Changing Dynamics of Regional Policy in Turkey: Resistance for Multi-level Governance?

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Abstract: This article investigates the relationship between Europeanization and regionalization processes in Turkey. In this respect, it analyses the causes and mechanisms encouraging regionalization process during the EU accession process. Findings suggest that while some of the changes are considered as direct effects of Europeanization (i.e., the adoption of NUTS classification), other developments (i.e. the creation of regional development agencies and their role in regional planning and allocation of national funds) are invoked by indirect mechanisms of Europeanization. The findings also illustrate that although the EU’s credibility has declined after 2005 and its regional policy have shifted towards the more centralized model in the post-Lisbon era, developments in these areas in Turkey have gone to opposite directions, more accurately, through the more regionalized model. These changes not only reflect the pre-Lisbon practices of EU regional policy and structural funds underlining a spill-over effect resulting from the dissemination of EU practices and policies, but also contain the spices of Turkish administrative tradition.

Key Words: Europeanization, Multi-Level Governance, EU Regional and Structural Policy, Turkish Regional Policy

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Introduction

The European Union (EU) via its regional policy and structural funds has contributed to the territorial restructuring and to certain extent regionalization in member (and candidate) states in varying degrees. Principally, without suggesting any specific template, the EU's regional policy requires from member (and candidate) states to provide a better territorial management at regional level. This would lead to the eventual empowering of local and regional administrations in order to distribute EU financial incentives and implement regional policies. The link between Europeanization and regionalization has become more visible in the case of Central and Eastern European Countries’ (CEECs) accession rounds. To conform to the EU regional policy, many CEECs have reconstructed their regional levels in conformity with the NUTS classification and created Regional Development Agencies (RDAs) corresponding to each NUTS II levels. 

Considering these developments within the new entrants and applicant states, a burgeoning literature clustered around a general explanation of the transformative powers (or governance effects) of the EU membership conditionality and on examination of what has been changing in accession countries’ regional policy as a result of Europeanization. Because of its official candidate status to the EU since the Helsinki Summit of 1999, such process has not surprisingly affected Turkey. The adoption of NUTS system in 2002 and the creation of two-pilot RDAs in 2006 can be seen as a clear sign of Europeanization affecting the traditional Turkish polity. Although the move towards governance and institution building at subnational level in Turkey has been accelerated after the landslide victory of the Justice and Development Party (AKP, Turkish acronym) in 2002, the link between Europeanization and regionalization has become insignificant in Turkey because of the low credibility of the EU membership after 2005 and the transformation of the financial incentives with the introduction of IPA after 2006. Despite such developments, Ankara has continued with its reform process in the context of regional policy. In so doing, Turkish RDAs did not have any problem involving regional policy process and the management of regional funds provided by the national grants. Against this backdrop, in considering the developments after 2005, this article seeks to explore three empirical questions: how can one best understand the impact of the EU in Turkish regionalization process when there is low membership credibility? If the EU level developments affect the national context, why does Turkey choose to continue with the reform process in this area? And finally, what are the possible resistances for a shift towards the multi-level modality?

The article unfolds in four main sections. The first section defines the EU’s impact in Turkey in the context of regional policy. Then, the following section summarizes the Turkish national context and its previous experiences on regional institutions and policies. The third section analyzes the process of regionalization in Turkey and the role played by the EU conditionality in the aftermath of the Helsinki Summit of 1999. The fourth section seeks to understand the possible resistance for the creation of multi-level modality in Turkey. The final section concludes.

Defining the EU’s Impact: Europeanization of Territorial Politics in Candidate States

During the accession process, the EU governs beyond its territory in a way that the accession states have to comply with the EU requirements through their political, legal and administrative. Although some criticized the insufficient nature of the conditionality principles, it has largely become the central focus of studying the impact of the EU on domestic change especially after the Copenhagen criteria in 1993. Studies, particularly those employ the transformative power of the EU in a taken-for-grantedness tradition, have largely utilized the conditionality literature to examine the direct effects of Europeanization (coercive mechanism), which are largely positivist by nature. Two main reasons usually led those scholars working on EU-candidate relations to concentrate exclusively on downward causation: the asymmetrical nature of conditionality and the
insufficient uploading capacity of candidate states. It may be the reason that Börzel considers that candidates must be Europeanized as a condition not a consequence of membership. This not only mitigates the domestic impact of the EU but also highlights the importance of historical trajectories and the peculiarity of accession process.

The rationalist explanation is somewhat applicable for exploring the link between Europeanization and regionalization in candidate states. In taking the power asymmetry between the EU and applicant states into account, the analysis of the possible factors for the impact of Europeanization in reconfiguring regional governance in accession states often begins with the role played by the EU and its financial incentives. As Bruzst argued, the EU sets the rules governing its structural fund policies, attached positive and negative sanctions to these rules, and played an active role in creating conditions that could improve the chances of participating regional and national players to successfully play a role in the framework of the structural fund programmes. The candidate states are therefore required to comply with the acquis on regional policy.

In fact, on such a fundamental issue, like regional policy, is likely to find a considerable variety of opinions. While some (especially those working on CEECs) may place their emphasis upon the capacities of national level, shaping the course of events, others may pay considerable attention to the extent to which domestic levels are enabled or constrained by form, function, and structure of the EU itself. Yet, by no means, none of which ignore the EU impact on the timing, tempo and substance of change or a critical juncture of change as well as its importance as a source of legitimacy for overcoming domestic opposition. According to Schimmelpfening and Sedelmeier, EU conditionality might be encompassing, but it might not be effective in particular issue areas or countries, and policy or institutional changes in particular issue areas might not be causally related to it. They also argued that conditionality is often used rather loosely in accounts of the EU’s influence on the CEECs, without clear analytical specification, what it entails, and under what conditions it has an impact.

Although the regional policy is one of the biggest avenues for development aid (almost two-third of the EU budget) and seen as the major policy sphere because of its significant implications for the regional economic development of the candidates, there is no specific templates for the regional governance in the EU. The EU regional policies, accordingly, are seen as a guideline for the implementation process and ‘it does not require transposition into national legislation’ and it depends on governments’ decision. The ambiguity of the acquis on regional policy has led most candidate states not to prioritize regional policy in their preparations for accession negotiations causing different practices in the principles of partnership, programming, subsidiarity and additionality. One of the direct results of this ambiguity is that there is no template for how regional governance must look in the member states. However, there are different alternatives for candidate states to find out the best practices of regional governance in member states to emulate or draw a lesson for. As a result, while the EU regional policy adds value to the national policies for regional development by promoting ownership of projects and help with targeting measures, on the other hand this template-free characteristic causes a differentiated effect of Europeanization on this specific policy sphere depending strongly on the domestic context.

