

İSTANBUL'S METROPOLITAN GROWTH GOVERNANCE

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Abstract

This article examines Istanbul's metropolitan development in the light of current economic and administrative policies in theoretical perspective. In order to do so, the following research questions are explored: What do metropolitan development processes tell us about the relationships between the state and the economy in Istanbul? How do changes in public-private relationships affect the governance of metropolitan development in Istanbul? What are the outcomes of these processes for Istanbul's metropolitan development? The article is structured as follows. We start our account by describing the position of Istanbul in the national and international context, first by highlighting its economic and functional role in the Turkish urban system, and then by outlining its political and administrative structure of state-local relationships. This is discussed as a result of the features taken by the neo-liberal turn in Turkish political economy since the 1980s. Against this background, we discuss the main features of governance in the Istanbul metropolitan region and introduce its main strategic lines of development as an expression of its features.

Keywords: İstanbul, Metropolitan Governance, Governance, İstanbul

İSTANBUL METROPOL YÖNETİMİ

Özet

Bu makale, İstanbul'un metropoliten gelişimini güncel ekonomik ve idari politikalar ışığında teorik perspektifte incelemektedir. Bunu yapmak için, aşağıdaki araştırma soruları araştırılmıştır: Büyükşehir gelişim süreçleri, İstanbul'da devlet ve ekonomi arasındaki ilişkiler hakkında bize ne söylüyor? Kamu-özel ilişkilerindeki değişiklikler İstanbul'daki büyükşehir gelişiminin yönetişimini nasıl etkiler? Bu süreçlerin İstanbul'un metropoliten gelişimi için sonuçları nelerdir? Makale aşağıdaki gibi yapılandırılmıştır. Anlatımımıza, İstanbul'un ulusal ve uluslararası bağlamdaki konumunu tanımlayarak, önce Türkiye'nin kentsel sistemindeki ekonomik ve işlevsel rolünü vurgulayarak, ardından da devlet-yerel ilişkilerinin siyasi ve idari yapısını özetleyerek başlıyoruz. Bu, 1980'lerden itibaren Türk ekonomi politikasında neo-liberal dönüşün aldığı özelliklerin bir sonucu olarak tartışılmaktadır. Bu çerçevede, İstanbul metropoliten bölgesindeki yönetişimin temel özelliklerini tartışıyor ve özelliklerinin bir ifadesi olarak ana stratejik gelişim hatlarını tanımlıyoruz.

Anahtar Kelimeler: İstanbul, Metropol Yönetimi, Yönetim, İstanbul

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1. Introduction²

This article examines Istanbul's metropolitan development in the light of current economic and administrative policies in theoretical perspective. Turkey started to work initially, with the intention of restructuring in response to the economic crisis, but over time, under the guidance of the private sector, the policies created resulted in political favoritism. The re-allocation of resources and changes in macro-economic policies in line with the preferences of the political government of the time was born out of the conservative bourgeois class. In summary the effect of neo-liberalism, the private sector became an important stakeholder in Turkey, and has been quite effective in the general economic policy formulation and direction.

During the early neo-liberal period a new trend emerged, the New Public Management Model promoted managerial and administrative structuring to enhance state effectiveness, efficiency, and principles of accountability. The new model recommended the shrinking of the central state's administrative capacity. So, the growth of the private sector through the privatization of economic production, encouraged the decentralization of central authority and power to local or regional authorities.

After strengthening the private sector, local governments became in interest area of big firms and big interest groups. Legal regulations in the field of local government paved the way for such relationships. For example, in many areas as a general principle, produce and provide direct public services, rather than focusing on the acquisition will allow it adopted in the private sector. The private sector's capacity to offer an alternative to local governments as service providers proved to be effective.

This why this article examines Istanbul's metropolitan development in light of current economic and administrative policies. In particular, it inquiries into the recent metropolitan development of Istanbul with a specific focus on the role that globalization and neo-liberal economic and administrative policies play. The globalization process and neo-liberal policies have put economic actors and interest groups at the forefront of metropolitan development. Authors like Scott et al. (2001) and Ohmae (2001), for example, have long argued about the fact that the world, in economic and management terms, has become a network of prosperous city-regions, with economic actors and interest groups as their drivers. In contrast to the development of their own countries, mega-cities are prospering – according to this view – because they create attractive infrastructure opportunities in order to be part of the global economy (Ohmae 2001: 33).

