

A COMPARATIVE ANALYSIS OF LOCAL GOVERNMENT REFORM PROCESSES IN THE UNITED KINGDOM AND TURKEY

Dr. Ceray ALDEMİR*

ABSTRACT

This paper is an attempt to evaluate how political, economic, social, technological, environmental and legal (so called PESTEL drivers), changes or developments have appeared in public administrations since 1980s. Moreover, by comparing two dissimilar examples, this article would explain how different countries have different types of structural and process changes, although International Organizations such as EU, IMF and World Bank offer them similar structures. The first chapter will focus on general public administration reform and its nature in order to show those changes. In the second chapter the case of the United Kingdom and Turkey's Local Government Reforms will be used to illustrate how reform drivers and success factors are different from each other. In the last part the paper will give two different examples from the UK and Turkey. Finally, this paper evaluated that although both countries had a reform agenda, their experiences were quite different from each other and from a comparative view on differences and similarities of the reform processes the paper highlighted some cases about the two countries.

Key Words: *Local Government Reform, Regional Development Agencies, United Kingdom and Turkey.*

JEL Codes: *H7, H83, R58*

TÜRKİYE'DE VE İNGİLTERE'DE YEREL YÖNETİM REFORMLARININ KARŞILAŞTIRMALI ANALİZİ

ÖZ

Bu çalışma politik, ekonomik, sosyal, teknolojik, çevresel ve hukuki (PESTEL DRİVERS olarak bilinir) değişiklik ve gelişmelerin 1980'lerden itibaren kamu yönetiminde nasıl görüldüğünü değerlendirme çabasının ürünüdür. Dahası, iki farklı örnek karşılaştırılarak, AB, Dünya Bankası ve IMF gibi uluslararası organizasyonlar benzer modelleri önersele dahi ülkelerde sürecin ve yapısal değişikliklerin farklı olduğu konusunu aydınlatmıştır. Birinci bölüm kamuda yaşanan değişiklikleri göstermek için, genel olarak kamu yönetimi reformlarına ve reformların doğasına odaklanmıştır.

* Muğla Sıtkı Koçman Üniversitesi, İİBF,, Kamu Yönetimi Bölümü, cerayaldemir@mu.edu.tr

İkinci bölümde ise İngiltere ve Türkiye'deki yerel yönetim reformları- reformların süreç ve itici etkenlerindeki farklılıkları göstermek üzere- açıklanmıştır. Son bölümde ise her iki ülkenin de gündeminde reform uygulamaları olmasına rağmen deneyimlerinin birbirinden ne kadar farklı olduğu karşılaştırmalı bir perspektifle açıklanacaktır.

Anahtar Kelimeler: Yerel Yönetim Reformları, Bölgesel Kalkınma Ajansları, İngiltere ve Türkiye.

JEL Kodları: H7, H83, R58

1. INTRODUCTION

It is possible to observe that pre-existing institutions and organizations have not been enough for our “modern-global world” for one quarter as a result of the recent socio-economic developments. Therefore globalization and modernization have been trying to shape our socio-economic life by several methods. In order to create more controllable world and similar organizations structure, these ideologies have shaped the world by restructuring or reorganizing the institutions. Public administration reforms which are one of those methods, are contributing them by either changing or improving the current budget, personnel and/or local governments systems.

Since 1980s it is possible to see how public administration or public sector has been “modernized” and “changed”. In order to legitimized itself 80s’ Neo-Liberal Policies illustrated that the ‘welfare state’ was the main and core source of social and economic problems. This neoliberal discourse led not only a minimized state but also reduced the power of the state to interfere in the economy. However, at the same time the ideology actualized the accumulation of capital by using state power. Briefly on the one hand the neoliberals thought that they should reduce state effects for more free zone. On the other hand they protect capital by using state’s power.

As it will be explained in next chapter globalization, modernization and Neoliberalism are the main actors of the ‘public administration reform’ process. Before circumstantiating the process and the term of public administration, at least two components of the *term* should be defined. Firstly Pierre (in Pollitt and Bouckaert, 2004, p.9) explains that “*We conceive public administration as the key output linkage of the state towards civil society. However, the interface between public administration and civil society is a two-way street, including public policy implementation as well as policy demands from private actors towards policy-makers.*” Being a two-way street means for public administration unlike private sector, it is not only working for create money, but also the mechanism of state power. So this may be the main difference between private and public sector because while achieving the best value for money is nearly the only important thing for private sector, public sector interests in creating public goods for public.

Secondly according to the Oxford Dictionary of English reform means “*make changes in (something, especially an institution or practice) in order to improve it*”. However as Pollitt and Bouckaert (2004) point out that nowadays reforms does not carry only the sense of across-the-board change, it carries European modernisation and American transformation. Temporarily although some believe that reforms are the central future of modern life for development, Rubin (in Pollitt and Bouckaert, 2004, p. 24) summarised the idea correctly; “*Reform means change in a direction advocated by some groups or individuals. It does not necessarily mean improvement.*”

After defining the two components of public administration reform it is possible to give a description of whole term. Even though there are several descriptions of public administration reform Pollitt and Bouckaert’s (2004, p.8) definition could be used as an example; “*The public management reform consists of deliberate changes to the structures and process of public sector organizations with the objective of getting them (in some sense) to run better.*” This description includes vital futures such as structural change and process change. While structural change might be to create different organizations such as agencies, process change might be to redesign of the system (*ibid*). Therefore it can be said that reforms create not only political or economic but also social and organizational changes in the shape of state.

Thus this paper will highlight how political, economic, social, technological, environmental and legal (so called PESTEL drivers), changes or developments have appeared in public administrations since 1980s. Also how different countries have different types of structural and process changes would be analyzed, although International Organizations offer them similar structures by comparing two dissimilar examples. The first chapter will focus on general public administration reform and its nature in order to show those changes. The effects of new right and new public management (hereafter NPM) on the reform process will present by using reform reports or white papers.