Apart from the template-free characteristic of the regional policy, two caveats underline the importance of temporal dimension in the context of regionalization process in Turkey. First, the Commission after 2000 abandoned its previous emphasis on decentralization and instead encouraged the centralized administration of EU assistance by the CEECs in order to ensure the efficient utilization of allocated funds. Even if a certain level of regionalization was promoted in the CEECs from the beginning, the Commission has paradoxically promoted centralization during the accession stages and for the first couple of years after the accession. As Bache noted, the absence of local and regional self-government and the legacy of centralism exerted important institutional barriers for those states. Thus, the Commission tried to reduce political resistance in order to keep the enlargement process on schedule. The EU was extremely worried about transparency in managing the structural funds through regional partners owing to the lack of their
institutional and administrative capacity. As a direct result of this turn in fund management, as seen below, Turkish RDAs are still not able to allocate the EU’s development aid undermining any genuine shift towards regionalization.

The second caveat lies in the nature of Turkish-EU relations. While Turkey appeared to be on the right track and started to progress perfectly towards the accession negotiations between 2002 and 2005, a rather different picture has started to emerge in the subsequent years. Due to the problems that emerged both in Turkey (i.e. the evasion of signing the additional protocol with Cyprus; shift in Turkish foreign policy dimension towards the neighbouring countries) and in the EU (i.e. political behaviour of German and France on Turkey-EU relations; the enlargement fatigue of the EU, and more recently Euro-zone crisis), the accession negotiations have been proceeding slower than expected. As a reaction to such tension in the accession process, public support for the EU membership appeared to have declined by a considerable margin and the Justice and Development Party (AKP, Turkish acronym) government appeared to have lost some of its enthusiasm and its initial reformist zeal. More importantly, a large number of technical issues and standards relating to local and regional administrations are not yet disseminated or encountered to the lower levels due to the reservations on many accession chapters.

Against the above backdrop, the central argument in this article is to focus both on the evolution of domestic level and EU level and examine how these developments in different levels of governments bring about change or shape the outcomes. Such consideration has two points of departure. In terms of regional policy and structural fund regulations (management, appraisal, evaluation, and monitoring), there is a dynamic process involved, meaning that not only national context evolves, but also what is coming down from the EU level changes in the course of time (i.e. the transformation of the EU’s fund management). Hence, if Turkey were in this situation in 20 years ago, it would have had different experiences. Similarly, if Turkey was the same, the EU was different or EU policies, requirements, and experiences were dissimilar. One direct result of this is that timing of accession states intersecting with the EU’s policies is important to explain outcomes, which emphasizes the prominence of temporality. A second, related, assumption is both the EU and Turkey has been evolving in relation to each other. True, a lot of what happens in the EU is not because of Turkey and vice versa. EU policies have been evolving because of the EU dynamics and Turkey’s policies are evolving because of its own dynamics. Yet, there is also another third element, whether two of them evolved together a little bit because of the dialogue between two. In particular, Turkey’s responses whether probably changes because of Turkish dynamics or whether probably changes because of the EU are important. Nonetheless, one can easily presuppose that the evolution of Turkish politics is more influenced by the EU than the evolution of the EU is not because of Turkey as there is an asymmetrical relations and Turkey is not a member state.

At first sight, one may argue that taking an applicant state as an active player is a rather challenging because Turkey, as a would-be-member-state, does not have enough capacity and capability to shape the EU or upload its preferences to the EU level. What is assumed here, on the other hand, does not neglect or undermine the importance of asymmetrical relation between the EU and Turkey but it does address the lack understanding of top-down analysis that simply considers the applicant countries as a passive downloader without taking consideration the importance of domestic context as well as paying enough attention to the other external factors (inter alia IMF, OECD, World Bank, the Council of Europe) apart from the EU. Besides, even if the applicant status of Turkey allows one to focus on the downward causation primarily due to the asymmetric nature of conditionality, the phenomenon of conditionality is insufficiently understood within a narrowly positivist framework whereby EU conditionality is seen as a formal instrument for the transposition of the EU’s rules, norms and institutional templates to the candidate states. In this respect, the idea of EU conditionality includes not only the formal technical requirements on candidates but also the informal pressures arising from the behaviour and perceptions of actors engaged in the political process, offers a deeper understanding of the enlargement process as a dynamic interaction between international incentives and rules and domestic transition factors.
Overall, what is proposed here that pre-existing domestic structures as intermediating variables and internal developments together with other external factors should be considered in tandem with the impact of the EU. However, before going deeper into tracing the causes of domestic change in Turkish governance owing to the EU’s regional and structural policy, let us first examine Turkish administrative system in general and its regional policy in particular before the Helsinki Summit of 1999. This is largely because the motivations behind change or continuity should be accommodated in national histories, institutional and political cultures. Once the power balances and administrative cultures are institutionalized in a given national setting, it is difficult to change it because of the path dependent character of such an administrative system.

Territorial Context and the Legacy of History in the Traditional Turkish Administrative System

A fundamental characteristic of the Turkish administrative system, before it met with the EU accession process during the 2000s, is that it had a lack of regional administrations equaling the NUTS II levels of the EU territorial system. The separation of regions in Turkey depends on their topography and climate conditions without any political reference because the concept of region is often ‘treated as secessionist meaning’\textsuperscript{20}. The fear of separatism in mind, Turkey, with a 780,000 km\textsuperscript{2} territorial area, consists of seven geographical divisions, equal to 81 provinces. With the exception of the authority for the development for the South Eastern Anatolian region (GAP, Turkish acronym) and branches of central units on some regions (i.e. General Directorate of Highways, and of State Hydraulic Works), there were no regional structures outside Ankara until the creation of two pilot regional development agencies (RDAs) in 2006. There was no generally accepted territorial delineation of the Turkish regions, little or no sense of regional identity, no institutional focal point, and thus no defined policy networks (except for highly developed cities particularly in the west part of the country) at the regional level. Because of such misfit between the EU standards and Turkey, the impact of the EU on Turkish administrative system was the greatest, and so did the adaptational pressure\textsuperscript{21}.

