

AN INSTITUTIONAL ASSESSMENT OF WORLD BANK PROJECTS
FOR EFFECTIVE PROVISION OF URBAN SERVICES

A THESIS SUBMITTED TO
THE GRADUATE SCHOOL OF NATURAL AND APPLIED SCIENCES
OF
MIDDLE EAST TECHNICAL UNIVERSITY

BY

TURGAY ALBAYRAK

IN PARTIAL FULFILLMENT OF THE REQUIREMENTS
FOR
THE DEGREE OF DOCTOR OF PHILOSOPHY
IN
CITY AND REGIONAL PLANNING

JANUARY 2009

Approval of the thesis:

**AN INSTITUTIONAL ASSESSMENT OF WORLD BANK PROJECTS
FOR EFFECTIVE PROVISION OF URBAN SERVICES**

submitted by **TURGAY ALBAYRAK** in partial fulfillment of the requirements for
the degree of **Doctor of Philosophy in City and Regional Planning**
Department, Middle East Technical University by,

Prof. Dr. Canan Özgen
Dean, Graduate School of **Natural and Applied Sciences**

Prof. Dr. Melih Ersoy
Head of Department, **City and Regional Planning**

Assoc. Prof. Dr. Serap Kayasü
Supervisor, **City and Regional Planning Dept., METU**

Examining Committee Members:

Assoc. Prof. Dr. Melih Pınarcıoğlu
City and Regional Planning Dept., METU

Assoc. Prof. Dr. Serap Kayasü
City and Regional Planning Dept., METU

Prof. Dr. Feral Eke
City and Regional Planning Dept., Gazi University

Assist. Prof. Dr. Nil Uzun
City and Regional Planning Dept., METU

Assist. Prof. Dr. Aydan Sat
City and Regional Planning Dept., Gazi University

Date :

06.01.2009

I hereby declare that all information in this document has been obtained and presented in accordance with academic rules and ethical conduct. I also declare that, as required by these rules and conduct, I have fully cited and referenced all material and results that are not original to this work.

Name, Last Name : Turgay ALBAYRAK

Signature :

ABSTRACT

AN INSTITUTIONAL ASSESSMENT OF WORLD BANK PROJECTS FOR EFFECTIVE PROVISION OF URBAN SERVICES

Albayrak, Turgay

Ph.D., Department of City and Regional Planning

Supervisor: Assoc. Prof. Dr. Serap Kayasü

January 2009, 367 pages

The main aim of this thesis is to assess the institutional arrangements shaped with a perspective of “good governance” in provision of urban services with reference to the shift of the World Bank’s approach to the problem of poverty after 1990s. In spite of the change in the World Bank’s perspective, there remain significant problems related with the expected reflection of these institutional arrangements to the practice through certain process and stages of the implemented projects. Regarding this fact, thesis seeks to determine not only the reasons of these problems but also ways for solving them to attain effective provision of urban services.

In this thesis, also, as an institutional comparative assessment, some implemented service projects of the World Bank in Turkey are examined by stressing on the institutional dimension of the project objectives.

At last, thesis makes suggestions about the unsuccessful dimensions and reveals the roles of institutions in the achievement of projects by using the institutional assessment method for the institutions whose institutional capacity has been developed or the institutions created within the World Bank projects implemented in Turkey. This will be achieved by the evaluations on projects with the outputs of

institutional assessment and the research on factors for the achievement of the projects.

The results obtained with this thesis study are noteworthy for the evaluation with a new perspective of the projects implemented in Turkey not only by the World Bank but also by other international institutions quite increased in number in recent years.

Keywords: Institutionalism, Institutional Assessment, World Bank, Urban Service Provision, International Projects

ÖZ

KENTSEL SERVİSLERİN ETKİLİ SUNUMU İÇİN DÜNYA BANKASI PROJELERİNİN KURUMSAL DEĞERLENDİRMESİ

Albayrak, Turgay

Doktora, Şehir ve Bölge Planlama Bölümü

Tez Yöneticisi: Doç.Dr. Serap Kayasü

Ocak 2009, 367 sayfa

Bu tezin ana amacı 1990'lı yıllardan sonra Dünya Bankası'nın yoksulluk problemine yaklaşımındaki değişikliği temel alarak kentsel servislerin sunumunda "iyi yönetim" perspektifiyle biçimlendirilen kurumsal düzenlemelerin değerlendirilmesidir. Dünya Bankası'ndaki bu perspektif değişikliğine karşın uygulanan projelerin bazı süreç ve aşamalarında kurumsal düzenlemelerin beklenen etkilerinin uygulamaya yansımalarına ilişkin önemli problemler mevcuttur. Buna bağlı olarak, tez yalnızca bu problemlerin nedenlerini değil, kentsel servislerin etkili sunumunu başarmak için bu problemleri çözenin yollarını aramaktadır.

Bu tezde, ayrıca, karşılaştırmalı kurumsal analiz olarak, proje hedeflerinin kurumsal boyutuna vurgu yapılmak suretiyle Türkiye'de uygulanan bazı Dünya Bankası projeleri incelenmektedir.

Sonuçta, tez Türkiye'de uygulanan Dünya Bankası projelerinde, projelerin uygulanması için kurumsal kapasiteleri geliştirilen ya da proje kapsamında kurulan kurumları, kurumsal değerlendirme metodu ile değerlendirerek, projelerin başarıya ulaşmasındaki rollerini ortaya çıkarmakta ve başarısız kalan boyutlara ilişkin öneriler getirmektedir. Bu, kentsel servislerde gerekli kurumsal

düzenlemeleri dikkate alarak kurumsal analizin sonuçları üzerine değerlendirmeler yapılması ve projenin başarıya ulaşmasındaki etkenlerin araştırılması yoluyla başarılacaktır.

Bu tezin sonunda ulaşılabacak sonuçlar, ülkemizde uygulanan yalnızca Dünya Bankası projeleri açısından değil diğer uluslararası kurumlar tarafından uygulamaya konan ve son yıllarda sayıca oldukça artan diğer tüm projelerin yeni bir bakış açısı ile değerlendirilmesi için önem taşımaktadır.

Anahtar Kelimeler: Kurumsallaşma, Kurumsal Değerlendirme, Dünya Bankası, Kentsel Servis Yönetimi, Uluslararası Projeler

To My Wife

ACKNOWLEDGEMENTS

The author would like to express his sincere gratitude to his supervisor Assoc. Prof. Dr. Serap Kayasü for her guidance, advice, criticism, encouragement and insight throughout the research.

The author also wishes to thank his examining committee, Assoc. Prof. Dr. Serap Kayasü, Prof. Dr. Feral Eke, Assoc. Prof. Dr. Melih Pınarcıođlu, Asst. Prof. Dr. Nil Uzun and Asst. Prof. Dr. Aydan Sat, for their valuable suggestions and comments.

He also appreciates the support of his friends from the Ministry of Public Works and Settlement. The technical support of Mrs. Aysun Öztürk and Mrs. Dilek Çakanşimşek are gratefully acknowledged.

The author offers special thanks for Mr. Hidayet Uysal and Mr. M. Sait Yanmaz for their valuable technical contributions and support.

Finally, his family has given their supports in completing the study in this long period. The author would like to special thanks to Mrs. Hacer Albayrak, Mrs. Fatma Albayrak, Mrs. Yurdađül Atlıđ, Mrs. Dilek Şentürk and his family for their encouragement and patience during his study.

TABLE OF CONTENTS

ABSTRACT.....	iv
ÖZ.....	vi
ACKNOWLEDGEMENTS.....	ix
TABLE OF CONTENTS.....	x
LIST OF TABLES.....	xiv
LIST OF FIGURES.....	xv
LIST OF ABBREVIATIONS AND ACRONYMS.....	xvi
CHAPTERS	
1. INTRODUCTION.....	1
1.1. Main Basis of the Thesis Subject.....	1
1.2. Stages of the Thesis.....	5
1.2.1. Theoretical and Historical Basis.....	6
1.2.2. Evaluation of the Theoretical Issues and the Presentation of the Methodology.....	9
1.2.3. Institutional Assessment and Conclusion.....	11
2. THEORETICAL AND HISTORICAL PERSPECTIVE.....	14
2.1. Turning Points of Global Transformation.....	15
2.2. Economic Restructuring Process and Globalization: Local and National Spatial Units within the Challenge of Global Dynamics.....	20
2.3. Approaches on the Relationship between Global Dynamics and Local Units.....	24
2.4. Restructuring Process and an Introduction to the Concept of Governance.....	27
2.5. Challenges to Urban Service Provision after Post-war Period.....	28
3. THE WORLD BANK AND GOVERNANCE.....	31
3.1. The World Bank; Sub-organizations, Projects, Programs, Initiatives and Changes in its Approaches..	32
3.2. Various Dimensions of Governance.....	45

3.3.	Governance Concept and The World Bank	47
3.4.	Origins of Urban Politics and the Subject of Governance	54
3.4.1.	The Elitist vs. Pluralist Models of Urban Community Power.	55
3.4.2.	Structuralist Urban Political Power and Governance. . .	56
3.4.3.	Urban Regime Theory for an Associational Activity in Governance	58
3.4.4.	Contributions of Urban Economics	59
3.4.5.	Other Contributions and Impacts to the Urban Politics and to the Subject of Governance	60
4.	INSTITUTIONALISM, GOVERNANCE AND URBAN SERVICE PROVISION	65
4.1.	Institutionalist Approaches and Neo-Institutionalism. . .	65
4.1.1.	Institution as a Concept.	66
4.1.2.	'Old' and Neo-Institutionalism.	77
4.1.3.	Institutionalization in Global Order.	84
4.1.4.	Institutionalization, Development and Governance Theory.	88
4.2.	Institutionalism and Governance Theory.	95
4.2.1.	Investments, Governance and Institutional Building. . .	97
4.2.2.	Good Governance as a Term.	99
4.2.3.	Good Governance, Governance Theory and Institutionalism.	102
4.3.	Governance and Urban Service Provision	115
4.3.1.	Articulation of the Concept of Governance into the Subject of Urban Service Provision.	115
4.3.2.	Partnerships between Governmental and Non-Governmental Actors	119
4.3.3.	Building Partnerships between Civil Society and Local Governments: Some Key Elements.	124
4.3.4.	Public-Private Partnerships (PPPs).	125
5.	METHODOLOGY.	133
5.1.	International Examples Related with Thesis' Subject . .	133
5.2.	Institutional Assessment Method	141
5.3.	Organizational Components	143
5.4.	Approach by International Development Research Center on Institutional Assessment	145

5.5.	Institutional Assessment Method for Thesis	150
6.	WORLD BANK PROJECTS IN TURKEY.	169
6.1.	Current World Bank Projects	169
6.2.	Antalya Water Supply and Sanitation Project	172
6.2.1.	Project Area and Emergence of Project.	172
6.2.2.	Objectives and General Information on Project.	173
6.2.3.	Institutional Arrangements.	179
6.3.	Cesme-Alacati Water Supply and Sanitation Project . . .	185
6.3.1.	Project Area and Emergence of Project.	185
6.3.2.	Objectives and General Information on Project.	188
6.3.3.	Inter Agency Coordination and Public, NGO Participation as a Part of Institutionalism	192
6.3.4.	Institutional Arrangements.	194
7.	THE RESULTS OF INSTITUTIONAL ASSESSMENT ANALYSES FOR CASE STUDIES.	202
7.1.	Implementation of the Analyses	202
7.2.	Evaluation of the Antalya Water Supply and Sanitation Project (AWSSP).	212
7.2.1.	Institutional Environment of AWSSP.	212
7.2.2.	Institutional Motivation of AWSSP	218
7.2.3.	Institutional Capacity of AWSSP	222
7.2.4.	Institutional Performance of AWSSP	233
7.3.	Evaluation of the Cesme-Alacati Water Supply and Sanitation Project (CWSSP).	239
7.3.1.	Institutional Environment of CWSSP.	239
7.3.2.	Institutional Motivation of CWSSP	243
7.3.3.	Institutional Capacity of CWSSP	247
7.3.4.	Institutional Performance of CWSSP	256
7.4.	Comparative Review of the Findings from the Institutional Assessment Method.	261
8.	CONCLUSION.	270
	REFERENCES.	288
	APPENDICES	
A.	QUESTIONNAIRE ON INSTITUTIONAL ASSESSMENT FOR CASE STUDIES	303

B.	AWSSP-TOTAL RESULTS OF THE QUESTIONNAIRE.	321
C.	CWSSP-TOTAL RESULTS OF THE QUESTIONNAIRE.	333
D.	WORLD BANK PROJECTS IN TURKEY THROUGHOUT THE HISTORY.	345
E.	SYNOPTIC : SAMPLES OF INTERNATIONAL STUDIES . . .	355
	CURRICULUM VITAE.	365

