the governing of territories is still remaining an open question and under which conditions, as also asked above, can the notion of governance be related to the changing role of state is still blur. Following quote addresses important insights to that question;

In effect, new, differently scaled territories of state and society can be added on to old spaces and their respective institutional practices. The creation of ever more quango-based territories (regions) of responsibility, such as in England, is one example of simply adding territorial layers; the superimposing of historically derived territories of different scales in Germany, another. Against this background, Peck (1998) emphasizes the importance of the interaction between ‘the unfolding layer of regulatory processes/apparatuses and the inherited institutional landscape’ (29) for developing particular and changing geographies of state power. This includes the changing roles or regional governance within the spatial hierarchy of government. The outcome may be a growing ‘thickness’ (Amin and Thrift, 1994) of institutional and territorial constructs, superimposed, often incongruently, in the wake of attempted responses to the perception of changing tasks. We may assume that outcomes will not always be effective in managing regional economies. (ibid, p.23)

Thus understood, scale discussion brings useful clues to understand the fundamentals of state territorial re-organization and implications of governance, but with significant links to the historicity of the institutionalization of territorial management. That means, while the political organizations of the state have been evolving, lack of capacity to adopt these changes on the local scale creates unresponsiveness many times. In other saying, institutional changes are often much more difficult to realise

than politicians and policy-makers think (Buitelaar et al. 2007). Moreover, the assumption that alternative forms of governances will yield in effective outcomes in any context and the concept bring mediating and disarming relation between the failures of market and state, is not always so realistic. As effective governance requires a rough correspondence among modes, subjects, mechanisms, and objects of governance (Jessop, 2009, p. 80), agents might not have the capacity to self-regulate this correspondence of modes, subjects or mechanisms or either power relations old infrastructure of would conflict with the new desired outcome. Therefore, governance, as an alternative formation of management and a response of state to changing conditionalities by accepting the representative power of various networks and agents yet keeping the moderating role among them and maintaining its capacity, can create other problems by blocking the system.

On the other side, state-centric relational approaches to governance argue that states are attempting to expand their governing capacities not only by strengthening central state institutions but by forging new governance partnerships with a range of social actors in order to govern better than govern less (Bell and Hindmoor, 2009, p.2). Stemming from this point, there remains an important question unanswered; how can governance be related with the changing roles and duties of the state and more importantly what sort of role does it play in this transformation? Does setting up new relationship with non-state actors and giving them political initiative make the state less effective and does that mean a loss of power? Or on the contrary is it something that makes the states more operable as they create strategic relations with a range of other bodies in the society in various channels and at the same time keeping the central role in its own hegemony? For the latter, Hans Andersen (quoted in Bell and Hindmoor, 2009) proposes; “Many researchers have claimed that the restructuring of governance is a general retreat of government and the state ... yet there is no reason to assume that the rise of governance necessarily leads to a decline of government ... the main reason for the rise in state capacity through restructuring is ... the fact that the state is now able to influence hitherto non-governmental spheres of social life through partnerships, i.e. an enlargement of state competencies.” Saying in other words, states are carving new channels of capacity by penetrating into other nodes in society such business or NGOs. On the possibility and maturity of such claim, Bell

and Hindmoor mentions two factors, one is the relationship between two parties are always biased in the favour of state and not necessarily equal and “respectively governing capacity is enhanced or potentially enhanced in such cases because governing relies not only on the state but on a broader array of actors who collectively bring more capabilities to the table than the state alone can. Secondly, states retain a responsibility for metagovernance, or the ‘government of governance’ (2009, p.11)” Therefore one can mention about a power asymmetry in the relationship between the state and any non-state actors which is, according to state-centric understanding of governance, in favour of the state and giving it a capacity that it does not bear before. Treating state as a meta-structure and locating it above the other groups, nonetheless, should not pose a dominant position for the state as Jessop warns;

Metagovernance should not be confused with some superordinate level of government in control of all governance arrangements, not with the imposition of a single, all-purpose mode of governance. Rather it involves managing the complexity, plurality and tangled hierarchies, characteristic of prevailing modes of coordination. It involves defining new boundary-spanning roles and functions, creating linkage devices, sponsoring new organizations, identifying appropriate lead organisations to coordinate other partners, designing institutions and generating visions to facilitate self-organization in different fields...It involves the shaping of the content within which these arrangements can be forged rather than the development of specific strategies and initiatives for them (2000, p.23).

Under the circumstances, meta-governance signals a channel of capacity creation within the conditionalities and discourse of state failure by merging the strategic position of it, stemming from its intrinsic assets, by mobilizing and steering the power of other groups in the society. For sure the state had already established relations with the third parties in the past as well and this is not something completely new, nevertheless as noted in Sorensen and Torfing, the scale of interest group involvement and the legitimacy accorded to it has changed (2008, p.4). To put differently, importance of network relations and their relative power against the other groups in terms of relations with state have gained essential importance.

Therefore here, there still remains the issue to identify the points that relates the elements of metagovernance with the notion of capacity of state. To do so some of the challenges of metagovernance approach will be discussed in order to locate the

statehood in the centre of the discussion. First and the foremost, as also mentioned above, the aim of discussing the concept of metagovernance here is not to put the role of the state on a top hierarchy over other parties existing, but on the contrary to open up further points of observation to evaluate the new conditionalities that states are exposed to, as explained previously. In that sense, metagovernance in parallel with the argument of “states did not decline or lose capacity but restructure itself” links the changing environment that states are operating in, with notion of new set of power relations. States do rescale them or transform the agendas of policy making but still can bear the regulatory position they used to have. On the role of the state in metagovernance Jessop (1997, p.575) proposes following list; (1) they provide the ground rules for governance; (2) ensure the compatibility of different governance mechanisms and regimes; (3) deploy a relative monopoly of organizational intelligence and information with which to shape cognitive expectations; (4) act as a ‘court of appeal’ for disputes arising within and over governance; (5) seek to re-balance power differentials by strengthening weaker forces or systems in the interests of system integration and/or social cohesion; (6) try to modify the self-understanding of identities, strategic capacities and interests of individual and collective actors in different strategic contexts and hence alter their implications for preferred strategies and tactics; (7) also assume political responsibility in the event of governance failure. Without deterring the balances of governance relations, state is thus expected and has the capability in deed, to regulate the regimes of different governance types and in a sense making the governance of governance possible. In order to do so and succeed, states have to develop repertoire of flexible actions and responses against the uncertainty and ever changing policy environment without giving in existing sense of authority which can be plausible by maintaining the regulation of the governance. Specifically, in the contemporary unbalanced externalities, ability of the state to adopt alternative combinations of right policies is of essential importance. But how can state maintain a rigid base of an effective metagovernance? Bell and Hindmoor, proposes following factors that should draw base for governance arrangements or to put differently state’s ability to steer the relations exiting in the society will stem as a function of the elements listed below.

Table 2 - Functions of Metagovernance

Steering	Need for overall strategic management, goal setting, coordination and control of specific governance arrangements. It also covers the choice of mode or modes of governance to deploy in different settings and the roles to be played by non-state actors
Effectiveness	Up to governments to establish, or at least approve, the goals, targets and evaluative criteria and methods used in overseeing governance arrangements
Resourcing	Properly resourcing governance arrangements...Partnership arrangements with non-state actors are often forged by the state precisely because it lacks critical resources.
Democracy	Ensuring compliance with democratic practices and norms is an important metagovernance function by including unelected non-state actors
Accountability	The capacity to be called to account is an important criterion of metagovernance because it implies the need for clear lines of responsibility and transparency.
Legitimacy	Arrangements of governance that are thought to be fair in terms of process and outcomes are thought to be crucial in effective metagovernance.

Source: Adopted from Bell and Hindmoor, 2009

Essentiality of the ability to govern the governance of relationships of the society within the reach of the state's power, underlines the relational character of the state's which is not actually new but gaining critical and strategic importance within the new conditions of policy making. As mentioned above, capacity to create and design different alternatives of policy options will feed the case-based and relational power of the state. Position of the state's institutions within the forces of the society and their ability to penetrate into operations and moderate the interest groups within this frame will be one critical channel to increase the capacity of the state through the institutions it holds. As Evans (1992, p.164) notes; "having successfully bound the behaviour of incumbents to its pursuit of collective ends, state can act with some independence in relation to particularistic societal pressures... Autonomy of the state embedded in a concrete set of social ties which bind state to society and provide institutionalized channels for the continual negotiation and renegotiation of goals and policies." While doing so, one important challenge is perhaps the under and over use of the regulation relationship (Bell and Hindmoor, 2009) that is constructed through the process of metagovernance as most governance practices will be held under the "shadow of hierarchy" that is likely to be imposed by the state. In that sense, challenge is to develop effective metagovernance without inhibiting local capacity.

(ibid, p.70) To minimize such a risk or challenge it is plausible to underline the real essence of the state's position in the metagovernance as noted in Jessop (1998);

“in exercising this meta-governance role, the state provides the ground rules for governance, ensures the compatibility of different governance mechanisms and regimes, deploys a relative monopoly of organizational intelligence and information with which to shape cognitive expectations, acts as a ‘court of appeal’ for disputes arising within and over governance, serves to re-balance power differentials by strengthening weaker parties or systems in the interests of system integration and/or social cohesion, etc..”

As a member of the process just as other groups, states do bear a role to promote institutional and scalar interaction and integration. Conclusively, as also have been noted above, what have been defended in this study is that; in accordance with the transformation of the state, or at least the new conditionalities it is bounded by, some of the basic premises of the classical state is facing challenges, and in that sense states restructure their inner organization to cope up with new challenges. This in the end, demands a new notion of governing relations as new political agents are gaining political and representative power, which can be conceptualized as the governance relations and respectively metagovernance provides important features about the strategic position of state in that framework. All in all, evolving capacity of state in this process gaining new relational character by fostering the ability to design and implement alternative policy repertoires.

Now, therefore it is going to be explained what is meant by the relational policy capacity and why it matters in understanding the current policy making environment and finally how can it be related to sub-national scale. As was tried to explain above, evolving understanding of the Westphalian sense of state, did also shift the classical sense of state capacity which was based more on the command and control type of regulation and apparently ended up with dichotomy of the strong states or weak states. Nevertheless as the patchwork of the emerging agents became more visible in the policy field, so as importance of the governance relations. States, as accepted in this study, while restructuring itself created new channels of capacity through setting up networking relations which will be conceptualized as the relational policy capacity. Jayasuriya proposes, for the point that; the relational model, which locates capacity in terms of the broader delimitation of the various sites of governance,

makes no prior assumption about the location of governance within the boundaries of the state. Hence the relational model gives us a greater analytical leverage when attempting to understand the emergence of new forms of governance (2005, p.21). As the type of relations in governance trespass the traditional boundaries of policy making, new forms of state actions have been fundamental in this framework. State's strategic role in the governance relations will be fixed somehow as a manager and steering body, namely the implementer of the metagovernance in order to avoid the disparities in a convergence of common goals. Jayasuriya, mentions for that point;

“Metagovernance requires different types of policy capacity – capacities that work to order and arrange the complex properties that make up the various dispersed sites of public governance. However, this dispersal of governance and the consequent segmentation of the state does not necessarily lead to the weakening of the executive. In fact the state's core executive takes on the pivotal role of coordinator of metagovernance ... At once the notion of policy capacity as geared to instituting a transformative project is changed to a notion of capacity as the process that creates, modifies, and structures a diverse range of governance sites. (ibid, p.22)”

At the final analysis, the network based relational policy capacity will be an essential and integral part of relational characteristics of state's transforming position. To be more specific and clear about the core aspects of the relational policy capacity model, Jayasuriya defines three crucial;

- Public intervention or regulation is dependent on regulatory and governance resources that are widely dispersed; for example they might be in civil society or located in global policy networks.
- The location of these regulatory resources fall outside the traditional Weberian and Westphalian boundaries of the state.
- Governance is transformed into a type of metagovernance that consists of the enrolment, legitimation and monitoring of the various governance and regulatory resources. In essence, metagovernance entails organizing a set of relations that delimit a particular field of governance. This relational capacity is central to the effectiveness of public action or regulation in the new regulatory state. (ibid, p.22)

Underlying the changing conditions, relational model of policy capacity advocates an adoptive role of the state to changing positions and by this way it can play a central

role in governance relations. In doing so, political character of scalar relations matters a lot. As noted in McGuirk (2003, p.203); observation of transition from fordism to post-fordism has led to the recognition that scales do not have an ontologically pre-given, fixed and hierarchically nested existence but are socially produced and reproduced as part of social and cultural, economic and political landscapes of capitalism. Since the relational understanding of policy capacity is no more bounded with the boundaries of nation state, it is going well beyond to international scale as well as sub-national one. Increasing the possibilities of the creating policy agendas in supranational organizations by forming institutional entities collaborating with them, or sometimes downscales the regulatory capacity by establishing branching institutions in the boundaries of state towards regions. Not necessarily governmental bodies but non-state actors can be considered in that category as well. “In order to successfully formulate and implement policy, governments often need to acquire the expertise, support or assistance of interest-groups and NGOs. In return, governments must offer these groups a measure of policy influence. The existence of these exchange relationships means that governments are often not in a position to unilaterally impose their policy preferences. (Bell and Hindmoor, 2009, p.64)” Understood conclusively, as stated in Jung, relational approach although defend governance arrangements are shaped through negotiations with social actors, state still maintains its capacity to orchestrate relationships in order to achieve its self-set reform goals and furthermore this model of governance relations are playing a complementary role in spatially-rescaling state thesis through an understanding of state–society relationship change (2013, p.1237). As can be seen also within the structure of this study, state centric models of governance relations merged in relational models are of critical importance in supplementary of restructuring state literature. In addition to institutional transformation that is critical in creating new channels of relations, mentality and fundamental approach of state is evolving in a less dominant but strategically operational manner. That, in the end, dislocates the command type of policy capacity but flourishes an ability of state that is based on recently emerging societal relations with other non-state actor which constitutes on the other hand different scalar interactions. By doing so, state can create a defensive notion against the surpassing pressures coming from structural transformations such as globalisation.

To recap what have been claimed so far, it can be concluded that in accordance with transformation of statehood stemming from the trends like globalisation, regulatory failure, changing spatiality of the global production system and respectively new institutional position of neo-liberalism, have proliferated the emergence of sub-national scale as an important policy agent. Rescaling of state and changing inner architecture of it, and giving more political initiative to local and regional scale, which can also be perceived as a strategy to increase the capacity of state to tackle with the systemic crisis of capitalism¹⁰, by directly linking them to supra-national nodes and world productive system were some significant changes in understanding of evolving functionality of statehood. This is, first, to raise arguments against the claim of state decline because of the gaining importance of supra and sub scales, and secondly to underline the ever stabile and strategic position of state. Governance within this discussion gives important insight to better understand the emerging roles of state to keep its sovereignty in fixed territory. Setting up new networks with non-state actors, as opposed to society-centred position, gave further capacity to state instead of taking away from it. Pierre and Painter also underline this point; ... “governance perspective on policy capacity suggests that what is lost in the hollowing out of the state is to some extent regained by the creation of joint public–private political action. Governance theory typically identifies the state as the key actor in defining goals and making priorities, whereas much of policy design evolves through an interactive process between the state and actors in its external environment. (2005, p.12)” The continuing centrality of governments in the process of governance; and the degree to which governments’ capacity to govern requires the development of effective working relationships with a range of non-state actors still help to state to maintain its power as noted in Bell and Hindmoor (2009, p.18). Specifically notion of metagovernance, as a counter trend against the decline of capacity in statehood, stresses this relational power of state. Whitehead (2003, p.8) in regard to this points notes; “metagovernance focuses explicitly on the practices and

¹⁰ State’s reorganization might occur as a tool and strategy of crisis displacement. Jones mentions on this strategy in the regionalism of England. He notes that; “...when the state’s management of the accumulation process is threatened, crisis displacement tends to occur from the economic to the political sphere. This is because the economy does not have the internal capacity to resolve crises (such as Fordist accumulation). Crisis tendencies are, therefore, displaced into politically mediated institutional projects (such as RDAs) to protect the state’s legitimation for managing the economy. New policies and forms of representation are then sought to unify this process, which is scaled (in this case, to the region) according to political strategy.” (2001, p. 1204)

procedures that secure governmental influence, command and control within governance regimes. It is the explicit focus on the negotiated links, which are forged and contested between government and governance (or political bureaucracies and civil society; politicians and entrepreneurs; state rationalities and market forces)". Conclusively, as counter arguments to decreasing capacities of state with the indulgence of non-state actors through governance relations, state can regulate these relations under the notion of metagovernance. Establishing relations by delegating relatively more political initiative to other parties, under the steering role of state, creates further channels of policy capacity based on the societal and relational character of state. Effectiveness of public policy is maintained with this new form of capacity that ranges between international or sub-national scale. Therefore understanding the state in terms of its structural coupling and co-evolution with a wider set of institutions and social practices (Jessop, 2001), provides an analytical framework to capture a state's changing strategies and relationships with society through an evolutionary path (Jung, 2013, p. 1240). Furthermore as noted in Jayasuriya such apprehension of capacity extends the framework of analysis;

broad moves towards the creation of more autonomous agencies make it abundantly clear that models of strong transformative policy capacity underpinned by a robust Weberian model shed little light on the new kinds of policy capacity created within the new terrains of governance. On the other hand a relational model compels us to construct a framework that places capacities in relation to the constitution of the autonomous sites of governance and the mechanisms that link these sites to broader structures of accountability. (2005, p.24)

Delegation of power to sub-national scale or more precisely, construction of regional scale thus can be read as opening up new tools of public policy attained to be effective with regard to relations that is happening both between the society and the state itself and in another saying between the structure and the agency.

Thus said, as mentioned above denationalization of state by empowering local/regional scales, can play a role of an integrated strategy that is further pushing the channels of state towards society and networks operating in the society. On the other hand, the question of state capacity or more broadly, policy capacity still remains blurry within the discussion of the study, especially within the framework of transformation described thus far. Therefore, in order to better locate the evolving

capacities of state and how it can be empowered through setting up new relations with the non-state actors, next part will focus on the concept of policy capacity and/or state capacity.

2.4 Concept of Policy Capacity, Definitions and Approaches

What has been argued thus far is; the territorial and operational transformation in the notion of statehood which has been an essential factor in the emergence new sub-state and regional institutional contexts and preliminary implications of this process on the capacity of state. In that manner, this study raises the assumption that changing notion of statehood has brought in new channels and forms to state capacity. The regulatory function of state in the governance relations and new forms of confrontations with the non-state actors has necessitated a change in the understanding of state capacity corresponding beyond the traditional command/control mechanisms. To put differently, emerging forms of state-society relations requires a steering role of the state that is not hierarchical but on the contrary depends on the relational mode of organizations and abilities. In that sense, there have been institutional reforms within the internal organization of state to these changing conditionalities. Delegation of power to local/regional agents of states and constructing a scalar form of capacity channels in this sense, together with allocation of new responsibilities and strategic functions to new institutional entities, is of eminent importance. That means, at the same time, state restructuring process have different contextual characteristics which makes it unique in each locality. To add up further to that, this neo-liberal or competitiveness ridden transformation is happening differently in each state and therefore position of state in new governing relations must be understood in its context dependant variables. However, in order to be more analytical and clear about that assumption, first it is going to be clarified what are the changing characteristics of the state capacity and how sub-state scales can create policy making capacity within the course of new forms of public policy making. Furthermore, as the focus and core argument of this study is not to investigate the fundamentals of capacity of state but rather to focus on how this new forms of institutional entities, emerging in the new formation of statehood, can create policy capacity in the local and regional scale, and in which perspective they can be correlated with the changing notion of state capacity? While doing so, as stated in

McGuirk (2003, p.204) a multi-scalar perspective will be tried to adapted in order not to “elevate the theoretical status of social processes and political economic relations operating at national or global scales as the a priori structural determinants of local politics or of the form and institutions of urban governance.” To reformulate that; states are considered as a multi-scalar form of political organization rather than centrally located and orchestrating every single political field and additionally, if states are there to open up new channels of capacity and operational abilities by setting up new institutional formations and relations, how these emergences can build a capacity within the old infrastructure of administrative discipline? To be more direct; the question is; whether there is a room for manoeuvre and field of authority for the new agents that are introducing new scalar elaboration within the tradition? Alex Lord, for instance, notes on the current shift towards the new city-regionalism that; “it is illustrated by the legacy of an institutional architecture comprising the remnants of previous scalar experiments: a suite of agencies and programmes operating below, above and across traditional administrative boundaries but which, on the official reading, are nonetheless expected to co-operate unproblematically with the identification of each ‘new’, preferred site of intervention (2009, p.78)”. Therefore as a second axis of this part, possibility and right tools of creating a policy capacity within these new scalar formations will be discussed given the contentious nature of relations. One final remark, in this sense, should be made in order to avoid an ambiguity in the meaning of locality with respect to setting up institutions that are functioning locally. As also theorized in the new regionalism literature, regions are gaining significant importance and sometimes a normative bias under the discourses of globalization and Europeanization of development policies. Respectively, this institutional turn in the development policies, as noted in Webb and Collis (2000, p.859), requires the decentralization of political power that regions can develop their own competitive advantages within their own institutional context. They exemplify this (2000, p.861) on the conflict that might occur between the relations of regional development agencies and state in the context of England;

Thus we are frequently informed that the RDAs ‘will need to work within the framework of national policies’ (DETR, 1999b, p. 2), will ‘aim to support and enhance national policies’ (DETR, 1999a, p. 3) and will facilitate the ‘effective delivery of Government programmes’ (DETR, 1997,ch.1, p. 1). As the ‘overview’ to the RDAs Bill clearly states, the government’s programme is

founded on 'a belief that to improve the economic performance of the country as a whole it is vital to look at problems in regional terms as well as nationally' (Dyson et al., 1998, p. 22,) ... contemporary wave of regionalism is best understood as a 'centrally orchestrated' rescaling of government intervention prompted by the need to find an 'after-Fordist institutional fix' (Peck and Tickell, 1994). Instead of emerging through an organic, bottom-up process of democratic articulation, the RDAs are here conceived as 'yet another crisis displacement mechanism' (Jones, 1999, p. 272), yet another centrally orchestrated attempt to co-ordinate capital accumulation and economic growth via a process of scalar restructuring.

Thus understood, while assessing the position of new local context, it has to be kept in mind that the on-going conflict ridden process of devolution as well as scalar re-organization and their obvious clashes with the existing patterns. Within the context of this discussion therefore, creating policy capacity within new particular agents requires a full understanding of their strategic position within the eco-system of statehood. So, to begin with, a brief introduction of policy capacity will be outlined here, then after its scalar mobility will be reflected upon it to search for the possibilities of creating local capacity.

Conflicting character of global capitalism that corporations need less state intervention to increase profitableness but on the other hand the fact that a market dominant economic structure is ill-fated and creates inevitable crises, stresses the importance of state as a regulator. That means the capacity of the state and its effectiveness is gaining prominent importance and as also Pierre and Painter note that "current situation is that while there is a growing consensus on the need for some degree of policy capacity by the state, contemporary conditions and challenges require fresh thinking about the nature of and conditions for policy capacity" (2005, p.2). Therefore, policy capacity from that perspective can be defined as "the ability to marshal the necessary resources to make intelligent collective choices about and set strategic directions for the allocation of scarce resources to public ends" (Painter and Pierre, 2005, p.2). Nonetheless, policy capacity for states and/or its institutions cannot be limited solely with designing wise strategies and making optimal choices. As Peters (1996, p.11) says; policy capacity should include both the implementation and should also be concerned with formulating clever and potentially effective policies. Thus, concept of policy capacity will refer to both making smart and realistic policy formulations and accordingly allocating the necessary tools to acquire

the desired outcomes. Polidano (1999, p.14) elaborates the policy capacity as a key component of the public sector capacity and defines it as the ability of coordination of well-structured decisions through government bodies. Still another perspective to policy capacity can also be related to the position of political leaders and executives. Tom Christensen and Per Lægreid (2005) puts; “policy capacity is a collective effort by political and administrative executives and other public leaders and institutions and includes both political and managerial capability. From a democratic point of view elected political leaders are especially important. A central feature of policy capacity in a representative democracy is the political control exercised by political executives and their authority to set strategic directions for obtaining public ends.” In addition to managerial skills of a leader, his/her strategic position and ability to orient and steer other public institutions will matter as a key element in policy capacity.

On the other hand, to speak more broadly on capacity; it is also the availability of the necessary resources to carry out the desired task. The term policy capacity should therefore include a matter of necessary resources which can be administrative resources, resources to manage and coordinate or even fiscal resources if a public body is being the subject of discussion. Painter and Pierre (2005, p.3) again stresses the importance of that point;

Thus evidence of policy capacity can be gathered both from the analysis of the quality and quantity of institutional resources and from the success of specific outputs and outcomes. In this respect policy capacity can vary from episode to episode and from time to time as different actors deploy the resources. Moreover policy capacity may vary from one policy sector to another.”

Broadly, literature reviews of policy capacity show that, there are three different approaches to phenomena (Başköy et al., 2011, p.220). First type of scholars does not clearly propose a distinct definition for the concept but sometimes equate the term with state capacity or executive capacity. Second group including Guy Peters (1996) treats the concept broadly and includes policy formulation, implementation, and the responsiveness of political system to demands of social forces. (ibid p.220) In other saying, policy capacity is not perceived as only a task of formulation and design, but also having the compatibility to implement the defined solutions. A third

group of scholars is defined as they isolate the implementation part from the policy capacity but understand it as an intellectual capacity. Cummings and Norgaard (2004, p. 688) define policy, or technical state, capacity as follows; intellectual and organizational resources owned by a state, such as internal or external expertise or experience that may be brought to bear on the policy-making process so as to design coherent, viable and politically feasible policies. Likewise, Christensen and Lægreid (2005: 137) perceive policy capacity as “the ability to use resources in a systematic way to make intelligent collective decisions in a democratic political–administrative system based on sufficient understanding, information and authority”.

In another approach, Daugbjerg and Halpin, (2010) underline that; policy capacity for any organization in the state structure consists of the combination of both state capacity and the associative capacity. They note that; “a state agency must possess resources, such as policy expertise, professional staff and financial resources, and there must be some degree of organizational continuity (Atkinson and Coleman, 1989, pp. 51–53; Painter and Pierre, 2005, p. 10; Skocpol and Finegold, 1982). Moreover, it must be characterized by the absence of competing decision-making centres within the state in relation to the policy field concerned” (2010, p.143). Of the associative capacity, what was addressed is the absence of the competitive and rivalry based relations in the state structure and the availability of the mutual understanding of resources and generation of representative information. In addition to two categories of capacity, Daugbjerg and Halpin also discuss the importance of governed interdependence concept in terms of creating policy capacity with reference to Weiss (1998). Governed interdependence according to him refers to a relationship, in which public and private participants maintain their autonomy, yet which is nevertheless governed by broader goals set and monitored by the state (Weiss, 1998, p.38). Similar to notion of metagovernance as discussed earlier, governed interdependence stresses the critical role of state in regulating the relationships with the non-state actors and making benefit out of it and generating resources to be utilized in developing policy capacity.

In a more dynamic approach to policy capacity Aro and Kattel defines the concept as something that is “not so much a continuum of abilities (from less to more), but

rather a variety of modes of making policy that originate from co-evolutionary processes in capitalist development (2014, p.83).” Stressing more a practical character in the concept, the argument they make is that policy capacity cannot be understood broadly without understanding the norms and conditions of public management of the context through which that capacity is being elaborated and generated. Positioning in a theoretical stance that rejects to conceptualize a rule or a benchmark study of policy capacity, they highlight that the policy making models will eventually determine the level and the nature of policy capacity.

To cover up, policy capacity can be defined as the internal ability to design and formulate the necessary strategies, allocate necessary resources to relevant solution packages and activating and coordinating the supportive stakeholders to empower policy base and finally implement the decision. Nevertheless, in addition to internal components of policy capacity there are externalities and emergences in the real life of policy making. For instance general political agenda, state-society relations and the position of the institutions and administrative eco-system may directly the conditions of policy capacity. Following on, presence of other coalitions, not necessarily interest groups but can be public institutions as well, might directly affect the applicability and the formulation of the policy that policy maker want to shape. That can be in the form of authority violation; one institution can oppose the domain of others while trying to implement a certain form of policy or alternatively it might happen as violation of responsibility; one institution might try to involve in the field that is in the total responsibility of others which can also be conceptualized as the room for manoeuvre. Especially, new institutions are very likely to be severely bounded by the drawbacks of absence of the room for manoeuvre among already existing policy making culture and institutional environment. Policy capacity therefore is also being affected and remains susceptible to the environment where the policy actions is being taken and implemented. Composition of the actors in that environment, the informal code of conducts and the forms of relations to be set up with institutional landscape is at most important in the fate of policy capacity to be generated.

2.5 Relevance of State Transformation and Policy Capacity

On the top that, to be more specific about the current discussion on the abilities of state and its institutional organization, there remains a question of how it can be related with the changing understanding of statehood with the concept of policy capacity. As the position of states are evolving so does the capacity and capabilities of it. In addition to some preliminary findings regarding the changing notion of statehood described above, Peters mentions of six distinct externalities that have caused a shift in the understanding of policy capacity of state. They, according to him (1996, p.5-8) are;

- Globalization; although it is something cliché anymore, it has deeply affected the way governments function. There is barely few policy areas thought to be totally domestic, as a consequence a government can exercise control over only a subset of the sources of influence in the policy area (Hutton, 1993 quoted in Peters, 1996)
- Secondly, the cross cutting issues in government and of managing horizontal government increases the difficulty of solving problems of today within the traditional administrative outfit.
- The fiscal problems that all governments of today have to face.
- The increasing politicization of policy and governance issues.
- A fifth factor together with fiscal restraints and politicization of governing issues is the changing notion of civil servants; the real task for the public service is to get on with implementing policy and running organizations, rather than worry too much about what policies those organizations should be pursuing. (Pollitt 1995, quoted in Peters, 1996)
- And finally the ever changing and getting more difficult face of public participation.

Painter and Pierre, on the other hand propose a two folded structure that challenges the policy capacity of state. One is the external challenges that states are bounded by and other is internal one that is stemming within the boundaries of states.

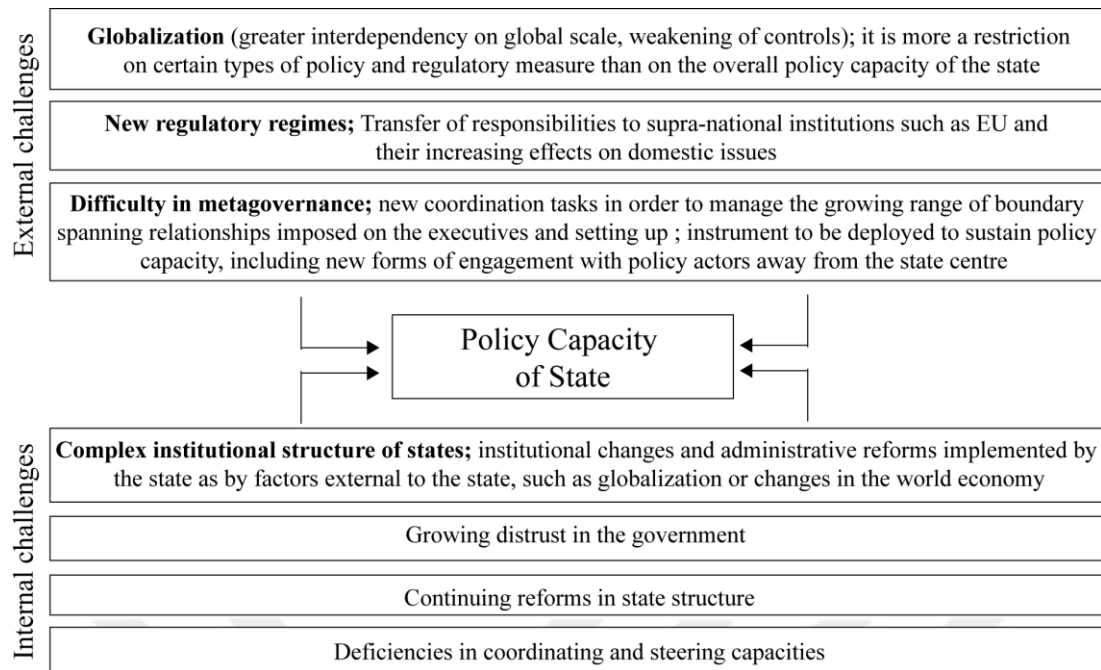


Figure 4 - External and Internal Challenges on State

Source; Drawn according to Painter and Pierre (2005, p.256-258)

Within this picture, therefore, it is plausible to note that externalities that surround states which are forcing them to change their ways of policy making also caused a shift in the capacity or the abilities of states instruments where its power is concentrated. As also discussed above, the institutional formations such as EU or multinational trade blocks, push some obligations inside the authority area of nation-state. The difficulty in orchestrating the interest groups with political influence power, on the other hand, is another bottleneck that is pressured upon the policy making capacity of the state especially when considered together with the ever complicated institutional architecture of it. If these challenges are deteriorating the ability and capacity of the state what exactly should it mean or what people mean when they say declining policy capacity? Tiernan (2007, p. 114) proposes a variety of different responses to declining policy capacity discourse;

- The research, analytical and advisory skills and abilities of the public service;
- The policy advising role of the public service in an increasingly dynamic, pluralised and contestable environment.

- The potential for policy intent to become distorted or diffused during implementation. That is, for the ‘line of sight’ between policy formulation and implementation to be obscured;
- The public service’s ability to mobilise and coordinate around whole-of-government issues and priorities; and
- The potential for unanticipated or unintended consequences to flow from government policy interventions.

As a reversing strategy to these challenges, scholars underline the necessity of the interaction among the policy agents of the different layers to policy capacity and maintain policy coordination and through practices of governance relations. Peters (2005) proposes to bring civil actors to process of governance in order to create policy capacity. He further notes that (2005, p. 87) “governance is increasingly a multi-actor phenomenon, and hence policy capacity implies not only government resources but also resources in society, and the capacity to cooperate in the mutual leveraging of those resources.” Especially when considered the ever growing significance of the non-state actors both national and international the necessity of remains critical for states.

As defined here therefore, how policy capacity should be conceptualized for the local institutions which operate within the coordination and general agenda of the state policies? By keeping in mind the discussions on the policy capacity of state, whether it is declining or not, the important question is, indeed, how should regional institutions can create policy capacity - which is partially dependant on the state spatial projects and state spatial strategies (Brenner, 2004) - and/or there is a functional relation between the rise of meso-level (reasons of which was discussed earlier)? Cole in that sense notes that;

All governments have been confronted with a weakening capacity to steer society by proposing solutions to the problems they have identified. Modern states of very different traditions have felt the need to develop new policy instruments and management philosophies to meet these challenges. There is an obvious link between the reform of the state and territorial capacity building. There has been a general tendency for states to institutionalise a meso-level of public administration, usually at first to achieve a more effective implementation of central government objectives. These meso-level public

administrations have sometimes provided institutional capacity for the development of more autonomous forms of regional governance. (2006, p.2)

As can be understood as a shift in the authority and resources, rescaling of states has been benefited in order to understand the emergences and rise of the local/regional scale. Respectively, though, this institutionalization cannot bear the transfer of power in itself as also noted in Hamel et al.; rescaled policy-making capacities and the development of a collective actor at the city-regional scale are developed not only through institutional building, but also in relationship with social and economic mobilization (2006, p. 48). Local embeddedness of the regional institutions and how they can manage to construct strategies to penetrate into local ecosystem of policy making will therefore be essentially critical. In this sense, however, attitude of the central state in terms of creating sources for the regional scale and its political significance in the overall state agenda will be also determining the operability of the sub-state institutional scale. That is especially true if the political construction of the scale is still in its infancy. That being said, policy capacity in the sub-national scale should also be understood as a function of the state spatial selectivity where following table neatly frames out the main variables of the evolution in spatial strategies of state;

Table 3 - Parameters for the Evolution of State Spatial Selectivity

	State spatial projects	State spatial strategies
Scalar dimension	<i>Centralisation vs. decentralisation</i> (concentration of political authority vs. transfer of regulatory tasks)	<i>Singularity vs. multiplicity</i> (privileging of a single dominant scale vs. distribution of activities among multiple spatial scales)
Territorial dimension	<i>Uniformity vs. customisation</i> (uniform and standardised administrative coverage vs. differentiated and customised arrangements)	<i>Equalisation vs. concentration</i> (spreading assets and resources evenly vs. promoting agglomeration)

Source: Varro, 2010, p.1257

That is to say that, as the perspective of the state's spatial strategies and projects, both having a scalar and territorial dimension, will play critically important role to frame the principal structural variables that will affect the functionality of the sub-state formations and eventually the level of policy capacity.

To return back to question of how to conceptualize regional policy capacity Cole (2006) proposes a model comprised of four distinct elements. According to him, policy capacity in regions should be viewed first from the perspective of political institutions. Defined both as dependent and independent variables in Cole (2006, p.7), institutions are critical as they determine the difference upon policy outcomes and the operation of regional political societies. Relationships, the second factor variable, are as much important as political institutions since the collective effort made by the political agents of the region can make significant effect on the output of the policy efforts made by regional institutions. Cole notes also on that point; while good horizontal (and vertical) relationships can increase governing capacity, negative-sum inter-organisational rivalries can have a detrimental effect on the quality of policy outputs (2006, p.8). It was underlined here that the critical role that a political community can play in the overall performance of the policy efforts. Focusing on the cultural assets, the third point according to him is the identity of the region. Considered as a resource to be utilized produced in the societal relations, identities can sometimes be quite useful in terms of creating a bonding effect within the territory and create a cohesive environment, as in the case of Catalan community of Spain and distinct parts of Belgium. Finally the constraints, or paradoxically opportunities, should be considered while understanding the policy capacity of regions in any context. Understanding the essence of political capacity to him "requires cognisance of the overarching context within which regional institutions operate and the interplay between micro, meso and macro-level processes.... the legal-constitutional order, financial arrangements, party political ties, the prevalent style of intergovernmental relations are some of the external variables (ibid. p.11)".

All in all, these models provide a strong basis for analysing the policy capacity for the regional scale, nonetheless, the relationship of the regional institutions with the state and their position inside the central state's policy agenda is partially under

evaluated. Scalar strategies of the states as well as spatial tactics and spatial strategies is still one crucial point in assessing the position of the sub-state level political formations. Furthermore, position of regional scale, within the capital accumulation and overall economic and political strategies of the state, on the other hand, provides a strategic position that will be returned as a locational power and respectively increased policy capacity. In that sense in the case of regional institution building, which has been controlled and initiated by the centre, overall agenda of policy reforms in favour of regional scale will be enforcing, but on the contrary, conflicting reforms and policy regulations will hamper the process, no matter whether the intention is directly addressing that or not. Especially, when considered the complex institutional structure of the state which sometimes host conflicting and clashing interest, this risk carries a higher probability of effect. Nonetheless, in that case while regulating the overall institutional structure, there remains a critical border between coordinating and controlling. That means, the role of central structures in the operational routines of regional institutions will occasionally deter the engagement of the local stakeholders and end up with decreased policy capacity. On the other hand, within the contemporary policy making environment, as also discussed earlier, metagovernance and/or policy coordination, can still signal another dimension of policy capacity. Painter and Pierre notes on that; Governance both challenges domestic policy capacity and is a potential source of this capacity...Perhaps the key means of reproducing policy capacity is increased policy coordination. If declining policy capacity can be explained by the recent institutional changes, then measures to bring the disparate structures back could help together to recreate synergy among state institutions in terms of policy capacity. (2005, p. 260) As crucially important as policy coordination, policy capacity in regional scale also entails a variety of strong relations with the agents of the local context. Stressing the relational character of policy making again, regional institutions therefore can gain policy capacity with the ability to manage the metagovernance relations within their scalar context. Governance resources such as relations with civil society and third party actors can return in further policy capacity. Thus said, inter-scalar character of the meso scale can itself play role of policy capacity for regional institutions by linking the agenda of local agents with the central policies and merge both as a form of effectiveness in policy formulation.

Furthermore, focusing on more institutional and organizational aspects of the political capacity, van den Berg (1997) proposes the concept of organising capacity for regions. As quoted in Knapp and Schmitt, “it is concerned with regional governance initiatives which aim to create new connections, reconfiguring the policy communities that cluster around sectoral programmes and/or re-composing the relations between state, locality, the economic sphere and civil society (2002, p.26)”. Seven pillars of the concept have been defined as follows;

(1) the structure of the formal institutional framework and the role of the various public actors within this framework; (2) strategic networks among public actors, between public and private actors, or among private actors as a means to cope with the specific problems of functional urban regions; (3) leadership from key persons and/or organisations to utilise the potential of networks and to direct the efforts of the parties involved; (4) spatio-economic conditions may ‘bind’ actors together and thus be an important incentive to collaborate (however, the opposite effect is also possible); (5) a vision of city-regional development, producing strategies and concrete objectives; (6) political (and financial) support to bring about positive collaboration at the local level; and (7) societal support from those directly involved or interested, notably the regional population and specific market parties. (van den Berg et al. quoted in Knapp and Schmitt, 2002, p.26)

Finally and similarly regarding more on institutional dimensions of the concept Başköy et al. (2011) defines factor variable that are important in assessing and measuring the levels of policy capacity. According to them following variables are critical to measure the policy capacity;

Table 4 - Factors of Policy Capacity

Factor variables		
Endogenous		Exogenous
Personal	Institutional	Globalization
Age	Policy expertise	Regional integration
Level of education	Financial resources	International institutions
Professional training	Autonomous agencies	
Length of time in office	Administrative reforms	
Managerial skills	Centralization of power	
	Retention of personnel/Institutional memory	
	Institutional cooperation	
	Politicization	
	Policy field	

Source: Başköy et al. (2011)

In the study using the variables above, they mention that; first of all policy capacity is critically related with the intellectual ability, which is something different from administrative capacity, to perceive the upcoming problems and risks in the field. They also mention that "there is a significant association between decline in policy capacity and centralization of power, losing institutional memory, encouraging movement, fiscal imbalance, political fit (p.232)"

Thus, it can be concluded that policy capacity at the regional scale can be structured and formulated in three levels. One is structural; new dimension of policy making stemming from the conditionalities of state restructuring. As in the case of France, (Cole, 2006) regions, where they have been imposed onto existing institutional patterns, have to carve up responsibilities and duties for their own. Cole notes on that point; "the regions in France have had to make their mark in a dense institutional setting. Regions were superimposed upon pre-existing departmental councils, while large cities and towns have also become powerful levels of sub-national government. (2006, p.163)" Building consensus on the region related common problems and linking up the governance bonds, will be critically important in that sense. Interconnectivity of the local partners under the coordination task of regional

institutions towards positive-sum cooperation is, therefore, one critical way for maintaining metagovernance responsibility and eventually a stronger basis for regional policy capacity. Nonetheless, already existing local rivalries and policy conflicts will eventually deter the process of governance. In that sense, position of the regional institutions as a connector of local agents to further central policy making fields can be an encouraging option. In another saying, perception of regional scale as a lobbying power for the local agents to link themselves in central policy making channels can overcome the chronic problems of local rivalries and struggles. “Effective regional institutions, therefore, need to be well inter-connected with lower- and higher-level political and administrative echelons, as well as being deeply embedded within civil society as regional policy community seeks a collaborative mode of governance and believes in building a measure of trust in relations with central government (ibid, p.164-65)”. Therefore, strategic position of the regional agents by carrying the local agenda to one level up and merging the central policies within the local level, and in that sense creating an opportunity of effective metagovernance can yield as more policy capacity for the agents of the region. Specifically indulgence of the non-state actors to policy making and implementing process with the efforts of regional agents can empower the capacity of states by opening up new arrays of implementation. As mentioned earlier, critical line in that sense is the managing effective metagovernance without inhibiting local capacity. This shall be possible as Jessop (1998) argues by serving to re-balance power differentials by strengthening weaker parties or systems in the interests of system integration and/or social cohesion. Therefore, as for the institutional arrangements within the state structure, regional scale has its own position by attaching the different scalar formation with trust based relations and governance relations eventually creating policy capacity.

Another dimension which can be considered under structural heading is the overall agenda of the state and its attitude towards the regional policies. That means the necessity of creating a favouring environment and maintaining policy continuity while building up regional institutions. To put differently, it is substantial to keep the balance between power and responsibility while downsizing the state apparatus to regional scale. To illustrate with the local development problem for instance, states

can rescale the problem of managing spatial economy towards new institutional fixes to set up new series of state society relations and delegate new responsibilities towards them, nonetheless socio-political construction of scale is as Jones and Macleod puts (1999, p.308), a more fundamental point and the extent to which, rather than being 'pre-given', geographical scale itself represents the condensation of contested processes of political struggle, power, inclusion and exclusion (Swyngedouw 1997; Cox 1998). Although political power is acquired from state, political legitimacy and representational power on the field is a more elemental problem. This can be found again in Jones and Macleod (1999, p.307);

The powers of RDAs are restricted to those functions inherited from central government. Beyond this, the influence of RDAs remains 'unclear' as yet (Environment, Transport and Regional Affairs Committee 1997), because 'ownership' of the regional strategy is retained within the nation-state scale, 'with no significant financial implications for central government' (HM Government 1997, 4). In a sense, then, this particular portion of the UK's devolutionist program is, in substantive terms, minimalist.

Therefore, the importance of regional scale in the state structure and policies will empower the basis on which the new agents are operating. That can also be explained with the state spatial strategies and tactics on how the importance of scale is elaborated and even, how the state is configuring the production of a certain "geography". It will make a big difference whether the overall policy agenda is fragmented or it is joined up and well-structured in terms of devolving power with specific attention to strategic link of the process with scalar arrangements.

As a second dimension of regional policy capacity, there are also institutional factors; role of regional agents in the institutional eco-system of local policy making. That partially means an analysis of power and domination within the environment of local stakeholders. As have been discussed earlier, relational character of state underlines the conflicting nature of its own and creates a repertoire of actions and projects across various scales. Within that composition however, natural conflicts emerge as the diversities are expressed and sites of contradictions are built again within the state. McGuirk and O'Neill put forward this as well;

... State as varied networks of governance programs involving numerous sites and scales does not lessen the presence; materiality and capacity of the "real"

state institutions which comprise “the state apparatus” (see Clark 1992). While being relationally composed, state institutions have enduring institutional and regulatory forms and established mechanisms and technologies for their various projects. And these projects may well be contradictory in nature, arising both from the need to secure accumulation outcomes for capital (thereby entrenching inequalities) and from the desire to preserve public social services and advance progressive social interventions (thereby contesting inequalities). (2012, p. 1378)

Stemming from the complex nature of policy making in state structure, policy actors therefore should not trespass the authority of others and managing the possible conflicts while implementing the primary policy actions and yet at the same time, should keep the possibility of collaboration to avoid the inefficiency and failure. In the local and regional scale, furthermore, authorities and responsibilities are not clearly distinct from each other or in other saying they have unclear borders which make them permeable by various agents and conclusively make more prone to local and interdivisional conflicts. Therefore, building a policy capacity in the regional scale demands a clear position and institutional role within the institutional ecosystem of local policy agents. That means, practically, building a network of relations that is both vertically and horizontally effective and acceptable from the point of view of other local partners to avoid any negative sum rivalries is essential. Consolidating a position and create an institutional playground and also maintaining holistic view to problems of local can play a critical role in setting up a regional policy capacity. Nevertheless, there will be inevitable bottlenecks of the tension between institutions of devolved government and local actors. To overcome that, as Cole notes; “quality of inter-organisational and interpersonal relationships is central to the debate over regional capacity. The horizontal enmeshing of regional political institutions with public-, private- and voluntary-sector bodies is one gauge of interconnectivity (2006, p.167)”. That sometimes means a good management of power relations in the local governance system and to maintain a place for your own as well. Pike et al. (2006, p.130) underlines the importance of this ability in the new governance system;

Institutions of local and regional government are seen as playing important roles in the new governance system. But according to Stoker (1995), their role is ‘system management’ by providing leadership, forming partnerships and regulating the overall environment by defining situations, identifying stakeholders and managing relationships between parties.

Especially for the institutions like development corporations or regional development agencies, capacity of managing the system is even more crucial because of the change in the policy making mentality based on growth oriented competitiveness. Following quote from Pike et al. exemplifies that in the case of ERVET (regional development agency of Emilia Romagna region in Italy)

...the creation of ERVET was part of an effort by the Emilian Communists to cement their political relationship with firms in the industrial districts. The main task of ERVET is to nurture the development of the specialised networks of small firms that underpin the region's prosperity. In practice, according to Bellini and Pasquini (1998), ERVET itself has strongly influenced the direction of economic development policy because of its accumulated expertise and its arm's-length relationship to the political system makes it a forum for the resolution of contentious issues. Moreover, ERVET is the hub of a network of specialised agencies that support the development of key sectors of the regional economy by giving the access to 'real services' such as technology and marketing support. (ibid. p.137)

Finally, in order to keep policy capacity, organizational variables can also play a critical role in the sense of stabilizing an effective operational power. These are mostly endogenous variables like the level of expertise, availability of resources, policy learning capacity, good leadership etc. That is, although underlining the administrative and organizational capacity of the institutions, it plays a critical role as an integral part of the policy capacity. Organizational aspects of the policy capacity stands on a spectrum varying from the expertise in the policy field, to the retention of personnel in sum provides an intellectual and analytical capacity to sustain well defined policy goals and implementation capacity to allocate the necessary resources.

2.6 Evaluation and Synthesis

Having said that, policy capacity in the scale of region, is highly contested because of the conflictual and dual character of policy making that is bounded the by the constraint of the local agenda and the impositions from the national scale, below it has been proposed a model to understand the basic premises of the policy capacity as well as providing an analytical baseline for the empirical part of this study. Before further deepening the proposed model, some critical highlights from the previous discussions made above, will be briefly outlined in order to clarify the background of the theoretical findings.

Regional scale, within the changing territoriality of state has been gaining importance in the sense of policy making and governance relations. In Brenner's formulation, cities and regions have been evolving from a role of coordinate of state power, who is pursuing the national developmentalism, to more of a type of nodes that are highly embedded into international flows of capital. Thus, ever changing context of local and regional development gained a multi-scalar character where the framing boundary is no more nation-state itself and in that sense even some localities are argued to be detached from their national context. Rescaling of states and their evolving institutional structure have proliferated various forms of institutions in different scales and organizational eco-system regarding the governance relations turned into even more complex outfit. Devolved and rescaled statehood within the discourse of competitiveness driven policies, nevertheless, sometimes imposed distinct forms of organizational structures in order to encapsulate and adapt the ongoing transformations in the world system. However, how these new institutional formations in the old patterns of organizational context create effectiveness and operability is a serious matter of question. That point, constitutes the main argument of this study as well and it has been formulated in the framework of policy capacity which makes the main question as follows; what are the conditionalities and factors that shape the policy capacity in regional scale, in the frame of new territoriality and institutional structure of the rescaling state? In seeking the answer, external challenges put by the phenomenon like globalization and gaining importance of multinational blocks as policy agents together with structural transformations in the global circuits of capital are of critical importance as the restructuring of the states mainly reasoned from that point. In that form, therefore, state power and capacities can said to be fragmented and stratified through various scales in the forms of different state apparatus. Within these new clauses, public policy making has to be effective in a dynamic, pluralized and contestable environment - where the state itself is a part of - as emergence of new power relations and significance in the sub-state scale is more visible than it was used to. In another saying, the new political and representational meaning of metropolitan and regional scale have caused a shift in the socio-spatial hierarchy of inner state organization, as they can also act as new interfaces of confrontation between state and global capital accumulation. Nevertheless, state, in this scenario deploys its own counter trends as have been

argued above with reference to Jessop, in the form of regulating the governance relation. Hence, while maintaining the metagovernance possible, states can also create further channels of capacity by establishing new institutional formations. By doing so, passivized position of state within the new currents of policy making is abandoned, and on the other hand, its ever changing and evolving character evolves towards a more relational guise where it creates new sources of capacity. Such understanding of state can categorically be classified as weak (McGuirk and O'Neill, 2012) however that understanding accepts a more prevalent formation of policy actor as McGuirk and O'Neill also put;

We see states as cross-cut with intense fractures and conflicts expressed across scales, agencies and actors, as multiple strategies, texts and technologies jostle in the performance of administration and governance. In this complexity, governance capacity itself emerges through experimentation that might be as prone to failure, inefficiency and unintended consequences as it is to the achievement of specific political objectives. States are always in play, then, but are subject to reconstruction by the changing discourses, technologies and practices of governing. (ibid, p.1378)

Regionally, new formations of state tools can be conceptualized where they can benefit and gain legal eligibility from central scale but on the other hand embed themselves in the networks of local and international flows to gain further resources to realize policy decisions. Having accepted that state apparatus do not have a form of unified actions and a full harmony in the very meaning of the concept, there will always be disputes and contested relations over the modes of articulation within the inner organization of state. Therefore, the meaning and political power of the regions, when understood in this framework, have to be built socially and temporarily and undoubtedly with reference to their relations with the other forms of state apparatus. That would be in the form of super-structure, the central state and the sub-structures which is the local and their derivative political formations. Having the capacity to identify optimal policy decision, articulate it and implement it within the socio-political reality of region as a sub-state organization, will be highly dependent on the level of constituting supportive coalitions that they can create within this contested and conflictual environment. As was noted in Pugalis and Townsend (2013); the significance of state rescaling strategies extends beyond the 'passing' of powers and responsibilities from one tier to the next to encompass new policy frames and, thus, new scales of governance, working relations, interventions and

contestation (p.107). Within the discussion of this thesis, therefore, delegation of particular policy making power to sub-state scale do not necessary come with innate power but with further disputes and contestation. Lord (2009, p.78) also underlines this point;

...in many cases 'new' agencies represent a scalar amplification or contraction of previous entities, themselves frequently cobbled together from the flotsam and jetsam of past policy experimentation (Deas and Giordano, 2003; Deas and Ward, 1999). What bearing this 'policy recycling' (Hay, 1996; Jones and Ward, 2002) has on the legitimacy and operational feasibility of such institutions entails further questions regarding the ability and/ or willingness of existing agencies, operating at a scale other than that of the one now in vogue, to collaborate with new additions.

In that sense, however, state's power to regulate the regional governance relations, through new institutional structures will be determining the abilities and capacities of the regional formations. Tendency to disunity in the state apparatus, as Jessop puts, will eventually end up with the failure of the state as well as the failure of governance. To avoid that critical interaction among different scalar formations, under the responsibility of state's metagovernance, can play a significant role. While doing so, as is going to be clarified below, regional authorities can open their particular policy field and room for manoeuvre. Finally, in the contexts where the nation state has been historically the dominant policy actor, devolution processes can be even more fragile to this so called disputes and mismatch of the existing and the imposed scalar formations. In fact, this twin pronged localization strategy, trying to integrate localities into policy making processes with setting up new interfaces while keeping the key resources under control, addresses the necessity of bearing policy capacity more than any other context. Therefore, below has been developed a model to understand how policy capacity can be acquired for regional policy actors.

Conclusively, proposed model of analysing policy capacity is basically built up on two distinct but interrelated line of action. First axis has been conceptualized as the room for manoeuvre which refers to the sum of the internal relations of the regional institutions within the local scale and their possible level of cooperation and engagement by mutual understanding and the relation of central policy making process with the local agenda or their possible conflict. Although context-dependant, it can be formulized in three sub-processes; (1) links with the central institutions and

their possible effect on the region's agent, (2) the composition of local agents' policy priorities and their possible indulgence and effect on the region's policy formulation and (3) clashing and conflicting nature of these two distinct environments. That conceptualization is partly addressing to the regional actor's ability of the management of the power relations and interest seeking policy agents of the local eco-system as well as carrying their concerns to one level up to the central scale and merging them into impositions of the centre. As many interest groups are present there and representing different political power forms, steering them towards the common good of the region's economic and social interest is a highly challenging task. Therefore sum of the relations set up in the local scale demands a critical balance of managerial skills, but on the other hand as will be detailed later, it can also act as a resource¹¹ that will bring in more instrumental capacity that constitutes the second axis of the policy making capacity. The conflicting but sometimes complementary relation between the centre and the local policy making arena in total determines the available playground for the regional actor.

¹¹ Essentiality of resources in policy capacity can also be found in the definition of Fellegi (1996) who mentions; policy capacity obviously includes the nature and quality of the resources available for these purposes -whether in the public service or beyond - and the practices and procedures by which these resources are mobilized and used.