The institutional hiatus at the meso-level represented an unusual case compared to other European states of a similar size. With a massive territorial scale, almost 73 million populations, and the deeply rooted interregional disparities, Turkey did not have any experience of decentralization and/or devolution to the regional level, as it had been a case in the most of EU-15 members. One may argue that most of the structural limits of regionalization are to be found in the history of the local and regional problems in Turkey as its administrative system represents an excellent case of unitary states that has been highly centralized, allowing little administrative decentralization. Although it lacked the regional administrations, Turkey has no shortage of local administrations as the territorial administrative system in Turkey consisted of two levels, central and local. The central administration is the core of the administrative organization, both in structural and functional aspects. Local administrations in Turkey comprise 81 provinces, 30 large metropolitan municipalities and 2951 smaller municipalities. All these local units exist alongside the field units of central government.

Such characteristics of the Turkish administrative system displays close parallels with Napoleonic state tradition\textsuperscript{22}. It also contains various cultural elements of southern Europe societies in terms of clientelism, patronage, and weak civil society\textsuperscript{23}, forming societal and institutional memory among provincial administrations. In this respect, from the institutionalist perspective, there is a clear continuity between the late Ottoman period and the early Republican time about the local administration understanding and the economic and political problems regarding the division of powers between central and local levels\textsuperscript{24}. This is evidenced in the establishment of an administrative tutelage over the local government. The tutelage in question was exercised over their decisions, transactions, composition, and personnel\textsuperscript{25}. Since rational consideration deriving from the bureaucratic code of the late Ottoman Empire was that the centre had to be as strong as possible partly against the periphery, that is to say, the provinces, before
everything else. This rational consideration regarding the strong centralism is not only a tradition that has been inherited from the Ottoman Empire, but it has also been developed and enhanced by the bureaucratic and military elites within the republican administrations during the consolidation of the nation state after 1923.

Strong central control at the local level surely suited the political context of the time and issues like the modernization of local administration, development of local democracy and the local capacity did not have major priority for the state elites. By the 1940s, Turkey strove for an industrialization process under a central system. Both state norms and approaches to economic development in the new Republic resulted in a centralized governance system. By the end of this period, transition from single party system to multi-party system (in 1946) and rapid urbanization in some parts of Turkey as a result of industrialization and technological developments in agriculture sector necessitated the re-evaluation of intergovernmental relations, the division of labour and the redistribution of resources between central administrations and local administrations. Simultaneously, whereas the bureaucratic elites or ‘bureaucratic ruling tradition’, were losing their power, the party-dominated polity became paramount in Turkish governance. This was, however, unstable as was evident in the 1960, 1971, and 1980 military interventions. In the wake of the multi-party era, the military as an ardent guardian of Kemalist ideology and republican values had filled power vacuum left by the so-called bureaucratic ruling elites. It is here sufficient to remark that whenever political elites, irrespective of their ideology, embarked on undertaking the substantial reforms in Turkey, i.e. democratization, human rights, local administration reforms, and regionalization, they had to consider the resistance exerted by this Kemalist ideology and Republican values consisting the strong veto points. The most recent example for this resistance, albeit its importance diminished in the subsequent years, emerged during the substantive public administration reforms and particularly the creation of RDAs in Turkey between 2004 and 2006 (see below).

Oddly enough, despite the lack of regional institutions (except for the GAP) for a number of years, Turkey did have a tradition of regional policy unlike most of the CEECs. Since the so-called planned era started in 1960, regional development policies and targets based on sectoralist approach and public incentives used to be determined under the five year national programmes, which were a centrally development model. In such a regional development model, certain sectors were encouraged without any spatial consideration of regional or sub-regional dimensions. Dulupçu argued that the regional issues in these plans reflect ‘one-size-fits-all atomistic understanding’. Within which these regional plans were implemented by the traditional incentive programmes, especially in the certain Priority Regions for Development (PRD), in order to attract capital and firms to the lagging regions. These policies did not produce development for regions because of clientelist consideration for the selection of PRDs, insufficient use of public funds, and so forth. Furthermore, the service in charge of regional policy had very few people (25 officials) and no representatives in the regions.

During the planned era, some regional plans were developed by the State Planning Organization (now, the Ministry of Development) on an ad hoc basis. Furthermore, the first-five year development plan (1963-1967) underlined a need for regional units in between centre and local government to develop regional plans. These plans and regional arrangements were never realized because of the fear of separatism. Next to this, the unstable economic and political environment in Turkey as well as insufficient experts and data in regions deteriorated the problem even more. For officials from the Ministry of Development, the real problem was finding proper institutions to devolve this responsibility and to ensure that these institutions are able to control regional plans without politicization and direct national funds free of corruption. This highlights the ownership problem within the subnational level, i.e., who is going to control this process; and the extent to which these institutions become independent from the centre. To this end, the domestic political as well as lack of institutional culture is considered another problem for the regionalization in general and the creation of regional arrangements in particular.

Next to the regional development plans, various administrative reforms and research projects were conducted during the periods between 1950s and 1990s in order to improve and
enhance administrative systems and local government and to tackle the problems that local administrations encounter. Yet, due to the lack of political support, unstable coalition governments, economic crises (in 1994, 2001) and three military interventions (in 1960, 1971, 1980), some of these aforementioned programmes and reform packages could not be able to bring about a considerable change. The common concern of these reforms was, however, to restructure central administrations rather than cope with the local administrative structures. Particularly, after 1980s, restructuring the administrative system was on the agenda but the protection of the national unity towards the rising face of political Islam and ethnic separatism were the crucial aspects of Turkish political life. Yet, steps towards the neo-liberalization and democratization were advanced by the ever-growing relations with variety of international organizations, chiefly, the European Union, the Council of Europe, and the International Monetary Fund. Such transformation in state and adaptation to the globalization in general and Europeanization in particular have caused certain economic and political crisis because of the unstable coalition governments. The economic crisis of 2001 can be given as the most recent and devastating example for such crises, which brought about certain changes to Turkish domestic arena. In corollary of the Economic Crisis of 2001, Turkey has confronted dual pressure not only from international factors (inter alia, IMF-Stand by Agreements, OECD Sigma Report) mainly led by the EU conditionality, but also from the growing acceptance of regional policy failure in some part of the bureaucracy.

