

**REGIONALIZATION IN EUROPE AND ITS REFLECTIONS ON
TURKEY: EXPERIENCING REGIONAL DEVELOPMENT
AGENCIES***

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Abstract

Regionalization in Europe implies a process through which coherent development and integration of the Union in economic and social areas is ensured, and employment and development problems caused by income distribution differences between regions are overcome. Inter-regional socio-economic differences in Turkey are more noticeable in Turkey compared to EU member states; for this reason, greater importance has to be attached to regional policy in Turkey. Regional Development Agencies (BKAs) were introduced in 2005, and since then there has been intensive debate on their functions and the goals they serve. Having won a two-year-long juridical struggle, which involved Council of State and Constitutional Court, BKAs provide an opportunity for better integration and elimination of regional development differences, which is an important element of regionalization policies of the Union.

Keywords: regionalization, development, integration, Turkish public administration.

Özet

Avrupa'da bölgeselleşme, Birliğin ekonomik ve sosyal alanlarda bütünlük içinde gelişiminin ve entegrasyonunun sağlandığı, ve bölgeler arasındaki gelir dağılımı farklılıklarının

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neden olduğu kalkınmayla ilgili problemlerin üstesinden geldiği bir süreçtir. Türkiye’de bölgeler arasındaki sosyo-ekonomik farklılıklar AB üyesi ülkelerdekilerden daha belirgindir; bu nedenle, Türkiye’de bölgesel politikalara daha fazla önem verilmelidir. Bölgesel Kalkınma Ajansları (BKA’lar) 2005 yılında gündeme gelmiştir; o tarihten itibaren işlevleri ve amaçları hakkında yoğun tartışmalar yaşanmaktadır. İki yıl süren ve Danıştay ve Anayasa Mahkemesi’ni de içeren bir yargı mücadelesini kazanan BKA’lar bölgesel kalkınma farklılıklarının ortadan kaldırılması ve daha iyi entegrasyon için bir fırsat sunmaktadır; bu, AB’nin bölgeselleşme idealleriyle de paraleldir.

Anahtar Kelimeler: bölgeselleşme, kalkınma, entegrasyon, Türk kamu yönetimi.

Introduction

Regionalisation is one of the phenomena which occurred as a result of globalization. Regionalisation does not mean that super-state is to be founded and its government will replace the national government. Rather, side by side with the national government, some regional government agencies are created which would handle important issues and national government becomes less important in time (Ökmen and Canan, 2009). On one hand, trade borders are abolished with globalization; on the other hand, there is polarization in global geography with regionalization. In order to minimize the troubles of this process, it is necessary to encourage concurrency of globalization, localization and regionalization, and make a synthesis of the positive sides of these three developments, which is the case in European Union. The issue of regionalization has entered European recently. This issue was intensely at the 1999 General Board meeting of European Congress of Local and Regional Governments where important projections were made as regards the future of the process (Özer, 2006).

A region refers to a sub-section or entity of a country formed by more than one provinces or local governments that come together. Regions are spatial areas where geographical, political, cultural and economic factors are in close contact. In general, a region can also be defined as a homogeneous place in terms of certain criteria. Regions can be described as government areas that occur based on a combination of a number of features.

In this paper, regionalization process and tendencies of European Union will be handled first. It is known that representatives of cities and regions

bear great importance in ensuring full integration within EU. In this context, attempt will be made to define the key role of regionalization process in closing the socio-economic development gap between regions within EU, which would ensure better integration. Then Committee of Regions, which is charged with making recommendations to EU on affairs related to regional policy, will be detailed. The committee is essential in terms of giving a response to the criticisms directed towards the Union on “centralization”. The following section of the paper will deal with Turkey’s efforts for harmonizing its regional policies with EU. Pilot applications for Regional Development Agencies (BKAs), adoption of NUTS¹ and utilization of structural funds, and foundation and roles of BKAs will be explained. In the meantime, reference will be made to some Progress Reports and criticisms made towards BKAs will be mentioned. The objectives of BKAs will be analysed by means of especially comparing the official preamble of the act founding BKAs with the expressions used in progress reports. In conclusion, an attempt will be made to evaluate the compliance of Turkish BKA experience with EU regional policy and to respond to sceptical criticisms in Turkish public and academia.