² This article is an expanded version (revised-expanded by about fifty percent) of *The Governance of Istanbul Metropolitan Development: The Role of the State and the Private Sector*. The first version of the article was published in an edited book. However, I believe that it would be more beneficial if the article was expanded and published in an online journal in order to reach a wider audience. Y. Demirkaya (2019), "The Governance of Istanbul Metropolitan Development: The Role of the State and the Private Sector," in *Constructing Metropolitan Space: Actors, Policies and Processes of Rescaling in World Metropolises*, Editors, Prof. Dr. Jil Simone Gross, Prof. Dr. Enrico Gualini, Prof. Dr. Lin Ye, Routledge, New-York, ss. 88-108, 2019, ISBN:978-0-8153-8087-0

At the same time, central governments have been transformed in most democratic countries, in a tension between globalization trends and decentralization reforms. New administrative forms have been introduced and have become dominant under the influence of neoliberal policies, and in light of a relativization of the centrality of national states (Beauregard and Bounds 2000: 244; Scott et al. 2001: 20–21). Under different democratic neoliberal regimes of central government, local government management organizations and institutions in global cities have been radically transformed, from representative-democratic to “increasingly professionalized, marketized, entrepreneurial and managerial forms” (Ruppert 2000: 275). However, in the wake of researchers such as Jacobs (1992), Cochrane et al. (1996), Andrew and Goldsmith (1998) and Eisinger (1998), Ruppert argues that neoliberal economic policies have also led to a new form of relationships between central governments and local governments in many countries – such as Australia, New Zealand, Britain, Canada and the USA – resulting in the process in particular in a political weakening of local governments (Ruppert 2000: 274–276). In fact, we can see that there are new actors in the process of delivering or presenting public services at the local level. Many analyses of central government-local government relations argue that there is a change underway from government to governance. In particular, there is a power transfer from municipalities to a number of fragmented agencies (business associations, chambers of commerce, large local companies, banks, universities, unions and many other types of civil society organizations) in terms of new forms of urban governance (Andrew and Goldsmith 1998).

These transformations have also affected understandings of public service delivery, for instance, in light of the New Public Management movement, of processes of decentralization and regionalization, and of practices of urban-regional governance based on the coordination of fragmented agencies active at the local level. The term governance is widely employed to describe these multifaceted types of social and economic coordination. Many different processes of governance today involve not just agencies of government but also civil society organizations, private-public partnerships, universities and so on (Scott et al. 2001: 21). Accordingly, we see a cooperative style of policymaking emerging in which local authorities must moderate or initiate instead of giving orders.

This article examines metropolitan development in Istanbul, seeking to determine the degree to which it conforms to the aforementioned phenomena and to related theoretical perspectives. In order to do so, the following research questions are explored:

- What do metropolitan development processes tell us about the relationships between the state and the economy in Istanbul?
- How do changes in public-private relationships affect the governance of metropolitan development in Istanbul?
- What are the outcomes of these processes for Istanbul's metropolitan development?

The article is structured as follows. We start our account by describing the position of Istanbul in the national and international context, first by highlighting its economic and functional role in the Turkish urban system, and then by outlining its political and administrative structure of state-local relationships. This is discussed as a result of the features taken by the neo-liberal turn in Turkish political economy since the 1980s. Against this background, we

discuss the main features of governance in the Istanbul metropolitan region and introduce its main strategic lines of development as an expression of its features.

2. The Istanbul Metropolitan Region in The National and International Context

2.1. Features of Istanbul's Metropolitan Region

According to the Organization for Economic Co-operation and Development (OECD), three criteria are crucial in order to determine whether an area is to be considered 'metropolitan': population size, density and functional labor markets (OECD 2008). Metropolitan areas are those with populations of 500,000 or more, living and working in close proximity to one another (though differences emerge in regard to the degree of dispersion of these clusters). Due to the fact that Istanbul is home to about fifteen million inhabitants, spread out over a large area that is densely clustered, the criteria of population size and density are clearly met in Istanbul. However, there are ambiguities as to how far the region of Istanbul fulfills the third criterion concerning functional labor markets. The functional metro area is a concern with the degree of integration that exists between the core and peripheral labor markets. Although the definition and boundaries of the Istanbul metropolitan region have been widely discussed by researchers, there is no agreed upon definition yet because functional boundaries do not always conform to administrative ones – for example, to those of the administrative province of Istanbul.