To sum up, pressure for regionalisation has thus come from two directions. Externally there has been the EU imperative regarding the need to establish the institutions necessary to administer the acquis at a national level and to effectively participate in EU regional development programmes at the regional level. Internal pressures arise through the increasing recognition of the emergence of regional development disparities as the transition process unfolds.

The Creation of Regional Development Agencies and Relevant Administrative Reforms

This is not an all-encompassing study to rehearse the debate on how much change the EU has caused in the regionalization and decentralization process in Turkey as it has been done successfully elsewhere. However, the nuance here is that the most recent administrative reforms and restructuring of the administrative system gained momentum through the EU accession process as it has provided an important stimuli and source of legitimacy to transform the Turkish administrative system. The move towards governance and institution building at subnational level was therefore accelerated after the Helsinki Summit of 1999. The majority of interview participants suggest that the EU, albeit the most dominant actor, was not exclusively responsible for the process of change in Turkish governance.

Interview findings revealed that several factors have facilitated this process and provided perfect timing and scope for change(s) in the dynamics of intergovernmental relations in Turkey. These factors include the impact of other international organizations (IMF, OECD, World Bank, and the Council of Europe) and internal developments (dissatisfaction with existing policy, the success of single party government, the result of the economic crisis of 2001, and learning among state bureaucrats). It is, consequently, extremely difficult to address the counterfactual question of the degree to which territorial relations in Turkey would have changed in the absence of the EU impact. One may still argue that there is a considerable impact of Europeanization on the timing and tempo of the reform process by providing the necessary legitimization for the reformist Justice and Development Party (AKP) government.

The adoption of the NUTS system in 2002 and the gradual creation of RDAs corresponding to 26 NUTS II regions after 2006 may be seen as a clear sign of Europeanization affecting the traditional Turkish polity. According to its organic law (Law No.5549), RDAs consist of a decision-making body, which is composed of representatives of local administrations in each province (provincial assemblies and municipalities) and chambers of commerce and/or
industry, and headed by provincial governors. In the metropolitan regions, such as Istanbul, Izmir and Ankara, the decision body also includes representatives from non-governmental organizations and/or the private sector. Development Councils consist of 100 representatives from public and private sectors and civil society institutions. Their roles are simply consultative.

Given its role for bringing the representatives from public-private-third sectors together in one single administration, each RDA, at least in theory, is potentially a unique structure where the appointed-elected, central-local and public-private-civilian actors may work together and define and implement public policies at a regional level. RDAs formulate regional programmes, through participation with stakeholders but subject to approval by the Ministry of Development. National funds for regional development are allocated to every region regularly on an annual basis for the first time. These are spent according to a grant scheme (implemented through call for proposals) administered by RDAs. Monitoring of the grant scheme is conducted jointly by the Ministry of Development and RDAs.

While the EU’s regional policy, in the sense of the implementation of regional policies and management of structural funds, has shifted towards the more centralized model in the post-Lisbon era, developments in these areas in Turkey have gone in the opposite direction; more accurately, through the more decentralized model. Regarding decentralization and devolution especially in terms of participation of local administrations into the regional policy-making process as well as into the management of distribution of national funds, RDAs have gained important access to the policy-making process. These changes, however, reflect the pre-Lisbon practices of EU regional policy and structural funds. This is largely because the learning process among bureaucrats at the Ministry of Development led them to implement the preferences of the EU, even if it has shifted towards a more centralized model. The transformation of national fund distributions resulting from the dissemination of EU practices also suggests that there is a trend towards the creation of multi-level modality in Turkey.

Within the context of multi-level modality, RDAs are expected to organize functional interests of the targeted regions to facilitate endogenous development (Law No. 5549) and to play a critical role in; income effect, growth effect, mobility effect, human capital effect, institutional capacity effect, synergy effect, and finally awareness effect (ibid). This is done by providing political insulation, transparency, accountability, participation, and dynamism for regional policy. These tasks rhetorically seem appropriate to the aim of EU’s regional policy. Yet, in practice, there are enormous doubts on the future trajectory of RDAs and their contribution to the regionalization process in Turkey (discussed below).

One should also stress that whilst the AKP government provided support for the regionalization agenda, the kind of reforms they cherished most were in the realm of public administration. In the post-2002 era, a large vote differential combined with highly concentrated government was seen as a recipe for regional reform that maximizes political benefits for one dominant political actor. Besides, unlike the previous coalition government’s futile efforts, the AKP government declared itself as ‘a reform government’ and explicitly stated its will in realizing a comprehensive reform package covering reforms on a broad range of issues and sectors. For instance, in the 58th, 59th and 60th government programmes, covering the period of 2002 to 2011, the AKP was adamantly arguing for comprehensive administrative reforms and decentralization.

As a solution to overcoming a centralist and solid hierarchical structure as well as empowering local administrations, both government programmes and the relevant reports prepared by the AKP elites have put considerable emphasis on the prominence of the ‘European Charter of Local Self-Government’ and ‘the principles of subsidiarity’. All these endeavours came into existence in a comprehensive reform package called ‘the Law on Basic Principles and Restructuring of Public Administration’. It aimed to apply the basic principles of ‘new public management’ such as participation, accountability, effectiveness and simplicity in bureaucratic transactions. Additionally, it aimed to introduce the principle of subsidiarity into the Turkish administrative system in order to redesign the powers and responsibilities of the central and local
administrative structures and central and local relations by giving more weight to the latter. The early signs of Europeanization of Turkish local government were already seen regarding the common principles of local government across the Union.

The draft law undoubtedly signalled a radical change and transformation in the administrative structure, offering the framework and the instruments for the achievement of better governance and constituting a major step towards Turkey’s EU accession process. However, unlike regional policy, the EU did not directly target the public administration system in Turkey, though through the OECD/SIGMA (Support for the Improvement of Governance in Management of Administration) programme one may see the subtle effect of the EU. As Koçak mentions, the EU has played a more indirect role in Turkey’s administrative reform through the compatibility of its membership conditions. It has generally encouraged decentralization with those of the more detailed and precise conditions of the IMF and the World Bank in return for providing Turkey with credit. Furthermore, in the context of subsidiarity, the European Charter on Self-local Government was primarily employed during the preparation of reform packages in a benchmarking manner.