In the second chapter the case of the United Kingdom and Turkey’s Local Government Reforms will be used to illustrate how reform drivers and success factors are different from each other. Countries’ historical background and reforms’ past, present and future would be explained in there. Also different internal and external reasons would be used to show how the results are significantly several and diverse. In the last part the paper will give two different examples from the UK and Turkey. Although both countries had a reform term, their experiences were quite different from each other. This chapter will use countries’ local government reforms as an example in order to illustrate how each country have different reform structure.

2. THE NATURE OF PUBLIC ADMINISTRATION REFORM

Liberalization and specially privatization have been the most important issues for nearly all countries and in particular developing world for more than 30 years. The collapse of the modern state both financially and administratively was accepted on the legal grounds of those privatization policies (Starr, 1990). Consequently both liquidation of the public sector and generalization of the market based system have been accepted the only solution for development problems. Since the beginning of 1980s this ideology which is known as neoliberalism, has grown stronger by subordinating the privatization formula with the globalization formula (Gray, 1993). After the Second World War everything has been associated with “national growth or national development” goals because of the impression of the globalization policies (Guler, 2005). From 1945 to 1980 countries’ main ideas were to implement the economic growth and it was believed that after actualizing economic growth, cultural, political and institutional westernization would be implemented on its own motion in there. However, it can be seen that the acceptable reconstruction has not turned into reality in the developing world. It means international organizations and their prescriptions have not been successful in the whole world (Woods, 2006).

The prescription which is recommended for the developing world by developed countries or their institutions can be presented in different ways (*ibid*). For instance, according to Guler (2005) either the World Bank or the IMF recommend three different “reform models” to the both developing and developed countries by considering their economic and political structure. The first one is “Transformation Models” which are applied for medium term, are recommended to underdeveloped countries. Transition Models are the second and recommended for the countries which are espoused socialist economy model rather than market economy model. Also this model can be applied for “East-Asian Model” countries. The last one is Adjustment Models which are applied countries in order to change both their economic structure and their public administration.

Even though the first two methods do not aim to change countries administrative structure, the last method’s first aim is to change the bureaucratic structure in those adjustment programs are to create new financial and executive structures which are more unproblematic to control than the previous ones by western countries (Black,2009). Since those kinds of policies and programs generally get assistance from private sectors which reduce the center state’s power. Moreover as Black (*ibid*) points out that as a reform instrument “structural adjustment” became the new route to economic and political health.

The transformations or changes of public administration emerged with the idea of New Public Management. Although there is no common definition of NPM and different scholars defined it in a different way (Ferlie et al., 1996), it is possible to see some core components. For instance “NPM, like most administrative labels, is a loose term” for Hood (1991, p. 3). He continuous that the term of NPM

is enough on its own in order to summarize what has been happening in OECD Countries' reform agendas since the late 1970s. Accordingly the post-1979 UK experience which was dominated by a series of reform could be the example of New Public Management (Ferlie et al., 1996). Moreover, according to Pollitt (2003, in Rashman and Radnor, 2005) the term of New Public Management could be the total of disaggregation, competition and incentivization. So this formulization illustrates that how new public management is trying to turn the public sector into private sector. It is possible to see some application of this formula in OECD Countries (Blum and Manning, in Bovaird and Löffler, 2009).

Table 1. Definition of New Public Management

Ferlie	Hood
<ul style="list-style-type: none"> • Hands-on, professional management • Emphasis on outputs • Explicit standards and measures of performance • Disaggregation and decentralisation • Competition and mixed provision • Good and bad, for private sector and public sector. • Cutting costs 	<ul style="list-style-type: none"> • Privatization • A separation between core, or policy, activities and peripheral, or service delivery, activities • The outsourcing of service delivery activities • Enhanced management, including the use of performance management • Labour market flexibility

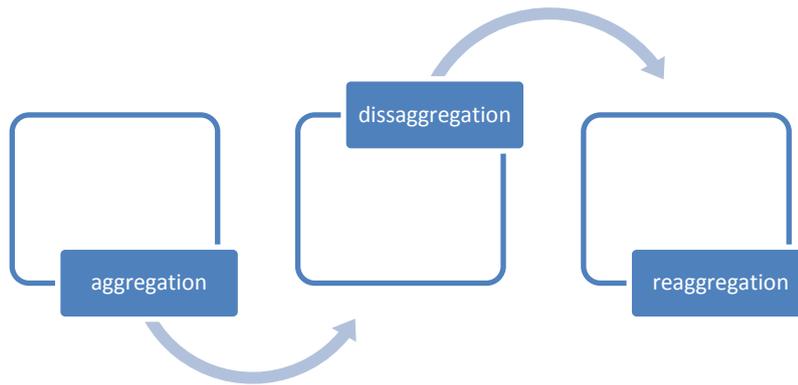
Source: (Ferlie *et al.* (1996: 3-6) and Hood (1991: 4-5)

As it illustrated by the table above both Ferlie (1996) and Hood (1991) emphasize that New Public Management movement is a thought system characterized by the application of private sector ideas into public service such as flexible markets, deregulation, disaggregation and decentralization. Although all those terms seems both magical for “ailing public administration” and 1980s to present policies already in play, as Talbot and Johnson (2007) emphasize that , not necessarily yet implemented.

Until 1988, The UK central government had had the most known monolithic civil service; however it was broken into ‘executive agencies’ as a result of the Next Steps report (Jenkins et al., 1988, in Talbot and Johnson, 2007). After 1988 the UK central government initiated which has become one of the most quoted symbolic cases of disaggregation. The government moved from having around 17 ministries to, by the mid-1990s, having roughly the same number of ministries plus at one point nearly 130 executive agencies or organizations (Talbot and Johnson, 2007). It was assumed that those agencies could find some solutions to administrative problems and they could bring efficiency to public administrations, but they could not.