Nonetheless, from 2005 onwards, the Istanbul Metropolitan Municipality (IMM) has been entrusted authority over the entire province. In line with this regulation, in this chapter, we equate the territory of the province in its entirety to the Istanbul metropolitan area. Istanbul, the most densely populated center of cultural and financial activities in Turkey, has undergone a significant process of change throughout the twentieth century. From 1950 onwards, Istanbul's population increased about ten times to reach its present sixteen million inhabitants. Istanbul benefited during this time of comparative advantages over other regions of the country in economic terms and gained predominance in regional, national and international markets. Over time, Istanbul has become a center of trade, generating nearly 50 percent of national economic output, while also serving as the home to cultural and logistic activities. With regard to population growth rates from the mid-1990s onwards, Istanbul ranked number eight among seventy-eight OECD countries and first for overall population size, rapidly transforming into a mega-city. About 20 percent of Turkey's population dwells in Istanbul nowadays, compared to 5 percent in 1950. Istanbul takes the lead in the field of economics, controlling 27 percent of the nation's GDP, 38 percent of its industrial production and over 50 percent of services. Istanbul generates 40 percent of government revenues earned through taxation (TUIK n.d.). GDP per capita in Istanbul surpasses the average GDP per person in the country by 70 percent, placing it among the top three of seventy-eight OECD countries in terms of levels of GDP per capita. It is not surprising that Istanbul attracts the largest share of foreign direct investment (FDI) and it is the source of half of the export-oriented production of the country (OECD 2008).

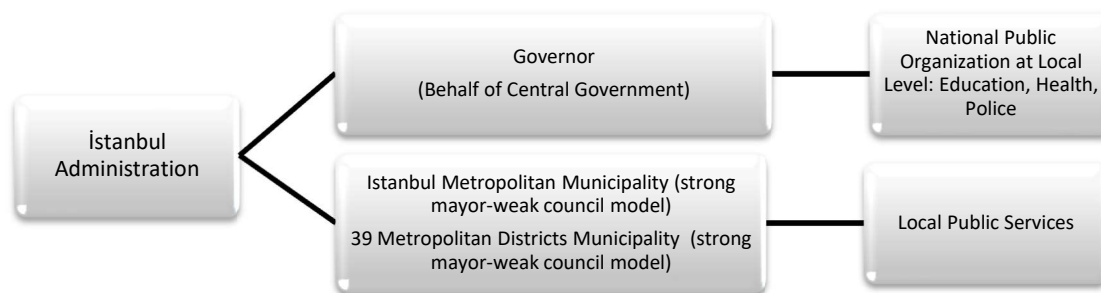
Although the whole of Turkey has been strongly affected by the internationalization of the economy, its effects have been most deeply felt in Istanbul. Istanbul has become the heart of the manufacturing industry in Turkey and stands as a uniting point in the global system. In today's world, Istanbul is a city with high dynamism. Though the capital of Turkey is Ankara, it is Istanbul which is regarded as the financial and industrial center. Its location along core transit routes has been crucial in shaping Turkey's integration into the modern world system.

2.2. Government and Administration in Istanbul's Metropolitan Region

The administrative structure of the Turkish Republic is divided into two tiers of government, namely central and local administrative institutions (Table 1). The organization of the Central Administration in the capital consists of the President of the Republic, the Ministries and other auxiliary bodies, such as the State Council, the Court of Accounts and the National Security Council (Demirkaya, 2016). The provincial level of the Central Government has been created to administer public services throughout the entire country. In Turkey, there are two kinds of Central Government regional-local administration: the province and the county or district.

The Province is the largest provincial administrative unit of the Central Administration. The Governor is the head of the Provincial Administration. Local government organizations are public legal personalities that have been established outside Central Government to meet the common needs of provincial, municipal and village residents. According to the Constitution, there are three kinds of Local Government Organizations: Provincial, Municipal and Village Administrations. The Ministry of the Interior has jurisdiction over all local government bodies. The Ministry exercises this authority through the General Directorate of Local Government.

Table 1. Istanbul's Administrative Bodies



Sources: Developed by author

Due to the restructuring of the relationship between central and local authorities and to developments in urban governance, Istanbul has experienced a significant process of change in political and administrative terms in the last two decades. In the first place, the metropolitan borders of Istanbul were extended to encompass the provincial territory. In the process, multiple smaller municipalities were merged with larger ones. On the one hand, in a process of administrative upscaling, neighborhoods replaced villages through incorporation and came under administrative control of the closest district municipality. On the other hand, larger municipalities

were scaled down to smaller service areas. As a result, metropolitan Istanbul today consists of thirty-nine different districts or sub-provincial municipalities, plus one metropolitan municipality, IMM, making a total of forty municipalities. The metropolitan municipality gained the upper hand vis-à-vis district municipalities in this process of administrative restructuring. The tasks of the metropolitan municipality are to provide coordination between the district municipalities, coordinate basic infrastructure services (such as sewerage and water), provide public transport services, make zoning arrangements that concern the entire city and set and implement strategies for the city's socio-economic development. Incomes earned by local public companies such as KİPTAŞ, İSFALT and İSTON constitute one-third of the total income of Istanbul's metropolitan authority (IMM 2013).