LIST OF TABLES

TABLES

Table 1.	The Expected Impact of the Three Institutionalisms.	114
Table 2.	Key Terms for the Case Studies -1.	136
Table 3.	Key Terms for the Case Studies -2.	137
Table 4.	Key Terms for the Case Studies -3.	138
Table 5.	Key Terms for the Case Studies -4.	139
Table 6.	Institutional Environment Category for Thesis.	151
Table 7.	Institutional Motivation Category for Thesis.	152
Table 8.	Institutional Capacity Category for Thesis.	153
Table 9.	Institutional Performance Category for Thesis.	154
Table 10.	Related Questions in Questionnaire for Institutional Environment.	162
Table 11.	Related Questions in Questionnaire for Institutional Motivation.	163
Table 12.	Related Questions in Questionnaire for Institutional Capacity. .	164
Table 13.	Related Questions in Questionnaire for Institutional Performance.	165
Table 14.	Matrix Related with the Measurement of the Institutional Achievement.	168
Table 15.	General Information on Antalya Water Supply and Sanitation Project.	175
Table 16.	General Information on Cesme-Alacati Water Supply And Sanitation Project.	187
Table 17.	Final Table for Case Studies on Institutional Environment.	207
Table 18.	Final Table for Case Studies on Institutional Motivation.	208
Table 19.	Final Table for Case Studies on Institutional Capacity/1.	209
Table 20.	Final Table for Case Studies on Institutional Capacity/2.	210
Table 21.	Final Table for Case Studies on Institutional Performance.	211
Table 22.	World Bank Projects in Turkey throughout the History.	345

LIST OF FIGURES

FIGURES

Figure 1. Issues on Urban Service Provision and Governance.	13
Figure 2. Five Organizations of the World Bank	37
Figure 3. The Components/Dimensions of Governance Highlighted by Different Authors and Institutions.	53
Figure 4. The Evolution of Perspective to the Concept of Governance. . . .	64
Figure 5. Spectrum of Public-Private Partnership Options.	126
Figure 6. Formal Systems and Informal Practices in the WSS Wheel. . . .	127
Figure 7. Thesis Methodological Information	156
Figure 8. Proposed Institutional Structure for Antalya Water Supply and Sanitation Project	183
Figure 9. The Explanations for Tables about the Results from the Questionnaire.	206

LIST OF ABBREVIATIONS AND ACRONYMS

ALCESU	:Alacati-Cesme Water Company
ALDAS	:A company for management and advising for infrastructure services (Antalya Water Supply, Sewerage and Storm Water Services Investment Management Company)
ALKE	:A joint venture company involved in AWSSP, (ALKE Construction Industry & Trade Inc.)
ANTSU	:A private operator company in Antalya
ASAT	:General Directorate of Antalya Water and Wastewater Administration
ASO	:The Antalya Water Supply and Bus Department
AWSSP	:Antalya Water Supply and Sanitation Project
BOT	:Build-Operate-Transfer
CALBIR	:Cesme-Alacati Municipal Union
CAS	:Country Assistance Strategy
CBO	:Community Based Organizations
CBS	:Community Based Societies
CGE	:A French firm involved in CWSSP (<i>Compagnie Generale des Eaux</i>)
CWSSP	:Cesme-Alacati Water Supply and Sanitation Project
DMs	:District Municipalities
DSI	:General Directorate of State Hydraulic Works
EIB	:European Investment Bank
GATS	:The General Agreement on Trade in Services
GDP	:Gross Domestic Product
GRC	:Governance Resource Center
HI	:Historical Institutionalism
IBRD	:International Bank for Reconstruction and Development

ICSID	:International Centre for Settlement of Investment Disputes
IDA	:International Development Association
IFC	:International Finance Corporation
IMF	:International Monetary Fund
ISKI	:Istanbul Water and Sewerage Administration
LOA	:Logic of Appropriateness
LOC	:Logic of Consequentiality
MDGs	:Millennium Development Goals
MIGA	:Multilateral Investment Guarantee Agency
MOI	:Ministry of Interior
NGO	:Non Governmental Organization
PMU	:Project Management Unit
PPPs	:Public Private Partnerships
PSP	:Private Sector Participation
RC	:Rational Choice
RCI	:Rational Choice Institutionalism
SAUR	:A French operator involved in AWSSP
SI	:Sociological Institutionalism
TURSAB	:Association of Turkish Travel Agencies
UN	:United Nations
UNCED	:United Nations Conference on the Environment and Development
US	:United States
USSR	:Union of Soviet Socialist Republics
WB	:The World Bank
WTO	:World Trade Organization

CHAPTER 1

INTRODUCTION

1.1. Main Basis of the Thesis Subject

In recent years, there is a widespread idea that in developing countries the central government alone is unable to meet the internationally agreed targets for poverty alleviation. Although this insufficiency problem can often be identified with the issues on decentralization of central authority and the rise of partnerships formed between public and private in order to achieve at least provision of universally accepted living standards for people, it should not be ignored that programs and projects of international and overseas organizations in developing and underdeveloped countries have been more encountered in the last twenty years than before. For this reason, nevertheless, in order to evaluate the new position of central governments in development matters by just with the focus on the perspective of decentralization and partnerships provides a limited outlook, since there is a need for more elaboration for the study area which also envelopes these above mentioned subjects related with the projects and programs of supra-blocks, international and overseas organizations. Emphasizing that, the efforts to pull out central governments from the problems of development, urban service provision and poverty alleviation is corresponding to the diminishing powers of nation states and having an association with the increasing impacts of these organizations on nation states and indirectly on central governments.

As parallel to the restructuring process in the economic, social and political world, the World Bank (WB) is one of the organizations which appeared with the objective of restructuring the Western World through sustaining economic development and performing the equality principle. This study also focuses on the reasons of shifts of WB's approaches and strategies as corresponding to the transformations in the whole world particularly from 1990s to

the present. In this period, apart from the political, social and economic changes which can not be considered as separate changes, WB has also changed its approach by giving emphasize **to the poverty alleviation instead of economic development and inequality decreasing**. Moreover, the authorized persons of WB have declared the urban services as the key factor to alleviate the impacts of the poverty problem since 1990s. In fact, this approach can be considered as an effort to make better the quality of life and environment for low-income groups.

As for the general tendency about these organizations, over the past two decades, a form of consensus, which has appeared about the nature of urban service provision and the problem of poverty, is based on declarations of WB, the Millennium Development Goals (MDGs)¹ of United Nations and Local Agenda 21. The general tendency of international organizations' focus on urban service provision has **shifted from a concern with technical improvements towards a growing importance of the institutional aspects of service delivery** since 1990s.

Local Agenda 21 which proposes an action plan to guide collaborative action between different stakeholders to achieve sustainable development is a principal output of the United Nations Conference on the Environment and Development (UNCED) in 1992. This action plan emphasizing a shared approach to deal with interdisciplinary and multidisciplinary crosscutting urban problems caused an important force to mainstream participatory methods among various actors. That has brought a re-concentration to the issue of governance and institutionalization.

Except for the Local Agenda 21, the eighth goal of MDGs of United Nations (UN) is also namely to "Build a Global Partnership for Development"; the complementary goal of other seven goals. The partnership is required for the MDGs at both national and international levels. Here the term of development has been assumed as the internationally agreed targets by UN and other international organizations. Furthermore, the concept of partnerships is closely interlinked to the issue of governance and institutionalization.

¹ The Millennium Development Goals (MDGs) are eight international development goals that 189 United Nations member states and at least 23 international organizations have agreed to achieve by the year 2015. They include reducing extreme poverty, reducing child mortality rates, fighting disease epidemics such as AIDS, and developing a global partnership for development (Wikipedia, http://en.wikipedia.org/wiki/Millennium_Development_Goals (accessed May 09, 2008))

WB which accepts urban services as the key factor to defeat poverty problem has developed many projects and programs so as to realize their objectives about development since 1990s. WB has a particular worth for the urban problems, based on WB's prominence on designing governance proposals and institutional arrangements in their projects and programs to improve urban services for a final aim of poverty alleviation. These projects and programs provide a wide study area for discipline of planning because of a necessity for an interdisciplinary and multidisciplinary approach.

Furthermore, WB gives emphasis to the subject of governance, apart from the five main sub-organizations of WB, Governance Resource Centre is one of the important organizations of WB. They study on core public sector reform, urban services, public expenditures, tax policy, decentralization and inter and intra-governmental relations, generic issues in public service in delivery. Between fiscal years 1997 and 2000, WB undertook more specific governance initiatives in ninety five borrower countries.

Therefore, the relationships among **Poverty Alleviation—Improving Urban Services—Good Governance & Institutionalization** form the main approach of WB and the declarations of the international organizations after 1990s. These organizations have developed some set of indicators to determine the governance level of countries. However, it is also significant to focus on the issue of how the definition of governance for WB is different from the remaining literature especially from the studies of theoreticians and why such an approach transformation was required after 1990s.

Moreover, the emergence of free market, new ecological ideals, telecommunication, technological improvements and other transformations in global systems have lead to significant changes in planning thought. The globalization process has created new roles and vision to the planning theory. Therefore, it has also required the reassessment of cities, urban culture and society, space concept, urban politics, governance and urban economics and urban theories and practices with a different outlook. Principally in governance issue; planners has undertaken the role of catalyst. Planners has become the actor of governance, he has not given direction to the administration, anymore. In other words, he has become a part of the process. In the new order, the mission of planners has been mainly directed to the institutional design, that's why the

subject of thesis is so crucial in order to make necessary contributions to the field of planning.

In the perception of “planner as an institutional designer”, individuals are assumed as free in their decisions, and planners just focus on the institutional structure in order to direct individuals. In other words, he/she manipulates individuals using the institutional structure. By means of the theories on perfect market mechanism, planning theory emphasizes on transparency in decision making process; strategy-sketch-vision triple; the short-run plans dependent on vision; partial approaches and the manipulation of the society. If these theoretical changes are concerned in a detailed manner, the issue on the relationship between governance and urban service provision can not be kept, inevitably, out of the planners’ interest area. This interest area is not only related with the technical and spatial dimensions of the urban service provision but also with the institutional dimension of the governance and its relation to the subject of urban service provision.

Unquestionably, to put the relationship between urban service provision and governance to the focus of the thesis is be practical to appraise the projects and programs implemented in Turkey not only by WB but also by various international and overseas organizations.

WB’s present portfolio in Turkey encompasses more than twenty active investment projects under four headings²: infrastructure & energy; human development; agriculture and rural development; economic management, public sector & finance. The interest area of this thesis is related with the investments of infrastructure & energy and human development by WB since these investments are designed to improve the provision of services.

The interest area of this thesis, if services are taken into account, because of the above mentioned subjects of the thesis, is related with the headings of infrastructure & energy and human development. Subtitles under the heading of this group of investments can be sampled with the projects of “Antalya Water Supply and Sanitation Project (AWSSP)” and “Cesme-Alacati Water Supply and Sanitation Project (CWSSP)”, as well as, the subtitle under the heading of “infrastructure & energy”. These mentioned investment projects as subtitles are also correlated with the methodology of thesis, because they are the service

² World Bank, [http:// www.worldbank.org](http://www.worldbank.org), (accessed September 06, 2008)

improvement projects that include components including institutional restructuring dimension with its effects on governance of target service.

As the main hypothesis of the thesis is concerned, the emergence of theories on the influence of governance and institutionalization on urban service provision after the global declarations and studies by international organizations, a contradictory situation remains as a question; institutional dimension is misevaluated or ignored in the urban service provision projects implemented in Turkey as a result it can not be used effectively. What the reason for this ambiguous situation about the misevaluation and ignorance of the institutional dimension is that there are many causes which should be revealed related with the implementations of international projects. In addition, whatever the reason is no matter whether it is social, economic, political, cultural or spatial, the crucial point is the institutional structure created or re-organized by the projects on account of the governance approaches and institutional dimension of the problems lived in Turkish cases because of the reasons tackled in the theoretical chapters in a detailed way.

1.2. Stages of the Thesis

This thesis is mainly divided into three parts:

a-the introductory stage with a special prominence to the **theoretical and historical basis** of the thesis,

b-**the evaluation of the theoretical issues and the presentation of the methodology** forming the progress stage,

c-**the presentation of case study areas and the Institutional Assessment with conclusion using the findings from the first two stages of the thesis and ends with the conclusive and comparative evaluations, explanations directed to the hypothesis and objectives of the thesis.**

1.2.1. Theoretical and Historical Basis

This introductory stage presents the movements and transformation in political and economic world with reference to three periodical categories;

- **from the post-war period to the end of 1970s,**
- **from the beginning of 1980s to the mid 1990s,**
- **from the mid 1990s to the present**

This categorization is formed in relation to the historical turning points of worldwide change as well as the alteration in the concept of development theories. Development theories are worthwhile to examine in explaining the entrance of international and overseas institutions to the inner mechanisms of nation-states.

In this standpoint, these changes are observed and explained with respect to the changes in political and economic world interrelated with each other and also interconnected with the changes in institutional, social, cultural and legal frames.

