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REFORMING PUBLIC MANAGEMENT AND MANAGING REFORM IN TURKEY

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Turkey is in the midst of overhauling its public management system and restructuring its intergovernmental fiscal and political power-sharing mechanisms. Justice and Development Party (AKP) prepared some draft laws on Public Administration (submitted to Parliament) and local governments (under Prime Ministry review). These draft laws define new parameters for public governance in Turkey.

General Background: Public sector reform efforts in Turkey date back to 1960s. Since then, official 5-year development plans and the reports prepared by the Public Administration Institute of Turkey and the Middle East (TODAIE)¹ addressed the problems of public administration and local governments (i.e. Central Government Mechanisms Research Project –1963; Restructuring Administration: Principles and Proposals –1971; Public Administration Research Project –1991). 1980s' waves in Western countries favoring smaller state had an impact on Turkey, resulting in an elevated official agenda for redefining the role of the state, downsizing public sector, and increasing efficiency of public service delivery. Nevertheless, lack of a strong political leadership impeded such plans from translating into concrete legislative reforms and actions. As a result, Turkey's public administrative system remained ineffective and failed to match extensive economic liberalization that took place in the 1980s. Recognizing this gap and Turkey's low performance compared to many other countries around the world, the AKP included Public Sector Reform into its Urgent Action Plan in 2002, in addition to its government program.

¹ TODAIE was established as an autonomous body in 1952 through an additional protocol to the Technical Assistance Agreement with the United Nations.

In essence, the draft laws restructure intergovernmental relationships among central government, provincial authorities (governors), and municipalities (mayors). They envisage relegating some of the powers of the central government to these regional and local administrative entities. By such a reform schedule, the AKP government claims to increase transparency and accountability, to strengthen administrative capacity and productivity, and to encourage a participatory and results-oriented decision-making process. To this end, it introduces through these draft laws concepts such as “city councils”, “voluntary participation in local government services”, and “right to information”.

Those principles are in fact the cornerstones of democratic reforms advocated both within and outside Turkey. Strong centralist tendencies in the Turkish government decision-making often precludes a fully democratic, transparent, and merit-based public management system, which inherently undermines the democratic capacities of the local governments. Although the draft laws touch upon many facets of this problem, they still leave some crucial details and complementary regulations out of scope, and contain some elements that conflict with the existing legal structures.

The Proposals Generate Dissidence: The draft laws triggered a serious debate on the implications of such a reform program, especially regarding the new status of local authorities and the powers of the central government. Proponents of reforms as proposed argue that the new system would encourage a more transparent, participatory, and human rights based public management structure. On the other hand, the opponents (especially the opposition Republican People’s Party, trade unions, and civil servants’ confederations) -while acknowledging the need for a public management reform- stress the likely negative impacts of the proposed arrangements, particularly on the unitary nature of the Turkish state (i.e. the acknowledgement of subsidiarity principle –that the decisions are taken as closely as possible to the citizens- in public services).

Opponents also berate the AKP for eroding the social responsibilities of the state and “privatizing” basic services, which would mean to undermine the poor. Indeed, the draft laws contain provisions that restrict public sector’s role in the production process of goods and services, and rather emphasize its regulatory functions. They also allow public administration bodies to develop stakeholder relations with private sector and non-governmental organizations (i.e. subcontracting some of the service delivery to them). These factors are deemed as weakening the social (responsibilities of) state.

Some of the opponents target personalities, rather than the content of the reform proposals. These critiques demonstrate a lack of confidence in the Undersecretary of Prime Ministry, Omer Dincer, the mastermind of the draft laws. He is alleged for pushing for a more decentralized state structure through these reforms in order to prepare a fertile ground for an Islamic agenda. His speech in a symposium in 1995, which allegedly contains arguments against some of the fundamental principles of the Turkish state (i.e. republicanism and secularism) is cited as the evidence of the existence of such an agenda.

There are also those who support the idea of reforming public administration in line with the general approach of the draft laws, nonetheless warning the government about several flawed or missing aspects. In particular, employer organizations stress the fundamental importance of ensuring concrete mechanisms for civic participation in the government decision-making in this reform process. They argue that public administration reform laws would find a solid constituency to the extent they encourage citizen and private sector participation.