As it seen from the figure below; disaggregation is not the last point for British administration, because after having approximately 130 agencies it can be seen that how the number of agencies has been reduced by re-aggregation (Public Bodies, 2008). Especially the UK's Local Government had various phases of aggregation, disaggregation and re-aggregation after 1986. For example; while the number of local councils more than 45 in England, after 1995 it was reduced to 17 (Talbot and Johnson, 2007).

Figure 1. The Process of Transformation in British Public Administration

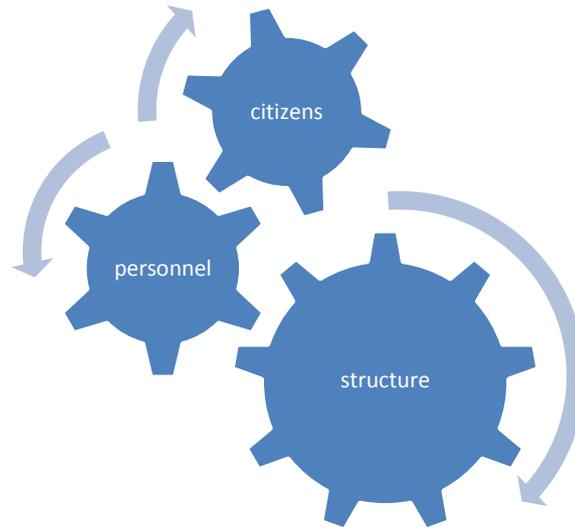


Disaggregation is not the only core term of NPM which have lost its importance and magic in the case of public administration reform. Since 80s the term of decentralization has become one of the most fashionable and nostrum idea for public administration reform. However, according to Pollitt (in Bovaird and Löffler, 2009) although decentralization is fashionable, centralization might come back. So after the case of “disaggregation and re-aggregation” it is possible to assume “decentralization and re-centralisation” reputation. Hence new right and new public management and their cores cannot find solutions for public issues because of having private sector perspective excessively.

At first sight decentralization might have many advantages and for that reason it is the inalienable regulation of reform agendas. For example decentralization caused speed decision making, services can be better tuned to local conditions, encourages innovation, and it improves staff motivation and identification. However as Pollitt (in Bovaird and Löffler, 2009) argued, those advantages could be criticized easily. For instance, although speed decision making can be the in favour of administrative decentralization as it both decreases bureaucracy and causes fast decision making which is the core condition of effectiveness (Pollitt, Birchall, Putnam, 1998), these cases are not true all time. Fast or less bureaucratic decision making processes do not maximized the citizens' utilities and the results are not prophetic decisions. So reforms should aim to take prophetic and sound decisions rather than fast and redundant ones.

The two core components of the reform which are disaggregation and decentralization, examined with the aim of giving readers a clear picture of current state of play and the most important emerging issues in public administration reforms. As probably known reforms usually aimed to covert 3 main cores of the state, such as; citizens, administrative structures and personnel. As figure 2 illustrated those three are strongly related with each other in the reform process because their components are enough to build up the public administration. Also external drivers what are mentioned above, PESTEL drivers, are related with them strongly (Bovaird and Löffler, 2009a). For instance when some transformations happened in the administrative structure such as decentralization or disaggregation it would directly affect both public personnel and citizens. Because of changing expectations which are shaped by globalization or new political and social movements, ordinary citizen model turn into customer-citizen model. So these social changes affected not only citizens' role but also changed government's structure. Hence in order to create a customer oriented structure governments started to use private sector motivation tools in public sector.

Figure 2. The Transformation Gear



Moreover apart from those political drivers as Bovaird and Löffler (2009a) emphasis that flexible and weakening markets, changing roles of traditional institutions and ageing society, accessibility of high technology, increasing worries about global warming and lastly rising power of supra-national bodies in driving policy change at national level could be the examples of how PESTEL drivers is effective as a reform driver. Overall it is possible to say that the shape of government is a real ternary gear when one of them is changed or turned by PESTEL drivers, the other two would turn synchronously.

It is possible to summarize that this chapter introduced the nature of public administration reform. Accordingly economic, social, or technological developments can be either reasons or results of those reforms. As OECD Policy Brief (2005) points out, after reforms it is accepted that public administrations or governments would have become efficient, customer oriented and transparent. However, examples illustrate that this kind of generalization does not caused the same results for all countries. Usually for all OECD countries 1980s when the strong neoliberal policies have been started to apply could be a miles stone. Since then reducing or stabilizing the public expenditure has been a “credo” in those countries (*ibid*). Although this approach is not suitable for all members, even it can be enough to show how the general tendency of those countries is, to abolish “social state philosophy”.

Next chapter will focus on a specific major reform theme, local government reform. In order to illustrate how countries are different from each other and for that reason how different reform process and results they have, the case studies of the United Kingdom and Turkey’s local government reforms will examine. Consequently to explain the picture, those countries’ historical, political and social backgrounds will be summarized firstly and then both countries white papers on public administration reform will be analyzed.

3. TWO DIFFERENT FACES OF PUBLIC ADMINISTRATION REFORM

3.1. Local Government Reform in the United Kingdom

Before describing and examining the particular reform strategies the paper will present a brief outline how the local government in the UK was developed. As Elcock (1994) emphasize, the place of local government in the British Constitution is both unclear and ambivalent. The Municipal Corporations Act (1835) both established local self-government and set up 78 multi-purpose elected local authorities in Great Britain. In 1888 the county councils were created and then urban and rural district councils were established 6 years later wherever a borough council did not already exist (Elcock,1994 and Sullivan, 2002). Finally in 1899 in London a layer of metropolitan boroughs were established by London Government Act (1899). Both Elcock (1994) and Sullivan (2002) identified those structures were in the ascendancy until the Second World War.