In this stage, the subjects are changes in economic, social and political world, reflections of the economic, social and political changes to the key concepts and terms, transformations in WB's approaches and strategies, views on the subjects of poverty, governance and urban service provision, WB's approach to these subjects, perspectives and change in the relationships between the urban service provision and governance

These subjects are elaborated below in reference to **the main subjects** and the perspective of thesis in each section of the introductory stage. These stages include two chapters under the headings of "Theoretical and Historical Perspective" and "The World Bank and Governance"

1.2.1.i. Theoretical and Historical Perspective;

Chapter 2 with the heading of "Theoretical and Historical Perspective" is in the characteristics of giving information about the basic theoretical issues and historical transformations on which the thesis subjects bases.

In respect to the years of global transformation, agenda of the thesis deals with the changes in the world in above mentioned periods, especially on

globalization and its effect on key concepts and with the new concepts influential on these key terms. At that point, there is a special reference to the development theories about the above mentioned periods. These periods are also handled with the key turning points in the world, after the post-war period up to the present by focusing into the transition periods from the bi-polar world to the free-market mechanism. While doing this, the transformation in political order after the postwar period is often related with the economic transformation. Development Theories become useful to explain the activeness of the overseas and international organizations in development and restructuring attempts in the third world countries, namely in neo-liberal terms, in the underdeveloped and developing countries. While becoming active in the third world, the transformation in the perspective of these organizations is also subject of this section.

By the economic restructuring process as a preparation stage to its sequential impact as a globalization in whole world, the changes in the theoretical issues and new challenges about the globalization and localization with reasons and results of these processes are argued with a spatial dimension in section two.

Development theories with a localist, systemic and the reciprocal approaches for the target of development by various theoreticians is presented in section three by the objective of opening a new debate about the systemic impact to the whole third-world countries as a new way of liberalist view.

Also in introductory stage, basic information is given about the concept of governance under the effect of new transformations in whole world and the new challenges to the problem of urban service provision, assumed as the key for the development.

Approaches on economic restructuring process as an economic tool of globalization in political arena within the boundaries of nation states are handled with its impacts on the key terms of governance and institutionalization. However, this subject will be meaningless unless its relationships to the urban service provision are set. Therefore, the drastic change on the concept of institutionalization and governance are evaluated with the challenges to the urban service provision after post-war period. This chapter is also useful in order to observe the transformations in the role and mission of WB due to the changes

in the world and the evaluations of the present mission and role of WB's projects and programs after all effect of the overall change.

1.2.1.ii. The World Bank and Governance;

After giving information about the basic theoretical issues and historical transformations on which the thesis subjects bases, it is useful to concentrate on the organization of WB and to the detailed outlook to the governance theory with its various dimension is practical for the introductory stage to articulate the previous chapters into the chapter IV in which an elaborated evaluation of institutionalism, governance theory and urban service provision at present is made for the presentation of the institutional Assessment method as a frame method at the next chapter.

In this chapter, while presenting the literature related with WB, existing World Bank Organization is explained with its sub-organizations, its strategies, programs and the contents of their projects are explained.

About the governance theory, various dimensions of the concept of governance are mentioned and the changes in the perception of the concept through time are handled. In addition, for the articulation of the governance theory to the issue of institutionalism in the next chapter, origins of urban politics and the detailed elaboration of the concept of governance is made in chapter IV.

Through these evaluations, the present mission of WB is underlined and in this way, the relationship among the subjects of poverty, urban service provision and governance are stressed. However, the main subject of the thesis on the relationship between urban service provision and governance with institutionalization is separated in the further sections with the intention of clarifying the approach of thesis.

In this chapter, the scope of thesis takes into account of the changes in the roles of WB as corresponding to the changes in its strategies and approaches since its establishment by means of emphasizing the re-structuring period of WB through underlining the aim of poverty alleviation with main focus of their projects and programs in reference to MDGs Report-2000 of UN. This highlights the assumption of WB on the improvement in urban service provision for the poverty alleviation as a unique solution. Moreover, these subjects are strengthened by

the evaluation of the theoretical and practical approaches connected with the close relationship between the urban service provision and governance and their opinions on importance of institutional rearrangements instead of technical improvement for the urban service provision.

These explanations and evaluations are reinforced through the theories on the subjects of partnership and participation for the public and private sector with community based societies and non-governmental organizations. The main base for these discussions is the internationally agreed targets and declarations at present by means of the eighth goal of MDGs of UN, which is namely to **“Build a Global Partnership for Development”**; **the complementary goal of other seven goals.**

To sum up, in this stage, the viewpoint of WB on the subject of poverty is evaluated in the scope of the internationally agreed objective on institutional improvement in the urban service provision via good governance.

Furthermore, except for the main discussions on the subjects of poverty alleviation, urban service provision and governance, the general framework of the introductory stage is also include the perspectives of development theories in periods mentioned above, the institutionalization theories related with the discussions on top-bottom and bottom-top institutionalization, the theories on the recent four processes influence the structures of settlements, the three paradigms for the globalizing world namely; localist, systemic and reciprocal influence, the origins of the urban politics concerning its relation with the emergence of the paradigms on the governance subject to emphasis the significance of the subject of thesis for planners and the evaluation in planning thought and practices.

1.2.2. Evaluation of the Theoretical Issues and the Presentation of the Methodology

This stage consists of two chapters including the evaluation of theoretical issues to reach the findings useful for the conclusive stage of the thesis and the presentation of methodology. The contents of these chapters are explained in a

detailed way under the headings of “The Articulation of Institutional Approaches into the Governance Theory and Urban Service Provision” and “Methodology”.

1.2.2.i. Institutionalism, Governance and Urban Service Provision;

Chapter IV can be accepted as a detailed evaluation and the attainment of the theoretical findings by using the historical and theoretical information presented in chapter II and III. Moreover, this chapter can also be assumed as a cumulative formation of the theoretical knowledge by its findings for the presentation of the methodology and the evaluation of the case studies.

In this chapter, while highlighting that the matter on governance theory can not be thought as separate from the issues on institutionalism, institutionalism is evaluated in a detailed way with its old and new version; institution as a concept and as a dynamic part of governance; its place in global order and its relation with the issue on development and governance theory.

Governance theory is also elaborated with its correspondence to the institutionalism and with the popular term of ‘good governance’ of WB. The last sections of the chapter IV is more related with the implementation of governance and its actors in the urban service provision. The agenda of the urban service provision in current is presented with partnership types among public, private, non-governmental and civil-society based organizations which are mainly formed by the prescripts away from the nation states.

1.2.2.ii. Methodology;

In Chapter V, methodology is presented with the explaining about the selected international case studies with their findings, in thesis, these international case studies are sampled at the end of the thesis in the section of appendix. These international examples are planned to use with its findings at the end, in the chapter of conclusion.

Thesis’ methodological approach can be labeled as comparative case study by means of using Institutional Assessment as a frame method with the tools of in-depth interview, literature survey, other related documents and theoretical background. Thesis’ analysis can be called as qualitative research

analysis. The detailed information about methodology is given in chapter V. Institutional Assessment Criteria, the formation and combination of the questions directed to the interviewers are also presented in this chapter. The questions of interviews are also given in the appendix.

1.2.3. Institutional Assessment and Conclusion

The main significance of this stage is that it also includes the results of the questionnaire except for the data acquired by the second stage of the thesis. The water supply and sanitation projects are assessed according to the findings from institutional assessment method.

This stage includes the chapters related with “The Presentation of Case Studies”, “Institutional Assessment” and “Conclusion”

1.2.3.i. The Presentation of Case Studies;

Chapter VI, namely “World Bank Projects in Turkey”, firstly gives information about the current WB projects in different phases in Turkey. By making this, the selected case studies for institutional Assessment, which are Cesme-Alacati and Antalya Water Supply and Sanitation Project, are placed with their project specific characteristics into the current WB projects in Turkey.

For case studies, analyses and evaluations include international investment projects with a special emphasis on infrastructure and energy projects. Water supply and sanitation projects provide useful data about investments of WB on Turkey with regard to the technical and institutional improvements of urban service provision.

Then, Cesme-Alacati and Antalya Water Supply and Sanitation Project are presented with the information about project area, reasons for the emergence of project, objectives and institutional arrangements.

1.2.3.ii. Institutional Assessment;

As mentioned above, the detailed information including the institutional Assessment about Methodology is given in chapter V, VI and VII. After the application of Institutional Assessment as a frame method to the case studies from Cesme-Alacati and Antalya, the comparative findings of the interviews and the evaluation of the findings are presented in chapter VII together with the findings from the related documents, literature survey, theoretical and historical research.

1.2.3.iii. Conclusion;

In chapter VIII, as a conclusion chapter, the main hypothesis is concerned with the main focus on the institutional structure in the implemented WB projects. The contradictory situation; related with reasons for the misevaluation and not effective use of the institutional dimension in implemented projects in Turkey while standing of the declarations and tendency in international projects about the institutional dimension, are presented not just for WB projects but for all international projects in such an abundance milieu of international projects and programs. Also, the overall evaluation of the thesis is made in general.

While doing this, theoretical and practical information is used altogether by taking account the current lasting transformation in social, political and economic world, theoretical challenges, the nature of international projects, Turkey's current problem areas in the implementation of projects with its administrative and judiciary structure without ignoring the institutional structure and governance experiences of Turkey and the findings from the interviews with the method of institutional assessment.

At the end, the significance of institutional dimension in the utilization of investment projects is presented by the contribution of the thesis for the current international investment projects in Turkey.

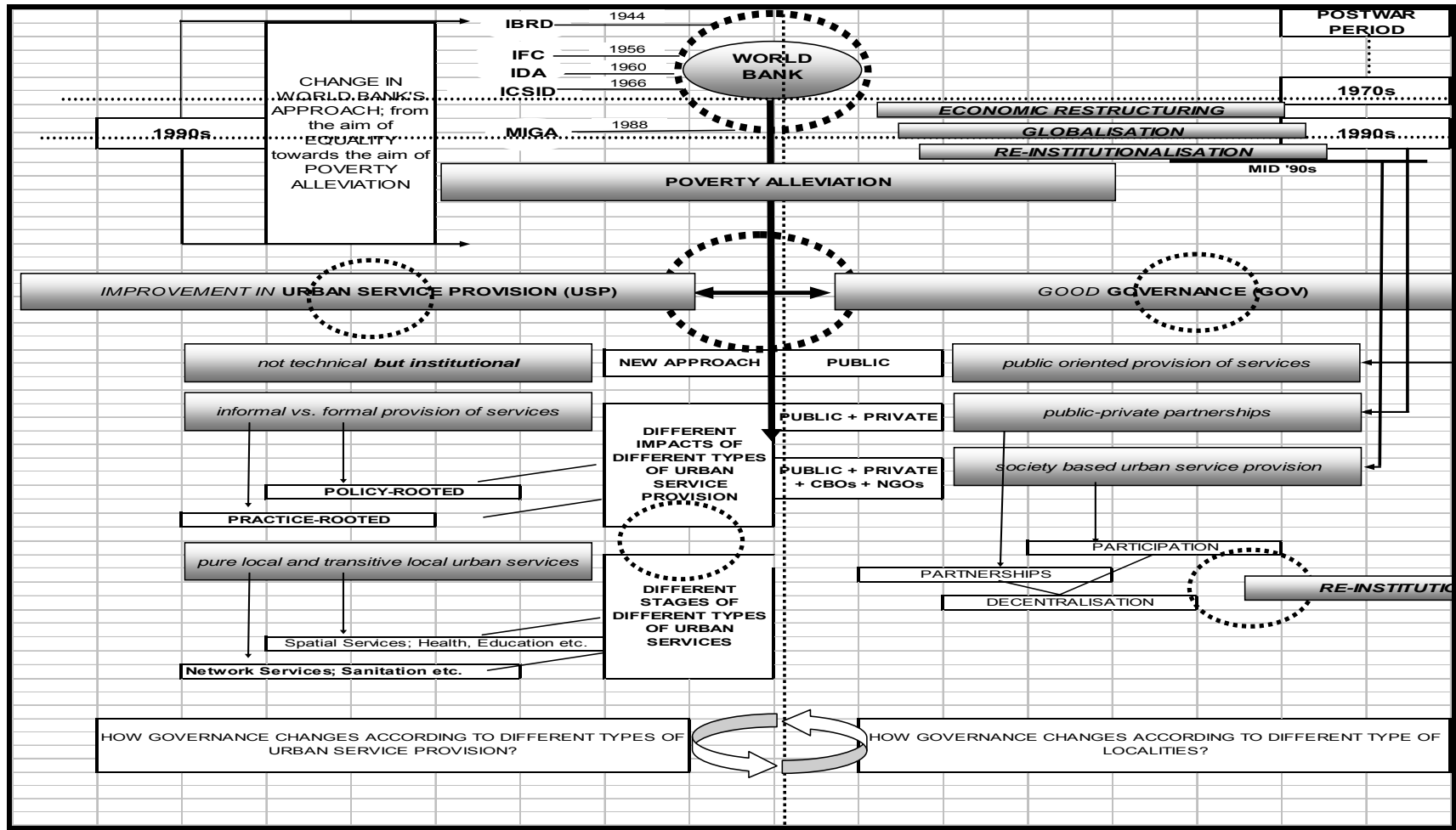


Figure 1: Issues on Urban Service Provision and Governance

CHAPTER 2

THEORETICAL AND HISTORICAL PERSPECTIVE

This chapter includes the subjects of the global transformation with a special prominence on three periods; from the post-war period to the end of 1970s, from the beginning of 1980s to the mid 1990s, and from the mid 1990s to the present with taking into account transformations in political, social and economic milieu by means of assuming the subjects of economic restructuring, globalization and the issue on institutionalization as a focal point.