1.Regionalization Process in the EU

Integration process, which is both the motivation at the beginning of the organization of EU and its final goal, has promoted a visible transformation process in the government structures and understandings of EU member states. Within this process, it can be seen that not only the political and administrative systems, but also the local and regional governments of member states have undergone evident transformation. One of the dynamics of this change is regulations of the Union, and in particular those related to structural funds, which have a direct impact on public administration and local government (Kerman, 2009). Integration and regionalization process includes dissemination of authorities and powers from the level of nation state to lower and upper levels (Hooghe, 1996). As a matter of fact, regional and local governments bear considerable significance in EU policy-making. In

¹ NUTS is the acronym for Nomenclature des Unités Territoriales Statistique – Nomenclature of Territorial Units for Statistics.

the absence of these governments implementation of EU policies and feedback from public cannot be possible. The principle of closeness to people provides the backbone of EU treaties (Mazı, 2009: 229). In the preamble of Treaty of Rome (1957), which established European Economic Community (EEC), it reads.....anxious to strengthen the unity of their economies and to ensure their harmonious development by reducing the differences existing between the various regions and the backwardness of the less favoured regions...”, which can be regarded as the foundation of Europe-wide regional policy. As a requirement of this objective, European Social Fund (1958) and European Agricultural Guidance & Guarantee Fund (FEOGA for *Fonds Europeen d'Orientation et de Garantie Agricole*) were established. In 1973, an Ireland with lower per capita income than other member states joined EEC, for which reason the imbalance among member states began to be more striking; the result was the introduction of European Regional Development Fund in 1975.

After Ireland, Greece, Spain and Portugal became member states which made the differences in terms of regional development and income within the community even more eye-catching. EU is, inter alia, an economic union, but the EU is aware that without social cohesion, this economic unity cannot last long. Decentralization and regionalization in EU became one of the most important elements of structural policies since mid-1980s. The Union wants that development differences between members are eliminated and integration is ensured so that Union policies could be fully applied. As a result, the region has become a fundamental unit for EU; demands for recognition and improvement of cultural, ethnical and linguistic diversity played an important role in the prominence of regions (Özer, 2006: 257).

Single European Act (SEA), which came into force on July 1st, 1987, amended the Treaty of Rome and added the concept of “social cohesion” under the title “Economic and Social Cohesion”. Single European Act² can be accepted as a turning point in EU’s regional policy process, as EU, which was previously considered as an “economic union” redirected itself towards “economic and social cohesion” objective. Parallel to the acceleration of common market policies after Single European Act, European Commission

² With Single European Act, Structural Funds were established, which is a fundamental instrument of EU’s regional policy.

aimed to (i) increase the participation of local and regional governments of member states to the process of determination and execution of regional policies, and (ii) improve effectiveness of these units (Köseçik, 2002: 3). Another aspect of SEA is that it mentioned the principle of localness, which was included in the 130th article of the Act within the subject of “environment”. SEA bears special importance in that it is an agreement where the existence of sub-national institutions is officially recognized (Ökmen and Canan, 2009: 153).

Title XIV of Maastricht Treaty, which came into force on November 1st, 1993, is named “economic and social cohesion”; article 130a provides that “the Community shall aim at reducing disparities between the levels of development of the various regions and the backwardness of the least-favoured regions, including rural areas”. So, economic and social cohesion, which was first mentioned in SEA, became one of the cornerstones of EU integration (Sağbaş, 2003: 266-7).

One of the most important programmes of EU in terms of regional policy is Agenda 2000. At Berlin summit in 1999, important decisions were taken related to regional policies, including application of a 213 billion Euro package for aiding low-income regions and helping increase the level of employment so that regional income differences could be eliminated or lessened. Agenda 2000 redefined the application methods of economic and social policy of Europe, accordingly:

- Better concentration on disadvantaged regions,
- Simplification of procedures applied for programming funds and obtaining grants,
- Clarification of responsibilities,
- Improving cooperation with institutions at national, regional or local level.

At the beginning of 21st century, regionalization was one of the most promising mottos in general along with “Europeanization” and “modernization”. However, it is possible to see several intentions, values and even geographical structuring approaches behind the principle of regionalization. As for EU, regional policy which dates back to the Single European Act in

1987, is the second most comprehensive policy of EU after common agricultural policy (Özer, 2006: 253).