Harmonizing Reforms With the Constitution and Other Relevant Laws (Or Vice Versa): The critiques argue that the performance management and supervision of the local governments are the missing pillars in the new system. They urge the AKP government to complement the draft laws with certain other new laws and harmonize them with the existing regulations (or harmonize existing regulations with new laws). Most importantly, the law needs to be reviewed in light of current legal regulations addressing the same issues. Such areas include the very basic duties and responsibilities of the state as defined in the Constitution's Article 5 (Fundamental Aims and Duties of the State) or of the local authorities as outlined in the Constitution's Article 127 (Local Administrations). It is either necessary to revise the draft laws or amend the relevant articles of the Constitution. The laws cannot be implemented in conflict with the Constitution.

Defining a Sound Mechanism for Supervision of Local Authorities: One of the most contentious aspects of the draft laws pertains to the supervision of the newly empowered local authorities, in particular, municipalities. The proposed laws correctly suggest a more decentralized administrative structure. However, they do not thoroughly address the issues of external and internal audit and only vaguely define new supervisory tools. For example, the draft laws abolish all existing inspection mechanisms and assign Court of Accounts to audit local authorities. However, the Court of Accounts has neither the power nor the expertise to inspect non-financial matters, especially the judicial compliance of local practices. Furthermore, there are no set rules in the proposed changes to ensure the observance of the national planning strategies and governance standards. The laws only loosely attribute this role to the Ministry of Interior. Decentralization does not mean lack of national standards or central coordination. There is a need to assign an authority that would monitor and coordinate the implementation process and would have the power to investigate compliance by the local authorities.

Filling the Gaps With New Auxiliary Regulations: There are other problems with the draft laws. For example, they introduce the idea of "provincial ombudsmen", who would be elected by the provincial councils. Yet, they fail to give any further details regarding the procedures, administrative structures, and so on. It is true that the draft laws aim to determine only the basic outlines of public administration system. However, supplementary laws such as the ones that will detail the ombudsman institution are extremely important in order for the implementation process to be successful. Such an institution would also ensure an additional independent oversight mechanism over the local governments. The system that the government proposes draws additional criticism,

which point out that ombudsmen should be elected by the national parliament rather than provincial councils.

Similarly, draft laws lack a coherent strategy that would enable local governments to generate and use new local resources. A system that would encourage the use of local resources could pave the way to creative thinking on the part of local administrations.

Finally, new regulations increase the burden on the small sized local administrations that would require new (or better) organization, personnel, and resources. These small administrations already face significant challenges in finding the necessary resources to maintain their basic services. Draft laws neither find remedies to such existing shortages nor address the potential needs of these small sized administrations in the new system. This is a crucial aspect that needs to be dealt with since at least 2000 of the total 3200 local governments are small sized (with a jurisdiction of under 5,000 people) entities.

What's Next? The draft law on public administration is adopted in the Parliament, except some provisional articles and the last article stipulating the enforcement date. The AKP government plans to take a break and submit to Parliament the other draft laws on local governments, which are currently under Prime Ministry's review. The strategy will be to enact both draft laws subsequently in the aftermath of the local elections on March 28.

Better Reform For Better Governance: Turkey has been undergoing a significant political and economic transformation since 1999. The European Union accession process on one hand, and the IMF-backed economic reform program on the other, facilitate this transformation. After taking power in November 2002, the AKP fortunately continued some of the crucial reforms started by the previous government and initiated new ones. Public administration and local governments reform laws constitute a major step forward in Turkey's progress.

However, Turkey's fast paced reform process carry certain risks if it is not managed and planned well. The draft laws that aim to introduce modern management principles in Turkey's public administration appear to contain some inchoate elements that could jeopardize its success in the implementation phase. Before they are enacted in Parliament, these drafts need to be further studied and developed in collaboration with all segments of the society, including the private sector and non-governmental organizations. Only this way, a meaningful, coordinated decentralization process in public administration system can be succeeded.

- TUSIAD embodies a working group on public administration and local governments, which continuously addresses the issues discussed in this issue of Turkey in Focus. Some of the ideas developed here are based on the previous studies of this group.

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