The current metropolitan government in Istanbul is a 'strong mayor, weak council' model. The agenda of the Istanbul Metropolitan Council is mainly set by mayor. This means that, as the full-powered executive authority of the municipality, the mayor has heavy influence on decision-making processes. Although any council member can advance, in principle, their own proposal for the agenda of decision-making process, this is in fact very unlikely to happen. There are many reasons for this political reluctance to oppose the powers of the mayor, but perhaps the most important reason relates to the very weak role that citizen participation plays in the management of municipalities in Turkey. This is why it is difficult to talk about accountability and openness of municipalities on behalf of the local public. Decision-making at the metropolitan level has consequently lost transparency. Opportunities for the media and professional organizations to deliberate and criticize decisions taken by the metropolitan administration are mainly reactive and only given in the aftermath of decision-making processes.

Driven by expectations of political gains and the desire to attain power, central authorities have hardly addressed the issue of decentralization in Istanbul so far, instead focusing on exerting greater control and power. From 2004 onwards, urban renewal projects were prioritized by IMM. The main target was to turn informal shantytowns into modernly designed settlements (through cooperative arrangements between the governmental agency of Mass Housing Administration and IMM). Public-private partnerships were put at the center of these urban restructuring projects. International organizations such as United Nations Educational, Scientific and Cultural Organization (UNESCO) and the European Union (EU) also provided funds for the renewal of historical sites, supported by the involvement of nongovernmental organizations (NGOs). Old industrial areas have also become the targets of re-structuration. Proposals were prepared in a competitive environment to turn old industrial areas into subunits of the center, and projects which were ranked highly were to be carried out first. Construction of the subcenter was marked by the involvement of county municipalities (OECD 2008).

3. Metropolitan Governance in Istanbul: Changing State-Local Relationships and Administrative Reforms

3.1. Turkey's Neo-Liberal Turn since the 1980s

Turkey's neo-liberal economic transformation originates in the mid-1980s. From the 1920s to the 1980s, the national economy was dominated by the direct intervention of the state.

However, Turkey became one of the first countries since to experience the effects of neo-liberalism and structural adjustment arrangements.

The effects of neo-liberal policies began to be felt deeply in Turkey after the 1980s, which culminated in a process of reorganization of the state (Sezen 2002: 1). In 1983–1989, under the leadership of Prime Minister Turgut Özal, Turkey's economy entered a period of rapid change. First of all, in many areas where the state had been in direct production, a process of privatization began. Whereas in the 1960s, Turkey adopted import-substitution industrialization based on central-planning as her development policy, in the 1980s, Turkey shifted her development policy to export-oriented industrialization. Turgut Özal, as the founder of the right-wing Motherland Party, who served as prime minister in Turkey between 1983 and 1989, was the main proponent of these neo-liberal policies and the initiator of a shift to outward-looking economic policies. This implied opening domestic markets to foreign competition, and consequently centralization gave way to decentralization (Kepenek and Yentürk 2000, cited in IMM 2005).

Parallel to this, a series of legislative arrangements and significant incentive packages for economic performance were introduced. Nowadays, the Turkish national economy features successful entrepreneurialism in areas such as tourism, textiles, food, defense industry and construction, which were largely promoted and guided by the state itself until the mid-1980s. Statistics of employment and tax revenues improved within a short timeframe, supported by both state and private sector initiatives. Parallel to this, the private sector became interested in macro-economic policies.

3.2. Local Government Restructuring and Administrative Reforms

The rise of neo-liberal economic policies in the 1980s also resulted in the transformation of old administrative practices. New Public Management stressed principles such as accountability, transparency, local autonomy, efficiency, effectiveness and democracy. As the effects of neo-liberal globalization started to be felt in Turkey, this time was marked by long-lasting debates on how to transform public management in Turkey to meet the requirements of local autonomy, efficiency and productivity in local governments as suggested by New Public Management (Demirkaya 2006: 9). Many reports on local governments were prepared which stressed devolution of power from central government to local governments and a new division of labor between the two. Next to that, as Demirkaya (2006) claims, some supranational organizations such as the EU and the UN put great emphasis on issues of democracy and local autonomy and pushed member countries to comply with practices formerly introduced by right-wing neo-liberal governments such as those of Thatcher and Reagan.