After the war it was understood that this local government system was unable to cope adequately with the recent demands because, when the system was established the government’s roles were really different from the roles of welfare state. As it seen from this picture not only the change in the dominant functions of local authorities but also the increasing demographical changes necessitated the reorganization of local governments (Elcock, 1994). The era, from the end of the war to 1980s, which challenged with several reviews and reforms, complemented with the establishment of a tier of multi-purpose borough councils.

Later 1970s British Local Government Reform can be analyzed by dividing into two topics; Conservative Legacy and New Labours. From 1979 to 1997 the conservative government utilized both economic and political opportunities at the reform process. Liberal policies which were reducing the state's role or focusing on customer choice, applied into the local government acceleratedly. For example between 1979 and 1991 the local spending which was around 60 per cent by the mid-1970s, was reduced to 48 percent (Elcock, 1994).

Conservatives tended to believe local governments were ineffective and wasteful. So that's why during their ruling period, new right policies and new ethos were applied into the public administration and local government (Ferlie et al., 1996). Accordingly, with the conservative party English Local Government became a product of new right policies which minimized public expenditure, developed systems to monitor how local authorities used resources, introduced market mechanism into local governments, and delivered the key policy objectives to private sector (Sullivan, 2002). Also adopting public choice theory in the government (Mellon, 1993) made implementation of those transformations easy. The fundamental issue of that theory is to answer why the public sector is less efficient than the private sector and find a solution for public problems. However the answer is aimed to apply the idea of private sector in to the local government rather than rehabilitate it. All those implementations and paradigm shifts brought the idea of governance into the local government (Sullivan, 2002).

However, in 1997 when the New Labour was elected, the idea of local governance was paraphrased in a different way and lost its previous effects and values. In other words Labour's victory in general election brought a series of influential constitutional changes and marked a distinct break with the past in the UK's approach to European Union policy (Gomez and Burch, 2003). On the contrary of Conservatives, Labours gave particular importance to regionalism, and accordingly they explain that by new white papers and policies, GORs' roles and powers would have been increased day by day. Moreover, although Conservatives always stressed "the administrative localization and regionalism", Labours increase the boundaries of the regionalism and they emphasized political and economic regionalism.

Consequently, Labours started their venture regarding Regional Development Agencies (RDAs) and Regional Assemblies (RAs), in order to increase regions development level and decrease the disparity between regions. For example, Labour's most well-known plan was to service all citizens while conservatives emphasized on tax payers and consumers. As Gains (2006) highlighted the governance arrangements were essentially changed by The Local Government Act 2000 which was the central issue in New Labour's local government modernization agenda. Furthermore, before the act 2000 existing system was criticized for lack of transparency, accountability and efficiency by two

white papers (DETR1998, 1999) as a result of battle of two ideologies. The White Papers offered such ideas: modern public services, democratic renewal and community leadership for local governments, and the act support them by introducing a separation of powers into local government and the end of the committee-style of decision making (Gains, 2006).

These two papers, DETR 1998 and 1999 show that how the local government reform and the New Labour gave more attention to the idea of decentralization than the Conservative Government in the UK. Establishment of the RDAs is the example of increasing decentralization idea in the British Local Administration system (Karasu, 2005). As Al (2008) stated those RDAs not only making local planning but also increasing social and economic development by supporting local participation. In other words RDAs main purpose is adopting and developing bottom-up approach rather which creates democratic and participative government. These reforms' drivers are usually executive councilors and officers (Gains, 2006) which are internal dynamics. Also unlike Turkey, the British local government system was reformed and restructured in order to increase the efficiency and satisfy the citizens rather than satisfy external dynamics such as IMF or WD.

Though the governments' and Whitehall bureaucracy's protective and centric structures, British Regionalism have had affected by EU policies since 1990s. Moreover, according to Griffin (2004) the latest English Regionalism policies are basic products of Brussels-centric policies. After 1990, the EU's first direct effect to British Regionalism was to establish SSRs within the frame of NUTs System. Then by the establishment of GOR in 1994, the EU policies could easily create a scope of application for themselves in England. For example, GORs retained their status as the designating managing authority for European Funding Programs (Gomez and Burch, 2003). This is not the only example which shows that GORs were the executive establishment of the EU Project; for instance; EU's Common Agricultural Policy and EU Environment Policies were driven by GORs.

EU wanted to provide and control the idea of competition between regions and sustainable development by some specific organizations rather than by local government or other organizations which are depended to the central government. That is why, since the middle of 90s, RDAs were established in many member countries (England in 1998 and Portugal in 1999) (Karasu, 2005). When considered from this point of view, it is possible to say that in England while RDAs and RAs were being established, The European Union was one of the most leading drivers. Also, although the white paper did not lay down specific guidelines for the European aspect, it was clear that work relating to the Structural Funds would be their principal European "mission" (DETR, 1997, p.45).

The European Regional Development Fund (ERDF) has encouraged the emergence of sub-national governance by structural funds in England since 1990s, for that reason the British local government and cities turned towards those funds (Gomez and Burch, 2003). Although at the early

years of the RDAs the funds were only simple vehicles to decrease the disparity of the economic development, in process of time they became the main target of RDAs. For example, in order to fulfil the ERDF's demands, sub-national bodies had to develop a regional focus and began to concentrate more lobbying; a further sign of the increase in sub-national lobbying activity was the opening of 17 sub-national offices in Brussels (Gomez and Burch, 2003, p.5). White Paper Your Choice: Revitalizing the English Regions highlights that through the agency of those offices RDAs and regional elites such as private sectors and volunteer organizations had a chance to communicate directly with the other states' RDAs (ODPM, 2002, Paragraph. 8.16).