In the first section, the above mentioned years are pointed out with the transformation in the political and economic milieu to emphasize on the increasing role of the international and overseas organizations. In addition, the World Bank (WB) is replaced with its strategic characteristics by giving useful information about its brief history, organizational structure and reasons for taking more initiatives in underdeveloped and developing countries in such international organizations.

In the second section, the increasing impact with a priority of development target of global powers on local and national spatial and administrative units. The restructuring process of global powers according to the results of transformation lived in whole world is examined especially by concentrating after the years of 1970s. The special aim for this section is to emphasize on the reasons for the increasing impact of the global powers such as WB.

In the third section, the restructuring local and global units are set in relationships with various approaches about how to achieve development. These approaches are briefly presented with their common and different characteristics.

In the fourth section, the risen issue of governance is handled with its conceptual meaning in a basic way that it is delineated in chapter III and IV.

In the fifth section, since urban service provision is evaluated as the key factor for development, it is emphasized with the challenges after the post war

period especially from the governance and partnerships issues which is directly related to the subject of institutionalism.

2.1. Turning Points of Global Transformation

After the 2nd World War, there was supremacy of bi-polar political power on the world; USSR and USA signed in new agreements with their allied partners on particular subjects. This period is called as a Cold War Period³ when remarkable changes in economic, political and military areas were dealt with. In 1955, the establishment of Warsaw Pact led to the formation of significant events in the bi-polar world. The equity principle of Socialist Political Ideology was adapted with the emergence of the Welfare State Regime by neo-Liberalist Politics. Between the years of 1944-1949, in Great Britain, some reforms including education, health, and social security services were put into operation. In fact, these reforms influenced from the Keynesian Economics⁴, which were used to provide the continuity of economic system and to create a middle-class in view of the fact that the middle-class was essential with the purpose of creating a sustainable consumer profile.

After the 2nd World War, cities were reorganized in economic, social, spatial and political life in order to adapt to new economic strategies challenging and giving them new roles. Actually, export-dependent industrialization period was the reflection of Keynesian Economics. In this period, the influence area of the politics on economy was within the boundaries of the nation-states. In other words; for launching and determination of economic strategies, the main determinant was the boundaries of nation-states. Although the private sector was at the core of the economic strategies, nation-state was the main determinant of

³ The Cold War was the state of conflict, tension and competition that existed between the United States and the Soviet Union and their respective allies from the mid-1940s to the early 1990s. Throughout this period, rivalry between the two superpowers was expressed through military coalitions, propaganda, espionage, weapons development, industrial advances, and competitive technological development, which included the space race. Both superpowers engaged in costly defense spending, a massive conventional and nuclear arms race, and numerous proxy wars (Wikipedia, http://en.wikipedia.org/wiki/Cold_war#References (accessed January 08, 2009)).

⁴ The theories forming the basis of Keynesian economics were first presented in *The General Theory of Employment, Interest and Money*, published in 1936.

economic development. This regime continued until the Great Depression⁵ in 1970s. Afterwards, R. Reagan in US, M. Thatcher in UK started to seek new ways to avoid from the negative impacts of the economic crisis. This caused dominancy and extensive preference of neo-liberalist policies.

On the other hand, in USSR, M. Gorbachov made some reforms come into force, in 1990. These reforms were including some laws to set in free market mechanism. In addition, there were some conflicts between central and federal governments. On September 1991, with the declaration of independency by Latvia, Lithuania and Estonia, USSR collapsed. In the same period, Berlin Wall was demolished by the compliments of Gorbachov. After these events, Warsaw Pact⁶ was repealed on July 1991. Henceforth, this led to the start of a new period for whole world.

After 1990s, bi-polar political world was replaced by the challenges of free market mechanism; maximization of capital mobility, the sharp reducing intervention of the governments on national and local economy, and shrinking activities of the nation-states. In the same period, principally after the 1970s, while post-Fordist mode of production creates new prospects in economy, post-modernism has started to affect all fields deeply. Post ideas have replaced all concepts of modernism by the recognition of a break from the modernist ideas throughout the years.

In the same period, by means of the advanced technology, the information has started to flow more quickly than before. It has resulted in the articulation of international capital markets. Following these changes, the privatization policies in UK have spread to whole world by means of the overseas credit institutions and the rapid information flow. In terms of globalization, the boundaries of nation-states are asserted with having a lessening significance in such a global world. However, twenty-six new nation-states (by the separation of Yugoslavia,

⁵ The Great Depression was a worldwide economic downturn starting in most places in 1929 and ending at different times in the 1930s or early 1940s for different countries. It was the largest and most important economic depression in modern history, and is used in the 21st century as an example of how far the world's economy can fall (Duhigg, 2008). The Great Depression originated in the United States; historians most often use as a starting date the stock market crash on October 29, 1929, known as Black Tuesday. The end of the depression in the U.S is associated with the onset of the war economy of World War II, beginning around 1939. (Engerman and Gallman, 2008)

⁶ The Warsaw Pact was an organization of communist states in Central and Eastern Europe. It was established on May 14, 1955 in Warsaw, Poland. The treaty was signed in Warsaw on May 14, 1955 and official copies were made in Russian, Polish, Czech and German. The treaty was an initiative of the Soviet Union and was in direct response to West Germany joining the North Atlantic Treaty Organization (more commonly known by its English acronym NATO) in 1955 (See: Modern History Sourcebook, 1955)

Czechoslovakia, USSR, Ethiopia) have been established since 1990s. Moreover, there are still signs of increasing number of nation-states (Quebec from Canada; E. Timor from Indonesia and the separation of Iraq, Sudan and Rwanda) in the world for the near future.

Neo-liberal politics define the concept of democracy with the terms of free market mechanism and economic development. According to many social scientists, Neo-liberal definition of so-called democracy made an essential contribution to the rise of free market mechanism (Harvey, 2006). In this viewpoint, structural adjustment is assumed as the democratization process dependent on free market mechanism has spread to whole world in order to restructure nation-states.

As corresponding to the reflections of these political and economic, at present, overseas international credit institutions offer a great amount of credits to the developing and underdeveloped countries. They direct all investments and lay some economic, political policies down as a condition to the nation-states with the promise on continuity of the credits. This policy is enhanced by the structural adjustment, sectoral adjustment and reforms in bureaucratic structures of the nation-states. Moreover, this approach deeply interferes to the inner dynamics of the nation-states. In the sectoral adjustment stage, WB is put into use. In addition, in terms of the risky investment, Credit Ranking Institutions become active for the determination of the extent of investments. Therefore, because of the shrinking government intervention, so-called objective and international credit institutions direct all the investments and determines on the quantity and interest rates of the credits. There are many claims on that the capital intervention of nation-states is left to the monopoly of international credit institutions. The freedom of market mechanism leaves doubt in relation to the exact control of capital by these institutions since developing and underdeveloped countries are manipulated in the military, political, economic and bureaucratic areas by means of the credit-dependency.

In order to overcome economic crisis, the preference has been made in favor of the neo-liberal strategies. Privatization has been accepted and exported to whole 3rd world as an inevitable method in order to defeat the unfavorable impacts of the crisis. According to optimist views, globalization creates a milieu which leads to a development thought beyond the nation-state policies in addition

to this, in global process; local governments would easily step towards to development with their inner dynamics. In this perspective, cities would be able to find out their future through an opportunity of autonomous role. Moreover, they would give momentum to their potential power. However the problem related with the definition of new economic roles of cities has risen in recent years.

On the other hand, as mentioned above, WB has changed its approach with corresponding to the transformation in economic and political world. Moreover, the evaluation of this change is outstanding for the discipline of planning and recent issues on planning. In other words, the reason for the preference of WB as one of the key dimensions of thesis is the dramatic shift of the Bank's approach to the subject of economic development associated with the problem of urban poverty. Also, this transformation can be observed in the other international institutions linked to their redefined roles during the same periods such as in IMF, Credit Ranking Institutions (Standard & Poors', Moody's), and UN. In detail, the major approach of WB to the underdeveloped and developing countries has shifted to the poverty alleviation instead of economic development after 1990s. Moreover, WB has arranged its projects and programs with the aim of poverty alleviation by means of the improvement in urban services and governance. This approach is clearly stated in the MDGs in 2000 and in WB Development Report in 2004. In an attempt to alleviate the problem of poverty, **improving urban services was labeled as the key significant dynamic** in the same report and Millennium Development Goal-List. Furthermore, education and health services have been asserted as the primary services to improve. As well, almost one hundred countries are supported by the aim of improving governance. The subject of the governance is assumed as the focal dynamic for the improvement in urban services (Hall, 2003:4).

As explained above that the post-war period is significant for figuring out the emergence of international actors which continue forming the World at present. Moreover, at present, WB is one chief international institution established after the Agreements in Bretton Woods in July 1944. Briefly, the meaning of these agreements was the materialization of essential international institutions shaped deeply whole world, by its changing nature, especially, after the 1990s. These agreements were especially related with the institutionalization

of the International Money System and Gold Exchange System⁷. Then, the credit opportunities from International Monetary Fund (IMF) were used to realize National Money Convertibility and International Trade. However, by the refutation of the agreement conditions, the Agreements in Bretton Woods were replaced by Jamaica-Kingston Agreements signed in 1976.

At present, there are five sub-institutions of WB. These were established between the 1944 and 1988. As analogous to the changing roles of WB, the dramatic move has been observed in the roles of these sub-institutions, too.

These institutions are;

- The International Bank for Reconstruction and Development (1944-IBRD),
- The International Development Association (1960-IDA),
- The International Finance Corporation (1956-IFC),
- The Multilateral Investment Guarantee Agency (1988-MIGA),
- The International Centre for Settlement of Investment Disputes (1966-ICSID).⁸

The detailed information about WB is given in chapter III mentioning its organizational structure, programs and characteristics of its projects.

Presently, WB performs its projects and programs to solve the problem of poverty by means of the improvement in urban service provision. In addition, **the subject of governance and the prominence of institutionalization are stressed as a certain part of their studies, an inevitable part for the improvement in urban services and a condition for the achievement of their projects and programs.** In this connection, the relationship between the urban service provision and urban governance is elaborated by the discussions on the impact levels of various aspects of governance on specific urban services. **As one of the fundamental issues, the governance processes lie beneath in an institutionalization arrangement of a project constitutes the main interest area of thesis.** While doing this, WB's approach to the poverty alleviation is discussed by means of the explanations on findings from. In order to attain a useful result, the Bank's approach on governance problem is examined in relation to their proposals on governance regime to improve specified urban services.

⁷ The first modern international monetary system was the gold standard. Operating during the late 19th and early 20th cents., the gold standard provided for the free circulation between nations of gold coins of standard specification. Under the system, gold was the only standard of value.

⁸ World Bank, <http://www.worldbank.org>, (accessed October 13, 2008)

In the next section, it is useful **to give some more details related with the transformation after 1970s**. Actually, the aim at next section is to underline **the economic and spatial changes and with a special prominence to tendencies in the subject of institutionalization and the increasing impact of global powers on local and national dynamics by the globalization processes**.

2.2. Economic Restructuring Process and Globalization: Local and National Spatial Units within the Challenge of Global Dynamics

In this section, the aim is to give some brief information on the debate related with the concepts of globalization and localization so as to emphasize on views regarding the changing nature of the institutional structure in public administrative units within the new economic order after 1970s. In other words, this is useful to put forth the new roles of central and local governments and global powers into consideration. Moreover, this section provides a practical perspective not only for the evaluation of the relationships between urban service provision and governance in the context of new institutionalization debates in the restructuring process but also for the evaluation of WB's approach discussed at the rest of the thesis.

Since the beginning of the 1970s, there has taken place a considerable structural change in the world economy and geography of development. The most common characteristic of this period is observed as increasing globalization tendency within the activities of production, trade and financial markets. As a brief definition, globalization is perceived with the rapid movement of goods, services, capital flows and the technological information. In accordance with, globalization is defined with a "world portray" embracing the free movement of capital, goods and services beyond the nation-state boundaries and by means of international and supra national market powers (Özaslan, 2004:440).

At the last quarter of the 20th century, one of the important characteristics in the new global economy has appeared as **the reciprocal dependency among the different spatial units**. As a result of the tendency towards globalization, decision-making mechanisms in the process of economic transformation has

redirected from the national economies towards the world economy. At present, it exhibits a different approach from the classical meaning; economy has moved its scale from nation to globe. In this new period, nation-states are less powerful within the control and direction of the economy than before. On the other hand, global firms can easily direct world trade and the spatial distribution of production. In addition, globalization process which goes through the nation-states and obliges the international cooperation, nevertheless, leads to trade and environmental problems.