The New Public Management model promoted managerial and administrative restructuring to enhance state effectiveness, efficiency and principles of accountability. The new model recommended the shrinking of the central state's administrative capacity. So the growth of the private sector through the liberalization and destatization of economic production encouraged the decentralization of central authority and power to local or regional authorities. Principles of New Public Management also dictated that administrators be equated with managers (Sezen 2002: 481). Sezen follows Özen's argument that a strong state tradition in Turkey

resulted in the configuration of a ‘benevolent’ and ‘authoritative’ state figure which refrained from taking actions (Özen 1993: cited in Sezen 2002: 481). From this token, entrepreneurship and profitability pursued by neo-liberal policies met with resistance when their implementation was attempted in Turkey. Sezen gives the example of resistance met by Turgut Ozal when he tried to initiate an administrative reform. As a part of this reform the law whose target is to privatize state enterprises was deemed ‘unconstitutional’ by the court (Sezen 2002: 481), as privatization would undermine both the state’s interventionist role and its benevolent standing due to the pursuit of profit.

Yet Turkey could not isolate herself from the dynamics of neo-liberalism which spread across the world after the 1970s, and processes of public administration restructuring started. As a result, many local public enterprises have been established in Turkey to meet increasing demands and fulfill responsibilities due to the emphasis on localization and accountability (Demirkaya 2010: 431). Because those local public companies are subject to private law, central authority in Turkey cannot supervise them (Demirkaya 2010: 432). In this sense, state’s interventionist role seems to be reduced in the case of local public companies as products of New Public Management. However, it seems that, contrary to what was believed in the beginning of 1980s, some local public companies show great performance as is the case with local public companies ran by the IMM (Demirkaya 2010: 434). IMM runs twenty-three companies and it is the capital owner of some of the large-scale monopoly companies such as IGDAS and IDO offering unrivalled services.

These examples plausibly show why the effects of neo-liberal policies did not only meet resistance. After the strengthening of their corporate management skills and financial capacity, local governments came to be of interest to big firms or ‘big interest group’ because big firms are capable of establishing a much more stringent relationship with local governments. Reform in the legal frameworks for local government paved the way for such relationships. According to the new legislation, many public services could be providing by the private sector. That is, local public services could be purchased directly from the private sector as well as provided by public-private partnerships.

The neo-liberalization experience of Turkey also raised several critiques. According to scholars such as Baltacı (2004), Eren and Kılıç (2006), Tahincioğlu (2011) and Lamba (2015), Turkey started its political economy reforms initially with the intention of restructuring in response to the economic crisis; over time, however, under the influence of the private sector, related policies resulted in political favoritism. According to this interpretation, even the re-allocation of resources and changes in macro-economic policies in line with the preferences of the political government of the time was born out of the influence of the conservative bourgeois class. In summary, as an effect of neo-liberalism, the private sector became an important stakeholder in Turkey and has been quite effective in the general economic policy formulation and direction.

4. Metropolitan Growth Strategies and Criticisms in Istanbul

The reconfiguration of the urban fabric through development strategies, policies and action plans is at the heart of metropolitan development. In this chapter, we define as

'metropolitan' in scope those strategies and policies the goal of which is to shape the trajectory of development within the Istanbul metropolitan area. Analysis focuses primarily on the physical, functional and economic aspects of these transformations and on related governance arrangements rather than on their discursive dimension.

The last thirty years have been marked all over the world by the growing importance attached to projects for urban restructuring shaped by public private partnerships. In the wake of globalization these developments have been marked in most cases by the promotion of business areas and by the integration of industrial areas into the functional metropolitan economy. The development of urban renewal projects by local authorities has been directed to enhance local economic performance and targeted at involving resources from private sector investors. The process is supported by contractual agreements between public and private partners, in which, normally, local authorities provide subsidies, transfer powers and introduce the required amendments to regulations, while their private-sector partners, in turn, assume managerial tasks, realize projects and share the gains from the projects with local governments. These partnerships have helped local governments find resources to finance urban renewal projects and make them more effective at realizing their project goals. However, this has opened opportunities for the private sector to enlarge the scope of their activities, serving as a gateway to gaining control over local real-estate markets (Carley 2000; Marshall 2000).