Briefly, process of European integration and EU enlargement have been redefining the context of British territorial policies and since 1997 there have been significant changes such as organizational, process and regulative. By regarding the organizational change, the regions found their traditional domestic policy role damaged by the transfer of much of existing capabilities to Brussels (Hogwood et al. 2003). Moreover, the regions struggled with the new European regulation in order to be able to use EU's structural funds. Although, the other member states which set the RDAs as an EU policy, have problems with the new regulations. It is clear that the regions of the unitary systems, such as UK, have more difficulties to enjoy a greater level of security in relation to their competencies than the federal systems. Hence, in Unitary Systems, central governments are always key points for the policy making progress, regional engagement with the EU and with other member-state regions must essentially be considered through the central government.

3.2. Local Government Reform in Turkey

According to the article 127 of 1982 Turkish Constitution, in Turkey "*Local administrative bodies are public corporate entities established to meet the common local needs of the inhabitants of provinces, municipal districts and villages, whose decision-making organs are elected by the electorate as described in law, and whose principles of structure are also determined by law.*" Although British Local Governments are "*unclear and ambivalent*" (Elcock, 1994), as Urhan (2008) points out, Turkish Local governments have been very well defined since 1924 constitution. However, same as the British one, 'the very well defined and crisscrossed' Turkish System has been faced to too many reforms and restructuring on the way of modernization and aggiornamento. Technological and environmental factors have caused to the transformation of social, cultural and economic structure in both countries. Moreover those transformations are not the only reason of the reform, to be an accede to international treaties could be the other reason for Turkish restructuring.

When the Municipal Law, 1930, which had given the local governments the responsibility of carrying out many functions without paying much attention to the issue of financial means at the disposal of the municipalities, had become inadequate in 1984 two-stage municipality was adopted by

Turkey. After this system, the most significant development, KAYA, Public Administration Research Project, was applied by DPT (State Planning Organization). The project was established in order to both improve the local government and overcome its problems. KAYA Report (1991) was finished at 1991 and it offered numerous transformations for EU harmonization process. Briefly, one can say that there were vital reform initiatives in Turkish Public Administration structure till 2000s.

Although after 1980s neo-liberal policies found an important place in Turkish economic and political structures, regionalism ideas continued to become open-question. Turkey's historical and political background meant that citizens, governments and bureaucrats had a great anxiety of separation, particularly regarding security. However, when Turkey gained EU candidate status, she left the 40 year-old regional development policies based on promotion behind and adopted a new perspective. The new perspective, which was imposed on all member states through EU Regulations, featured increased use of the private sector for regional development and regional competition (Berber and Celebci, 2005). Since the Helsinki Summit, Turkey has faced the requirement of reviewing the policies for both regional development and regional equality. The main reason of this requirement was external pressure from the Union and Accession Partnership Documents (APDs) (Hasanoglu and Aliyev, 2006). Regional Development Agencies (RDAs – Bölgesel Kalkınma Ajansları: BKA) are the main products of this transformation (Berber and Celebci, 2005).

In agreement with the EU, the Turkish government introduced a new division of regions at Nuts-2 Level in order to accommodate the European Agenda in 2002 through Law no. 4720. The EU-oriented or controlled legislation process was followed by Law no 5449. This law commissioned the BKA to apply to the EU for support for regional development programs such as Yeşilirmak Basin Development Union, Middle Blacksea Development Agency, Erzurum-Erzincan-Bayburt Development Union, Middle Anatolia Development Union, and Konya-Karaman Development Union. Kamu Yonetimi Temel Kanunu Tasarisi (2003), (*the Draft Law on the Principles of Public Administration and its Reorganization*) was the other example of how local and central government were transformed in Turkey on the way of EU.

In response to criteria for membership to the EU, Turkey's governing party AKP prepared a road map, called 'Urgent Action Plan'. This plan, monitored by Accession Partnership Documents (APDs), could also 'improve' public institutions to ensure they meet EU Standards. The first APD in 2001, illustrates the establishment and legal arrangements of BKAs in the middle term. However, the second APD, 2003, accepted that the establishment of BKAs and their legal arrangements should be completed in a short timescale. Consequently, as a result of the membership process, by the law, dated 22nd, September, 2002 three levels of statistical territorial units have been established throughout the country (Hasanoglu and Aliyev, 2006). There were three main reasons for these units; (1) to enable

socio-economic analyses of each region; (2) to determine regional policies,; and (3) to create a database which is comparable to EU NUTS System (Ataay, 2005).

According to NUTS System, there are 81 NUTS Level 3 and there are exactly the same with Turkish provinces and each province defines province statistical units. In Turkey NUTS Level 2, there are 26, do not cut across provincial administrative borders (Law No. 5449). As to level 1, there are 12 NUTS Level 1 and formed by categorizing the level 2 units. According to this classification, regional development agencies are the 26 units whose centers have already been defined by the law 5449. Demirci (2005) stressed that, for Turkey, the establishment of these NUTS and BKAs were the indicators of confident steps on the way of European Union.

The EU considers that regional and local institutions play a vital role in communicating with local people and local business. And from this point of view the Union requires candidate states such as Turkey, to launch the necessary legal arrangements and administrative reforms to synchronize with the EU's regional policy, and the establishment of BKAs is an important part of those administrative reforms (Sobaci, 2009). In 2003, the State Planning Organization (SPO, Turkish Acronym, DPT) through which regional development programs are implemented, started preparations to formulate a draft law to establish BKAs. In short, for Turkey the age of Regional Development Agencies was officially started by EU policies and APDs in 2006 when the parliament accepted the law 5449.

Like all new policy applications, BKAs got received reactions from different actors of the country. Although legislation was formally adopted in parliament in 2006, it is possible to see several enormous strides backstage in preparation. Nearly one year before the BKA Act, the Prime Minister, Recep Erdogan, claimed in his annual address that the main reason for the country's "economic backwardness" was lack of foreign investment (Ozkan, 2005). For this reason, in order to draw the foreign capital in, Turkey had to keep its promise and ensure both economic and political stability in the country. Good relations with the EU would also increase the rate of foreign investment. As Abdurrahman Ariman, President of the Foreign Capital Association, underlined the establishment of BKAs would fulfill the necessary commitments (Ibid.).