The years of 1970s, a period of depression, were the turning point for the drastic changes occurred in the economic, political and social structures both in the national and the local level. On the one hand, there was a deep decrease in the growth rates and demand, and a severe increase in the inflation and unemployment rates, on the other hand, multi national firms moved their productive units from developed countries and regions to the developing countries and regions (Healey and Brian, 1990:6). The reason for the depression was the sudden price increases of petroleum. This led to the rapid increase in the costs of raw materials used by the Western economies. As a consequence, the decrease in the growth rates and investment caused to the hyperinflation and high unemployment rates.

There is a second claim on Great Depression related with the competition pressure created by the Far East Countries. According to this, the articulation to the international markets from new producer industrial countries has strengthened the Great Depression, such as Taiwan, Hong Kong and S. Korea.

Third claim is regarding with the Keynesian Politics enlarged the inner demand. In accordance with this, it resulted in full employment level of the economies. In the end, it caused sharp increase in the production costs and a quick decrease in the profit margins (Fainstein and Campbell, 1996:54).

Apart from these triple factors, the changes in the consumer preferences, the saturation and fragmentation in the inner markets, fluctuations in markets and decreases in the product-life cycle reinforced the depression and the Fordism's Crisis. As a cumulative effect, most of the developed countries and the intensified areas of traditional industry encountered with the fact of deindustrialization, high unemployment rates and social problems.

The depression in the years of 1970s led to significant structural changes in the nation-states and national economies. After this period, nation-states has started to loose their ability of control in the management of the economies. This change in economy towards a global market started to create obstacles for nation-states to preserve their own economies. Both the rise in international capital movements and transformations in the technical and social organizations of the production restricted the effectiveness of the central governments in the regulation of production settings, the organization of innovations and their expansion to the whole inner market.

After the 1970s when the ideas on globalization and localization sharply started to be reinforced, there were many claims about the beginning of a new period because of vital changes taken place in the economic, political, social, epistemological and aesthetic points of view. For this new period, there were made many definitions by scientists from different disciplines. Aglietta (1979) called this new period as Neo-Fordizm while Lash and Urry (1987) referred it with the terms of non-organized capitalism. Piore and Sabel (1984) explained this period by a transition for the flexible specialization as a result of the second industrial division. M.H. Best (1990) highlighted the intensified network relationships and cooperation in global scale by calling the period with the terms of “new competition age”.

Freeman, Perez and Toffler has emphasized on the new techno-economic paradigm⁹ in terms of the Kondratieff's Waves Theory¹⁰ (Özaslan, 2004:442).

Globalization process and the articulation of the national markets to global market have lead to significant structural and spatial transformations not only in developing countries but also in developed countries. This period has forced nation-states to provide macro-economic stabilization and to make structural adjustments. These structural adjustments, which have been comprehensively carried out and formed by the neo-liberal policies, have made nation-states experience a process of reforms. The main target of these policies is to reduce

⁹ See: Toffler (1980), the book, *Third Wave* and see: Freeman (1997) *The Economics of Industrial Innovation*, and also see: Toffler (2002) *Technological Revolutions and Financial Capital: The Dynamics of Bubbles and Golden Ages*

¹⁰ Kondratiev waves are described as regular, sinusoidal cycles in the modern (capitalist) world economy. Averaging fifty and ranging from approximately forty to sixty years in length, the cycles consist of alternating periods between high sectoral growth and periods of slower growth. Most academic economists do not posit the existence of these waves. The Russian economist Nikolai Kondratiev was the first to bring these observations international attention in his book *The Major Economic Cycles* (1925)

expenditures of the welfare state politics. In addition, these policies have been defined with the aim of making close the national economies to the ideals of market models by decreasing the constraints on the competition. In order to provide macro-economic stabilization and articulate national economies to globalizing world economy, central governments have gradually left the policy areas of their traditional economy. In this process, a sharp decrease in the public expenditures has been observed that this set a limit to the economic power of nation-states.

This restructuring process of the nation-states can be defined with a shift from re-distribution politics based on welfare state to minimize public expenditures aiming at the stabilization. Moreover, this process has caused to appearance of new articulation forms between global powers and localities. As a result, there has occurred a new division of labor in the global scale, while the roles of nation-states have redefined. On the other hand the restructuring processes have compelled nation-states to be flexible for the requirements of new global economy and international competition (Castells, 1993:247). This caused loose in the traditional meaning of the polarization among the central, local governments and public-private sectors. In all these units, new organizational structures have started to be observed. Actually, these new formations have been supported by the decreasing importance of the public entrepreneurships and the increasing tendency towards decentralization and privatization policies. This process has worked in favor of the local administrative units against the central administrative units and in favor of the market and private sector against the public entrepreneurship.

As mentioned above, in the restructuring process, central government has gradually left the balance-targeted investments. Before, it used to carry out these investments by means of the spatial regulation policies among the sectors and regions. In the new period, public sector is concerned with fiscal-economic and monetary policies. Beside the decrease in the public intervention, the privatization policies have resulted in social and economic depression in the traditional industrial centers publicly supported before. Moreover, the rural regions have met to face to face with the serious economic regressions. However, it can not be claimed that the restructuring process has accompanied with the negative impacts in all local units. There have been many settlements that developed with

the new industrial order. Nevertheless, it can be concluded that the effects of this period have been observed in different ways in different localities.

Globalization process can not be referred with the disappearance of nation-states. As mentioned in the World Development Report for the year of 1999, in the new period, nation-states have crucial roles to make laws related with the increase in the effectiveness and credibility of local governments. In addition, in this period, there is a requirement for the cooperative action among the nation-states and with the local actors to remove the structural problems and the indefiniteness in a milieu of increasing global competition. In such a case, the definition of regions with reference to the nation-states can not be under consideration. As a result, the decrease of inequalities among different regions should be concerned in a different manner. Interventions in regional scale have been directed to the increase entrepreneurship ability and competition powers of these units. Furthermore, the inner development approach, which claims to set local potentials into action by local actors, has been considered as important.

In the global scale, nation-states has lost their ability to be a sufficient actor for economic development, while, spatial structures has reshaped by means of the global dynamics. Although, global cities and the new city hierarchy with new industrial centers and industrial space hierarchies are within the boundaries of nation-states, they function in an economic organization beyond nation-states. In the next section the impact of global dynamics are elaborated by focusing on the theories about the relationships between global and local.

2.3. Approaches on the Relationship between Global Dynamics and Local Units

As parallel to the globalization process, changes in the economic geography and local administrative structures have raised an issue related with the concepts of globalization and localization. This issue is also connected with the debate on the new roles of nation-states. It bases on the debate related with the superiority of the globalization or localization processes. In this context, there are three different approaches which are localist, systemic, and the reciprocal influence of global-local (Özaslan, 2004:445).

The localist approach emphasizes on the significance of the “local” as a spatial unit or/and local administrative units. According to this approach, “local” has dominancy in the globalization process as being an actor of economy. The shrinking activities of the nation-states form an opportunity for the localities to substitute the functions of central governments. According to Cox and Mair (1991:197-213), local units shift from being an object and “an idea on locality within itself” to be a subject and “an idea of locality for its own”. In this connection, local units have a power to determine global processes. This approach assumes the locality and space as a new regulation unit or a site of economic activity in the global economy. The transformation represents the process of being an active actor in the local economy instead of having a passive role as occurred before. They are more optimistic than the systemic approach defenders about the restructuring process and its spatial reflection. The dynamics of the globalization present important opportunities for local units. In this scope, the local regulation forms are extremely vital to influence global dynamics. In other words, the economic, political and social functions of localities have sharply increased due to their being as administrative regulation units. Localist approach defends the originality of the localities and space. Each local unit has different historical process, social structure and the development process. Moreover, local characteristics provide significant advantages in the local development process. According to localist approach, local politics has a favored noteworthy. Although the global dynamics are assumed as general and universal, in the restructuring process, local entrepreneurships, politics and institutionalization have a remarkable role for the internalization of the global process in local level. Therefore, local politics have a role of regulation in the restructuring process and spatial development.

The systemic approach emphasizes on the significance of supranational and international organizations. Their strategies and global structures determine the behaviors of localities. According to this approach, the globalization process generates an opportunity of unequal development among localities. In addition, this process increases the power of international and supranational firms while decreasing the power of nation-states. The decrease in the interventionist function and the shrinking capacity of nation-states results in socio-spatial polarizations. According to Amin and Thrift (1995:41), at the end of the twentieth

century, the rising trend towards internationalization will make local economies transform into a node in the global network due to the integration of the national and local economies at the global level. In accordance with this, local economies will not be able to get any importance. In the same way, they define the modern world with the totality of the fragmented local economies and cultures with the developing and regressing regions. Most of the local units will lose in this process. Developing regions will be few cities and regions which could provide informational, innovational and institutional wealth. Local institutions and organizations adjust themselves to the widening range of the restructuring strategies of capital. According to them, this exhibits the weakness of local units against global powers. As a result, this process threatens the local autonomy by creating an unequal development opportunity for regions.

Third approach claims that the localization and globalization processes are the complement processes. According to the defenders of this approach, there is a reciprocal influence between these processes creating a balance. This approach has a key role to reconcile the conceptualizations of the local and global level. According to Dunford and Kafkalas (1992), restructuring process has a sophisticated and different nature¹¹. This process represents a complex relationship between the local and the global which are the parts of the same global economic transformation process. In brief, the basic assumption of this approach is that there is a new environment for the integrated relationship between international markets and the local economies. Transformation observed in the global level is internalized according to the local characteristics. This results in a new institutional division of labor, negotiation and articulation between local and global. (Özaslan, 2004:446).

The common point of these three approaches is related with the observation on the shrinking activities of the nation-states and the changing characteristics in the relationships between the global dynamics and the local units. Also, the risen debate on the institutionalization of local governments and the new roles of central governments and global powers provides a significant study area within the assessment of the problem of governance and institutionalization.

¹¹ See: Dunford and Kafkalas (1992) *Cities, Regions & the New Europe: the Global-Local Interplay and Spatial Development Strategies* for detailed information about the restructuring process and relationships between the global and local units.

2.4. Restructuring Process and an Introduction to the Concept of Governance

By the restructuring process in all dynamics of the global world, the debates on institutionalization have given a prominence to the risen concept of governance. This section is worthwhile to explain the concept of the governance and to understand its relation with the transformation period after 1970s.

Over time, the concept of governance has been given many different meanings and interpretations but perhaps a more established definition refers to the 'governability' of a polity or, in other words the capacity of a political system to govern efficiently and to provide the necessary political conditions for economic and social development. This definition of governance has its origin in the mid 1970s. The association between the concepts of governance and governability was initially aimed at providing an analytical framework to examine the ways in which different governments and governing practices facilitate or hinder the governability of the polity, especially, within the context of the welfare and developmental state.

The concept of governance re-emerged with new connotations as it was reassessed in a context characterized by significant transformations, including the dominance of neo-liberal politics, the withdrawal of the welfare state, economic globalization and the emergence of multi-national corporations as agents with supra-national powers. This has a contribution from the wide recognition of the ecological crisis, the emergence of new social movements acting through local and global networks and a re-evaluation of the role of local governments in the development process. Thus, the current governance debate is dominated by two contrasting definitions and set of concerns (Rhodes, 1996:652-667).

On the one hand, part of the literature on governance still focuses mainly on the institutional capacity and performance of the state and the way it has adapted to recent developments.

On the other hand, governance is perceived as a notion that refers to a change in the meaning of government. It refers to a new process of governing, changed condition of ordered rule or the new method by which society is governed.

The other theoretical view on governance looks more generically at the co-ordination of various forms in **formal and informal types of public-private interaction.**

Under this distinction, the state-centric approach is concerned with assessing the political and institutional capacity of the state to direct society towards certain goals associated with the 'public good' and also with examining the relationship between the role of the state and the interests of other powerful actors (Batley, 1996:723-751).

By contrast, the so-called 'society centered' approach is primarily concerned with the role of civil society in the governing process. In this approach the governance process is handled with its relation with the state, through a variety of governance forms or institutional arrangements.

Thus, from this approach, 'governance' refers to emerging 'governing practices' that seek "to develop new patterns of relation between diverse social actors (i.e. the public sector, business organizations, multilateral organizations, the voluntary and community sectors, etc) in an attempt to build greater 'systemic capacity' for collective action in the policy problems"¹².

Naturally, the focus of this approach is on multi-agency ensembles, such as partnerships and networks devised for creating synergy among different social actors in order to realize public policy goals (Pierre and Peters, 2000).

2.5. Challenges to Urban Service Provision after the Post-War Period

After World War II, most countries in Europe were in ruins and in need of redevelopment. Industries considered necessary rebuilding as well as the countries. The state played the overwhelming central role in this restructuring, both in the communist countries of Eastern Europe and in Western Europe. Social services were reformed and provided as basic services.