Careful examination of the legal statuses and functions of regional middle levels in EU member states can reveal that a transfer of authority in favour of the middle level was the case in 1980s in both centralized and decentralized members. However, strengthening of the middle level does not necessarily imply decentralization in political terms. The central state often prefers regionalization of the services provided by government and public administration and to distribute the authority to local governments in regions (this is the case in United Kingdom, Greece and Portugal). In Finland some reforms have been made but no directly elected middle level has been instituted so far. Swedish states are also central, and the only result of pilot programs is to continue with them (Kovács, 2001: 94).

European integration process can be evaluated as a development which increases the importance as well as responsibilities of local-regional governments for all EU members. It is beyond doubt that efforts of both member states and candidate states for improving their local and regional governments have a financial dimension. Europe is in the process of decentralization and regionalization while it is also being integrated through structural and other funds (Ökmen, 2006: 43-106).

During the post-cold war period, regional tendencies have gained considerable importance in foreign policies of countries. Unlike the cold war period, new regional tendencies have to take global dynamics into account and concert their actions with these dynamics. Secondly, there is vast movement range in their areas for regional actors. After east-west axis lost its importance in international system, more flexibility emerged for countries to develop their relations with neighbours (Eralp, 1997/b: 73).

Regional governments are among the zealots of stronger integration in several fields within the Union. Most European policies are put into practice by regions; therefore, they have important impact on European decision making mechanisms. However, there are two different approaches over the status of regions. The first approach claims that, if national governments have control over these processes, they can make sure that community institutions maintain their intergovernmental character, and strengthen their posi-

tion; the second approach envisages a new political structure in which nation-states would disappear in favour of “Europe of Regions” (Kerman, 2009: 276-277).

Today more than one-third of EU’s budget expenses are reserved for projects aiming at ensuring regional development (Sağbaşı, 2003: 261).³ The objective of this financial support is decreasing the development differences between member and candidate states. As a matter of fact, the expansion of the EU from six to twelve increased the ratio of Gross Regional Product per caput between its richest and poorest regions from 6: 1 to 12: 1 (Hudson and Lewis, 1985). Decreasing regional differences is among the most important advantages that candidate countries are expecting from EU accession.

The reasons of giving weight to regionalization in EU can be grouped in three categories, namely political, cultural and socio-economic:

1. Decentralization is a principle which is strongly emphasized across all EU member states with a view to ensure harmonization between economic, political, cultural and administrative regulations. Almost 70 per cent of all legislative action of the EU is related to the roles of local governments. Rules enacted by the Union on such areas as building control, environmental protection, control of food, mutual recognition of professional diplomas, value added tax and consumption tax, and urban renewal are directly related to local units. For this reason, local and regional units demand that they are not seen as only political units regulated by the Union, but also have a say in the issues that are relevant to them.

One of the most important problems of EU as a supra-national body is the distance from citizens and centralist tendencies caused by decision-making in Brussels. For this reason, the way to ensure closeness to and integration with citizens is seen as the participation of local and regional units, which are the closest to the citizens, in decision-making processes in the Union.

2. The member states of the EU have clearly become de facto multi-ethnic and multi-cultural societies. As a result, there are serious unanswered questions as to how cultural and ethnic variation and issues of (multiple) identities at national, regional and local scales are to be treated within the

³ Sağbaşı gathered these data from http://europa.eu.int/comm/regional_policy/intro/regions2_en.htm.

homogenized political-economic space of the EU beyond the fairly empty rhetoric of phrases such as a “Europe of the Regions”. (Hudson, 2000: 419).

3. The EU is accepted as one of the richest regions of the world, but it is clear that there are differences among the regions of the union in economic and social-development terms. This difference mostly stems from the underdeveloped status of some regions within the country; and sometimes these regions can be regarded as underdeveloped according to Union standards as well (Mengi-Algan, 2003: 171-3).

Despite assertions that deepening economic integration would reduce socio-spatial inequalities and lead to generalized increases in economic welfare as a result of trickle down effects, in fact there is considerable evidence of widening inequalities within the EU (Glyn and Miliband 1994). The inequalities of incomes and wealth between rich and poor people grew (Hudson and Williams 1999). Deepening integration has also exacerbated existing sub-national territorial inequalities and helped create new ones. While regional inequalities (for example, in GRP per caput or unemployment rates) narrowed somewhat from 1960 to the mid- 1970s, they have subsequently widened again (Dunford 1994). Although in the Sixth Periodic Report on the Regions the EU Commission (1999) asserts that regional inequalities are again narrowing, the evidence does not support such a strong claim. For example, unemployment rates in East Germany grew in 1999 while those over much of southern Italy and Spain remained in the range 25-30 per cent. Elsewhere, the persistence of regional inequalities within the Euro-zone as well as more generally within the EU is acknowledged (see, for example, European Commission 1999; Martin 2000). (Hudson, 2000: 415).