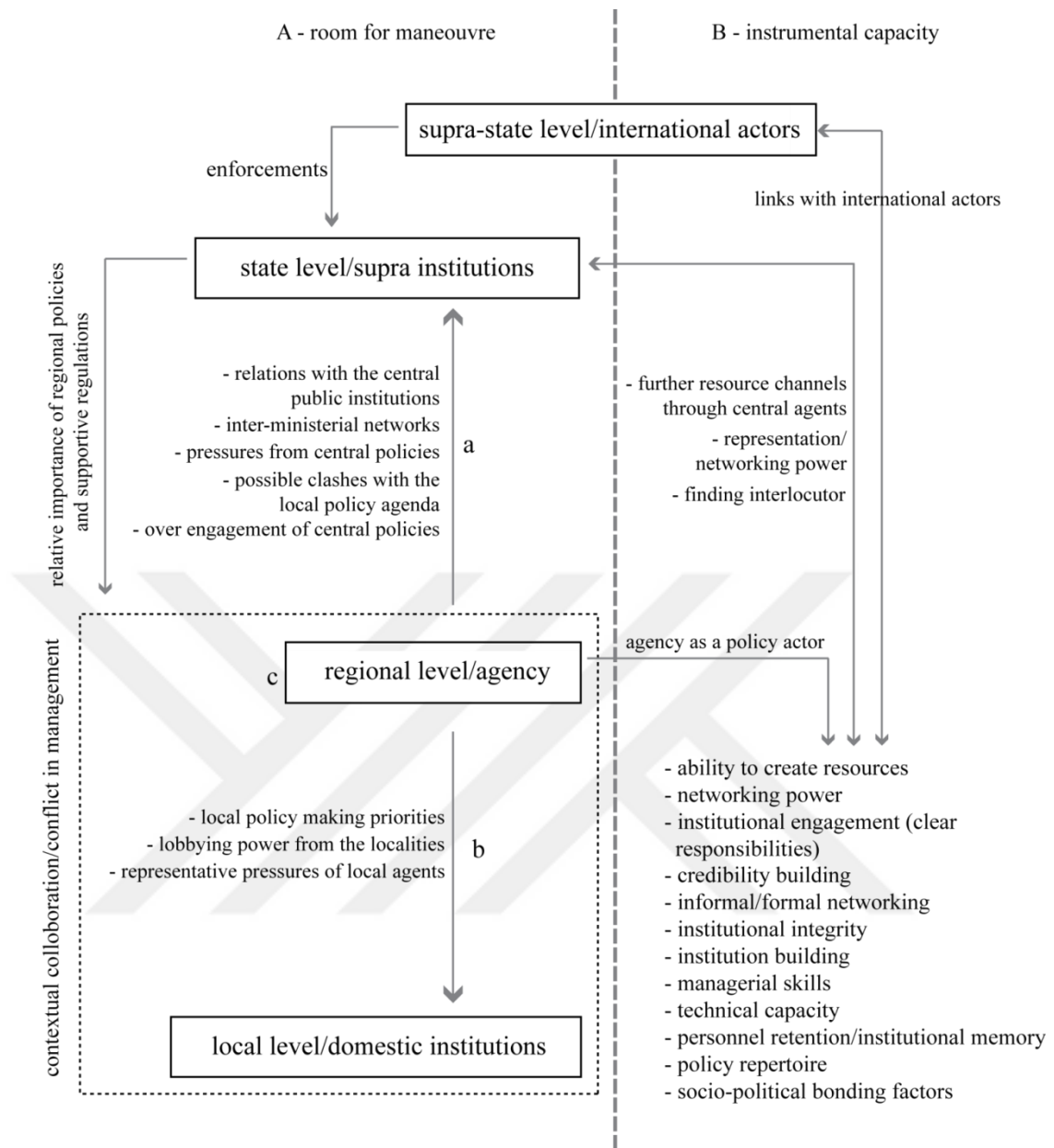


Figure 5 - Framework to Understand the Policy Capacity in Regional Scale

Above all firstly, strategic links between the centre and regional scale plays a decisive role in maintaining the policy capacity of the regional actor. In this it has meant; both the networking relationship with the central agents and their constraints or impositions in terms of policy making processes but also the position of the regional policies in the overall agenda of the state as well which is specifically important since it will constitute the baseline of a supportive external environment. The autonomy of the policy actor in the regional scale is critical but an assistive legal power coming from the central actors is again fundamental in terms of gaining

bargaining power against the local pressures. Nevertheless over engagement of the central scale policies into regional agenda and position as an arm's length tool totally under control of the centre, (as in the case of English RDAs discussed earlier¹²) will eliminate the ownership of the localities and the possibility of the policy innovation and policy learning from the street level. Furthermore, importance of the regional policies in the central agenda remains as a critical element in maintaining the policy capacity of the regional actors. This is critical both in terms of resource creation by channelling public funds towards this area but also essential in the sense of creating a general public awareness and social support as well. To be clearer here, Brenner's notion of spatial tactics and spatial focus of the state is of prominent importance in terms of maintaining regional policy capacity.

To add-up, in order to understand the second point; while establishing networking relationship with the local stakeholders, their manipulative effects on the selectiveness and formulation of policies can sometimes deter the effectiveness of the policy and policy capacity. In that sense clear definition of responsibilities in the local actions or avoiding the authority violation of another local agent is yet a further distinct characteristic of relations set-up with the local scale. As each institution can represent different form and priorities of different facades of re-scaled state, there has to be clear division of role in the action making. Furthermore, regional agent's cohesion and integrity in understanding the local policy making priorities and channelling resources towards those areas will fortify the strengths of the links. Together with managerial skills, a well set baseline for the representation of the local policies will increase the credibility of the regional actor. Additionally, strong ties with the local stakeholders and harmonized actions can result in as a representational power towards the central actors and push some of the preclusive limits and barriers of the central agenda. On the other hand, over involvement of the informal relationships with the critical actors of local, bears the risk of eliminating the power of making independent policy choices and inclusive institutional structure. Furthermore, this manipulation shall also decrease the social meaning and the credibility of the regional institutions as well as its institutional integrity and policy expertise. To be more direct in what has been meant; possible political pressures

¹² See Webb and Collis, 2000 and Jones and Macleod, 1999

from the local agents with different and sometimes conflicting perspectives to the regional actor - which, usually, is entitled to create harmonized policies stemming from the indulgence of different actors, either public or non-state – can cause to a case of paralysis in making the action. Therefore, networking relations intrinsic to regional policy on the one hand can cause a barrier in the decision making and action taking but paradoxically on the other a channel of resource if managed properly.

Finally, under the heading of room for manoeuvre, frequency and the severity of the clashes between the process “a” and the process “b” stand as one of the most critical factor that determines the capacity of the regional agent. Demanding an essential balance, centre and local conflict stands critical at the very core of the fate of the regional policy making. Located in a transitional stage, regional policies both have to carry certain characteristics of the central policy making and be susceptible at the same time towards the complex environment of the local reality. In doing so, mismatching priorities and preferences of both scale will create restraining conditionalities in the regional scale and limit the effectiveness of policies. In that sense, region’s ability to regulate and govern the governance relationship can play the role of the problem solving element as with the efforts of moderation of the regional actor, local agenda can be converged towards a balance point to minimize the tension point. Or conversely, regional scale will be the point where the local policy objectives can be scaled upwards to central agenda. Nevertheless, the conflicting environment of the policy making is not so sterile and hypothetical; therefore these conflicts will always be there however the frequency and the sharpness of them will determine how its effect will upon the policy capacity of the regional institutions.

Next, second component of the regional policy capacity model, instrumental capacity refers to organizational integrity and institutional ability but more importantly to the resources, both fiscal and non-fiscal, to be mobilized in order to realize the policy goals. To better formulate instrumental capacity, one strand of it is the agency itself, as an organization and policy actor whose technical abilities should be up to the demands, can retain skilled expertise, have credibility in the social base and maintain managerial skills etc. and the other focus is the ability to create policy resources;

political, network based and fiscal. To begin with policy resources, scalar relations among other relevant policy actors again play a critical role in acting as a channel of resource. On the local scale, resource creation base can vary from project based strategic partnerships to local scale lobbying and representational power. Business based relationships, can be both formal and informal, with local agents – or in other saying building coalition of policy actors – can easily accelerate and empower the action making process and remove some of the natural barriers. Likewise, at the central scale, especially inter-ministerial relationships and networking power can construct a wider base of policy repertoire as well as providing the opportunity to allocate further public resources into the localities. As was also discussed above, setting up links with different forms and scalar agents will extend the base of action and the relational character of policy actor. Therefore, as contextual differences can exist in various forms so should the alternatives of the policy maker, which will eventually be possible with building a wider social network. This was noted in Jayasuriya (2005) as the regulatory resources is widespread and often fall beyond traditional state rationality, agents should construct their own tools and manners to establish the links with various forms of actors. In that sense, hence, inter-scalar mobility of the regional agents is of prominent importance. On the other hand, penetrating into key actors in public bureaucracy and social sector, can also provide the opportunity to find the correct interlocutor to catalyse the different components of the policy making. In the same manner, international institutions can be benefited as of a funding mechanism to create additional fiscal resources as the confrontation of regional actors with the supra-national agents is considered to be politically legitimate, which was discussed earlier. Still to add-up internal coherence of the institution can play critical role in having policy capacity. In this manner managerial skills can be one fundamental element both in terms of integrity and technical ability of the institution but also in the sense of framing a social credibility even against the non-supportive actors, which in another saying, determines the inclusiveness of the regional actor. This will also provide sufficiency in operational capacity by making it possible to overcome a considerable majority of political pressures and build partnerships from the remaining as a strategy of management. Technical capacity of the staff and the level of expertise, on the other hand, can be considered still decisive elements in having a stronger institutional identity. Furthermore, these variables

underline the intellectual reality of policy capacity¹³ rather than simply referring the good human resources management. Similarly, as can be viewed also cultural variables, personnel retention and maintaining institutional memory, setting up norms, daily routines, habits and identity equally critical while constructing a strong institution.

Table 5 - Factors of Regional Policy Capacity

Structural	Organizational	Institutional
Central state's enforcements/over engagement of central policies	Local/Regional credibility	Positive sum relations with public institutions
Importance of regional policies in central policy agenda	Networking ability	Representation/networking power
Conflict between central and local policies	Institutional integrity	Inter-ministerial networks
Supportive regulations/administrative reforms	Managerial skills	Socio-political bonding factors
Contextual collaboration/conflict in the local management	Technical capacity/expertise	Autonomy in policy design
	Personnel retention/Institutional memory	Links with international agents
	Policy repertoire	
	Resources	

To conclude, stemming from the changing territoriality and complex institutional structure of state, policy capacity for regional institutions is highly context dependant and benefit from the scalar relations that is intrinsic to state's internal architecture. In this regard, above proposed table was put forward in order to conceptualize the policy capacity of regional institutions that are somehow bounded by the two

¹³ Howlett's conceptualization of policy analytical capacity provides a more analytical base to understand the policy capacity as a matter of intellectual and analysis based effort. He defines it; as a more focussed concept related to knowledge acquisition and utilization in policy processes (2009, p. 162) Further studies as quoted in Howlett can be found in (Lynn, 1978; MacRae 1991; Leeuw, 1991; Radaelli 1995; Adams 2004)

different eco-systems of central policies and local priorities. As formulated in the table, variables are classified within three axes, which are first structural which refers to conflicting nature of centrally initiated but locally acting regional institutions, secondly, organizational variables that are more focused into institutional capacities and resources in the agency and finally institutional variables are referring to network based relations within the institutional eco-system of domestic playground in order to extract resources out of these relations as well as links with the international agents. In the general framework of the rescaling and restructuring state discussion, regional agents, on the other hand, are critically important as they can underpin the significance of the state and its scalar formations in the complex and fragmented conditionalities of policy making. As the new articulation of global capitalism entails softer but intricate relations with non-state actors and puts it as a pressure on state, new regional institutional fixes can have prominent roles. Following quote from Brenner (2003, p.311) propose as follows;

Newly established approaches to metropolitan governance in western Europe may also be viewed as an important institutional medium through which new state capacities for meta-governance are being constructed ... the metropolitan reform projects of the 1990s attempts by national and local state institutions to maintain some measure of regulatory coordination over the informal governance networks, quangos, voluntary bodies and public-private partnerships that underpin regional economic governance. In this sense, the new politics of metropolitan institutional reform may be viewed in part as a strategic subnational response to the increasing fragmentation and differentiation of political authority...

Thus said, metropolitan/regional scale, in the context of state restructuring, can maintain the new regulatory roles of states in governance relations by providing informal but locally based networks that can feed the state capacity as well. Again as highlighted in Brenner (ibid.); the coordinative, supervisory and monitoring operations associated with meta-governance appear to be nested predominantly at supra-local scales, including national states and supranational institutional forms such as the European Commission (p.310). On the other hand as mentioned above, the critical role of the regional agents in the metagovernance relations can open up the channels of policy capacity for its own institutional position. Specifically the inabilities of local governments on the regulation of the non-state and private actors on the common good of urban region, highlights the role of a supra-local institutional fix. Besides, as was mentioned earlier, success of the regional institutions as a

platform of scalar mobility within integral state structure will further ossify the recent bases of its embeddedness in the local context. Key local actors can benefit but at the same time empower the position of regions through lifting up their policy priorities upwards and centre by channelling its spatial selectivities and control the over fragmentation of policy agents.

2.7 Limits and the Validity of the Approach

Above mentioned framework to understand the policy capacity for the actors of the regional scale has been discussed and stemmed from the point of view of the new conditionalities emerging by the massive changes in the global policy discourse which at the same time imposed fundamental challenges onto the states and the power of the states. Within this framework, in this chapter it has been argued how regional and local scale gained significant political importance and operational functionality in delivering the policy goals. While emerging in various context and externalities, ability to realize the desired policy results of this new institutional contexts, policy capacity more directly, is discussed to be multi-layered, conflict ridden and dependant on the level of integration to state structure and at the same time managing the local networking relations. Two critical axis concluded from the discussion so far are; the eminent role of the possible strategies to create a rigid baseline of action conceptualized as room for manoeuvre and alternative channels to raise resources to realize desired outcomes for the policy agent that are active in the regional scale. Nevertheless, this approach has been developed mainly from a “democratic, parliamentary and unitary” state angle of view, where the administration and territorialisation of the country resides upon a strong central power with varying degrees of devolution of authorities to sub-state scales. On the contrary, not all the sovereign political entities in the world are in line with the realities of unitary states. To illustrate, in the federal states regional tier has different legitimacies and legal power as well as different financial and political resources. Besides, there is a considerable amount of history and tradition of an intermediate scale between centre and local which at the same time bring in a social meaning for all political actors of any scale. However, that does not mean such formations of state have not been exposed to and bounded by the transformations described throughout the chapter. On the contrary, every political organization facing serious challenges

from global transformations and has to be adaptive and flexible enough to re-organize themselves to the new codes of conduct. What is meant here is to stress and underline the relational and context dependant character of neo-liberal agenda to each path. Therefore, while assessing the validity of the above proposed approach, the limits of the model should be kept in mind so that alternate schemes and dispositions within that manner can be further developed. It is, for sure, beyond the limits and the goals of this study to develop a model of policy capacity for each formation of sovereign state. But still, to give insights to the problem here, it must be noted that the embeddedness of the sub-state policy actors to the state structure would be much clearer and rigid in the devolved or federal states relative the strong unitary counterparts. Additionally the importance of the overall state agenda and supportive regulatory framework will be open to the intervention of the regional scale. On the other hand, the unity and coherence of the local networks and set of relations would be relatively more important to create a representational and bargaining power against the pressures of the centre. On the otherwise case, policy capacity of the regional scale is very much open to the agenda of the centre and fragile in terms of creating an alternate pathway. Hence, as mentioned earlier, the analysis and study of a universally accepted model would be a topic of another study and it is by all means beyond the limits of this thesis.

CHAPTER 3

REGIONAL DEVELOPMENT POLICIES IN TURKEY; PRACTICE AND PLANNING

3.1 The Background of Region Building and Regional Policies in Turkey

As a chronicle problem of uneven capitalist economic development, regional disparities and unequal territorial development are historically prominent policy fields that has to be tackled for Turkey as well; while the western sector of the country is benefiting from advanced economies and being characterized as socially and economically developed part, east still has to face the problems of a primitive economy, where, one can experience high-tech industries and value added service and industry sector in the western side although, east still has a dominance of agriculture, and limited size of domestic market in the economy. (See the tables 6 and 7). This trend, despite of the interference from the public sector has increased the inequality between regions historically, since the firms invested in west benefited from agglomeration economies and positive externalities, economies in the east remained mostly agrarian. Built upon the previous experiences, regional development policies of Turkey have been evolving roughly since 1960s (establishment of State Planning Organization), and the main instrument of which for the time being is the development agencies.

Table 6 - Distribution of Gross Value Added in NUTS2 Regions

			Index, TR:100	
NUTS2		2004 \$	2011 \$	
TR10	İstanbul	7943	13865	156
TR21	Tekirdağ, Edirne, Kırklareli	6300	12029	123
TR22	Balıkesir, Çanakkale	4515	8954	88
TR31	İzmir	6598	11443	129
TR32	Aydın, Denizli, Muğla	5320	8668	104
TR33	Manisa, Afyon, Kütahya, Uşak	4042	8283	79
TR41	Bursa, Eskişehir, Bilecik	6930	12126	136
TR42	Kocaeli, Sakarya, Düzce, Bolu, Yalova	7183	13138	141
TR51	Ankara	6978	12259	137
TR52	Konya, Karaman	3887	7118	76
TR61	Antalya, Isparta, Burdur	6048	10122	119
TR62	Adana, Mersin	4065	7232	80
TR63	Hatay, Kahramanmaraş, Osmaniye	3155	5904	62
TR71	Kırıkkale, Aksaray, Niğde, Nevşehir, Kırşehir	3674	7087	72
TR72	Kayseri, Sivas, Yozgat	3635	6675	71
TR81	Zonguldak, Karabük, Bartın	5209	8536	102
TR82	Kastamonu, Çankırı, Sinop	4178	6594	82
TR83	Samsun, Tokat, Çorum, Amasya	3549	6762	70
TR90	Trabzon, Ordu, Giresun, Rize, Artvin, Gümüşhane	3545	6652	69
TRA1	Erzurum, Erzincan, Bayburt	2975	5901	58
TRA2	Ağrı, Kars, Iğdır, Ardahan	2048	4001	40
TRB1	Malatya, Elazığ, Bingöl, Tunceli	3017	5820	59
TRB2	Van, Muş, Bitlis, Hakkâri	1877	3515	37
TRC1	Gaziantep, Adıyaman, Kilis	2678	4952	52
TRC2	Şanlıurfa, Diyarbakır	2377	4282	47
TRC3	Mardin, Batman, Şırnak, Siirt	1853	4689	36

Source; TURKSTAT

Table 7 - Share of Sectors in Economy in some NUTS2 Regions, %

		1995			2011		
		Agriculture	Industry	Service	Agriculture	Industry	Service
TRA1	Erzurum, Erzincan, Bayburt	27	10	64	17,4	20	62,7
TRA2	Ağrı, Kars, Iğdır, Ardahan	45	4	51	24,8	14	61,2
TRB1	Malatya, Elazığ, Bingöl, Tunceli	21	24	55	14	22,8	63,2
TRB2	Van, Muş, Bitlis, Hakkâri	32	5	63	23	15,2	61,8
TRC1	Gaziantep, Adıyaman, Kilis	21	21	58	10,5	32	57,5
TRC2	Şanlıurfa, Diyarbakır	38	17	45	24	19	57
TRC3	Mardin, Batman, Şırnak, Siirt	33	13	54	17,3	28,8	53,9
TR10	İstanbul	1	33	66	0,2	27,4	72,4
TR31	İzmir	8	32	60	5,4	26,9	67,7
TR51	Ankara	5	15	81	2,8	25,7	71,5
TR41	Bursa, Eskişehir, Bilecik	14	37	49	5,6	41,1	53,4

Source; 2011 Figures from TURKSTAT, 1995 figures Regional Development National Strategy, 1995 values are calculated from GNP, 2011 values are calculated from GVA statistics

Emerging as a policy transfer from the EU regional framework, development agencies are, in Turkish context, unique bodies as for the scale of activity and organizational structure. In that sense, within the discourse of localization of power and the rise of multi-level governance, development agencies are claimed to be an alternative tool of regional policy. Nonetheless, struggling with many problems such as being a pioneer policy implementation, development agencies are in action since 2006 and experiencing the different contextual basis throughout the country. Although there were locally driven agency-alike entities in some parts of the Turkey (for instance; Aegean Economic Development Foundation and Mersin Development Agency under the responsibility of Mersin Chamber of Commerce) establishment of development agencies in Turkey is fundamentally a top-down process. As going to be detailed in the following parts, weak character and lack of significance of regions in Turkey's administrative and political structure demanded an initiative from central state in order regions to flourish. Nevertheless the fact that, historical meaning and position of regions in Turkey is relatively weak does not mean that regionalism in Turkey is

nothing interesting, but on the contrary it has its own dynamics and story within the environment it was born into, especially in terms of the relations with the central and local actors. To better position this story, below first it has been proposed how was the regional policy in the past and how it evolves.

3.2 Practices of Regional Development Policies

Turkey, although, traditionally is a national unitary state, the notion of region has entered the policy agenda in various degrees and forms through history. Regions have played only a functional role in the absolute control of national unity for a better delivery of development policies and were never considered as an alternative level of societal organization within the nation-state's space. Still to add, not until the enforcement of the law on establishment of the development agencies in Turkey, there has been a formal definition on what a region is. Since that time, development agencies are functional on the regional scale, which is still argued whether it is an artificial construction of a mezzo state space or not. Still however, in order to better frame the point of today, following parts will be focusing on the background of regional development policies through key programs and policies. Nevertheless, reading the issues in terms of main policy documents carry the risk of missing what is happening in the reality, still though they are still considered to be crucial in this study in terms of understanding the policy maker's approach and mentality.

The very first introduction of the concept of region as understood in this study was welcomed with the launch of the five year development plans. (Prior to five year development plans, there were individualistic attempt as can be considered regional planning efforts like Köyceğiz Dalaman project supported by supra-national institutions) State Planning Organization (SPO) to maintain a balanced territorial development throughout the country and foster growth through strengthening domestic markets started to prepare 5 year development plans in the beginning of 60s. Throughout the time, functions and foci of the regional planning methodology has been evolved in line with the global circumstances; Regional plans of pre-80s had an idea of creating a more liveable physical environment and development of resources, whereas post-80s plans have focused more on developing, lagging and disadvantaged regions. (Mutlu, 2008) And today there are new actors of the field,

development agencies, preparing regional plans, generically focusing on popular trends like competitive cities, learning regions or clustering policies.

To begin with, in the first development plan (1963-1967) main focus of the regional policies was to achieve and sustain a balanced development by fully utilizing the regions' material resources. In this context to succeed the envisioned results, large scale regional development projects are deployed in East Marmara, Antalya, Çukurova and Zonguldak. In each development projects principal sectors and key points were identified for focal regions. On that period, regions were understood as a supplementary level of policy to reach and fulfil the overall national priorities rather than to transform the scalar territoriality of the state. In another saying, spatial targeting - the mobilization of state policies, public investments and/or financial subsidies to modify or transform social conditions within specific jurisdictions and at particular scales (Brenner, 2009) - of the state was utilized for a nation-wide strategy and nation-state centred spatial formation.

In the second five year development plan (1968-72), core of the main attitude towards regional development shifted a bit of its perspective. Instead of a direct emphasis on regional development, plan advices to implement different types and scales of public projects with any possible support of private sector investments. In terms of terminology in regional policies, plan uses the term "less-developed regions" and in to diminish the gaps among regions, following list of principles were proposed;

- In order to maintain a balanced development between regions, distribution of investments will consider the current gaps.
- To increase the quality and the quantity of the economic activities in less developed regions, urbanized strategic centres will be the main hub of the investments to redound a self-capacity of growth
- Economic investments will focus on the growth centres, in order to optimize the utilization of the local resources to attract more private sector investments in those regions.

Speaking of the region as a scale, two distinct features are visible; plan accepts a clear-cut dual classification of the settlements as “developed” and “less-developed” and in order to provide a national balance there is an emphasis on the growth centres which will be the main hubs of public investments so that surrounding hinterlands will be positively affected from the industrialization and commercial activities of the centres. Still however, as stated in the Göymen (2005) spatial issues are merged into economic goals to institutionalize the spatial approach within the scope of national development.

The Third Plan (1973-77) on the other hand has its own unique essences in terms of approach and tools due to its political environment. This was the time when Turkey has started its journey with European Economic Community, pre-European Union. Thusly, plan has been written with the vision of integrating with the European communities. As a tool in that sense, Priority Areas in Development, which are defined in 1968 with the decision of council of ministers, have been started to get support and prioritised in terms of main decisions that might shape the macro trends in the regional economies. Instead of making public investments directly in those regions, encouraging and giving incentives to foster investments specifically for these areas can also be defined as a new approach to problem. However, because of the political environment of the period, regional scale is almost neglected in the official documents. As stated in the plan document; “it is going to be abandoned to make specific plans for certain regions in order to avoid a loss of integrity in the national plan. Place specific evaluations will only be utilized, if necessary, in order to provide data to select the proper projects in the national scale”. However still, as stated in Göymen (2005) this plan has still its contribution in to the regional development as it foresees that it is only possible to tackle with the regional disparities problem in the long run by efficient use of endogenous resources and by strengthening the administrative capacity of local institutions. It, on the other hand, can be read as a change in the main problematic of the regional policies as well; “While state spatial planning policies in the 1960s and early 1970s were oriented towards the nation-state as a whole, conceived as a homogenous territorial space in which evenly articulated equilibrium growth was to take place, by the late 1970s those policies had become increasingly differentiated and fragmented and no longer

presumed that economic growth could occur in a geographically equilibrated manner. Regional policy was no longer oriented towards the redistribution of productive capacities evenly across the national territory, but towards the preservation and development of ‘endogenous‘ regional and urban growth potentials. (Brenner, 1997, 281)”

From that time on with the 4th (1979-83), 5th (1985-89) and 6th (1990-94) development plans, new tools like decrease in interest rates, financial supports, project packages, functional divisions of regions, regional development programmes, industrial zones and most importantly South-eastern Anatolian Project have been deployed. During this period in certain parts of Anatolia, new industrial focuses emerged with the rise of the private sector investments and with the help of financial supports from public side. Unlike the 3rd development plan, the concept of regions has been re-introduced with the 4th development plan. There is a specific emphasis on the east and south-east part of the Anatolia starting from 4th plan which are the least developed regions in the country. It has been proposed in the 4th plan to set-up multi purposed large scale projects in lagging regions, especially east and south-east Anatolia, in order to commence and sustain a development phase. South-eastern Anatolian Project, which is a multi-sector integrated regional development project, is an outcome of this policy. Following on, 5th development plan among others has the most systemic and well-articulated approach to regional development problem. Above all, plan proposes the idea of a definition for functional regions for the whole territory of the country. By doing so it is aimed to create an integrated structure of the spatial development and the sectorial composition of the region’s economy and growth trends. Additionally, SPO was assigned as the responsible body to prepare regional plans and regional development scheme. Most notably for that period, institutionalization and construction of a legal framework for South-East Anatolia Project (GAP) can be considered as milestone of the regional development history. Nevertheless, although there is an effort to bring in the regional scale to national policy agenda with the development plans onwards of 80s, it was still considered as a tool to realize the goals of national territory and despite the downscaling in scale of implementations responsibilities and mandates were still in the central institutions. What Brenner (1997) commented on the Federal Republic of Germany is partly true

for the Turkey of that time; “Fordist state space in the Federal republic of Germany was organized primarily around the national territorial scale, local and regional states were understood as mere instruments of central state policies; and both industrialization and urbanization were to be spread as evenly as possible across the national territory. The goal of state intervention, in Lefebvre’s (1976: 112) formulation, was ‘the indefinite extension of the centres, nuclei and growth poles within the territorial space of the nation-state’”. Following the similar path, 6th plan proposes to focus public investments to the priority areas in development and create nodal territories across the country that the new growth centre will split off from them. Besides it was also underlined in that period to maintain the consistency with the European regional policies in order not to fall back off the structural adjustment.

Following on, with the 7th, 8th and 9th five year development plans regional development has been evaluated as structural problem that has to be tackled locally. Decentralization, new local institutions, strategic planning, competitiveness, SME development, sustainability and EU Funds with the candidacy to European Union were the main keywords that shaped the policy framework since the beginning of mid-1990s. Just like GAP, within that time similar regional development projects have been deployed. These are, Zonguldak-Karabük-Bartın Regional Development Project, East Anatolia Regional Development Project, East Black Sea Regional Development Project and Yeşilirmak Basin Development Project. Each of these projects was designed to solve problems that are both fundamental and unique to these regions. In a sense the fundamental approach to regional development paradigm and the scalar discussion of territorial development have been shifted towards a more decentralized and private sector inclusive structure. Nevertheless, the motive to change the mentality of regional development policies large scale regional projects could not suffice to alter the implementation methodology. Although all of the above mentioned projects are mindful of the regional dynamics and were prepared as locally binding projects, tools to realize the goals were again limited to public investments and traditional approach. Despite the projects were prepared with active participation of local actors and decision makers, there was not enough incentive and capacity to motivate the elites of regions to realize the goals

mentioned. The absence of a responsible institution to regulate and activate regional networks towards common goals defined in the plans was one of the main reasons why it was not able to yield the intended results. In a sense, despite the recognition of the insufficiency of state's resources, regional development problems was evaluated under the redistributive policies of the central state and therefore in many cases region as a scale were interpreted as a tool and medium of that comprehensive and national goals. That fact that shifts in the approaches of regional policies did not objectively link with the reconstruction of sub-national space and lack of a territorial answer on the ground has hampered the efficiency and result oriented characteristic of the development plans. As a result of long lasted centralized hierarchy in the institutional structure, the lack of management and self-organizing capacity at the local and regional level stands as a prominent problem of today which also affected the regional development policies negatively. Additionally, regional policies of the country have never designed to make the local and especially municipal actors as an integral part of the local and regional development policies. In another saying, regional policies were designed by the central actors with an expectance of the localities to show absolute obedience to the decision made. Despite all, foundation of the development agencies has been by far the most significant improvement in the regional planning history of the country which also means a departure from the classical planning paradigm. For the first time, regional scale, with an official definition of regions, has been introduced to the public administration although duties and missions of the development agencies were limited with the economic regeneration and local development. As the law of on "The Establishment and Duties of Development Agencies" passed from the cabinet and came into force in 2006, development agencies have been the main issue in regional development agenda of Turkey.

More recently, with 10th development plan (which was approved at the 127th plenary session of The Grand National Assembly of Turkey, on 1 July 2013) the role and the functionalities of the development agencies are foreseen to be enlarged in addition to those which are extra but already being carried out by development agencies like; taking an active role to deliver the investment incentive certificate, approval of the administrative board of development agencies on public investments or delivering an

efficient function on the European Union funds. Main target in regional development policies in the 10th plan is formulated as follows; “With regional development policies, on one hand a more balanced distribution of welfare over the country will be achieved by reducing regional development disparities, and on the other hand the contribution of all regions to national growth and development will be maximized by utilizing their potential and increasing their competitiveness. (p.123)”

In addition to 10th development plan, for the first time again, regional development national strategy (BGUS) have been prepared in order to sustain an integrated division of responsibilities and structure on the regional development in the whole country. Main rationale behind the preparation of the BGUS was expressed as “to reach the regional development goals and to maximize regions’ contribution to national development, to maintain the coordination of regional development and regional competitiveness policies in the national scale, to empower the link between spatial and socio-economic development, to provide a policy framework for the lower scale plans and strategies and finally to provide a perspective to relevant institutions and other partners like universities, NGOs etc. (p.2)” Examples of which can also be found in other recent members of EU (Poland, Bulgaria or Croatia), this national strategy can also be seen as a requirement in order to meet the criteria of EU regulations. In terms of regional scale and functional division of territories, BGUS proposes distinct functional roles for territories¹⁴ and classify the desired goals in terms of that division. As can be seen in the division, although the document is a national strategy for regional development, functional unit is almost completely the city scale. This approach particularly addresses to the looseness of the region concept

¹⁴ Proposed classification of BGUS is as follows; **Metropolis**; İstanbul, Ankara, İzmir, Adana-Mersin (potential)

Metropolis sub-centres; Kocaeli, Sakarya, Bursa, Tekirdağ, Manisa

Industrial development focus; Gaziantep, Konya, Kayseri, Eskişehir, Denizli, Hatay,[Kocaeli], [Sakarya], [Bursa], [Tekirdağ], [Manisa], [Adana], [Mersin], [Antalya]

Regional attraction centre; Trabzon, Diyarbakır, Samsun, Erzurum, Van, Elazığ, Malatya, Şanlıurfa and Sivas **Tourism centres**; Antalya, Aydın, Nevşehir, Muğla, [İstanbul], [İzmir], Afyonkarahisar, Balıkesir, Çanakkale, [Denizli], Mardin (potential)

Structural transformation cities; *Secondary industry cities; Zonguldak, Kahramanmaraş, Kırklareli, Bilecik, Osmaniye, Düzce, Kütahya, Yalova, Uşak, Karabük, Ordu, Çorum, Rize, Kırıkkale, [Mardin] , [Aydın], [Muğla], [Afyonkarahisar], [Balıkesir], [Çanakkale]*Cities with developing industry; Aksaray, Edirne, Karaman, Bartın, Sinop, Burdur, [Mardin], Adıyaman, Isparta, Batman, Bolu, [Nevşehir] *Cities with emerging industry; Niğde, Kırşehir, Kastamonu, Yozgat, Tokat, Giresun, Artvin, Amasya, Çankırı, Gümüşhane, Erzincan, Kilis **Development priority cities**; Kars, Iğdır, Ardahan, Bingöl, Bitlis, Siirt, Şırnak, Ağrı, Hakkâri, Muş, Tunceli, Bayburt

within the policy experience in Turkey or to the perception of regions as simply a sum of cities instead of a socially and politically constructed unity.

Thus said, what have been reframed so far in the recent planning efforts for the regional development in the last decades can be correlated with what is described in Brenner for the new role local states; the local state under post-Fordist capitalism ... is an 'entrepreneurial' state, directly embedded in circuits of capital, concerned above all to maximize competitiveness, bolster labour-market flexibility, encourage technological innovation and, thereby, to lure capital flows into the city-region (Mayer, 1990). In that manner, it will not be wrong to put that recent regional development policy, which is based mainly on the effectiveness and pivotal role of the development agencies, have shifted towards a more entrepreneurial and flexible state of mind in local economic development. Nevertheless in terms of the raising importance of the regional scale in policy delivery system, it is clearly visible that the political control of the central state onto development agencies in Turkey is quite decisive. Conclusively, as a remark on the outcomes of the development plans, the table below introduces the growth rates target and realization in plan periods due to the main sectors of economy.

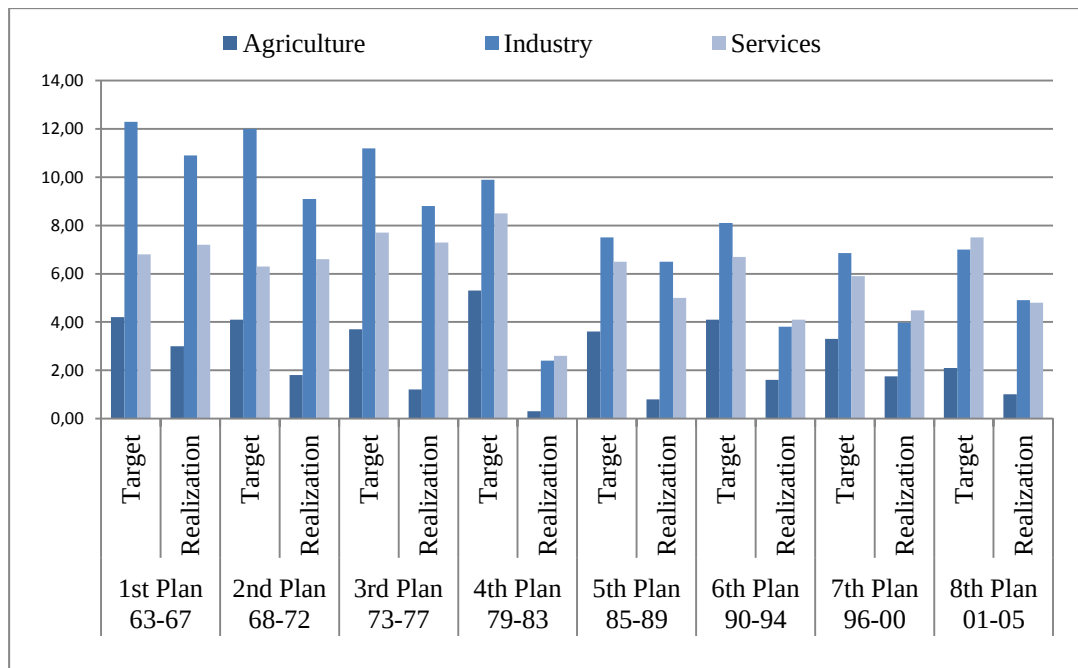


Figure 6 - Growth Rates Target and Realization in Plan Periods

Source; Ministry of Development, Economic and Social Indicators¹⁵

As can be seen from the figure above, in all plan periods there is gap between the targets and the realization rates in favour of the former. More importantly for the territorial balance of the country, agriculture sector in all plan periods has the least realization ratio according to the targets defined. Still considered as a critical economic sector in the least developed regions of the country, shrinkage in the agriculture sector indicates a negative socio-economic table for already disadvantaged regions. Poor performance in the sector, in all plan periods, addresses the problems of the less developed regions with reference to composition of the economy and a diverging level of development between the better performing regions and the less developed ones. But all in all, regardless of the quality of the planning documents, lack of necessary tools and capacities¹⁶ in the delivery of the programs resulted in such a big gap between the desire and the reality for the development plans. Furthermore in a broader setting, this picture brings in the discussion whether the regional policies in Turkey so far is a real policy or only a

¹⁵ Data acquired from <http://www.kalkinma.gov.tr/Pages/EkonomikSosyalGostergeler.aspx> on 17.04.2015. Personal calculations on the 9th Five Year Development Plan is not presented here in order to maintain comparability as the original resource did not contain the figures on 9th plan.

¹⁶ There are certainly many more reasons of such unsuccessful figures regarding the goals defined in development plans nevertheless these can argue to be the most important ones in the local economic development policies.

political narrative that is practiced as an intellectual and bureaucratic segments of the state institutions. This is a fundamentally essential argument in order to build a stronger critical baseline for the evaluation of the regional policies of the country. Considerable policy resources have been allocated to the field nevertheless implementation and practice of the planning experience have remained relatively weak. Likewise institutional landscape of the implementation and emergence of the new institutional formations till the development agencies correspondingly remained limited and with ambiguous functionality compared to the remaining parties in the local eco-system.

To sum up, for many decades five year development plans shaped the main framework and policies of regional development. 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 in Loewendahl-Ertugal, 2005). As was tried to explain above, gradually regional policies, since the beginning of 60s, have shifted from state-regulated redistributive policies to a more market oriented and entrepreneurial policies but with still considerable control of the central state, although the foundation of local institutions have been marked as efforts of disengagement. By means of relocation of the policies, functions and authority of the state have been downsized and delegated to local bodies. Not only some distinct functions of state were delegated downscale, but also mentality of the state policies has also shifted towards a more European and market friendly logic. Emergence of regions in the final analysis has been conceptualized as an outcome this shift. Additionally, implementation of regional policies in Turkey, as mentioned earlier, has been evolving with the international discourse with minimum contextual adaptation. In this sense implementation of regional and local can even be regarded as an embodied form of fast policies as introduced in the earlier chapter 2. Therefore, in understanding of the path of change, following list has been proposed to uncover the remaining ideology behind regionalism. (A similar table was proposed in the Gibbs and Jonas (1999), below is an adaption of that table to Turkey)

Table 8 - Pressures for Regionalism in Turkey

Category	Implications
Ideological/Political	Adaption of liberal/free market approach Willingness of state to penetrate localities Demand for decentralization and devolution A fall back from state-centred economic policies Ineffectiveness in past redistributive policies Political populism with localism Lack of success in central intervention
Functional/Operative	Integration to EU and structural adjustment Need for local authorities to absorb EU funds Local capacity creation to deliver effective local policy Necessity of a new institutional fix in the globalized policy environment

3.3 Introduction and Evolution of “Region” in the Public Management of Turkey

Before proceeding with the evolution of regional scale in the policy of regional development and planning practice, a short history of the “region” as a functional scale in the Turkish state space will be presented briefly. As is well known, region has never been an administrative definition in the Turkey public management structure nevertheless there were distinct efforts of defining region to reach a better delivery of policies. Additionally, it must also be mentioned here that construction of region has always been a taboo which is thought to be underlining a separationist background, and hence its penetration to policy discourse remained very limited. This problem was briefly stated in the report of State Supervisory Council (Devlet Denetleme Kurulu, DDK);

Neither in 1921, nor in the 1924 constitution, there is no formal definition of regional organizations. First regulation that allows regional institutionalization came with the 1961 constitution. In that, 3rd clause of article 115 legalizes to establish public institutions in regions for better delivery of **distinct** public services. The phrase “distinct” has been added after certain discussions in the chamber of deputies in order to avoid regionalist movement. For instance; General Directorate of State Hydraulic works have established regional directorate due to that regulation. (Emphasis added)

However as the necessity of this law is purely functional and related with the inner organization of major public institutions, it created no further dispute and already with the law 3046 legalized in 1984, many ministries were legally authorized to set up regional branches for the sake of the public policy effectiveness. But as said, such a mention of region in the laws and mandates is very much limited within the rigid logic and bureaucracy of the state and correspondingly brought no further disputes territorial organization of the state.

Apart from that, first structured study on region has been initiated by State Planning Organization. In 1982, State Planning Organization has published the study of “Classification of Settlement Centres in Turkey” which contained the functional division and definition of regions with a focal city in each of them. According to that study, regions and cities involved are as follows;

Table 9 - Definition of Regions according to study of “Classification of Settlement Centres in Turkey”

Region	Included Cities
İstanbul	İstanbul, Edirne, Kırklareli, Tekirdağ, Çanakkale, Kocaeli, Sakarya, Bolu, Zonguldak, Kastamonu
İzmir	İzmir, Manisa, Uşak, Afyon, Balıkesir, Aydın, Denizli, Muğla, Antalya, Isparta, Burdur
Bursa	Bursa
Eskişehir	Eskişehir, Bilecik, Kütahya
Ankara	Ankara, Çankırı, Çorum, Kırşehir
Konya	Konya, Niğde
Kayseri	Kayseri, Nevşehir, Yozgat
Sivas	Sivas
Malatya	Malatya
Elazığ	Elazığ, Tunceli, Bingöl
Erzurum	Erzurum, Erzincan, Kars, Ağrı, Muş
Diyarbakır	Diyarbakır, Mardin, Siirt, Bitlis, Van, Hakkari
Gaziantep	Gaziantep, Şanlıurfa, Kahramanmaraş, Adıyaman
Adana	Adana, Mersin, Hatay
Samsun	Samsun, Sinop, Amasya, Tokat, Ordu, Giresun
Trabzon	Trabzon, Rize, Artvin, Gümüşhane

Source; State Planning Organization, 1982

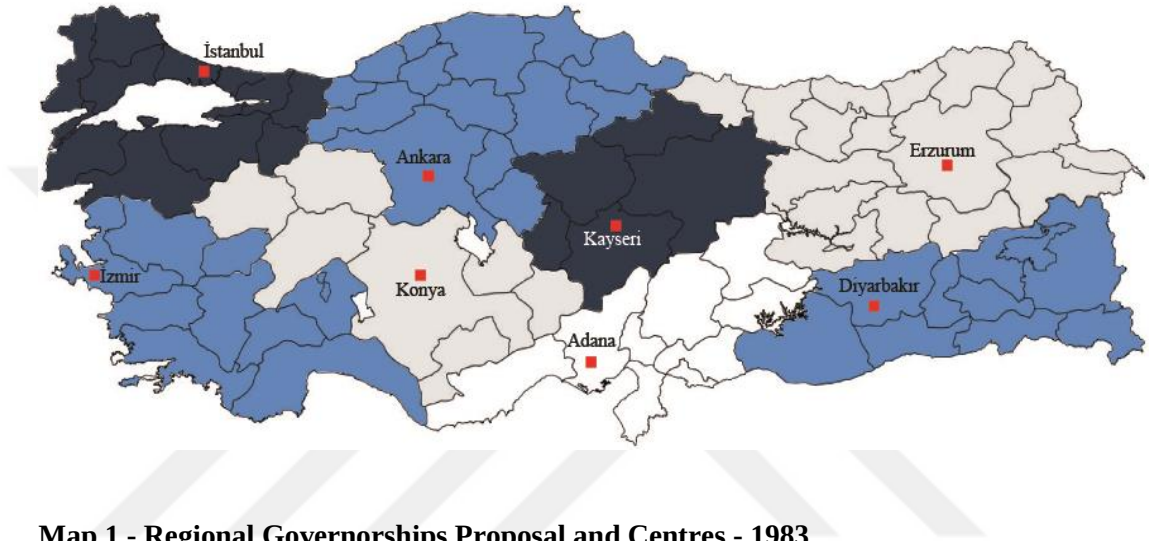
In that study, 16 regions were defined mostly based on the geographical proximity and the socio-economic development indicators. And the focal city¹⁷ of each region is assigned to be the engines of growth in their respective region. In terms of the practical basis of that study and regional constitutions, it has been an input to the 5th five year development plan but it has been limited with that. There have been no direct policy decisions that will activate any planning practice or local development concept stemming from functional definition of regions.

A further study of regions in the history of Turkey can be the proposal of the regional governorship as an administrative unit. A regulation has been legalized with the statutory decree number 71 on 4th October 1983¹⁸. By the law, there has been 8 regional governorships, can be seen on the Map -1, proposed which were to act in a

¹⁷ In the theoretical background of the study, an effect of the growth pole theory is clearly visible.

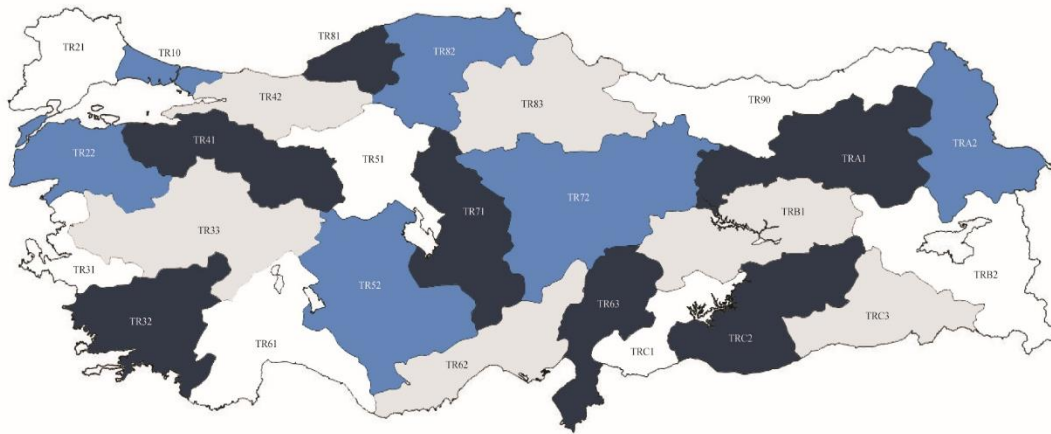
¹⁸ <http://www.resmigazete.gov.tr/main.aspx?home=http://www.resmigazete.gov.tr/arsiv/18181.pdf&main=http://www.resmigazete.gov.tr/arsiv/18181.pdf>

similar manner of a federal state in order to regulate public service provision mechanism in the whole country. In the regulation, regional governorship was defined as; a central management organization that will act in areas composed of several cities in order to maintain efficiency and consistency within the public services. Nevertheless, without coming into force the regulation has been cancelled with another statutory decree only a month after because of the regionalist taboo mentioned earlier.



Finally, within the process of EU membership, in order to adopt EU NUTS (Nomenclature of Territorial Units for Statistics) system, Turkey has accepted¹⁹ the classification of national territory into NUTS system which also constituted the territorial boundaries of development agencies are acting in. According to classification; there are 12 NUTS1 level, 26 NUTS2 level and 81 NUTS3 level of classification and below that there have been also Local Administrative Unit (LAU) adopted which is below the city scale corresponding to district and village level. While defining the classification of NUTS 2 level, variables like level of socio-economic economic development, GDP per capita, population density, urbanization rate as well as expert opinion on social and cultural local context. At the end of the study, below seen NUTS 2 classification has been officialised.

¹⁹<http://www.resmigazete.gov.tr/main.aspx?home=http://www.resmigazete.gov.tr/eskiler/2002/09/20020922.htm&main=http://www.resmigazete.gov.tr/eskiler/2002/09/20020922.htm>



Map 2 - NUTS2 Region in Turkey

However, proposed NUTS levelling sometimes considered being simply aggregation of cities which lack the commonalities on vision and a regional identity and criticized as being virtual borders only to gather statistics.

To conclude, region and regionalism have been traditionally approached as a critical and sensitive issue because of a threat perception to the unity of the Turkish Republic, which was also the case in the Ottoman Empire that was again a highly centralized structure. Loewendahl-Ertugal mentions on this problem; 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 (2005, p.33). Throughout the history of the country, region could only enter the policy field as a branch of the central institutions with very limited or no autonomy and only with the aim of public policy delivery. Conclusively, territorial management and governance issues have been handled by two detached scale; central and local with no intermediary body to bridge them²⁰. Within that structure, historically, “centre knows

²⁰ As an effort to the problem of inter-scalar coordination among the alternate scales of management and to bridging two polar scales, Italian metropolitan governance reform and policy innovation illustrates a decent example. Deas and Giordano in their work of 2003 underlines the importance of this effort; “The most notable innovation has been the advent of joint commissions between the centre and the regions (Conferenza Stato-Regioni) and the centre and the cities (Conferenza Stato-Citta’), created under the auspices of the Ministry of Regional Affairs as a means of brokering agreements and fostering more cooperative relations. Although disagreements have abounded amongst central, regional and local governments over the cost of instituting metropolitan authorities for Italy’s largest cities, the advent of a new (and highly controversial) administration has given fresh impetus to the

the best” idea has been ossified within years. The only counter policy action, so far can be considered as the establishment of the development agencies in the NUTS2 regions to act as an intermediary body in terms of economic governance of territory.

3.4 Evolution of Regional Scale in Planning Practice

As was tried to brief above, regional policies in Turkey historically have been shaped by the development plans prepared by the SPO, former Ministry of Development. Changing relations among, social, economic and territorial parameters of policy making and the state strategies to adjust with these changes have been practiced in the Turkish experience of regional development. In this patchwork of new relations, regions as Herrschel and Newman (2002) discuss, are argued to be the favoured scale as they are situated in the scalar ‘middle’ between ‘local’ and ‘national’, and an inherently unclear definition of their own scale that makes them appear predisposed to accommodating newly emerging, changing scales of governance (p.22). Region’s strategic position in the governance relations in addition to their economic significance brought in a change of approach in the territorial management of the states. In this manner, below it is going to be explained how the scale²¹ of region evolved through the mainstream policies of development in Turkish experience. For that, 4 sequential and interconnected phases were conceptualized to better locate the position of regional scale in Turkish territorial development policies.

In the first period starting from 60s, where the first 5-year development plan was operationalized, problem of uneven development have been dealt with the pure dominancy of the central state. As the central state held all the power and authority, its core position have marked that period till the beginning of 80s when the liberalized policies have been introduced. The desire of the planning was mainly targeting to distribute the productive capacity in a fair manner through the all territory of the national state within the rationalization of Spatial Keynesianism. Both the formulation and implementation of the regional policies were within the authority of the central state. Local institutions did barely play a role in that time where the

creation of a new tier of metropolitan institutions with some legislative teeth, in marked contrast to the sometimes supine entities of the past. (p.241-242) ”

²¹ For a comprehensive discussion of scale see; MacLeod, 1999, 2000; Jessop, 1994, Scott, 1998; Swyngedouw, 1997, 2000

implementation of the policies was crucially constructed on the large scale infrastructural projects formulated and implemented by central state. The overarching goal of the spatial selectivity of the state was to diminish the regional disparities by creating capacities in lagging and remote regions. Formation of the institutional eco-system was correspondingly in line with this ideology and definition of functionality, which was also stated in Li and Wu (2012, 90); “the institutional framework of the era entailed a unified national system of material rationing and financial sharing, in which local political institutions and policies were compliant to the national command. The localities “have neither the incentive for “entrepreneurial’ endeavour nor the capacities and conditions to initiate such activities’. Likewise in Turkey of that period, local scale had clear disadvantages in terms of lacking the necessary technical capabilities. As for the efficiency and outputs of these efforts, as stated in the 4th development plan, desired outcomes of the state programs were far from reach; “despite all policies and efforts regional disparities kept increasing. For instance the share of the 40 cities constituting Priority Areas in Development in gross value added in manufacturing industry were 13,3 in 1963, while it has decreased to 7,3 in 1974 (SPO; 1979)”. Paradoxically, although it was one of the most prior goals of the governments to decrease the development gaps among regions, the share of the public investments allocated to lagging regions were decreasing in time as well. Correspondingly, the private sector investments were choosing sites in favour of the developed regions and hence disparities kept diverging since the state investments could not suffice to reverse the tendency. All in all, in this period national territory was seen as the primary unit of the policy implementation where consequently central state dominated the institutional structure standing as the top of the rigid hierarchy, whereas regional and local scale have been evaluated as subsidiary and supplementary role in realizing the national development goals.

The second period starting with 80s can be evaluated as a transition period from a centralized body to a more decentralized and down-scaled structure. Within that period, new tools like financial incentives for private sector (especially “support fund for priority areas in development”), regional programs, and foundation of GAP Institute or organized industrial zones as an effort of state to regulate the locational

preferences of industry have been introduced. Among all, establishment of GAP institute as a regionally functioning mid-level body was one of the most important steps of the period. However, although a regional institution was set-up; its relation with a central state was quite problematic in terms of decentralization principles because of the arm-length control of the central state. Nevertheless, despite relatively better-structured approach to regional development issue at the central level, surrounding political and economic environment of the period have deepened the problem of uneven development. Liberalization of the trade, tariff regulations, free movement of the capital have hampered the already ineffective measurements of the state as most of the private sector investments located in the western part of the country. In addition, feeding from a liberalized political environment, province scale started to gain strength against the central government with new duties such as education or health coverage and an increased budget (especially metropolitan municipalities) that can provide a widened movement area and partial strength against the institutions of the central government.

Following on, third period starting from 7th development plan was conceptualized as the period of decentralization under the control of central state. First of all, some of the preliminary results and implications of regional policies/programs created a positive perception towards the regional planning. Especially first satisfactory results of GAP have subverted the political prejudice against the concept of region and regional planning. In this sense, acceptance of regional planning as a superior level to province scale urban planning and the fact that these two scales can no longer be seen interchangeable was again considered to be positive progression for regional scale (SPO, 2000). In terms of institutionalization of the flourishing regional scale, new regional projects, similar to GAP such as; East Anatolian Project (DAP), Eastern Black Sea Project (DOKAP) and Yeşilırmak River Basin Plan (YHGP) were launched in the beginning of 2000s. Still another milestone that deeply affected the regional policies of Turkey in that period is the Europeanization of the policy mentality. Accepted as an official candidate country, Turkey began to modify its socio-political structure towards a structural adjustment to EU as well as the regional policies. EU supported Regional Development Programs has been a quite important experience in the sense of shaping the prospective policy initiatives. This project

based approach depending on the local implementation capacity was the main rationale of the development programs which have been one of the main arguments and tools of development agencies. Within this framework in 2006, two pilot development agencies have been established in İzmir and Çukurova regions which were already showing preliminary signs of setting up associations on local economic development. 3 years later in 2009 and after 2010 the rest of the 24 development agencies have been set up in whole territory of the country. Agencies mainly rest upon the new regionalist paradigm and entrepreneurial stance of local governance and said to target the sustainable growth in the regions based on local growth dynamics and maintain a network of collaboration between the public, private and non-governmental sectors. Unlike to previous periods, institution building for regional policies in the last decade or more has been a crucial topic for the central governments within the discourse of decentralization and devolution of power. Nevertheless, although development agencies were said to be autonomous and self-reliant bodies in many senses, the political control of the central government over agencies are quite impressive. Therefore, when speaking of a rescaling in state's inner institutional organization and power, it is still quite blur whether the control of state is creating new channels of hegemony or a real devolution in the very meaning of the concept. This contentious process of reorganization and emergence of new sub-state spaces in Turkey, were rationalized as the new tools of development and competitiveness of each region and hence maintain a stable environment of national economic growth. On the other hand, as also stated in Brenner (2009; 65), competitiveness driven policies of post-80s has deepened regional disparities even more;

“Consequently, in direct contrast to post-war strategies of spatial Keynesianism, which contributed to an alleviation of intra-national uneven development, newly emergent urban locational politics actively intensified the latter (a) by promoting a systematic re-concentration of industry and population within each national territory's most competitive locations, (b) by permitting and even encouraging divergent, place-specific forms of economic governance, welfare provision and territorial administration within different local and regional economies, and (c) by institutionalising intensely competitive relations, whether for public subsidies or for private investments, among major subnational administrative units.”

In similar vein, when observed the recent patterns of economic geography of Turkey, it is hard to notice a converging level of development among regions, but on the

other hand even the pace of inequality diverges within the last decade (See the appendices).

A final phase, which is partially embedded and involved within the previous phase, can be conceptualized as the twin-pronged localization strategy. By the phrase it was meant that, within the overall structure of the state, local governments and localization strategies have been gaining importance as a primary policy agenda, but on the contrary regional policies have been neglected and not very well articulated, apart from the very domain of Ministry of Development. Additionally, in the last decade and more, empowering of local governments has been quite a hot topic of the government as noted in Çiner (2014, p.449);

Metropolitan Municipalities Law in 2004 (Law No. 5216) and the new Municipalities' Law in 2005 (Law No. 5393) successively came into force. Then the Law of Development Agencies (No. 5449) was enacted in 2006... By these regulations, the balance between the central and local administration shifted in favour of the latter. In other words, the administrative tutelage level was decreased and the local administrations were financially and administratively strengthened.

Nevertheless, within the strengthening local eco-system, regions as a transitional scale and intermediate tool were not properly inserted into the overall devolution strategy. It has been only limited with the establishment of the development agencies and regional development administrations without considering their relative stance against the strong local actors. By that, therefore, central versus local dichotomy was even further deepened and the position of regional policies and regional actors was remained comparatively weak in the framework of regulations and laws. That is also the reason why this localization strategy is defined as twin-pronged since the centre still do not limit itself from the authority of intervention to localization strategies. As the result of the above mentioned laws, the mayors and local governments in general sense, have gained eminent power and authority while the recently established regional institutions did not equipped with strategic roles and definitions in that scenario. Or in other saying, scale of power delegation and decentralisation is far too limited to enable regions to gain a 'real grip' on their economies (Pearce and Ayres, 2009, p.538). Asymmetry in power relations of strong local agents and weak

regional, underscored with the pivotal role of the central state actors in total, have portrayed a blur and unclear role for the regional scale and agents of it.

All in all, regional space has been in policy discourse with its relations to state space as a functional unit throughout the evolution of the regional development policy frameworks. Below on the table, region as a sub-national scale has been analysed within the transformation of regional development policies in Turkey to understand its relation with the state and its spatial tactics and focus.