Developing countries won post-colonial independence in the decades immediately following World War II, and their governments took a strong role in building the new nations. This was done through nationalization of industry which

¹² See: Kooiman (1993) for new emerging networks

had been owned by private companies based in the imperial countries, and also by the development of public services within the new nations. Over the next 50 years, developing countries made health and educational advances that had taken much longer in the industrialized countries. The greatest advances were made through countries with state-run systems, universally available and financed out of government revenues. These systems provided state-supported services with above average spending for developing countries, and policies targeted at communicable diseases, nutrition, and maternal and peri-natal care. They achieved major reductions in the mortality of mothers and children by pregnancy management, household visits, and high rates of immunization. Primary healthcare workers were supported by a well functioning network of hospitals; doctors were required to work with the government health service for a certain period of time. Countries with the greatest advances in healthcare had a much higher level of education for women, which is associated with better nutritional levels for children and lower mortality rates.

There was a slowdown in the 1970s, as economic policies began to constrain state spending. The political and economic policies of restructuring process have been applied since the 1970s that the state should have a minimal role in the development of national economies, leaving as much as possible to market forces, with minimal restrictions on trade or private economic activity. The key mechanisms for doing this have been privatization and trade liberalization.

The central feature of modern public services is based on **the principle of mutual support across communities, based on shared social objectives.**

Before 1970s, in almost every country, the services were provided by government at national or local level include certain categories – the social services of healthcare, education and some form of social security; the utilities of water, energy and communications – including post, telecoms, roads, railways, and air transport; and the state security functions of police, justice, and defense system. However, the full size and scope of public services is invariably a matter of political debate, reflecting different economic and political interests and priorities in the country at any given time.

Neo-liberal economists take the view that expenditure on public services is a burden on the productive sectors of the economy, and hence the role of the state should be minimized, and those services themselves provided as far as

possible by the private sector. Except for these deliberations, new forms have appeared in the urban service provision regarding the effects of neo-liberal policies. In addition, **the debate has been directed to the new institutional arrangements in the urban service provision within the context of rising issue on governance.**

After giving brief information about the theoretical and historical perspective; in the later sections, it is beneficial to mention the findings of literature survey on WB, the subject of governance which will be used to strengthen the evaluations and comparisons in chapter 4 about the articulation of institutional approaches to the governance theory and urban service provision.

CHAPTER 3

THE WORLD BANK AND GOVERNANCE

In this chapter, the World Bank (WB) and the concept of governance are focused, after giving brief information in chapter-2 within the framework of other related subjects on urban service provision, development issue, globalization, restructuring process, institutionalization and the years of transformation.

In the first section, WB is taken up with its sub-organizations, the contents of its projects and programs, its role after the transformation of 1990s. The other related findings from the literature survey are also presented in the next section.

In the second section, although the basic information is given in chapter II, the concept of governance is elaborated with the information from various literatures.

In section three, the assumption of WB's perception on good governance is focused with different approaches by this organization through history. Also, the approaches of the organization through history on this concept is compared and contrasted with the comments and approaches of several theoreticians.

In the last section, the concept is concentrated in a detailed way with a various perspective from of philosophy, milieu and theoreticians. In this section, its relation to the institutionalism is started to establish which particularly subject of the chapter IV is.

It should not be forgotten that if WB's approach on urban service provision for development is taken into consideration as an institutional issue, the governance issue and the related issue of institutionalism can not be separated from the approach of development and urban service provision. In addition, so as to attain success in the projects, the institutional insufficiency should be closely focused.

3.1. The World Bank; Sub-organizations, Projects, Programs, Initiatives and Changes in its Approaches

The general structure of this thesis is the evaluation of relationships between urban service provision and governance by means of institutional assessment in the scope of changing WB's approach to the problem of poverty, after 1990s. At the outset, it has been taken into account movements and the changes in political and economic world during the periods mentioned in the second chapter of this study. After the post-war period, WB is one of the institutions which came to the scene with the objectives of economic development and restructuring the Western World. In that sense, one of the focal points of this study is the transformation of WB's approaches and strategies as corresponding to the changes in the economic, social and political world during the third period mentioned above.

As mentioned in above chapters, After 1990s, WB has changed its approach by giving highlight on the **poverty alleviation instead of economic development**. Moreover, the authorities of WB have declared the **urban services** as the key factor to alleviate the problem of poverty since 1990s. In fact, this approach should be considered as an effort to make better the quality of life and environment for low-income groups.

In general, we can classify the literature related with WB and its approach to the problem of poverty connected with the poverty alleviation, urban services and governance can be classified in three groups;

1-Studies prepared by the World Bank and its sub-institutions¹³; these are connected with the projects and programs which are put into practice in a specific underdeveloped and developing country. In these studies, the organizational schemes, the lending amount, the general information of the settlement in national and local levels, the planning process and related other information are presented. In addition, there are many publications on some concepts or issue which reflect the views of WB's approach to the problem of poverty, urban service provision and governance. The web-site of WB also includes detailed information about these studies.

¹³ The examples of these studies are given by mentioning the names of authors and years in the next page.

Some examples of the studies in literature; Managing Social Risk in Argentina (The WB Latin America and the Caribbean Regional Office, 2000); *Participation and the World Bank: Successes, Constraints, and Responses* (Aycrigg, 1998); *Background Notes for a Review of World Bank Poverty Assessments in Latin America and the Caribbean* (Wodon and Ayres, 2000); *Evaluating Project Impact for Poverty Reduction: A Handbook for Practitioners* (Baker, 1999); *Equity and Growth in Developing Countries The World Bank* (Bruno, Ravallion and Squire, 1996); *Our Dream a World Free of Poverty* (Granzow, 2000).

Also the data sets on governance and urban services can be included in this group of study. The annual World Development Reports, the reports and annuals of UNDP and other international institutions' studies on governance and urban services provide important datasets for analyses.

2-Marxian criticisms: in these studies, authors criticize WB from various perspectives in a framework of Marxist thought. These studies are mainly produced in the milieu of political scientific thought and influenced by Marxian approach and Socialist Political Theory. They interrogate WB's projects and programs with reference to other international institutions on account of their thought on WB as a part of the capitalist order. Some of them focus on case studies and criticize the projects from different perspectives in detail. Also, some of them have international relational and sociological dimensions.

Some examples of this group of study; The Globalization of Poverty, Impacts of IMF and World Bank Reforms (Chossudovsky, 2003); *Voices of the Poor: Crying Out for Change* (Narayan and Parker, 2000); *The State of Food Insecurity in the World* (Bernstein, 2003); *Globalization and the Third World* (Ghosh, 2006); *The End of Capitalism* (Kaufmann, 2004); *Let them Eat Catch up!, The Politics of Poverty and Inequality* (Collins, 1995).

3-Macroeconomic and econometric studies: these studies highlight the econometric analysis and consideration of the macroeconomic policies in economic expressions without criticizing WB's projects and macroeconomic programs. They evaluate the results of their econometric analyses without reaching a general evaluation. In other words, they focus on the projects and

program and it is not important to be a general approach or a specific project for a specific place, they evaluate these projects and programs within its frame by avoiding reaching a wide-ranging assessment for WB's approaches and strategies.

Some examples from these kind of studies; Income Distribution in Latin America (Shixue, 2003); The Effect on Income Distribution of Development, the Growth Rate and Economic Strategy (Papanek and Kyn, 1986); Poverty Dynamics, Issues and Examples (Walker and Ashworth, 1994)

At that point, it is useful to mention in general terms to WB as one of the focus subjects of the thesis. According to WB (2000), they direct their programs not only in the logic of economic growth and macroeconomic policies but also the establishment of the poor supporter institutions. Moreover, to decrease inequality gender and ethnic discrimination are other general aims. In spite of all these analyze, they perceive the macroeconomic policies as critical for their program.

Therefore, an economy-oriented approach is, again, dominant; as it starts from the policies they make the countries execute their fund-obliged programs. The following list includes the main points of these analyses:

- Economic growth,
- Significant macroeconomic policies,
- Non-governmental institutions for poor,
- Effective governance,
- Dealing with inequality,
- Effective safety,
- Protecting the problem of gender and ethnic discrimination (Granzow, 2000:12).

In summary, the studies carried out by this program are executed particularly at a national and a local level in the settlement of the poor in the countries of the Third World. Moreover, the program is a hard work, which had required the support of villagers, bank staff, local project managers, nongovernmental organizations, government officials, and slum dwellers. According to WB authorities (Granzow, 2000), this alleviance in the poor settlement areas is aiming at "...creating small businesses, improving nutrition and childcare, reducing violence, and building infrastructure"

Their mission is emphasized at the end of their projects by the words of "...as using limited resource effectively to create positive effects to the overall society" (Granzow, 2000:20).

With regard to WB's history, it was established during World War II at Bretton Woods¹⁴, New Hampshire. The first duty of WB was to help for rebuilding Europe after the war. Its first loan of \$250 million was to France in 1947 for post-war reconstruction. According to WB, the important focus of WB has remained same, that is, reconstruction after natural disasters, humanitarian emergencies, and post-conflict rehabilitation needs that affect developing and transition economies (Ayres, 1999:59).

However, WB has sharpened its focus by the debt-servicing processes. It has formed a pseudo aim of poverty reduction as the overarching goal of its work. It once had a homogeneous staff of engineers and financial analysts, based solely in Washington, D.C. Today, it has a multidisciplinary and diverse staff including economists, public policy experts, sectoral experts, and social scientists. Currently, 40 % of regional staff and 66 % of country directors are based in the field¹⁵.

WB changed its area of impact, during the 1980s, in many directions. It has started macroeconomic and debt rescheduling issues. Social and environmental issues were assumed to be the main issues it tried to deal with. Actually, an increasingly vocal civil society accused the Bank of not observing its own policies in some high-profile projects.

WB has gone through a transition period in the last decade. To address concerns about the quality of Bank operations, the Wapenhans Report¹⁶ was released and soon after, steps toward reform were taken, including the creation of an Inspection Panel to investigate claims against the Bank. However, criticisms increased, reaching a peak in 1994 at the Annual Meetings in Madrid.

The World Bank Group introduces itself as one of the world's largest sources of development assistance. In 2002, the institution provided more than US\$19.5 billions to the countries from all over the world. It works for more than

¹⁴ Bretton Woods conference, was a gathering of 730 delegates from all 44 Allied nations, held in Bretton Woods, New Hampshire to regulate the international monetary and financial order after the conclusion of World War II (Wikipedia, http://en.wikipedia.org/wiki/Bretton_Woods (accessed May 09, 2008))

¹⁵ World Bank, <http://www.worldbank.org>, (accessed September 06, 2008)

¹⁶ In that period, WB and related lending programs have also failed from a financial perspective, as an immediate action, Wapenhans Report was prepared for suitable response to take precautions in 1992.

one hundred developing economies with a primary focus of helping the poorest people and the poorest countries, as the Bank claims¹⁷.

The World Bank Group is comprised of five main different organizations;

IBRD; The International Bank for Reconstruction and Development was established in 1945. It introduced itself with an aim of reducing poverty in middle-income and poorer countries by promoting sustainable development through loans, guarantees, and non-lending. This also includes analytical and advisory services. According to WB sources, IBRD does not maximize profit but it has earned a net income each year since 1948. Its profits come from several developmental activities. According to the institution, it ensures financial strength, which enables low-cost borrowings in capital markets, and good terms for borrowing clients. (Baker, 2000:31).

IDA; International Development Association introduces itself with the aim of helping the world's poorest countries reduce poverty by providing "credits". These credits are loans at zero interest with a 10-year period and maturities of 35 to 40 years. These countries face complex challenges for progress toward the international development goals. Actually, they are directed by the desire of the First World Countries. The countries also are made, for example, responding to the competitive pressures as well as opportunities of globalization; stopping the spread of HIV/AIDS; and preventing conflict or deal with its aftermath. May be it commented as the ornamented clothes of the imperialist ideals. (Baker, 2000:31).

IFC; International Finance Corporation introduces itself with the aim of promoting sustainable private sector investment in developing countries, helping to reduce poverty and improve people live. (Baker, 2000:31).