Recent changes in the governance of Istanbul metropolitan region can be read against the background of these developments and of the influence of transnational models of administrative reform, such as the New Public Management. Reforms of the legal and administrative framework of local government were initiated in Turkey since 2003 and changed the characteristic administrative structure of Istanbul. The main goals of these reforms were to set out transparency, liability and rationality as guidelines for local decision-making and management processes. This included improving the capability of local administrative workforce in supervising and scrutinizing the assignment of available resources to actors beyond municipal jurisdictions in public works contracting. Accordingly, projects at the macro and micro territorial level were initiated in Istanbul by the IMM. One such project pursued a comprehensive analysis of the metropolitan area of the city in order to measure Istanbul's potential for restructuring, which would be the objective of a forthcoming plan to reconfigure the city's future. The goal was to provide local performance targets and indicators and a central performance management and control system, without which local authorities would not have enough institutional management capacity to carry out new responsibilities.

In this perspective, the Istanbul Metropolitan Planning and Design Centre (IMP) was established in 2005 to enhance inter-departmental collaboration for the purpose of improving the master plan. The financial support received from a public-private partnership affiliated with the IMM was used to establish this center. Although its size has shrunk recently, the center still comprises some 400 scholars, experts and members of municipal bodies, who authored the Istanbul Environment Plan at 1:100,000 scale approved in 2009. Despite the presence of experts, however, decision-making is dominated by populist politics, leading to incomplete and selective outcomes (Erder 2009: 46).

The plan of 2009 set directions of development for the Istanbul metropolitan region which were strongly criticized by organized representatives of civil society. The first to raise

their voice were professional organizations. The Chamber of City Planners within the body of Union of Chambers of Turkish Engineers and Architects in particular expressed serious critique on a series of grounds:

- **density threat:** decisions involved in the plan would have increased density and promoted implementation of development plans at subscales;
- **population control:** the population target set for Istanbul at sixteen million in 2023 by the plan did not seem to be realistic because not addressing significant issues affecting population change;
- **earthquake safety measures:** the plan did not provide any protection measures against earthquakes;
- **need for a third airport:** given that Istanbul Sabiha Gökçen International Airport, Istanbul Ataturk Airport and Tekirdag Corlu Airport were known to have enough passenger capacities to meet future demands, it was not deemed a proper decision in terms of urbanism principles to build a third airport on agricultural and natural areas;
- **cruise ports:** the decision to build cruise ports in Haydarpaşa, Galata, Kartal and Zeytinburnu was deemed to be unconstitutional.

Furthermore, the Union of Chambers of Turkish Engineers and Architects criticized this plan for its tendency to commodifying Istanbul as an area for those rent-seeking global companies. Critique focused in particular on a series of urban transformation projects – such as Galataport, Zeyport and Haydarpaşa – and on investment decisions involved in the new plan. These projects envisioned the transformation of Salıpazarı, Zeytinburnu and Haydarpaşa into cruise ports. The plan defined the coastal areas of these three localities as ‘ports’, specifying that they were to be used as cruise ports. According to critics, this would have destructive effects for Istanbul’s historical, cultural and natural urban environment (Mimarlarodası n.d.).

The Union of Chambers of Turkish Engineers and Architects described Istanbul’s third airport project as far removed from the real issues of city planning and as a project imposed by central government. The Union also criticized the project in that the inclusion of the third airport project in the plan transforms areas in need of protection into centers of attraction for development. Moreover, as the Union stated, very much like in the case of the construction of Istanbul Sabiha Gökçen International Airport, which proved to have detrimental effects on Kurtköy and its surroundings, the third airport project would also cause destructions of the natural environment.

Another important critical argument concerned the 16/9 Towers built in the town of Zeytinburnu. IMM’s approval of the plan to construct the 16/9 Towers in the historical peninsula of the city, included in the World Heritage List of UNESCO, had created much public discontent (Figure 1). In a statement the mayor of Istanbul, Kadir Topbaş, had dismissed critique on this issue, arguing that this was “a detail that arises from carelessness”. This was also criticized by President Erdoğan, who suggested as a solution the destruction of those floors of the towers which directly affected the silhouette of the old historical city. Although the court decision for the demolition of these towers due to irregularities in their construction reached

the final judgment, this court decision was never implemented. The towers, which were not demolished despite the final court decision, gained legal status by benefiting from the zoning amnesty issued in 2018.