Moreover, BKAs were not only supported by the foreign capital, but also by national funds, particularly during the legitimization process. For instance, Ozsaruhan (2006), the President of TURKONFED, supported the establishment of BKAs and the legislation. The Act and the BKAs are equal to the EU's norms and they are the key elements of the private sector oriented regional developments which is not possible under the control of strong central government. TURKONFED is not the only federation which supports the BKAs, through supportive speeches and reports, MUSIAD also shows encouragement to BKAs. Hence, the BKAs is the most important step in the decreasing of

the bureaucratic power of central government and the increasing of the private sector's productivity at regional level (MUSIAD, Annual Report 2005).

As seen from previous examples, BKAs was seen as the key element for economic development at regional level. However, there are also some supportive arguments from political quarters. For example, the Mayor of Diyarbakir, Osman Baydemir, maintained that, by decreasing the economic disparity between regions, it is possible to find a realistic solution for "Kurdish Problem", and the establishment of BKAs is seen as the only way (Tokcan and Aktan, 2004). He added that since BKAs will increase the participation of the private and voluntary sectors, local people could have an opportunity to add value to the administrative process. Another example of political support came from a political party in Parliament. In their 2006 Manifesto, The People's Ascent Party (Turkish: Halkın Yükselişi Partisi, HYP) stressed that regional development agencies are one of the key elements that encourages innovative entrepreneurship (HYP Party Programme, 2006).

Although the above examples show the supporting ideas about BKAs, there was also a lot of criticism, primarily by universities, NGOs, tank tanks, the media among other opposing parties. A common criticism of BKAs concerns their structure – many people argue that despite the agencies being established as public organizations and the heavy use of public resources in their operating processes, their structures mean that they lack accountability (Hasanoglu & Aliyev, 2006, p.96). The lack of formal accountability led to many trade unions, democratic job organizations and rural organizations deciding not to support the establishment of BKAs. For many on the left, BKAs represented an attempt to secure the free movement of the foreign capital in the country (TMMOB, 2005), and believed that BKAs could be used as a tool to simplify the international capitalization of regional resources.

The Law Defence Organization (Turkish: Mudafa-i Hukuk Cemiyeti) (Bulleted 5, 2006) pointed out that, either the regionalism policies or the establishment of BKAs is a step for federalism which aims to break down the country. Accordingly, each region would have the right to create its own financial, political and international institutions which could cause a rift between local and central government. Moreover, according to Vural Savas, Honorary Chief Prosecutor, the BKAs were unconstitutional as they represented a threat to the unitary structure of Turkey which in the 1982 Constitution is protected in the principle of "indivisible unity".

Another criticism was made by an anti-EU group who claimed that as a "bottom-up policy", BKAs, are an example of obligated policy transfer which is not suitable for the country's socio-economic structure (Hakimiyet-i Milliye, 2004). Also, as a candidate state of EU, Turkey does not yet have the rights to take part in decision making processes as full member states do. For this reason it might not produce any policies for its regions which are just focused on Brussels (Guler, 2005). Guler

maintains that EU member states can take gain an advantage by taking part in the EU's decision making bodies, even if this increases regional disparities in their national context. However, taking into account Turkey's status on the way towards the EU and the open-ended negotiation process, there are no mechanisms that could mitigate any potential risks.

4. CONCLUSION

Generally the public administration reforms both in Turkey and the UK are the results of political, social and economic developments. Both countries were affected by modernization and globalization, for that reason they have needed to reinventing their governments since 1980s. Public administration reforms can be called as a product of new right policies and new public management which want to apply the private sector ethos into the public sector. Although different countries have experienced this process by a different reform practises, it is possible to say that some countries like England, had bottom-up approach which was more participant and more democratic transformations than other countries such as Turkey.

Since 1988, it has been clear that how new right policies and new public management approaches have applied into the British Public Administration. To by-pass monolithic structure and to establish executive agencies, which reduce the power of central state, could be the example of the "British Transformation". These changes were one of the reflections of reform's constituent, disaggregation. The other core term, decentralization, is seen both in Turkish and British reforms. Mainly those terms general aim is apply the private sector ethos into the public sector by changing the three main actors of states which are citizens, administrative structures and personal. It is not possible to find significant differences between public administration reform process and local government reform process in two countries. Generally both public administration reforms have same ethos with their local governments' reforms.

Although it seems there is not any difference between British and Turkish Reforms because both reforms aimed to establish participant, accountable and transparent public administration, Turkey was criticized lack of democratic maturity by some scholars (Guler, 2003; Isikli, 2003; Azrak,2004). Moreover they argued that those transformations could break down the unitary structure of Turkey because when the authority and responsibility assigned to local governments in unitary states this will encouraged the localization. As Isikli (*ibid*) focused on localization is not only assign of responsibility but also postpone of problems for Turkey. Indeed, when Turkey signed the European Charter of Local Self Government in 1988, it aimed to have the same features such as accountability and transparency. After 5 years, Turkey again signed a new law paper which contains same ethos. So all these illustrate that Turkey has not ready for the reforms because they were usually top-down transformations and country's social, political and economic environments have not been mature for those reforms.

Again when Turkish and British Reforms compared it seems that in Turkey reforms are not on political party's agenda, they appear as a harmonization process of international politics (Guler, 2005). That's why those reforms could not find solutions for the problems in Turkey because both international institutions, which do not know and understand the social structure of the country, and their structural adjustment reforms are not enough to create an effective public administration model.