The difference in development levels of new member states and existing members in enlargement process has been an important factor in development of policy tools. Ireland, Greece, Spain and Portugal are the countries which effectively made use of regional policy funds during their accession process.

Socio-economic objectives of EU’s regional policy can be categorized in three groups:

- *Decreasing income differences between member states and contributing to convergence.* It is a reality that there are income differences between

EU member states. Although EU is one of the richest regions in the world, there are income differences between members. In addition, member states are not homogeneous in terms of per capita income, either. The 250 regions in the Union are dissimilar in terms of income.

- *Decreasing the impact of factors which cause income differences so that further opening of income gap between member states can be prevented.* Elements of this objective can be listed as (i) decreasing income differences caused by structural and institutional factors, and (ii) decreasing the negative impact of globalization on increase of income differences.

- *Supporting the projects that member states cannot achieve on their own and coordinating EU-level regional policy.*

As a result, it can be stated that the core of EU's regional policy lies in completing the policies of member states and positioning them in a European context. In addition, EU's regional policy has clear connections with other policies of the Union which contribute to economic and social cohesion. Regionalization has a more administrative meaning and implies the strengthening of regional units against central administration. For this reason, regionalisation is not to be understood as "regionalism". The need for economic, social and political integration, which is an outcome of globalization process, intensifies cooperation not only between nation-states but also between local and regional units (Mengi-Algan, 2003: 83-84).

2. Committee of the Regions (1994)

In 158th article of Amsterdam Treaty, it is stated that the goal of EU is to decrease the development differences between developed and underdeveloped regions of the Union. An important concept which lies in the foundations of EU's regional development policy is "harmonization", which is based on (i) the assumption that everyone would benefit from improvement of distribution of wealth and income between richer and poorer countries and regions, (ii) the understanding that cohesion of less developed regions and countries to the Union must be ensured (Özer, 2006: 260).

Committee of the Regions (CoR) was founded in 1994 which was designed so as to make sure that direct information can be gathered on how

decisions taken and policies applied at EU level affect the lives of people living in the member states or regions (Koray, 2003: 262). CoR is a political assembly which gives right to word to local or regional governments in the centre of the Union. The second objective in founding the Committee was to provide a means to close the gap between citizens and the Union by engaging the closest elected authorities in decision-making processes, as there are concerns that as the EU becomes more complicated and enlarged, citizens lag further behind.

Treaties impose the obligation on the Commission and the Council to consult with the CoR whenever they are to propose a policy which has reflections at regional or local level. Five such areas were detected in Maastricht Treaty – economic and social cohesion, trans-European infrastructure networks, health, education and culture. Amsterdam Treaty added five other areas to these – employment policy, social policy, environment, vocational education and transportation. These areas include most of the EU’s activities. In addition to these areas, Commission, Council and European Parliament can consult with CoR in any policy proposal that they believe to have important reflections at local and/or regional level. Finally, CoR can declare its opinion on any policy issue and make sure that it is on the EU’s agenda.

Committee operates on the following principles:

- **Subsidiarity:** this principle means that decisions within EU have to be taken at the closest practicable level to the citizen.
- **Closeness:** all levels of government must aim to be “close to the citizen” and especially perform their activities in a transparent manner.
- **Partnership:** Brussels, national, regional and local government levels must act in cooperation as all of them are indispensable elements in decision-making processes.

3.Turkey’s Harmonization with European Regional Policy

When the progress reports of candidate countries are examined, it can be seen that one of the most frequently used terms is “administrative capacity”, which is in essence the capability of public administration of compliance with the *acquis*, for which reason it inevitably consists of all negotiation

areas. As the European Union continues to enlarge by incorporating new members, administrative capacities of candidate countries are subjected to close scrutiny with the purpose of guaranteeing applicability of common policies. In this context, capacities of local governments are also being evaluated.

Progress reports prepared for Turkey by European Commission since 1998 have repeatedly emphasized the difference in development levels of Turkey's regions and recommended corrective actions. Turkey, on her part, gave a number of promises in the national program, preliminary national development plan and Program for Harmonization with EU Acquis for a solution to this problem. One of the most important promises in this context was that key agencies for regional development would be established. At this point, institution of Regional Development Agencies with the purpose of (i) ensuring local participation at development planning activities, and (ii) executing development plans at regional level became an important item on the agenda.