Table 10 - Periodization of the Regional Policies of Turkey

Period	Stages	Scalar Focus	Main Policies	Position of Regions	Spatial Tactics	Spatial Targets
Spatial Keynesianism Redistribution of productive capacity equally in national territory	Early 60s-79	National , Local	Large scale state projects as national spatial selectivity Public Investments, State centered spatial formation, Growth centres, Priority areas in development	Regions as a mean to foster national development (except 3rd Plan) Primary scale of politics is national territory	Direct state intervention Spill over of the growth	Cities and regions with potential to growth
Transition Period Introduction of liberal policies and competitiveness discourse	1979 - 1994	National , Supra-national, Local Regional (?)	Financial support and incentives, Regional institutions like GAP, Emphasis on lagging regions, Regional development programs, Organized industrial zones, Project based approach	Limited decentralization towards province scale and regional scale Emergence of differentiation of national economic space into regional economies	Mobilization of local capacity by state-led projects and programs	Less developed regions as well as big urban centres
Centrally Controlled Decentralization Endogenous development, entrepreneurial management, regional institutions, urban locational policies	1994 - 2000s	National , Global, Supra-national, Regional, Local	Limited decentralization, More regional programs (DAP, DOKAP, YHGP), EU supported regional programs, Entrepreneurial policies, Place marketing, Foreign investment,	Regions as growth centres and as a tool to create capital accumulation in localities Regions as new scalar layers of state space Transitional scale between local and central, increasing competition to integrate regions in global circuits of capital	Locally planned and implemented programs Sub-state Heterogeneity in projects	Network of local economies with functional division
Twin-pronged Localization Strategy Regional institutions, urban locational policies, key resources under the state control, partially neglected regional scale	2010s-	National , Regional, Local,	Development agencies, , Mega projects as spatial selectivity Europeanization of regional policy National Strategy for Regional Development, Entrepreneurial policies, stronger municipalities and governors	Regions as new scalar layers of state space increasing competition to integrate regions in global circuits of capital Relatively weak position of regions in the overall localization strategy	Territorial governance, Sub-state heterogeneity, strengthening localities	Network of local economies with functional division, equal treatment of developed and less developed regions

To conclude, the state has no essential form but constantly changes through the launch of state projects and state strategies (Li and Wu, 2012, 90). With this perspective, central state in Turkey, have been re-positioning itself as well, in the pursuit of balancing the regional disparities in the national territory. As was tried to explain above, there has been an evolutionary re-organization of the tools and institutional structure in the state's power. Construction of "regional scale" as a sub-state space in that sense provides important insights to elaborate and analyse the contemporary position of regional policies. In this context, the essence and the dynamics of this scalar re-organization broadly came forward with the initiative and intention of a shift in the policy delivery system of the central state itself, instead of a product of socially or locally driven process in Turkey. Additionally, this modification in the architecture of the state is somehow an essential and primary outcome of the macro transformations, such as globalization or EU accession, instead of a deliberate or historically constructed socio-political progress. Nevertheless, dislocating state's direct intervention in economic field does not refer a complete disappearance of regulatory position of state. Although it has retreated from direct intervention in economic production and social reproduction, the entrepreneurial project legitimizes the state in restoring its intervention in economic spheres to promote and sustain development (Wu, 2003b: 1694). It is therefore argued that the power-decentralization process is, in actuality, as re-territorialisation of the state, rescaling the state's functionality from the predominant national level to the level of the localities (Wu, 2003b: 1695). Thus, in Turkey experience, efforts of devolution in the state's power can be interpreted as the re-positioning of its power in the further scales down. Development agencies in this scenario stand as an important product of the transfer of state's power to one level down. Nevertheless, it has been a hot topic of debate since the establishment of development agencies in Turkey, whether it is a further form of state's branch in the local regional scale, in that sense it can be conceptualized as "forced rescaling with unresponsive localities" (Chorianopoulos, 2012) or is it really a sign of the devolution. Furthermore, as rescaling itself is a contentious process, since the reorganization of inner-state power relations creates further arguments, constructing a policy capacity is a comparatively more difficult and demanding process. In that sense, following parts will be focusing on the contemporary issues in the regional policies and implementations of the development agencies in order to better frame the conditionalities of regional development.

3.5 Recent Policy Progress in Regional Development

Following the establishment of development agencies several policy developments have been experienced which directly or indirectly affected the direction of regional policies in Turkey. Among all, foundation of “Supreme Regional Development Council (SRDC)” and “Regional Development Committee (RDC)²²” can be considered as one of the most prominent steps in the sense of maintaining multi-level governance principles. SRDC, presided by the prime minister and composed of several related ministers, have been equipped with following duties; to decide strategic issues about the regional development policies and respectively to approve national strategy of regional development, maintain national coordination about the issues regarding regional development and steer the decisions on the regional development. RDC, on the other hand is composed of the undersecretaries of the ministries that are active in SRDC, and mainly responsible of technical consultation to SRDC and negotiate the technical issues before SRDC. To this end, both committees are considered to increase the national coherence and strengthen the institutional aspects in regional development. Besides, regional plans are no longer approved by the Ministry of Development alone but by the SRDC which composed of several ministries as mentioned. In that sense, regional plans were meant to be strengthened in terms of power of sanction. Nevertheless, another regulation about regional plans created ambiguity in terms of the functionality and the validity of them. With the efforts of Ministry of Environment and Urbanization, a new form of plan type called “Spatial Strategic Plan” has been legalized by statutory decree number 6495²³ on 02.08.2013. In the law; it has been mentioned that” In the land use regulations and zoning, only spatial strategic plans, environmental plans and city master plans will be binding and obligatory.” However, in the previous version of law, regional plans were defined as a superior of environmental plans and they were binding as well in terms of land use regulations. In that sense, there happened to be a gap and uncertainty in the legal basis of regional plans which is one of the most important outputs of the development agencies. This issue has been elaborated in the report of DDK as well, in the report it has been mentioned that, dispute over the authority on making the plans between Ministry of Development and Ministry of Environment and Urbanization should be eased in order to clarify the

²² <http://www.mevzuat.gov.tr/MevzuatMetin/4.5.641.pdf>

²³ <http://www.mevzuat.gov.tr/MevzuatMetin/1.5.6495.pdf>

responsibilities. Furthermore, still in the report, the conflict between the need of the two plan types were underlined and considered as a misuse of human resources within the state authority.

Another important policy development in the policy of regional development can be considered as the establishment of three more regional development administrations. On 2011, in addition to South-eastern Anatolian Project (GAP) regional development administration 3 new regional development administrations were established²⁴ which are; Eastern Black Sea Regional Development Administration (DOKAP), Konya Plain Project Regional Development Administration (KOP) and Eastern Anatolia Project Regional Development Administration (DAP). Establishment of regional development administrations can be read as empowering the institutional basis in regional development but on the other it might also create an ambiguity about the division of responsibilities with the development agencies, as in practice both institutions do function similarly. For instance in the law of establishment of development agencies and regional development administrations, both institutions are entitled to design and implement financial support programs, to carry out researches about the resources and opportunities in the regions, or to have them carried out and increase the collaboration among the local stakeholders. In addition to law, in practice both institutions can be considered as doing roughly similar tasks with slight differences, while development agencies are oriented more on financial support programs and regional promotion and investments, regional development administrations are focusing more monitoring of public investments and direct project implementation. Therefore a possibility of duplication in duties and confusing roles among two players might be highly possible. A further fuzziness stemming from the existence of both development agencies and regional development administrations can be raised in terms of the definition of regions, especially in the validity of the NUTS2 classification. As can be seen on the map below; apart from GAP, which is composed of simple combination of 3 NUTS2 levels, remaining three administrations have borders that do not coincide with the NUTS2 classification. It is a known fact that, regional development administrations are based on the groundwork of regional development projects and they are focused more on natural

²⁴ <http://www.mevzuat.gov.tr/MevzuatMetin/4.5.642.pdf>

barriers and boundaries, however in practice mismatch in the area of authority questions the validity of NUTS2 structure. In the end, with the establishment of regional development administrations, institutional structure that is primarily acting on regional development can be schematized as follows.

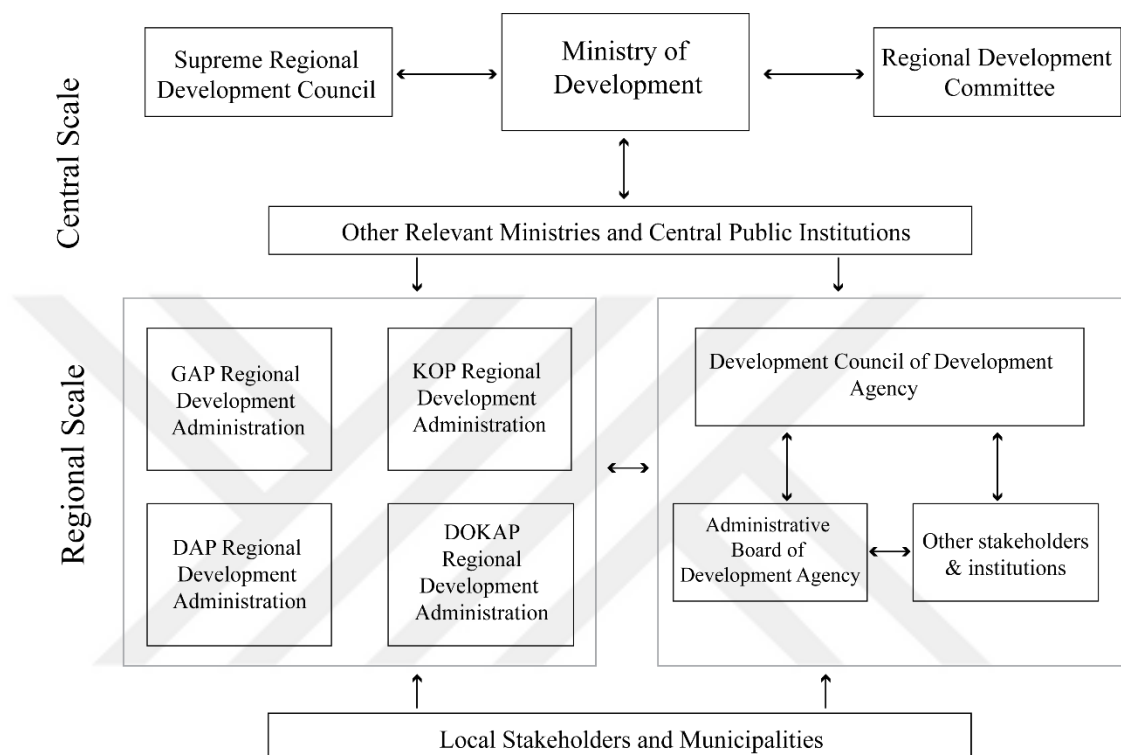
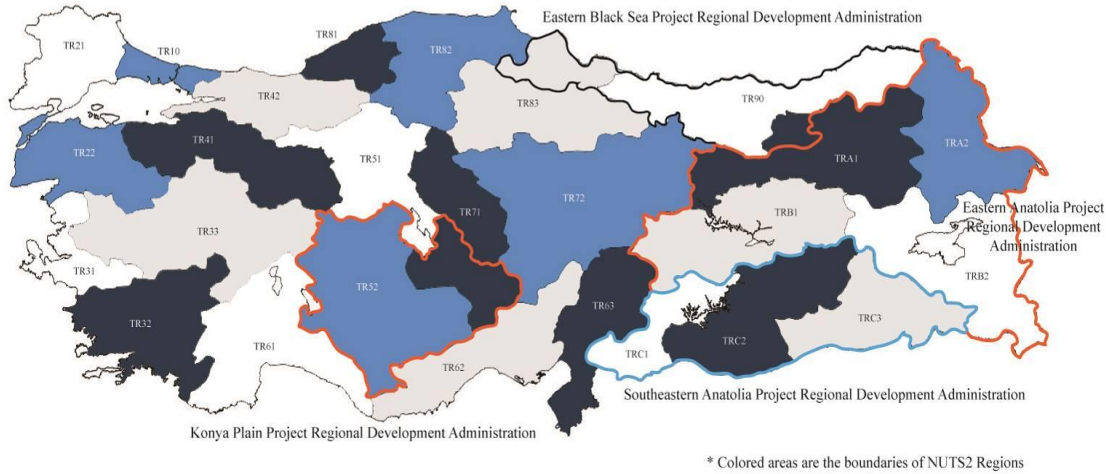


Figure 7 - Institutional Structure on Regional Development
Source: Original Graph in Regional Development National Strategy



Map 3 - Boundaries of NUTS2 Regions and Regional Development Administrations

Furthermore, another regulation, which is more organizational with the development agencies, is about the shares of municipality contribution to agency's budget. In the initial case, municipalities were obliged to allocate %1 of their budgets (in the case of big metropolitan municipalities like İstanbul or Ankara, it makes a considerable amount of money for the agency scale) to development agencies, nevertheless with the cabinet decree²⁵ on 2011 it has been decreased to %0.5 of their budgets. This budget cut, in terms fiscal resources can be a dramatic fall back for the agency, nevertheless it signals a more critical and strategic problem within the policy actors of localities. As the date of the regulation is 2011, which is only around 2 years' time when the first development agencies were established apart from the pilot application in İzmir and Çukurova, it shows that development agencies at first are not welcomed very positively by the mayors and key players of the local scale. During that time, most of the mayors used their political and lobbying power to force the related ministry to legalize the regulation. Although it might be too early for them to decide without elaborating the activities of development agencies, it can be concluded that, municipalities have taken reactive stance against the development agency by showing their reluctance to allocate budget from their own.

Another policy development, regarding directly development agencies, is the authorization of development agencies to give investment incentive certificate under

²⁵ <http://www.resmigazete.gov.tr/eskiler/2011/09/20110909-2.htm>

the regulation that Ministry of Economy has put into force²⁶. By that cabinet decree, agencies were accredited as the local units to officialize incentive certificates together with chamber of commerce and industry and other chambers delegated by the ministry. This duty has been both welcomed and criticized by different views. On the one hand, implementing central state policies for such a new institution was regarded as a source of eligibility and acceptance from the remaining actors in the state structure rather than Ministry of Development, which is partially true because development agencies were considered to be a project of Ministry of Development alone rather than a distinct state institution. On the other hand, indulgence of central policies to the agenda of agency was regarded as an intervention to the autonomy of that agency. By that, therefore, perception of “being an arm of centre” rather than purely local, towards the development agencies has been exacerbated. Furthermore as the effect of the central policies on the agencies gets larger and bigger, variety among the agencies’ implementations will likely to diminish. In case the responsibility of implementing central actors’ policies turns out to be an accepted routine for all the agencies, the risk of ending up with 26 agencies that are doing similar jobs in different geographies will get even larger. On the contrary, development agencies in Turkey were initially planned to be highly qualified institutions working to create region-specific solutions to regions specific problems. Therefore each agency’s path to follow should vary from each other and include diversely articulated strategies to follow. As their functionalities converge to each other, it is most likely that their local character will disappear and so as the possibility of urge to regionalize socio-economic development policies in the bigger picture.

A further controversial regulation, which intensified the tendency to centralize in the regional policies that has been officialised recently, increased the effect of the Ministry of Development on the development agencies. By the change²⁷ in establishment law on date 11.09.2014, Ministry of Development has been entitled to approve the dismissal of the secretary general with its own motion and will. Thus can be said that the dependency of secretary generals to the centre has been increased at all cost and any possible opposition to the decision of centre has been already

²⁶ <http://www.resmigazete.gov.tr/eskiler/2012/06/20120619-1.htm>

²⁷ <http://www.resmigazete.gov.tr/eskiler/2014/09/20140911m1.htm>

suppressed. This legislation has been most argued since it is the only change so far in the establishment law of the development agencies, while there are many other technical issues that were expected to be solved by simple changes in the law but did not happen so far.

Last but certainly not least, at the end of 2012 “New Greater Municipality” law²⁸ have passed from the parliament and changed drastically many existing relationship under the topic governance. With this law, 14 new cities have been assigned as Greater Municipality (total number of Greater Municipality increased to 30) and changed the whole organization structure of local governance. In that sense, in all these 30 cities Special Provincial Administrations (SPA), which have been implementing important rural development policies and had a well rooted structure in the local context, were abolished and their responsibilities were transferred to greater municipalities. Furthermore, 1076 district municipalities were also abolished with the mandate of this law, in addition to 16577 villages lost their legal entities and turned into neighbourhoods with very little significant political power. Thus understood, with the new law, greater municipalities are today even stronger and stand as a concentration of power, on the other hand many of the small local municipalities have disappeared respectively city management have turned into more centralized in the authority of mayor. Furthermore, again with this new law, authority of the greater municipalities have been extended to the whole city borders and there is very little left for the provincial municipalities. Specifically this regulation have been seriously criticized and opposed, since a pluralistic and inclusive management structure is no more happen to be. Still to add, with the law there have been new departments called “Investment Monitoring and Coordination (YİKOB)” set up under the full authority of governors. When examined the duties²⁹ of YİKOB, it has been officialised that they will be responsible for; monitoring all the public investments realized by central and local public institutions, leading and guiding all public investments, maintaining coordination and cooperation among all local public institutions, carrying out research activities in economic, social, cultural and touristic assets of the cities they are working in, carrying out training activities to increase institutional capacity and making promotional activities for the cities. To put directly, most of the duties

²⁸ <http://www.resmigazete.gov.tr/eskiler/2012/12/20121206-1.htm>

²⁹ https://isay.icisleri.gov.tr/ortak_icerik/trabzon-yikob/CCF_0001.pdf

mentioned here are corresponding with those of development agencies and specifically investment support offices of development agencies. In that sense, replacement of the SPAs which was relatively a more local institution, by YİKOB brought the centralization of resources control mechanism as well as the decision making system, because the budgeting and investment mechanism of SPAs were controlled by the provincial assembly where the delegates of opposition parties were a member (TEPAV, 2012) As for the significance of this regulation in terms of the regional policies and development agencies, first of all, as the number of the greater municipalities increased with a severe decline in the small local municipalities have over-powered them in terms of authority and representation. That, respectively strengthened the municipalities' position against the centre, but on the other hand mayors' and governors' position against the other agents in the localities have been empowered as well, which conclusively may hamper their willingness to realize governance practices both in the city scale and regional. Secondly, and more importantly, the ambiguity in the authority of development agencies and YİKOBs will change the governors' attitude and perception against the development agencies. This is noted in the brief of TEPAV as well; with the establishment of YİKOBs, it seems that the existence of development agencies have been neglected and ignored. Most of the duties of YİKOB were already defined in those of development agencies... development agencies which is an unconventional practice for the governors, can be refused by them with the establishment of YİKOBs as the benefit that governors can gain from development agencies can directly be acquired from YİKOB, which is in the end under full authority of themselves. (2012, p. 4-6) On the other hand, extension in the borders of the greater municipalities will change the structure in the planning system. Ersoy (2013) underlines this problem; as the physical borders of the greater municipalities were extended, so as the planning borders should. In that case, there should be a further regulation to maintain coherence with these new plans with extended borders and the regional plans that development agencies are already doing.

3.6 Duties of Development Agencies and Their Position in Turkey's State Structure

Peculiarity of the development agencies can be concluded to derive from their incompatible and mismatching structure to the conventional local and territorial

management within the overall state architecture. That is valid both in terms of scale and duties they have been entitled to realize. As mentioned earlier, development agencies have entered to the policy agenda of the country during the reform period of the EU membership as a tool to integrate the regional and structural policies to a more European manner. Nevertheless building of the regional tier, with no doubt, has meant a lot more than this for the political structure of the country. Beyond its ideological background, setting up development agencies can be seen as an effort of a shift from a country with a long tradition of planning from the centre towards a more devolved, entrepreneurial and locally driven policy structure. In that sense, development agencies were seen as the most prominent actors of creating local governance scheme by setting up cooperation channels among local agents in addition to clear set of relations with the centre. Law on the establishment of development agencies underlines this point in the duties of development agencies one of which is defined as “to improve cooperation in between public sector, private sector and non-governmental organizations to achieve regional development objectives.” However, despite the urge to create local synergy and cooperation among local actors, in other saying being a part of the locality, their position in the hierarchy of state has been a controversial issue. As can be seen on the figure below, position of the development agencies in the state structure have been categorically defined under the heading of the central institutions. It is no secret that the regionalism in Turkey is happening under the patronage of the state; however this direct link with the central actors is affecting the codes of business within the local scale and creates occasion based vulnerabilities and changing the perspective of local stakeholders.

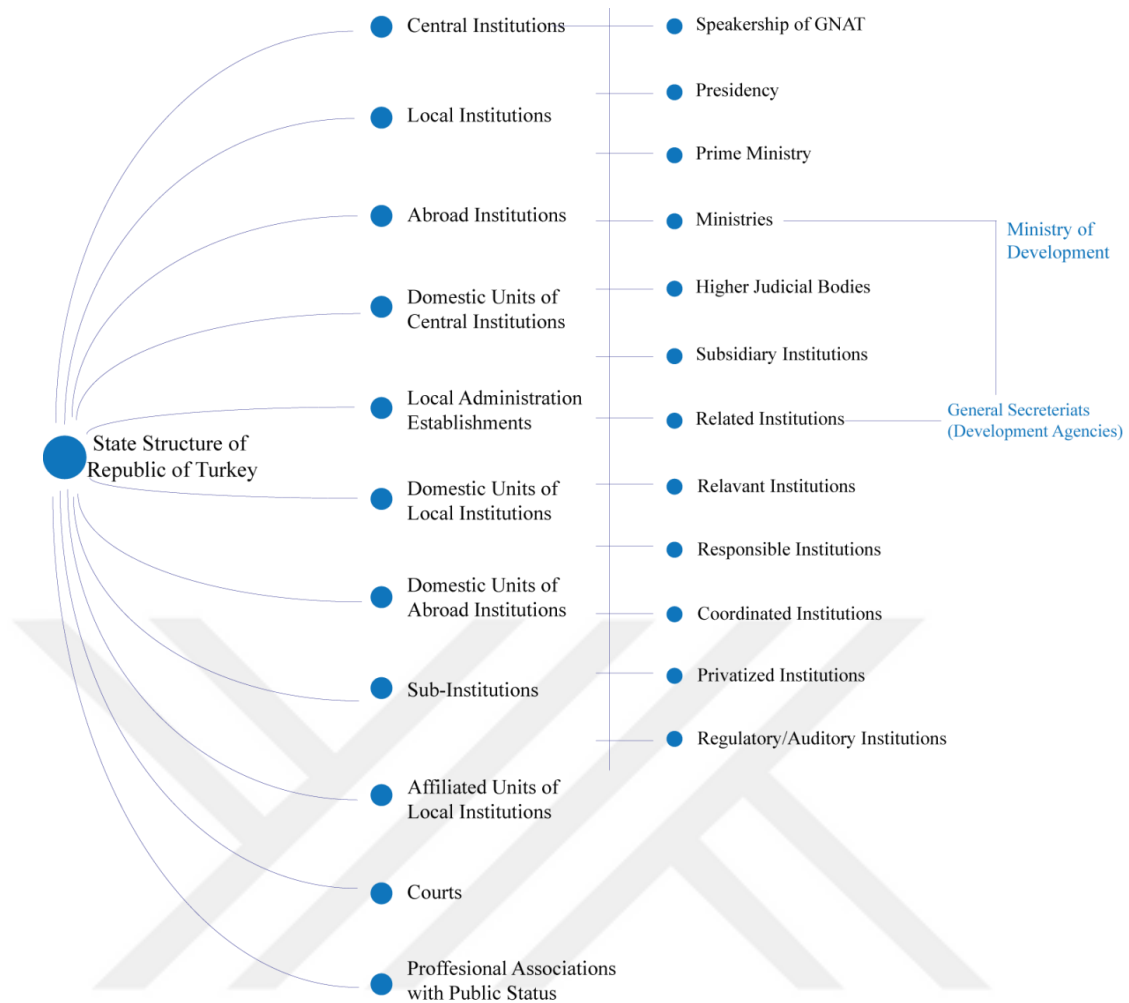


Figure 8 - State Structure According to Status

Source; [https://www.kaysis.gov.tr/Devlet Teskilat Statulere Gore](https://www.kaysis.gov.tr/Devlet_Teskilat_Statulere_Gore), reached on 23.04.2015

However, apart from all discussions, to better understand what actually development agencies are doing on the ground, it must be noted that they have a purely functional reasoning from the perspective of central policy makers. Having suffered long from the inefficiencies of lack of coordination among the partners of development and planning, development agencies are tasked to solve many of the problems varying from supporting the SMEs to being the agents of local and central coordination. The law on the establishment of the development agencies³⁰ list this wide scope of duties as follows;

- to provide technical support to the planning studies of local authorities,

³⁰ <http://www.resmigazete.gov.tr/eskiler/2006/02/20060208-1.htm>

- to support the activities and projects ensuring the implementation of regional plan and programmes;
- to contribute into the improvement of the capacity of the region concerning the rural and local development in accordance with the regional plans and programmes and support the projects within this extent,
- to monitor other projects implemented by public sector, private sector and non-governmental
- organizations in the region and considered as important in terms of regional plan and programmes,
- to improve cooperation in between public sector, private sector and non-governmental organizations to achieve regional development objectives,
- to use or have them used the resources allocated to agency ... in conformity with regional plan and programmes,
- to promote, or have them promoted, business and investment facilities of the region at national and international level, in close cooperation with other related institutions

First two pilot development agencies (İzmir and Çukurova) were set up few months after the passing of the law in 2006. Since then, upon the first experiences of these two agencies, remaining 24 development agencies have been set up in two distinct legislations. It was almost 2010 when all the development agencies were institutionalized and required personnel and secretary general. Since then, it makes almost 5 years that development agencies are active. Below on the figure the chronology of this process is presented. As can be seen, only one amendment in the establishment law was only legalized, apart from that by-laws have been updated occasionally, which was not shown on the figure below.

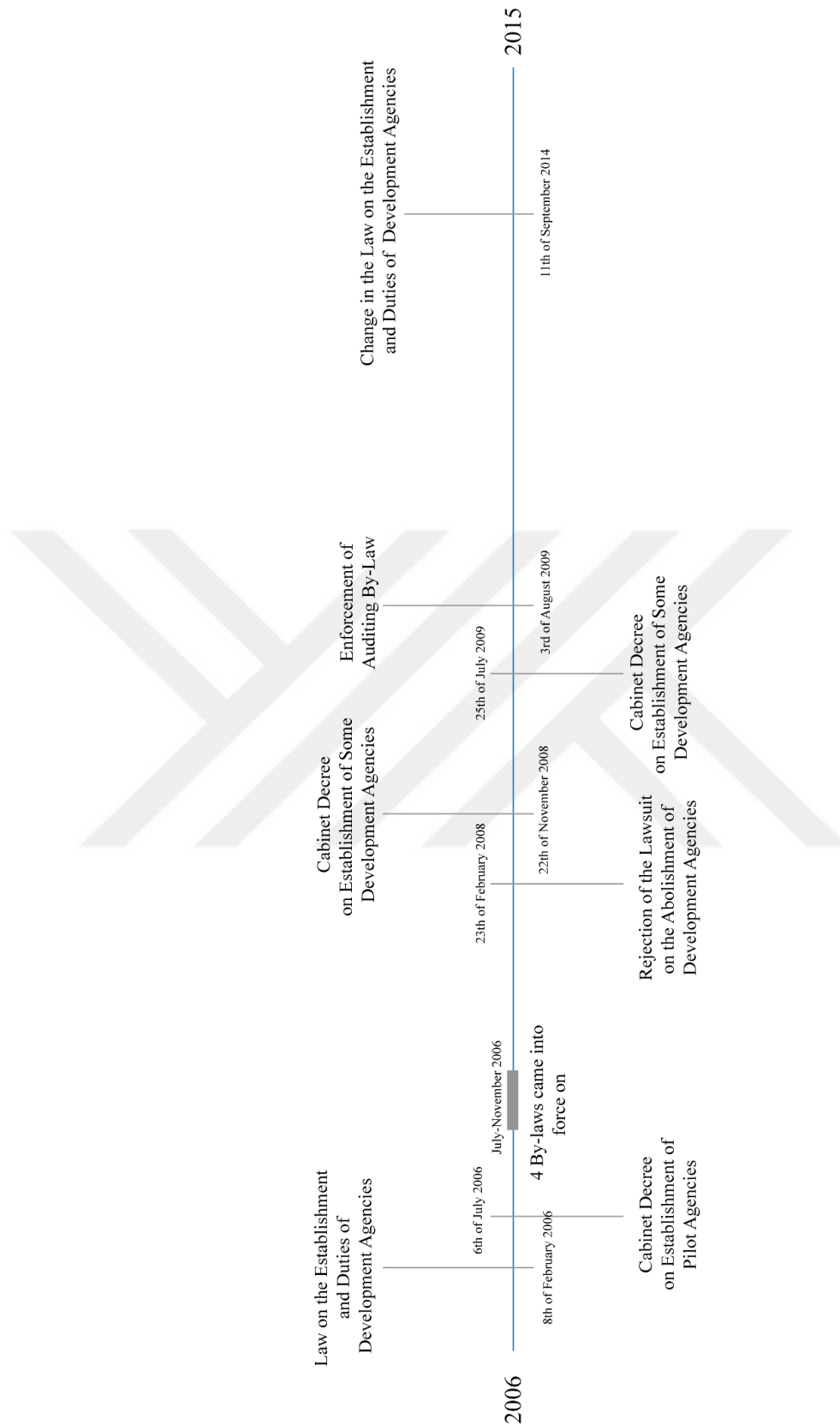


Figure 9 - Chronology of Development Agencies Legislations
Source; Adapted from Doğruel, 2012

As also visible in the law, stemming from a bottom-up management approach, development agencies in localities are expected to set-up close collaborations with private sector, NGOS and public institutions. To succeed that development agencies have some clear roles and responsibilities which can be categorized under 3 heading. First set of activities can be defined as the responsibility of planning and research issues. Under that heading, most important duty of the agencies is to prepare the regional plans in the NUTS2 scale. They are the main strategy documents of the regions with a perspective of merging a socio-economic vision with a spatial development scheme that will act as a framework for the whole local authorities. Furthermore, production of local statistics and knowledge upon the key issues of the regions is another eminent role that no other institutions were responsible before. To illustrate in the year 2012, 26 development agencies have prepared 335 analysis reports and/or sectoral research studies on economic, environmental and social issues of the region (Ministry of Development, 2013). Upon the information gathered from the field, development agencies design and implement specific support programs for non-profit, public and private sector, which is the second category of duties. In order to realize the goals defined in the planning studies and annual work plan, development agencies implement 3 types of support mechanism; call for proposal, focused on specific priorities and sectors for private, public and non-profit sector, direct activity supports; for the feasibility and research studies for public and non-profit sectors and finally technical supports to increase technical capacity in the local public institutions and NGOs of the region. Finally as a third category; development agencies provide consultancy and information services to investors who are willing to make investment or do business in their regions and ease their bureaucratic workload by means of investment support offices, which is an internal department of the agency. Thus very briefly, development agencies were established and tasked to identify the correct strategy for furthering the level of socio-economic development, funding the projects to realize the strategies and even create external resources from third parties, feedback the central governments while designing the central policies regarding socio-economic issues and finally promoting business opportunities and investment potential of regions. In a sense, responsibilities of the development agencies are mostly dominated by delivering economic outputs for regions. Nevertheless, in addition to their economic duties they have an expanding spectrum of tasks including social and environmental problems and as well as some external

duties from other relevant public institutions. Dual mandate of agencies are therefore, on the one hand is to implement central policies and on the other design and develop region-specific policies. While doing so, development agencies are expected to be the driver of the emergence of sub-regional partnerships among all stakeholders above all.

On the management structure of the development agencies, as seen on the figure below, administrative board together with the Ministry of Development plays the most important role.

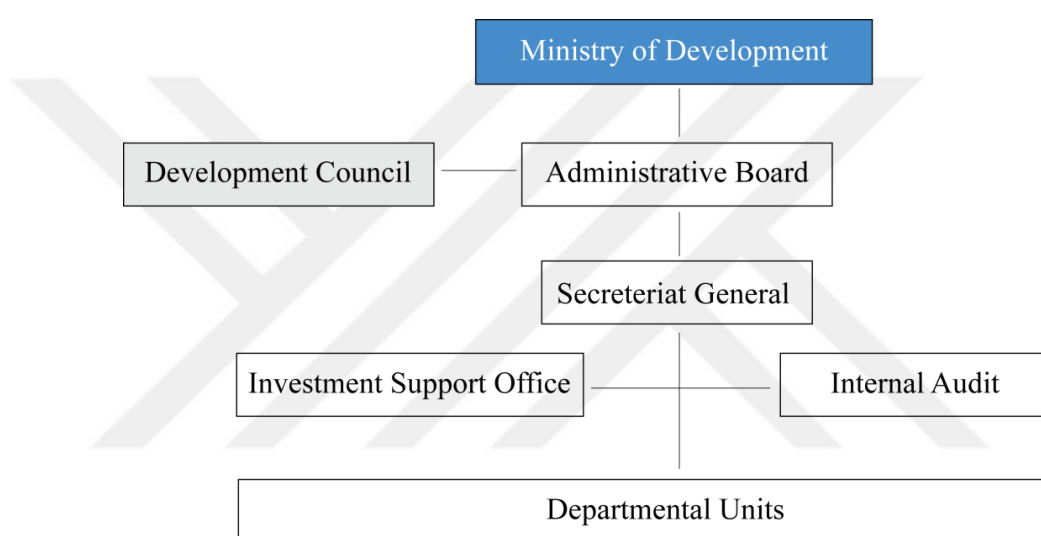


Figure 10 - Organizational Structure of Development Agencies

On the central level, Ministry of Development is responsible for overall coordination of the development agencies and for ensuring coordination with other state institutions as well as some organizational regulations such as allocating the budget, approve annual work plans, approve secretary general of the agency. Administrative board, on the other hand is responsible for taking all the decisions regarding agencies' daily operations and strategic orientation. They accept annual work plan, decide and revise budget accordingly when necessary during the year, approve financial reports and decide upon the frame and focus of the support programs and other projects to be carried out by the agency. Development council, on the other, is the advisory board of the agency and composed of 100 members from NGOs, public and private sector representatives of the region. Council meetings take place at least

twice a year and during the meetings agency's work program, future prospects and strategic decisions are debated by the committee members and in the end suggestions are formally briefed by the head of the council and submitted to the agency.

To be more critical of the agency structure, administrative board, while stands as the most important part of the agency it has been at the very core of a discussion regarding the construction of regional scale upon the sum of the provinces (see figure below for a schematic representation).

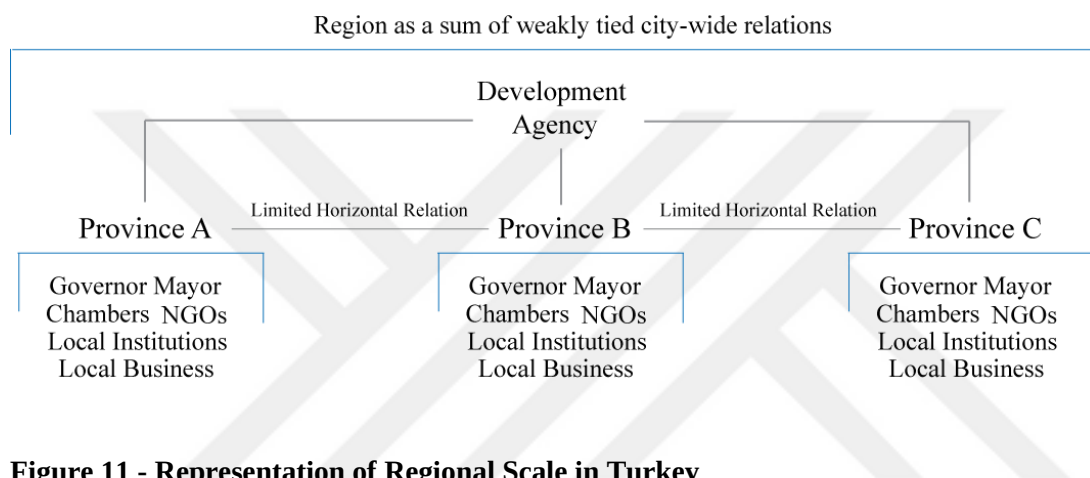


Figure 11 - Representation of Regional Scale in Turkey

In that sense, effectiveness of the development agencies has been a controversial issues since the very beginning of establishment because of the fact that province based construction shall be a matter of intra-institutional conflicts stemming from the tendency to position the priorities of cities before the common interest of the region. Development agencies were discussed from two main points in that framework. First one is the geographical scale that they have been functioning does not bear an integrity and the sense of co-operation among the actors and decision makers. To put directly that, establishment of NUTS2 regions, does not mean a natural character of a region but it is only a functional grouping of cities to gather better-structured statistics. As was discussed above, lack of a historical definition of region in the public administration of the country underpins that argument and consequently creating a sense of region within the reality of how local actors work demands a much longer time than drawing borders of NUTS2. Secondly, not only the geographical organization of development agencies was constructed upon a

combination of cities but also the management structure has been designed so. In the administrative boards, chairmanship is carried out successively among the governors of each city in the region. Therefore, as the chairman of the administrative board shifts, so do the priorities and the focus of the agency. When the law and secondary regulations analysed from that perspective, it is clearly visible that there is little initiative apart from the regional plan to encourage the actors to work in collaboration for the common interest of the region. Nevertheless it is hardly feasible to close gaps between the actors that are used to work for the interest of city rather than a region. All in all, the relationship of the regional scale and the city can be argued to be problematic as the former has been built and partially imposed upon the latter in order to create means of collaboration and added value which is in total bigger than the sum of the parts. Development agencies in this sense carry a great burden of achieving the unconventional; to build a social meaning for regions from the very beginning. On the other hand, in terms of the abilities of the agency, this problematic condition, without a doubt, does play a hampering role.

To sum up, development agencies are new and unconventional public bodies that have been publicized as means of decentralization and regionalized socio-economic development. Planning, funding and supporting business environment are the main tasks of the agencies that are located between the centre and local policies. Their duties are although focusing on economic outputs, creating a region-wide governance scheme and a cooperation baseline among cities stands still among the utmost importance of their priorities. On the other hand being built on a province-based³¹

³¹ Experience of regionalization in France proposes a successful transition in introduction of regional tier upon the province scaled local governance system. Resembling to the experience of Turkey, France has been traditionally unitary state with strong political actors controlling matters of territorial development from the centre. Not until 1956, France had regional scale in territorial management policies, but then in order to modernize the economic structure and make amendments in the planning structure 22 administrative regions have been established. Smith and Heywood (2000, p.6) notes on the first period of regions as; “they were first staffed by seconded state civil servants, until the mid-1980s these bodies essentially compiled statistics and other data on their respective areas. They also became the focus for systematic consultative exercises involving each region's economic and associative actors, working groups that came to be called the *Conseils économiques et sociaux*.” Thus, regions in France have been the externally introduced element of the dominant structure between centre and local. With the major transformations legalized in 1982 within the state structure; France since then has three main unit of local governance; regions as the first sub-state level, then comes “department” corresponding to the city scale and at the lowest level “commune” which is the smallest unit of local management. In the scale of regions and departments there are both elected and assigned authorities to manage the relations with the central scale and the local level. That is to say that regions although entered the policy arena as relatively a recent scale, with the legal regulations from the political centre they have a clear position in the state structure. Nevertheless as discussed in this study

ground still poses a serious challenge for the effectiveness of development agencies. To get more into detail about the currents of the development agencies and the progress since the initial phase, following section will focus on the progress and the main bottlenecks that they have been facing.

3.7 Progress and Bottlenecks of Development Agencies

Turkish regional tier, in the context of development agencies, was flourished and rationalized by their coordinative role as well as an advisory and enabling agent instead of a direct implementer. Positioned between centre and local as many global counterparts, absence of an elected and official regional administrative unit in Turkey, development agencies are to organize and coordinate all recent policy changes which have been crystallising as new form governance. In this manner, they are received as unconventional organizations in the administrative system of Turkish public management. Its non-traditional structure has been subject to many suits by the opposition parties. The reason of the nullity lawsuits can broadly be summarized as; (1) the ambiguity in whether development agencies are local or central institution and either public entities or private entities (2) that fact that it is violating the constitution as they are incompatible with the “unity of administration” principle. Nevertheless, all suits were rejected by the Supreme Court and as noted in DDK (2014) development agencies were decided to be defined as; a “decentralized entity in respect to service” (hizmet bakımından yerinden yönetim kuruluşu) established according to bylaw 166 (to implement certain services of planning duty of state) and bylaw 123 on decentralization principle (p.124). Furthermore as the region, which was another problematic point during the establishment, addresses only to

as well, duplications with the regions and the city scale authorities, was a problematic case in the France example. Solution to this problem of duty overlap bears critical insights for the Turkish example as well. Smith and Heywood (2000, p.10) mentions on that point; “capacity of a region to interpret the decentralization laws in such a way as to invent new functions for itself. A case in point concerns agriculture. Not mentioned at all in the 1982 laws, regions such as Rhône-Alpes have nevertheless developed policies in this field by dressing them up as economic development or environmental interventions (Le Pape, Smith, 1999)”. Thus said, introduction of regional scale upon the pre-existing dual local-central model in the state structure is not only experienced in Turkey, France for instance provide a good example of how to set up and manage such a relation. Two important lessons to be drawn from French regionalization are the necessity of “(1) a clear hierarchy between regional and local government, with clear responsibility for well-defined policy domains for the regions (2) the risk of regional priorities being diverted by external funding, from national government or the EU. To be more clear regional scale need strong ties and relations with the locality as well as a strong political support from the centre together with a high technical capacity to maintain policy innovation.

geographical borders of jurisdiction, development agencies do not have any functional difference from other public institutions active in any geographical area that is larger than the city. (Tamer, 2008, p.130) Centralized policy making tradition in Turkey, therefore somehow encapsulates the external environment that regional policies are subject to and limits the perceptions onto the definition of what a region is. It is the same reason again, governors, who are thought to be an agent of the central policies acting in the localities, were assigned in the legislation as the head of the administrative board in the agency's organizational structure.

On the top of the administrative board Ministry of Development, who is there to ensure cooperation and coordination between related institutions and organizations at central level in order that agencies can carry out their functions effectively and efficiently, plays the most important role as the superior authority of development agencies. Additionally, ministry also manages the allocation of the source of finance for development agencies. As can be seen on the table below, biggest portion is composed of the transfers from the central budget. That is one particular reason on development agencies are thought to be highly dependent to the policies and decisions of the centre and the possible impositions that might come from centre as well. As the table shows that in the overall budget of development agencies, share of central budget is almost %64 while municipalities' are around %18; nevertheless, vast majority of this %18 is composed of big metropolitan municipalities like İstanbul, İzmir or Ankara. That means consequently, share of the local institutions in the budget for peripheral regions are much less than this average.

Table 11 - Division of Income Sources of Development Agencies, 2012

Budget Composition	Thousand TL	Share %
Central Budget	450.000	63,9
Special Provincial Administrations (Abolished)	27.648	3,9
Municipalities	125.069	17,8
Chamber of Commerce and Industry	5.527	0,8
Other Sources	95.830	13,6
Total	704.074	100

Source: Ministry of Development, 2013

All in all, as mentioned earlier, development agencies were set up within the rationale of governance principles and to increase capacity in the local/regional scale to mobilize the potential and effective use of resources. In that sense, administrative board of the agencies are designed to include most of the critical decision makers in the cities. As can be seen on the table below public institutions, elected representative of the cities and private sector/NGOs can have a say in the management of the agencies. In addition to administrative board, development council, which is composed of a broader array of representatives, was formed and entitled to “make recommendations to Administrative Board regarding problems and solution proposals, promotion, potential and priorities of the region” (Law n.5449).

Table 12 - Composition of Administrative Board

NUTS2 Regions composed of one province	NUTS2 Regions composed of more than one province
Governor	Governors of all the provinces
Mayor of Metropolitan Municipality	Mayors of metropolitan municipalities or mayors of provincial municipalities
Chairman of the Chamber of Industry	Chairmen of Chambers of Commerce and Industry ³²
Chairman of the Chamber of Commerce	Chairman of the Provincial Council (Doesn't exist in metropolitan municipality)
Three representatives of private sector and/or NGOs who are selected by Development Council	

In the administrative boards, governors were assigned as the chairman and the mayors are the deputy, both of which are the most influential actors in the management of the cities. As the geographical domain of the agencies vary from one city to six, so as the method of chairing the administrative board. In the three regions, İstanbul, İzmir and Ankara, governors are fixed in their position as chairman since the cities were defined as the region itself, but in the rest of the regions which are

³² However if the chambers of commerce and industry are established separately in the provinces of the regions composed of more than one province, the representative to join the Administrative Board is determined by the Administrative Board of the Turkish Union of Chambers and Stock Exchanges. (Law no.5449)

composed of more than one city, governors shift each other annually to administer the board. Given the weak tradition of cooperation in the Turkish bureaucracy, this turn based chairman model were criticized to be ineffective in terms of building up the common vision of the region and coordinating the balance in the peculiar interests of the cities. Additionally as the chairman of the board shifts each year, so might the focus of the agency's policies. Besides, intercity competition inside the agency's management may yield as ineffective and discontinuous policy implementation in the multi-city regions. Young-Hyman (2008, p.389) raises the argument, that problem might also be valid for the mayors as well;

...metropolitan municipalities, in particular, present hubs of well-articulated and coherent economic interests. In order to promote economic agendas that benefit regions inclusively, RDAs will be challenged to incorporate the well-defined interests of cities and municipalities, and will have to emphasize constructive dialogue among provincial actors in underdeveloped regions

Still however, it can be considered that the model of management in the development agencies is open to local actors and aims to build common regional visions by gathering up decision makers under the umbrella of an institution to decide and discuss about the regional matters. To achieve that, two units; administrative board and the development council were designed to be the medium of participatory regional governance. Nevertheless, tables below on the attendance to meetings signal a further critical problem in the willingness of the local agents to participate in the management of the agency or to make collective efforts.

Table 13 - Attendance in Development Council Meetings

Development Agency	Difference in attendance rate between the first and the last Development Council meeting, %
AHIKA	-22,00
ANKARA	-10,80
BAKA	-32,35
BAKKA	-35,00
BEBKA	-33,00
ÇKA	-17,00
DAKA	-25,00
DİKA	-1,17
DOĞAKA	-32,00
DOKA	-18,00
FKA	-27,00
GEKA	-26,00
GMKA	-30,00
İKA	-4,00
İSTKA	-4,00
İZKA	-7,00
KARACADAĞ	-13,00
KUDAKA	-11,44
KUZKA	-26,08
MARKA	-16,00
MEVKA	-22,00
OKA	1,43
ORAN	-29,00
SERKA	-32,00
TRAKYAKA	-45,00
ZAFER	-29,00

Source; DDK, 2014

To clarify, apart from only one agency, attendance to development council meetings has dramatically decreased when compared to the first meeting organized after the very establishment of the agency. That might be either because the council was not designed properly, or stakeholders do not see a point in attending the meetings which means council does not have any functional role in the management of the agency. Regardless of the reason, it clearly portrays the existence of a representation problem. A similar case is visible in the administrative board meetings as well. There is a steady trend of decrease in the participation to meetings in the average of all agencies.

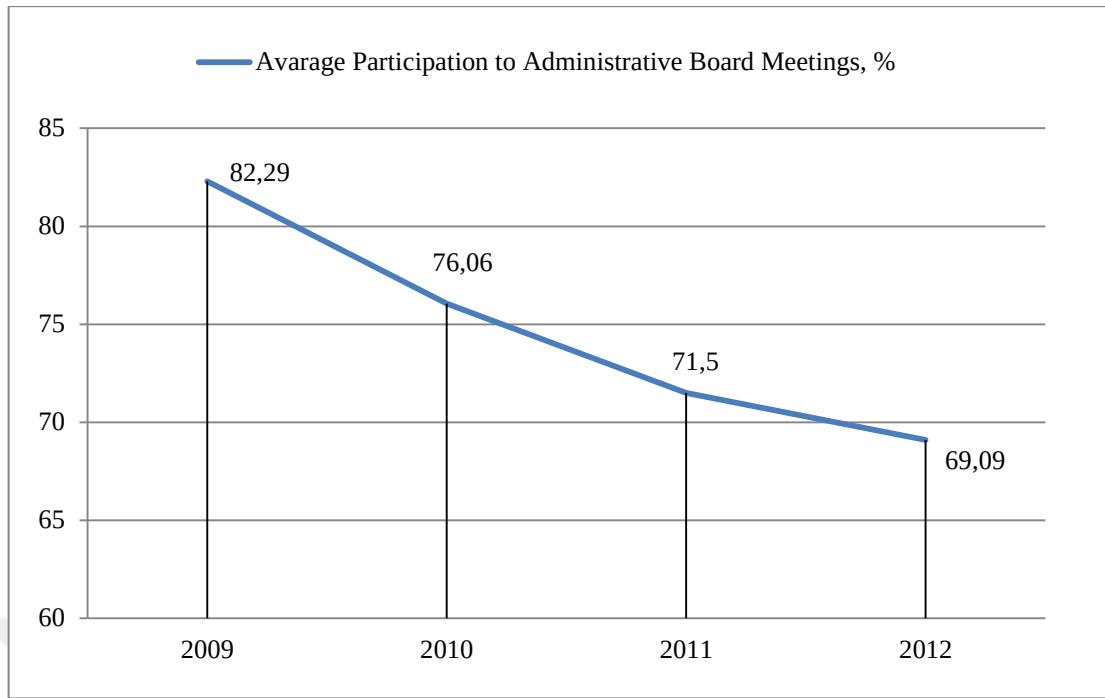


Figure 12 - Participation to Administrative Board Meetings

Source; DDK, 2014

Thus said, the centralized process in which Turkish RDAs are being established (Young-Hyman, 2008, p.394) does effect agency's remaining character of the policy making. Although considerable efforts are in progress and many more is expected from development agencies, contemporary mechanisms do not seem to be effective enough as far as the trends in main tools of participation indicate. Traditionally, absence and weak set of regional institutions, in Turkey constitutes a big handicap for the contemporary playground of development agencies and hence their position in the institutional structure of the state underpins their effectiveness further.

Relationship of the agency with the province scale local institutions that are in the administrative board is critical and two folded in its nature and differs among the one-city agencies and multi-cities. In that sense, a critical difference between two types of agencies is the level of external intervention of the local actors in administrative board which was illustrated by the case of selection of the projects to be awarded with funds (DDK 2014). According to the survey made with the staff of development agencies it has been searched the level of intervention of the members of the administrative boards in the project selection process in the call for proposals.

As the results show below the difference between the two types of agencies are remarkable.

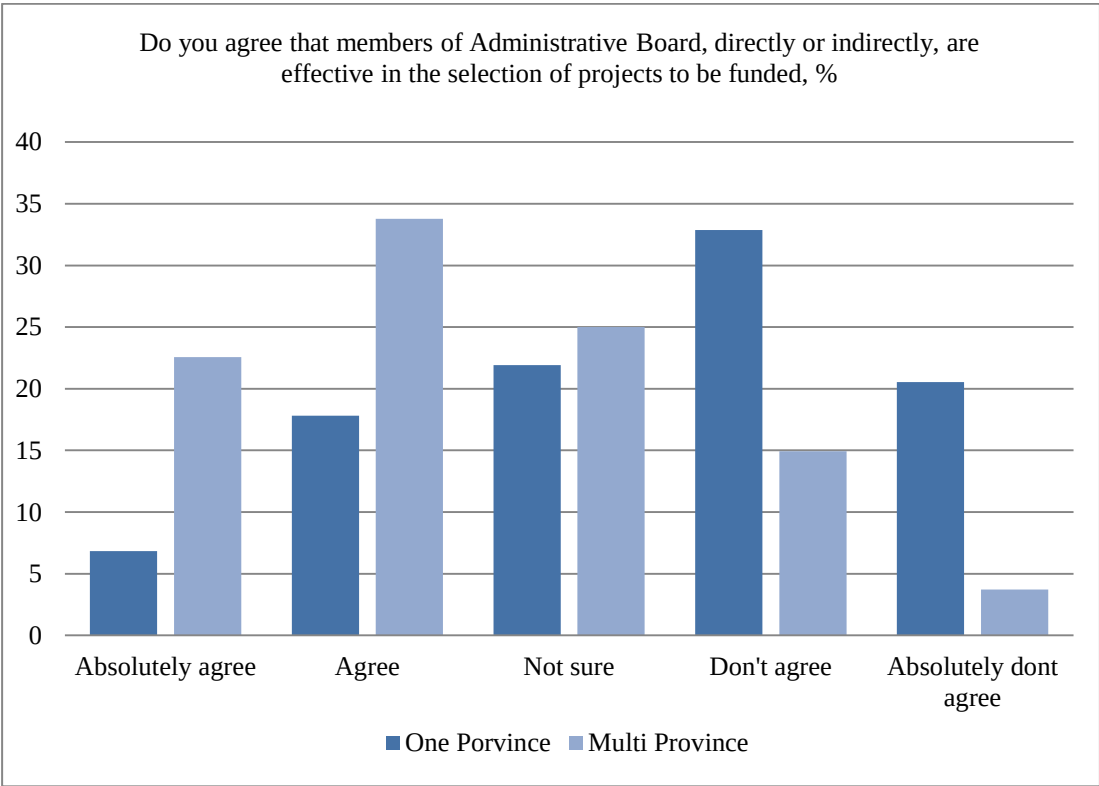


Figure 13 - Perception on the Intervention of Administrative Board Members
 Source; DDK, 2014

Members of the administrative boards do have a tendency to advocate their specific localities prior to the benefits of the whole region as a sum. In that sense, the more members are there in the administrative board, the more the tendency will be to intervene to the allocation of the projects according to the provinces. Thus, it can be concluded that the perception of the region is still so weak and superficial for the local agents and the development agency is somehow futile to pressures from the localities. Additionally, there is also a tendency in the agency’s administrative boards to make a less unequal distribution in the funding of the projects among the cities in the region. To support that, call for proposals of the agencies in 2012 have been analysed in terms of the number of projects supported per city in a region, for all support programs of the year. Below on the table there are the standard deviation coefficients of the number of supported projects in a region as well as the number of cities existing in those regions. Value of correlation coefficient (-0.142208483)

calculated from the figures from 18 development agencies shows that, although not a very strong one, there is an inverse relationship between the number of cities and standard deviation of number of projects supported in cities. This is although not to argue that the project evaluation process is not fair and right but instead to underline the effect of the political power of the local agents that may intervene in the tasks of the agency. To put directly, each group of actors defend their cities and push pressure to reserve as much money as possible for their cities without considering the effectiveness of the support program and the common good of the region.

Table 14 - Relationship between the number of projects and of the cities in regions

Standard Deviation	Number of Cities
1,854723699	5
4,966554809	3
3,299831646	3
12,6578917	3
3	2
4,636809248	4
2,357022604	3
2,98142397	6
5,024937811	4
5	2
0,471404521	3
11,78511302	3
6,406246951	5
6,683312552	3
2,958039892	4
4,380353867	4
1,885618083	3
4,918078893	4
Correlation Coefficient	-0,142208483

In the management of development agencies, relationship with the local institutions is not the only bottleneck that they encounter. Confrontation of the administrative board and the coordinating body, Ministry of Development, poses another point of tension³³ in regulating the implementations of agency. That conflict, in deed, broadly

³³ To illustrate some of the critical operations that are subject to the approval of the Ministry (even though they are already approved by the administrative board) can be listed as follows; Approval of the annual work plan, Amendments in the annual work plan throughout the year and the necessary budget revision regarding the change, Appointment of the secretary general, Name and the visual standards of the agency, Number of the staff working in the investment support offices, Budget, thematic focus, selection criteria and the geographical coverage of the support programs, Final

underlines the mismatching character of the development agencies in the state's conventional public management structure and at the same time reveals the dilemma in the management of inter-scalar relations within a coherent unity. Autonomy of the development agencies is said to be their major strength in terms of institutional operability and this strength is partially stemming from being embedded in the local eco-system gaining power against the centre. However the necessity of the general coordination and regulation is vital to avoid duplications, define clear strategic orientation and any misuse that will be an issue of lawsuit or parliamentary question by the opposing parties. Nevertheless, whether the Ministry of Development is being too restrictive for development agencies or functioning the coordination duty within clear boundaries has been a serious matter of discussion. This dual edge of management remains as a tension as studied in the report of the DDK (2014). In the study, governors, as the chairman of the administrative boards, were asked whether they think that Ministry of Development is properly handling the duty of coordination. Percentage of those who think coordination task is not held effectively and properly climbs up to %75 and only %8 claimed that it is being carried out properly. While searching the reasons of that, as mentioned in the study (DDK, 2014) many of the ideas are addressing the treatment of the ministry against the agencies is more like a control rather than a coordination position and consequently they trespass the borders of the autonomy and local character of the agency.

Hence, inter-scalar relations are deemed essential for development agencies in terms of creating resource and supportive baseline for the actions and policies. As discussed, agencies' ability to manage multi-scalar authority disputes will provide extended policy capacity instead of being subject to excessive and infertile competition of localities. To better frame out these relations, it has been proposed 4 main category of affiliation that development agencies set up with central and local policy makers.

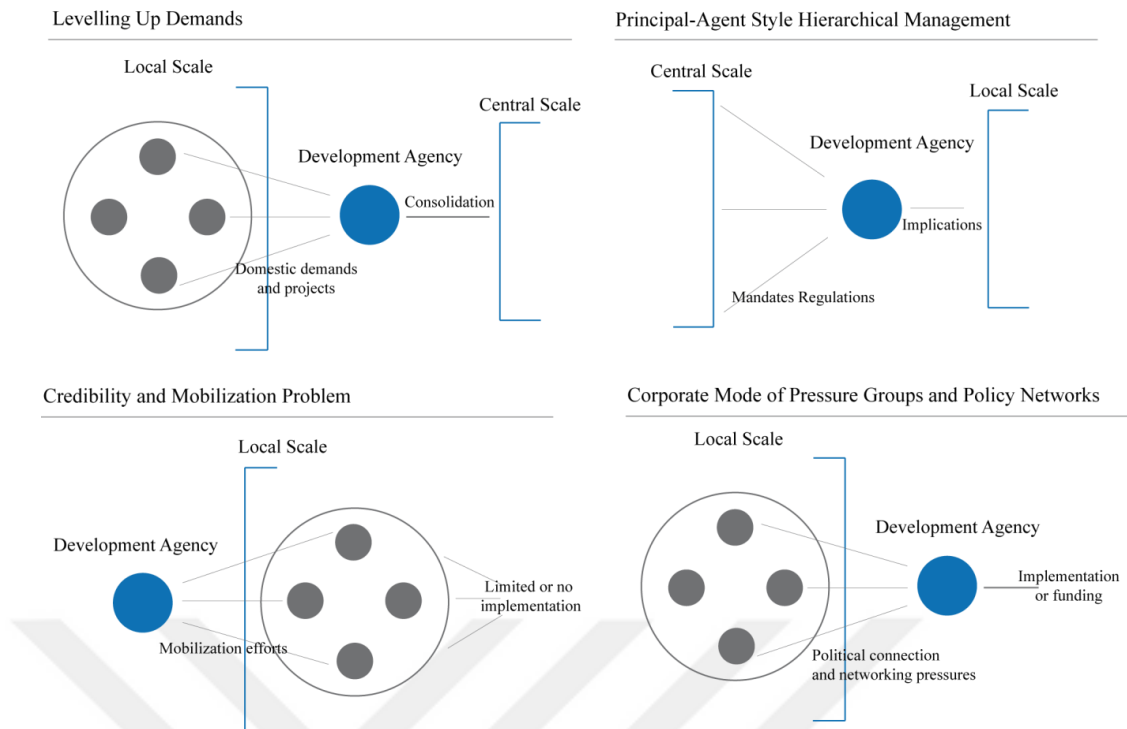


Figure 14 - Main Categories of Relations that Agencies might Set Up

A fundamental ideology behind setting up regionalized economic management structure is to defy the inefficiencies that stems from the absence of local stakeholders to decision making structures, at least in the economic development policies of the country. For that, agencies’ responsibility to consolidate and level up the local demands to central policy makers and propose the priorities of the regions as an input to regulations and macro decisions. It has been experienced during the preparation of strategy documents and national plans through conventional participation channels so far, and some particular examples in the design of support programs of some public bodies. All in all, development agencies in that sense play a role in formulizing the perspectives and views of the local actors nevertheless extent of their inputs are limited to particular subject of study but in general sense as their role as an input to overall policy agenda of state is still far behind the expected levels. On the opposite side, relationship of the agencies with the central bodies is dominated by the authority of state. In that sense, a principal–agent model is clearly visible that, during the design of regulations and extra-curricular duties for development agencies, limited participation from the agencies was practiced. To illustrate, in the “Annual Program” that is prepared by the Ministry of Development,

there are several number of duties and measures which have been decided with zero consultation with the development agencies, but are directly related with them.