Figure 1. Istanbul's historical skyline and Zeytinburnu 16/9 Towers



Source: <http://www.istanbulsahipsizdegil.org/images/stories/galeri/3.jpg> Accessed 09.01.2018

This judicial process was accompanied by a series of civic initiatives, the most important of which was the formation of the platform named *Istanbul Sahipsiz Değil*. The platform started a petition campaign on its official website (Istanbul Sahipsiz Değil n.d.) and articulated their discontent about the construction of the 16/9 Towers. Projects such as the third Bosphorus Bridge and the Northern Marmara Motorway Project have also been strongly contested. Another platform named *Kuzey Ormanları Savunması* (Kuzey Ormanları Savunması n.d.) has in particular articulated public discontent about risks of forest extinction and of alteration of the fauna in the region.

Over time, the directions taken by metropolitan governance in Istanbul which is one of the most rapidly enlarging metropolitan region worldwide increasingly provoked social reactions. In Turkey, citizen-oriented and accountable governance has come to be established through the application of strategic management tools underpinned by New Public Management. This is due to the fact that, in view of the rise of a middle class asking for better life conditions in Turkey, public management has since been held accountable for the effectiveness and efficiency of public policies. In the case of Turkey, with the rise of the party AKP to power in 2002, New Public Management and neo-liberal ideology have become effective in structuring both the country and Istanbul. Accordingly, some legal arrangements had been initiated in 2003 in the wake of New Public Management-oriented reforms for the sake of improving local accountability.

However, in the wake of these reforms and of criticism for New Public Management as the expression of a neo-liberal managerial ideology, the increasing loss of confidence in public enterprises – as suggested by Özer (2005) – prepared the ground for demands for accountability, transparency and civic initiative, as proposed by Demirkaya (2006). Various projects initiated at the provincial level are defined by partnerships between the private sector and the government. However, such projects have started to be criticized by civic initiatives.

Articulated objections concerning disregard for civic initiative and lack of citizen participation in local governments concentrated on Istanbul's urban planning and related development plans. Underlying such reactions were efforts to initiate projects as a source of potential rent-seeking, made possible by the close relations between rising business capital and local politicians. The pace by which changes in planning regulations made developments driven by rent-seeking strategies possible, such as Galataport and 16/9 Towers, and the way they became visible to the public by distorting the silhouette of the city, rapidly triggered public opinion reaction. In this context, the Gezi Park events³ played an important role in the mobilization of civil society in that they were capable of unifying heterogeneous social demands into one voice as a protest against local government's rent-seeking behavior. In this sense, the movement broadened in scale from provincial to national (Özen and Avcı, 2013: 32).⁴

When analyzed from this angle, the Gezi Park events can be considered as a reaction to urban management devoid of local participation and a claim for involvement of civil society as expressed by organizations such as Turkish Industry and Business Association (TÜSIAD) and Turkish Economic and Social Studies Foundation (TESEV).

As a matter of fact, the initiation of projects such as the Hydroelectric Power Plant and urban transformation projects led to the emergence of further civic protest at the local level. Reactions against the Hydroelectric Power Plant project have centered around the privatization of living spaces and the commodification of water. For example, the Second Dam Congress held on February 18, 2014 was severely criticized by environmentalists. Participating companies were contested for their rent-seeking behavior under the guise of urban transformation projects and were labeled as partners of those companies which destroyed the North Forest for the construction of the third Bosphorus Bridge (see Kesfetmek İçin Bak n.d.).

³ The Gezi Park events started on May 27, 2013 as a reaction to the construction of Ottoman artillery barracks in Beyoğlu as a part of Taksim pedestrianization project without the required reconstruction permit though the project is rejected by Cultural and Natural Assets Protection Board and the Istanbul Sixth Administrative Court. Just after construction machines were launched for the demolition, protestors arrived in Gezi Park to demonstrate against the demolition. The police used excessive force against the protestors and the government opposed strongly to the demonstrations. As a result, the movement turned into nation-wide anti-government protests.

⁴ Laclau's concept of social demand is a point of origin for internalizing the dynamics of political and social movements (Laclau 2005, cited in Özen and Avcı 2005: 32–34). Laclau contends that hegemonic rivalries between political powers are very influential in shaping social structures. Accordingly, it is inescapable for a hegemonic system to go through a crisis if it does not meet articulated social demands, which, in turn, leads to social reconstruction. Taking this conceptualization as our starting point, it is possible to contend that a social movement emerges when unmet demands are articulated within the framework of an institutional system, and becomes a mass movement when different social groups are integrated into the process. However, this integration process is not enough to start the movement, one of the social demands should be relocated to the center to be the representative one which needs to become central and gain an overarching role in mobilization, thus making it possible that a diverse participation finds a common means of identification. In other words, a common identity needs to be created (Özen and Avcı, 2013: 32–34).