In the document titled "Accession Partnership for Turkey 2000", Turkey was asked to take following steps on "regional policy" in short term:

- Further improvement of statistics, in particular social and demographic, regional, labour, foreign trade and agricultural statistics,
- Preparation of a NUTS classification which is in compliance with Union's practices,
- Devising a strategy for the development of an effective regional policy,
- Employment of regional policy measures for selection of projects in Turkey's planning process.

In medium term, it was required that a national policy should be developed which would be devoted to decrease nationwide differences, which would include the establishment of institutions that perform monitoring and evaluation of multi-year budget preparation procedures (SPA, 2009: 54-55).

In the 2004 version of the above document, it is pointed out that NUTS was initiated, a draft law was prepared for the establishment of Development Agencies, Preliminary National Development Plan was prepared, approved

and submitted to the Commission which reflected partnership principles, an agency was founded with the responsibility of monitoring and evaluating State Planning Organization (SPA) regional development programs, progress was made in the field of regional statistics and activities were launched for setting up a regional database; but there were also such complaints that not enough improvement was recorded in regional organization and foundation process of regional statistic offices and Development Agencies was not completed yet (DPT, 2008: 55-6).

The following comments were made in 2009 progress report for Turkey:

Development agencies (DA) are now established in all provisional NUTS II-type regions. A total budget of nearly €125 million has been earmarked for the development agencies in the 2009 national budget. Relevant local and regional stakeholders are involved in establishing the budgets of individual DAs, but not in selecting the provinces to host the DAs. The selection criteria are unclear and the process is not sufficiently transparent (p. 68).

Act no. 5449 on the Foundation, Coordination and Roles of Development Agencies, which came into force on January 25th, 2005, envisaged the foundation of development agencies in NUTS II regions. In the 5th article, the roles and authorities of Regional Development Agencies are listed as follows:

- Providing technical support to the planning activities of local governments,
- Supporting activities and projects to ensure the application of regional plans and programs,
- In accordance with regional plans and programs, making contribution to the development of regional capacity as regards rural and local development and supporting projects developed with this view,
- Monitoring other projects executed by public sector, private sector and non-government organizations in the region and other projects which are seen as important for regional planning and programming,
- With a view to realize regional development objectives, developing the cooperation between public sector, private sector the civil society,

- Employing or allocating resources of the agency in accordance with regional plans and programs,
- In coordination with relevant entities, promoting the business and investment opportunities in the region at national and international level,
- Supporting small and medium size industries and new entrepreneurs by ensuring coordination with relevant entities in such issues as management, production, promotion, marketing, technology, funding, organization and labour force training,
- Promoting the region at bilateral or multilateral international programs to which Turkey participates and contributing to project development within the scope of these programs,

In this context, in December 2008 Izmir Development Agency launched SME and Social Development Financial Support program with the aim of distributing 30 Million TLs (14,5 million Euros). In addition, efforts were initiated to create the framework for financial support programs which would be applied in such sectors as tourism, environment, agriculture and rural development and preparations for Izmir 2009-2013 Regional Development Plan were completed. On the other hand, a number of information and coordination works are still in progress (izka.org.tr).

Çukurova Development Agency, which includes Adana and İçel provinces, allocated 19 million TLs (9,2 million Euros) in total for economic development, social development, small-sized infrastructure projects and rural development financial support programs. The agency also acts as an intermediary and coordinator for allocating EU and other international funds; in addition, its functions include such areas as research, database formation, monitoring, and data evaluation (cka.org.tr).



Figure 1. Regions in Turkey according to NUTS II classification

Regional development agencies were included in the Ninth Development Plan of State Planning Organization which covers years 2007-2013. In this plan, it was mentioned that NUTS classification was completed and the act on regional development agencies was enacted, so that “the infrastructure required for structural funds which can be used after accession would be established at central and local level, and environment necessary for the application of down-top regional development policy supported by sufficient funding and institutional structure, which is also more active and participatory, would be created” (DPT, 2007: 46).