The draft law was, however, vetoed by the former President, Ahmet Necdet Sezer, on the condition that it was in breach of the constitution as it proposed limiting the powers and responsibilities of the centre and offering extended powers to the local administrations; weakening the organizational and functional features of the central administration, and violating deconcentration and administrative tutelage principles. As a tactical manoeuvre, rather than bringing the same draft Law to the Parliament, the AKP government divided it into different parts such as a law on Metropolitan Municipalities, a law on Municipalities and a law on the Special Provinces. These reforms attempted to strengthen the capacity of local administrations and devolve some competences to the lower territorial tiers. In summary, after the Helsinki Summit of 1999, there has been a meaningful change in traditional Turkish governance, though in the context of decentralization and regionalization, large ambiguities remain. The next section explores them as they have potential limits on the creation of multi-level modality in Turkey.

**Limits on Multi-Level Modality in Turkey**

Considering the power shifts towards the lower territorial tiers, Turkey represents an apparent paradox when one compares it to EU standards due to its long-lasting centralist history. Given the importance of temporality and the domestic context, this part examines various restrictions on the way to decentralization and regionalization processes in Turkey and other obstacles derived from the EU context. The first obstacle concerns the territorial organization of state and the nature of decentralization and regionalization. The second lies in the underachievement of the reform because of political reasons (i.e. presidential veto and the shift in AKP government’s stance). Finally, there are also structural changes in the EU context, underscoring the importance of temporality.

**Regionalization without Regions and Provincialism versus Regionalism**

Prior to the Helsinki Summit of 1999, the tradition of regions had not been formed yet, and it has not become a determining point. Such an institutional lacuna on a subnational level constituted a major misfit for EU standards. The fact that regions do not formally exist is probably one of the reasons why regionalization has been one of the most prolonged and intense debates in the history of the Turkish administrative system. In fact, before the EU accession process, there were attempts to merge some provinces in order to create larger and manageable units for the revival of regional dynamics. These would have fostered local and regional governance, and revitalized
associational culture in the respective territories. The common consideration, however, was that
the enlargement of provinces may lead to a situation whereby a province is completely inhabited
by ethnic groups, which would jeopardize the unity and security of the nation. Besides, as Dodd
emphasized, ‘strong provincial governors are not a problem but an over mighty regional governor
could become one’. To avoid this type of danger, it was suggested that there should not be a
regional governor, but a committee of provincial governors in each region to act as a coordinating
authority for the provinces in the region. In the current situation, governors play a critical role in
the executive committee of RDAs. One may interpret this as the centre desiring to keep at arm’s
length the relationship with the newly formed regional arrangements by appointing governors in
charge of the Executive Committees in RDAs.

Problems are not only confined to the administrative management of and decision-making
process for RDAs. During the very creation of RDAs, neither the Ministry of Development nor
the State Institute of Statistics consulted with any local/regional stakeholders on the design of the
regional setting. The selection of the provinces to host the RDAs was not clear and the process
was not sufficiently transparent. The problem of creating coordination and transparency at the
very beginning of the establishment of RDAs has cast enormous doubts on their future trajectory
and contribution to the regionalization process in Turkey. Furthermore, in considering the
administrative and financial structure along with the decision-making procedure, the majority of
interview participants consider RDAs as the decentralized arms of the state for several reasons.
First, the governor, as a paid official, is the chairperson of the administrative board. Second, the
appointment of Secretary General is subject to the decision of the Council of Ministers. Third,
decisions for the regional development policy and distribution of the national funds taken by
regional stakeholders must be approved by the Ministry of Development. Finally, RDAs
substantially depend on the national budget. Regarding alternative financial sources, it is
sufficient to note here that RDAs have not been accredited as an operational body for the
distribution of EU financial incentives.

In light of the above and taking a comparative perspective, the creation and management of
RDAs and the successive reforms that gave birth to it seemed to be the perfect example of what
Keating called ‘administrative and technocratic regionalization’. In this sort of regionalization,
the process is depoliticized and there is no link to class interests. Hence, the regionalization
process is linked to the development of planning, which may be considered a response to the EU
accession process and the existing policy failure. This also represents an excellent example of
regionalization without regions. Therefore, unlike several RDAs in the EU that are legally,
administratively, historically, and financially well-entrenched in their respective domestic
settings, RDAs have restricted abilities because of their bureaucratic and top-down nature.

Many interview participants believed that the creation and adaptation of RDAs to
traditional Turkish governance is a dynamic process seizing two distinct features. First, the
process may not only be progressive, but may well be regressive. This is because national
governments have a right to close RDAs (as in the case of the UK) if they are not happy with their
progress or because of other political considerations. This creates a legitimacy issue for the future
of RDAs. Second, dynamism also entails a learning process. A number of interview participants
commonly pointed out that the RDAs have advanced their functions in learning by doing manner.
They, indeed, have often benchmarked from their equivalent in the EU arena. Overall, RDAs are still at a formative stage of development and thus it is too early to speculate
about their effectiveness and contribution to the regional development as well as to the creation of
multi-level modality in Turkey. Apart from the two pilot RDAs, Izmir and Çukurova, which were
established in 2006, the foundation of these regional institutions is a recent phenomenon as the
remainder only started operating after 2008 and 2009. Once their institutionalization process has
been accomplished, they are potentially expected to mediate different interests between national
and local administrations in order for the latter’s favour.

Interview participants in different cities commonly considered that RDAs are not a
panacea for the entire historical and chronic problems of local and regional problems in Turkey.
These problems, such as the insufficiency of economic resources and human resources are at the
local level: the low level of social capital in the regions; the lack or partial experience of local governance; and mistrust among actors and/or institutions involved in the governance process. Here, one of the critical issues is to mediate overlapping local agendas among the stakeholders. Yet the management and implementation of regional policies and the division of responsibilities between state and non-state agencies have resulted in further complications at the subnational level as chambers of commerce, municipalities, governorships and special provincial administrations have vied for leading roles for the RDAs. To this complex institutional map at subnational level, one should also add the party political differences. As a result, RDAs may not immediately be a remedy for the chronic problems and it may be difficult for them to gather regional wherewithal for the political, cultural and economic aspirations on the EU level.