5. Conclusions

With this article, we tried to analyze the metropolitan administration of Istanbul in terms of economic growth and rent-sharing discussions. Istanbul is one of the fastest growing metropolises in the world and its population has reached sixteen million today. It is also the economic center of the country and produces more than fifty percent of the national income. With this aspect, it has become one of the centers that seek opportunities to live in the national and international arena as a center of attraction. As a matter of fact, in recent years, it has started to receive rich investments from Arab countries, Russia and some Western European countries. Along with rapid growth, concerns that the nature of the city is not protected, its vital resources are used rudely, the distinction between rich and poor has deepened, and that Istanbul has been "betrayed" with projects aimed at obtaining more financial resources has started to be talked about frequently.

In this concluding section, we get back to the developments in Turkish political economy which stand behind the role taken by Istanbul as the spearhead of 'neo-liberal globalization' in Turkey. Globalization, as Teeple (2000) argues, consists of a contradiction between ever-expanding capital and its resultant socio-political formations at the national level. According to this definition, the sovereignty of the nation state poses problems to the dynamics of capital expansion. It is further argued that there are some processes which emerged as a result of neo-liberal policies and which have caused a change in planning approaches and in the actors conducting international affairs. These processes are significant in that they are the result of the prominence of principles propagated by neo-liberal approach to governance unfolded with the effect of globalization (Demirkaya, 2006: 7). The rhetorical stress on local democracy, transparency and freedom of enterprise conveyed by the unfolding neo-liberal doctrine, as suggested by Demirkaya (2006), has been embodied in large-scale public administration reforms. This trend in public administration reform had repercussions for public administration management in Turkey as well as for other parts of the world. Thus, it is important to understand these processes in order to better grasp the movements for change in the public administration in Turkey. Against the background of these developments, it is possible to understand how recent development strategies are backed by a vision of the role of Istanbul and its metropolitan region in a globalized urban network.⁵

⁵ In this respect, it is enlightening to have a closer look at how a report prepared by the IMM in 2005 argues about Istanbul's development against the background of processes of 'neo-liberal globalization.'

According to the information from OECD (2000), cited in the report, new consumption and production patterns brought forward by neo-liberal policies have made urban centers vulnerable to exogenous effects and exposed them to problems that are beyond their jurisdiction (IMM 2005). Metropolitan centers are depicted as the most liable local administrations vulnerable to the effects of globalization. A transformation process has started that turns yesterday's world cities, which integrate national economies with the outside world, into today's global cities (IMM 2005).

As the report further argues, the influx of migrants has turned these global cities into even more cosmopolitan and fragmented social structures, resulting in deepening and diversifying their problems. In such a context, the strengthening of local identity is seen as one of the major tasks of local administrations. The promotion of cultural diversity and cross-cultural dialogue and management of local culture elements set themselves on the agenda of local administrations as issues of top priority (IMM 2005).

In the case of Istanbul, new principles for public management which were driven by materialistic behavior were reflected in the way urban planning and development policies were developed. Big businesses, in their quest for rent, have started to dominate and shape political decision-making process. With regard to the urban renewal of Istanbul metropolitan area, controversial urban planning changes over the Istanbul Environment Plan approved in 2009 can be considered as a result of this rent-seeking (materialistic) behavior at the political level.

Especially some new projects have been seriously criticized by civil society organizations, city planners and environmentalists in terms of the protection of the city's ecosystem. But somehow these projects could be put into practice without delay, without even allowing enough public debate. According to critics, the Marmaray Project, the Third Bridge and Northern Marmara Motorway Project and the Third Airport Project are the three main examples of rent-oriented urban transformation projects. The initiation of such projects met with resistance from civil society. These projects and regulations were thought to open the space for capital expansion which consequently resulted in the destruction of nature. This, in turn, led to demands on the part of people to participate in local decision-making process concerning their living spaces in line with New Public Management principles. From this perspective, recent metropolitan development process of Istanbul positively affected the democratic governance of city as well.

This is because many civil society organizations, which could not prevent enforcement projects, have been beginning to raise awareness about the future of Istanbul. Despite all the criticism, for some, Istanbul has won a more modern look with these projects, which have also solved the traffic congestion. This process is also considered an opportunity for the creation of new settlements and for helping in the fight against unemployment. In particular, such projects have received considerable national support in terms of creating new business areas and attracting international investments. As a result, economic anxiety and expectations can be considered as important factors in the metropolitan growth of Istanbul. The criticism about the protection of Istanbul's ecosystem as much as possible and leaving a more natural landscape and historical heritage for future generations is becoming harder and more pervasive.

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