Coming back to local scale, agencies confront two distinct set of relations. On the first hand, as agencies are expected to set up networks of partnerships and local cooperation among the decision makers of regions, efforts in mobilization of local actors can be defined as a third set of relations. In this broadest category, one of the most important elements that determine the fate of the effort is the credibility of the agency among the actors in the both public and private sectors. Nevertheless, so far agencies do not have many good practices in this field. To support that argument, for instance, “guided project support” tool was designed so that agency can formulize major projects to be implemented by the local actors by discussing and mediating with them. However as figures show that there are still 9 agencies who never implemented this support mechanism. On the other hand, 8 of the remaining agencies have succeeded to formulize only one guided support project. Last but not least, a further form of relation that agencies exercise, or more correctly are exposed to, is the lobbying power of policy networks and pressure groups channelled towards the activities and agenda of the agency. Certain groups and bodies that have direct connections or political significance superior than the agency can link up their perspectives to agencies’ work programme and in the end can succeed in implementing the desired project or activity.

Thus said, as discussed in the first chapter, rescaling and/or restructuring process in the state structure is many times a process of conflict and dispute among the different scalar formations and actors within the state apparatus. This state apparatus, at the same time is changing and evolving as a subject of dynamic process which contains many forms of social power and forces inside. As can be seen also in the case of development agencies in Turkey, different forces within this meta-structure have collisions with each other within the framework of regional governance. Agencies emerged as the new agents of regionalized socio-economic development policies imposed upon the existing entities functioning in a more conventional way. While agencies themselves are at the centre of a discussion of engagement to locality and fitting into state structure, they on the other hand reveal the complexity of inter-scalar management. State, on the one side tries to maintain its control on so-called

localized and regionalized units, which are designed to be driver of regional governance, but on the other, it adopts the same policies to cope with the changing global externalities by the same actors through regionalization and decentralization. Therefore while talking about the policy capacity for the development agencies in Turkey, dual character of scalar politics will play a very decisive role; domestic mismatch at the local scale on the one hand, tendency to centralize and disunity in the state apparatus are two severe edges of the twin-pronged localization strategy in Turkey.

To conclude, the discussion of so far will be now adapted in to the proposed model of policy capacity together with the findings of the first chapter to better frame the empirical discussion of the study.

3.8 Evaluation of Development Agencies' Policy Capacity

In the framework of this study, transformation in the concept of statehood has been an analytical baseline to grasp the new regional and local emergences within the state structure in various contexts and conditions. Challenges of the states caused certain inefficiencies and pushed pressures onto states to re-organize themselves in many senses. Within this bigger picture increasing functional and political importance of the regional and local scale has been one critical departure from the old terminology of development policies. Delegation of power and authority of the classical state tools to sub-national scales and transforming them to a more entrepreneurial stance within a policy discourse where supra-national actors are progressively potent marks the broad ideology of these series of transformations. Turkey, in this sense, is by no means an exception. This reinvention of political-economy of regional space in Turkey is alike to particular European counterparts (France or United Kingdom) as noted in Keating (2003), where the region emerged as a key level of action for the state to tackle with the problem of territorial disparities which resisted the macroeconomic management of the Keynesian era. Administration of development policies in a more decentralized fashion can be thought as a critical example of the fact. Development agencies in the regional scale were established to devolve certain authorities of the state and regulate the governance relations on the local domain. Nevertheless as detailed earlier, the unconventional structure of the agencies for the

Turkey's state structure demands further efforts, norms and customs to better integrate them into local business and policy environment. In these circumstances, regionalization policies of the country rest mainly upon the achievements and outcomes reached by the development agencies given all the constraints of the external environment and internal institutional shortcomings. Therefore building policy capacity within the development agencies does not mean only an institutional empowerment but it also provides crucial insights for understanding the Turkish regionalism which has been historically a very weakly institutionalized policy field and dominated by the initiative and the actors of the central scale. As is going to be detailed below, region, as a relatively fragile scale in the contemporary politics of Turkey, has to provide tangible economic and social outputs in order to sustain its position next to municipal nodes of power and as well to the central policy actors. As mentioned earlier, rediscovery of regional scale within Turkish nation-state space is associated with development agencies, which have to adopt shifting strategies on multi-scalar hierarchies and politics, rather than simply relying on the control oriented bureaucratic management style. Therefore while the emergence of development agencies might not put any strong remarks on the "state space in a narrow sense", as they do not bring any administrative differentiation in state territoriality, they dramatically try to alter the ways of action and policies in "state space in the integral sense" by changing the geographies of state intervention and scale of economic policies. This effort of re-organization as have been argued throughout the study is contentious and reshuffles the power relations among the localities and at the same time provide them new channels of scalar mobility in the state structure. Yet on the other hand, as regional organizations, development agencies can act as new medium of regulation opportunity for the central state. Thus, they come in, as noted in Brenner et al. (2003) with new types of regulatory experiments, strategies, and struggles at subnational scales -albeit often promoted by national states or, indeed, supranational state bodies and international inter-governmental or non-governmental bodies (Lovering 1999; Jones 2001). Nevertheless, building a policy maturity and capacity for development agencies within such environment demands a perfect fitting into various forms of scalar formations which in the meanwhile leave agencies quite fragile to the outer intervention that might come from both segments. Thus said, constructing policy capacity for development agencies in Turkey stipulates a strong understanding the

realities of both supra and sub-regional scales. This is also the main motivation of suggesting the following model of policy capacity. As the main problematic of this study is to uncover how policy capacity for development agencies in Turkey can be better understood, model proposed in the first chapter (see figure 15) has been utilized and adapted to the realities of current policy conditionalities in which development agencies are operating in Turkey.

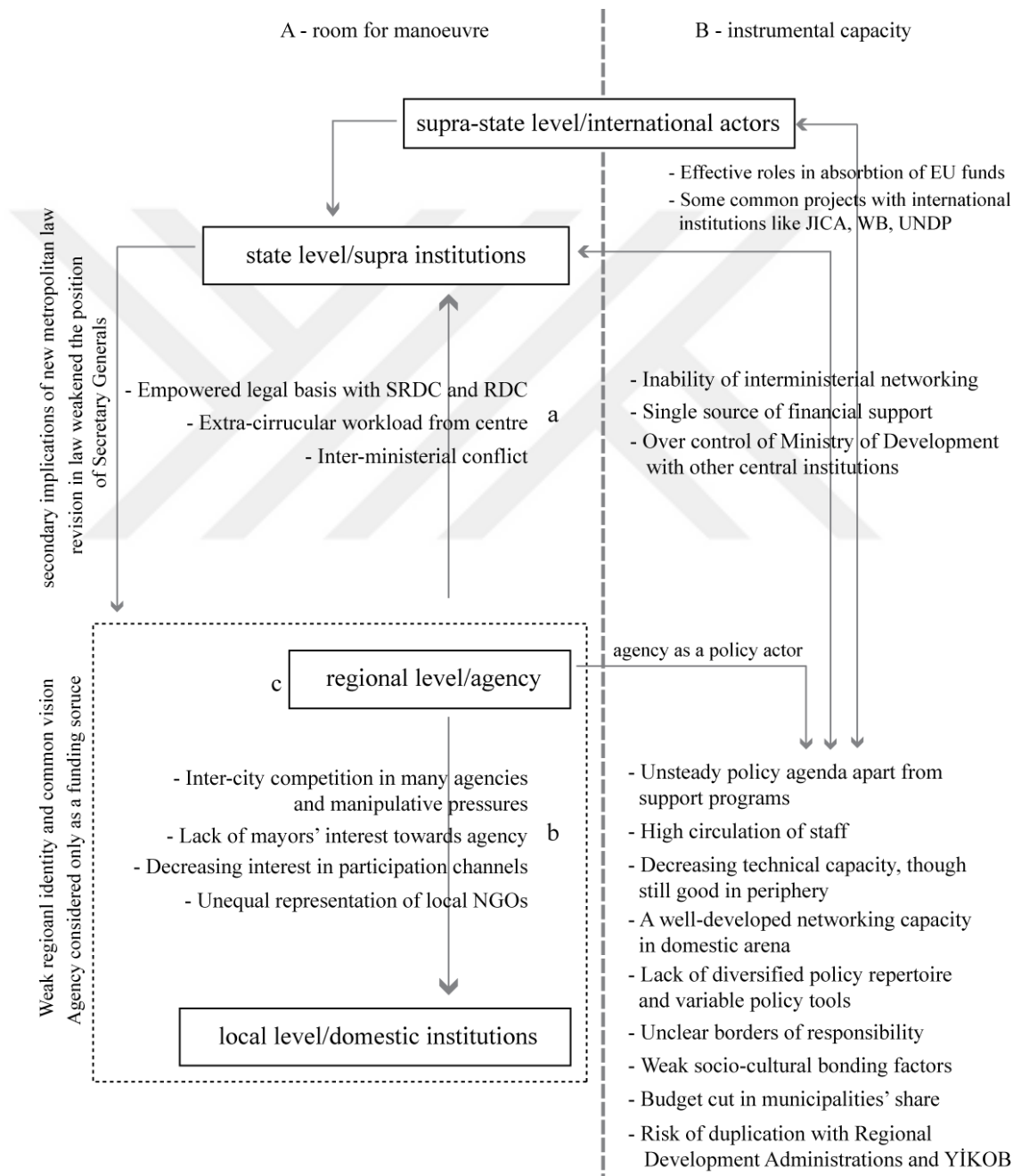


Figure 15 - Framework to Understand the Policy Capacity of Development Agencies

Policy capacity, likewise, has been searched within the boundaries of two main axes where the former one, room for manoeuvre, is focusing on the relationship of the development agencies with the national actors on above and below local actors and consequently the possible conflict or collaboration between the two sets of policy actors. This side of the model is particularly important as the development agencies in Turkey have direct financial link with the central actors and functional responsibility against the local stakeholders which in the end squeeze them between two forces and hence they have to manage both of these levels of politics. That means, therefore, policy capacity is greatly residing on the sum these two sets of relation. On the right hand side of the model, instrumental capacity is focusing on the organization skills and abilities as well as the links within the institutional ecosystem to mobilize resources to realize policy goals. Networking ability and the level of embeddedness into domestic power relations are two critical issues regarding the ingredients of instrumental capacity that was defined as a sub-component of the policy capacity.

To begin with, relationships with the central level actors are twofold and have clear cut effects on how likely the policies of development agencies will be realized. First of all, primary legislative framework is prominent as it signals the position of the regional policies in the state agenda and how important it is as a policy priority. Secondary legislations, additionally, are those who have indirect contact with the regional policies but their affects extend beyond their scope regarding the progress of the policy. Establishment of SRDC (Supreme Regional Development Council) and RDC (Regional Development Committee) in that sense, is a major step forward considering the indulgence of regional policy matters to a more extended baseline where several ministries are involved in the action and prime minister presides it. Although both committees can be said to provide a stronger legal basis, same is hardly true for the practical conditions and mandates. Since the establishment of the committees, RDC and SRDC could only gathered once which was to approve the action plans of the regional development administrations, regional plans of development agencies and regional development national strategy. Apart from that, boards are still far from steering the regional development policies of the country and maintaining coherence in the policies. Inter-ministerial conflict in that sense is an example of this non-coherent policy framework and at the same time is another issue

to stress on for the policy capacity of development agencies. Authority of making spatial plans and disputes between Ministry of Environment and Urbanization and Ministry of Development regarding the “environmental plans” (çevre düzeni planı) and “regional plans” was discussed above. In the end, it remains still blur which type of plan is superior to the other and the power of sanction of the regional plans done by the development agencies remains unsettled for many. Furthermore, as an indirectly related regulation, new metropolitan law has important repercussions on the implementations of development agencies as discussed earlier. Duplication of duties by establishment of the similar sub-units under the governorships and municipalities creates rivalry for agencies and likewise, over-empowered position of the metropolitan municipalities, number of which has increased to 30 with this law, are few of the possible implications. What is intended to underline here is; as the decentralization through empowering the municipalities and governorships has been a priority point for the government for a long time, development agencies, although establishment of which is already a major step forward, have been partially ignored and remained idle within the scope of new regulations. The establishment of YİKOBs under the governorship and rural development sub-units to replace Special Provincial Administration within the domain of metropolitan municipality are two critical examples of that particular case and which at the same time likely to competing roles with the development agencies.

Of the local scale, that the development agencies are trying to be a part of, core node of relationship can said to be the administrative board itself, as it is composed of important stakeholders of the provincial relations. In this manner, specifically for the regions composed of multi cities have to confront the inter-city competition to benefit more from the agency resources than the other cities, is one big tension to confront. Insufficient tools to create a common vision and cooperation perspective within the agency structure underpin the problem of absence of unified action and make highly difficult to reverse this disadvantaged case. Additionally, as the distinct localities in the agency structure do compete with each other, agency’s long term perspective, which is vital for regional development policies, faces the risk of ignorance and disregard. Nevertheless the most critical issue for development agencies within the local scale is the ability to set up strong relations with the actors and enabling them to cooperate and construct further positive sum-relations within

each other. Nevertheless decreasing interest in the participation channels of development agencies and the negatively tended perspective of mayors' against the functionality of the agencies delimit the coherence between local and regional scale. Likewise, sense of competition and rivalry against the presence of new bodies like development agencies are a well-known dilemma of regionalism to emerge in unitary states, which has also been experienced in European cases. Keating also notes on that particular problem;

The institutionalization of regions depends not merely on their constitutional status, but also on the institutional context. Where municipal governments are strong or constitutionally guaranteed, they present an institutional competitor to regions. In France, regions are faced with competition from the departments and the big cities, who were the main winners from the decentralization programme of the 1980s. (ibid)

As the political support base and representative power of the municipalities is incomparable to those of agencies, it is difficult to make any major amendment in the system local governance in favour of regional institutions within the current realities of Turkish local politics. (Biarez for instance, exemplifies on France who made a counter policy by renewing the local policy class who are insufficiently committed to modernization. (1989 quoted in Keating, 2003)). Keating (ibid, p.271) underlines the necessity of integration for regional entities to local decision channels as the power of integration; "Regions are intermediary level, both territorially and functionally, and their power depends on their ability to integrate various levels of action. This depends in turn on their knowledge and mastery of decision-making networks. Regions can position themselves strategically in relation to these, or they can be marginalized". Thus, the strategies that the development agencies shall follow will be decisive in carving out the potential effectiveness and capacity by embedding themselves in various decision channels. To put differently, even if the development agencies in Turkey have strong political and financial support from the central state, which is obviously not the case in reality, they will only reach tangible outputs in case they succeed to penetrate themselves into the local decision channels and be a part of it because of the peculiarity of the regional scale. Finally, risk of inefficiency in managing the governance relations within the local scale has the risk of reducing the functionality of the agency to a funding resource but no more which is in the end a major point of vulnerability.

On the right hand side of the model regarding the instrumental capacity, first thing to stress is the relatively successful integration of agencies into international funding channels to attract third party resources to region. Although it strengthens the perception of a funding organization against the agency and disguises the remaining of the critical duties, it is at the same time perceived as a credibility source within the actors of the regions. International institutions were not only utilized as funding channels but also some technical cooperation projects were held by the agencies to create chance for transfer of knowledge and skill improvements. On the other side, for the relationship between the central actors, boundaries for development agencies happen to be much tighter than the expected. The critical position of Ministry of Development as the national coordinator sometimes was criticized as being too much restrictive. Therefore, networking capacity within the remaining ministries is mostly administered and framed by the limits of the Ministry of Development. That particular condition slows down the decision making in the end, and additionally avoids development agencies benefit from the external opportunities to come from inter-ministerial networks. Furthermore, agencies in the end turn into another subject of the dispute and power conflict among the central scale ministerial eco-system.

Of the organizational aspects, development agencies have to tackle with the problems like high circulation of the agency personnel and accordingly decreasing technical capacity stemming from the loss of institutional memory. Since the establishment of all 26 agencies almost one third of the agency staff has circulated and the trend is rising up steadily. Partially related with the decreasing technical capacity but mostly from the slow going revision of regulations and mandates, development agencies cannot provide alternate policy making opportunities and tailor made solutions to the problems of the regions. This lack of various policy repertoire and ability to create policy tools increases the similarity in the activities of the agencies that have different geographical surroundings. As said, on the other side, as the regional development is a considerably wide topic varying from agricultural policies to innovation or environmental to social policies, sometimes the borders of responsibilities trespass the other more directly responsible institutions. To illustrate, any project regarding the tourism development, can be found as an authority violation by the Provincial Directorate of Tourism and Culture. To avoid that, relationships with the remaining actors should be managed wisely which demands

high managerial skills as well. Even though most of the recent developments in the regional development agenda seem to be negatively affecting the evolution of development agencies, it is getting more visible that agencies are setting up rapidly growing network relations within the local stakeholders. Although such networking is partially working in a one-way logic (development agencies usually act as the donor institution instead of dialogue and negotiation based project base), contingent nature of networking relations, especially in the local scale, may yield in positive outcomes.

To cover up, development agencies, as the flagship of the Turkish regionalism, are obliged to adopt themselves into socio-economic variables and norms of the local scale and at the same time meet the demands of the central actors. When evaluated in the wider perspective, agencies are entitled to diminish regional disparities through increasing partnership and cooperation among stakeholders to develop tailor-made solution to local problems. And as much discussed above they have been superimposed to the old pattern of statehood and are expected to flourish tangible outcomes by utilizing “new regionalist” notion of management. This very point is the core area that, this study aims to undercover; how can regional formations in Turkey, which is a highly centralized form of nation state, create policy capacity. While searching the answer peculiarities of the Turkish context, has been a focal point to understand the possibility of the penetration of regional scale into state apparatus. Institutionally weak local institutions was expected to work in harmony with the enabling role of the development agencies nevertheless traditionally localities have been part of a system which was characterized and dominated by the principal role of the central actors with a clear hierarchy. On the other hand, municipalities and some state institutions are representing a great deal of political power and show partial resistance to the development agencies. In such a structure, the possibility of policy capacity has been evaluated from the perspective of integrating agencies into local and central networks and decision channels. Additionally agencies’ capacity in management of politics of inter scalar hierarchies will provide a room for manoeuvre and a clear position in the state organization and return as the extraction of policy resources both fiscal and non-fiscal. One good strategy of it can be playing the bridging institution of different segments of society and state apparatus without ignoring the realities of local policy makers as well as the central agents. This is

particularly important since the evolution of policy framework regarding regional matters so far shows that central actors want a regional policy within the rational and logic of unitary state and are willing to leave limited autonomy and incentive for the agencies and regions respectively. On the other hand, as the agency's service buyers, local policy makers have a different pressures and potentials that surround agency's implementations and progress. Regions in Turkey are simply the aggregation of cities which have little or no economic or social commonality to share to act as a socially bonding denominator. Nevertheless, since agencies and more importantly the management of agencies are structured onto the city scale with historically non-existent ties, intra-regional or inter-city competition is a major drawback for the development agencies. Lack of solidarity elements in the means and tools of the agency exacerbate this problem creates tensions and ambiguity within the rational of province scale organizational structure. One of the main reasons of that the mismatching structure of the regional scale over to the province scale both in terms of geography and management. Drawbacks of prefect system in the administration of agency was already discussed above, to avoid that repetition it would suffice here to underline that such problems, in the final analysis, end up with the absence of a common perspective for the region but instead a revelation of a structure of dispersed and competing priorities of parts that are supposed to make a whole.

3.9 Conclusion and Synthesis

Desire of diminishing and smoothing out of the geographical disparities in Turkey has been a long discussed and studied topic for the politicians. Until the very beginning of 80s problem of territorial inequity has been structured within the rational of Keynesian economic policies where the spatial focus was the whole national territory. Since then, territorial management policies of Turkey have been evolving towards a more locality susceptible structure by means of efforts to strengthen the local institutions. Nevertheless, apart from big metropolitan cities, municipal organizations especially in peripheral areas still today are known to be technically less capable institutions. Not only the local governments but also locally based branches of central institutions have the problem of service quality. Hence, it has never been an easy task for Turkey to have self-reliant and strong localities to design and implement alternate policies to create a strong momentum of local development. Instead and naturally, central government have always steered and

controlled the local and regional development policies with little or no involvement and participation from local actors. Loughlin (2007, p.389) describes this relationship between the centre and local as the principal-agent model in which the state, the ‘principal’, co-opted sub-national authorities to act as their ‘agents’ in the delivery of welfare services. Hörnström (2013) additionally underlines the fact that there is almost no room and possibility for the regional and local institutions to alternate and diverge from the national principles and policies in this model of relation. For the majority of the Turkish experience it would not be an exaggeration to conceptualize the regional/local development policies dominated by the state’s central actors hardly leaving any room and initiative for the local actors. However, as all the other states in the world, Turkish state is also renewing and re-organizing itself and adopts different scalar and spatial politics. Devolution and decentralization policies to empower local administrations are also long demanded topic within the politics of Turkey. As the latest output of this desire, in the regional scale development agencies stand as the final runner of the will to delegate certain duties of and power of the state to the locally based institutions.

Nevertheless, to understand the relationship between the transformation of the statehood and the emergence of local/regional scale in Turkish context some remarks should be made. First of all what is argued in this study is not the fact that state of Turkey has been experimenting structural changes with the establishment of regional institutions whose effectiveness and authority is still under discussion. But rather, emergence of development agencies in Turkey as the first formal regional institutions uncovers state’s will to re-organize the problem of territorial management of the country with respect to premises of new, globalized policy making frame. Furthermore, although emerged as a reply to some necessities into the accession to EU, development agencies addresses a wider picture of state’s propensity to re-organize itself and modify its scalar architecture, although with minor refurbishments so far, and adopt the new institutional strategies to cope with the new conditionalities of ever changing global and international discourse³⁴. In this manner state, as a

³⁴ One important caution is needed here that it is not intended to support a purely globalist perspective on the state restructuring which Chen et al. clearly describe as follows (2014, p.103); “globalization is an “out-there,” all-determining, and irresistible force of nature. Along with the proliferating flows of money, information, commodities, and people, globalization exerts huge external forces on the nation-states, which are the central actors of policy making under the Fordist-Keynesian capitalist system,

conceptual framework, is understood to be as “a contingent development: changing over time and in different geographical contexts in accordance with social, economic and political circumstances. (MacLeavy and Harrison, 2010, p.1038)” Following on that view, as Sonn (2010) notes that restructuring of states by delegating power to its sub-components is not an automatic outcome of the economic globalization but an intentional reconfiguration of its spatial organization (p.1200). That, in the end, is to increase its adaptability and stabilize position as the primary political actor within the current societal demands and happenings inside the territory of states instead of resisting adaptability to change in the surroundings. This argument is supported in this study as well for the Turkish nation state, but as no other statehood can be transformed with a single institutional instalment, neither did the Turkish state. Although it has decentralized some of its duties to regionally organized development agencies, it has never unchained the links between these new institutional fixes and hardly provided autonomy to make decision without the consent of the centre. As said earlier, if Turkish regionalism is there to be understood within the context of changes in state structure or rescaling approach, first and the foremost question should be whether Turkey can build stronger regions within the logic of unitary state or not. In that manner, region can be considered as a strategy of the central state forces to create an alternative layer of policy space which is under the dominance and the control of the central state actors to restraint the local policy makers with the rhetoric of regional governance and sustainable growth. State scale in the politics of Turkey has still the principal role and a represent a big node of power despite the recent tendencies to decentralize. Urge to control the disunity and dispute within the different social forces and scales inside the state apparatus pushes the state to maintain its presence through formal and informal channels of regulation regarding the relationships with the local scale. That is to say in the bigger picture that, restructuring of states is not something homogenous rising from the intrinsic features of the globalist phenomena and represent homogenous patterns. It happens on the ground and it happens due to context dependant cultural and cognitive aspects of the politics. In that manner, region as a subject of policy in the transformation of state can be best understood as the weakest component of the Turkish nation-state space

and makes the concept of the integrated and independent “national state” obsolete”. On the contrary, it was aimed to underline here that reshuffling of state’s power in different scalar arrangements does not necessarily initiate a withdrawal but instead should be regarded as a counter strategy of the state to maintain its strategic role and power within the realities of contemporary policy making.

for the time being, which therefore will be obliged to a sharp power asymmetry compared to conventional local policy makers of state. State strategies and state projects in Turkey in a wider manner, show broad moves towards creation of new models of institutional and scalar relations, nevertheless its robust bureaucracy renders a policing and controlling role for the centre. Therefore, these new institutional spaces are not forged with the multi-level governance principles but instead a presence of a strong boundary role of the state bureaucracy which in the end bears the risk of failure in regionalized economic structure and persistence of weak localities. In that sense, regionalism in Turkey is happening in a slow pace and resting upon a fragile set of relations. What agencies have promised to overcome in this scenario is as Gough (2003) notes for the English experience; to resolve some of the difficulties of traditional, nationally administered regional policy (p.32). Resolving such issues will be achieved, if it is going to be, despite all the immaturity of the policy scale, conflicts and ambiguities stemming from both sub and supra levels. In Turkey, construction of regional scale by itself has been a major problem and a border not to be crossed ever, nevertheless this taboo was started to be diminishing by the definition of NUTS2 regions and development agencies. Although the scale of region is not a historical category of sub-national scale as local, its construction in the reality of Turkey is mainly resting upon to the institutional and somehow discursive tools. And of its functionality, its ability to play a role of multi-scalar agent (as a condition under which the regionalist faction and its regionalism as a strategy could successfully be engaged with other factions and their strategies in the political space on the national scale (Gimm, 2013, p.1164)) will be critically important to create a spatial and scalar coherence.

In that manner, one final conclusion regarding the regional scale should be made on its relations with the province scale and its authorities. Relatively weaker structure of the development agencies against the municipal actors as a result of dual structure in the management of state's territory in due course, beclouds to create their own discursive formation and functional field of authority. This is simply because of their mismatching administrative and cognitive borders. Nevertheless as agencies are expected to create geographies of governance and create a sense of region beyond the scale of city, they have to develop strategies and supportive coalitions to overcome these mental barriers. Peck mentions on the nature of such effort as; "Geographies of

governance are made at the point of interaction between the unfolding layer of regulatory processes/apparatuses and the inherited institutional landscape. The unfolding layer, of course, only becomes an on-the-ground reality through this process of interaction. (1998, p.29)” Still though, highly asymmetrical nature (MacKinnon and Shaw, 2010, p.1233) of Turkish regionalism trying to penetrate into the binary structure of the state’s institutional alignment, can be read also as the “filling in” of the state into the regional level through the establishment of new institutional structures (Goodwin et al. 2005; Jones et al. 2005 in MacKinnon and Shaw, 2010). In that manner, these efforts of overextending state’s capacities towards lower scales or broadly devolution as a spatial strategy, conflicts the approaches that encapsulate state restructuring as a unidirectional and homogenous process. On the contrary, introduction of regional scale in Turkish context, illustrates the complex nature in the patterns of relations among the different levels of social forces and the will of the state to penetrate deeper level of society to open up channels for its own capacity. Conflict between the domestic nature of province scale and superimposed and ambiguous character of regional tier unearths the difficulty of creating representational power for such devolved territories. Hence, path dependant nature of the dialect between the agency and the structure is hard to transform and redesign overnight but states perpetually employ spatial projects and strategies to extend their powers and capacity to cope with the new externalities through creating new institutional fixes which is agreed, in this study, to be valid in the Turkish experience.



CHAPTER 4

METHODOLOGY AND RESEARCH STUDY

4.1 Aim and the Context of the Study

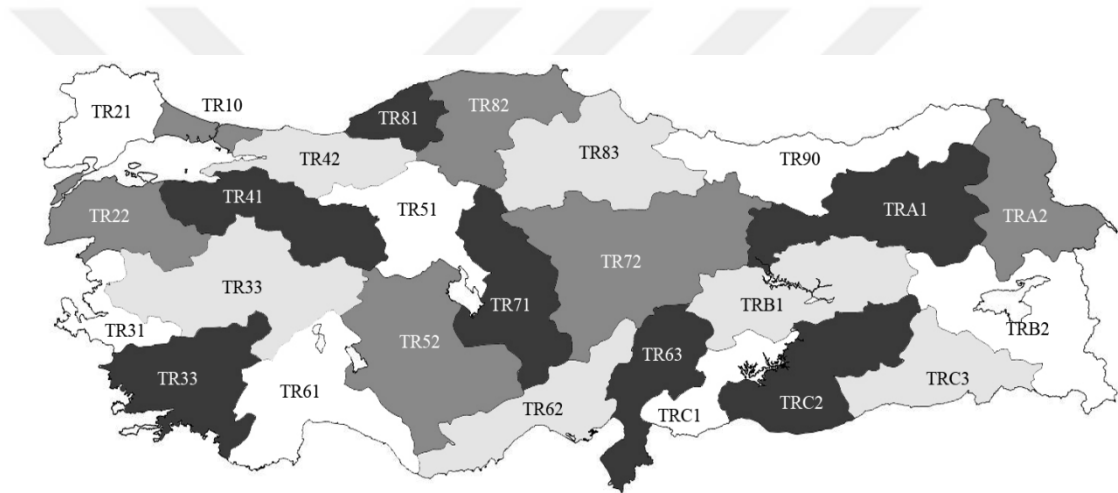
Previous chapters were focusing on the reasons and the outcomes of the massive changes in the notion of statehood and its implications on the formations of the state spaces. Following on, with respect to planning experience and regional development policies in Turkey, this restructuring in the spatiality of the Turkish state and the corresponding shifts in the practice of regional governance as regards to emerging patterns of institutional fixes have been detailed. Construction of regional scale within a state that inherits excessive tradition of centrality and weak localities is quite a challenging one and it demands further forms of relations among the layers of the state and the agents operating in them. Given the fact that scale is a socially constructed phenomenon instead of pre-given, determined and a solely cartographic concept, emerging forms of actors, as was discussed earlier, create dispute and resistance from the social forces of various levels in state hierarchy. As Brenner notes in that sense (2004) “these rescaled state spaces are the outcome of a continual and dialectical interplay between (1) inherited patterns (e.g. territorial partitionings, scalar configurations) of state spatial organization and (2) emergent state spatial projects and strategies that aim to modify or reshape the entrenched spatial form of the state” (quoted in Park, 2013, p.1116). That is to say, through and by means of the forces in the state structure, territoriality of the nation states’ changes and transforms. Nevertheless, this process of reshaping in the territoriality of the statehood is nothing uniform and monolithic but a path-dependant concept that shows variant fractures and outcomes in each frame and context. But in no sense this reshuffling can be claimed as the retreat of the nation state from the overall policy arena. In this framework, Turkish state, as well, did and continuously does restructure itself through opening up new actors and scales of functionalities. These different spatial strategies it employs redesign the allocation of power in the apparatus it is composed of. Development agencies in this sense have been evaluated as an implication and

outcome of this story with references to how it was reasoned and rationalized in the efforts of regionalized economic development. However above all, one major question remains unanswered in this picture; how can these new formations create policy capacity and how can the effectiveness in delivery of the system be acquired? This is exactly the main problematic of this thesis to answer. If states redesign and rescale their inner organization and open up new scalar configurations in their own contexts, how these bodies can survive within all the constraints and resistances that might come from other forces inside the state. In other saying, what sort of relations and opportunities emerge between the structure and the agency in the new context, remains as an important question to be answered. In this aim, based on the intermediary role of the development agencies between the central and local scale, both the opportunities and constraints that might come from the realities of two distinct contexts have been investigated and merged to the broad understanding of policy capacity in agencies. What sorts of relations emerge between the central scale actors and what kind of implications they might have on the abilities of the development agencies is one critical point in understanding the capacities of the agencies. Same is true for the relationship of the development agencies with the context of the local actors with the caution of wise management by the agency because of the dual character of the local policy environment (it might either act as type of corporate pressure groups or can act in a supportive harmony to develop the policy action). Thus said, the aim of this study is; within all these externalities and structural determinants, to understand how policy capacity can be built within the development agencies in this given conditionalities.

After having framed the theoretical fundamentals and the background information regarding the case study, in this chapter it is aimed to support the arguments of the study with the empirical findings through questionnaire to be carried out among the experts working in the development agencies. What is aimed with the questionnaire is to validate and discuss the main proposals of the model and the variables defined to be effective in the policy capacity of the agencies. Building on the findings of the questionnaire, as the second phase of the empirical study, semi-structured interviews are going to be carried out to understand the causes of the findings of the questionnaire and external perspective towards agencies.

4.2 The Research Design

Main goal behind the research design of this study is to gather and analyse the opinions of the staff working in the development agencies in all regions of the country about the parameters that are claimed to be effective on the policy capacity of the development agencies. By that both qualitative data and the expert opinion that is embedded in the years of experience in the regions will be aimed to acquire. Although there are certain heterogeneities in the conditions that each agency is bounded by and operating in, the framing variables such as macro cultural norms and legal baseline is accepted to be the same and valid for all agencies. Therefore geographical coverage of the field study is all 26 NUTS2 regions and correspondingly main unit of research is the NUTS2 levels in Turkey.



Map 4 - Geographical Coverage of the Questionnaire

Stemming from that point, a questionnaire (see the annex-3) was designed in a way to represent both the country wide conditionalities and region-specific deviations on the attitudes of the certain actor types and code of conduct with the agencies. Specifically as was underlined throughout the study, relational character of the development agency as a regional public authority towards the central and local actors are key points to uncover while understanding the variables and conditions of the policy capacity as a concept susceptible to scalar politics of state. Within the light of these goals and perspective, research study is designed as a two-staged field study. For the first step, as mentioned a questionnaire was implemented to consolidate the currents of the development agencies and for the second phase, semi-structured interviews with the key stakeholders that agencies was carried out to carve out the core reasons of the findings reached in the questionnaire.

Adopting on the theoretical foundations of the study, methodology of the field study was designed in best possible way to fit into the findings of the earlier discussions of the thesis. As was introduced earlier, theoretical findings of the study ended up with the following proposal of variables that are claimed to be effective in understanding of the policy capacity in the regional scale. Hence the implementation of both the questionnaire and the interview method has in a way aimed to represent the inputs that are directly intrinsic to the theoretical findings. In this sense table-15 introduces the adopted approach that shows which variable was addressed through which method of inquiry.



Table 15 - Relationship between the Variables and the Method of Inquiry

	Categories of Variables	Method of Inquiry
Structural	Central state's enforcements/over engagement of central policies	Questionnaire Q12, Q14
	Importance of regional policies in central policy agenda	Questionnaire 15
	Conflict between central and local policies	Questionnaire Q9
	Supportive regulations/administrative reforms	Questionnaire 16
	Contextual collaboration/conflict in the local management	Questionnaire Q2, Q17, Q11
Organizational	Local/Regional credibility	Interview
	Networking ability	Questionnaire Q3
	Institutional integrity	Questionnaire Q4, Q18
	Managerial skills	Interview
	Technical capacity/expertise	Questionnaire Q19, Interview
	Personnel retention/Institutional memory	Factual
	Policy repertoire	Interview
	Resources	Factual
Institutional	Positive sum relations with public institutions	Questionnaire Q7, Interview
	Representation/networking power	Interview, Questionnaire Q5
	Inter-ministerial networks	Questionnaire, Q10
	Socio-political bonding factors	Questionnaire, Q8, Q1
	Autonomy in policy design	Questionnaire, Q13, Q6
	Links with international agents	Factual

Conclusively, as the table shows a considerable amount of the variables were surveyed through means of the questionnaire, where the remaining were analysed due to the findings of the semi-structured interview method and factual findings (either gathered from official statistics of the agencies and activity reports). Nature of the questions, necessity to avoid any possible bias and the expected rate of answers from the respondents for each question were the main reasons of designing such a categorization. To illustrate from the table, assessments of the managerial skills by

the experts working in the agencies carry a major risk of getting biased answers (as there is a hierarchy between the groups) when conducted through the questionnaire method, thus it was rather sought by the interviews to gain more relevant and correct inputs. Likewise, some of the variables, like local/regional credibility, are highly possible to be better evaluated through an external perspective therefore for such questions it was intentionally not involved into the questionnaire and conducted through interviews. And finally for some variables, such as technical capacity/expertise, it was crucial to collect both internal and external opinions in order to better represent the policy realities and make cross controls of the answers gathered from both parties to avoid any bias and distorted answers. Moreover merging both package of answers and perspectives will possibly provide an extended and richer insight regarding the point of inquiry. Thus said, while designing two-tier field study of this thesis, its overall integrity with the theoretical findings, avoiding any mismatching structure between the phases and better representational character of the questions, were the main motives in defining the methodology. For the sampling of the questionnaire, secretary generals, as the highest executive in the development agencies, were excluded out of the survey intentionally because of the risk of getting distorted answers and biased interpretation of the questions. On the other hand, there is also a possibility that some of the problems or opportunities do not trickle further down to technician level from the secretary generals and stay only within their knowledge and solved or seized at this level. As a counter strategy to this problem, in order to make better evaluation by avoiding that risk, mid-level executives in the agencies were included to the questionnaire. Since, they can be considered as technical staff with some managerial duties and yet who also have certain contacts with the high level executives (both inside the agency and among the external stakeholders) in order to gather informal knowledge that do not level down to the technician domain. Therefore the profile of the sample size is composed of the experts, as the main technician group in the agencies and the unit managers as the intermediary executives in order to acquire most proper yet unbiased understanding of the questions. As a final remark on the implementation of the field study, findings have been presented for almost most of the variables discussed in the study. Nevertheless, for some of the variables such as “resources” or “international links” there have been little or no direct discussions were made because of their obvious effects on the policy capacity of the agencies. Instead they have been partially

elaborated where they are related with the other parameters and conditionalities contributing or hampering the policy capacity.

Following on, as for the next part of the field study unlike the questionnaire technique used in the first phase, methodology adopted in this secondary survey is semi-structured in-depth interview. With this shift in the methodology it is aimed to gather richer data and more detailed insights regarding the policy capacity of agencies as well as to explore new possible topics that the external outlook shall provide upon the quantitative data acquired by the questionnaire. In addition, it was also aimed to consolidate a wider extend of reliable qualitative data on the topics of inquiry. As for the territorial borders, geographical coverage of this section was also downsized to a single case of Ankara region³⁵ (TR51 NUTS2 Region) to penetrate further down the details of the problematic of the research question. In this manner, through semi-structured interviews with seventeen stakeholders from different legal status and different scales, alternate perspectives on the progress of the development agencies have been aimed to gather in the particular case of Ankara region. During the selection of the interviewees, purposive sampling³⁶ was designed in such a way to represent participation from public, private and non-governmental bodies. As for the position of the people interviewed, they were carefully chosen to be at least a mid-level manager (nevertheless a big majority of the interviewees were composed of highest managers of the institutions) in their own institutions so that they will be experienced in the decision making mechanisms and better equipped to assess the policy environment. Moreover, sampling was also carefully selected among those who have at least conducted one project or partnership with the agency so that they

³⁵ As there were little and no meaningful geographical variation in the answers gathered from the questionnaire, instead of a comparative study conducted in different agencies, one particular agency has been selected as the case study of the interviews in order to acquire a broader range of perception and opinion from various interest groups of the local eco-system. As for the reason of this absence of geographical variety, it can be argued that as the agencies are in average 6 years old they tend to imitate and learn from each other's successful implementations instead of designing their own place-specific solutions. Likewise lack of initiative to produce such policy responses stabilized the implementation of the similar approaches in different geographies. Apart from that effect of broader cultural variables are extensively dominant while shaping the mentality differences among the agencies.

³⁶ Purposive sampling can be defined as; A form of non-probability sampling in which decisions concerning the individuals to be included in the sample are taken by the researcher, based upon a variety of criteria which may include specialist knowledge of the research issue, or capacity and willingness to participate in the research. Some types of research design necessitate researchers taking a decision about the individual participants who would be most likely to contribute appropriate data, both in terms of relevance and depth (Jupp, 2006).

have certain knowledge and experience on the capabilities of the agencies. In the interviews particular focus of each interview was designed according to the scale and position on the interviewee, but in the broader frame variables defined in the policy capacity model introduced earlier has constituted the macro frame of the each interview. While conducting the interviews, questions were oriented in binary structure to understand both the variables affecting the room for manoeuvre and instrumental capacity as well as their intra-relations among these categories. Thus said, outputs of the interviews made with the critical actors in Ankara region will be a supplementary field data in order to further support the questionnaire findings and encapsulate, verify or falsify the variables discussed to be essential to understand the policy capacity in the regional scale. Prior to conducting the interviews, questions were designed to address not only limited with those points presented in the table above, but also critical perspectives from the respondents were aimed to gather. On the structure of the interview, main framework was again in line with the model presented focusing on the two distinct areas of room for manoeuvre and instrumental capacity. As is going to be detailed in the relevant chapter, outputs of the interviews were briefed on the axis of scalar structuring of the proposed model, which means answers and insights from the interviewees were categorized due to their relevance with the “Inter-scalar Mobility”, “Domestic Institutions and Local Scale”, “Supra Institutions and State Level” and “Agency as a Policy Actor, Regional Level”. With that, it is aimed to acquire inputs to the model both in the horizontal and vertical axis. To put in another saying, in the first phase it was aimed to provide field data on each variable in itself, on the following phase data is gathered in a more grift way but presented according to their scalar positioning whether they provide data on the relations with the local scale, central scale or regional scale or in a different manner to the inter-scalar character of the regional scale. As also mentioned earlier, interviewees were selected to represent territoriality and functionality of the relations that have been set up with the actors. To be more clear, in terms of scalar positioning of the policy agents, both from central state actors, city-wide policy makers and sub-city agents were interviewed in order to better understand how codes of conduct, needs and expectations change with a movement in the scalar formation of the external perspectives to the agency. That is indeed of eminent importance as the agency’s mobility in different domains is a critical element in constituting a stronger baseline for policy capacity. On the other hand, legal status of the interviewees was

also selected among different backgrounds. There were municipalities, chambers, public institutions, private sector and non-governmental organizations among those who were interviewed. This variety was aimed to address the different needs and possible modes of engagements of different actor groups that are directly or indirectly affective in the development problematic of the localities.

4.3 Implementation of Questionnaire

An online questionnaire composed of 22 questions has been conducted in two weeks' time by online survey tools through e-mails, phone and direct contacts to experts and units coordinators working in development agencies. While defining the questions a comprehensive literature survey have been carried out to identify the similar questions used in the similar surveys and to see the main approach of language used in these studies. Prior to implementation of the survey, a pre-test of the questionnaire was also conducted to a small group of 12 people working in different development agencies. Among all, 5 of the pre-test questionnaire were conducted as a face to face implementation and the remaining 7 were implemented through e-mail exchanges. In the pre-test survey, the aim was to avoid any misunderstood questions, to test whether the questions are all clear and which questions can be eliminated and which furthers can be added for a better delivery of results. Subsequent to pre-test some clarifications were made in 6 questions, 3 were omitted and 2 new questions were added instead of the omitted ones.

As the final version of the questionnaire was clarified and fine-tuned, sample size according to size of the population was calculated and within statistically meaningful level of confidence and acceptable margin of error. Total number of the experts working in development agencies, which is the total size of the population, is expected to be around 700-750³⁷. Through e-mailing channels a total number of 201 respondents were reached and completely filled the questionnaire. After having completed all the implementation of questionnaire, all data has been analysed in 14th version of STATA statistical software package. According to these figures, level of confidence and margin of error were calculated as in the table below. According to

³⁷ It is not possible to give the exact number of population size since the personnel mobility is quite high and the total number of working staff shows daily changes. This number was acquired from the aggregation of numbers mentioned in the latest activity report published of each agency.

the literature, both figures are within the statistically accepted ranges. In the field studies that acquire secondary data by means of questionnaire, calculation of the sample size is most often handled within the confidence level of 95%. As for the error margin, the likelihood of the deviation of the results of the sample size from the results of exact population, it is always better as the number is smaller. For this study, according to total number of replied questionnaire, margin of error was calculated as 5.92% which is again acceptable within the aims of this survey.

Table 16 - Basic Figures of the Questionnaire

Population Size	700-750
Sample Size	201
Confidence Level	95%
Margin of Error	5,92%

On the other hand, as can be seen in the figure below, almost 85% of the respondents are composed of those who have at least two years of professional experience in the development agencies and regions. Given the fact that all development agencies are in operation in the regions with an average of 5 years, the level of experience of respondents can be regarded as enough to have a clear expert opinion about the queries of the questionnaire. This is particularly important since a considerable number of questions depend on the personal opinion of the experts working in the regions.

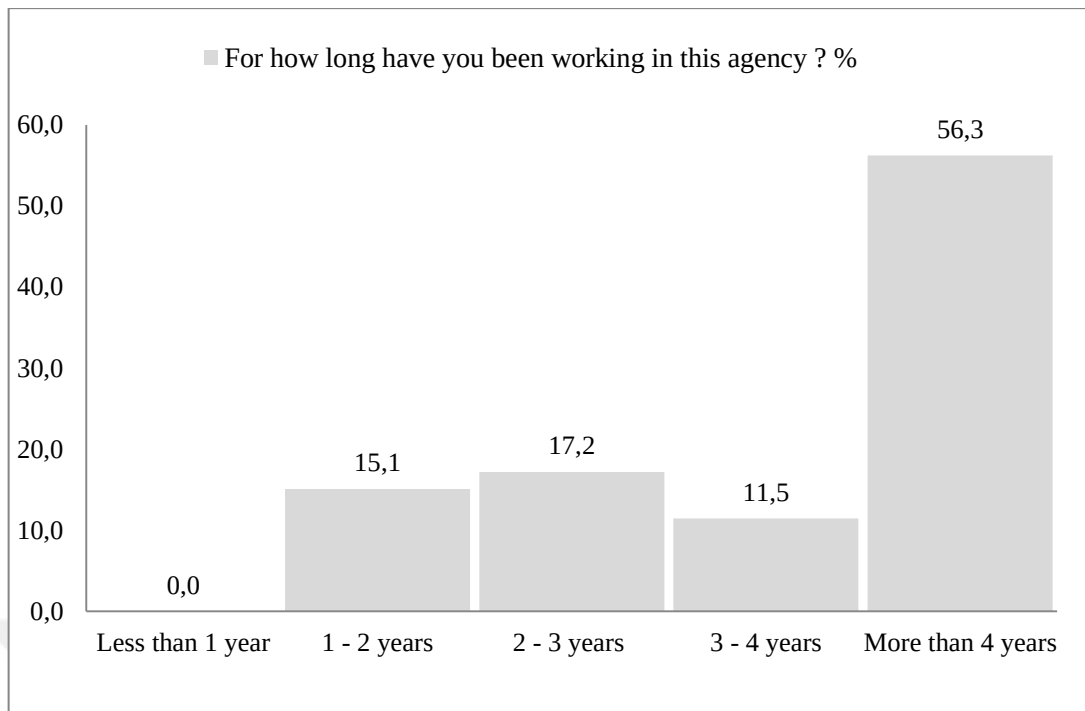


Figure 16 - Professional Experience of Respondents

4.4 Results of the Survey

As was described earlier, primary goal of the questionnaire was to provide insider point of view about the issues that have been discussed in previous chapters and defended to be relevant and explanatory about the policy capacity of development agencies. In this manner, first of all aggregated results of questionnaire that represent for all development agencies will be presented below. In addition to that arguments will be supported with secondary analysis where there are meaningfully diverse trends and varieties in results depending on the characteristics of the region. To begin with, level of engagements and partnerships with alternate forms of actors in realizing the policy goals have been first issue to clarify.

4.4.1 Relations with the Actors

Regarding the framing policy objectives and priorities of the region's socio-economic development goals, among all 26 agencies, it has been investigated who is perceived to be the most important actor to understand the representational meanings of the policy actors and their possible interactions with the development agencies. In sum of all regions, private sector is regarded as the most critical and important actor

to realize the projects and strategic decisions of the agency by the 35.1% of all respondents.

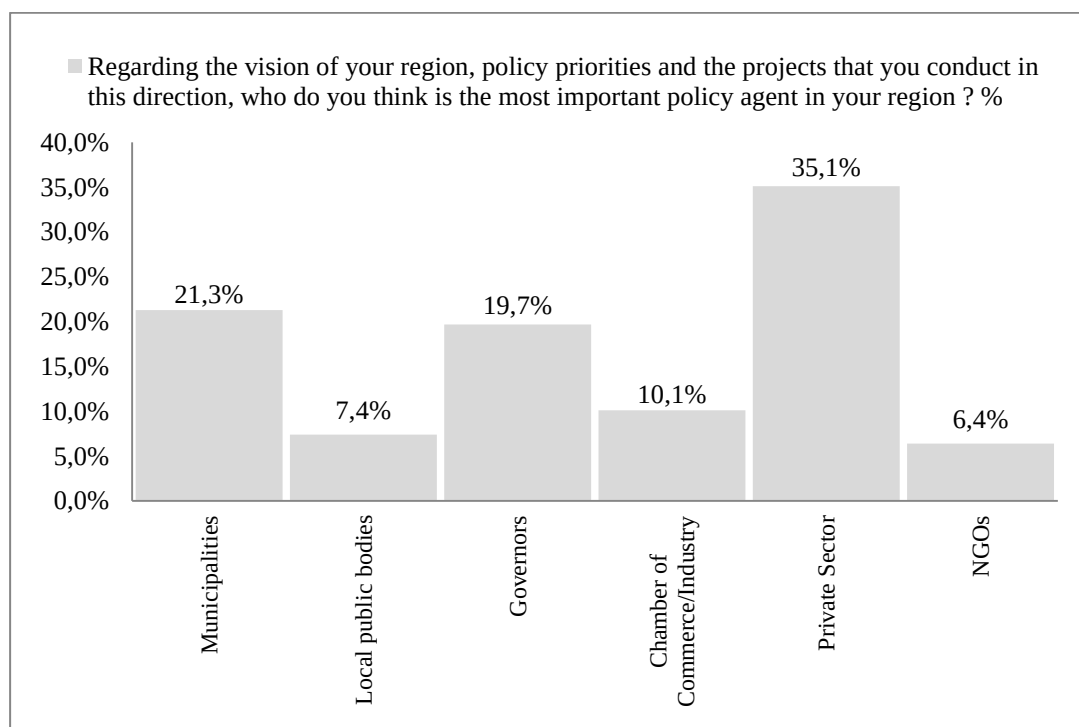


Figure 17 - Perceived Strength of Different Policy Actors

Chamber of commerce/industry, as considered the representatives of the fragmented interests of private sector, can be added up to this portion and in total it makes 45.2% who thinks private sector and corporate representative of it as the most important policy actors to realize the strategic goals of the regions. This finding, in a sense, validates the criticism against the development agencies as being run too much by the rational of the economic development perspectives and sometimes ignoring the non-economic aspect of development problematic. It is somehow noteworthy to reach out that regardless of the socio-economic development level of the regions, private sector is seen as the key actor to reach the desired goals of all regions. Following the private sector, two important political nodes of power; municipalities and governorships were regarded as the other critical key actors. This is totally understandable and expected as the agencies are regarded not as implementation bodies but instead a coordinator and catalyser.

On the other hand, geographical variation of the answers to that question shows alternative findings as well. When answers are filtered according to the Gross Value Added (GVA) of each region (a direct proxy for the level of economic development for regions), it is noticeable, as expected, that importance of private sector increases in parallel with the level of GVA of each region. To illustrate it has been investigated how it varies according the first five regions and the last five regions in GVA ranking. According to figures importance of the private sector for the first 5 regions with highest GVA is 53%, while it is only 27,5% for the last 5 regions with the highest GVA.

Nevertheless, what is critical here is not the difference between the figures for each group of region but the level of representation of key policy agents are all the same in management of the agency in each region. Although private sector is perceived in such a critical position for the most developed regions of the country, their representation and participation into decision making systematic is designed in the same way with the remaining regions. To put directly, management of the development agencies are considered to be homogenous in all regions regardless of the composition of the socio-economic variables nonetheless, corresponding meaning and importance of different policy actors is severely heterogeneous within the regions. Both mayors and the governors are the two most important policy makers in the regions without a doubt, but according to the visions and economic development goals of the agencies their relative functionalities might vary and so should their representation in the administrative board.

Regarding the further geographical variation in the answers of the question, some patterns emerge to be distinct relative to the remaining percentages. To exemplify the argument through the method used earlier, distribution of the answers of those who consider the local public institutions are the most important group of actor for their regions, according to the socio-economic level of development findings indicate that mid-low level of regions consider the importance of those institutions are at utmost level of priority. %25 of the respondents from Ahiler Region, for instance, consider the importance of local public institutions as highest or similarly %20 of the all respondents from Middle Anatolia Region or %25 of the Middle Black Sea Region again show similar patterns. Though there might not be direct relation with the level

of socio-economic development and the perception against the local public institutions, findings give may provide some clues about the cultural variables valid for those regions mentioned. More interestingly however, importance level of the municipalities in the regions' vision and development goals underlines a more visible and clear pattern. When observed the internal breakdown³⁸ of the answers from the regions, 7 of the highest are as follows; Ankara Region %30, Bursa Bilecik Eskişehir %75, Dicle Region %57, East Anatolia %22, Karacadağ Region %40, Middle Black Sea Region %50 and İpekyolu Region %22. As can be seen from the answers, 4 of the 7 regions are from the eastern part of the country which might indicate the position of the mayors and municipalities as elected members of the policy making eco-system in these areas are more significant than the remaining territory of the country. Possibly stemming from the place-specific cultural and political conditionalities, sense of solidarity and regional character is relatively more dominant in those regions and that is why the elected members are considered to be at highest importance level compared to the remaining profile of policy makers. Relevance of these findings with the policy capacity of the regions underlines the need for more flexible and adoptable policy solutions and networking tools for different agencies and regions.

A further point to underline within the frame of relations with the critical actors is the level of partnerships and co-operation that have been set up so far. In the figure below, it can be seen the level of common projects that each agency has set up with, since their establishment. In the question, financial support programs have been excluded on purpose since there is little initiative for the agency to diversify the rules and guidelines of the program. On the other hand, for the remaining tasks it is more up to the decision of the agency with whom to work with. Therefore within the contexts of the region, figures below show the abilities and capabilities of the agencies to link up partnerships with the ones who are considered to be critical and operational in terms of project implementation.

³⁸ It is meant here that internal divisions of the regions in themselves. For instance among all the answers of Ankara Region %30 of the respondents consider the municipalities as the most important actors or similarly %57 of the respondents from Dicle Region answered the municipalities as most important. That is why there are differences in the shares of the answers.

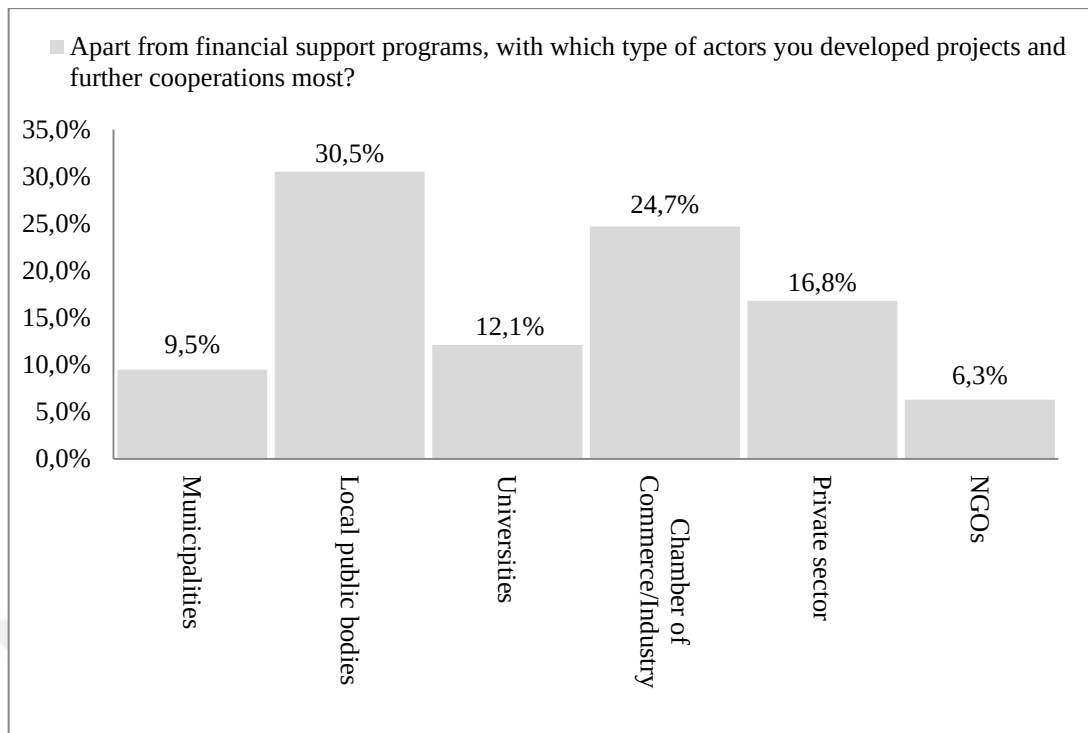


Figure 18 - Level of Partnership with Different Forms of Actors

Conflictingly, with the first table which shows the perceived importance of the group of actor in terms of the development goals of the region, local public bodies are the most commonly engaged group of stakeholders despite their relative insignificance in the region's vision as expressed earlier. Similarly private sector although observed as the most important, amount of projects and partnerships developed cooperatively, seems comparatively limited. In understanding such a picture, it has to be paid attention to the political nature of the development agencies. To gain political significance in the regions, direct and well-set relations with the major players are critical and seen as a penetration to main channels of local eco-system.

Conclusively, it is clearly visible that participation channels and policy networks are actively working in favour of the local public bodies. As discussed in the previous chapters networking capacity of the each group of actors are not equally constructed and in that sense management ability of the regional institutions to provide equal opportunities does matter more than any other public authority because of their intermediary role. Additionally, as for the operational success of the development agencies, the big mismatch between the level of importance of an actor group and the

level of partnership that have been set up with them so far addresses the political character of partnership building and project development processes on the one hand, and on the other it signals an inefficiency in the quality of service delivery for the development agencies in general. To put simply, agencies do not, or cannot, develop projects with groups of actors that are considered to be at top level of significance.