Another issue, particularly in the context of overlapping local agendas, is the importance of provincialism versus regionalism. This calls attention to the strong path dependency nature of Turkish governance inherited from the long Ottoman-Turkish tradition. For historical, political and institutional reasons, politics in Turkey has long been focused on the national and provincial levels, with very little in between. As a result, the strong path dependency for provincialism has been developed. Apart from RDAs in Istanbul, Ankara and Izmir, the rest is an example of polycentric city regions ranging from two to six cities. The experiences of the CEECs suggest that the lack of equivalence between the majority of RDAs and the provinces will lead to incoherence in the articulation of common regional interests. This was highlighted numerous times in the interviews in Turkey. An example was given by an interview participant. For him:

‘[...] there is a role for RDAs to create regional awareness and provide competition for the regional development in their hinterland. However, there has been a provincial system for a long time. It is really difficult to change this. The competition among cities within the same RDA persists. There is no sense of a region. The adaptation of RDAs to the existing system is a dynamic one and we are still at the beginning of the institutionalization process. Unfortunately, we may not quite succeed in making cities think and act together’.

To sum up, while the purpose of this article is not to assess the general implications of regionalization or decentralization, the establishment of RDAs is an important part of the shift towards multi-level modality. Therefore, by exploring the potential value of the agencies as organizing interests on subnational level, the article helps to understand the likely outcomes of a broader trend.

**Party Politics and Economic Deficiency of Local and Regional Administrations**

The EU has constituted a source of legitimacy for the incumbent government to undertake the necessary reform in the field of public administration and regional policy. However, the reforms remained limited because of the Presidential veto as well as of the low credibility of the EU accession process. The rationales for the AKP government to comply with EU requirements with regard to regional reforms vary. As Ertugal argues, there are two key explanations. The first is the powerful incentive of EU membership, having access to the material and social benefits offered by the EU. The second is that the aims of EU induced reforms are compatible with the ideology of the AKP. The incumbent government, rooted in ‘a conservative democratic’ background, does not share the same state ideology with the former President, the military and large sections of the bureaucracy. Given that several politicians within the AKP government have local administration experience (including the PM Erdoğan as he was the former mayor of the Istanbul metropolitan city), one may contemplate the incumbent government’s favouritism towards the local administrations.
More importantly, one may argue that the AKP does not share the same sensitivities as the state elites about the relationship between decentralization and threats to the territorial integrity of the country\textsuperscript{69}. This is considered as the most significant setback for decentralization or regionalization. Accordingly, the EU accession process as a source of legitimacy may be used mainly by the political elites vis-à-vis the existing veto players in the Turkish political system (e.g. President and main opposition party) in order to fulfil the EU’s demand in terms of regional policy and structural funds. Above all else, for such sensitive issues like local administrations, democracy and human rights, as Börzel and Soyaltın mention, Europeanization appears to be the most effectual mechanism where domestic policy choices, e.g. to roll back the Kemalist legacy, align with the EU demands for change; and expressing dissatisfaction with previous policy failures drives domestic policy-makers to search for new policies that the EU may provide\textsuperscript{70}. Likewise, as Önüş emphasizes, the AKP considered the EU as a necessary safeguard to protect itself against the hard-core Republicanist or secularist establishment in the sphere of domestic politics\textsuperscript{71}.

Although there seemed to be a fertile ground for decentralization and regionalization in the aftermath of the disappearance of strong veto players in 2008, the AKP government has conducted a policy of deconcentration. It has accordingly created patronage by expanding institutional structures (e.g. the creation of RDAs) and redesigning local administrations (e.g. the reform for Special Provincial Administration), rather than fully decentralized local or regional administrations. A think-tank organization in Ankara questioned this erratic behaviour of the AKP by describing it as ‘One Step Forward, Two Steps Backward in Decentralization’\textsuperscript{72}.

A number of interview participants during the fieldwork suggest two essential reasons for such a regressive shift in decentralization rhetoric of the incumbent government post-2005. The first and foremost reason lies in the legacy of history, particularly in the context of the antagonistic relations of centre-periphery and the enthusiasm of paid officials (i.e. governors or bureaucrats in central institutions) towards the administrative tutelage. Relating to the first point, the patron-client logic of the AKP government may not challenge some of the powerful opposition metropolitan municipalities (inter alia, İzmir, Antalya, Eskisehir, Adana and Diyarbakir), unless they re-centralize some of the devolved competences. In summary, since the Helsinki Summit of 1999, while there were periods of significant reforms in the context of public and local administrations, the overall Turkish administrative framework fundamentally remained in place.

Apart from the political drawbacks, the urgent issues dwell in the lack of financial capacity of local administrations in Turkey. As an example, the budget of RDAs (average €20.8 million per each RDA)\textsuperscript{73} is not sufficient for fulfilling their objectives. This was largely highlighted by the various interview participants irrespective of their professional expertise. The lack of financial resources is in fact a chronic problem for local administrations in Turkey. In his legal appraisal based study on the local reforms in Turkey in 2005, Marcou noted that:

\texttt{Local finance is the weak side of the administrative reform. At present, the share of own revenues in the budgets of municipalities and of Special Provincial Administrations (SPAs) is very low, and there is no local tax power. Local administration expenditure is in Turkey around 10% of consolidated budget and 4% of GDP, three quarters of which by municipalities, the rest by SPAs. This is rather low compared to other European countries, but not the lowest. This percentage has been stable for ten years, with peak close to 5% between 1999 and 2001.\textsuperscript{74}}

Statistically, in their comparative analysis of Turkey and OECD Countries between 1998 and 2004, Ulusoy and Akdemir revealed that the ratio of local administration revenue in the entire public revenue is 12.97%, while the similar ratio of the average OECD countries is 25.36%\textsuperscript{75}. However, restrictions on the process of regionalization on the whole and shift towards multi-level modality in particular are not only confined to the national context. Changes in the EU context
certainly affect the motivations of SNAs and their interest in EU matters. During the fieldwork, it transpired that certain caveats derived from the EU context have correspondingly undermined the creation of the multi-level modality in Turkey.

The Limits of Europeanization in Actual Practice in Turkey

The impact of Europeanization on the Turkish national context has gradually evolved over the course of time. This has often resulted in the limitations of Europeanization in actual practice in Turkey. This mainly because one of the departure points for the multi-level governance approach is the existence of overlapping competencies among multiple levels of political actors across those levels. Because of several unopened and blocked chapters related to local and regional administrations, one may argue that the EU impact on local and regional administrations in Turkey has remained incomplete in a number of policy areas.