One of the five development centrelines defined in Ninth Development Plan was “ensuring regional development”. As defined in this document, based on local dynamics and domestic potential, basic objectives in regional development policies are:

- Making central policies more coherent and effective,
- Improving institutional capacity at local level,
- Distributing evenly economic development and social welfare within the country,
- Confining migration tendencies within the region,
- Ensuring evenly distribution of population in space,

- Providing a healthy structure for urbanization,
- Improving welfare in rural areas and decreasing socio-economic development difference between rural and urban areas (DPT, 2009: 78-9).

Concentration of industry and services in some regions and imbalance between the revenues earned by regions is a situation which is seen in almost all countries. However, some actions must be taken to prevent occurrence of imbalances huge enough to disturb the feeling of social justice and societal integration. Regional development agencies appear as one of the outcomes of convergence of underdeveloped regions to developed ones in terms of social welfare, which results in the elimination of differences. Paris and its surrounding reached a development level which is higher than the sum of all other regions; in Scotland and Wales, the collapse of traditional industries caused the emergence of restructuring problems in these areas; the result was introduction of policies and mechanisms for regional development in European countries (Arslan, 2005: 276-279). Similar problems were experienced in Turkey, too. Especially rural parts of central, eastern and south-eastern Anatolia are more backward compared to other regions in terms of development. In order to ensure national integrity, these regions must also be provided with a living standard which is up-to-date. Migration from especially eastern and south-eastern regions due to terror and backwardness has negative impacts on the economic structure of other regions. Regional development agencies are also important from this point of view.

To sum up, functions of regional development agencies can be listed as building strategies for regional development, abolishing development differences between regions, vitalizing economy in its area of activity, increasing regional investments and ensuring participation of the public in decision-making processes.

Nomenclature des Unités Territoriales Statistique and Structural Funds

The basic purpose of Nomenclature of Territorial Units for Statistics (NUTS), which were introduced in mid-1970s by Eurostat in order to provide detailed information to European Union, is to gather regional-based

statistics, conducting socio-economic analysis and creating the frame for socially-oriented regional policies (Yılmaz et al., 2007). In Turkey, a regional classification which is in compliance with NUTS has been adopted and calculations are being remade. In this context, Turkey has been divided into 12 first level, 26 second level and 81 third level regions with the act adopted in 2002.

NUTS is the infrastructure which is needed so that the regions can be chosen to which structural funds used in the application of EU's regional policies will be transferred. Target regions to which support is to be granted within structural funds (especially ISPA⁴ and SAPARD⁵) are determined based on NUTS 2 and NUTS 3 levels. Economic and social cohesion reports of the regions are prepared based on NUTS 2 level. Preliminary national development plan adopted in 2003 determined four development pillars, one of whom aims to "increase the economic power of regions, decrease development differences between regions and accelerate rural development". In this context, the priorities of the 4th axis were identified as follows:

- Supporting and strengthening SMEs,
- Supporting small-scale infrastructure constructions,
- Supporting local initiatives,
- Creation and strengthening of institutional capacity.

As a matter of fact, per capita GDP in Turkey is much lower than the average figures of 10 countries which became EU members in 2004 according to purchasing power standards. When current system and eligibility criteria, all regions in Turkey can benefit from Structural Funds and Objective I aids of Cohesion Fund (DPT, 2008: 58). In order to implement the priorities given above, 12 of the 26 NUTS II regions were determined according to development ranking, which consists of 42 of the 81 provinces of Turkey (Akkahve, 2006: 163-164).

⁴ ISPA (Instrument for Structural Policies for Pre-Accession) supports transportation and environment protection infrastructures in particular.

⁵ SAPARD (Special Accession Programme for Agriculture and Rural Development) involves long-term organisation of the agricultural and rural regions of candidate countries.

4.1. Regional Development Agencies

Regional development agencies were founded with the Act no 5549 on Foundation, Coordination and Functions of Development Agencies in 2006. They are more of a technical nature which will focus on development issues. Regional development concept is not totally unfamiliar to Turkey. Government programs focusing on regional development date back to 1960s. Development plans prepared since 1960s emphasized regional development. Zonguldak-Bartın-Karabük (ZBK) Plan, Eastern Anatolia Plan (DAP), Eastern Black Sea Development Plan (DOKAP), and finally the mega-project South-eastern Anatolia Plan (GAP) can be given as products of these efforts. After Turkey was announced as an EU member state in 1999, EU practices were taken as example in this area and decision was taken to establish BKAs based on NUTS. One of the objectives of EU membership process is to reinforce the economic development and participation in decision-making of rural people through BKAs and in cooperation with pre-accession assistance instruments and EU structural funds.