The paper indicates that, for Turkey, the idea of regionalism or the establishment of regional organizations was always perceived as problematic for the state's unitary structure. Although there were few examples in history, they were not similar to British regionalism. In 2001 and 2003, as a requirement of EU Membership, the central government of Turkey added the establishment of BKAs on its agenda. However, the lack of historical precedent and bottom up pressure made the process unclear and undemocratic. It was unclear, because some of the articles of the BKA Act were in conflict with the 1982 Constitution. Although the BKA were not public entity, they were presented as if they were, and this caused a conflict between the act and the constitution.

When British Local Government reform analyzed, two main ideologies, Conservatives and New Labours, came to the fore. Conservatives, who introduced the market mechanism and reduced the public expenditure, had come to power between 1979 and 1997. After them the Local Government Act 2000 which was prepared by New Labours totally changed the institutional arrangements and they increased democratic legitimacy. Briefly British reform build up a bottom-up approach and executive councilors who drove the reform, could see profits which makes reform's internal dynamics more important. As explained above, the UK familiar with the EU's regional policies since 1986 Single European Act, in 1991, the establishment of both the EU NUTS System and 8 regional development agencies could be an example that how the UK started to apply regional policies at EU level. Briefly for British case, we can say that the creation of the RDAs is a process, in which policies were transferred voluntarily, by the power of bottom-up pressure and the democratic process. However, when we look at the Turkish case, it is fact that, the establishment of BKA was not either historical or political necessity and it was highly different from the British case.

However, the Turkish reform, which has more external dynamics, was not the product of political parties' agendas. Since 1980s the new public management ideas and international institutions affected Turkish central government deeply and both of them wanted to create less powerful central government and more controllable local regions. That's why it can be said that Turkish reform could be called as an output of globalization and EU membership process rather than democratization vehicle.

Briefly, the key findings from the exploration of British and Turkish local government reform were that every single country has its own experiences because of the different backgrounds. Also, it is

obvious to say that. Turkey and UK Turkey and the UK do not have the same voice in EU decision making process. As a member state, the UK has more opportunity to affect the policy process- an option which is not available to Turkey. With the dissolution of RDAs in the UK, the British government returned more power to the votes of British citizens in respect to the shaping of policy. However, on the way to EU membership, Turkey has increased its dependency on the either international organizations or EU. In order to have an independent and democratic country, Turkey needs to learn lessons from the British in order to understand how a policy can be transferred independently of supranational institutions.

REFERENCES

- Al, H. (2008) Yeni Kamu Yönetimi: Ülke Deneyimleri, İstanbul: Değişim Yayınları.
- Ataay, F. (2005) Public Administration Reform Reviews [Kamu Reform İncelemeleri], Ankara Tabip Odası Yayınları, Ankara.
- Azrak, Ü. (2004) “Kamuda Tehlikeli Reform”, Yerel Yönetimler Dergisi, Şubat, 9: 85-87.
- Berber, M. Celepci E. (2005) “Türk Bölgesel Kalkınma Politikalarında Yeni Arayışlar: Kalkınma Ajansları ve Türkiye’de Uygulanabilirliği”, Doğu Karadeniz Bölgesel Kalkınma Sempozyumu. [New pursuits in Turkish regional development policy: Regional development agencies and its applicability in Turkey, East Black Sea Sympozyum.], <http://www.metinberber.ktu.edu.tr/linkler/kajans.pdf> .
- Black, M. (2009) The No-Nonsense Guide to International Development, New Internationalist.
- Blum J. and Manning N., (2009) Public Management Reforms across OECD Countries. In: Bovaird, T. and Löffler, E., (2009) “Public Management and Governance”, 2nd ed., London and New York, Routledge, 41-58.
- Bovaird, T. and Löffler, E., (2009) “Public Management and Governance”, 2nd ed., London and New York, Routledge.
- Bovaird, T. and Löffler, E., (2009a) The Changing Context of Public Policy. In: Bovaird, T. and Löffler, E., (2009) “Public Management and Governance”, 2nd ed., London and New York, Routledge, 15-26.
- Demirci, A, G (2005) Regional Development Agencies in Different Countries, [Farklı Ülkelerde Bölge Kalkınma Ajansları] , in Menaf Turan, “Regional Development Agencies” [Bölgesel Kalkınma Ajansları, nedir, ne değildir], Ankara, Imge Kitabevi, 181-197.

- DETR (1997) "Building Partnerships for Prosperity, Sustainable Growth, Competitiveness and Employment in the English Regions, Presented to Parliament by the Deputy Prime Minister and Secretary of State for the Environment", Transport and the Regions by Command of Her Majesty.
- DETR (1998) "Modern Local Government in Touch with the People", <http://www.communities.gov.uk/documents/localgovernment/pdf/144890.pdf> , (01.12.2014).
- DETR (1999) "Local Leadership, Local Choice", The Stationery Office, London.
- Elcock, H. (1994) "Policy and Management in Local Authorities", 3rd ed., London, Routledge.
- Ferlie, E., Ashburner, L., Fitzgerald, L., and Pettigrew, A. (1996) "The New Public Management in Action", Oxford: Oxford University Press.
- Gains, F. (2006) "Modernising Local Government: Voice, Loyalty and Exit in the Demise of the English Committee System", In: Heyse, L. (ed.) (2006) "Reform in Europe: Breaking the Barriers in Government", Hampshire, Ashgate Publishing Limited.
- Gomez, R. and Burch, M., (2003) "The English Regions and the European Union", Devolution and European Union Policy Making Series, European Policy Research Unit Paper No: 2.
- Gray, J. (1993) "Beyond the New Right: Markets, Government and the Common Environment", London and New York, Routledge.
- Griffin, L. (2004) "The English Regions Relationship with the European Union-reducing the democratic deficit or strengthening of the centre?" in Karasu, K. (2005), Regional Development Agencies in England, [İngiltere'de Bölgesel Kalkınma Ajansları].
- Guler, B. A. (2003) "Devlette Reform", TMMOB Mimarlar Odası, <http://www.mimarlarodasiankara.org/dosya/birgulaymanguler.pdf> ,(05.01.2010).
- Guler, B. A. (2005) "Yeni Sağ ve Devletin Değişimi: Yapısal Uyarılama Reformları 1980-1995", Ankara, İmge Kitabevi.
- Hakimiyet-i Milliye (2004) http://www.yayed.org.tr/genel/bizden_detay.php?kod=61&tipi=7&sube=0, (23.12.2014).
- Hasanoğlu, M., Aliyev, Z. (2006) "Regional Development Agencies in the Integration Process of the EU", Journal of Audit, 60: 81-103.
- Hogwood, P., Gomez, R. (2003) "Regional Actors and European Policy Making: Lessons for the UK?", Devolution and European Policy Series, Paper No: 7,