With the launch of IPA, the Commission has followed the centralization of power narrative in order to ensure the efficient utilization of allocated funds in applicant states. By giving such a mixed signal, the national governments in applicant states have strengthened their gatekeeping role during the management of IPA funds. Besides, more recently, they have started to extend the gatekeeping role during the implementation of international funds that certain local and regional administrations gained mainly from the EU level institutions. The immediate reaction of the centre was to control the funds that originated from the EU under the auspices of the Committee of Inspection under the Prime Ministry (Circular No. 2011/15). The incumbent government has become more concerned with the direct relation of opposition municipalities with the international organizations. This situation was mostly covered by the Turkish Media as the ‘German Foundation File’. PM Erdoğan publicly criticized activities by a German foundation, ‘without naming it, claiming it was signing business agreements with municipalities run by the main opposition Republican People’s Party and Peace and Democracy Party though it claimed to be a foundation’. It was repeatedly reported during the interviews in Ankara that the EU deliberately subsidizes and visits the southeast part of Turkey because the majority of Kurds live there. By denying such claims, the officials from DG Regio explained that ‘the basic logic behind the geographical coverage of the fund allocation is that the southeast regions satisfy the eligibility criteria of Objective 1 as they are under the 75 per cent threshold. This is the rule of the game and it is not specific for Turkey’.

With regard to the evolution of the partnership principle, Turkish RDAs are not able to allocate the EU’s development aid reducing the direct interplay between the Commission and RDAs. Because of this direct relation, many local and regional administrations in Europe started to have a presence in Brussels through liaison offices or interregional networks. In this respect, there is no institutionalized channel, or better to say access point, for subnational mobilisation for Turkish subnational administrations in Brussels and they are considered as an outsider to EU politics.

There is a further problem deriving from the changing nature of the partnership principle. To illustrate, in the 2004-2006 period, Plan and Implementation Units (PIUs) were composed of only (centrally appointed) provincial governors and (locally elected) provincial assemblies with (locally elected) municipalities. In the IPA regulation, this was replaced with a Sectoral Monitoring Committee (SMC) of each OP. These SMCs, which are the only institutional channels for local and regional administrations to participate in EU fund management, include representatives not only from social and economic partners, but also from provincial governors, chambers of industry/commerce and universities on a rotating basis. The extension of the partnership horizontally through the other societal partners may undermine the privileged role of regional and local authorities. This is, indeed, one of the biggest problems in Turkey because of the overlapping local agendas at subnational levels. Such an overlapping local agenda is a particular obstacle for the RDAs to aggregate regional interests.
The insufficient financial incentives provided by the EU were also repeatedly criticized by a number of civil servants in Ankara. They commonly reported that, given Turkey’s population and geographical size, the deeply rooted problems in economic and social cohesion, and its capacity to develop programmes and projects towards solving these problems, financial assistance by the EU is extremely limited. As Ertugal argues, because of the fact that the budget for structural policies is not going to increase significantly in the next programming period of 2014-2020, the EU does not have enough incentive to exert informal pressure in this policy area. This point was raised several times during the interviews with state and non-state elites in Ankara. For example, an expert from the Development Bank reported that: ‘the Commission is not willing to allocate massive resources to Turkey, given its size and population. It is for this reason that the EU takes things slower than other accession states, which undermines the on-going decentralization process in Turkey.”

Conclusion

This article focused specifically on the interplay between the EU and Turkey with regard to regional policy and financial incentives. A link between the EU’s active (formal sphere of conditionality) and passive leverage and their impact on the Turkish domestic reform process may be captured within the context of Europeanization. It is largely true that a process of change in territorial relations in Turkey is fundamentally driven by endogenous factors, whose precise form and timing are intricately linked with the launch of Turkey’s accession process. While the adoption of the NUTS system in 2002 and the gradual creation of RDAs corresponding to 26 NUTS II regions after 2006 may be seen as clear examples of legal and institutional changes affecting traditional Turkish polity, national dynamics in terms of party politics and dissatisfaction for the existing policies, on the other hand, were significantly affected by the degree and outcome of this process. Although changes in the dynamics of traditional territorial relations as well as the transformation of national incentive mechanism for regional policy fit the traditional Turkish administrative system, changes remain a good example of spill-over effect mirroring the EU practices.

Turkey, albeit not identical, displays some resemblances with the other previous and incumbent candidate states in terms of a legacy of strong statism, the weakness in democratic traditions, the absence of strong civil society and regional administration, and the bureaucratic centralist tradition. This suggests that it has faced the similar difficulty of its institutionalized administrative culture and so had the similar adaptational pressure deriving from the EU accession process. Yet, the Turkish case also holds crucial deviations both historically and in terms of its current situation, such as the lower credibility of the EU membership and the evolution of EU’s incentive mechanisms over the years. More importantly, the continuation of the so-called ‘Kurdish Problem’, viz. the demands of the people of Kurdish ethnic origin populated in the southeast part of Turkey amounting to a kind of federalism/autonomy, and the existence of the interest clashes between some municipalities and the central administrations have remained crucial setbacks for Ankara to exert red-lines on various issues in its regionalization rhetoric. Under such conditions, one can easily predict that the reform process in the context of regionalization and decentralization has been progressed in line with the Ankara’s standpoint but such transformations mirroring the EU’s norms, standards, and regulations. Overall, because of certain restrictions derived from the national context and caveats dependent on the EU context, one may hardly speak of any genuine shift from a centralized/hierarchical structure to a multi-level modality.
Notes