Before BKAs were founded, there was a chaos in terms of agencies with roles and responsibilities related to development. The most important reason for such chaos was central planning understanding, the prominent position of which caused the institution of an understanding of expecting everything from the centre. As a result, although they had better information about needs, local and regional actors had to play minor roles compared to central institutions. In time the roles of such non-governmental organizations as chambers of industry and trade and stock markets became more important, and the result was a problem of coordination. On the contrary, administrative structure of BKAs was designed in such a manner that would promote co-decision making by central administration, local governments and private sector (Akin, 2006: 299). Today development agencies have been established in all NUTS II level regions, and €125 million has been allocated for them from 2009 national budget.

As new public management philosophy gained ground, the understanding which dominates the methods for ensuring development is changing. Now development is no more regarded as a centrally-determined, top-down process; instead, it is perceived as a down-to-top, more participatory phenomenon which aims to explore the potential of local and regional development

and promote a parallel regional development strategy. One of the most supported aspects of BKAs is their mobilization of a participatory development model which is guided by local communities. BKAs will perform their regional development works on the basis of participation and strengthen the contribution of stakeholders to development and the sense of mission in regional development.

Some politicians raise objection to BKAs on the ground that they are a transition to a federal structure and that they will disturb the unitary structure of the state. However, BKAs are technical establishments which are focused on development issues; when they are perceived as a step to introduce a new level to political and administrative system, regional development and local democracy suffers. On the grounds of such concerns, cases were filed to the Council of State and Constitutional Court, and the ruling of the latter adopted some minor changes about personnel regime and tax exemption; this ruling was followed by the decision of Council of State to lift the “detain on enforcement”, which eventually eliminated all obstacles before the operation of BKAs.

4.2.Objections to Regional Development Agencies

Unitary structure evokes a structure where different legislations, governments or judiciary mechanisms do not exist in different regions. In Turkey, the most important obstacle for localization efforts is the concern that national integrity will be damaged. The main ground of these concerns that unitary structure of the country would be deformed is the sensitivities based on internal security concerns and fear of partition. In particular every step taken for localization causes multiplication of these sensitivities, and it is claimed that every initiative transferred to local governments will pose a threat to the unitary state⁶.

⁶ From this respect Turkey is mostly similar to Hungary, where there is a very strong central administration background. Provincial administration (counties) has been the traditional administrative unit in Hungary since their establishment in 11th century. The outcomes of public administration reform turned out to be contrary to the intentions: middle-level governments elected with popular vote weakened and the effect of central government increased. New institutional system of regional development was established on three levels, whereas most decision making authorities and development resources remained in the hands of central government and ministries. It is a well-known fact that regions in Hungary are

Moving from these concerns, the most important aspect on which the criticisms of antagonistic of the idea of development agencies is that they are to be established on Level II regions created according to NUTS. It is claimed that provinces which are not related in socio-economic terms were grouped together when Level II regions were formed; another criticism is that such a classification cannot provide any basis for organization of public agencies. Provinces are the only administrative units defined in the constitution; therefore, organizations based on other levels of classification are allegedly violating the constitution. There is also the concern that Turkey is being prepared for a federal structure at the end of this process.

In light of the foregoing, there is an urgent need in Turkey for a better understanding of the concept of “regional policy”. According to Brache (2001),

Regional policy is never a political concept...With regional policy, a state structure in which power is diffused from central authority to the regional units is not suggested...twelve of the 15 EU member states have unitary structures. These countries would not possibly accept a policy which can damage their unitary structure. Regional policy is an economic and administrative concept...Regional policy is focused on eliminating the differences and living standard gaps between regions. For this reason, it has to be comprehended that a different policy can be required for every region and mental preparations should be done to enable such a perception.”