MIGA; The Multilateral Investment Guarantee Agency was created in 1988 as a member of the World Bank Group. Its aim is explained in their legislative papers as to promote foreign direct investment into emerging economies to improve

¹⁷ World Bank, [http:// www.worldbank.org](http://www.worldbank.org), (accessed September 09, 2008)

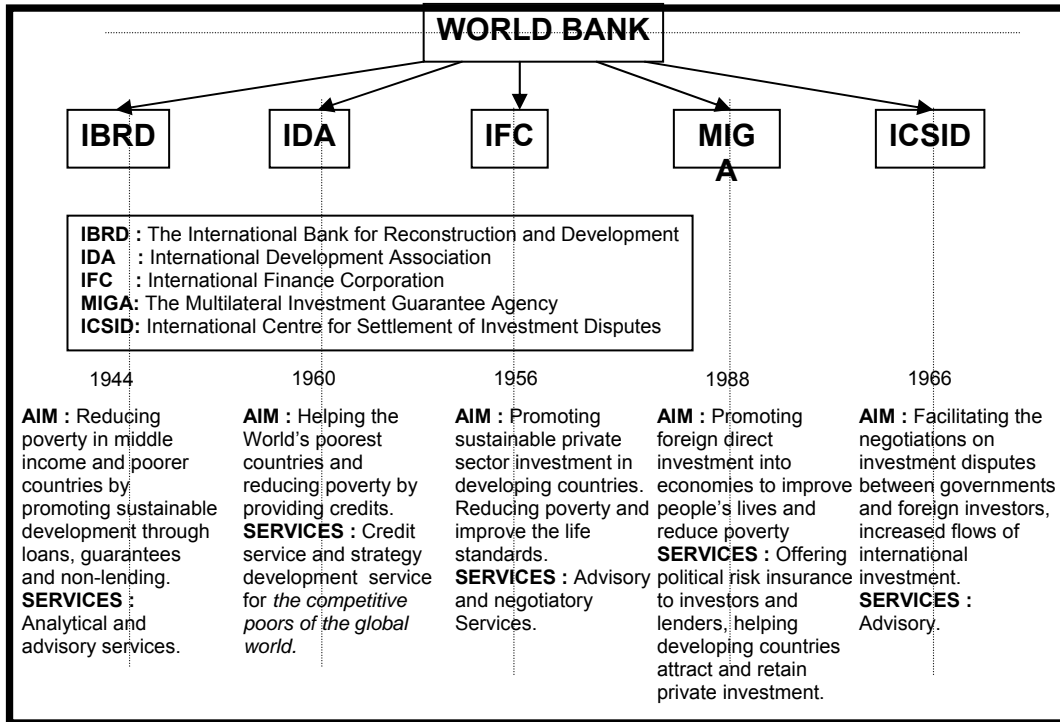


Figure 2: Five Organizations of the World Bank

people's lives and reduce poverty. MIGA fulfills this mandate and contributes to development by offering political risk insurance (guarantees) to investors and lenders, and by helping developing countries attract and retain private investment (Baker, 2000:31).

ICSID; International Centre for Settlement of Investment Disputes was established in 1966. ICSID was the belief that an institution specially designed to facilitate the settlement of investment disputes between governments and foreign investors could help to promote increased flows of international investment (Baker, 2000:32).

Since the establishment of WB, the aim of the institution can not be distinguished clearly, however, by the time everything in the perspective of strategy has changed. By the change in all dynamics of the world, the structural and processory directions of WB changed. Nevertheless, the unluckiness of the so-called Third World is due to the turn of WB into a mean for the goals of the First World.

World Bank Strategies can be categorized under seven headings. The main aim is explained by the goal of fighting against poverty. The following sections cover the main strategies guiding the work of the World Bank Group. The policy that WB follows can be evaluated in a different perspective.

These Strategies are;

- Strategic Framework and Directions
- Comprehensive Development Framework
- Poverty Reduction Strategies
- Strategies for Low-Income Countries
- Strategies for Middle Income Countries
- Country Assistance Strategies
- Thematic and Sector-Specific Strategies

According to WB¹⁸, these strategies are formed by the aims of

- investing in people, particularly through basic health and education,
- focusing on social development, inclusion, governance, and institution-building as key elements of poverty reduction,
- strengthening the ability of the governments to deliver quality services, efficiently and transparently,
- protecting the environment,
- supporting and encouraging private business development,
- promoting reforms to create a stable macroeconomic environment, conducive to investment and long-term planning”.

These strategies are evaluated below one by one in the same order above, they are listed:

World Bank Group Strategic Framework and Directions are the general strategies determined for the next three or five years of the World Bank Group. In the definition of this strategy, reducing poverty is mentioned as the main mission.

¹⁸ World Bank, [http:// www.worldbank.org](http://www.worldbank.org)., (accessed December 11, 2008)

The past experiences are evaluated to be most effective within the application. The papers defining the framework and the directions align the Bank Group's efforts with the international development goals, recently confirmed in the Millennium Declaration and fully endorsed by the World Bank Group (Aycrigg, 1998:59).

Comprehensive Development Framework represents a new way of doing business for WB and its members. It is an approach to development that helps countries become the leaders and owners of their own development actions. The Comprehensive Development Framework is a process. It sets out country-driven mechanisms for development to reach consensus and work together. It is a selective process including a long process to form between the different strategies and the analysis and synthesize of them. The main goal at the end is to achieve concrete results within the process of helping countries (Aycrigg, 1998:60).

Poverty Reduction Strategies are the country-owned poverty reduction strategies providing the basis for whole World Bank Organization, actually, the International Development Association and IMF. It includes lending as well as debt relief under the Highly Indebted Poor Countries Initiative. These strategies are reflected in a Poverty Reduction Strategy Paper, an annually updated document that the country prepares in collaboration with the Bank and IMF. The Poverty Reduction Strategy Paper also describes the country's plans to foster growth and reduce poverty through three-year economic adjustment programs that include macroeconomic, structural, and social policies. In addition, the Poverty Reduction Strategy Paper describes associated external financing needs and major sources of financing. In effect, the Poverty Reduction Strategy Paper translates the principles of the Comprehensive Development Framework into practical plans for action (Aycrigg, 1998:60).

Country Assistance Strategies are the strategies prepared for the member countries. These strategies based on an assessment of the country's priorities, past portfolio performance and creditworthiness. The Country Assistance Strategies set the level and composition of financial and technical assistance that

the Bank seeks to provide the country. While the country's own development strategy as outlined in the Poverty Reduction Strategies' Papers. In addition, WB uses the Country Assistance Strategies specifically to account to its shareholders for its diagnosis and the programs it supports (Aycrigg, 1998:61).

The Country Assistance Strategies normally takes a three-year focus on Bank activities. It is developed in cooperation with the government and, often, with civil society. Country Assistance Strategies for larger countries are revised more frequently, some annually. All Country Assistance Strategies are reviewed by the Bank's Board of Executive Directors; the Bank then issues a Country Assistance Strategies Public Information Notice and a Chairman's summary of the Board discussion. At government request, the full text of the Country Assistance Strategies may also be disclosed (Aycrigg, 1998:61).

Low-Income Countries; the strategy for the low-income groups is especially, set up, In November 2001, a task force to review the World Bank Group's assistance to poor-performing countries. The task force examined the reasons for lack of success of the Bank's assistance programs. A summary of findings of the task force was issued and discussed by the Board in March and July 2002. Improving effectiveness of external assistance to countries with very weak policies and institutions has become a priority for the World Bank Group. This has been added as a new strategy for the activities of WB (Aycrigg, 1998:59).

Middle-Income Countries; the strategy for the middle-income groups is formed by the requirement of the existence of different set of development challenges of the countries. Middle-income countries continue to seek Bank services to enhance their debt/risk management flexibility and to improve their institutional capacity for designing and implementing economic and sector reforms. Again, these strategies have been added as a new approach as the new mission under the new title, in 2001. Middle-income country task force, the Bank now emphasizes the complementary role of advisory services. Also, WB has improved its lending instruments to meet the dynamic needs of middle-income countries. The Bank has also introduced new financial products, including variable-spread single currency loans, fixed-spread loans, and local currency loans, which

provide more flexible options for both low- and middle-income countries (Aycrigg, 1998:64).

Thematic and Sector Specific Strategies are the strategies examining the obstructions in front of the poverty reduction, such as HIV/AIDS, the environment, and the role of participation and decentralization in government. In addition to assessing the appropriateness and impact of related Bank policies, they provide a vision to guide the Bank's future work in a given sector. The strategies are revised on a rolling basis every three years, through extensive consultation with a wide variety of stakeholders. The process helps build consensus within the Bank and strengthen relationships with external partners (Aycrigg, 1998:64).

After listing the strategies, how WB tackles with the validity of the strategy in which country it implements the projects or programmes can be focused. Especially, within a country-owned poverty reduction strategy, it needs to be supported by a country's development partners and provide a common framework for their assistance programs in the country. Ideally, all donors and other partner-institutions should make contribution to the poverty reduction strategy's design, identify their specific participation. WB want to encourage country authorities to bring all development partners fully and early into the process. According to this idea, the poverty reduction strategy allows donors to plan their help commitments and to lend their expertise to governments and civil society, based on the country's own strategy. It should thus reduce conflicting conditionality, duplication, and diversion of scarce national administrative resources. It is assumed that the final aim, in fact, is greater and more coordinated participation that is succeeded by the entire donor community to achieve a progress for the international development goals.

After providing a great participation of development partnership, WB stands ready to provide support to governments in the development of their strategies without in any way predetermining the outcome or undermining country ownership. It is the suspicious, at the point of the discussion of the implications of the strategy. Poverty reduction strategies form the context for WB lending to low-income countries, they are critical for each institution's relationship with its members and with each other. WB management realizes that this requires an

important shift in the organizational culture and attitudes in both these organizations and in partner institutions. This carries another argument. This shift has already begun to take place. By coordinating early and maintaining open lines of communication with country authorities—particularly by providing available diagnostic information—WB, actually, it is valid also for the IMF can ensure that they assist countries in a timely and comprehensive manner (Aycrigg, 1998:66).

After that, WB shares with each government their views on the core problems to poverty reduction and growth within the country, and the policy options for overcoming these obstacles.

According to WB staff, these common perspectives are not intended to determine the shape of the final strategy, or to detract from country ownership of the strategy, but to provide input to the policy debate in a transparent form. It is doubtful, at the point of country ownership of the strategy (Aycrigg, 1998:67).

As part of this joint support by IMF, it is crucial that each institution focus on its traditional areas of expertise. Accordingly, WB staff takes the lead in advising on the design of poverty reduction strategies, including the necessary diagnostic work such as poverty assessments, the design of sectoral strategies, institutional reform, and social safety nets.

IMF gives advice to governments in areas of its traditional mandate, including promoting prudent macroeconomic, exchange rate, and tax policies.

In areas where WB and IMF both have expertise, such as fiscal management, budget execution, budget transparency, and tax and customs administration, they coordinate closely. Closer coordination between WB and IMF do not only help provide more useful assistance in the short term, but also clarify the relationship between the macroeconomic framework, growth, and poverty reduction over the medium and long term.

Before a poverty reduction strategy is completed, WB and the IMF staff meet with country authorities to discuss the emerging strategy. These views also shared with civil society and other partners of development.

The country sends the final strategy to the Executive Boards of both institutions. The Boards also receive a-WB-IMF-staff assessment, with an analysis of the strategy and a recommendation on whether the strategy should be broadly endorsed as a basis for WB and IMF concessional lending. The staff

assessment includes a description of the participatory process, but not a judgment as to its adequacy (Baker, 2000:35).

The partnerships go on according to a flexible plan with flexible debt-servicing processes and partnership of the IMF & WB.

WB and IMF intend to place the final strategy paper, along with the joint WB-IMF assessment and a press release summarizing the Boards' discussions, on their web sites.

WB strategies include both the direct and the indirect ways in the reduction of poverty by the poverty alleviance programs. Following the increases in the level of poverty due to the new-right policies, especially the structural adjustment programs, almost in every country, WB Poverty Alleviance Programs have been developed in different contents and in different styles of application. These programs are mainly concerned with the issues of food, employment and credit, for some other countries, the subvention application in the main needs, goods and services.

After the second half of the 1980s, WB tries to make easy the implementation of the new-right policies and to decrease the negative effects of these. There are many differences within the implementation of these programs in the inclusion of the programs, the amount of resources, the formation of the use, the accessibility level to the poor and the success to decrease in the poverty level. The indirect aid could only access to the poorest level of the countries.

WB, both used direct and the indirect methods, and proposed the countries to decrease their national military expenditures. However, it is under the suspicious criticisms.

1990 World Development Report displays the turning point for the poverty programs of WB. Again, after ten years of interruption, it stands as the core of their policies. There were three main stones in the report;

Labor-Dependent Development; it is the most important factor of production for the poor. Therefore, the labor-intensive development model based on market economy is emphasized. This idea has been defended since the establishment of WB.

The Direct Aid Method; the aid is implemented directly to the health, food, education services and so on. The importance of the non-governmental organizations is placed to the core. The main element in the 1970s Strategy of

the Main Requirements of WB was carried to the 1990. Therefore, the narrower effect area of state by the new-right policies is hidden defended in terms of using the terms of world development and world economy.

The Security Network; it is for people who are harmed from the adjustment programs to allow the continuation of new-right policies to be taken into guarantee, the criticisms are attempted to be decreased. This approach is also supported by the adjustment programs by removal of the state effect on poor. Unfortunately, the problem of poverty is referred by the terms of agriculture and the informal sector.

It is very remarkable that, in 1990s, especially, after the year of 1992, WB started to focus on the subject of poverty in any project they want to implement. The projects that they held have been started to establish relations to deal with the problem of poverty. Credits were taken from the other international organizations. Almost in all countries, the research has been made about poverty, for the support of project, the criteria of the existence of poor groups has started to look for as first. The database for the subject of the poverty was made strong. It has been carried out in the way of the support for a project or the credits for a survey have been added to the poverty credits. The expenditures to the observation of the poverty, the establishment of a program base has been included to the poverty aid.