To further support this argument of political character of cooperation and partnership building; despite there is a big gap in the level of importance of actor groups between the regions with highest and the lowest GVA in favour of private sector and the chambers of commerce/industry, the level of partnerships built with them is quite close. For the first 5 regions with highest GVA figure for private sector and chambers is 38,6% and for the last 5 regions with highest GVA is 36.58%. Still for the both categories, most actively engaged group of actor is still local public bodies with ratios of 29,55% and 25,58% respectively for most developed and least developed regions. Conclusively, despite the differences in region specific conditions and variations in the strategic orientations, there are some similar externalities such as political character of local relations that bounds all the agencies' local relations. This fact in the end constitutes a negative aspect in the form of a mismatch between the active relations and necessary relations. Thus said, naturally better possibilities of networking and communication channels of the local public institutions and municipalities together with chamber of commerce/industry are benefited well from these groups. On the contrary this picture can be read as the failure of the agencies to better integrate other stakeholders in the project development processes.

4.4.2 Local vs. Regional Tension and Sub-Regional Relations

As was mentioned earlier, one of the most important peculiarities of the development agencies in Turkey is that they are highly susceptible to their ability to manage the conflicting nature of local interest and create a common perspective for the region. In that sense, possible conflicts and competition within the provinces that regions are composed of play a decisive role in the functionality of the development agencies in the long run. In the previous chapters, lack of a tradition in regional scale in the public management of the country has been discussed as a critical point to be effective in all processes of development agencies. In that sense, weakly tied province-wide relations were claimed to be hardly sufficient to compose a powerful

notion of region. Within the discussion of this study, this local-regional tension was conceptualized as a major drawback to maintain the policy capacity of development agencies. In that manner, one of the first points that was analysed in the questionnaire is whether there is a dominant city in the region that is constantly pursuing its own good and manipulating the agency's agenda which supposed to be guiding all region's common interest. Understanding such a case will also be helpful to clarify the underlying nature of province-based relations over the regional priorities and implementations of agency.

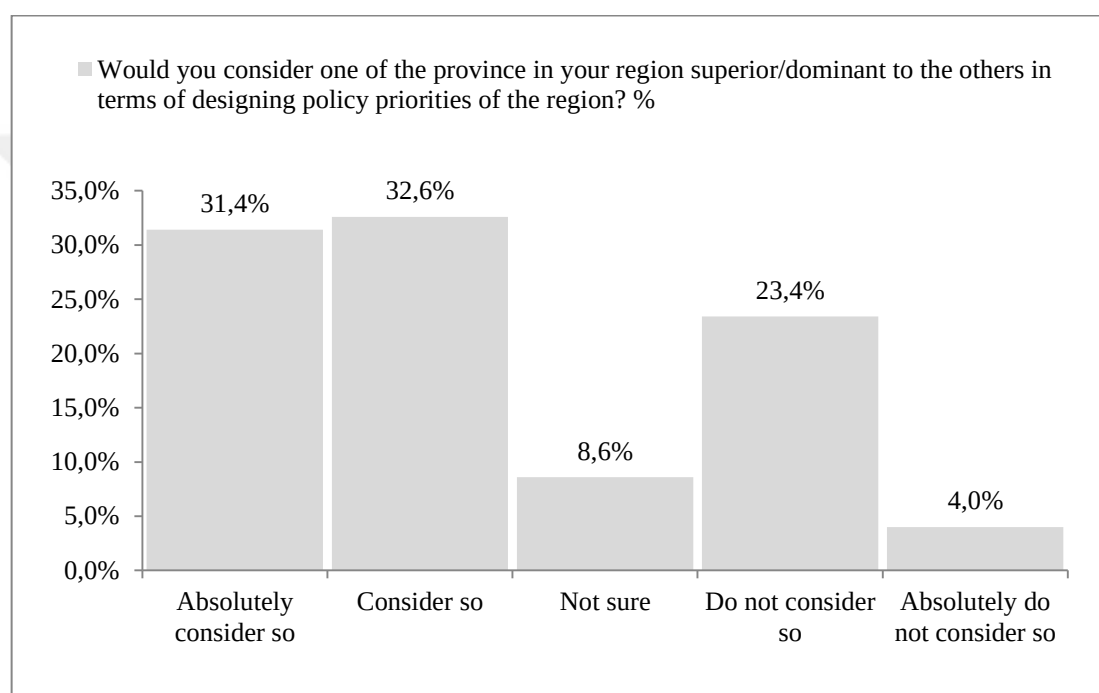


Figure 19 - Dominance of a Province over Regional Scale

Figure above shows the percentages of the respondents who experience a dominant city which has posited itself in a self-interested stance while formulizing a policy objective or a project in the regional scale. As can be seen on the figure above, in total 64% of the all development agency staff, consider or absolutely consider that there is a dominant city superior towards the others in the region by over protecting its unique interest for the sake of the whole region. On the negative side, only 27,4% does not experience such a case which is critically low when considered the ideal scenario that development agencies are obliged to achieve. When observed internal distribution of this ratio, it is interesting to note that 30,8% of those who does not

experience a dominant province over the regional issues are from two agencies; Çukurova Development Agency and Karacadağ Development Agency. As expected in deed, both regions are composed of two cities with similar size and level of development; Çukurova region is composed of Adana and Mersin and likewise Karacadağ region is composed of Diyarbakır and Şanlıurfa. Therefore in these regions there is not one central city over the others but instead two identical cities designate the basis of intra-regional relations. Apart from these two agencies, it is interesting to note the fact that most of the remaining regions have a dominant city shifting the balance of the cities in the region. Nonetheless, it has to be noted here that this domination does not indicate the presence of a city that acts as the engine of the growth for the region but instead what is meant is over-manipulation of the agency resources because of its primary position.

Addition to the query of a dominant province within the region to formulate the balance of intra-regional relations, possible conflict and competition among cities was another point to be searched to acquire a better understanding of the nature of actor relations in the regional scale.

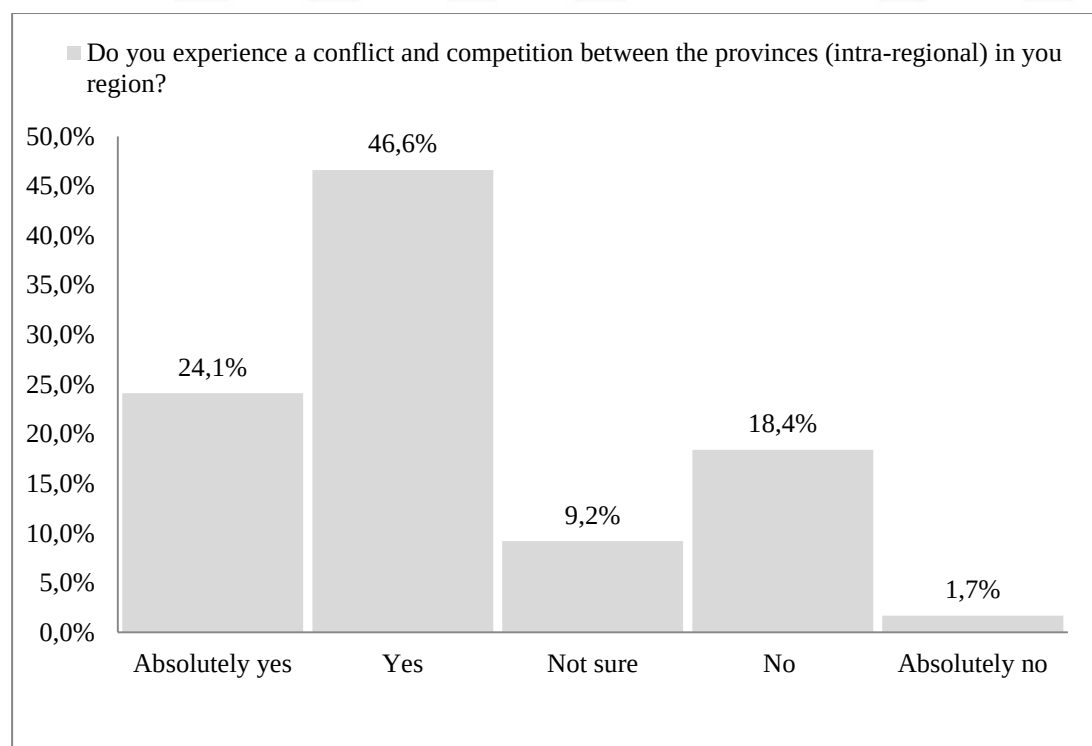


Figure 20 - Presence of Intra-regional Conflict

Having underlined the critical meaning of sub-regional relations for the development agencies, above on the figure, it was presented the percentages of the staff that experience the existence of a conflict or a rivalry between/among the cities in order to benefit more from the resources of the agency. In the answers, regardless of the geographical location and the composition of the regions, a big majority of the respondents, 70,7%, claimed that they experience and suffer from this rivalry to realize common projects. It is indeed understandable to witness that among cities within the current condition of policy making and territorial organization of the country, nevertheless as was mentioned in the law of establishment of development agencies, setting up a cooperative baseline for the policy agents in the region is an essential duty of them; “to improve cooperation in between public sector, private sector and non-governmental organizations to achieve regional development objectives” Thus, such a dominant opinion representing all agencies critically signals a need of fundamental change in the elaboration of regional problems.

Internal organization and the power relations among cities are hence somehow critical to understand the unwritten codes of the practice in the development agencies. To better formulate this from the findings of the questionnaire, the relationship between the on-going competition among provinces and the presence of a dominant province in the region was overlapped due to the answers given.

Table 17 - Relation between the Existence of a Dominant City and Intra-Regional Rivalry

Would you consider one of the provinces in your region superior or dominant to the others in terms of designing policy priorities of the region?	Do you experience a conflict and competition between the provinces (intra-regional) in you region?					
	No	Yes	Absolutel y no	Absolutel y yes	Not sure	Total
Do not consider so	34,09	38,64	0,00	18,18	9,09	100
Consider so	12,28	57,89	1,75	21,05	7,02	100
Not sure	6,67	40,00	0,00	20,00	33,33	100
Absolutely do not consider so	28,57	42,86	0,00	28,57	0,00	100
Absolutely consider so	12,50	46,43	3,57	30,36	7,14	100

As is visible from the table, respondents who think there is a relatively stronger province that plays a dominant role, consider also there is a competition among the provinces that constitutes the region. In that sense, a stronger province in the regions can act as the source of a competition and rivalry within that region. Regarding the nature of this competition, composition of the cities is again critical to gather further insights. To illustrate, in the previous manner, Çukurova and Karacadağ regions are particular two regions with higher ratios that do not consider one province dominant to the other, nevertheless in these regions 81,8% of the respondents think that there is a rivalry between the cities. Therefore the essence of the competition in these regions differs from others that do have more complicated composition of cities. This fact, on the first hand seems conflicting with the argument made above; dominant city can be a cause of rivalry, nevertheless it on the other hand does give deeper ideas about the character of rivalries in the regions.

Furthermore, to support this relation with the empirical methods, findings of the questionnaire has been assessed in statistical test to see whether there is a significant association between the existence of a dominant city in the region and the level of a conflict and rivalry among cities. To do that, results of the both questions have been

analysed in the Pearson Chi-Square Test and Cramer's V tests, outputs³⁹ of which are as follows;

Table 18 - Association between the Dominant City and Intra-Regional Conflict

Dominant_City	Level_of_Conflict					Total
	1	2	3	4	5	
1	17	25	4	7	2	55
2	12	33	4	7	1	57
3	3	6	5	1	0	15
4	8	14	3	15	0	40
5	2	3	0	2	0	7
Total	42	81	16	32	3	174

Pearson chi2(16) = 29.2098 Pr = 0.023
Cramér's V = 0.2049

The results of both tests signify that there is certain association between two categorical variables. In that manner, as a result, the argument claiming that presence of a dominant province in a region can act as a significant reason in creation of conflict and rivalry in region-wide relations seems plausible. Nonetheless, it is not meant here that; for those who do not think there is a dominant city in their region do not also have any rivalry based relations in their region. On the contrary, regardless of the inner characteristic of the region, it was expressed that in most of the regions there is a group of competing actors for any resources to be delivered by the agency but the nature and the essence of this competition may vary due to the regions.

Yet another comparison in this particular area that gives important insights to understand the internal balances of local institutional relations is the impact of the

³⁹ According to Chi-Square test, if calculated chi-square value is bigger than the critical chi-square value, then the null hypothesis should be rejected. In our case, calculated chi-square value is 29,2098 which is bigger than the critical value of 26,296 for level of freedom 16. In this sense null hypothesis will be rejected. In chi-square tests

H₀: Variable X and Variable Y are independent.
H_a: Variable X and Variable Y are not independent.

Thus null hypothesis says there is no meaningful relationship between variable X and variable Y. In this case as the null hypothesis should be rejected, test indicates that these two categorical variables are not independent from each other.

As for the strength of this association, Cramer V test can be benefited. The interpretation of the results of this test indicates that all values between 0,20 and 0,25 is in the acceptable range. Therefore, statistical test shows that the level of this relation is in the acceptable range.

new metropolitan law over the relative weight of the cities towards each other. As discussed in the previous chapter, with the new law, total number of metropolitan cities has increased to 30 and the jurisdiction of the metropolitan municipalities has been extended to whole provincial borders. That, in the end, increased the political and financial capabilities of the metropolitan municipalities when compared to remaining cities. In this sense, regions in Turkey, given the loose connection of the cities and lack of horizontal networks among the cities, were analysed according to their internal organization due to the fact that whether there is a metropolitan municipality or not. There are only 4 regions (TR81, TR82, TR71 and TRA2) without a metropolitan city; all the remaining regions contain at least one metropolitan city. In this regard as the table and figure below illustrate, there is a clear effect of the presence of a metropolitan city onto the region-wide relations.

Table 19 - Cumulative Percentages of the Comparison of Region with at least One Metropolitan City and Without a Metropolitan City

Would you consider one of the provinces in your region superior/dominant to the others in terms of designing policy priorities of the region? %		
	Regions with at least one metropolitan city	Regions with no metropolitan city
Absolutely consider so	32,30%	21,43%
Consider so	65,84%	42,86%
Not sure	73,29%	64,29%
Do not consider so	96,27%	92,86%
Absolutely do not consider so	100,00%	100,00%

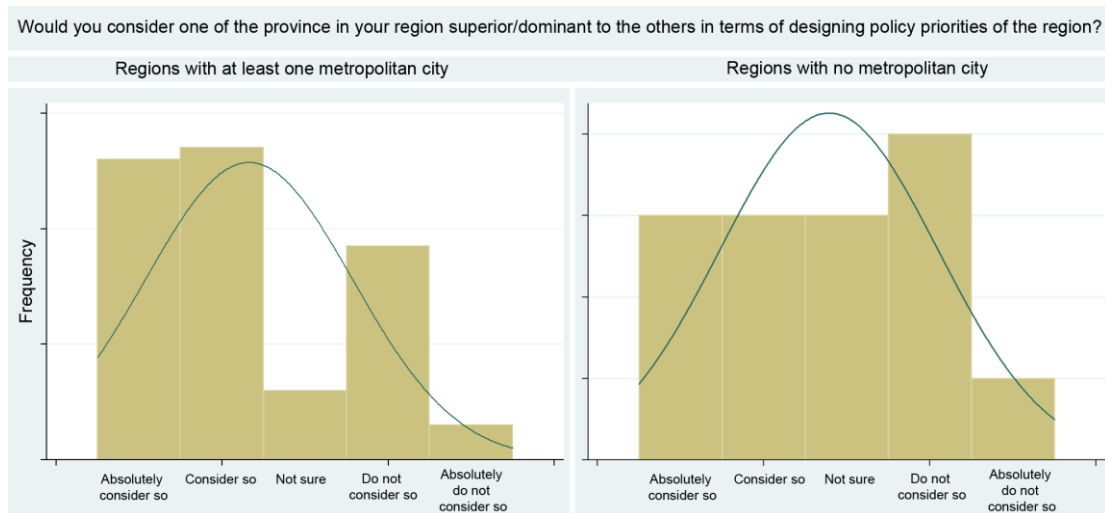


Figure 21 - Comparison of Region with at least One Metropolitan City and Without a Metropolitan City

As shown in the figures, with the increase in the magnitude of the size and political significance of city-wide politicians their tendencies to orient the regional resources towards their own favour increase and manipulate the regional agenda. Shown in the relation test, this presence of a dominant city inside the regions, eventually increase the probability of a conflict among the policy actors of a region.

4.4.3 Networking Ability of Agencies

Being embedded in the networks of local policy making eco-system is of essential importance in almost every step of the development agencies. Since the beginning of the establishment of agencies acting as a part of the locality is one of the key principles that each agency has to sustain in order to acquire a functional meaning and operational capability. To achieve so, development council in the design of the development agencies were in the first hand considered as an internal part of the agency to give networking power. Additionally, in that sense both in the managerial level and expert level there have been many attempts in this direction for almost all development agencies. In addition to routinely organized meetings with the stakeholders, being as the beneficiary of the agency's support programs, there have been considerable amount of networking activities of each agency with the local stakeholders. Besides all these opportunities, developing common projects is also a major channel of communication that will carry the potential of cooperation to higher levels. For the importance of the networking and the public awareness on the

development agencies, following quote is important to understand its further advantages;

A RDA must be known, used and recognised in its main arena - the regional actors, like SMEs and local authorities. That is why these actors must be involved in a significant number of short-term actions. These are only the beginning of a long-term development project, made up of the permanent combination of different systematic approaches to the needs of the region. RDAs must be able to find their own "market" - that is to create local synergies and local changes; they must be able to conquer the respect of the others, and this is only possible by achieving concrete operational results. (EURADA, 1999, p.24)

In addition to the effective networking capacity, as mentioned in the quote, finding the own market for the development agencies is one of the most critical elements that will trigger a strong position in the eco-system. Although the definition of this duty may vary from any context to the other its positive affect will be valid for all⁴⁰. Thus said, when queried staff opinion about their perception on the networking power of the development agencies, there is still a 17,9% who think that agency's integration to local policy making environment is either poor or very poor. On the other hand, a big percentage of those who think, networking capability as fair is salient with a portion of 37,9%. On the positive side, there is a 44,2% amount who considers networking level of the agency is either good or very good.

⁴⁰ To illustrate; after the abolishment of development agencies in England, one of the areas that the local organizations suffered most is the lack of an institution that will set up business links with both national and international investors which was formerly held by the development agencies of the regions. This missing link was also considered to be one of the reasons that motivated authorities to establish Local Enterprise Partnerships as the replacement of the development agencies. Moreover this distinct responsibility and added value of the agencies also enabled them to steer and orient local authorities in many senses. (This information was acquired from personal contact with a representative from UK Trade and Investment department)

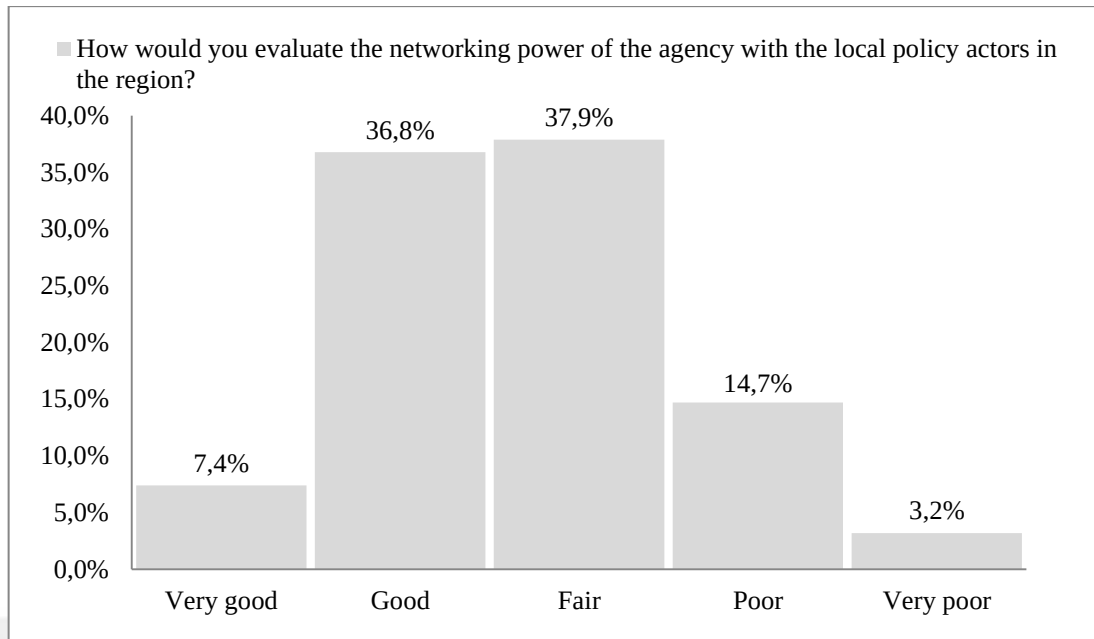


Figure 22 - Networking Ability of Development Agencies in Regional Scale

Among these findings, when observed the details of the answers, it is hard to conclude with a geographical distinction whether any region is showing a dominant pattern or not. Nevertheless there is a slight exception of big cities such as İstanbul, İzmir and Ankara. Among all the regions these three are the ones showing relatively higher percentages of poor and fair. Possible reason of such case is probably the size of the cities and magnitudes of the problems and issues they deal with. Thus it is getting harder to penetrate majority of the policy actors when the magnitude is getting bigger. Interestingly, as the results of the questionnaire propose there is no any negative relation with the number of cities and the level of networking power.

On the other hand, it is more critical to understand that how development agencies can make use of their networking power than at which level this ability is. To assess that, it was asked to the respondents whether they think that their agency can benefit enough from their networking power in terms of making the other institutions as a partner of the project or mobilizing their resources, which doesn't have to be financial, in order to solve a particular problem.

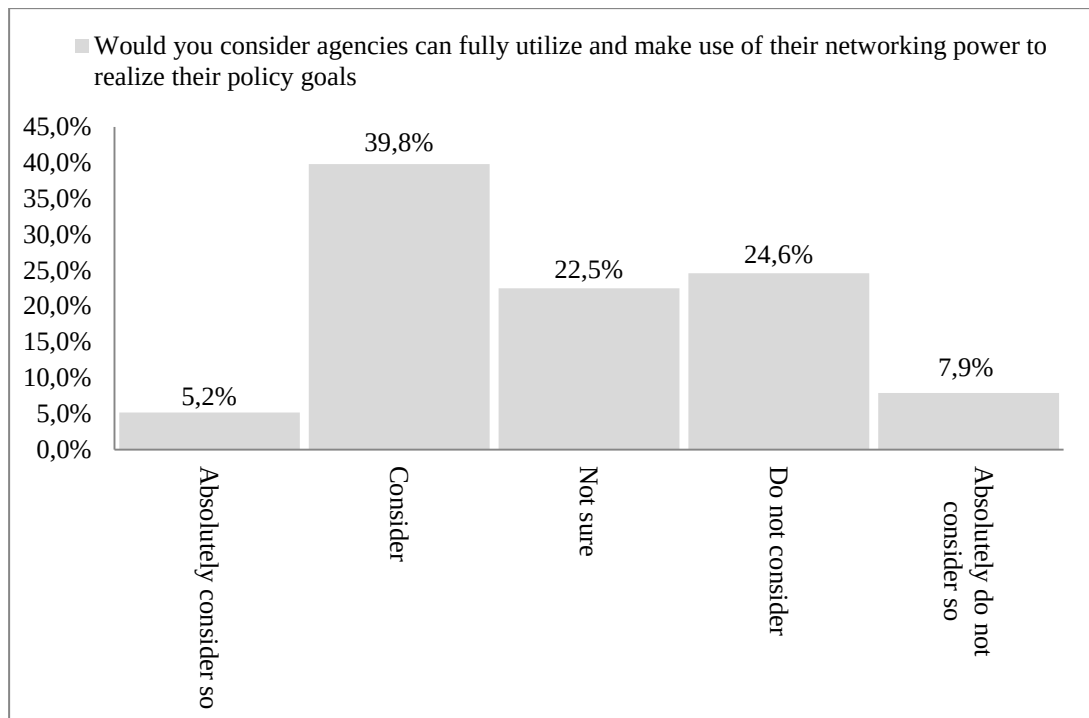


Figure 23 - Perception on Effective use of Networking Ability

As the results reveal, there is a sharp increase in the number of those who have a negative perception on the functionality of the networking ability of the agencies when compared to previous figure. To put directly, the level of the agency staff who consider the level of networking power is adequate is around the similar level that of those who consider this ability is benefited properly. On the contrary a considerably higher portion of the staff evaluates that agencies cannot make use of their networking power in realizing their policy goals. This critical portion in deed addresses a problem that was discussed in the previous chapters to be effective in the policy capacity which is credibility and the socio-political meaning of the agency in the local context. Partially related with the managerial skills of the development agencies, credibility in the local context provide a more consolidated capacity of getting things done. In this case, findings of the questionnaire proposes that agencies have set up a moderate and good level of connection and communication level nevertheless they are not as successful as transforming this level of communication into real projects and programs to be realized in the regional perspectives. In the background of such a case, there might be many underlying reasons but for this study, it is important to highlight that it is highly noticeable that agencies cannot

have the necessary equipment to mobilize the partners towards the action that they are eager to implement.

Finally, when the two set of answers to networking questions are overlapped, it gives further information about the level of networking and the effectiveness of networking relations.

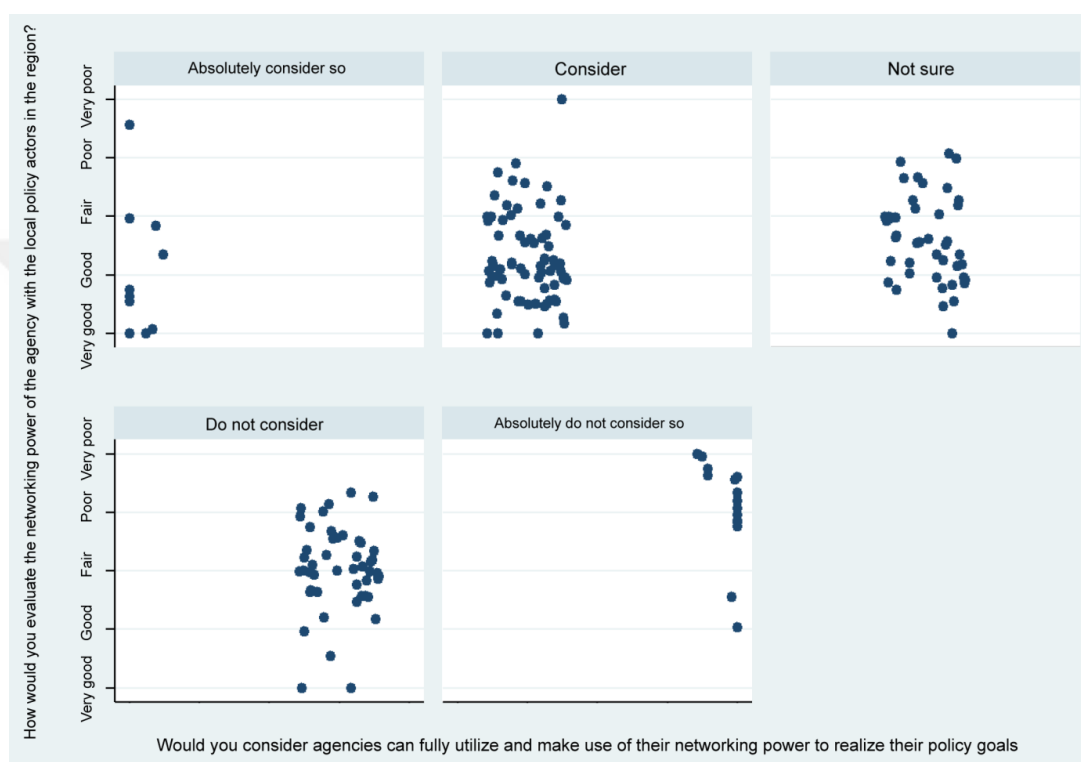


Figure 24 - Relation between the Level and the Effectiveness of Networking Relations

As is visible from the figure above, staff who consider the networking power of the agency as poor and very poor, for the next question evaluate the effectiveness of relational power of the agency as inadequate. So in other saying, perception of the staff working in the agencies is likely to change positively about the effectiveness of the networking relations as they increase the amount of relations and partnership with the local policy agents. That gives in the end, for some agencies embeddedness of the agency into local context is not as good as the others and therefore their capacity is likely to be negatively affected. Possible resistance from the inherited patterns of institutional alignment and their discrepancy with the emergent forms of the spatial organizations are likely to explain this initial struggle of local

embeddedness. Conflicts between the meta-structures in the state apparatus in that sense are naturally transferred to local branches of the central actors and also discourage the local public institutions.

4.4.4 Management Structure of Agencies

Management of the development agencies is an extensively discussed issue since their establishment. In this study a particular remark made on the management of the agencies is that a simple coalition and gathering of representatives of the city-wide policy makers does hardly result in an inherent sense of mutual understanding of regional issues and guidance of common economic interests. Specifically role of the governors as the head of the administrative board was another criticized point to give agencies a more public and bureaucratic character at one side, and on the other hand, it might deter the equal representation of the members of the administrative board since the governors are politically stronger than any other member by large margin. In the discussion of this study, therefore the position of governor in the administrative board and the approach of the member to regional problematic were some of the issues to stress on with links to their effect onto the agenda and strategic orientation of the development agencies. Annual shift in the chairmanship of the administrative board therefore might create certain shifts in the orientation of the agency's strategic decision. In a sense, policy continuity has been assessed from the perspective of members of the board especially from the specific position from the governors. In the figure below, it is presented opinion of the respondents on how this shift in the chairman of the board affects the agenda of the agency.

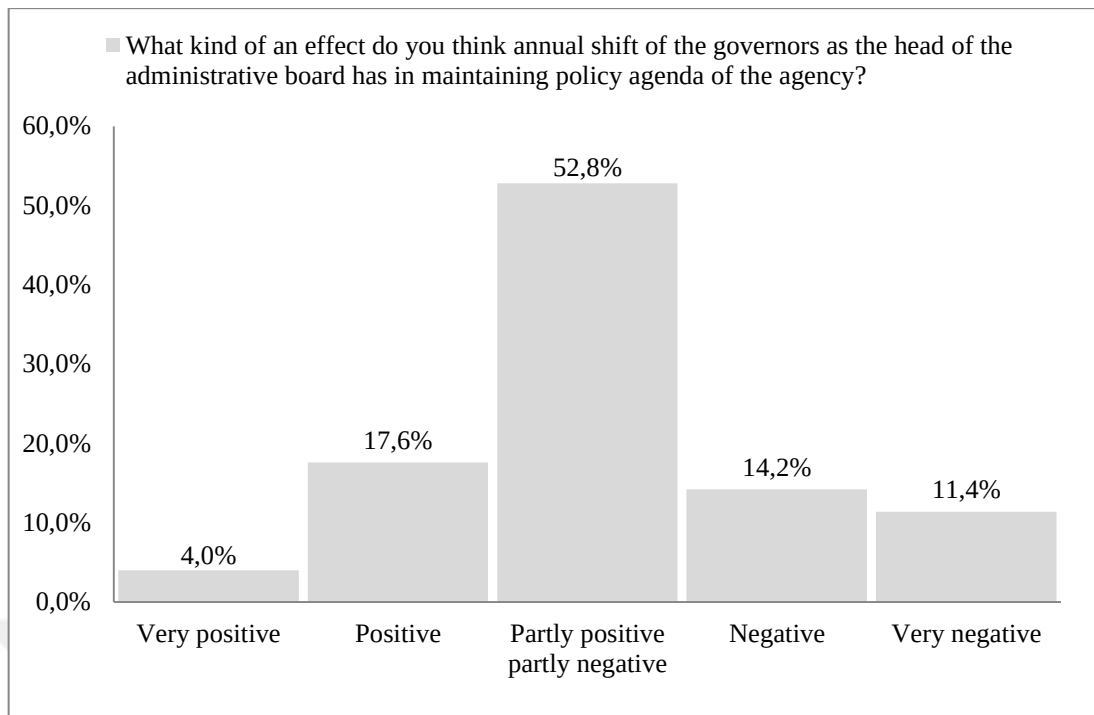


Figure 25 - Effect of Annual Shift in the Management Structure

This method was evaluated as being highly critical whether governors' changing positions in the administrative board of the agency create any shift or breakdown in the strategic orientation of the agency towards city-wide priorities and programs. Unlike expected results, most of the agency staff does not consider this annual shift in the presidency of board does not create dominantly negative effect on the agenda of the development agency. A great majority of the respondents, 52,8% evaluate this method as partly positive and partly negative. The remaining two poles, have ratios around the same level with 21,6% on positive side and 25,6 on the negative side. Hence the conclusions might indicate that, presence of different governors already maintain a balance between the representation of the different provinces. To put directly, power balance and absence of hierarchy between the governors reflect upon the internal decision of the agency. While making a decision in the administrative board meetings, over-manipulation of a certain province is perhaps hindered by the other governors or the presence of the other governors deter the head of the board to direct the decision for the good of one particular province.

Following on, to understand the internal organization of the administrative board, it was asked who the respondents evaluate as the most powerful actor in the board after

the governors. Not surprisingly mayors as the second person in the political hierarchy after the governor are evaluated as the most powerful member of the board. When considered mayors and metropolitan mayors as a one category, in total 66,3% of the all staff consider mayors as the second most important and on the third level there is the head of the chambers with a ratio of 30,0%. In order to understand whether there are some patterns in the answers, both the geographical distribution and the level of economic development by using GVA was searched. However, in neither of the categories it was not able to conclude a distinct tendency in the answers with few exceptions. This absence of any meaningful pattern, on the other hand, leads to another meaningful conclusion. Regardless of the conditions and realities of the economic and cultural conditions of regions, political actors do matter much more than any other actor group. Thus, traditional prevailing political hierarchy in the state structure is directly transferred to administration of the agencies rather than any functional division of roles. Therefore political character of the agencies' management is much more ahead of its functional character and so naturally so as its development and evolution.

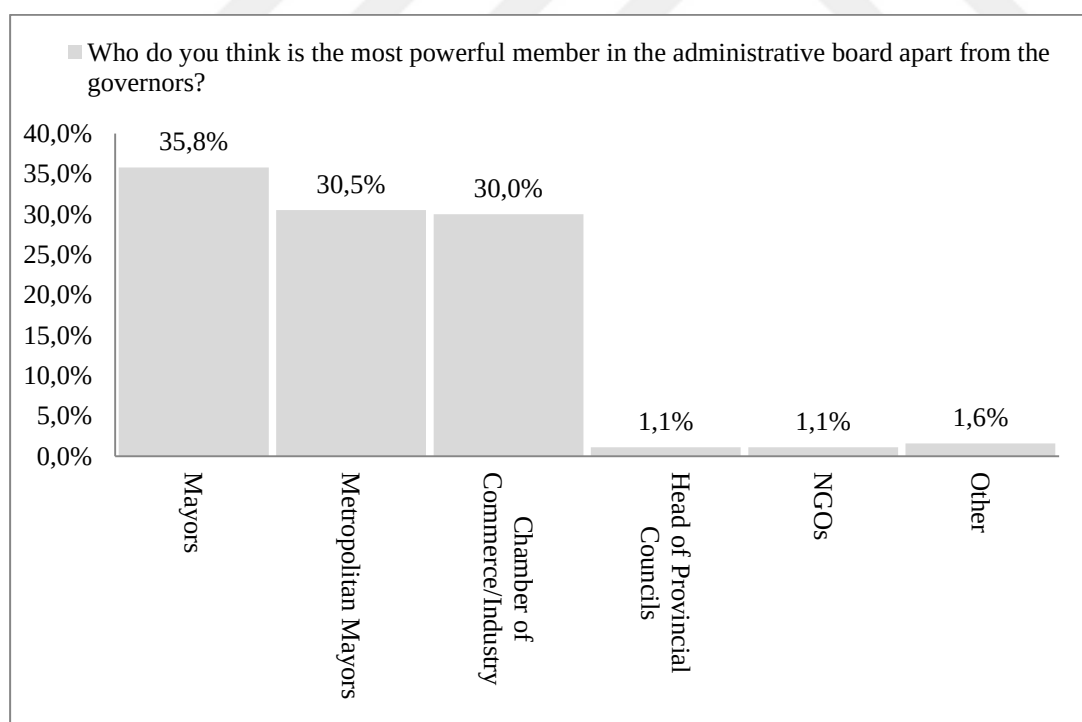


Figure 26 - Positions in the Administrative Board

Finally, to understand the level of commitment of the board members, it was assessed whether they are devoted and aware of the region's common vision and perspective of development from the view of the personnel of the agencies. This fact is decisively important for the progress of the development agencies since it gives important ideas on whether the executive team is having a perspective that is parallel to the mentality of the development agencies and implementation of a particular policy in the regional scale. This very condition is also important in the sense of validity of the argument made in this study which is the failure of making regional scale out of the aggregation of city-wide relations and actors. As the answers of the staff indicate that, members of the administrative board are far from understanding the common frame of the regional vision. Seen on the figure below, 68,8% of the all staff do not consider that members in the administrative board is attained to their duties in the management board of agencies. In a sense they could not get through their initial positions and focusing on the specific problems of the regions and agencies. For the remaining division of the answers, 15,3% of the respondents are not quite sure about their opinion whereas only 15,8% of all staff consider that regardless of their personal and institutional stances, members of the administrative board are fully aware of the requirements of their roles in the board.

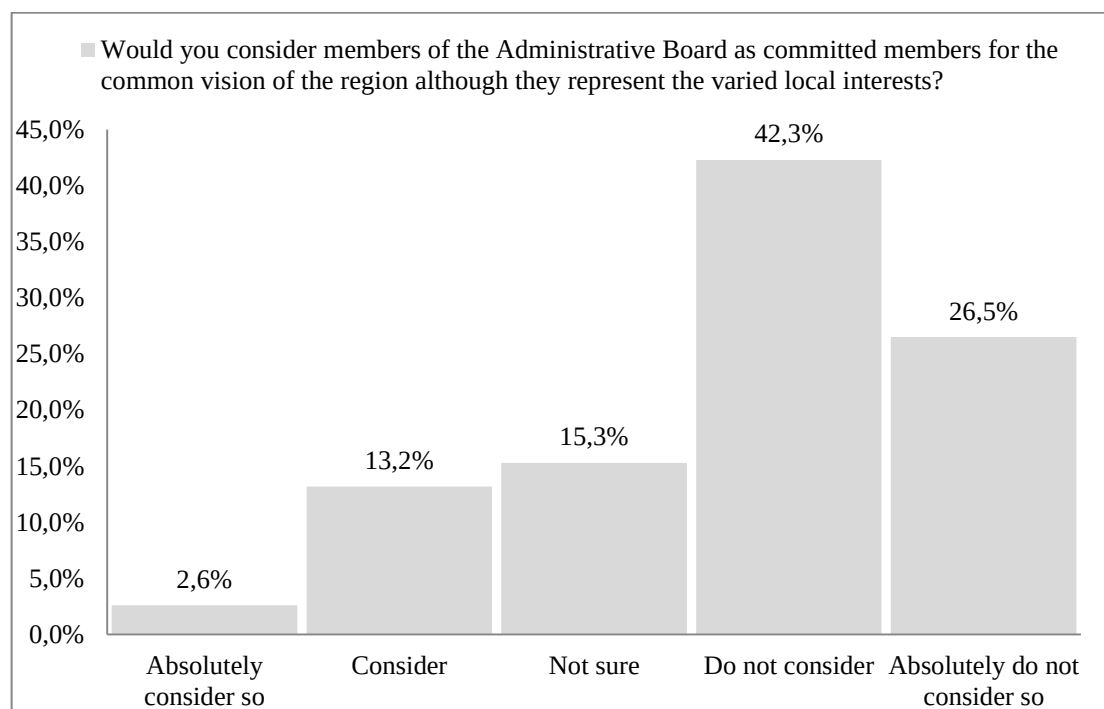


Figure 27 - Perception against the Members of Administrative Board

This perception of the key actors in the management of the development agencies, indeed, is addressing a structural problem of regions' definition and bordering especially when considered together with the lack of a historical and cultural meaning of the scale region. As also discussed extensively during the establishment of the development agencies, formal borders of the regions in Turkey were argued to be quite loose and lacking a functional integrity. As they were dominantly designed and determined due to variables like geographical proximity, level of economic development and some basic socio-economic factor variables instead of a common problem or a dominant local bonding factor. This simple juxtaposition of the cities to compose a region, although not claimed to be the sole but as one of the reasons, can play a critical element in the emergence of city-wide conflictual relations among the actors. Since it is hardly visible, in most of the regions, the role of a common agenda that will bind the localities in a conceptual frame of region definition, actors' motivations and perception have a strong tendency to position the agency yet as another platform to compete over the resources instead of a medium to cooperate and set up territorially embedded common development structure. To be more direct in this sense, for instance it is sometimes quite difficult to define a common policy agenda or a topic that will find a positive reflection in the whole territory of the region which leads in the end lack of a unified orientation of resources. What is practiced in the reality of the time being in most of the agencies is to implement aggregated and broad policy packages in which each of the cities can find something related with themselves. Furthermore in some cases, it is even hard to define such policy areas which lead to municipally crafted policy implementations under the fictive headline of region. Therefore, above presented findings related to actors in the administrative board is only a simple reflection of the current conditionalities bounding the development agencies.

4.4.5 Multi-Scalar Relations

Proposed model of regional policy capacity in this study accepts the inter-scalar relations of the regional authorities as a meaningful and essential component of their overall capacity and abilities to get policies realized. In this manner, agencies' interaction with the central scale institutions, the level of mismatch between the national policies and expectation from sub-regional scale, intervention of the local policy elites and pressure groups to agency's own agenda are some of the queries

made throughout the questionnaire in order to posit the effect of parameters regarding different scalar configurations.

To begin with, stemming from the intermediary role of the development agencies, they have distinct responsibilities and duties against central institutions and at the same time they have to manage and mediate the local scale demands. In fact, one of the points to rationalize the establishment of the development agencies in Turkey was the overall failure of policy coordination between the central institutions and the local policy makers specifically in the delivery of development policies. Unresponsive character of the local scale towards the projects and programs of the national actors has almost turned into a widely used cliché in the political discourse. Region in that manner was adopted as the favoured scale that has connections and organic relations with key actors of both scales. Nevertheless maintaining such a balance and providing input to supra-local, supra-regional scale is quite a challenging task in the absence of necessary tools. To achieve a goal like this, regional plans prepared by the development agencies, national development plans and regional development national strategy seems to be the only initiative so far to increase the consistency of both levels. In other saying policy documents have been considered to be the one and only important tool to integrate local policy priorities into national institutions' agenda to maintain coherence without any practical asset.

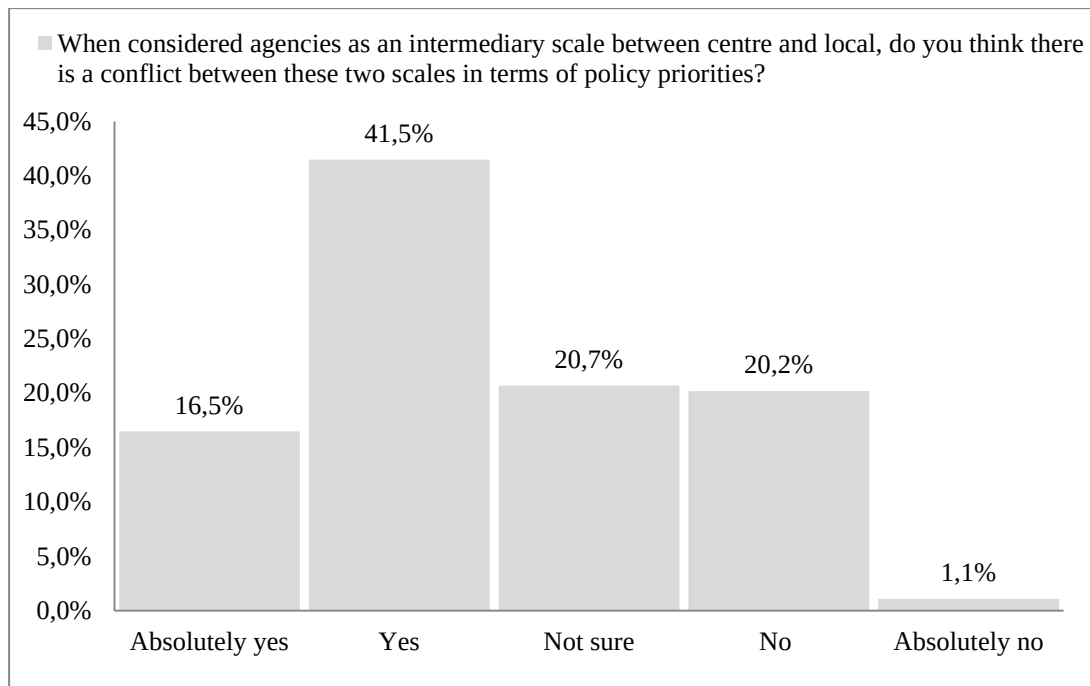


Figure 28 - Inter-scalar Conflicts

All in all, the figure above shows that many of the respondents still consider and experience a big contention between the perspectives and priorities of the two scales. Evaluated under the structural category of the variables in the approach of policy capacity, conflict between the local and central policies are dominantly experienced by all the agencies in Turkey. Raw figures of the questionnaire reveal that 58% of the respondents do think that there is a strong conflict within the mentality of two groups of actors. Likewise in some previous cases, the overall geographic pattern of the answers doesn't show a bias or deviation in the all territory of the country. Thus, this homogeneity of the answers signals that there are some structural variations and dissimilarities between the perspectives of the central state and local governments in all localities of the country under the framework of local economic development. Position of the development agencies in convergence of this detachment is critically dependent upon their ability to level up local demands and giving ground-level feedbacks and inputs to the formulation of the national programs. Unless development agencies position themselves as highly mobile actors in the inter-scalar networks of the state apparatus, it is highly unlikely to achieve and create functionality for agencies. In the otherwise case, such high percentages of conflicts

can be regarded as severely deterring factor of the policy capacity of the development agencies.

Following on, as an agent of the sub-national scale, development agencies' network channels in the major actors of state provide a considerable source of credibility and functional dignity in the perception of mid-level local policy makers and managers. In that sense, agencies are perceived by many stakeholders in the localities, as the actors standing on the key nodes of the state bureaucracy and represent and advocate the interests of the province based agents. Specifically, sub-city level policy makers do find it extremely difficult to reach to a correct contact point in the state hierarchy by themselves since their representational power and networking ability is quite limited⁴¹. This problem is, as expected, growing bigger and bigger for the peripheral regions and therefore the position of the agency is even more critical in the representation of ground level demands and economic interests in these regions. To assess the current conditions and abilities of development agencies in this field, it is questioned whether agencies themselves can find the correct interlocutor among the central institutions to realize a project and develop partnerships. What is meant here with the correct interlocutor is not simply to make an appointment with the person itself but rather to develop rigid associations and links with the institution itself to show necessary corporate will to mobilize resource in order to realize policy goals. In that sense, the answers also give critical clues about the relative position and embeddedness of the development agencies in the state channels. The figure below shows the experiences of the staff about the ability of the agencies to penetrate into state fabric.

⁴¹ This nodal point of agencies is not only functional in the sense of playing a connector role between the local and central, but in some particular cases some of the district level policy makers (for instance head of organized industrial zone) can utilize agency resources to reach out a major province based actors such as mayors and head of the chambers. Therefore position of the agencies to link the sub-local actors to local policy makers is as critical as linking city wide partnerships and institutions to central scale policy makers. In other saying this dual connector role of the development agencies will make them critical actors of mobilizing the demands of alternate scale of policy making.

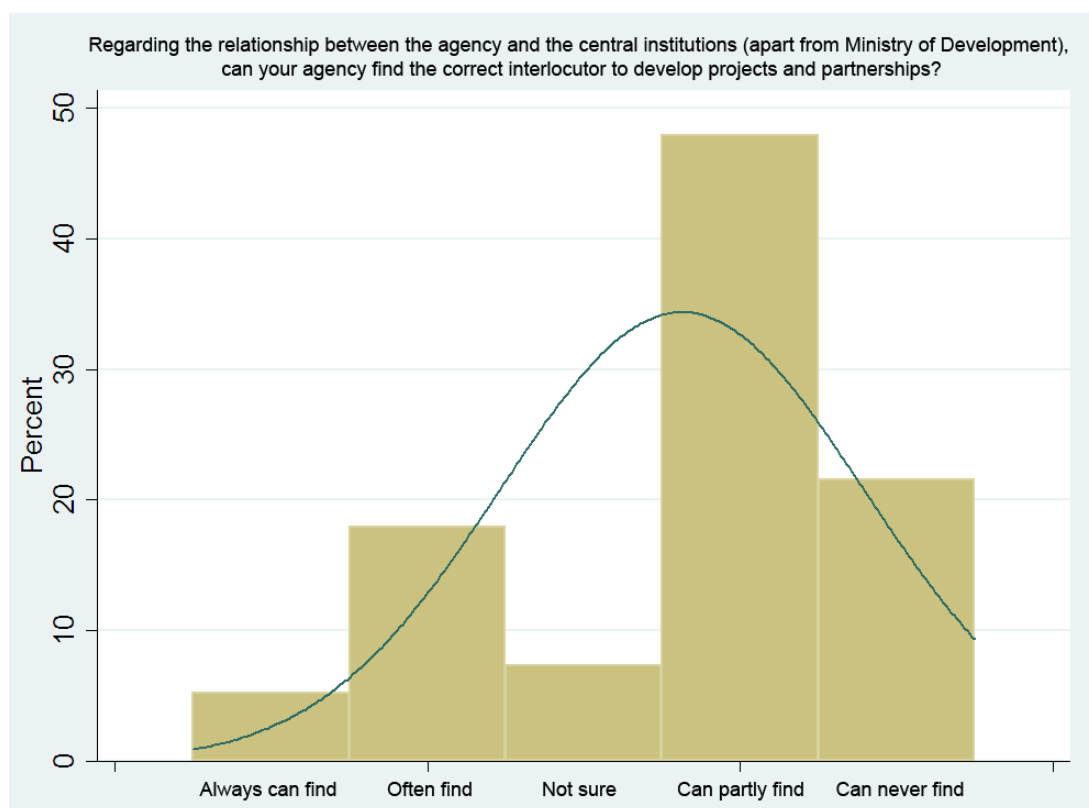


Figure 29 - Ability to Find Correct Interlocutor in the Central Scale

General figures of the answers clearly indicate the negative tendency (right skewed normal curve in the figure) in the experiences of the staff towards the agency to play as the connector role. Percentage of those who are positive about their capacities in this manner is slightly higher than 20%. On the other hand those who consider they can partly and never reach out to correct policy agent is around 70% of the all respondents. In the case of this inability to penetrate into state structure, it is hard to acquire positive sum relations with the major public policy actors and which means a substantial decrease in the total policy capacity of development agencies. As secondary implications of this failure, credibility of the agency in the sub-regional scale will be severely affected as well. To sum up, affiliation of the agencies with national scale seem to bear two important bottlenecks, first as majority of the staff opinion validates that priorities and mentality of the local and central scale have sharp diversions and clashes that agencies have to confront both. Secondly, together with this problematic case, penetration of the agencies into general state structure, as the representatives of the localities, seem to be insufficient in order to position themselves as the defender of economic interest of the regions in various scales that

is beyond the reach of the local actors. Conclusively, findings of the above indicate the importance of the inter-scalar mobility and the managerial capacity of the development agencies in relation with the supra-regional actors. On the other hand, the geographical variations of these findings are quite unsubstantial and ignorable which means regardless of the place specific variables all agencies are bounded by such structural conditionalities to produce more policy capacity.

On the other side of the inter-scalar relations, variety of actors and interest in the local scale makes the development agencies sensitive to form of business that local stakeholders conduct among each other and with the agency. The discussion in the previous chapters concluded in that the total harmony or the conflict in the local policy eco-system is something that regional actors in a strong unitary state have to abide with. Looking from the perspective of the duties and the goals of the development agencies in Turkey, composition of the different layers that the local actors are located and their internal organizational harmony and tendency to cooperate is accepted as one of the most critical variables. Below are the answers of the respondents regarding the effect that they experience about the conflicts among the local policy actors.

First thing to realize in the figure is that the majority of the respondents are of the same mind about the overall effect of the internal conflict happening among the local policy actors. Those who consider that there is not much tangible effect of the local disputes over the general procedures of the agency are around 12%. On the other hand remaining of the respondents elaborates the presence of this effect in a range from extremely influential to somewhat influential. So, in search of an understanding of the policy capacity of development agencies, total composition of sub-regional relations is critically important. In this manner dispute driven characteristic of the local policy making, is somehow have to be dealt practically and carefully by the agencies. Considering public character of the development agencies, strong ties with the powerful and credible major policy actors and exploiting their legal basis carefully can provide clear opportunities to implement meta-governance principles to regulate the economic governance field. In this direction, though it is not meaningful to claim to cease all the disputes but agencies can at least decrease the negative implications of this picture.

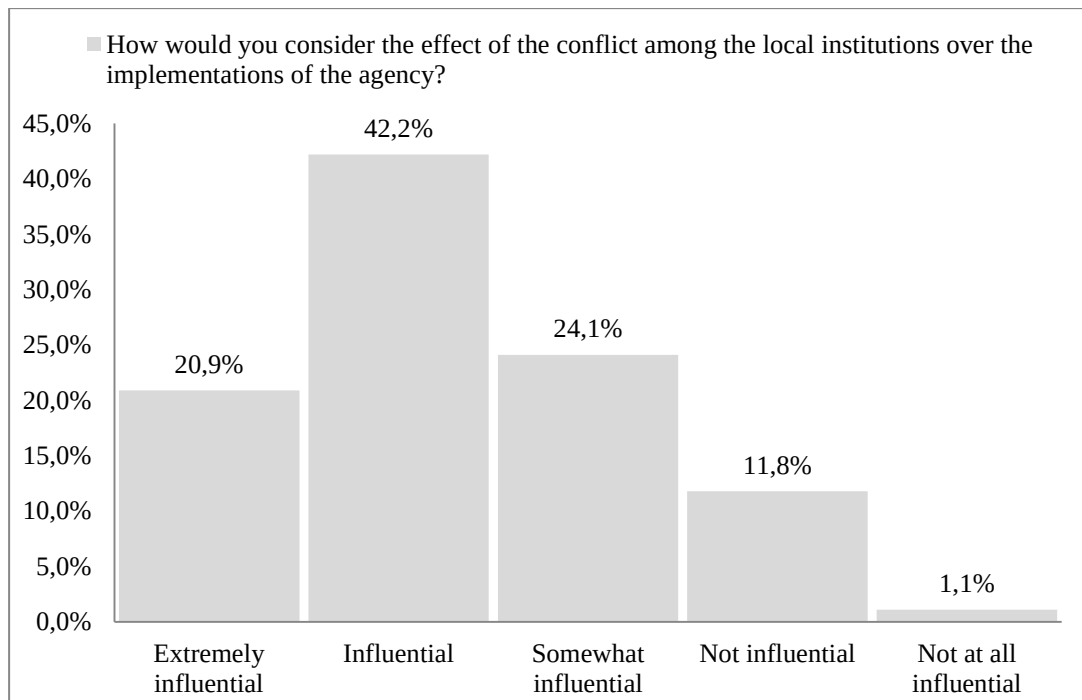


Figure 30 - Perceived Effect of Local Conflict

Still of the perceived effect of local conflict, agencies when filtered on those who answered either extremely influential or influential some of them draw attention which are; East Marmara, Eastern Anatolia, Eastern Black Sea, Karacadağ and Middle Black Sea Development Agency. What is common for all these agencies are apart from the Karacadağ, is that they are all composed of 4 or more cities (Eastern Black Sea region is composed of 6 cities which is the highest of all). Thus, it can be concluded that there is a tendency of more and intensive conflict as the number of the cities increase in the regions. For the specific case of Karacadağ agency, it was also argued earlier that the nature of the rivalry does not come from the number of the cities but the place-specific composition of the region and the interplay between the cities.

Apart from the secondary effects of the local disputes onto agency implementations, direct interventions of actors' political stances and their city-wide priorities have also critical reflections on the overall work of the agencies. To assess the overall impact of this interruption, respondents were asked to judge the experienced level of the intervention coming from actors based on their cumulative practices in the agencies about the relations with the local authorities. As figures put, 43,4% of the all staff

elaborate the intervention of the local policy makers' agenda into regional issues as extremely high and high. This can be considered as dramatically important value, nevertheless there is on the other hand another critical level as well who consider the level of such an intervention as low and extremely low around 27,5%. The remainder 29,1% answered that the levels of such an intervention can be regarded as average level.

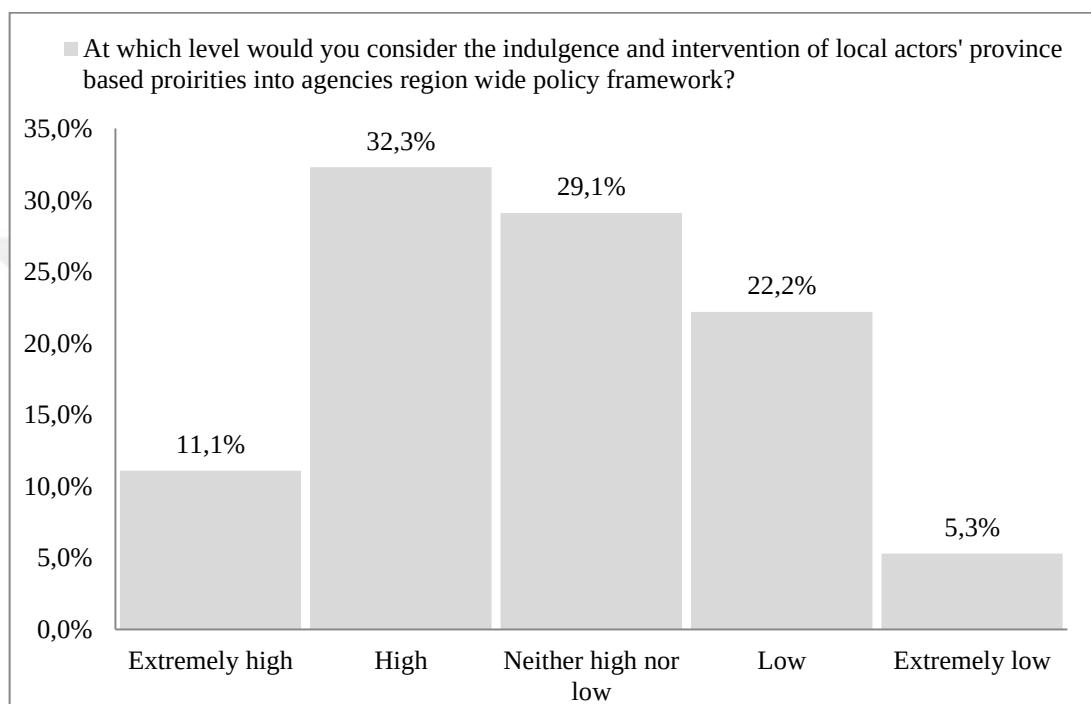


Figure 31 - Intervention of Local Policy Actors to Regional Policy Framework

The fact that, one institution's agenda is open to manipulation of the others is something undesirable per se, but in the case of development agencies strong networking and close ties with the local authorities might have such side effects. Nevertheless agency's agenda in the ideal scenario should be a place free from all political and contextual rivalries among the cities. In that sense, managerial skills should steer the discussions and debate among the actors and should be capable of diverting them more to a point where issues regarding regional development are discussed. This is a quite difficult task, however considering the level of external intervention, unbiased position in the agency's middle and long term orientation should be maintained by obtaining such a neutral character. Penetration of such informalities in the routines and codes of the agency's policy making mentality, in the

long run will severely limit the level of its capabilities and prevent it to gain a fair and rational management mentality.