After Izmir and Çukurova (in Adana and İçel provinces) development agencies were established as part of the pilot phase, Turkish Union of Chambers of Engineers and Architects (TMMOB) filed an application to the Council of State demanding that an application should be filed to the constitutional court for (i) detaining the enforcement of Cabinet of Ministers decision for establishment of the BKAs, (ii) nullification of some articles of the by-law. The Council of State agreed with the application and ruled that en-

artificial formations. Regional identity of Hungarian society is clearly negligible. Civil society and political institutional system has not been established at regional level. Thus, democratic control over regional bodies and their relations with voters and social or political institutions were supposed to be weak. The question of whether a top-down regionalization experience can ensure real decentralization in a country with weak and fragmented local communities remains to be answered. See Kovacs, 2001 for more detailed information.

forcement should be detained until Constitutional Court gave its final decision. In addition, MPs of opposition parties in the parliament filed a case at constitutional court for detaining the enforcement of several provisions of the act. The juridical process thus interrupted the activities of BKAs for a certain period. Constitutional Court ruled on November 30th, 2007, that most of the provisions, of which nullification was demanded by Council of State, would remain in force. Based on this ruling, Council of State ruled in 2009 that only some provisions of the By-law on the Working Principles and Basics of Development Agencies would be nullified. As a result of this juridical struggle, today there is no stumbling block before the institutional operation of regional development agencies in Turkey.

If there is a political move for it, every part of a centralist state could be regionalized (even if it was never before considered to be a 'region'), but feelings of a regional identity and cohesion, and regionalist movements will only be generated if there is a longer regional tradition, a common history and experience, and a distinct language (Puhle, 2000).

Conclusion

The concepts of “region” and “regional government” are not totally clarified in Turkish literature. In addition, it can be seen that neither in the literature nor in practice and Turkish administrative system have regional governments been accepted as the principle element. For this reason, definitions and measures of region are used which serve different purposes in geographical, socio-economic, administrative, industrial etc. terms. If the problem is approached from the view of scale, a region can be described as the sub-system defined using economic, political, administrative, geographical, urban, cultural and ethnic measures at state level; at international it can be defined as the communities formed by states with common economic, political, military etc. interests (Özer, 2006: 254). BKAs in Turkey are in compliance with EU experience; the reasons put forward in the legal grounds of RSA act⁷ match with the reasons for which EU concentrated on regionalisation since 1980s.

⁷ In the “legal grounds” document of the Act, it is stated that BKAs will improve planning, programming, project production and application capacity at local level (art. 2), help in

As a type of local government, BKAs will make sure that service quality and participation in decision-making at local government level will improve rapidly. In a country where local development is neglected, no one can expect successful national development. Supporting local entrepreneurship, improving the infrastructure of the region, attracting national and international capital, promoting the region, ensuring cooperation and coordination between central and local institutions as well as public and private sectors, protecting the environment and environmental quality, conducting local analysis, endorsing the development of competitive business environments, evaluating the investment opportunities and potentials of the region, providing technical and financial support and service to entrepreneurs and public agencies in the region, offering training services etc. are only some of the functions of regional development agencies; if they are operated properly, and prejudices towards them are overcome, BKAs will definitely play a key role in national development.

Some anti-BKA spheres claim that BKAs will damage the unitary structure of Turkey. They assert that provinces are the only administrative units defined in the constitution; therefore, organizations based on other levels of classification are violating the constitution. There are also concerns that Turkey is being prepared for a federal structure at the end of this process. But it should be remembered that federalism, unitary state, confederalism, or any other political organization are not supposed to be ends; they are just the means to provide citizens with happiness and welfare. Australia, Austria, Belgium, Canada, Germany, Italy, Spain, Switzerland, United Kingdom, USA, and many other developed countries have regions or states with local autonomy. Some of these countries (i.e. United Kingdom and Spain) struggled with separatist terror acts comparable to Turkish experience; these countries solved their problems without compromising their national integrity. The mentality that French administrative divisioning, which inspired Turkey during modernization period, is the only correct system, and that Turkey has extremely unique features which cannot be compared to any

effective utilization of resources in regions and sub-regional units (art. 3), mobilize entrepreneurship spirit in most of the regions and sub-regional units having difficulty in developing (art. 8), transfer critical local information to the centre and ensure its sustainability (art. 11), regional development strategies and plans prepared in cooperation with BKAs will create a strategic framework for physical planning activities conducted at provincial level (art. 14); it can be seen that these objectives are mere development-oriented.

other country in the world, makes comparative studies totally futile and policy transfers next to impossible. Even if BKAs are an introductory phase for a transition to a federal system, which is rather unlikely, this is only an alternative political organization that should be discussed. This process of regionalisation has implications for participation, local democracy, elimination of development differences between regions, mobilization of local actors and stakeholders, and prevention of internal migration; its political implications are far down the list. The opportunity to take advantage of a mechanism which can have very positive contributions in terms of national integration and development can be missed if BKAs are approached with such prejudices before any implementation outcome has become observable.

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