1 James Hughes, Gwendolyn Sasse and Claire Gordon Europeanization and Regionalization in the EU’s Enlargement to Central and Eastern Europe: the Myth of Conditionality, (Basingstoke: Palgrave Macmillan, 1994).
4 Hughes, Sasse and Gordon, Europeanization and Regionalization,
5 Grabbe, How does Europeanization, Sedelmeier, Europeanization in Member States
6 Börzel, the Transformative Power
10 Schimmelfennin and Sedelmeier, the Europeanization of Central and Eastern Europe, p.3
17 Only one chapter, Science and Technology, has been so far closed. Twelve Chapters are open but still under the observation. Two Chapters were invited to present and Turkey has presented its negotiation position. Eight chapters are reserved as the additional protocol with Cyprus is the opening criterion for these chapters. 10 chapters are still being discussed in the Council.
18 Hughes, Sasse and Gordon, Europeanization and Regionalization
19 Hughes, Sasse and Gordon, Europeanization and Regionalization
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28 Çelenk, *Europeanization and Administrative Reform*, p. 99
30 Korel Göymen, *Türkiye’de Yerel Yönetişim ve Yerel Kalkınma* (Local Governance and Local Development in Turkey), (İstanbul: Boyut Yayın Grubu, 2010).
32 Kemalism, an ideology of reform named after Mustafa Kemal Atatürk, the former chairperson of Turkish Grand National Assembly and the first President (1923-1938) of the new state that embraced positivism, nationalist and solidarity components of statist-centrist thought of the previous decade. For further details see N. Şeker ‘Vision of Modernity in the Early Turkish Republic: An Overview’, *HAOL*, Vol. 14 (2007).
36 Examples of these administrative reforms as follow: Neumark Report (1949); Barker Report (1950); Martin and Cush Report (1951); MEHTAP (1960); the Report of the Administrative Reform Consultation Board (1971); KAYA (1990). Furthermore, nine development plans have until now prepared by the SPO since its establishment in 1960.
37 Çelenk, *Europeanization and Administrative Reform* 38 Heper, *Introduction*
40 The response from one interviewee is a good example of the general view of the majority of interviewees for the question of what is (are) the most important factor(s) that is/are responsible for the change in Turkish regional policy over the last decade. The respondent stated, ‘it is impossible to assign only one factor to explain the entire change in the Turkish regional policy […] we are not living in an isolated world. Factors for change are not independent from each other as everything interacts. However, the best we can do is to categorize what are the more dominant factors and what are the lesser ones in this interaction’ (Interview: EU Team Players in Turkey, Department of Political Science and Public Administration, Süleyman Demirel University, Isparta, (31.03. 2011).
43 Ebru Ertugal, *Institutional Change and Europeanization*
44 See for instance, Ertugal, *Multi-Level Governance and Europeanization in Turkey*
In the beginning of 2003, as an extension of AKP’s promises, a series of official reports regarding a comprehensive reform package were produced by the Public Administration Basic Legislation Working Group. One of the most important reports prepared by this group was ‘Change in the Administration for Managing the Change’. This report pointed at the strong central tutelage over the local administrations as well as lack financial capabilities of SNAs. This report was conducted by one of the most important AKP proponents, Prof Dr Ömer Dincer, while he was a head consultant for the Prime Minister, in 2003.


Koçak, Europeanization of Turkish Regional Policy, p. 114


Güney and Çelenk, Europeanization and the Dilemma of Decentralization

Interview: EU team player in Turkey, Department of Political Science and Public Administration Sabancı University, Istanbul, (16.11.2011).


Dodd, Aspects of the Turkish State, p. 260

Dodd, Aspects of the Turkish State, p. 261

Dulupçu, Regionalization for Turkey, p. 105


Interviews: EU Team Player in Turkey, Department of Political Science and Public Administration, Süleyman Demirel University, Isparta, (31.03. 2011) and EU team player in Turkey, Department of Political Science and Public Administration Sabancı University, Istanbul, (16.11.2011).


For instance, during the creation of two pilot RDAs in Turkey, Italian experts have been consulted by both national and regional actors in Turkey (see Young-Hyman, 2009). Also, interview findings with the civil servants in the Ministry of Development suggest that English RDAs were taken as an example, given Turkey’s administrative closeness with England.

Dulupçu, Regionalization for Turkey


Young-Hyman, the Potential for Effective Regional Development Agencies in Turkey, p. 389

Interview: EU Team Player in Turkey, Department of Political Science and Public Administration, Süleyman Demirel University, Isparta, (31.03. 2011).

Ertugal, Europeanization of Regional Policy and Regional Governance

This expression is stated in the AKP’s 59th Government Programme, which was declared by the Prime Minister Recep Tayyip Erdoğan in Turkish Grand National Assembly in 18 March 2002. Yet many scholars usually name the AKP as Islamic Democrat or Muslim Democrat Party.

For instance, in one of his speeches, PM Erdoğan publicly explained that ‘a state cannot be built upon fears’. (for the detail about this speech, see the following links, http://www.posta.com.tr/siyaset/HaberDetay/Erdogan--Korku-uzerine-ulke-insa-edilemez.htm?ArticleID=8633).

Börzel and Soyaltın, Europeanization in Turkey

Öniş, Turkey’s Encounters with the New Europe

Emre Koynucu and S. Sertesen ‘Yerelleşmede Bir İleri Bir Geri (One Step Forward, Two Steps Backward in Decentralization)’, TEPAV Policy Briefing, Ankara, February 2012.

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A total budget of nearly €125 million has been earmarked for the development agencies in the 2009 national budget (see CEC, 2009). The average allocation is about 20.8 million Euros.


This is one example showing Ankara’s sensitivity, ‘Turkey: PM Erdoğan calls for probe into ties with German foundations’ http://www.businessturkeytoday.com/turkey-pm-erdogan-calls-for-probe-into-ties-with-german-foundations.html, (accessed on 30th August 2012).


Interviews: DG Regio, (IPA Programme Managers), (Turkey Desk Officers), Brussels, (18.06.2012) and Deputy Head of Unit, IPA/ISPA, Accession Negotiations Team, DG Regio, Brussels (21.06.2012).

Carolyn Moore, Regional Representation in the EU: Between Diplomacy and Interest Mediation (Houndmills, Basingstoke: Palgrave Macmillan, 2011).

When compared to the level of pre-accession funding for the CEECs, the ratio of EU funds available for Turkey may be as little as 1:10 in terms of per capita figures (Ertugal 2010:95). This was also the case before the introduction of IPA. For instance, Bulgaria received in total around 300 million Euros per annum from the 2000-2003 period. The equivalent total for Turkey would be around 3 billion Euro per annum but in fact Turkey received 250 million Euro in 2004 and 300 million Euro in 2005.

Ertugal, Institutional Change and Europeanization, p.263. It is also stated in the Negotiation Framework in 2005 that the financial aspects of the accession of Turkey must be allowed for in the applicable Financial Framework. Hence, as Turkey’s accession could have substantial financial consequences, the negotiations can only be concluded after the establishment of the Financial Framework for the period from 2014 together with possible consequential financial reforms. Any arrangements should ensure that the financial burdens are fairly shared between all Member States. This shows the extent to which the EU worries about the accession of Turkey to the EU. Derogations in this chapter are also exerted because of some other member states’, France and Germany, objections.

Interview: Senior Specialist on Regional Development, Development Bank of Turkey, Loan Evaluation Department, Ankara, (07.04. 2011).