A fifth categorical variable investigated under the inter-scalar relations of the agencies is the conflict of authority with the local institutions and the development agencies. Crossing the line that is within the responsibility of another institution, which is highly possible in the field of local economic development, will eventually empower the reactive stance of the old hierarchy that the development agencies are imposed onto. To put directly, existing institutions will not approach positively to a recently emerged establishment that is doing its own job. As said, regional economic development is composed of wide range of topics each of which already has a responsible authority⁴². On the practical basis of such conflict of authority, a big majority of the respondents gave positive answers. 64,2% of all staff consider that, there is no clear and distinct lines of authority and policy domain among the local actors of policy making and the development agencies. On the negative side, who do not experience such an ambiguity of responsibility are around 23% of all participants. There are two important outcomes of such a picture. First of all it will have institutional drawbacks for the development agencies when considered in the local eco-system and secondly it will create ambiguities for the scalar re-organization of the state apparatus.

⁴² To illustrate, in the very beginning of the establishment of the agencies, Ministry of Food, Agriculture and Livestock has informed the agencies about their jurisdiction and mandate in order to limit some of the topics that development agencies give financial support. In a technical view it is rational to avoid the duplication in the financial support to the rural development. Nevertheless without a doubt, keeping the agencies away from their responsibilities and maintaining the functionality of the local branches of the ministry was also a reason behind such action.

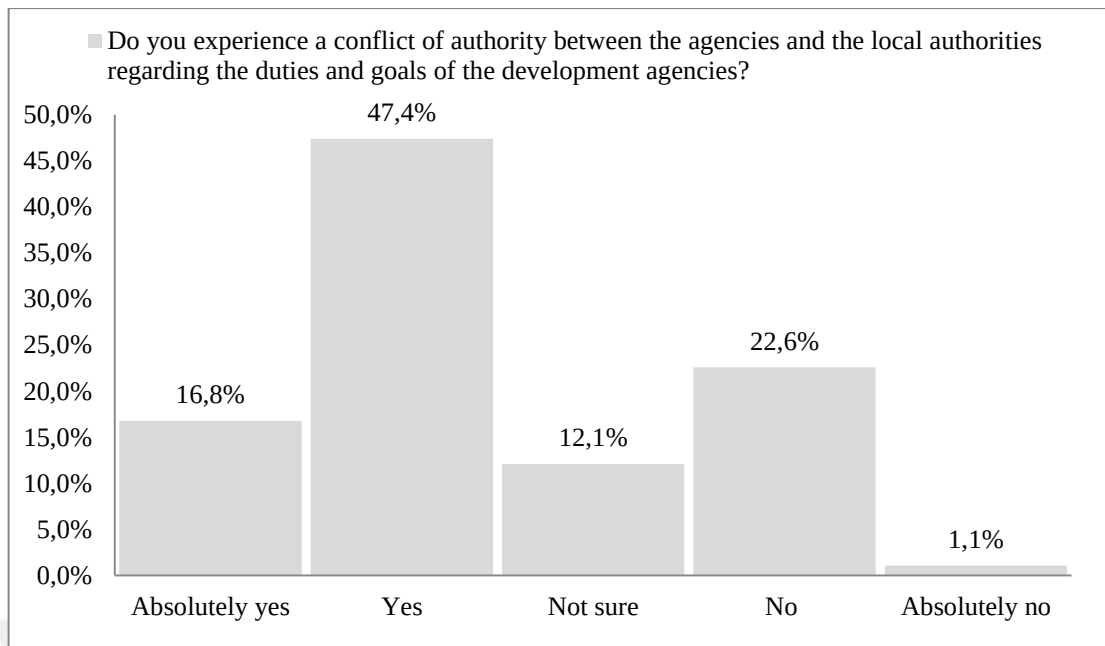


Figure 32 - Presence of Conflict of Authority

On the former, pre-set codes and hierarchies of local economic governance with the establishment of development agencies came across with a new organization that is superior in terms of scalar levelling and responsible of regulating the all regional development problematic. In other saying pre-defined set of relations was interrupted externally and likely to reshuffle because of the new responsibilities in the authority of the agencies. However in the case of absence of borders regarding which institution will do what and in which critical topics they will likely to cooperate or compete with each other is a very decisive point in the management of the local relations. As was discussed in the previous chapter in the implications of the new metropolitan municipality law, institutionalization of local development units under the jurisdiction of metropolitan municipalities and governorships carry a major risk of such. Similarly, another example can be the project support mechanism of local units, as the project funding becomes a more popular topic in the country, many institutions tend to organize project funding schemes in the very field of its institution that will possibly coincide with the supports of the development agencies. Thus said, uncertain lines of responsibilities in the local eco-system can be a highly ineffective element in the case of inadequate communication and consultative exercises among the institutions. As the results of the questionnaire suggest, negative reflections of this uncertainty are strongly valid for the time being.

Secondly, unclear lines of responsibility for development agencies mean at the same time unclear functionality and lack of peculiarity for the regional scale. Construction of regional scale onto the city wide relations is, as long discussed, politically and functionally quite a challenging one. To maintain rigidity of the regional tier, its functional position should also be clear and there must be well-set and well-defined policy domains for the regions. Otherwise, the general perception against the region will be correspondingly negatively affected. To put simply, if the regionalism in Turkey will be forged into the binary relations of the history, there must be distinct reason of reasoning the regional formations and mutual benefits of the localities and the centre at the same time. On the contrary, if it is fabricated simply as another local policy strategy without the broader comprehension of decentralization and governance principles, distinctiveness of the regional state space respectively will be limited and turn into an inoperative public layer. Thus, clearing out the lines of responsibility and hierarchical classification among the different layers of state will empower the basis that regional tier is hinged upon otherwise the already existing resistance and reluctance in cooperation will weaken the principles of Turkish regionalism. This particular problem was also underlined in the 1999 report of Association of Regional Development Agencies (EURADA), there it was mentioned on the position of regional scale; “agency comprises above all a technical team which is going to do something not yet done by any pre-existing structures. That is the only way to get technical respect from the political and institutional powers of a region (p.24)”. So, comprehensive character in mission statement of the development agencies should not act as a point of conflict with the local authorities but rather it should be the exact basis where partnerships should be built on by generating innovation in the nature of the policy making so that the authorities do not have a sense of duplication.

Last but not least, another critically acclaimed topic is the position of the Ministry of Development as a coordinator of all development agencies. Being the primary initiator of the establishment of the agencies, Ministry has been quite effective and dominant in many aspects during the institutionalization of the agencies; from personnel requirement to deciding the main guidelines of the project funding. In many aspects, it should be noted here that, it would not be that easy if the Ministry of Development did not provide a general framework for agencies to settle up and overcome the problems especially during the phase of establishment. Nevertheless,

more recently relationship between the ministry and the agencies got more complicated and knotted. Shift of the position in the Ministry from a coordinator to more of a controller has caused some problems in the balance of local-central conflict. For the maturity of the agencies, protecting the local character is vitally important to gain and sustain the supportive manner of the local agents. In that sense, in some cases over-binding framework of the rules coming from the central framework is happening to be over restrictive whereas agencies were told to be flexible organizations focusing on the provision of solution based on the local conditions. Still in this sense, as the Ministry is responsible of the final approval of the most of the critical decision, administrative board sometimes do fall in conflict with the Ministry and feel themselves in an idle position only to conduct the bureaucratic paperwork as the final decision is not upon to them. In such cases some of the members in administrative board do consider the agencies as a part of the central bureaucracy but not the local eco-system which is fundamentally risky for the operational capacity of the agencies.

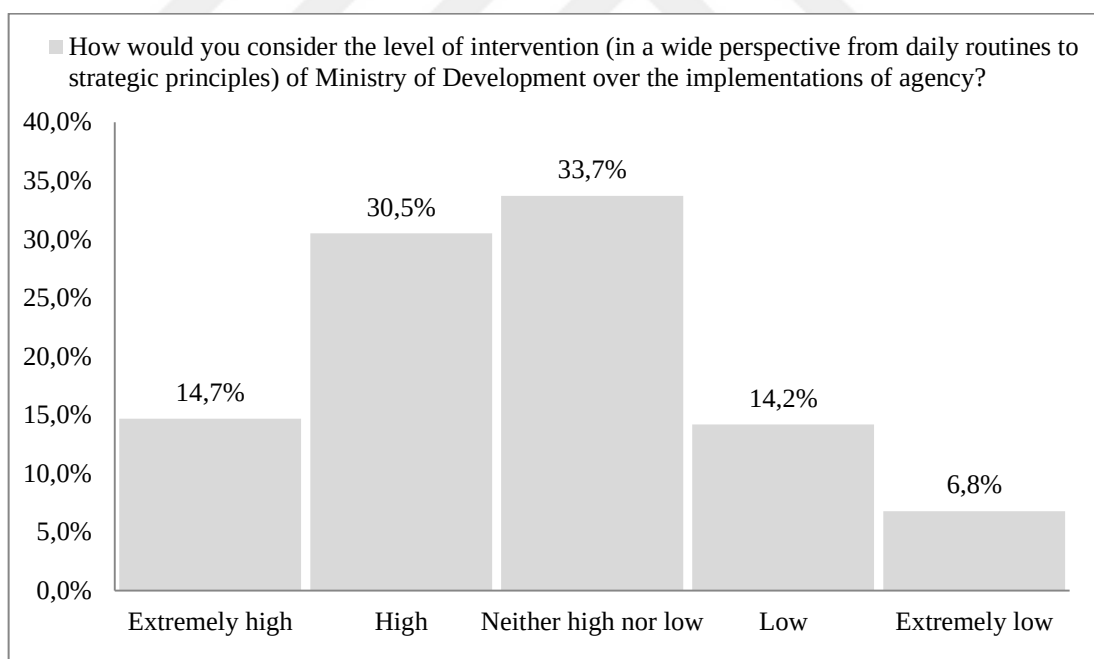


Figure 33 - Level of Intervention from the Ministry of Development

In all these circumstances, findings of the questionnaire show that from the perspective of the employees, there is a considerable level of intervention from the centre. As can be seen from the figure above, more than 45% of the respondents do

find the intervention from the Ministry of Development as either extremely high or high. But, more interestingly highest value is of those who consider this intervention is at the moderate level while remaining 21% considers there is no pressure at all. This is possibly stemming from those who consider the intervention of the ministry as a prevention strategy to over-manipulation of the agency resources by the local authorities.

In order to better understand the consequences of the position of the Ministry, it has been searched the association between the level of intervention from the Ministry and the final question of the questionnaire which assess the amount of the activities that agencies intend to do but could not realize⁴³ from any particular reason. As the table below indicates that there is a meaningful relation between the external intervention and limiting role of the Ministry and the level of the tasks that agencies could not realize because of any external reason. Nevertheless it is not intended here that the only reason of the case is the role and position of the Ministry, there are surely other reason that constraint agencies to prevent them to realize the tasks however the findings of the questionnaire indicate that these two distinct cases are statistically interrelated. Both Pearson Chi² test and the Cramer's V test validate the relationship between two situations.

⁴³ Here there might a need to clarify what is meant by the unrealized tasks as it is a very broad term regarding the abilities of the agencies. In fact it was intentionally left as broad in order to assess the level of overall inefficient use of the institutional capacity. However in order to be clearer, it was further questioned to the experts whether they can identify what kind of activities that they could not succeed. Answers mainly converge and address to work packages that are not clearly defined in the bylaws or any other regulations but expected to develop by the agencies with the local partners in parallel with the governance practices and new regionalist principles. In the further details, these tasks usually require active participation and contribution from the local partners. Geographically any kind of tasks that is beyond the borders of the administrative division of the territory makes it even further difficult to be realized as the willingness of the actors severely decrease to participate. That, however, can be noted as deterring factor that pushes the implementation of agencies into traditional borders that makes the presence of regional even more transparent and pointless.

Table 20 - Association between the Intervention from the Ministry and Unrealized Tasks

Mstry_Load	Tasks					Total
	1	2	3	4	5	
1	11	13	2	2	0	28
2	16	37	2	3	0	58
3	21	32	6	5	0	64
4	13	10	2	2	0	27
5	3	5	1	2	2	13
Total	64	97	13	14	2	190

Pearson chi2(16) = 36.8143 Pr = 0.002
Cramér's V = 0.2201

On a broader perspective this position of the ministry is crucial to understand the will of the state or central powers to gain the control of policy making agenda regarding the local development instead of a decentralized and locally driven structure. As long discussed throughout the study, historically present centralist bias of the territorial management somehow leads to emergence of limited implementation of the devolutionist policies. Hierarchical manners and authority protection motives of the central state forces have partially limited the possibilities and capacities that can occur in the sub-state scales of the country. Despite the recent decentralization impetus emerging (see chapter 3), position of the regional scale remained limited in the broader framework for the time being. And in this picture, dominant position of the ministry as a central actor indicates the pursuing of the centralist tendency to maintain the control over the local development policies. In that sense even the emergence of the regional scale and the agencies operating in them can be considered as a strategy and a capacity channel to be utilized by the central social forces in the state apparatus.

4.4.6 Level of Priority in the Central Policies

One of the key categorical strands of the approach proposed in this study to understand the policy capacity of regional institutions is the supportive position of the national legislative framework and the political support from the central government. In this sense staff of the agencies was asked how they consider the relative position of the regional development policies within the general agenda of the state. A higher level of importance in the central policies will eventually keep also the public opinion and mentality of the range of policy actors oriented and

shifted towards the problem of local economic development. Thus, the political support from the key actors of the central government to the regional policies will create the sense of harmony among different layers of the state and a tendency to cease disunity among the various social forces in the state architecture. Nevertheless, it is not intended to mean here that all the disputes in the state structure will cease to be, but rather framing conditions for the regional policies will be comparatively better consolidated. Within this perspective, relative importance of particularly regional development policies with direct address to regional scale, was questioned whether it is seen as a priority in the overall state agenda from the perspective of the practitioners.

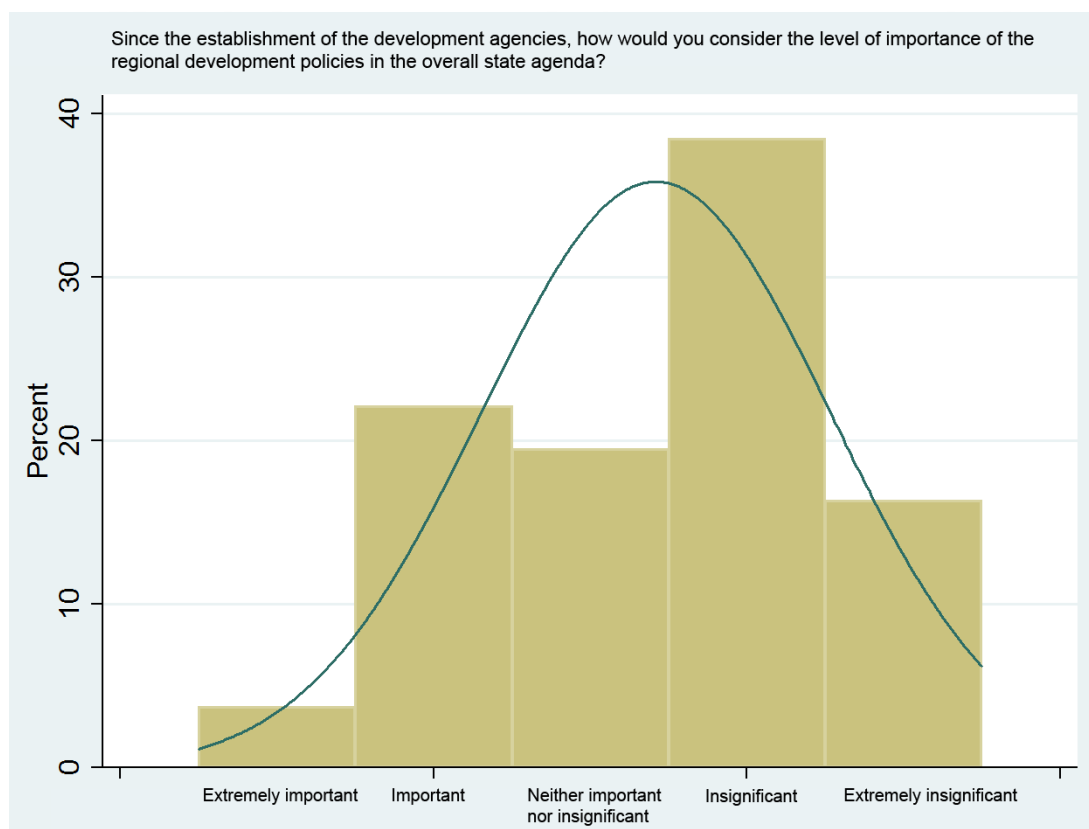


Figure 34 - Relative Importance of Regional Policies in State Agenda

As can be clearly seen from the figure above, a big majority of the respondents, 74,1%, do not consider the regional policies in the overall state agenda as an important policy topic since the establishment of the development agencies. However setting up the agencies has been already by far the most important and step-forward movement in the regional policy history of the country, nevertheless since then,

various policy progress was officialised, most critical of which have been presented comprehensively in the previous chapters, without considering the possible impacts on the regional policies and respectively development agencies. This overall negative disposition concerning regional policies in the end will yield to fractured and disorganized structure in policy field, therefore both for the policy scale itself and the actors operating in them will shift to ambiguous and unclear position in the broader perspective. In other saying, non-contributory character attitude of the state itself will open up further room for opposing social forces inside the state structure. As for the results of the survey address, such a complementary position from the central hierarchy is hardly present working in favour of the development agencies. Needless to say, same is valid for the regional scale as a layer in the state space as well.

In addition to perceived importance in the state agenda, in a more practical manner it was also searched the overall effect of the legislative framework that directly or indirectly affecting the activities of the agencies.

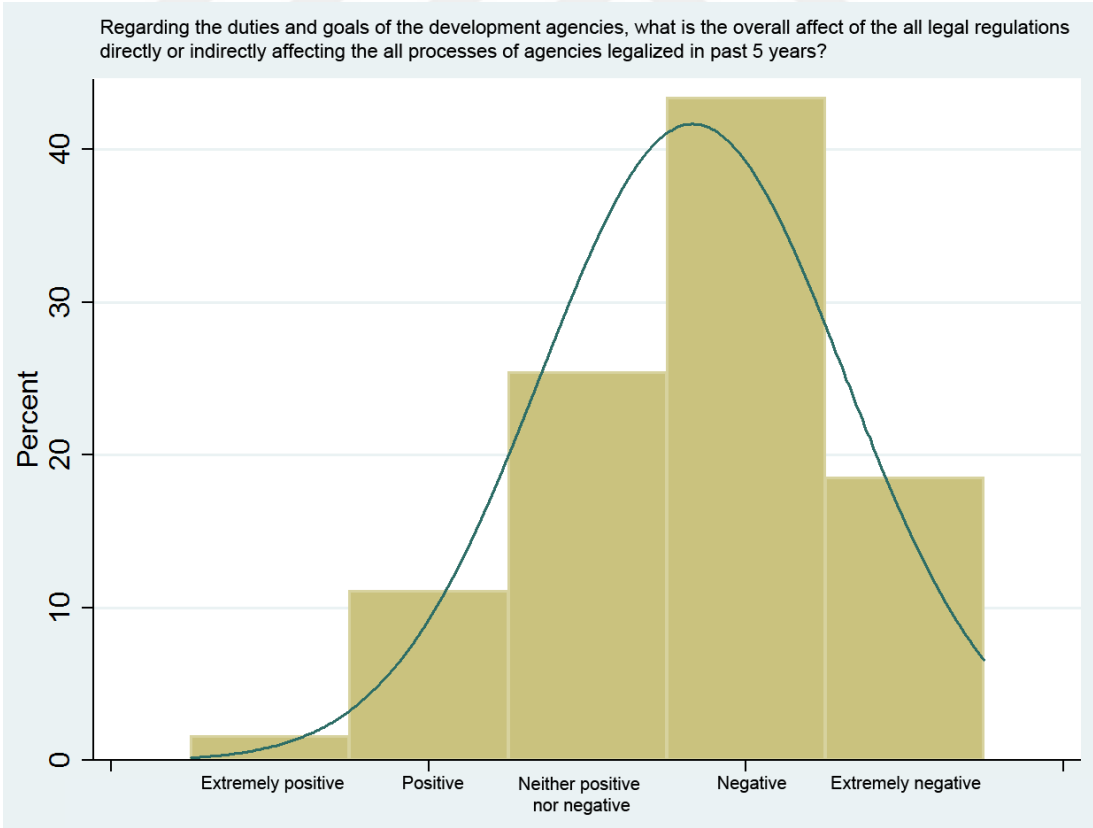


Figure 35 - Aggregated Effect of Legal Regulations of the last 5 Years

Similar to figures of the previous query, only a small portion, 12,7% of all respondents, consider the overall effect of the latest legislative regulations as positive. On the other hand, more critically, almost 20% of all staff considers the reflections of the legal framework of the last five years as extremely negatively affecting the procedures of the development agencies. Following that, 43,4%, which is again a very high value, evaluate the same effect as negative. These opinions are indeed, fundamentally in line with the general findings of the previous question. In a disorganized structure, competing forces in the state apparatus do campaign for its own political and functional position without paying attention to the side effects of their policy decisions. In such picture, those actors with relatively less representational power and authority cannot suffice to reverse the case. To underline again, inherited patterns of state hierarchy show considerable resistance to emergent forms of actor that will possibly act as a contingent rivalry for themselves. In this manner although the state itself show political will to re-organize its inner architecture, social forces inside it can hamper and slow down the situation or at least put their own marks on the changing situation as a proof of the complicated relationships of the agency and the structure. Hence, regionalism in Turkey, in a way, showing the desire of the state to maintain sort of a regulatory role in the management of the relationships with the non-state actors and governance relations, however the unresponsive and reactive attitude of the local actors onto which regional scale is built up, limits and minimize the tangible outcomes of intermediary scale in a unitary formation. This overall negative legal and political tendency somehow addresses the reflections of some of the local and central forces, which is needless to say adversely influencing the total policy capacity of the agencies. To sum up both of the tables above, structural parameters such as the regulatory reforms and the attitude of the central scale do not progress positively for the overall evolution of the development agencies. To recap; regional development policies as a hot topic for the central policy makers will eventually consolidate the perspective of the remaining policy actors and increase the credibility of the agencies and on the practical side supportive character of legal regulations will provide functional and operational capacity nevertheless both of these variables are not happening in favour of the agencies as the findings of the survey indicate.

4.4.7 Technical Capacity

The final component that was questioned in the survey is the level of expertise and the technical abilities of the development agencies. Given the limited technical capabilities of the local policy makers in most of the localities, presence of technically qualified institutions in the regions will provide a great sum of added value in many aspects. Indeed, it is one of the core aims of the development agencies to provide technical assistance to technically less capable institutions in the localities as stated in the law of establishment as well. That is to say, technical qualifications and capacity that agencies will bring into regions are a fundamental element of the establishment phase and reasoning of the development agencies. Especially in the peripheral regions, technical capacity and its transfer to less capable institutions is extensively appreciated by many of the local authorities. In this regard, questionnaire participants were asked to assess their technical expertise level and technical capabilities of agency regarding the local and regional economic development policies. As the figure below indicates, most of the development agency staff, consider their technical capacity is above a certain threshold and capable of conduct qualified jobs. 61,3% of all respondents do evaluate their technical expertise level as high or extremely high. Among the remaining portion, only 11,6% finds technical capacity of the agencies below the necessary while the final 27% consider it as moderate. Technical and institutional capacity is in many perspectives an essential component of the policy capacity though it cannot alone provide a stable implementation process but provides a noteworthy starting point. In this sense, agencies in Turkey can said to be technically skilled and qualified which provide them a stronger identity.

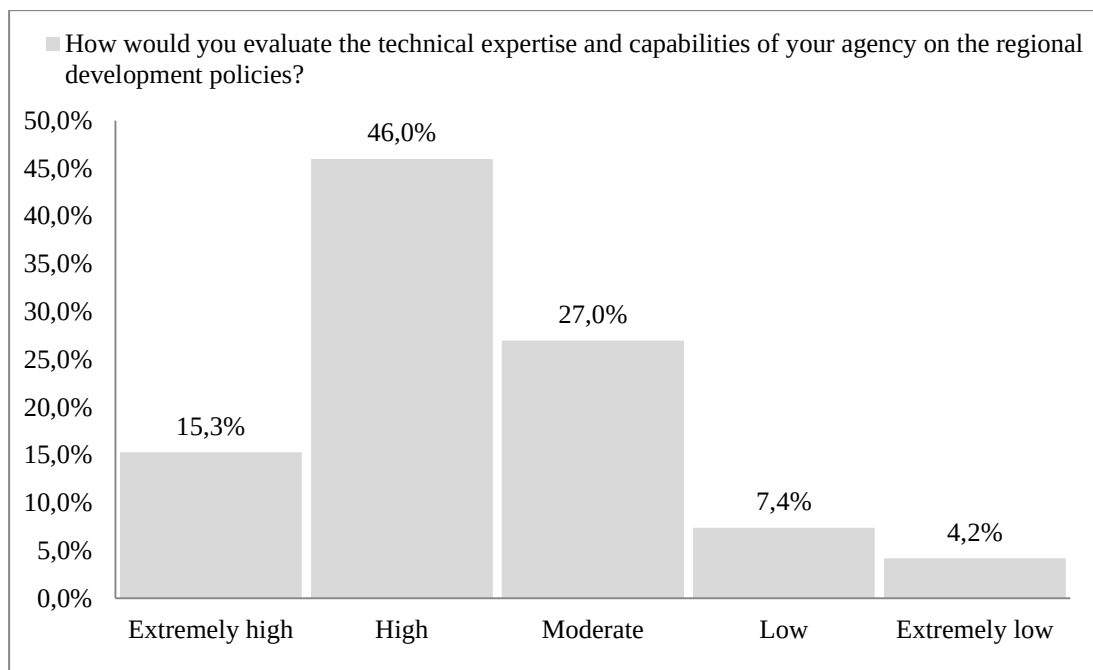


Figure 36 - Level of Technical Expertise

In addition to technical capacities last two questions focus on the possible outcomes of the parameters that agencies are being affected and/or are part of. In that manner, as shown on the table below, it was asked to the staff of agencies how can they describe the amount of the workload that they did not foresee in the annual work plan but somehow fall in a position to implement them. This figure in a way might give an idea about the tangible effect of the negative externalities of the local policy making system. According to the figure obtained from the questionnaire, 36,7% of all respondents evaluate this amount as extremely high or high. In the exact same ratio of the respondents consider this unforeseen workload in the moderate levels whereas only 26,6% consider as low and extremely low. From one perspective, all answers above the level of low should be considered as a negative situation for the agencies because the validity of the work plans and correspondingly the annual budgets can be questioned in their validity and functionality. But in all perspectives it is clear that agencies are doing a considerable amount of workload that they did not plan. Findings of this question when overlapped with the conclusions derived from the following question provide additional observation and judgements.

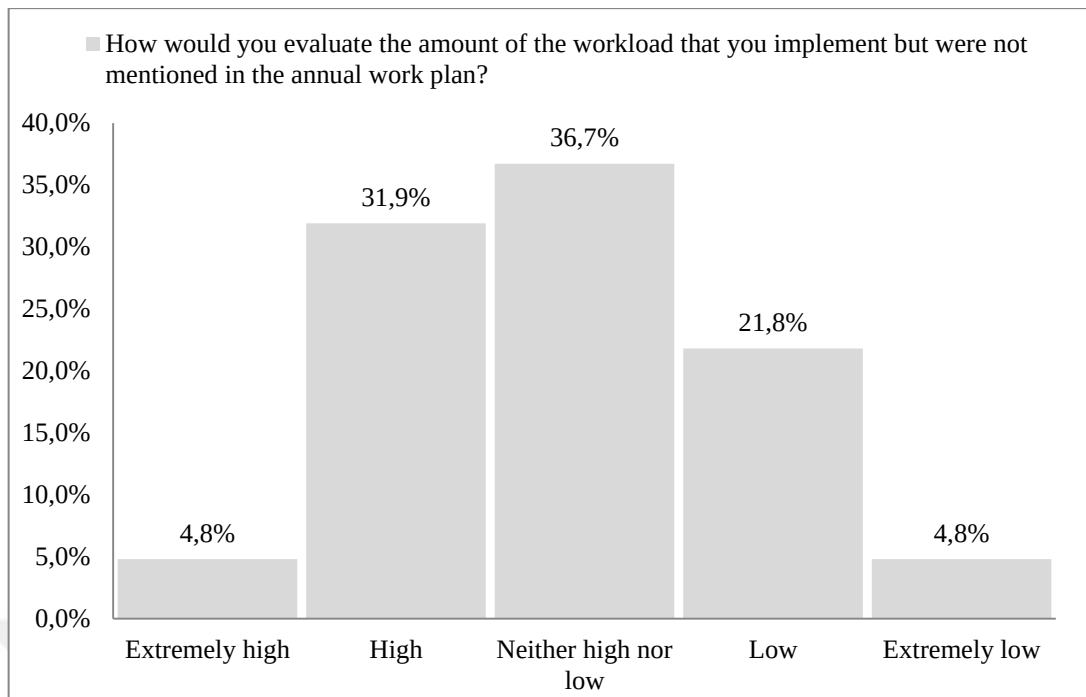


Figure 37 - Amount of Extra-Curricular Workload

As for the final question of the survey, to sum up and to frame the entire set of questions, it was asked, within all the conditionalities, advantages and drawbacks that agencies bear, how would the staff evaluate the amount of the workload that they consider necessary but could not realize because of any particular reason. In a sense, it is aimed with this question to assess the gap between the capacity of the development agencies and realities of policy making that hampers the procedures of agencies. In a broader perspective, this gap will also give solid clues about the abilities of the agencies to manage the problems in realities of the local policy making eco-system and their respective power to create credibility in the localities. Thus said, instead of asking directly how the staff would evaluate the policy capacity of development agencies, this question will act as a proxy variable. To do so, question was designed as how would they evaluate the amount of the projects or activities they consider as necessary but could not realize because of any reason either internally or externally. The reason(s) can be either the unwillingness of the local partners to cooperate, lack of financial resources or over-restrictive legal framework. Interestingly, a vast majority of the respondents, which is almost 85% of the whole, consider that their agency somehow was detained from the planned projects or programs to get it realize. The remaining values are comparatively

insignificant to acquire meaningful conclusions and as a consequence it is also not possible to extract a geographical variation of the answers since parallel ratios are valid for almost all regions.

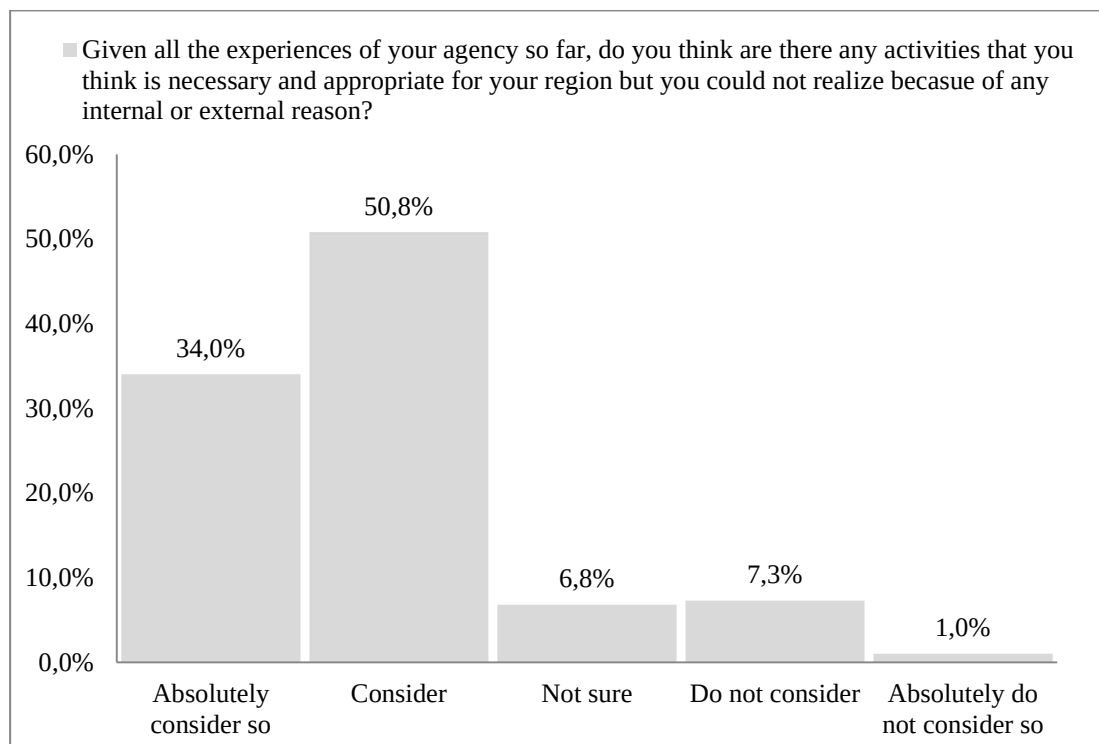


Figure 38 - Level of Operational Ability

It is also important also to note that, this is the very first question that has the least variety in the range of answers (it was presented as the box plot representation of all questions in the figure below) which means apart from some outliers, that particular condition is dominantly valid for all agencies in countrywide. More importantly a big majority of the development agency staff consider the same way, unlike any other question in the survey.

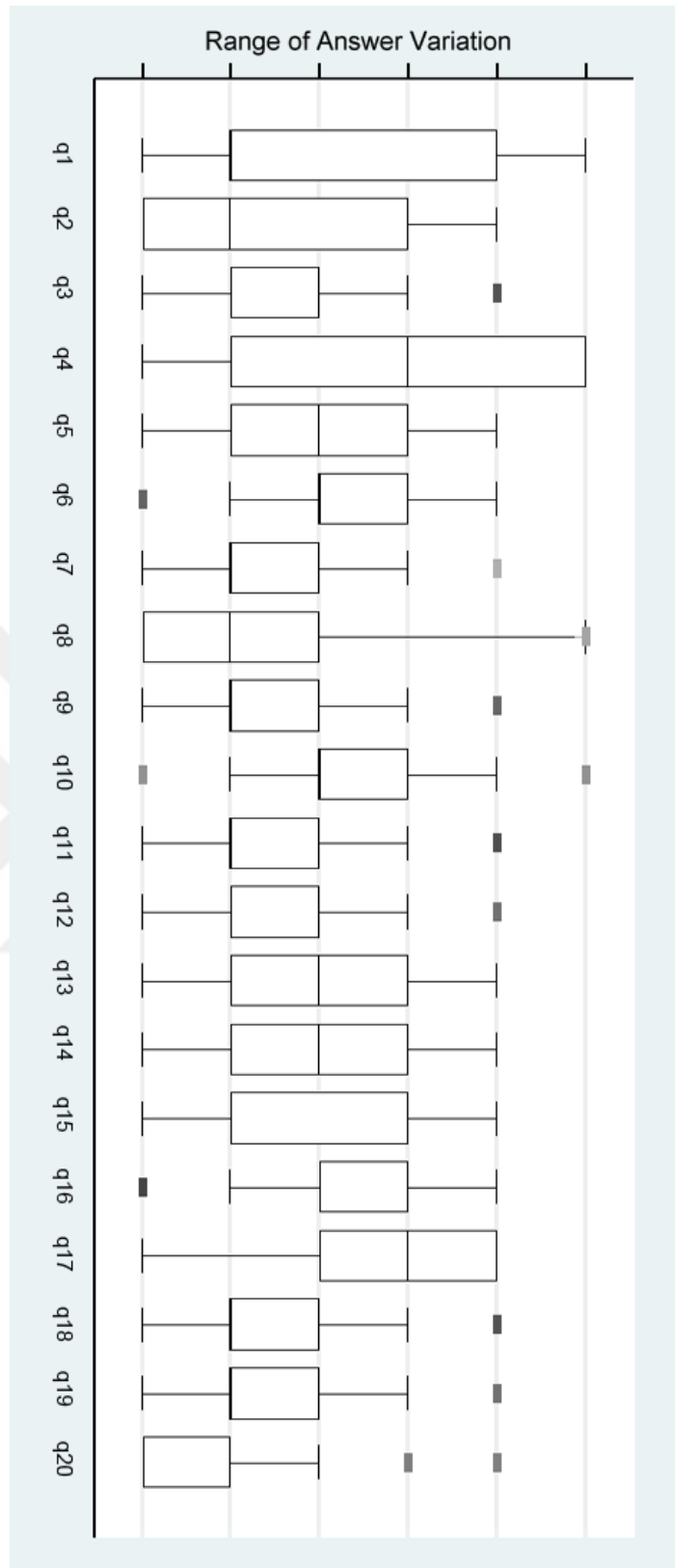


Figure 39 - Box Plot Representation of Answer Variety

Considering the relationship of this situation with other variables queried in the remaining of the questionnaire, below it is presented some explanatory findings by means of association tests, graphical representation and cross tabulation methods. First of all, as argued earlier, reflexive rivalry among the provinces that compose regions is among the most vital policy problems that agencies have to cope with. This, in the end naturally distracts the possibility to acquire a strong baseline of cooperation and regional codes of action. In this perspective the figure below presents the fact that, those who consider the presence of rivalry among the provinces have a strong tendency to agree upon the presence of unrealized tasks that is within the reach and capabilities of the agency. As the scale of implementation of the agencies is regional, many of the projects that they develop are concerning an implementation area of a region but not directly cities. Thus, the active participation or at least resource allocation/mobilization is a critical initiative that local policy makers should take for a smooth implementation and more tangible outcomes. In the case of a conflict of economic interest for the cities, and keeping in mind that agencies are in nature not the implementer but the initiator and coordinator, projects either fail in the design and formulation phase or not implemented at all. For sure, there are more fundamental and cultural reasons behind the inability to act as unity but in the context of the thesis it will suffice here to say that inter-city rivalry within the regions is one of the primary reasons that lead to incapacity for the agencies.

Table 21 - Association between the Intra-Regional Rivalry and Unrealized Projects

Do you experience a conflict and competition between the provinces (intra-regional) in your region?	Given all the experiences of your agency so far, do you think are there any activities that you think is necessary and appropriate for your region but you could not realize because of any internal or external reason?					
	Do not consider	Consider	Absolutely do not consider so	Absolutely consider so	Not sure	Total (number)
Do not consider	12,90	45,16	0	29,3	12,9	31
Consider	6,67	56,00	0	33,33	4,00	75
Absolutely do not consider so	0	66,67	0	33,33	0	3
Absolutely consider so	7,32	39,02	4,88	46,34	2,44	41
Not sure	6,67	66,67	0	13,33	13,33	15

Likewise, authority violation was regarded as one of the points that the tension between the old patterns and the development agency as an emergence is clearly visible. Having unclear borders of policy responsibility, cause to a further ambiguity in the meaning and functionality of the agency which in the further step is valid for the scale of policy. As the agencies cannot conduct the role of coordination and bridging between the centre and the local, the core meaning of the scale within the local policy makers does remain blur and indefinite. Thus common perception of “agency is doing our job” settles down for many of the local and sometimes national actors and decreases the possibilities of formulating and implementing common regional projects and thus leaves only a small room for agencies to implement annual financial support programs but no more. To be more direct in the relation of two cases, graphical representation of the answers is presented below.

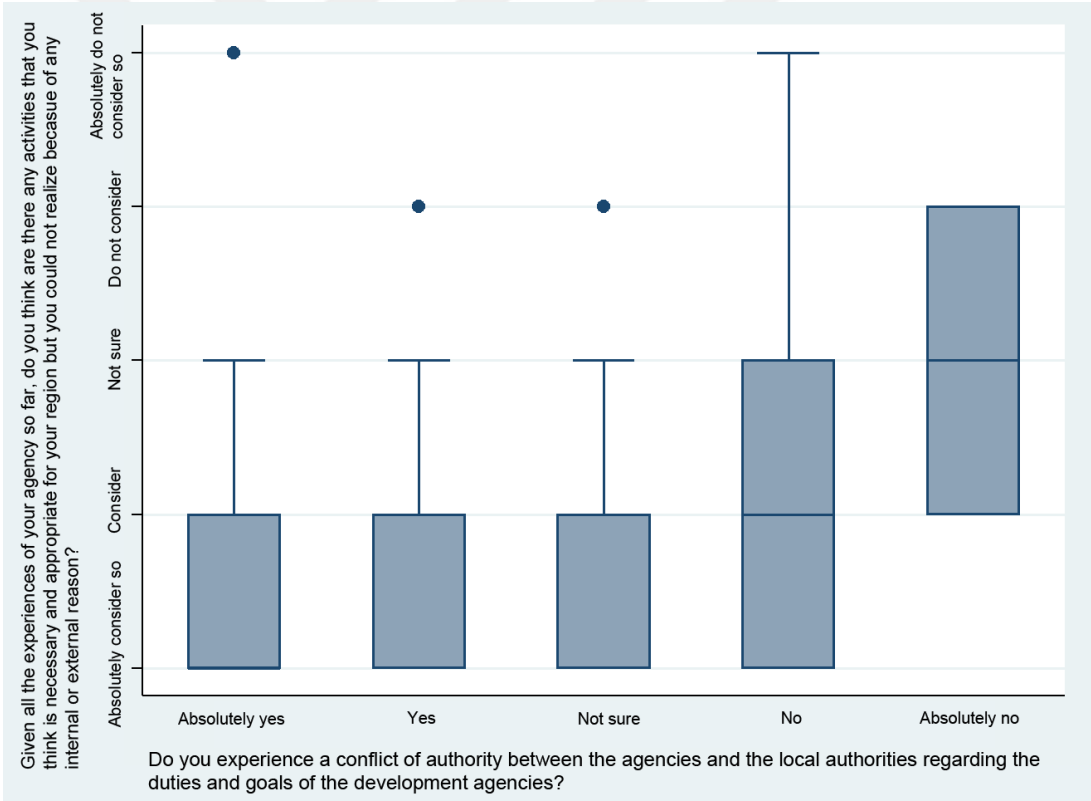


Figure 40 - Association between the Conflict of Authority and Unrealized Projects

For those who absolutely experience a conflict of authority between agency and local institutions mainly answer for the other question as there are absolutely some projects that they could do but could not succeed. As can be seen from the figure, “absolutely do not consider” is an outlier and can be ignored statistically for those who strongly think that there is a violation of authority. As the x axis moves right hand side this time although the range of answers remains same, the outliers move down to “do not consider so”. On the far right side of figure however, those who do not experience any conflict of authority mainly tend to answer as there is no such project that agency could do but could not succeed in because of any external/internal reason. That being said, although agencies were set up as an initiative of the central policies, it is absolutely more bounded to eco-system of the local policy making. It is the attitude and the form of relations that agencies set up with the local agents, the possibility of success or failure in most of the projects. Therefore, relational character of the institutions in regional governance is of essential importance to reach out its desired outcomes. In order to further support this argument, association tests of this final question and the remaining questions regarding the relationships with the local actors were presented below.

Table 22 - Association between the Intervention of Local Actors and Unrealized Projects

Pres_Lcal_Actors	Tasks					Total
	1	2	3	4	5	
1	13	5	1	2	0	21
2	24	30	3	3	1	61
3	9	34	7	5	0	55
4	10	28	1	3	0	42
5	8	0	0	1	1	10
Total	64	97	12	14	2	189

Pearson $\chi^2(16) = 44.7448$ Pr = 0.000
Cramér's V = 0.2433

Table 23 - Association between the Presence of Dominant City and Unrealized Projects

Dominant_City	Tasks					Total
	1	2	3	4	5	
1	27	19	4	4	1	55
2	17	37	2	1	0	57
3	3	9	1	2	0	15
4	8	25	4	4	0	41
5	3	0	1	2	1	7
Total	58	90	12	13	2	175

Pearson chi2(16) = 39.0849 Pr = 0.001

Cramér's V = 0.2363

Table 24 - Association between the Effect of Local Conflict and Unrealized Projects

Effect_of_local_conflict	Tasks					Total
	1	2	3	4	5	
1	19	15	0	3	2	39
2	28	40	6	4	0	78
3	11	24	3	3	0	41
4	1	14	1	4	0	20
5	2	0	0	0	0	2
Total	61	93	10	14	2	180

Pearson chi2(16) = 29.8607 Pr = 0.019

Cramér's V = 0.2036

As all the tests validate, neither of the pairs of variables are independent from each other which means a progress or a fall back in the former one will eventually affect the latter. To underline again, contextually all the queries validate the importance of the quality and eminence of the relationship that agencies will set up with the local actors. Likewise, also presented earlier, central intervention from the Ministry is also one of the possible reasons that affect negatively operational capacity of the agencies as the following table indicates.

Table 25 - Association between the Intervention from the Ministry and Unrealized Tasks

Mstry_Load	Tasks					Total
	1	2	3	4	5	
1	11	13	2	2	0	28
2	16	37	2	3	0	58
3	21	32	6	5	0	64
4	13	10	2	2	0	27
5	3	5	1	2	2	13
Total	64	97	13	14	2	190

Pearson chi2(16) = 36.8143 Pr = 0.002

Cramér's V = 0.2201

To underline again, coordinator role of the Ministry of Development as the main agent who make legal amendments and set up central partnerships for the agencies and open up policy field that agencies can be utilized and penetrate into state eco-system, is very much critical for the success of the agencies. But on the other hand, real field of the agency operations is the local context where there is much more variety in the movements and the motivations of the actors and hence less predictability. In that sense, total effect of the local actors and their implications are the core area that agencies should manage and maintain stability. In order to understand the exact effect of the local relations, below it has been proposed a statistical model to give the coefficient regarding the categorical variables defined in the study.

4.4.8 Ordinal Logistic Regression Model

In order to understand the detailed character of the relationship between the categorical variables whose data have been collected by the questionnaire, ordered logistic regression model will be conducted in order to get refined conclusions from the data results of the questionnaire. Logistic regression model is a statistical method for analysing a dataset in which there are one or more independent variables that determine an outcome⁴⁴. To put simply it gives the relationship between a dependant variable and the independents that are affecting the degree or value of the dependent variable. Thus, in order to understand how the dependant variable behaves according to the changes happening in the independent variables, logistic model propose the coefficient that explains the probability of change in the dependant variable.

⁴⁴ https://www.medcalc.org/manual/logistic_regression.php, reached on 03.08.2015

Nevertheless, in case the dependant variable has answers that are ordered in a rank, such as absolutely agree, agree or do not agree, an extension of the logistic regression model called ordinal logistic regression should be used. Therefore, in the model designed for this study, to get the best solution ordinal logistic regression model will be conducted. Furthermore, in the study as the theoretical foundations resulted in the interplay between two levels of policy making, central vs. local, is essentially important, the statistical model correspondingly has been also built in the same manner. In the first phase, dependant variable is investigated through the relationships of the agencies with the local policy agents and similarly as the second phase same approach has been applied to the variables regarding the affiliations with the central policy agents. Hence it is aimed to understand the how variables regarding the both scale of policy making, is effective on the policy capacity of the agencies and how likely they affect the overall capabilities of the agencies. For the first part of the approach below it has been analysed what is the effect of the local relations onto the implementations of the agencies.

In the first part of the model, dependant and independent variables were defined as follows;

Dependant variable;

- *Question 20; given all the experiences of your agency so far, do you think are there any activities that you think are necessary and appropriate for your region but you could not realize because of any internal or external reason?*

Independent variables;

- *Question 2; would you consider one of the provinces in your region superior/dominant to the others in terms of designing policy priorities of the region?*
- *Question 3; how would you evaluate the networking power of the agency with the local policy actors in the region?*
- *Question 7; do you experience a conflict and competition between the provinces (intra-regional) in you region?*
- *Question 11; how would you consider the effect of the conflict among the local institutions over the implementations of the agency?*
- *Question 13; at which level would you consider the indulgence and intervention of local actors' province based priorities into agencies region wide policy framework?*
- *Question 18; do you experience a conflict of authority between the agencies and the local authorities regarding the duties and goals of the development agencies?*

As explained earlier, the answers given for the last question, which is the dependant variable in the model, frame comprehensively the overall effect of the negative or positive effects of the parameters that are argued to be effective over the policy capacity of the development agencies. In this model, it is aimed to understand for instance how the change in the level of competition or rivalry among the provinces in the region, do effect the presence of the unrealized project that agency finds necessary to implement or similarly how it is affected by the level of networking power of the agency in the local context. When the model is applied to the data of the questionnaire the output table is happened to be as follows.



Table 26 - Output Table of Ordinal Logistic Regression Model – 1

Iteration 0: log likelihood = -190.86969
 Iteration 1: log likelihood = -174.94211
 Iteration 2: log likelihood = -174.51105
 Iteration 3: log likelihood = -174.51002
 Iteration 4: log likelihood = -174.51002

Ordered logistic regression	Number of obs	=	170
	LR chi2(6)	=	32.72
	Prob > chi2	=	0.0000
Log likelihood = -174.51002	Pseudo R2	=	0.0857

Unrealized_tasks	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]	
Dominant_city	.3324084	.1314948	2.53	0.011	.0746833	.5901334
Network_level	-.4577689	.176447	-2.59	0.009	-.8035987	-.1119391
City_rivalry	.0149435	.1518009	0.10	0.922	-.2825808	.3124678
Local_conflict	.1732986	.1719009	1.01	0.313	-.1636209	.5102182
Pres_lcal_actors	.1355197	.1556991	0.87	0.384	-.169645	.4406844
Cnflct_authrty	.452273	.163554	2.77	0.006	.131713	.7728329
/cut1	.6291656	.8073819			-.9532738	2.211605
/cut2	3.47112	.8655085			1.774754	5.167485
/cut3	4.124808	.8914469			2.377604	5.872012
/cut4	6.337561	1.12322			4.136089	8.539032

The likelihood ratio chi-square of 32,72 with a p-value of 0,000 indicates that the model as a whole is statistically significant. In addition to that, model was also tested in terms of multi-collinearity, which means that one or more variable used in the model is highly correlated with another variable in the model. To do that, variance inflation factor (VIF) which is accepted as an indicator of multi-collinearity, has been benefited. Values of VIF⁴⁵ of each parameter and the mean VIF of the model are given on the table. As the values of each variable and the mean of all variables are around 1,05 and 1,20, which is a quite acceptable range, it indicated that there is no multi-collinearity within the variables.

⁴⁵ In statistical models, lower values of VIF indicate the absence of multi-collinearity while the higher values of VIF address the opposite. Most commonly accepted values of VIF should not exceed 4. In some models, this value should not pass the maximum level of 2,5.

Table 27 - Variance Inflation Factor of Variables Used – 1

Variable	VIF	1/VIF
Local_conf~t	1.20	0.831037
City_rivalry	1.15	0.872467
Cnflct_aut~y	1.13	0.887699
Pres_lcal_~s	1.09	0.920540
Dominant_c~y	1.06	0.939449
Network_le~l	1.05	0.953096
Mean VIF	1.11	

On the other hand, according to the outputs of the model three parameters give statistically meaningful results. The presence of a dominant city with an intervention of city-specific priorities, the level of the networking power of the agency and finally conflict of authority between the development agency and the remaining local authorities have direct effect on the level of the not conducted but necessary projects for the regions. As for the interpretation of the model it can be said that; one unit of increase for the presence of dominant city intervening to regional agenda (i.e. if answers move from 3 to 4) it is expected to have a 0.332 level of increase in the level of expressed amount of unrealized tasks, given all the remaining variables were held constant in the model. Likewise, for the networking level of agency in the local context, it was found a reverse relation as expected. For one unit of increase for the networking level of agency in the region, it is expected to see a 0,457 level of decrease in the level of unrealized tasks. Thus said better levels of networking ability in the localities will return as a more functional and operational capability for the agencies as proved empirically. And finally, conflict of authority between the agencies and local policy makers make statistically meaningful effects. In that, one unit of increase in the level of conflict of authority between the agencies and the local actors make 0,452 level of increase in the dependant variable in the case of the other parameters are held constant. As argued already earlier, crossing the responsibility area of other agents in the policy making eco-system, severely affect the attitude of the local agents against the functionality of the agencies.

Next, for the analysis of the total effect of the central relations, same methodology was applied according to the dependant and independent variables defined below;

Dependant variable;

- Question 20; given all the experiences of your agency so far, do you think are there any activities that you think are necessary and appropriate for your region but you could not realize because of any internal or external reason?

Independent variables;

- Question 9; when considered agencies as an intermediary scale between centre and local, do you think there is a conflict between these two scales in terms of policy priorities?
- Question 10; regarding the relationship between the agency and the central institutions (apart from Ministry of Development), can your agency find the correct interlocutor to develop projects and partnerships?
- Question 12; how would you consider the level of intervention (in a wide perspective from daily routines to strategic principles) of Ministry of Development over the implementations of agency?
- Question 15; since the establishment of the development agencies, how would you consider the level of importance of the regional development policies in the overall state agenda?
- Question 16; regarding the duties and goals of the development agencies, what is the overall effect of the all legal regulations directly or indirectly affecting the all processes of agencies legalized in past 5 years?

Table 28 - Output Table of Ordinal Logistic Regression Model – 2

Iteration 0: log likelihood = -210.94742
 Iteration 1: log likelihood = -202.17741
 Iteration 2: log likelihood = -202.08447
 Iteration 3: log likelihood = -202.08435
 Iteration 4: log likelihood = -202.08435

Ordered logistic regression	Number of obs	=	187
	LR chi2(5)	=	17.73
	Prob > chi2	=	0.0033
Log likelihood = -202.08435	Pseudo R2	=	0.0420

Unrealized_tasks	Coef.	Std. Err.	z	P> z	[95% Conf. Interval]	
Central_localVs	.158444	.1448079	1.09	0.274	-.1253742	.4422621
Interlocutor	-.3224316	.1306429	-2.47	0.014	-.578487	-.0663762
Mnstry_Intervntn	.0334581	.13843	0.24	0.809	-.2378597	.3047758
State_agenda	.226664	.1456862	1.56	0.120	-.0588757	.5122037
Legal	-.470562	.1616849	-2.91	0.004	-.7874586	-.1536654
/cut1	-2.280354	.923496			-4.090373	-.4703352
/cut2	.3109917	.9016861			-1.456281	2.078264
/cut3	1.045192	.9162314			-.7505889	2.840972
/cut4	3.177293	1.128717			.965048	5.389538

According to the results of the model, the likelihood ratio chi-square of 17,73 with a p-value of 0,003 indicates that the model as a whole is statistically significant. The coefficients of the parameters used in the model put that two of the five of them are statistically significant which are; ability to find the correct interlocutor in the central policy makers and the overall effect of the recent legal regulations. As the values of the variable coefficients indicate; one unit of increase in the in the ability of the agencies in penetration to major policy making channels and reaching out to correct interlocutor will result in as 0,322 unit decrease in the amount of the unrealized policy decisions for the development agencies. Likewise one unit of increase in the positive effect of the legal framework will cause 0,470 unit of decrease in the level of unrealized tasks. Thus said, among all the importance of the key nodes in the networks of agents and the having a stronger legal basis will eventually increase the policy capacity of the agencies. In other saying tangible parameters and assets of policy making such as stronger legal frameworks have the potential to make more impact than the discursive and softer variables. Additionally having a stronger network in the central scale do not only suffice to create meaningful outcomes but reaching the correct actor and the having the credibility to orient their resources and solutions to the desired area of implementation will have much more stronger overall effect.

Finally for the statistical consistency of the model, as was done previously, variance inflation factor to assess the multi-collinearity was calculated and the table below shows the values. The factor values and the mean of all factor values indicates that there is no multi-collinearity within the variables

Table 29 - Variance Inflation Factor of Variables Used – 2

Variable	VIF	1/VIF
State_agenda	1.20	0.832612
Legal	1.13	0.883650
Interlocutor	1.12	0.890011
Central_lo~s	1.09	0.921419
Mnstry_Int~n	1.05	0.948853
Mean VIF	1.12	

4.5 Evaluation and Conclusions

Understanding the institutional formations, and in deed institutions themselves, is passing through understanding the politics that lead to the emergence of such entities. As noted in Soltan (1998) institutions can be best understood as products of politics. However, their existence also depend upon their distinctive positions and functional/political meaning within the political eco-system that they are part of. With carving out the political and functional motives behind the establishment of the development agencies in Turkey, this field study was designed to unearth the peculiar conditions that agencies are surrounded with stemming from their ever first intermediary role in the territorial management system of the country. In a broader manner, existing logic of the functionality in the development agency methodology resides mainly upon their corresponding linkages and partnerships with the existing pattern of institutional landscape and ability to mobilize and regulate the associations among those stakeholders. This is first of all, because of the fact that they are not a part of the administrative management system but have certain duties regarding the territorial management of the country. Secondly and more importantly scale that agencies are operating has certain mismatching characteristics with ground base realities. As underlined already earlier, this dialect and interplay between two categorical partitions (centre vs. local) will be critically important in the policy delivery of the agencies. Lord (2009, p.77) also notes on that while proposing a critical realist epistemology on the new city-regionalism;

The repeated re-territorialisation of economic development policy has resulted in a congested institutional environment characterised by a confused, and confusing, nested spatial hierarchy of interventions. Nevertheless, advocacy for perpetual institutional manoeuvring has proceeded largely unchecked leaving important questions unanswered regarding both the desirability of adding to/modifying the institutional landscape of cities and also the viability of such policies in light of existing attachments to long-established administrative geographies...