http://www.socialsciences.manchester.ac.uk/disciplines/politics/publications/workingpapers/documents/manchester_working_papers/MPP082003.pdf , (21.08.2010).

Hood, C. (1991) "A Public Management For All Seasons?", *Public Administration*, 69 (1): 3-19.

HYP Party Programme (2006) "Manifesto", <http://www.hyp.org.tr/hypprogram.asp> , (21.08.2010).

Işık, A. (2003) "Localization (Yerelleşme) In: Public Administration Reform Analyses Report", 2(60) <http://yonetimbilimi.politics.ankara.edu.tr/Ozelsayi2.pdf> , (18.12.2009).

Kamu Yönetimi Araştırması (KAYA): Genel Rapor (1991) "Public Administration Research, General Report", Ankara: TODAİE, <http://www.todaie.gov.tr/pdf/KAYA.PDF> , (04.01.2010).

Kamu Yönetimi Temel Kanunu Tasarısı (2003) (Law on the Principles of Public Administration and its Reorganization) , <http://www.belgenet.com/yasa/kamu-02.html> , (04.01.2010).

Karasu, K. (2005) "Regional Development Agencies in England, [İngiltere'de Bölgesel Kalkınma Ajansları]", in Menaf Turan, *Regional Development Agencies [Bölgesel Kalkınma Ajansları, nedir, ne değildir]*, Ankara, İmge Kitabevi, 197-238.

Mellon, Elizabeth (1993) "Executive agencies: Leading change from the outside-in", *Public Money & Management*, 13 (2): 25-31.

MUSIAD Annual Report (2005), <http://www.musiad.org.tr/detay.asp?id=236> , (23.12.2014).

ODPM (2002) "Your Region, Your Choice: Revitalising the English Regions", Cabinet Office, London.

Ozkan, F. (20th January 2005) "Turkey is an hardworking student, but there is no high marks", [Türkiye Gayretli Öğrenci ama Sonuç Yok], <http://www.radikal.com.tr/haber.php?haberno=141779> , (23.12.2014).

Ozsaruhan, E. (2006) "A Logical Support for Regional Development Agencies", http://www.yayed.org.tr/genel/bizden_detay.php?kod=59&tipi=7&sube=0 , (23.12.2014).

Sobaci, Z. (2009) "Regional Development Agencies in Turkey: Are They Examples of Obligated Policy Transfer?", *Public Organization Review* , 9 (1) : 51-65.

Tokcan, S. and Aktan, H. (2nd November 2004), "Turkey Grew up On the way of EU" [AB Yolunda Yesillendik], Birgun. Accessed 25.12.2014] Available from: <http://www.savaskarsitlari.org/arsiv.asp?ArsivTipID=5&ArsivAnaID=22591>.

- OECD Policy Brief (2005) “Modernising Government: The Way Forward”, <http://www.oecd.org/dataoecd/40/33/35654629.pdf> , (01.12.2014).
- Pollitt C. and Bouckaert G. (2004) “Public Management Reform: A Comparative Analysis”, 2nd ed., Oxford, Oxford University Press.
- Pollitt, C (2009) “Decentralized Management: agencies and ‘arm’s -’length’ Bodies”. In: Bovaird, T. and Löffler, E., (2009) Public Management and Governance, 2nd ed., London and New York, Routledge, 249-260.
- Pollitt, C., Birchall, J., Putnam, K., (1998) “Decentralising Public Service Management”, London, Macmillan.
- Public Bodies (2008) “Cabinet Office”, http://www.civilservice.gov.uk/Assets/PublicBodies2008_tcm6-6429.pdf , (30.11.2014).
- Rashman, L., Zoe Radnor (2005) “Learning to Improve: Approaches to Improving UK Local Government Services”, Public Money and Management , 24 (1): 19-26.
- Starr, P., (1990) "The New Life of the Liberal State: Privatization and the Restructuring of State-Society Relations" in John Waterbury and Ezra Suleiman, eds., Public Enterprise and Privatization (Boulder, CO: Westview Press, 1990), 22-54,
- Sullivan, H. (2002) “Local Government Reform in Great Britain”, <http://www.uni-stuttgart.de/soz/avps/rlg/papers/UK-Sullivan.pdf> , (01.12.2014).
- Talbot, C. and Johnson, C. (2007) ”Seasonal Cycles in Public Management: Disaggregation and Re-aggregation”, Public Money and Management, 27(1).
- The Oxford Dictionary of English (revised edition). Ed. Catherine Soanes and Angus Stevenson. Oxford University Press, (2005) Oxford Reference Online. Oxford University Press, <http://www.oxfordreference.com/views/ENTRY.html?subview=Main&entry=t140.e64809>, (28.11.2014).
- Turkish Constitution 1982, <http://www.byegm.gov.tr/sayfa.aspx?Id=78>
- Urhan, V. F. (2008) “Türkiye’de Yerel Yönetimlerin Yeniden Yapılandırılması”, Sayıştay Dergisi, 70: 85-102.
- Woods, N. (2006) “The Globalizers “The IMF, The World Bank, and Their Borrowers”, Ithaca and London, Cornell University Press.