He further mentions that;

This phenomenon of agency concatenation, however, presents a number of unanswered questions. For example, how are institutions and agencies anchored to different spatial scales envisaged as collaborating across programme boundaries? In addition, what evidence is there to suggest that this may result in more coherent and effective policy responses? Further still, where does the drive towards institutional mutation come from: is it a practical response based

on the experiences of local policy-makers regarding ‘what works’ or is it a centrally determined agenda? (p.78)

Hence, within a similar perspective of what was claimed in these two paragraphs, the research agenda of this survey was motivated by the necessity to understand the congesting geographies of contemporary economic development policies and identify secondary implications of efforts to territorialize the local economic policies through the implementation of development agency policies, as an example new institutional fixes, in Turkey. That being said, to understand development agencies’ effectiveness and their ability of realizing policies in the Turkish context, which is conceptualized as their policy capacity, has been investigated through the patchwork of relations that they set up so far with the actors of traditional administrative geographies. Uncovering the types of engagements that new and old contexts conduct will also give extensive insights on the local-central conflict and the resistance that landscape of sub-state institutional context might possibly show to be reflected upwards. From that point of view therefore, a further aim of the study was to produce some factual content to the corpus on state restructuring and rescaling discussions with specific focus of regional governance problematic.

Standing from this methodological position, findings of the survey propose several distinctive conclusions. To begin with, regardless of the level of economic and social development of the localities, broader cultural and political stances of the cities against each other, determines the overall characteristics of the intra-regional relationships. Competition and rivalry are located at the very heart of this set of relations. In that manner, no matter from how many cities a region is composed of and how big or small they are, competition over the agency resources in a broader manner is a dominant notion that overwhelmingly apparent in all 26 regions of the country. Instead of building region-wide projects of upon the complementary assets of cities, instant logic of the actor movement is working in favour of the priorities of their cities alone. On the nature of this competition, some categorical similarities become evident; some of the regions are composed of two similar sized and rival cities where the competition is more severe for playing the leading role in the region with very little initiative to cooperate. Some on the other hand, are composed of several similar cities where one or two of the cities are economically advanced and

have commanding position in the region. In that case actors of the secondary cities are trying to inject the city-level priorities over the regional agenda to compete with each other and with the dominant city or cities to benefit more from the agency resources. Nonetheless, in both cases general tendency in the actor motivation is leaning towards the competition instead of constructing common grounds of cooperation. This very fact can be read as a rigid and direct outcome of the infancy of the regional scale and governance practices in the politics of the country and somehow inadequacy of the agencies in creating a regional perspective. Nonetheless it has to be noted here that this is a major political issue and require macro strategies to succeed to create a new layer of politics but this fact similarly also addresses the absence of the necessary tools for the agencies to create an initiative of cooperation and a different segment in the political hierarchy. Therefore, considered as a structural element, existing conditions of intra-regional relations and motivations of policy agents are working disadvantageous of policy capacity of the agencies. In other saying, this is somehow hampering the constitution of a very fundamental element in delivery of the policy desires. Bonding factors that hold a region together is hardly visible in the regions of Turkey, but instead what dominates the intra-regional relations are the un-cooperative attitudes of the province based policy agents towards each other⁴⁶.

Likewise representation of the different actors and interest groups in the development agency's agenda and the management is seemingly problematic as the results of the questionnaire indicate. As was observed most of the agencies do consider as strategically important to set up links with the business sector in a functional manner nevertheless, it has been rarely observed in reality. As the results indicate most of the programs and projects thus far have been developed in partnerships with the local public bodies and politically significant agents such as chambers of commerce and

⁴⁶ A similar experience of lack of consistency in the regional scale can be found in the Hungarian regionalism in terms of allocation of funding as noted Varro (2010, p.1262-1263)). She notes that; "Regional Development Councils which were established on NUTS2 levels were entitled to allocate central funds to regional development. However soon after locale elites learned how to manipulate to orient regional funds to their own budgets which ended up as RDCs were funding municipalities but not the regions. The same scenario continued with the EU funds where funds were supposed to enhance regional strategy-making capacity ended up reinforcing the local focus of regional funds disbursement." Thus, competition among the local policy makers in Turkey can be read through the experience of Hungary where the regional scale was imposed upon the historical pattern with the reorganization of state space through the accession to EU. .

industry. Hence it is meaningful to conclude that participation channels of the development agencies are politically paved which most of the time leave no room and exclude the necessary functional relations. In that sense it is hard to conclude networking abilities of the agencies are functionally and operationally meaningful but on the contrary it is over dominated by the political connections in the very nature. Nonetheless, it is not meant here that connections motivated by the local political environment are not something unnecessary and insignificant per se, it is also vital to have connections with the local bureaucracy and major actors in the local institutional landscape but its dominant presence is leaving little or no room for the remaining groups which ends up as an unequal representational frame. On the other hand, to re-emphasize what has been mentioned earlier, despite this relatively alternating importance of actor types, management of the agencies are designed in the same way and as a result this unequal representation of different local interest is even more deepened in the management of the agencies. As very well known, governors and mayors (although in some cases the role of mayors towards the agencies are rather not supportive) are the two most important and dominant members of the board and the rest of the members are comparatively silent and following the path they draw but this is valid in all 26 regions and contexts. Without any exception, same composition of members is valid for all agencies. Nonetheless functionality of these members is not the same when considered the strategic orientation and visions of the regions thus regional adaptations would be in that sense much more functional and at the same time could decrease the unequal representation of the different local interests at least in the context of agency's management board. It is also interesting to note that in many of the questions, there is very limited or no geographical variety apart from the relations between the importance of the actor types and the level of development. This indicates therefore, a great sum of characteristics that agencies carry, is bounded and determined by broad structural and cultural parameters but their reflection on the field depends very much on the attitudes of the actor types and what sort of links have been set up with the agencies and local partners. To illustrate for instance, rivalry and competition, as long underlined, is a common characteristics that most of the regions show, but the composition of the elements of this rivalry may show alterations according to the local conditions. Motivations and dominant actor types in the competitive relations may vary according to the regions but in all of them rivalry remains stable. Thus said

development agencies for the time being, is regarded and isolated to a position where they are perceived as a medium of confrontation of actors rather than a new platform of collaboration. In other saying already conflicting nature of relations among the local actors is being practiced in the new arena of development agencies which have emerged to set up business links.

Following on, as credibility was claimed to be an important factor of policy capacity, some inferences about it can be made from the survey results. The gap between the degree of networking power of a development agency in the region and the effective use of this networking power indicate the functional meaning of the development agency in the region is still below the desired level. Noted earlier in the findings of the survey, most of the respondents consider agency's level of networking power in the regions as quite adequate but on the contrary effective use of this networking relations are not considered to be at the same level. Regional governance is a complicated and difficult process to implement and in this sense networking may not always provide exact and rigid outcomes in every context but development agencies certainly aim to adopt such a management style in the localities. Agencies' credibility and political (and correspondingly functional) meaning in their context should provide certain perspectives to the local actors otherwise added value of such institutional efforts would be limited and scarce. This very fact in the broader picture will be reflected to scale of implementation and negatively affect the significance of it respectively. Nevertheless in such a case the inevitable question is; what should be the rational for following a path that leads to new institutional fixes within the framework of city-regional governance mechanisms? Besides what is more important is the (un)critical position of the local policy makers against public policy decisions of the central policy agents. Thus, path dependency in the historical context renders an important part of the possibilities ahead of the policy decisions. Nonetheless, it is not a determined and fixed portrait ahead. As Jessop mentions social forces might create a shift in the broader trajectory;

Path dependency implies that the prior development of an institution shapes current and future trajectories. It suggests that institutional legacies limit current possibilities or options in institutional innovation. History makes a difference. But this need not imply fatalism: social forces could intervene in current conjunctures and actively rearticulate them so that new trajectories become possible. Reflexivity involves second-order observation of one's situation,

actions, and its repercussions on one's own identity and interests. Applied in a strategic-relational context, it involves reflexively reorganized spatiotemporal matrices and recursively selected strategies and tactics. (2001, p.1229)

Conclusively, within this perspective what development agencies are obliged to succeed can be evaluated as an effort to create a dispute in the historical trajectory. Although these conditionalities might not work in favour of the regional scale and the actors are still not fully aware of what agencies are capable and responsible of (this is valid for the significance and the position of the regional scale respectively), their ability to generate relational benefit for the stakeholders of the policy landscape will eventually open a room for manoeuvre and an institutional image. Nevertheless for the contemporary conditions that agencies are inside, especially the level of credibility among the local partners, it is a quite difficult task to have the potential to shift the historical trajectory and create new socio-political relations that will form new categories of linkages among the policy making habits and customs to change and rearticulate path dependant framework of the time being. In that what is also meant is; the initiative of the state to intervene in the local policy making landscape by setting up new institutional formations will less likely to achieve in the desired levels of success since the agencies for the moment are far from having a strong functional and social credibility and at the same time their overall integration to state hierarchy is very limited and ambiguous in many terms for the traditional policy makers. However still, it is, as mentioned in the quote from Jessop above, not totally an impossible duty to change the currents of the policy system; it necessitates carefully selected strategies of action through resource mobilization and building an inter-scalar functionality both for local and central forces in the state apparatus. Nevertheless it is not only the local actors that might show resistance and reluctant attitude towards a more territorialized regional governance mechanism through agency-like implementations, it is also some of the central actors showing a conflicting character. Thus in that sense, states understood as an aggregation of the forces and institutions acting inside it and a sum of social relations rather than a simple political entity, have to face and produce strategies against the collisions stemming from its polymorphic collectivity. Therefore, if the recent efforts of Turkish state to maintain a regionalized economic governance mechanism can be accepted as an initiative to re-organize its internal structure by opening up intermediary level of politics and rescale some of its functions, its conflict ridden

characteristics can be said to show distinct features of Turkish local policy landscape. It is conflictual in two senses; first of all certain central and some of the local actors who have politically representational meaning upon central actors, show peculiar forms of resistance to emergence of regional formations to maintain the effectiveness and responsibility of their local branches. In a sense, they are trying to keep the field off the agencies, since they are seen as a functional contender of their area of authority. Secondly, it is also contested from below as the actors remain unresponsive towards the policies of centrally driven devolution. That being said, while the process of rescaling creates its own unique geography, it at the same time inserts another variable into long-set relations of power inside state apparatus. This new conditionalities, therefore, creates its own unique informal and formal relations grow among the actors, which are in the Turkish context very much determinant on the implementations of the development agencies.

A further major conclusion to be derived from the findings of the survey is that constructing a new scale of politics takes much more than a simple installation of a mid-level institution, but rather demands a change in the manners, codes of action and most importantly a new division of power in the broad sense on the management of the territory and state hierarchy. Following two paragraphs underlines the fact that why scale is politically/economically significant and how it should be elaborated.

Far from neutral and fixed, therefore, geographical scales are the products of economic, political and social activities and relationships; as such, they are as changeable as those relationships themselves. At the very least, different kinds of society produce different kinds of geographical scale for containing and enabling particular forms of social interaction (Smith, 1995, p.60-61 quoted in Marston, 2000).

Next, Swyngedouw mentions;

Scale is, consequently, not socially or politically neutral, but embodies and expresses power relationships. . . . [Scale must] be understood as something that is produced; a process that is always deeply heterogeneous, conflictual, and contested. Scale becomes the arena and moment, both discursively and materially, where socio-spatial power relations are contested and compromises are negotiated and regulated. Scale, therefore, is both the result and the outcome of social struggle for power and control. (Swyngedouw 1997, p. 140 quoted in Peck, 2002)

Thus said, development agencies can be regarded as initial steps of a new scale in the state hierarchy of Turkey; however as noted in the quotations both materially and discursively scales are politically constructed and negotiated through social interaction among the forces. Therefore, as the initiation of the agencies is a top-down process in the Turkish context the position of central policy makers in the short-run is of prominent importance. Responsibilities and legal baseline that agencies are benefiting from must be carefully studied. Additionally this new division of responsibilities should maintain a unique position for the agencies so that their consistency in the institutional context should be maintained. Besides, emergence of regional authorities also should be backed up by secondary regulations and division of responsibility. However, two questions of the survey regarding the issue; relative importance of the regional policies in the overall state agenda (to provide discursive support and a keep the policy window open) and the effect of recent legal regulations indicate a lack of unified action towards the regional policies. First of all, regional policy according to respondents is a minor policy issue with little significance and the overall effect of the recent legal regulations are not working in favour of the agencies. As also discussed in the earlier parts, limited area of responsibility of development agencies cannot find enough space to extend and improve in the absence of progressive assignments and supportive coalitions in the central scale. Correspondingly the reflection of these variables in the local scale creates a further dissatisfaction and ambiguity in the operational role of the development agencies. All in all, social and political construction of regional scale in Turkey, has not been elaborated extensively so far which in the end slows down the evolution of the agencies towards a positive direction. Additionally as a result of the contemporary situation, agencies' policy capacity is fundamentally affected. Furthermore, existing case on the other hand leaves agencies very much open and fragile to the outcomes of political relations among the policy makers in province-wide relations and internal conflicts in the management of agency. As mentioned both in Smith and Swyngedouw, particular forms of interaction and their discursive meaning and materiality will happen to be one of the most critical essences that construct the political formation of the scale. In that sense, development agencies both as an institution and an object of the scalar linkages, remain very much susceptible to the outer forces and associations happening beyond control of them. From this point, it can also be concluded that when states show initiative and

political will to re-organize its inner structure, a careful recognition of the wide array of social forces active in the state hierarchy should be done. In the otherwise case, possible resistance in various scales, can reverse and fail the idea of what will work on the field made according to centrally decided motives. In other saying this complicated relation between the structure and the agency is as much open to the response and intervention of the agents although it is happening under the steering of the structural forces⁴⁷. Healey on her article of 2006 identifies the position of structure and agency with reference to urban governance practices;

Transformations in urban governance driven by structuring forces would ... be identified through the power mobilized as resources are circulated, regulatory norms activated and concepts brought to life in arguments and justifications. Transformations driven by agency power in specific situations would be identified by their capacity to produce different patterning tendencies through the impact of the active work of, for example, a territorial collective actor arena (p.303).

Hence in a similar manner, despite of the all negative conditionalities and path dependant trajectory, development agencies' policy capacity can still be increased by their progressive efforts to create what Healey defined as a territorial collective actor arena. In that, their distinct efforts to underline the peculiarity of their scale of action by utilizing the resources to which policy agents might not able to reach through their province-wide networks, will be critically beneficial. Furthermore, agencies' own resources might even be used in order to mobilize such a mentality. Region as a new space of policy will thus, both will be fed from the achievements of the agencies and will support their further policy successions. In that perspective development agencies can provide to local policy makers strategic channels to affect the policy decision that they cannot be effective on earlier positioning. In that sense, if agencies can be a platform of multi-level governance mechanism in their own context and domain, that may return as an increased policy capacity. By that strategy, agencies' unique position in the eco-system will be even empowered and cemented both in the perspective of the agents of local scale and for the central actors by providing the necessary tools and policy channels to penetrate towards the localities. Policy making and decision channels are intangible but relatively critical source of local

⁴⁷ This dual structuration of the phenomena does not intend any reductionism but on the contrary it aims to highlight the variety and the pluralism in the real policy making world.

eco-system that not any particular institution can provide by itself, where in that sense development agencies have the most suitable notion and mandate.



CHAPTER 5

EXTERNAL OUTLOOK AND STAKEHOLDER PERSPECTIVES

Having clarified the insider evaluation of the development agencies, as an integral part of the local economic development institutional eco-system, in the conceptual framework of policy capacity, this chapter aims to provide an external perspective and appraisal by the local and central stakeholders that agencies have developed business relationships with so far. With that, it is intended to uncover the discussion of policy capacity of agencies within the grounds of how existing central and local agents evaluate them and how they perceive the functionality and the role of regions. While elaborating the perspectives of the external policy agents, representation of the findings was also designed as to relate better with the model proposed in the study, which means; outputs of the interviewees were categorized in a similar manner with the scalar structuring and the understanding of the approach adopted in the study. In this perspective, first of all findings were grouped under the categorical meaning of the inter-scalar relations that agencies are bounded by and their possible roles in this node of assemblages. Following on, how state level institutions interpret the position of the agencies in the institutional eco-system of the state hierarchy and which functional meanings they attach to the regional scale was searched within the means of the survey. Similarly, how local institutions reflect upon the presence of the regional agencies imposed next to their traditional method of policy making and which sort of engagements they can set up with them so far was another point to stress on in the context of study. Most importantly, it has been searched in this part how the external policy actors locate the agencies and what are their expectations from them, as further fundamental concerns of the chapter. Last but not least, agency itself as a policy actor in the framework of regional scale has been analysed and presented in the remaining of the chapter. By that it has been aimed to critically acclaim strengths and flaws of the development agencies as a policy implementer next to all other institutional formations operating in the domestic level. To begin

with, first of all external outlook and findings of the interviews under the category of the multi-scalar mobility of the agencies was presented in the next topic.

5.1 Politics of Scale and Inter-scalar Mobility

Discussion of the earlier has given rise to the importance of the ability of the agencies to manage the scalar politics of the upper and lower segments of the state structure. In this, it is not meant to simply bridge or maintaining flow of knowledge between the two distinctive layers but instead to manage the conflicting and fragmented nature of policy making and the politically driven relationships of policy actors of both scales. As already discussed earlier, in managing the governance relations in the local scale, development agencies do have functional, political and even cultural difficulties. Absence of a strong representational meaning and corporate credibility yet, for instance, do come with its innate drawbacks to regulate the dispersed field of action in the localities. On the other hand, rigid and clear borders of the central scale together with bureaucratic time consuming procedures, local players have to face conventional obstacles to realize their policy objectives. Still though, with socially forged policy implementations that do not ignore the importance of relational parameters, it was argued that, this historical and path dependant notion in the policy eco-system can be reversed with the new tools like development agencies. Nevertheless, in such an ideal case agencies should bear a character that can show resistance to lobbying power from the key local actors and representational pressures by implementing wise managerial strategies. In other saying, agencies should show a supporting character for the social meaning of localities and act as the owner of the place where no other corporate entity does. This is specifically critical to create a positive perception for the “regional scale” of implementation for the agencies. One of the interviewees from locality of Ankara also underlined the necessity of such an idle position that should be carefully filled with a policy agent while answering the question of “Do you think agency as a platform and media, is capable of bringing the stakeholders together to realize common projects?”

I do not see a reason why it cannot play such a role but we have to see some other issues and problems as well. Let me give you an example; two years ago a comprehensive and important panel on the current problems of Ankara was organized and invitations were sent to all major

bureaucrats and parliament members but none of them have participated. In this sense, I certainly think that agencies fill a very important gap and they were brilliantly designed to embrace the city and the problems of the city. But still I have to underline that active participation and support from the central key political players are so important to gain substantial outputs. We, alone, cannot attract the attention of the parliament members for instance and unfortunately I do not think agency can do it as well for the moment. In this sense, agency can play such role to increase the political representation level among the central key policy actors, let it be parliament members or key bureaucrats.

What is also important in this quote is the fact that he/she underlined the noteworthiness of the political representation and ownership in the central scale. Though it is difficult for a single actor to maintain such a level of awareness in the whole state structure, agencies are expected to fill at least a portion of this gap of the eco-system in the perception of local stakeholders. Considered as a public institution free of political values and biases, agencies can and are expected to utilize such a position by expanding their abilities as the representatives of the locality as an umbrella institution. In other saying, networking capacity in the local scale can be utilized by the agencies in order to gain a political support from central players. This possible succession will essentially open room for manoeuvre for agencies in the domestic level through creating a new territory of functionality and on the other hand strengthen the position of intermediary scale in the overall state hierarchy. Additionally, as the agency constitutes a supportive coalition with such strategies, its potential to resist counter lobbying power from opposing forces in the localities will also be positively affected. Thus, if agencies can build a territorial mode of representation instead of politically driven dispersed and fragmented motives, they might eventually integrate a new baseline of representational meaning and a form of cooperative initiative that will impinge upon the long standing problem of monocentrism in the spatial focus of the state. Likewise another local stakeholder underlines the exact problem of lacking the political support especially from political figures;

Ankara's one of the biggest disadvantage is the lack of political support. None of the parliament members of the city is working for the interests of Ankara. Most of them even do not know Ankara well. Agency, I think, can play a critical role to fill this gap. It has to give the message that we will manage the problems of Ankara together, to the all stakeholders of both

central and local scale. I know this is a difficult matter but once you start something, people will begin to believe in you. It will not change in overnight but you should start from somewhere.

That being said, building strong local networking ties with all the stakeholders in the goal of common interest of region's development may eventually be utilized as a strategy to have more political and functional significance in the perception of central players which was formulized as a critical component of the policy capacity to be borne by agencies. In another saying taking a stronger position in the central policy making processes somehow passes through being able to be the agent and delegate of local networks and common interest. A similar expectation from agencies to interlink the different segments was underlined by another local stakeholder when questioned the deficiencies or external conditionalities that are directly or indirectly affecting the implementations of the agency in the local and central institutional eco-system.

Well although I am not so sure about the local context, I would say there is strong nepotism among the various layers of the central bureaucracy. That is definitely affecting not only agencies implementation but all the other projects that are designed with good intentions. Besides partially related with this problem, we cannot find a stable environment of executives all the time. For instance general director of ... department in the Ministry of ... have changed 3 times in a very close time span. As you know, in the public management shifts in the position of directors mean a lot of change in the organization and loss of time. On the other hand, we are still waiting for an appointment from the director for 3 months to create any possible opportunity for collaboration but still no reply.

In this regard for instance do you think agency can play a connector role to get an appointment and set up the necessary business links?

Yes that's true; I would say it would be easier for the agency to set up such a link.

Following on, advantages of this inter-scalar mobility in the societal organization are not limited with the scope of public sector activities but it is quite operational ad meaningful for the private sector activities where development agencies are bounded to be involved as well. Following quote from another interviewee supports this argument;

It is quite difficult for such small SMEs to take part in the supply networks of the big firms like ...; you cannot even get an appointment from them to explain your products and your firm. But with the local supply chain project implemented by agency, they did provide us an opportunity, to have meetings with the mid-level executives of such firms. In that way, we could find ways to integrate our products to their portfolios and extend our marketing strategies. Most probably, some of the firms took part in the project will sign contracts to supply the products that big firms will need.

Thus said, with such implementations and projects, catalyser position of the development agencies in the local eco-system can be fulfilled as well. Due to the budget limitations and the relatively small organizational structure of the agencies, incremental achievements of this sort may eventually increase the functional and operational credibility in the perception of external stakeholders. In another saying, agency acting as a mediator between the state - as the structure - and the components inside various scales of it - as the agency - shall work in favour of the local eco-system and provide a field of authority that is peculiar to agencies themselves. At least in the case of Ankara region, this demand has been mentioned and underlined several times throughout the interviews. While different social forces in the local eco-system might be in conflicting nature with each other in the prospect of accessing resources in the public sector, agency's selectivity should be inclusive enough to represent alternate interest group and consolidate them where necessary and possible. Therefore, dynamism in the concept of scale compared to a single segment in the whole structure will be a main source of capacity for the development agencies as long as they can show multi-scalar management abilities.

Regarding the functional and political nature of scale and the focus of the development agencies in the local eco-system, it has been underlined by several interviewees that, agencies should be able to implement alternative policies to different public and private sector actors in alternative scales. Though this criticism is partially related with having a narrower array of policy repertoire, it on the other hand reflects the position of the agencies in the scalar relations of the local scale. Local policy actors expect from the agencies to set up different modes of relations with different stakeholder groups instead of a homogenous understanding of actors. To illustrate, a respondent clearly addresses the necessity of changing perspectives towards the various scalar formations;

In the peculiar case of Ankara, there are big industry plants and firms who are partially out of the scope of the agency. What I mean is they are already quite big; agency cannot do much for them. However, agency should be more active in the relations with the smaller firms and organized industrial zones. That is not only limited with the financial matters, agency should carry our demands upwards and represent the smaller industry of the region in alternative platforms.

In relation to that as underlined throughout the study, agencies in some senses are perceived as a mechanism that lacks sensitivity to local conditionalities, which means although policy priorities may vary according to different geographies methodology and the tools remain the same in all contexts. To put it in practical sense for instance, agencies in east are trying to improve the structure of agriculture sector with the same tools and approach as the ones in the west which are focusing more on the advanced manufacturing and high technology segments of the industry. Therefore as the magnitudes of the economic players change in the geographies, so do the relative strength and the capacity of the development agencies in relation to them. In that exact point one of the interviewee underlined that, marginal effect of the agencies in the less developed areas are far more than the ones in the big metropolitan areas of Turkey and thus they are perceived much more successful. In such position, where agencies have limited power to make amendments in the legal regulations that defines the tools of implementation, they can develop adaptive strategies of representation which means to set up a relational character that is able to engage alternative functional relations with various levels of policy actors. Being able to implement different policy strategies according to the interest and the intentions of the policy makers in a sense is embedded in the flexible character of the agencies. Advantage of having both a central and local character can be wisely utilized by the managerial strategies of agencies. As the following quote indicates that possibility;

I think that structures like development agencies are much more important for the smaller institutions nevertheless it does not mean that they are completely useless for the big players. One way or another, agencies have strong ties with the centre and especially Ministry of Development. This can be a major advantage of setting up a functional relation with the bigger actors of localities.

That being said, possibilities that agencies can realize in terms of policy desires are strongly dependant on their abilities of formulizing the proper and best-fitting

priorities for the engaged party. This is all to underline again that it is best for the agencies to utilize their flexible character as a policy agent who is highly mobile in the various segments of the institutional hierarchy unlike most of the conventional policy makers.

5.2 Domestic Institutions, Local Scale

Mediator position of the development agencies on the one hand depends their relationship with the state actors but on the other, and perhaps more importantly, on their affairs and communication with the local stakeholders. Above all, agencies have to have a local character although they were initiated by the central policy makers. Hence their position among the local social forces is fundamentally important as long discussed earlier. In this regard, this part aims to present the external perspective of the local policy makers against the development agencies. As concluded in the questionnaire, a peculiar position of authority without violating the borders of the other institutions is critical to gain a solid place within the local eco-system. In this manner, specifically how external stakeholders posit the development agencies in the given landscape of local policy making has been an important query sought during the interviews. Tendency of the answers are generally addressing a need for coordination among the various policy makers in the local scale and acting as a supplementary position for the local institutions that are technically inadequate. To illustrate, when questioned what would be the most crucial gap that is present among the localities that can be filled by the agencies or to put differently what sort of policy fields can make agencies as an inseparable part of the local scale, a respondent from a ministry suggests as follows;

In this regard I would say that lack of technical capacity and abilities among the domestic policy makers provide a perfect void that development agencies can fill. Presence of highly skilled staff in the development agencies can provide a crucial area of authority that agencies can benefit from. There are more than 3000 municipalities in the whole country most of which severely lack many of the technical requirements necessary for a smooth implementation. What agencies should do perhaps to provide consultancy on how to develop certain skills and even provide transfer of knowledge concerning the area of practice. That can be either direct transfer of knowledge or guiding them to increase capacity. In addition to technical capacity creation policy coordination is another major task to be fulfilled by the agencies. Policy making in local scale severely lacks of coordination among the members

of local scale. I think agencies can play a very important role in creating such an atmosphere. However I have to mention that it is not an easy task definitely.

Nonetheless, policy coordination specifically in the field of local economic development; as the perspectives and priorities of the agents will most likely to diverge, is a grift and complicated task. It is as well a historical and cultural matter that is highly dependent on the attitudes of the partners towards the issue of coordination and decentralization policies of the countries. Güney and Çelenk (2010, p. 251) in this perspective underlines the necessity of “understanding the philosophy behind the local government and local administration where the former implies action taken with a certain level of political autonomy or independence, the latter implies action taken under the direction and administration of the centre over the periphery” to grasp how the problematic of the local governance cannot be understood in the same way of western counterparts. Still though, despite of the inability to define the correct mechanism or tools of the coordination and methods to unify the direction of the policy priorities, most of the interviewed local partners underlined the necessity of such a duty and they believe it should be handled by the development agency. In this manner, regional plan, as an official strategy document to frame the policy objectives for the majority of the local policy makers, is not perceived as a proper tool of policy coordination. As indicated by many of the interviewees, planning in fact is not a strong baseline of cooperation and coordination, what they expect is more practice and project based initiatives. In a sense, short term strategies of the most of the policy makers are not the same with their long term ones. They expect quick and tangible outcomes from the common project initiatives or an act of coordination in any policy field. On the broader scale, effectiveness of the regional plans in determining the spatial selectivities of the state projects is also another matter of question. Thus, agencies are expected to maintain policy coordination both between the state level actors and the local actors and in addition among the local policy makers as well. This was, indeed, underlined as a functional gap that agencies can fulfil by many respondents of the interviews but lack of the proper legal and institutional power makes it even harder which is already a difficult task by itself. Conclusively reversing this path dependant track of the policy system through means of development agencies will be demanding incremental steps and hence possible achievements acquired through will create its own area of

authority for the development agencies which in the end will mean enhanced policy capacity. Successions gained by means of collaboration between the alternative groups of local policy agents under the leading position of development agencies will provide a distinctive position through which further manoeuvre areas can be opened up.

Another problem related with local policy makers' inability to cooperate is the defensive positions of the major player towards each other. Specifically associations between the governors, mayors or head of chambers are quite important for a locality to act in a better integrated action scheme. As an example of the case following quote from the interviews are critical both in the sense of the mentality difference between the local government and the local administration and yet an example of key stakeholders attitudes;

One big problem for the development policies is the detached structure of the central and local policy makers. In deed it is not only between centre and local, there are even wider gaps within the city itself. For instance, even the governorship considers itself as a part of the central bureaucracy. One of the governors even mentioned many times to me that municipality and the governorship are two departed worlds so they cannot intervene to the authority of the municipality. But I strongly disagree with that and this should not be like that both the municipality and governorship should be able to work in collaboration to solve the problems of Ankara.

Traditional cliché of the mentality difference between the elected and the appointed policy maker is perceived to be still valid and play a significant role in managing the local relations between the key policy makers. That being said, as the influence of the agency-like structures over the dominant domestic players such as governors and mayors are quite limited, problems of this kind is one big drawback of the local eco-system in relation to both governance mechanism and evolution of the practices of agencies. Still to add, lack of this mutual understanding of territorial problems underpins the fragmented nature of local policy making further. Regarding the official duties and authority areas, both institutions naturally have different focus areas, nevertheless in terms of removing the bureaucracy and providing easy solutions to local problems, this disintegrated texture makes it much harder for the smaller local stakeholders. This contextual disunity therefore stands as a severe

problem onto the functionality of the agencies and solution of which is far beyond the means agencies.

Yet another major output of the interviews is the changing credibility and the meaning of the development agencies with the affiliated entity in the local ecosystem. That means very directly, as the scale of the institution increases capabilities of the agencies to extract the possibility of cooperation also shifts with the same magnitude. As underlined many times during the interviews, agency will most likely to successfully set up partnerships and implement a coordination duty when engaging with the micro-scale institutions and have the capability to manage the problems of the sub-local scale. On the other hand, as the size of the institution increases, correspondingly representational and financial power as well, their dependency and need to the development agency both in terms of fiscal resources and technical capacity drastically decrease. Nevertheless their tendency to collaborate, again as underlined in the interviews, remains same and even decreases in some cases, with the size and scale of the institution. On the other hand for the micro scale institutions, development agency's influence is still quite important and it is much plausible for them to act as a source of project initiation as indicated by a local stakeholder;

I find it quite successful of the agency to bring different interest groups together specifically in the SMEs of software industry. Agency definitely is quite a critical institution for them. They find it prestigious to take part in the activities of the agency and they respect it in that sense. There are similar other efforts in the sector, but they are not well accepted because agency is considered to be in equal distance to everyone and it is perceived to be a part of the state and power of the state. Some people even consider agency as a channel to engage with state forces.

As noted also in the quotation, relationship with the development agencies for certain group of actors is considered to be a channel of reaching out to state institutions and sources. Thus the agency's strategy to conduct projects with the micro-scale is expected to alter comprehensively from the projects that are planned with the bigger institutions. In the former, agency itself has a position of political and financial resource provider, but on the latter agency happens to be in a position to extract resources for the locality and policy desired to be implemented. That means in the end, as agencies have an innate position of a bridging institution between the centre and the locality and this same position is still necessary and vital for the local and

micro scale. They can easily mobilize the relatively smaller public and private organizations to orient them towards particular policy areas. On the nature of this position one of the interviewee mentions

Coordinator position of the agencies is a vital role in the local ecosystem; no one can ignore that, but I have to underline that this coordination duty should have a very strong practical response and meaning in the eye of the policy actors. You can mobilize people and institutions with an important promise of common goals and mutual benefits otherwise it will be an idle and futile effort with a big waste of resources. Agencies should propose a rigid gain and lead the actions of the stakeholders within this perspective. Otherwise I do not believe they can succeed in that.

That being said, conflicting nature of the relationship among the local actors and the rivalry among the different social forces floating in the policy system, in sum, is a major deterrent factor on the policy capacity of the agencies yet as indicated by the many of the interviewees it is at the same time something can be reversed by the practical approach. Especially for those who have negotiable perspectives, agency's enabling position can be much easier and effective. In conclusion of the efforts this common representation of actors in the local scale can turn into a culture in the policy making environment. However this implementation methodology should be flexible enough to set up different connections with different segments of policy agents. As directly indicated by many of the interviewees, correspondence of the agencies in the local scale is changing in the perspectives of different actor types, thus adaptive strategies and implementation tools should also be employed in order to benefit from the indulgence of alternative actor profiles and scales.

Another conflicting element regarding the relationship of the local policy making actors is the political – sometimes over-politicized – character and the position of the agents (specifically the cases that mayors are from the opposition parties). Especially tension between the mayor and the governor in that case is happening to be quite a challenge to practice local governance principles. As underlined many times in the interviews, in such cases especially mayors do not participate to the administrative board meetings and that deepens the problem of the setting up an administration structure for agencies to function more efficiently. Furthermore, this ignorant position of the mayor against the agencies, do deteriorate the local character of the

agencies and limits their capabilities in many aspects. According to the perspective of the interviewees, this critical relation between the mayor and the governor is one of the most important prerequisite for the agencies to be successful in the localities. As one of them emphasized that collaborative positions of the governors and mayors bring more initiative and operational duties for agencies in the local scale which makes them more active and well-equipped for the projects implemented in the regions. Thus said contextual conditions in the regions can play very important role in the capacities of the agencies and given the fact that a rigid institutional system in the peripheral localities of the country is relatively weak and fluctuating so do the critical parameters regarding the policy capacity of the agencies. In the contextual collaboration or at least lack of sharp political disagreements among the key players, agencies have a more possibility to acquire important responsibilities in the frame of development of the territories. However in the otherwise case this success opportunity is hardly available there. To be more direct many of the important projects are being formulated through the municipalities and governorships, therefore approach of the mayors towards the agencies is of eminent importance to acquire more and critical roles in the management of local relationships.

5.3 Supra Institutions, State Level

Development agencies have partially new characteristics according to the central players as well as they are unfamiliar to local context in certain areas. In this perspective, engagements with the central policy players will be a vital source of organizational power for the agencies yet reciprocally agencies can serve in alternative ways to bring distinct abilities to the state level policy actors. The better the mutual understanding of both scales, the more will be the opportunities of common grounds in policy coordination. Although as long discussed throughout the study absence of tradition in policy making on the regional scale in a great sense brings various disadvantages for the activities and progress of the development agencies. However in particular cases, like below mentioned, this unprecedented position may grant alternative strategic gains to be utilized in forming a political and functional meaning. Being new in this sense provide an open area of opportunities to be benefit from in the future perspective. Especially considered in the EU perspective, scale of region and previously conducted projects with the agencies

might bring some certain strategic advantages as one of the interviewee from the central policy makers mentions as follows;

Indulgence of the Ankara Development Agency to our project (she/he is mentioning about a joint project that is being implemented with the agency) is important for us in the perspective of absorption of the future EU funds. As very well known a great deal of the EU funds are allocated in the regional scale and over the regional institutions. In this sense, activities in this project bring us strategic importance for the future as we will be already prepared for such funding opportunities. Besides regional planning issue is likewise a critical area to focus on in the EU perspective.

Although this particular area is highly dependent on the political stance of the government about the EU affairs, such a possibility sufficed to make development agencies critical in the eyes of some state level institutions. Thus said, unique position of the development agencies is although considered to be a hampering factor in many issues; it can be a field of penetration for the agencies into state level policy eco-system through strategically positioning this asset. In this case, partnership with the development agencies is perceived as a synonym to have good relations with the prospective EU relations and regions in this sense are considered as a connector to EU organs as a supra-state scale. Just like in the case that agencies are considered as a tool to penetrate into state channels for some local stakeholders; it can at the same time mean as a platform to reach supra-national bodies such as EU. Inter-scalar mobility in the manner, therefore, is not only limited with the national borders, agencies can also act as a source internationalization in peculiar areas.

A further critical issue in the policy capacity of the development agencies is considered to be the relations with the Ministry of Development, as the coordinator of the agencies and the first contact point in the central scale. In this regard, similar to the findings of the questionnaire presented in the previous chapter, external perception from the other players in the state level is not completely negative but they are also aware that there has to be limits in the very definition of coordination. During the interviews many of the state level respondents underlined that; “there should be an umbrella on the top of the agencies to somehow protect them against the other forces in the state hierarchy however while doing so the limits are vital not to trespass the local character of the agencies. Otherwise this will prevent the

agencies from being a policy actor of the local scale.” Still others are also not very content about the existing relations with the ministry as it sometimes acts more than a coordinator but a controller and regulator. Some of the interviewees mentioned that the “tendency of the ministry is leaning towards a restrictive position which will in the end negatively affect the perception of a domestic institution towards the agency. As long as the agency maintains its local character, others in the local domain will likely to keep close relations with them, but on the otherwise case agency will be considered as any other state institutions set up top down and acts in the same way.” That means in the end, agencies are feeding from the local scale, therefore they should keep their local character as much as they can since “state level” is perceived as a synonym with the “distant” for many of the local agents. This critical line with the Ministry of Development for many actors is therefore pushing the perception agencies towards the centre rather than local. Still however, according to some respondents, ministry’s position can be understood as a reflexive action to the emergent conditionalities and problems in the management of the agency and the local governance problem in general. Initially, the design of the agencies was very much open to the participation and characteristics of the key actors of the regions and cities with little official initiative to the ministry. Nevertheless, as the progress of the agencies with the policy makers of the localities have resulted in immature policy actions and piecewise implementations, ministry started to take more part in the strategic decisions of the agencies with non-formal ways to limit the possible false decisions and projects in order to prevent a weak image of the agencies in the broad perspective. Hence, although it would be too early to claim something like governance failure according to some respondents, ministry’s indulgence is playing a much more positive and critical role in here;

The ideal scenario of participatory design in the agencies does not function well according to my opinion. I think that it didn't fit well into our reality. In our case, unfortunately everything is based upon the persons in charge not the institutions and that's why agencies' performances and implementations vary so much. If the mayor's attitude is positive towards the agency, it can succeed much but that's very rare. Position of the agencies in the locality is still partially blurred and it is very much dependant on the key actors. Because of this very reason I believe the role of the ministry should be empowered in order to maintain standard implementations that do not fluctuate according to the attitudes of the people.

Hence, in relation to decentralization policies of the country, lack of technical capacity of the local institutions has always been the critical gap that prevents a strong policy initiative favouring a well-structured devolution system. In similar vein, piecemeal implementations and absence of an institutionalized local eco-system have always ended up with the penetration of the central actors to policy formulation and even implementation, after a distinct period and effort of devolution. Likewise, although establishment of development agencies is a sign of the propensity to decentralize certain powers of the state but in relation to the engagements with the local institutional landscape these efforts did not end up with the desired outcomes in the first hand. This in a sense signals the mentality differences that underpin distance between the central policy makers and what is reflected and conducted by the local agents. Unresponsive character of the local scale has always been a major problem of centrally taken decisions. In such cases, strategy of the state is either to terminate the authority delegation or open up disguised control channels to limit the implementations of the actors. As long discussed in the earlier chapters, usual tension of the administrative board of the agency and the Ministry of Development is only a single example of the fact. Board on the one hand, is willing to have all authority to make strategic decisions regarding their regions but on the other hand in some of the points, approval of the Ministry is obligatory. In this case, permission of the centre is being many times a discouraging factor for the administrative board to make strategic decisions regarding the policies of the agency. And on the other hand, their perception of embracing the agency as an important part of the local policy making system is interrupted. As a reaction, many of the board members are tended to implement short term narrow-focused strategies to benefit more from the agency resources rather than utilizing it as an integral part of the local policies. Given the fact that effectiveness of the development agencies is very much dependant on the context of relationship set up with the key decision makers of the regions. Conclusively, the tension between the ministry and the development board does exemplify a structural problem of the conflict between the centre and local which at the final analysis negatively affects the agencies in a very fundamental perspective. Another area, considered by some, to be problematic in the relations between the agencies and the Ministry of Development is the slow moving phase of the reforms in the regulations that are directly affecting the agencies. In that sense, demand from the development agencies is mostly indicating that ministry must be much more

practical and fast in making amendments in the by-laws. Nevertheless only few changes in the legal regulations in the agencies' legislations have been made. In that sense specifically addressing this issue during field study, one interviewee from the ministry indicated that;

It is not always easy to made legal changes by yourself in the state structure, there is always and opponent body among remaining institutions. Even in the bureaucracy you can find strong resistances to the changes you want to make. In order to tackle this, what we expect is more demanding localities, especially key agents of the regions should conduct policy pressures through their networks in order to make these changes possible. They have to be more defending on what is good for the agencies through their representative power.

The quote clearly indicates the plurality of the social forces in the state apparatus and their conflicting interest while realizing the policies. Mentioned many times through the study, state is a social phenomenon that has disunited perspectives which in this case embody itself as a resistance to the legal changes. Nevertheless, stemming from the intermediary position of the agencies, aggregated representational efforts from the cities may be utilized to overcome such a problem. As the quote addresses, organized demands from the policy agents defending interest of the regional scale and the agency will eventually function in favour of the amendments and revisions in the legislation. However in order to motivate the actors to pay such an effort is fundamentally dependant on their perspective towards the agency or from the contrary point it is related with the meaning of the agencies in the local policy agents. As long as the agencies provide a new layer of functionality that the local players cannot acquire solely, actors' mentalities will likely to change.

In terms of relations with the central actors and the position of the agencies in the state structure many of the interviewees are fully aware that traditionally dual structure of spatial management makes it cognitively difficult to open up instrumentality for the development agencies. Provincial borders according to some, as also underlined in the earlier parts, are at the very first hand acting as a disadvantage;

I think one of the most important barriers that agencies have to overcome is the provincial borders that are present both physically and mentally for the local policy makers. That might not be severely felt in Ankara, as

you have only one province, but in the remaining agencies I think that governors or mayors are hardly easy to convince for a regional implementation that is not directly beneficial for their cities. This structure is settled strongly and traditionally over the time. But I would not say it is impossible to alter, it will only take some time and agencies are the initial steps of it.

Though this is a very well-known and accepted issue by many of the policy makers, they are not fully aware on how agencies can succeed in that and in which sense local or central scale may benefit from regional implementations or reversely how agencies can bring new segments of policy fields is blur for them as well. Traditionally there is not a strong culture of governance and practical knowledge on the regional scale of territoriality of the state and in that sense; ambiguity in the role of the regional agencies in the perspective of local actors as well as central is totally acceptable for the initial stage. In regards to relations of the central actors with the development agencies, another crucial point is the penetration of the development agencies into main policy making channels of the country which is indeed an integral part of the governance relations and inclusive policy making and at the same time so-called bridging position of the agencies. When questioned in the interviews whether the agencies are functional and meaningful tools for the central actors in order to formulize macro policies to be more susceptible to place-specific characteristics and better representing the demands of the localities, most of the answers are not quite optimistic as one of which is as follows;

When I consider the cases that central actors are thinking of benefiting from agencies, unless they are directly related with the project or implementation central players do not consider collaborating with the agencies at all. Specifically during the policy making processes, agencies are not on the table most of the time. Nevertheless, it has been quite a time that agencies are in operation and they have considerable amount of local knowledge and know-how based on experience. It definitely should be used by the state actors somehow but for the moment I do not think it is happening.

Hence, building commonalities in the mentality of both worlds of local and central scale is a long demanded yet quite a difficult challenge to maintain a harmony in the policy environment. Development agencies, having connections with both layers were initially designed to be a tool that can as well be effective in maintaining such a harmony. However both the practical reality in the implementation of the agencies

and the opinions of the critical actors do not indicate a tendency to utilize the knowledge accumulated in the agencies by involving them to the policy making processes. This very fact nonetheless, is directly affecting the policy capacity of the agencies in two senses; first one of the most important rationales to establish regional institutions is to maintain an interlinking position between the state actors, therefore failure in such a case can be interpreted as the inability of the agencies to deliver one of their main duties. As for the second point being absent in the central decision making procedures will essentially make it even harder for agencies in further penetration to state channels. Conclusively the organic relations between the agencies and the policy making processes will never be at its desired level. In both cases as clarified in the model proposed in this study, policy capacity and possible further sources of policy capacity will be negatively affected. For this particular area of responsibility, some of the interviewees mentioned that Ministry of Development should have a more active role in making the promotion of the agencies and create opportunities and channels. However, it should not be understood here that without a strategic approach, agencies should be involved they can do wherever possible. To illustrate the case, an interviewee from the ministry mentioned that; “there are many cases that central institutions like to implement some of their duties, such as allocation of resources and implementing funding programs, through agencies. However we could not let it happen as we do not want from agencies to be disrupted from outside for such cases and over-engagements of the central policies, agencies are not designed to be the implementer of the support programs only. What is expected from them is much more strategic functioning in the governance relations that are organized in the local scale and working in bottom-to-top manners.” As can be seen, regulatory position of the ministry in this sense is indeed important and playing a positive role keeping the initial organizational characteristic of the agencies.

Finally, in some particular cases, presence of the regional scale in the public organization, in the form of development agencies, might bring indirect benefits to some central actors as one of the interviewee mentions the case;

Apart from its functional contributions, emergence of the regional public institutions, in fact indirectly supports one of the project of our ministry. Regarding the monitoring of environmental indicators, there is not a

very-well functioning mechanism with centre and local branches of the ministry. In that sense, in a similar vein to EU countries, it was once a quite high priority of the ministry to set up regional environmental agencies to better regulate the assessment of environmental indicators. The initial organization was quite similar to development agencies. Environmental agencies were planned to be on the field to make better judgements on the critical issues and ministry will be at the centre as the legal regulator of by-laws. Nevertheless, for the time being it is off the agenda for the ministry because of the changes in the overall conjuncture. But the success in the development agency methodology, I strongly believe, will be a motivation for our ministry again to regain the regional environmental agencies. In that sense they open an opportunity area for us.

Although this case is a minor exception, similar particular advantages can be benefited much by the agencies in the social and political construction of the regional scale which is a quite important element to build policy capacity. Specifically supportive stance of such central actors can be further utilized and oriented towards the promotion of agencies in the state structure.

5.4 Agency as a Policy Actor, Regional Level

In addition to assemblages with the sub-regional and supra-regional segments of policy actors, institutional and technical capacity of development agency as an autonomous policy actor is, beyond any doubt, an essential component of the policy capacity of the agencies. Autonomy in this context, nonetheless, should not refer to a detached institution that is pursuing a corporate direction regardless of the remaining entities in a policy domain. On the contrary, what is meant is a policy actor that is engaged with the cultural and organizational codes of conduct in the local and central scale and at the same time can tackle against the manipulative lobbying power that might come from both segments. That being said, position and the formal meaning and correspondence in the policy system, institutional parameters such as personnel retention or technical capacity, abilities to create resources or networking are some of the variables that are of prominent importance regarding the policy capacity in the frame of instrumental capacity. To begin with in that regard, of the technical capacity, ability of the agencies as policy analyst to define the correct policy priorities for the regions to gain support from the local stakeholders is one the initial points that agencies should succeed. As discussed in the interviews, regarding the position of agency as a policy analyst, one of the answers to this direct question,

whether the external stakeholders consider that agency have done a proper and successful job in the analysis of policy priorities for the problematic of local economic development of Ankara so far, exemplifies one of the many positive perceptions towards the agency. What is critical in this fragment of interview is that it underlines the fact that agency could allocate certain amount of resource after correctly identifying the right policy priority;

Yes that is true, when we speak of Ankara; I can say the path that we are pursuing is perfectly in line with the perspective of agency. We are trying to develop high value-added categories of industry and conclusively to position Ankara as the hub of the high technology in the county. To gain the dignity that Ankara deserves in this sense, I am in confident that we have a similar and common burden with the agency. Whenever we are trying to implement a project in this direction, development agency has always been our greatest supporter and if some particular projects are still being implemented, it is because the agency supported them. I have to add also that flexible character of the agency played a critical role in maintaining such a harmony in the policy perspectives. Being a hub of technology and high-added value manufacturing should be the utmost priority and agency is implementing a correct policy by stressing this.

In that sense, quality of the staff in development agencies is fundamentally decisive on the quality of the job that agencies are doing in terms of identifying the correct policy priorities of the agencies. This is basically true for any organization in anywhere however as again underlined in the interviews, in addition to their technical capacity, staff of the development agencies should be, and in fact is, able to create positive sum networking relations for the agency. What is critical in this duty is that; this will definitely increase the level of engagement to the local stakeholder and policy environment. Similarly, another interviewee commented on the profile of the job; what agencies are doing is very much dependant on the level of field-based knowledge that each of the staff in the agency should have. This is only possible by always being active on the field and getting to know the regions as much as they can. That being said, the importance of the stability in the personnel profile is gaining a further critical character. Tacit knowledge embodied within years of experience is highly essential to benefit and achieve the above mentioned tasks. Nevertheless as underlined in the earlier sections, retention ratio of the personnel has a strong tendency to decrease in the agencies; since the establishment of all of them almost one third of the personnel has shifted in average of the all agencies. As an outcome

of this circulation in the personnel profile, abilities of the agency in the end have to be situated in a very definite and limited area. In many of the interviews, external stakeholders underlined the fact that personnel quality was better in the very beginning of the agencies compared to the time being. However, it is still perceived at a sufficient level of capability especially in the peripheral areas as indicated by the partners. In this regard interviewees also underline the rotation of the secretary generals as a much more critical element. Together with the shift of the executive of the agencies, many of the pre-set relations are happen to be dissolved and have to be re-set.

Another critical element underlined during the interviews is the lack of variety in the policy repertoire of the development agencies. This is, in fact, partially related with what have been mentioned in above paragraphs. Some of the respondents have emphasized that practitioners working in the agencies should have to learn the very local characteristics and construct a broad knowledge of geography that they are working in. Only by utilizing that knowledge local stakeholders agree that agencies can develop place-specific policies in the very meaning of the concept. Nevertheless, without being able to implement a proper policy response, knowledge by itself will not mean a lot in the real world of policy making. In this regard, one of the interviewee mentions that;

Ankara is a big geography, although regions is composed of only one city its coverage is so big and geography show differences in itself. Therefore the approach that agency is implementing should change to fit in each context. What we expect from agency is to change its mentality and policies according to each place nevertheless I cannot say that agency is doing quite a proper job in this regard. To do so, I believe that you have to be more in contact with the authorities of the districts. Furthermore, approaches that agencies conduct should also be changing according to each institution. Same rules do not work for a public institution and for a NGO.

That being said, agencies are expected to adopt flexible solutions and policies that are fitting in each context even within the intra-regional relations since the policy priorities and opportunities vary with as the geography does. In this sense, agency's implementations especially policy tools are sometimes considered to be so broad and homogenous. Nevertheless, this point is directly related with the legal regulations, which is under the responsibility of the Ministry of Development. On the other hand,

such kind of case specific implementations will naturally carry the risk of being too much piecemeal and eventually may end up with the disappearance of business standards. However still, to meet the demands of the local policy making eco-system, development agencies are expected to expand their policy making tools and that will eventually act as a source of empowered policy capacity through reaching an adoptable policy repertoire. Stemming from here, it can be said that, both the scale of implementation and the type of implementation according to the legal status of the respondent institution can be fine-tuned and should be more flexible and adoptable for the need of local actors in a rational framing boundaries. In this perspective, this criticism can be generalized to the whole system of all agencies as well as their internal functions in the regions.

On the other hand, from the perspective of the local stakeholders development board is still perceived as an idle instrument of the agencies. In regards to the internal design of the agency, development board, despite the current functional meaning, play a critical role to act as a platform in managing the region-wide governance relations. Nevertheless as presented in the previous chapters, in many of the agencies participation rates to development board meetings have a tendency to decrease which causes diminishing effectiveness of the development board. During the interviews this problem was also underlined several times by the stakeholders who are still quite optimistic about the position of the development board in the agency. To illustrate, one of the members of the board indicates that;

I have to underline a problem with Development Board of the agency. We have a board of 100 members composed of the key executives of the region. Nevertheless, there in the meetings it is not so possible to discuss about the broader perspective of how to develop Ankara. Instead what people are doing is to make limited and narrow minded moves that are only related with their institutions. In a sense, they cannot see the bigger picture. I seriously doubt that development board is putting the real added value to the progress of the agency.

Yet another member draws attention to the importance of the board;

I think development board should be understood as the grand assembly of the Ankara. It should mean the same thing to Ankara as what national parliament means for the country. That's why board should gather more often throughout the year. It is far from enough to organize meetings twice in a year.

Long accepted as one of the problematic issues of the development agencies, position and the effectiveness of the development board addresses the cultural tradition that has a big margin with the cooperative norms. For the time being, board meetings indicate a little more than a bureaucratic duty to be fulfilled for a great majority of the members. Although when asked individually many of the members will likely to speak positive about being a member of the board however, as mentioned in the quotes above, in sum of the board meetings very little tangible outcomes have been achieved so far. Nonetheless, it has to be underlined here that it is one duty of the agencies to effectively use the board as it is not realistic to expect from the board members to act in a self-organized motivation. Thus said current profile of the board perhaps can be best described as disorganized composition of key actors. On the other hand, it is not aimed here to make suggestions on how to use the board more effectively but instead how it is aimed to stress the links with the policy capacity of the development agencies. Therefore it will suffice here to indicate that development board is still one distinct element that can be effectively utilized and provide extensive areas of functional abilities to agencies nevertheless its idle position signals a continuum of an old pattern instead of altering it as a tool to change habits in implementation of local governance. Still though, to overcome such a problem, agencies can perhaps adopt a more proactive attitude towards the strategic position of the board. Respecting this role of the agency, few of the interviewees claimed that agencies do not pay enough attention and resources to make the board more active. Following quote for instance is a direct example of this demand from agency;

When you look at the internal organization of the agency there are only two critical structures; development board and administrative board. Thus the agency has to do something more than now to make these bodies more active. For the time being neither of the boards is contributing to the agency or the region. For instance most of the members, especially in the development board, do not even know why they are in these boards. What we expect from the agency is at least to maintain the information exchange and the communication among the members.

In addition to development board, position of the administrative board is also claimed to be complicated and not working in favour of the agency mentality. As discussed with one of the former members of administrative board, the significance of the key agents in the role of a member in the board is very much limited and

bounded by the room left over from the head of the board. The traditional strong hierarchy among the public actors is quite strictly implemented in the minutes of the board meetings as well. In this manner just like the case in the development board, effectiveness of the administrative board is quite a matter of question in the policy formulation in the context of development problematic of the Ankara Region. To illustrate, it was mentioned during the interviews that; “being he member of the administrative board is not the primary and the sole job of the members and conclusively priority of the agency related issues is not at the utmost importance for each members. It is somehow important to be a member of the board however in reality this significance has never been practiced. Most of the board meetings have been framed by the governors’ and secretary general’s initiative, very few topics were involved to the meeting agenda apart from those are administratively must.” Thus said, intention of designing an administrative board composed of the utmost important actors of the regions is totally rational nevertheless, members’ motivation and perspective towards the logic of the board in the very meaning of the initial intentions is very much in a diverging tendency. In other saying, building a new system upon the old actors of the tradition is quite a difficult task and it is naturally acceptable to have flaws and defects in it. Therefore institutionalization of the administrative board is something a lot more than forming it as an integral part of the agency, which in the end negatively affects the evolution of the development agencies and the policy capacity as well.

In the ideal scenario being a part of the local policy making system and penetration to this eco-system can be eased by the social practices of the board members specifically chambers, mayors and governors. Nevertheless as the formation of these policy agents is not alike of the expected, permeation of the agencies to the domestic scale becomes much harder in the absence of a political support from these bodies. This tendency, through time, is most likely to settle down as a culture where it will be much harder for the agencies to create a distinct field of authority among the other members of the scale. In the broader frame and goal of this study, this very fact indeed indicates the necessity of new practices and norms in building a new scale of functionality in a long settled system of territorial management. Correspondence of the scale and mechanism that are working in it cannot be simply build by itself through launching a new policy actor. As mentioned earlier, regionalism in Turkey,

within the current legal and regulatory framework somehow has to be rationalized in the binary model where the weight of the central actors is very much prevalent, unless a comprehensive public management regulation, that gives more legal power and incentives favouring local governance, is legalized. A further critical point regarding the role of administrative board, in this perspective is the dominance of the governors in the board meetings. As claimed by another former member of the board, “it is almost impossible to reject an issue that has been already approved by the governor, you cannot do it first, you will be the outlier of in the decision process of board and nobody will back you up even they agree with you and secondly you do not want to have such a conflict with an important actor like the governor, considering the relationship outside of your positions in the administrative board. So I would say that instead of a discussion whether there is a control and hegemony of the Ministry of Development over the agencies, it has to be discussed if this hegemony is coming from the governors.” In this regard therefore, agencies can concluded to be squeezed in the middle of two competing forces over the control of the development policies and respectively the agencies where Ministry is located on the one hand and governors on the other. What is crucial in this particular case is that, none of these institutions is considered as local in the very meaning of the concept among the perception of the local stakeholders. Therefore being a member of policy making system of the localities, agencies should be progressing and evolving without the pressures of the both parties and instead should be representing a wider and more inclusive actor profile to gain a stronger local representational meaning. In addition to that, as the level of regionalism is way too limited in the overall decentralization policies, which is indeed itself a narrowly articulated policy area in the overall state strategies, capability of agencies to gain a position of real grip in the economic development policies of localities is that much difficult and unrealistic. Therefore what agencies are obliged to succeed is to realize a blur and scarcely defined policy area such as coordination of local policy makers with weak policy tools. In that manner, they become fragile and exposed to manipulation of stronger social and political forces from either scale of hierarchy.

5.5 Evaluation and Results

In this second tier of the field study as mentioned earlier, main goal was to provide external perspectives from the stakeholders that agencies, with any reason, have engaged with. This is crucial in order to complete and back up the findings of the first phase of the field study where the insider evaluation of the variables that were argued to be critical in the policy capacity model. Besides, the empirical findings of the interviews provide a deeper understanding of the local stakeholders towards the development agencies with regards to their perspectives and expectations and specifically their elaboration of the scale of region as a new layer of state functionality. In a very broad sense, traditional central bias in the implementation framework of the development policies were considered by most of the local policy makers as a point of inefficiency which however is believed to be reversed by the agencies as long as they keep up close connections and relations with the local actors. This expectation in a sense frames the overall characteristic of the perceptions of the local actors for the development agencies. Though agencies were initiated as a state project, local stakeholders show strong willingness to perceive the development agencies as a part of the local system which has, nevertheless, certain difficulties from many directions in the practical sense. Furthermore, this tendency is built on very thin lines where it is not necessarily a widely accepted issue still by a certain group of actors still yet agencies should initially cement this perception of being local in the very eyes of the local actors. Thus said, one of the primary findings of the interviews indicate that agencies should preserve a local character while maintaining a multi-scalar mobility in the state channels in order to extract benefits for the localities they represent. Considered in the framework of this study, such a policy field will also provide a unique position to agencies where no other actor is defending the benefits of the territories apart from a standpoint of their own institutional priorities. This being said, a territorial representation base built on the implementation of the agencies instead of a political one will inevitably contribute to the capabilities of the agencies.

This problematic, however, demands an answer to this very question of whether the agencies are perceived as the entitled body to rule and manage the relations in the localities. Or to put in another and direct way; why actors should let the agencies lead the set of actions in the local scale instead of another body or even themselves.

Some of the ideas mentioned during the interviews, when overlapped with the findings of the questionnaire, provide critical inputs in the query of an answer. To put in a very short manner, this perception towards the leading role of the agencies varies according to the scale, profile and the legal status of the affiliated institution. To illustrate; municipalities together with district governorships do not expect from agencies to play such a coordination role, as they are already well positioned in systematic hierarchy and they have their own channels of networking (which is extensively political in nature and personal in practice) and communication strategies that they can utilize in case of a need. Policy coordination, on the other hand, does not ring a practical reflection in the daily habits and routines of their processes. They rather prefer less state intervention to their own narrow area of authority and they expect from state institutions, most possible allocated funding to their municipal projects. Regardless of the characteristics of the project whether it can be elaborated in the regional vision or not, agencies in this manner are perceived as one of the primary source of funding. On the other hand, as the scale of the municipality enlarges even the funding of the agencies do not make much practical meaning since the project budgets exponentially increase. To sum up, municipal actors, as an indispensable part of the local policy making landscape, set up relations with the agencies in a very rigid framework of project funding and implementation, with no expectation of managing and leading the actions. One remark should perhaps be made for the technical abilities of the agencies that might provide another field of relations with the municipalities. As most of the small municipalities do lack a proper amount of technical ability, especially when there is a need to set up international relations with EU counterparts, agencies can play a leading role to mobilize and coordinate the municipalities however this is again in the case of project implementation but no broader structural goals are intended.

On the other hand, institutions more focused on practice based responsibility fields, such as technology parks or industrial zones do find it more meaningful to act under the leading position of the development agencies. This is basically first; the agencies are perceived as a channel of reaching the state and secondly they are considered in a more neutral position that represents the shared values and goals with them. Project funding though is still an important element to set up relations with such institutions, leading role of the agencies are very much appreciated in the case Ankara region, to

implement common projects apart from the resource allocation. As mentioned above, agencies represent at the same time a portrait of a state body, which is a peculiar source of credibility and legitimacy, yet at the same time they are perceived as flexible enough to make faster policy implementations with a potential power to penetrate into main policy makers of the state hierarchy to level up the local demand to acquire more resources. A quite similar pattern is clearly visible for the relations with the private sector actors, especially as intimate connections of the public sector with the private firms is something that is not very commonly practiced, agencies can extract quite important advantage through their flexible nature. Thus, it is much easier for the agencies to play a coordinative role while setting up relations with the private sector agents. However it has to be noted here that this particular case is very much dependent upon the scale and the power of the firms. Not surprisingly, as the scale increases the dependency and the need of the firms to the agency decreases sharply. In that sense, institutional correspondence of the agencies over the SMEs means much more of a leading role than the bigger corporations. Nevertheless that does not indicate an absence of the functional relations with bigger and more corporate firms, which was already detailed in the earlier parts, agencies can set up links with such firms as well but it is not possible to define a leading role of the agencies in this scenario. That being said, conclusively, agencies' relations and the relative position in the local scale vary due to the type and scale of institutions as well it might show varieties through the whole territory of the country. Transferred onto the complex and tangled institutional landscape of the local scale from a top-down manner, relative understanding of the development agencies do differ according to political nature of the actor types. To sum up what have been explained above, local actors who have already a political representational power do not aim to establish links under a leading role of the agencies, yet they already consider themselves as capable of realizing their policy objectives through their networking powers. On the other hand, institutions who consider the agencies superior in terms of representational power and credibility, or as a mean to acquire policy resources, can set up quick relations under the managing position of the agencies. In case the position of the agencies as a policy actor is accepted enough to complete the functional and technical capabilities of the affiliated entities then the agents volunteer the agencies to lead the process but in the otherwise case, relation are in a more pragmatic manner only to use the resources that agencies have. A further point,

which is partly relevant with this case, to be underlined, in very short is; the findings of the interview signals a critical input to the problem of coordination and connecting position of the agencies in the relations with the relevant actors. Coordination, unlike to the discussion made above, do not have a character based on the relative strengths and scale of the institutions, yet not completely irrelevant of that, it rather demands a more practical and well packaged project or activity definitions to motivate the contacted actor. This is partly stemming from the practical or “conductor, action taker” character of the local policy makers unlike the central state bureaucrats. Mobilizing the local actors in such cases is much easier when they define the action roles and their possible benefits from there, agencies can easily maintain a coordinative position. To conclude this particular argument in a sense validates one of the main hypotheses of the study underlining the policy capacity’s relational character. As argued, form of relations and correspondence of the agencies differ according to the type and form of the policy agents. Therefore, policy capacity in the agencies will have to be susceptible of the changing character of the actor types and their contextual varieties and the possible strategies that agencies can set up with the external actors. These strategies at the same time should be well-fitting into the scalar positioning and the politics that is required in this segment of society in order to gain optimum functionality in those conditionalities.

On the other hand, another conclusion to be derived from the interviews is that agencies are expected to develop scalar and institutional adaptabilities according to the institutions that are contacted in the framework of local relations. As long discussed earlier, it was claimed that agencies should develop inter-scalar mobility abilities in the channels of public policy making to generate a stronger policy capacity domain, in addition to that a similar advantage shall be acquired by being adaptive to the scalar relations in the local and region wide framework. Since development agencies are considered to be a representational platform for some sub-local actors in the district scale, their ability to respond the demands through utilizing a wider policy repertoire eventually underpins the social and functional credibility of the agencies. Yet, their monolithic action frames were sometimes underlined by a certain share of interviewees as homogenous and single-minded which makes agencies mentally detached from the realities of the ground level. In quite simple terms, stemming from the nature of development policies, there is a wide range of

policy actors relevant to the procedures and this variety of the actors demand different strategies of conduct in order to perform a common program or project. Thus what is meant here is agencies' radius of action should be inclusive enough to integrate all actor groups from big industries to smallest SMEs or NGO. This is partially related with the adaptive networking ability of the agencies. Not only their policy repertoire must be extensive but also strategies that they develop in networking relations should be flexible enough to represent the common benefits of the localities. This might be possible also by utilizing both the political and functional networking activities at the same time without ignoring one for the sake of other.

Additionally, when observed the strategies of the stakeholders while aiming to conduct a project or to bring in their demands to agencies show some distinct patterns and similarities. To be clearer, as a finding of the interviews, for instance, non-governmental organizations which have more of a political character and stronger connections find it easier to be active in the participatory platforms and broadly in activities of the agencies. On the other hand, when compared with the public institutions or private sector representatives, civil society organizations are non-surprisingly the group that demands most participation to the processes regarding the policy design. Public institutions on the other hand, are driven mostly by setting up personal contact and proximity in order to formulize a partnership or a project. Their motivation differs from the remaining parties in terms of the willingness to follow more traditional methods. Public debates and third party interruptions are located quite a distant from the methodology of public institutions. In this structure, personal contacts and relations are valued much more, and indeed seem more functional than setting up institutional partnerships. Finally, method of conduct for the private sector representatives is mostly limited with the funding support mechanisms unless they are not organized under an association. Nevertheless, among all groups relations with the private sector entities are the least politicized and most functionally motivated. That means at the same time, agencies cannot find many opportunities and tools to create chances of collaboration apart from the soft policy advices and generic funding mechanism. All in all, briefly, it can be said that motivation and the structure of the set of relations with the external policy actors are drastically change due to the profile of the actor but less according

to functional motivations. Agencies in this scenario are again somehow limited to a defined area of simple policy actions that lack adjustability. This situation brings in the already underlined problem of policy repertoire on the one hand, but on the other it addresses the further possible problems of agencies' ability to create policy resources out of the local set of relations. Additionally, credibility and networking power in general sense will be indirectly affected and so as the policy capacity of agencies.

To conclude the argument, it is no secret that institutional formations operate in an institutionally dense environment, and this external world is not a product of an overnight however it is embedded in culture, history and geography that shapes the broader frame of the actions of the policy actors. Development agencies' externalities have been formed in a similar pattern of historicity of local government practices of the country. Conservative attitude of the traditional manners do collide and conflict with what is being reformed and transformed. This path dependency is critical to understand the alternatives and boundaries of the possible novelty however, as underlined earlier it is no single alternative of action to be pursued. Reversing this pattern is a matter of interplay between the structure and the agency as Sum and Jessop clearly indicate;

Path- dependency implies that an institution's prior development limits current options in institutional innovation. However, while history matters, it does not require fatalistic acceptance of past legacies. Social forces could intervene in current conjunctures and actively rearticulate them so that new trajectories become possible – especially where sedimented, taken- for- granted institutional legacies reveal unexpected crisis tendencies and/or come, for whatever reason, to be reactivated or repoliticized. This is where capacities to read conjunctures and reflexivity come into play, and indicates the heuristic value of a systematic concern with structure–agency dialectics. (2014, p.37)

That being said, agencies' ability to read the conjuncture and reflexivity upon it should be a major strategy of building their policy capacity upon, while at the same time aiming the mentality change they represent. In addition to other effective variables defined in the study, findings acquired in the interviews indicate the necessity of adaptive networking and scale-adaptive policy tools that will integrate into multi-scalar strategies which agencies should conduct. To illustrate, problematic of policy coordination on the one hand do not indicate a practical reflection for the pragmatically oriented actor typologies, yet it is something still being demanded by

many of the remaining local actors which in a path-dependant reading, is a difficult task to achieve. Yet a systemic approach to the position of the agencies in the whole structure can play a crucial role the reverse the historical trajectory which at the same time will provide a strong base of policy capacity and institutional embeddedness into local policy eco-system. Hence, if agencies can organize a portion of social forces in the system as a rigid practice of governance and an alternative to the dominant structural progress, it might act as an initial step to the change the ineffective patterns and at the same time a baseline which provides further capacities to the agencies.

Finally a further outcome of the empirical study is that there is a strong demand for an eco-system that will foster the practice of the urban/regional governance yet it is still not clear for many of the local actors through which means it can be achieved or what should be the correct methodology. This is basically because; two important demands have been underlined by many of the local actors (and by few of the central policy actors) in the interviews are; the need to coordinate the dispersed relations and efforts of the actors in order to maintain efficiency in the public policy implementation and the critical prominence of the agencies as a consolidator of the local demands and levelling them up to a higher segment. That being said, awareness in the necessity and importance of participation to decision making processes by the localities are not as it was used to be, therefore they are searching for channels and possibilities to actively take part in promoting their projects and priorities. Development agencies especially in this sense are considered to be important as they are widening the possibilities of mobility through policy channels for the local actors either public or private sector and for even the non-governmental agents. Nevertheless when queried, it was also clear that local actors cannot easily define the exact position of the agencies on how to maintain the policy coordination given all the fragmented structure of the actor motivations and priorities. That possibly will be one of the most important policy lessons for the agencies during their implementations and practices.

CHAPTER 6

CONCLUSIONS

What is standing as the core aim of this study is simply; to understand how to generate and build policy capacity in development agencies established in the regions of Turkey, which can also be reformulated as how to constitute regional policy actors in a tradition that inherits local-central dualism. This question, nevertheless, cannot be answered simply as it is said. Peculiarity of this research question can be summarized in four points. First of all, development agencies operate in a territorial scale that is traditionally absent in the state's territorial management structure and policies. Therefore, understanding policy capacity in the development agencies necessitates a broad understanding of the particular conditions and politics of the regional scale in the state centric context of Turkey. Second, agencies emerged as an initiation and policy reform from the central policy actors to operate in the sub-state segment instead of a locally demanded policy articulation. Thus, they have an innate character of a conflict buried in the long standing local-central mismatch. Relational context of the local and central with the intermediary regions will matter a lot in this framework. Hence, maintaining a local character in the development agencies while providing new areas of functionality for the central actors will eventually be critical in building capacities and abilities in agencies that is peculiar to them. Thirdly, regional scale and a sound regional governance, a methodological concept that agencies are said to maintain in the localities, can only be better understood with respect to the overall transformation of the statehood with as a result of the contemporary conditionalities of the policy making. This means in the end, a comprehensive understanding of the transformation and restructuring processes in the notion of statehood will provide a strong baseline to better formulate the variables of the policy capacity in the development agencies through the perspective of emergence of regional and local scale. As state is a socially constructed phenomenon, it demands comprehension of the social forces inside the state

apparatus. So, in order to better formulate the policy capacity of the development agencies in Turkey, it is vital to position the re-articulation of the states and the actors in different segments of state hierarchy. Fourth and finally, local development policies in the current age of globalization, given the importance of competitiveness driven discourse and networking abilities, is a complicated issue happening in a dense institutional environment composed of conflicting and fragmented individuals, hence relations in this complexity matter a lot. That being said, conceptualizing the policy capacity of the development agencies passes through understanding the relational context of the local institutional eco-system and the position of the agencies in this dense environment as a novel policy maker. In another saying, perception of the external environment towards the agencies will be, in addition to the other reasonings, another variable to conceive the policy capacity of the agencies. In this conceptual frame, composed of the points mentioned above, main findings of the study can be summarized and proposed as follows.

As the aim of the chapter is to encapsulate the findings and discussions of the study as well as to brief the approach adopted, stemming from the reasoning points described above, this thesis started with a discussion of the state concept and the main features of the state territoriality in order to understand the transformation of the statehood with regards to the challenges and bottlenecks imposed upon them in a more recent timespan. Nevertheless, the only aim of the part in that literature review chapter is not to analyse the corpus of the state theories and transformation but instead how it can be related with the emergence of sub-state territoriality that holds political and economic significance, is the main purpose to provide a theoretical background to understand the policy capacity in these new state spaces. As defended in this study, formation of regions is not a simple layering of the state territory but it indicates a major political and ideological meaning behind it. Furthermore as noted in Ancien; state restructuring has implications for local development policies and their underlying politics has affected many advanced capitalist countries (2005, p.218). Thus, increasing significance of regions and cities on the one hand can be related with the on-going transformation phase in the statehood, yet on the other local and regional development policies are critically being redesigned and affected from this phase of shift. Tools and the methodologies alter in order to cope with the new conditionalities as well as the institutional landscape inside state apparatus.

Territoriality of the space, as understood in the classical sense, as a container of the social relations have been objected and tested by different socio-spatial challenges imposed upon as a result of globalization phenomenon and a demand of new arrangements reasoning from the new global capital accumulation system. States, specifically central policy makers, are somehow obliged to delegate some of their duties and responsibilities either upwards or downwards through forming new scalar segments and institutional agents to reformulate their policy abilities. As discussed throughout the study, contested and potentially emergent framework of relations among the alternative social forces in the state structure may also form the resistances to the motives of change. In this structure, policy capacity rises as a critical concept situated in-between the recent wave of state transformation, socially nested conflictual forces in the state apparatus, both in the local and central scale, and the need of functionality or capacity for the new institutional and geographical policy actors. To put into a direct manner, problem of generating policy capacity for the emergent forms of policy agents, which is the case of development agencies in this thesis, given the peculiar conditions stemming from the local, cultural and geo-historical boundaries is a fundamental question of this study. Underlying nature of this effort is also meaningful to conceptualize the structure and agency dialect in the case of regional policies of Turkey. While making the theoretical debate, restructuring of the states was also discussed from a point of governance arguments in order to better evaluate the increasing density in the policy eco-system apart from the state and public actors. More importantly, it was this very reason to make this discussion to further support the emergence of the localities in the framework of actor formations, their legitimacies and functionalities as well as their relative position to the states. Especially tendency of failure in the governance practices and the position of the public actors in this complexity underline the prominence of metagovernance in the complexity of the contemporary policy making mentality. Especially in contexts, an example of which can be Turkey, where the localities are not traditionally strong and capable of self-organization, this argument makes even more sense. Nevertheless, it is not intended here a dominance of state actors in the management of the relations, but on the contrary metagovernance here is benefited to underline the transformative capacity of the states with a new regulatory role attached to the relations with the non-state actors. This regulatory role can be read as

an integral part of the new relational contexts that states are as well a part of but where it is not the only and legitimate source of policy making capacity.

Thus said, elements composing the policy capacity as a theoretical and analytical concept utilized in this study were sought through the new structural conditionalities and the policy framework emerged in the form of state restructuring and through the new multi-scalar relational context that is being formed around the local and regional governance discourse and a vast array of material variables which are extensively beyond the control and steering of the states. In a different formulation, while globalisation and new forms of global capital accumulation processes are defining the material conditions of the state transformation, governance discussions on the other hand are decisive on the institutional and relational essence of this redesign of the new spatialities of the states. Similarly, incorporating the governance framework over with the redesign of the state hierarchies ends up with the conclusion of the importance of historicity of the territorial formation in which the cultural components are embedded. Thus said, efforts to maintain a more flexible manner of territorial management typologies as a conclusion of the redefinition of the responsibilities in state apparatus has to overcome the chronicle unresponsive reflexivity of the sub-state institutional landscape. That means on the one hand, governance do not indicate a partial or full withdrawal of state and on the other the so-called plurality in the local policy frameworks, will be somehow in need of a regulatory agent not necessarily located in a higher hierarchy but in a more horizontal context. And to repeat, it addresses the ever changing complexity of structure and agency interplay. Thus, the model proposed in this study as framework to understand the policy capacity for regional actors, do posit itself in the complex set of relations in the different scalar segments of the state structure with references to condensing institutional landscape in the development policies. In another saying; framework for a regional understanding of policy capacity should involve the new relational context and congesting and potentially contesting institutional landscapes. What that means is; both the local scale and the composition of actors in this segment and the structural parameters imposed by the central actors were elaborated in its own context as a first step and next, implications that materialize as a result of the interaction between the two peculiar contexts was incorporated into the approach as well. That however, should not mean that scales in the territorial management of

states are not completely detached and distinct from each other, yet what is underlined here is; each segment in the state hierarchy has its own policy realities and codes of action, and additionally all have strong interdependencies. Restructuring and/or rescaling of states have even more complicated this organic relation among the scales of the national territory. In this context, what is peculiar of the approach adopted in the model is that, inter-scalar mobility among the whole network of the governing relations for the regional policy makers will add considerably to their policy capacity and abilities to generate policy capacity. Levelling up the demands of the localities, managing the governance relations in the local scale as well as providing place specific policy suggestion to the central agents can be only few example of what is meant with the inter-scalar mobility. Yet again, this is not simply performing a bridging role between the centre and the local scale through formal policy relations but the dynamism in this mobility does necessitate an active role among the alternative networks of policy actors that is public, private and civil society. Therefore, regional policy makers have to open up a unique functionality area that none can do better, through actively employing strategies that will contribute to the incapacities of the both scales of politics. Engaging projects that will enable the local actors do reach higher segments through the formal channels that agencies can open up and the providing local information and mobilization of local stakeholders where central actors cannot penetrate down can be elaborated as a distinct role that will reserve a greatly appraised room for manoeuvre. This will, on the one hand increase the abilities of the states to control and maintain a new regulatory position and make them well-equipped to meet the challenges of the contemporary policy making environment, and on the other can provide efficiency in the policy delivery through managing the fragmented nature of the local policy actors. Thus said, concept of inter-scalar mobility, as the theoretical and empirical outputs of this thesis indicate, come to the fore as an integrated strategy that agencies can employ to effectively utilize their resources and maintain a rigid baseline for policy capacity.

Following on, for understanding the currents of the regional policies of the country, which is an indispensable part to figure out the parameters for policy capacity of agencies, historicity and the evolution of the regional development tools matter a lot to identify the background of the practices, of which development agencies stand as

the final product. As is very well-known, centralized authority has been extensively exercised in the field of regional and local development in the past. Therefore, overwhelming character of local and regional development policies in Turkey has been shaped by the knowledge and the capabilities of the central actors. The possibilities of negotiation with the local policy makers were quite scarce and thought to be ineffective while making the final decision. Hence, character of local and regional development policies, have been dominantly shaped by the lack of technically capable localities that was tried to be reimbursed by the efforts of the central authorities, which at the same time have been a major point of rationale in the establishment of the agencies. In that sense, first of all it has to be noted here that region as a scale of territorial management has never been evaluated as a distinct segment of policy delivery and territorial administration. As was discussed in the chapter 3, thus far implementation of regional experiences have been quite limited and practiced under strict patronage of central bureaucracy or as a local branch of the central authorities in order to implement distinct roles and services. Therefore, in the very perspective of local policy actors it is difficult to conceptualize the functionality of the regional scale in the state hierarchy and policy implementation. That being said, national administration of the policies regarding the local economic development, in the Turkish context, created a strong dichotomy as local and central.

As a conclusion of that historicity, introduction of region as an intermediate level turns into quite an ambiguity especially for the initial stage. In order to overcome this struggle of the initiation, it is very critical to carefully locate the position of regions in the overall structure of territorial management. When evaluated the practice so far with the establishment of the development agencies as the main policy actor of the regional scale, it is obvious that region is evaluated as simply an aggregation of the province-wide relations that are loosely connected with each other. Or to rephrase simply, there is very little or no initiative for the local authorities who are organized in a city-wide perspective to actively collaborate with each other and compose a regional set of organization. That is not to mean nevertheless, it is not possible to construct the region as a distinct policy scale in the case of Turkey, but on the contrary to accomplish such a task there should be strong and wider responsibility definitions for the regional scale and the development agencies. That necessitates in the end, a wider reform in the public management that favours the intermediary

relations both territorially and politically. In the otherwise case, implementations and reorganization remains so limited and minimal which makes the efforts so far in vain. In the practice and experience of the agencies so far illustrates the dominance of municipally crafted implementations of projects and allocation of the regional funds but only little more in the implementation of regional policies. Nonetheless, it is all clear that risk function of the policy packages stressing specifically the “region” given the cultural taboos in the public perspective, is too high. But all in all, without the wider political renovations, it remains, so difficult to accomplish concrete outcomes in a historical trajectory that is severely mismatching with the realities of the regional scale. Therefore, this underlined necessity of the major political/territorial reforms should be elaborated as part of the structural and path shaping policy change regarding the state’s major policies of local economic development. In this regard even the contemporary ambiguities in the political basis and reform initiative can be regarded as a political opportunity window in order to realize the required policy shifts that favour the regions’ overall position in the territorialisation of the state. In that sense, regions can be regarded as an economic and functional unit of territoriality instead of a political identity stressed in order to avoid cultural problems. In a similar manner, Eraydın⁴⁸ (2009, p.16-17) notes that; central authority must re-elaborate the regions in a framework in which; regions must be defined as a place where local and national priorities are harmonized, metropolitan management reforms should be initiated and city-regions should be re-framed as a new planning and implementation segment.

She further notes that;

Administrative regulations, by themselves, are not enough. Perception towards the regions should also be elaborated in a new frame. Regions must not simply be seen in the limited understanding of places of competitive power and yet another management level emerged in the process of downgrading of nation-states. But instead they should be defined as places of new governance and democratization that should be reproduced due to the demands of various social groups (ibid, p.17).

Hence construction of a scale in between a conventional setting does require a comprehensive elaboration of the political and socio-economic relations as well as informal institutional structures embedded in the geography. Establishment of a new

⁴⁸ Original text was written in Turkish thus any fault and/or loss of meaning from the original text is caused by the translation made by the author.

institutional fix, naturally, does not suffice to alter the whole trajectory, though can be still effective with correct strategies of mobilization of local actors, but instead it needs a supporting policy agenda from the state's main actors and the coordination in cognitive aspects of policy frameworks. Following quote from Sum and Jessop (2014, p.37) is important to underline once again the critical line between building an institution and changing the trajectory through setting up new institutionalisms;

... in moving from single institutions to institutional ensembles, institutional arrangements, institutional interfaces, institutional design, inter- systemic relations and so on, the focus will shift to the structural coupling and co-evolution of institutions and to issues of their strategic coordination or guidance. The dialectic of path-dependency and path- shaping is important here.

Strategies to minimise the expected tendency of disunity in the different segments of the state structure will eventually be meaningful to avoid what Sum and Jessop (ibid.) describe as the inevitable disjunctions between intentions and institutional outcomes. State's overall spatial strategies and selectivities are, therefore, of great importance in defining the overall progress of the regional policies and respectively agencies' as well. Similarly agencies' local strategies of action on the ground level will be of the same importance. They must on the one hand be fed from the broader strategies of state and on the other maintain a distinct position that is neutral from the political conflicts.

Background analysis of the regional policies, in addition to what have been described so far, provides certain clues about the transformation of the Turkish state with reference to the local economic development policies. As underlined in the introductory chapter one of the further goals of the study is to propose empirical findings to the literature of the state restructuring in the case of development of regions in Turkey context and argue the claims of a decline in the nation-state's functionality and read the restructuration as a strategy of adaptation rather than a fall-back. As was tried to illustrate throughout the study, it is a fact that states, somehow re-organize themselves and define new set of relations with the supra and sub state policy actors. Correspondingly the emergence of the regions in Turkey can be seen as a redefinition of certain responsibilities of state but which is far from casting an example that put evidence on the insignificance of the state regarding the key policy fields but on the contrary these sub-national state spaces can be seen yet another

layering of the state's institutional geography allocating an extended playground to state itself. Therefore this redefinition of responsibilities in a way may turn to be operational for the state itself in the final analysis yet otherwise there come counter trends and opposite regulations from the central players of the state institutionalism. In other saying, states can open up new forms of capacity and ability channels instead of giving up their own sources of legitimacy through delegation of duties, so this reshuffling does not necessarily indicate a fall-back in the capacity of states but rather a reorganization of its capacities in alternative segments of state territoriality. In the case of Turkish regionalism despite the internationalization waves and effect of the EU alignments, country's domestic political reflex always converges and tends to favour the control of central bureaucracy in the localization and decentralization strategies. Turkish state, in the final analysis, formally or informally does open up control mechanisms that hamper a real decentralization in the exact meaning of the phrase. In that sense, central bureaucracy can be considered still as one of the most powerful⁴⁹ social forces in the state apparatus and it occasionally averse the tendency to allocate significant responsibilities to the localities. In case of a legal regulation addressing a decentralized management structure, strategy that state adopts, forms a direct or indirect control mechanisms (not always written or in a formal way) over the decentralized institutional formations such as development agencies. In this manner, as the local organizational formations have significantly insufficient representative power against the central and autocratic attitudes of the control groups in the centre, state's control mechanisms overpower the will of local delegation. To illustrate, recent efforts of decentralization tendency (recent regulations enacted with the new metropolitan municipality law) can even be read as an example of this tendency. As most of the municipalities and mayors are politically linked with the central policy actors and government, effect of the central politicians over the local policies or place specific formulations can be quite effective in case of a need. It can

⁴⁹ This issue has been discussed in the Luca and Rodriguez-Pose (2014) as well. In their work, while searching the relationship between the electoral politics and the regional developments in Turkey, one of the most important conclusions they have come up with is the presence of a strong bureaucratic elite as a representation of centralised state apparatus that even can challenge the purely electoral and political motivations in deciding the allocation of public investments. The research further confirms that possible controlling and patronage relations of the centre and localities which is in-line with the findings of this study; "the strength of the country's very centralised and bureaucratic state apparatus, as well as its deep commitment to a modernisation paradigm prone to 'grand/programmatic interventions'. On the other hand, what is more likely to increase with the decrease of institutional quality – as indicators for Turkey would suggest (Gönenç et al., 2005) – are not pork-barrels but the forms of clientelism and patronage networks..." (ibid, p.33)

be concluded that there is an informal, disguised or sometimes apparent hegemony of the central forces over the localities in some particular policy areas. Even in the regional policies of the country it is clearly visible that although there have been ruptures and continuum in the implementation of policies for regional development, the existence of central control remained stable. In that sense regional policy has always been a derivative of the broader political and economic mentalities in the country rather than a locally driven and formed policy initiative. Likewise in the case of development agencies, it is visible to note the presence of control of the state over the implementation of the agencies. Though, theoretically agencies are designed to be local, presence of the central bureaucracy over them limits the functional and practical boundaries that agencies can operate inside. That is the exact reason why it has been concluded earlier that regionalism in Turkey can only be understood in terms of its relation with the unitary state as it still has relatively weaker political and functional significance. This dominant position of the state over the economic development policies, however, cannot be considered as a practice of neo-statism as in the case of France (Ancien, 2005) but rather it is based on a principal and agent type of policy implementation. Therefore, to underline again, transformation of the statehood in the framework of local development policies in Turkey indicates that upon the international regimes and trends, new spatio-institutional contexts may emerge inside the state apparatus that favour a decentralized management system, state's intrinsic reflexes somehow oppose this trend and may produce its own counter centralization mechanisms which are sometimes not apparent obviously. Especially in particular case of agencies, inter-ministerial conflicts and rivalry in the central actors of the country caused a need of increased control of the central bureaucracy over the agencies. Similarly, misused regional resources and manipulative stances of local political actors yet played another reason to increase the control and authority of the central forces that limits the pace of decentralization over the agencies. This recalibration of the position of the state in the local economic governance can be considered yet another example of the ineffective relation between the centre and local. This relation is fundamentally addressing the attitudes of the local and central actors towards each other where, the central bureaucracy considers the lack state orchestration will end up with the ineffective resource utilization and imbalance due to incapacity of the localities whereas absence of the local stakeholders will cause

insufficient dynamism and commitment to the policies which in the end create another source of policy inefficiency.

Upon these theoretical findings and the main goals of the thesis, field study carried out proposes distinct proposals, conclusions and perspectives onto the policy capacity of agencies. Regarding that, first and the foremost practical reference reached out in terms of the variables playing role in the policy capacity is the emergence of a severe competitive attitude in addition to conflict ridden processes that shape the external environment that agencies operate inside. The very fact that regional governance and management was somehow elaborated in a narrow definition of resource allocation through the means of agencies rather than a process of building collaborative actor motivation paying enough significance to common goals defined for a functionally related territory. On the contrary, in the realities of the agencies up until now, thickness of the borders stemming from the traditional geography and administrative/organizational culture and the mental divergence of the policy actors caused from this tradition come to fore as a big barrier to be overcome in front of the policy capacity of agencies. As discussed in the relevant chapter, though underpinning motivations might differ among the typologies of the regions, there is a sharp impulse of competition among the key actors of the regions. That rivalry sometimes becomes so evident even within the province-wide relations. As a conclusion, social/cultural meaning of the region in this manner remains vague and meaningless, which eventually avoids the penetration of the policy scale into overall state project in the integral sense. That causes in the end, a slippery initial baseline for the regional projects or partnerships that, agencies likely to set up but ending as yet another fragile effort. When considered the varieties among the agencies, it is quite obvious that variations among the regions are affected deeply from the presence of the dominant city in the region in terms of its magnitude and the attitudes of the political elite. Though it is not the only source, agencies' resources are even sometimes over-allocated to these cities when mechanisms are not carefully crafted to favour the less developed regions. With the introduction of new metropolitan municipalities this tendency was even more ossified. Hence, such sort of efforts of the agencies might even act as a factor to empower the regional disparities instead of diminishing them. Such a comprehension of the regional agencies actively steer the practices as well and makes this misused utilization as the norms of the agency

implementation. Conclusively, territorially collective position that agencies should maintain in order to set up a proper governance mechanism is even being shifted towards a point where they turn into another platform of conflict for the policy makers of the local contexts. Thus, as not all the stakeholder group benefits from the opportunities that agency can provide in equal shares, and as a result for some stakeholders' reactive stance towards the agencies is even ossified. Related with that, internal division of labour inside the regions emerge as a critical point in the management of the relations as well as the abilities of the agencies. Given the fact that non-cooperative and rivalry ridden relations among the cities, presence of a leading city in the regions, motivates the remaining actors from other cities to inject their city-wide priorities over the regional agenda which in the end result with ineffective policy formulations. Therefore, relational context of the development agencies or simply, attitudes of the key policy actors towards the regional problematic stands as one of the most important factors that bounds agencies. That means; if agencies aim to reserve a position in the institutional eco-system, they have to develop a new scalar thinking for the local development approach among the key policy makers. Though in the first hand it seems a difficult and path-shaping requirement, as was acquired in the interviews, there is a considerable will among the actors in the regions for a consolidation of the regional relations through the concept of policy coordination. In that sense, agencies can overlap their long-term strategies by means of the proper tools onto the short term strategies of the local actors and utilize a position to manage the fragmented relations in the localities. Yet, as was discussed earlier this coordination duty should definitely have a dominant practical definition to be perceived as a positive sum game. Through the success in similar actions, functional and political credibility of the agencies can be further increased.

Following on, inter-scalar relations and agencies' mobility throughout the different segments of the state hierarchy emerge as a critical tool. Prominence of this duty stems from the two important aspects that provide enhanced policy capacity for the agencies. First of all, in between the local vs. centre dualism in the county's management structure, regions can emerge as a policy option in the form of a territorial unity as an organized form of local interests. Through strategies that will consolidate the local demands and form a platform to advocate the benefits of the local partners in the higher segments of the policy networks, and thus agencies can

emerge as a credible and reliable policy maker. By achieving so, regions will not be perceived only in the limited framework of local competitiveness, place marketing and a hub for the profitable investments but on the contrary will make it a functional and distinct policy segment in the overall state architecture and correspondingly agencies will be positioned in a wider scope apart from allocating the limited and therefore ineffective central funds in the regions but active policy agents that organize and regulate the local interest in a territory based trust relations. Empowered position of the development agencies towards the central actors of the state apparatus, may eventually provide a stronger opportunity for a more powerful networking ability as well as increasing agencies' ability to find the correct interlocutor and policy agents.

Secondly, this mobility will provide new channels of abilities for both supra and sub-regional scales. That means practically in terms of the relations with the local scale, agencies can provide dynamic and flexible abilities for the major players of the centre. For the sub-regional policy level, levelling up the demands as a public policy actor, agencies may provide considerable benefits for the less capable local stakeholders as well. As a further outcome of this ability, agencies can reach a position where they can allocate a distinct position with mutual benefits in the local ecosystem and this will at the same bring almost no conflict of authority. Both of these characteristics were claimed to be vital for agencies in order to gain a distinct role among the traditional policy makers. That being said, building a horizontally defined work packages in the local scale can provide this distinct position agencies can have in the localities. In practical sense, field study in this thesis also did provide certain findings on the necessity of coordination and leading of a state institution to regulate the dispersed nature of the local efforts in the local development policies. Development agencies, in this scenario perceived as the extension of state's power, were considered in the first hand to accomplish such a task. Therefore a practical accomplishment in this sense will provide a further ability in the state apparatus and on the other hand will provide a ground for the policy capacity to be generated in the agencies by opening a field of authority with practical gains for both scales.

In a similar manner, overall evaluation of the agencies indicates a variation of the functionality that agencies represent according to the actor typologies. Very broadly,

the possibilities that agencies can provide to main players from different sectors are, for the moment, quite limited and open for major improvements. On the other hand, as the magnitude of the policy agents' decreases, relationship with the agencies tends to be biased in favour of the agencies. That is basically reasoning from first; as the actors' scale increases so does their abilities, networking capacities and political significance, whether it is public sector or private and even NGO, therefore its dependency and need for a public sector like development agency decreases sharply. And secondly, financial capacity of the agencies is relatively insignificant for the operations of such big entities. However that does not necessarily mean that agencies cannot provide any institutional gains with such policy actors, nevertheless it has not been most commonly experienced so far. Therefore, agencies, especially in big metropolitan areas where institutions are more capable, tend to set up links more with the smaller institution where agencies can have a leading and coordinator position. In that perspective, specifically development agencies in less developed areas of the country perceived as more successful and able to implement policies yielding more tangible outcomes. This is fundamentally stemming from the homogenous policy repertoire of the agencies without adapting to the place specific conditionalities. To avoid such inefficiency, either there should be more flexible legal framework that does not limit agencies or more variety in the policy tools according to the characteristics of the geography. However in the contemporary environment, most of the legal framework is reserved for the financial support mechanism which is homogenous and have same implementation methodology for all agencies. To return back to the problematic of relations with the actor types internal to the regions, strategies that agencies conduct should alternate as well. In that manner effective utilization of networking in alternative policy segments by stressing the public character of the agencies and prove to the possible partners that agencies can even open up further chances of networks with the major state actors can be an initiative element even for the major firms. In the local eco-system where things happen on the field, perceptions of the stakeholders are more open to set up links with the public sector. Common perspective of the public institutions is mainly being too bureaucratic and slow-moving nevertheless this is not completely true for the agencies. Thus utilizing this asset can provide an important source of operational abilities.

To conclude, policy capacity approach developed in this study composed of an understanding that value the new relational context and the structural parameters stemming from the dynamic process of reshuffling of the state's inner architecture through the analysis of historical trajectory and its contemporary implications. In that manner parameters like; conflict between central and local policies, contextual collaboration/conflict in the local management, local/regional credibility, policy repertoire, policy resources or positive sum relations with public institutions were investigated through conducting field studies. Methodologically, not only a simple assessment of the variables mentioned was carried out but additionally how these variables affect the relations among the actors that are located in different scalar hierarchies has been an important point of inquiry. As the outcome of the approach adopted, policy capacity was conceptualized in a twin-tiered schema as room for manoeuvre and the instrumental capacity. As a result, policy capacity can said to be a product of the complex set of relations which are defined under the parameters mentioned above and interplay between the scalar formations inside the state apparatus. Agencies as located in a functional layering between the central forces and the local authorities do have to manage both set of relations and policy realities in order to maintain and increase their abilities/capacities. That can only be possible first of all reserving a distinct policy responsibility apart from allocation of central resources through project funding - which is even an important technical capacity yet not enough to maintain an institutional integrity and fragile as being too much dependant on the central resources - in order to avoid any institutional conflict with the local agents. While doing so, as discussed, agencies should build a character of a platform that constitutes a territorially shaped representational base instead of a manipulative political one. Thus, maintaining a distinct functionality in the local scale demands a well-integrated networking relation into the central policy making networks. This will eventually be of useful to regulate and coordinate the fragmented local relations by providing a connector role to the micro and local policy agents that they cannot build by their own abilities. Such integration and correspondence among the localities will further empower the position of the agencies towards the central scale. Thus said, there is a mutually feeding scalar mobility that development agencies should be capable of in order to generate a stronger policy capacity. This connector role will eventually provide a distinct position of agencies against the central scale as well. In very short, agencies can open up new channels of penetration

for the major central players which is indeed a long demanded propensity of the key players in the central bureaucracy. Hence, implementing wise strategies of managing scalar relations can balance the both segment and provide useful service both to the centre and local.

Structurally, the location of region in the overall state spatial strategies is a quite critical element that will affect the policy capacity of the agencies. If “region” can be positioned well in the broader decentralization strategies of the state only then agencies can maintain a rigid position in the macro policies and open further channels of capacity. This is; however, partially depend on the agencies’ accomplishment and overall strategy of state’s attitude to devolution. To realize that, agencies should be able to organize the pragmatic localities to use their networking and lobbying power in advantage of them and this is only possible with rigid achievements and keeping a local character in between the central policies. Inter-ministerial networking and ability to penetrate into state channels with the help of representational power acquired by organizing localities is a vital element in maintaining a solid position in the state strategies. Hence, persistence of a strong central state, is according to many local actor is a point that needs to change however lack of organizational capacity in average of localities in the country makes it difficult to delegate further responsibilities and initiatives to the peripheries. Nevertheless, under the contemporary conditions of policy making in the advanced capitalism, localities are ever-gaining more political and economic significance. This position of them correspondingly alters the relations they set up with the state and the supra-state institutions. In this broader picture, development agencies in Turkish context emerged as a new institutional fixes to regulate the policies of regional and local development with strategic links to centre and practical dependence to the localities. Their intermediary role therefore, bounds the agencies in many senses and makes the possibilities to generate policy capacity more and more complicated and susceptible to their relations with the outer social forces in the state apparatus. That is the same reason why this study adopted a methodology that merges the structural variables and trends stemming from the transformation of the states and the institutional and relational context rising from the demand for more initiative and governance from the local scale. All in all, understanding policy capacity for the

development agencies in Turkey requires a broad understanding and study of these two important domains.

Further Topic of Research

The sum of the efforts put in this thesis aimed to understand the fate of a policy transfer from an external context or to put differently an unconventional policy tool, upon the variables that are present and path shaping in the domain they have been imposed upon. In a sense question posed in this study was addressing a notion of evolution and transformation in a timespan. The novelty of the approach of development agencies for the Turkish context was discussed to be somehow related with the transformation of the statehood stemming from the contemporary capitalism and its merits imposed onto the nation states. While doing so, an institutionalist perspective was tried to adapt into the research and theoretical discussion, together with the comprehension of the statehood as sum of social relations in various segments of the state spaces. Therefore, while reading this process as a part of the structural trends, it was also a particular focus of the study that how relations among the institutional formations, cultures and ensembles and their reflections onto the emergences. Thus, this very dynamic process requires a considerable time span in order to comprehend the approach and arguments of this study. Therefore a proposal of a further research in the context of this study can be redesign of a similar study aiming more or less the same problematic can be re-designed in a 5 or 10 year period in order to understand the effect of the parameters defined to be significant in the policy capacity of the agencies. This re-conduct and reimplementation of a similar study will broadly be of useful in order to uncover the potential and position of the regional scale in the overall processes of territorialisation of local economic development policies as well. This will eventually provide a wider perspective in the decentralization policies of the country since the attempt conducted with the development agencies partially represented the will of the central policy actors to make policy innovation in the field. Nevertheless whether the localities reflect on the initiative or not to the centrally initiated innovation attempts will be a major question to be answered as well. To be fully equipped for such a question, it must be understood that how the motivations and perspectives of the local stakeholders evolve in time or similarly how the comprehension of state space in the perspectives of all policy segments and even how the spatial strategies and projects of the state do

evolve given the constraints and opportunities of the time being. Only then with an evolutionary perspective of the local policies of the state can be fully grasped and the scale of region as well.

In addition to a longitudinal and periodical study of such, in order to map the exact geographies of local economic development relations a social network analysis can be conducted in different regions to make a comparative baseline in order to understand interactions among the local actors in different contexts. (See Deas et al., 2013) To illustrate, case studies can be selected from different typologies of regions, (i.e. regions with one city and multiple or geographically different context) to map the relations of governance in the localities and attitudes of the major players and their respective attitude towards regions. Through conducting such a research through qualitative methods, possible methods of new urban and regional governance methods can be carved out that respectively complement the empirical findings regarding the territorialisation of the local economic development policies and role of regions in a wider context.

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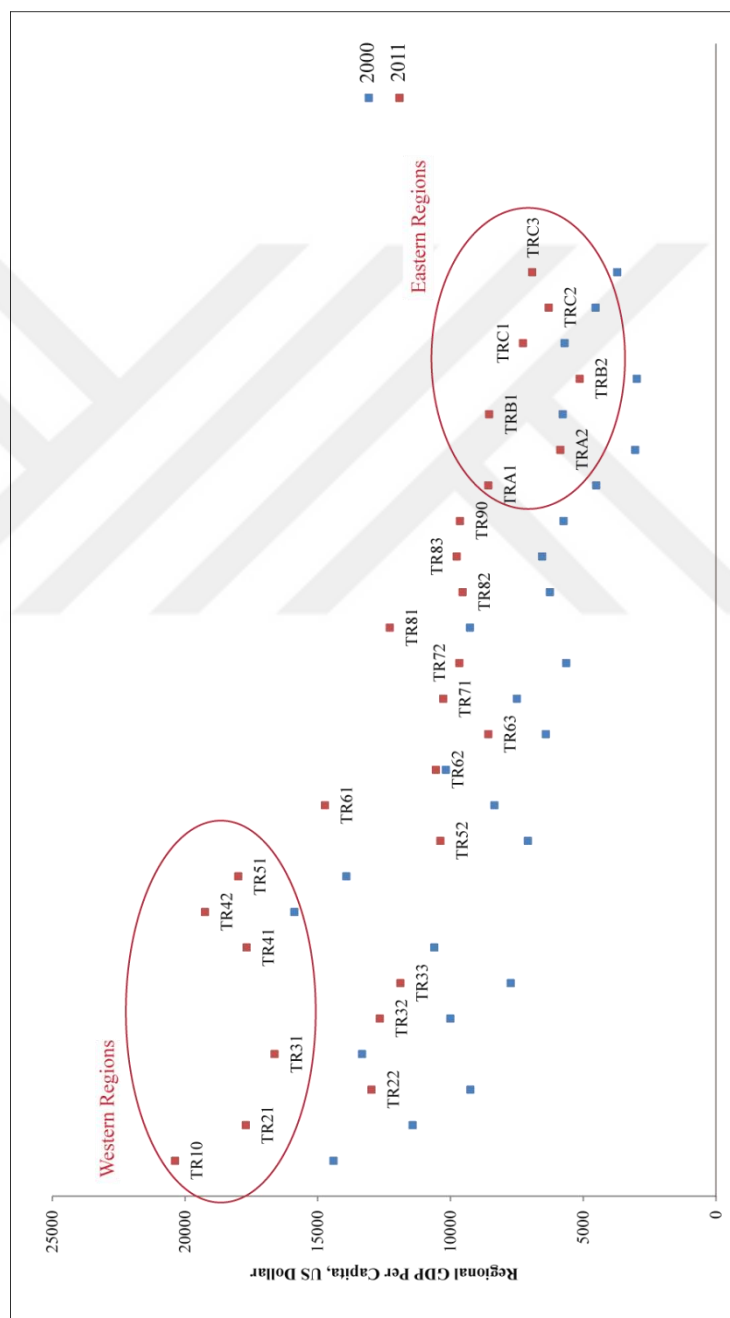
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TRENDS IN REGIONAL GDP

Figure 41 - Trends in the Regional GDP



Source: OECD Regional Statistics Database

Table 30 - Percentages of Provinces with Top 5 share in the Public Investments*

2015	İstanbul	10,27	2011	İstanbul	7,75	2007	İstanbul	13,31	2003	İstanbul	5,01
	Ankara	6,84		Ankara	4,67		Ankara	4,66		Ankara	3,56
	İzmir	2,63		Diyarbakır	2,13		Artvin	2,28		Artvin	3,55
	Diyarbakır	1,82		Şanlıurfa	1,87		İzmir	1,99		İzmir	3,12
	Mardin	1,79		Artvin	1,82		Bursa	1,57		K. Maraş	2,62
2014	İstanbul	9,69	2010	İstanbul	12,06	2006	İstanbul	10,47	2002	İstanbul	7,84
	Ankara	8,01		Ankara	4,00		Ankara	4,17		Ankara	5,31
	İzmir	2,62		Artvin	1,75		İzmir	2,25		Adana	3,55
	Diyarbakır	1,82		Şanlıurfa	1,74		Bursa	1,94		İzmir	2,81
	Mardin	1,81		Diyarbakır	1,39		Artvin	1,70		K. Maraş	2,42
2013	Ankara	6,93	2009	İstanbul	13,06	2005	İstanbul	8,89	2001	İstanbul	8,23
	İstanbul	4,25		Ankara	4,41		Ankara	4,10		Ankara	4,52
	Mardin	2,76		Şanlıurfa	1,97		Artvin	2,84		K. Maraş	3,65
	İzmir	2,29		Antalya	1,81		İzmir	2,65		İzmir	2,52
	Diyarbakır	1,73		İzmir	1,80		Kocaeli	2,27		Adana	1,81
2012	Ankara	8,00	2008	İstanbul	14,62	2004	İstanbul	5,82	2000	İstanbul	6,78
	İstanbul	5,76		Ankara	5,05		Ankara	3,57		Ankara	5,39
	Artvin	1,91		Bursa	2,22		K. Maraş	2,66		İzmir	2,44
	Diyarbakır	1,80		Antalya	2,13		İzmir	2,65		Bursa	2,33
	Mardin	1,62		İzmir	2,12		Bursa	2,23		K. Maraş	1,70

Source: <http://www2.kalkinma.gov.tr/kamuyat/ilozet.html> (accessed last on 22.08.2015)

* As the table indicates in the majority of the periods, public investments were allocated dominantly to İstanbul and Ankara. Particular reason that Artvin and K.Maraş are on the lists is the big energy projects (Hydro-electric Dams) conducted in these cities. On the other hand, in 2012 and 2013 Ankara has a higher ratio than İstanbul because of the construction of new subway lines by the state. Finally, the reason that the eastern provinces have a higher ratio of public investment in the last 5 years is basically because of the particular political project of the state.





APPENDIX - B

QUESTIONNAIRE

1. Bölgenizin vizyonu, politika önceliklerini ve bu doğrultuda gerçekleştirdiğiniz ya da gerçekleştirebileceğiniz projeleri düşündüğünüzde sizin için en önemli aktör grubu hangisidir?

- ☐ *Belediyeler*
- ☐ *Yerel kamu kurumları*
- ☐ *Valiler*
- ☐ *Ticaret ve/veya Sanayi Odaları*
- ☐ *Özel sektör*
- ☐ *Sivil Toplum Kuruluşları*

2. Bölgenizde bir ya da birden fazla ilin diğerlerine göre daha baskın (Ajansın politika önceliklerini belirlerken ile özgü ve sektörel alanları dayatması biçiminde) olduğunu düşünüyor musunuz?

- ☐ *Kesinlikle düşünüyorum*
- ☐ *Düşünüyorum*
- ☐ *Kararsızım*
- ☐ *Düşünmüyorum*
- ☐ *Kesinlikle düşünmüyorum*

3. Genel olarak ajansınızın yerel ölçekteki politika aktörleri (kamu, özel sektör ve sivil toplumun tamamı düşünüldüğünde) ile network ve ilişki düzeyini nasıl değerlendirirsiniz?

- ☐ *Oldukça iyi*
- ☐ *İyi*
- ☐ *Kabul edilebilir düzeyde*
- ☐ *Kötü*
- ☐ *Oldukça kötü*

4. Bugüne kadar ajans olarak mali destekler dışındaki faaliyetlerinizde en fazla hangi türden paydaşlarla ilişki ve ortaklıklar geliştirdiniz?

- ☐ *Belediyeler*
- ☐ *Yerel kamu kurumları*
- ☐ *Üniversiteler*
- ☐ *Ticaret ve/veya Sanayi Odaları*
- ☐ *Özel sektör*

☐ *Sivil Toplum Kuruluşları*

5. Ajansların yerel ölçekte sahip olduğu “network”ün ajansın politikalarının gerçekleştirilmesi sürecinde etkin kullandığını ve bu anlamda güçlü işbirlikleri geliştirebildiğini düşünüyor musunuz?

- ☐ *Kesinlikle düşünüyorum*
- ☐ *Düşünüyorum*
- ☐ *Karasızım*
- ☐ *Düşünmüyorum*
- ☐ *Kesinlikle düşünmüyorum*

6. Çok illi ajansların yönetim kurulu başkanının her sene değişiyor olması sizce ajansın politika çerçevesini belirlemede ne türden bir etki yaratmaktadır? (Tek ilden oluşan ajansların cevaplamasına gerek yoktur)

- ☐ *Oldukça olumlu*
- ☐ *Olumlu*
- ☐ *Kısmen olumsuz kısmen olumlu*
- ☐ *Olumsuz*
- ☐ *Oldukça olumsuz (başkanın değişmesi ile ajansın gündemi ve destek odakları da tamamen değişiyor)*

7. Ajansınızın görev yaptığı bölgede bölge içi (farklı iller arasında) bir uyuşmazlık/çatışma ve rekabet olduğunu düşünüyor musunuz? (Tek ilden oluşan ajansların cevaplamasına gerek yoktur)

- ☐ *Kesinlikle düşünüyorum*
- ☐ *Düşünüyorum*
- ☐ *Ne düşünüyorum ne de düşünmüyorum*
- ☐ *Düşünmüyorum*
- ☐ *Kesinlikle düşünmüyorum*

8. Bölgenizde yönetim kurulları içerisinde valiler dışında en etkili üyenin kimler olduğunu düşünüyorsunuz?

- ☐ *Belediye Başkanları*
- ☐ *Büyükşehir Belediye Başkanları*
- ☐ *Ticaret ve/veya Sanayi Odaları*
- ☐ *İl genel meclisi başkanları*
- ☐ *STK Temsilcileri (Tek ilden oluşan ajanslar için)*
- ☐ *Diğer*

9. Ajansların merkez ve yerel ölçek arasında bir köprü pozisyonu olduğu düşünüldüğünde bu iki ölçek arasındaki (merkez ve yerel) politika önceliklerinin çatıştığı ve çeliştiğini düşünüyor musunuz?

- ☐ Kesinlikle düşünüyorum
- ☐ Düşünüyorum
- ☐ Ne düşünüyorum ne de düşünmüyorum
- ☐ Düşünmüyorum
- ☐ Kesinlikle düşünmüyorum

10. Merkezi kurumlar (Kalkınma Bakanlığı dışındaki kurumları düşününce) ile ajansınız arasındaki ilişkileriniz düşündüğünüzde, ajansınız bu kurumlar düzeyinde işbirliği ve projelerinizi geliştirecek muhatap bulabiliyor mu?

- ☐ Çoğu zaman bulabiliyor
- ☐ Bulabiliyor
- ☐ Kısmen bulabiliyor
- ☐ Bulamıyor
- ☐ Fikrim yok
- ☐ Ajansın böyle bir girişimi olmadı

11. Yerel kurumların kendi aralarında çatışmaların/anlaşmazlıkların ajansınızın işleyişinde ne kadar etkili olduğunu düşünüyorsunuz?

- ☐ Oldukça etkili
- ☐ Etkili
- ☐ Ne etkili ne de etkisiz
- ☐ Etkisiz
- ☐ Oldukça etkisiz

12. Kalkınma Bakanlığı'nın ajansınıza müdahale düzeyinin (gündelik rutin süreçlerden politika tasarımına kadar geniş bir perspektifte düşündüğünüzde) hangi seviyede olduğunu düşünümaktesiniz?

- ☐ Oldukça yüksek
- ☐ Yüksek
- ☐ Ne yüksek ne de düşük
- ☐ Düşük
- ☐ Oldukça düşük

13. Yerel aktörlerin il düzeyindeki ya da kendi kurumsal öncelikleri doğrultusunda ajansın bölge düzeyindeki politikalarına ne oranda müdahale ettiğini düşünümaktesiniz?

- ☐ Oldukça yüksek (çok fazla müdahale var)
- ☐ Yüksek
- ☐ Ne yüksek ne de düşük
- ☐ Düşük

☐ *Oldukça düşük (herhangi bir müdahale yok)*

14. Bir takvim yılı içerisinde Çalışma Programında planlanmadığınız fakat yaptığınız faaliyet (farklı büyüklük ve türdeki tüm faaliyetleri düşündüğünüzde) oranını nasıl değerlendirirsiniz?

- ☐ *Oldukça yüksek*
- ☐ *Yüksek*
- ☐ *Ne yüksek ne de düşük*
- ☐ *Düşük*
- ☐ *Oldukça düşük*

15. Kalkınma ajanslarının kurulduğu günden bugüne kadar geçen süre içerisinde, bölgesel kalkınma politikalarının devletin genel gündemi ve politika öncelikleri arasında ne düzeyde önemli olduğunu düşünüyorsunuz?

- ☐ *Oldukça önemli*
- ☐ *Önemli*
- ☐ *Ne önemli ne de önemsiz*
- ☐ *Önemsiz*
- ☐ *Oldukça önemsiz*

16. Kalkınma ajanslarının görev tanımları düşünüldüğünde son 5 yıl içerisinde bu süreçleri doğrudan ya da dolaylı etkileyen tüm yasal düzenlemelerin ajanslara genel olarak toplam etkisini nasıl değerlendirirsiniz?

- ☐ *Oldukça olumlu*
- ☐ *Olumlu*
- ☐ *Ne olumlu ne de olumsuz*
- ☐ *Olumsuz*
- ☐ *Oldukça olumsuz*

17. Yönetim kurulu üyeleri farklı yerel ve kurumsal çıkarları temsil etmelerine rağmen, bölge vizyonunu benimsemiş ve bu anlamda farkındalıklarının yeterli düzeyde olduğunu düşünüyor musunuz?

- ☐ *Kesinlikle düşünüyorum*
- ☐ *Düşünüyorum*
- ☐ *Ne düşünüyorum ne de düşünmüyorum*
- ☐ *Düşünmüyorum*
- ☐ *Kesinlikle düşünmüyorum*

18. Kalkınma ajansının yürüttüğü projeler ve faaliyetleri değerlendirdiğinizde, ajansların yerel kurumlarla belirli alanlarda yetki karmaşası sorunu yaşadığını düşünüyor musunuz?

- ☐ Kesinlikle düşünüyorum
- ☐ Düşünüyorum
- ☐ Ne düşünüyorum ne de düşünmüyorum
- ☐ Düşünmüyorum
- ☐ Kesinlikle düşünmüyorum

19. Kalkınma ajansınızın teknik beceri düzeyini ve bölgesel kalkınma politikalarına dair yetkinliğini nasıl değerlendirirsiniz?

- ☐ Oldukça yüksek
- ☐ Yüksek
- ☐ Ne yüksek ne de düşük
- ☐ Düşük
- ☐ Oldukça düşük

20. Ajansınızın bugüne kadarki tecrübeleri doğrultusunda, bölge için faydalı olduğunu ve ajansın gerçekleştirebilecek beceriye sahip olduğunu düşündüğünüz ancak herhangi dışsal ya da içsel sebeple gerçekleştiremediğiniz faaliyet olduğunu düşünüyor musunuz?

- ☐ Kesinlikle düşünüyorum
- ☐ Düşünüyorum
- ☐ Ne düşünüyorum ne de düşünmüyorum
- ☐ Düşünmüyorum
- ☐ Kesinlikle düşünmüyorum



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