WB explains its aim as the overarching aim of reducing poverty. Unfortunately, the increasing debts of the countries and the limitations of the area of impact affect the social aid to the poor and security organizations of the countries negatively. The roles of all countries are determined within the new world order by the new aims of the new-right and by the aim of free market mechanism with minimum state intervention. All countries are defined as a client or as an economy for WB and IMF.

With regard to the large number of projects implemented in developing and underdeveloped countries by WB, it has been found that the majority of academic researches focus primarily on IMF. However, there are less theoretical and empirical studies on WB's approaches and strategies. These studies take account of the short and long term impact of WB's lending on economic growth, liberalization, privatization, entrepreneurship, competitiveness, governance, poverty reduction, private and other official capital flows and technology transfer.

In these studies, governance is expressed with the terms of ‘**good governance**’ by the authorities of WB to stress the aim of improving urban services and at the end to accomplish the poverty alleviation through improving urban services and good governance.

3.2. Various Dimensions of Governance

The survey on governance has showed that there are important social scientists studying on various dimensions of the governance matter;

--on the coordination and fusion of public and private resources from Western European Academic Milieu; (Dowding, see: *Power: Concepts in Social Thought*, 1996); (Goldsmith, see: *Governing By Network: The New Shape of the Public Sector*, 2004); (Le Galès, see: *Changing Governance of Local Economies: Responses of European Local Production Systems*, 2004); (Stoker, see: *Transforming Local Governance: From Thatcherism to New Labour*, 2003),

--on the nature of the public-private partnerships; (King, see: *The Regulatory State In An Age Of Governance: Soft Words And Big Sticks*, 2007); (Stoker, see: *What is Local Government For?: Refocusing Local Governance to Meet the Challenges of the 21st Century*, 2005); (Pierre, see: *Debating Governance: Authority, Steering, and Democracy*, 2000),

--on institutional theory; (March and Olsen, see: *Elaborating the ‘New Institutionalism*, 1995); (Peters, see: *Institutional Theory in Political Science: The New Institutionalism*, 1999),

in detail, they have focused on the overarching systems of values, traditions, norms, and practices that shape or constrain political behavior

--on separation between institutions and organizations; (North, see: *Institutions, Institutional Change and Economic Performance*, 1990); (Scott, see: *Institution and Organizations*, 2001),

--on organizational logics; (Clarke, see: *Logics of Organization Theory: Audiences, Codes, and Ecologies*, 1985),

- on the organizational system of government; (Pierre, see: *Governance, Politics and the State*, 2000),
- on cross-national analyses; (DiGaetano and Klemanski, see: *Power and City Governance*, 1999); (Keating, see: *Comparative Urban Politics: Power and the City in the United States, Canada*, 1991); (King, see: *Liberalization against Democracy: the Local Politics of Economic Reform*, 2003),
- on local governments; (Teune, see: *Local Governance Around the World*, 1995)

Furthermore, the survey has demonstrated that there are four main different approaches on the subject of governance. They describe **the governance process** from different viewpoints;

-1- Regime Theorists; a process blending and coordinating public and private interests (Beauregard, see: *When America Became Suburban*, 2006); (Stoker, see: *Regime Theory and Urban Politics*, 1995); (Stone, see: *Regime Politics*, 1989),

-2- Local Government Theorists; a process that should be determined by understanding the capabilities of local government organizations, (Jones and Bachelor, see: *Community Leadership and Corporate Power*, 2007); (Peterson, see: *Race and Authority in Urban Politics*, 1976); (Swanstrom, see: *Beyond the City Limits*, 1991); (Vogel, see: *Urban Political Economy*, 1992),

-3- Institutionalists; a process that should be designed on different institutional models on the base of values, norms, beliefs, and practices, (March and Olsen, see: *Elaborating the 'New Institutionalism*, 1995),

-4- A Comparative Marxian Theory; a process that bases on urban political dimension, (Gurr and King, see: *The State and the City*, 1987); (Keating, see: *Institutions on the Edge?: Capacity for Governance*, 2001); (Pickvance and Preteceille, see: *State Restructuring and Local Power: A Comparative Perspective*, 1991).

The paradigms on governance can not be regarded as separate from the evolution of urban politics. At this point, it is helpful to give short information about

the origins of the urban politics. It is also useful to set a link between the subjects of urban service provision, governance and its relation to the field of urban planning.

3.3. Governance Concept and the World Bank

Governance concept has appeared as the subject for key international meetings after 1990s. The group of 77 developing countries, at the Cairo Population Conference in 1994¹⁹, forced a deletion to references in the final text of conference which associated expenditure to “good governance, transparency and curtailing corruption” complaining that such conditions lacked dignity. Development assistance became formalized with the formation of Bretton Wood Institutions. As mentioned above, IMF and WB were established to help restore and rebuild international trade, mostly in Europe. However, the narrow definitions of the functions of these institutions could not help to the new problems related with the urban poverty and other social subjects. The concept of good governance has again opened up the discussion about the functions of these institutions and new dimension are determined as the new missions for the projects and programs. The present importance of governance in the literature of WB remarks a significant shift in the approach to the development assistance. These can be accepted as to include issues that until recently were regarded as political or social issues and hence beyond the concern of multilateral institutions.

Urban governance has become important because urbanization has become a powerful force in developing countries and the importance of urban areas is being re-assessed. According to Stren (1992:17), there are three elements emerged throughout the last decade;

- The world shift in population from rural to urban areas,
- A re-evaluation of the economic importance of cities,

¹⁹ The United Nations coordinated an International Conference on Population and Development in Cairo, Egypt from 5-13 September 1994. Its resulting Programme of Action is the steering document for the United Nations Population Fund (UNFPA). the conference delegates achieved consensus on the following four qualitative and quantitative goals: 1-Universal education, 2-Reduction of infant and child mortality, 3-Reduction of maternal mortality, 4Access to reproductive and sexual health services including family planning:

- A reaffirmation of the significance of local institution building for development.

Moreover, the interest in governance for developing countries stems from the requirement for all those involved in development assistance to rethink ways of bringing about improvement in the quality of life of the recipients of development assistance.

Governance is essentially not only the judicious exercise of governmental authority, but an expansion of the notion of government itself include other forms of collective decision making, formal as well as centralized and national as well as local. The relationship between national and urban governance involves many of the debates about decentralization. These debates focus on the administrative and political dimensions of transferring power to individuals and groups in civil society. These two dimensions strengthen the relationship between urban and national governance. A backdrop for this analysis comes from the acceptance of two trends which Boeninger describes as

- The rise of the market economy, and
- The advancement of pluralist political system (Boeninger, 1991:24)

The market economy approach to economic development is still dominant in most national development plans. This approach argues that economic development will assist and has assisted in bringing about social equity. More pluralist political systems have been more successful in ensuring better participation of civil society. According to Boeninger (1991), the governance should be carried out mainly by the state. This established idea of state as the most important actor in the process of development. WB continues to demonstrate through its approach to development assistance that it prefers to deal with governments. However, there is a gradual shift towards a notion of the guiding state. Many governments are seeking to adjust from a pattern of control and intervention to one in which the role of government in the economy in the economy is to provide an enabling environment for both the private and community sectors. Governments are beginning to act as more facilitators.

Midgley (1986:16) describes a participatory mode of community participation. According to him the state, as one of the actors in the process of governance, has to go beyond meeting the needs of the sections of the population. The private sectors operate under completely different rules and to an

extent will have to be involved in different ways in the process of good governance. Through better systems of procurement this sector could realize benefits the current systems. In 1992, Batley (1992:15) concludes that there appears to be a new convention that rejects the notion of government monopoly in the definition and solution of social problems. He asserts that, considering the resources most governments command, it would be more beneficial for government to begin to play a more analytical, political and managerial role than the technical role they have played in the past. The delivery of urban services can be considered as a vehicle for determining how the state, through good governance at national and local level, can distribute services more equitably.

Decentralization of government functions and, more critically, the evolution of strong local government, can only be possible with the allocation of the necessary resources required to deliver basic urban services. Amos states that certain forms of decentralization have been characterized by the central state devolving the responsibility of deliver services to local government. The relationship between national and urban governance stems from the structures that underpin power and authority.

At the local level, decentralization is seen to bring about good governance mainly through increasing popular decision-making and developing. Popular participation can be perceived both as a desirable end in itself and as an essential component of democracy. It also means improving the operation of urban services, by making them more relevant to local needs and increasing local commitment and involvement in the provision of urban services. What has to be appreciated is that it is essential to establish what sort of participation is intended in a particular situation. It is especially important to consider which individuals or groups are to participate and the degree of participation.

In fact, the arguments on governance can be based on three dimensions which are presented by Boeninger (1991) as technical, political and institutional.

Technical dimension; the process of operating urban services from a management perspective has conventionally been concerned with technical aspects. However, the evolution of ideas about how best to operate urban services has moved from concern with local governments to urban management by including the incorporation of the private sector and to the urban governance phase covering the community sector's role (Boeninger, 1991:27). This

dimension of governance is defined by Boeninger as the constraints imposed by natural resources, levels of education, manpower skills and installed industrial capacity of any given society. In addition, this dimension is more or less related with the performance side of governance equation and has been dominated by economic debates. In 1987, Harris points out that the newly industrialized countries have technically been able to organize their economies to achieve impressive growth rates. However, in most cases, the state normally through the economic regimes has been able to execute economic programmes that required considerable ignorance of most of the population. The United Nations Development Programme in 1992 and Holmberg in 1993 pointed that the issue is not about how much economic growth but what kind of economic growth (Holmberg, Thomson and Timberlake, 1993:52). This also brings in to focus the issue of environmental sustainability. Most developing countries, and especially urban areas, can not hope to sustain the same patterns of growth that have been associated with previous growth patterns of urban areas in developed countries. The energy resources required to sustain such growth and operation of services are limited. There is currently some tendency of understanding about technically how to work towards sustainable development that permits both economic and human development. In fact, there is a fact that within the technical dimension of governance, decision makers have a responsibility to address human development and ensure that there is a more equitable allocation of resources. In other words, this dimension of governance reveals the imbalance between economic and human development. This is mostly faced in an urban context in most developing countries and is reflected in the operation of urban services.

The political dimension of governance is closely related to the technical dimension. Potter and Thomas (1992:43) describe these processes as essentially power relations within and between political actors and institutions, including forms of power struggle. In 1994, WB attempts to draw a clear distinction between the political and technical dimensions of governance by stating that its responsibility is the promotion of sustainable economic and social development. In 1993, Paproski (1993:69) draws international organizations like WB having influences on political dimension of governance involving international, national and local levels which base on the various political regimes at all these levels. Question of popular representation, accountability and empowerment are often

based on class, caste, ethnicity or gender and should be analyzed with these factors in mind.

Hirst (1993) concentrates on the need to look at problems of the government by his debate on associative democracy. Castells (1977:54) demonstrates that the concentration of wage labor in urban centers has historically provided the pool of organized groups who come together to collectively bargain initially for wages, goods and services. Shuurman and Van Naerssen (1990) also raise the issue of the political awareness of urban inhabitants in relationship to labor in their debates of urban social movements. The political dimension of urban governance has to be examined within a social milieu that provides a setting in which the relationship of the state and groups in civil society allows debate and exchange of ideas without fear of discrimination. Good governance should attempt to bring this about through the dimensions of democracy, social and political development. Pinherio (1995:45) suggests transparency as a good basis for building confidence. Confidence is greatly significant on the part of governments to ensure that state has legitimacy and on the part of groups in civil society appreciating better procedures for policies. The evolution of political systems is also important for good governance Landell-Mills and Serageldin (1991) explain how external influences for example multilateral agencies, partly shape the political dimension of governance.

Institutional dimension of governance closely associated with the political dimension. The question is that whether citizens enjoy the freedom to organize according to specific interest. Institutional pluralism can be seen as an important mechanism for decentralize in an extent the power of external central politics. The literature on the institutional dimension of governance in developing countries is linked to the governance in developed countries since this dimension is where a mechanism can be created to make public regulation less remote, promoting the growth of relations based on cooperation, trust and flow of information.

Most of WB's experience is primarily in the institutional dimension of governance and the dimension is broken down into:

1. Public sector management
2. Legal framework
3. Participatory approaches

4. Military expenditures
5. Institutions
6. Human rights

In addition, it is mentioned in part 4.2.2., in recent years, WB have enlarged the bundle of the criteria for good governance to eight characteristics.

The structural adjustment programmes offered by WB throughout the 1980s to developing were indirectly processes of institutional reform. These attempts at institutional reform gave governments who were implementing these packages the legitimacy to modify economic and social institutions to the advantage of private sector. The institutional dimension of governance addresses the failure of existing mechanisms to provide services equitably to all groups. Good governance as perceived by WB through the reform of public sector management is guided by a model of a smaller public sector equipped with a professional, accountable bureaucracy that provides an enabling environment for the private sector. The objectives of this reform are effective economic management and sustained poverty reduction.

Mc Auslan (1993:45) demonstrates that the dynamic nature of the process of governance requires a legal framework that is flexible enough to satisfy change but relevant to the context of where this planned intervention occurs. WB has moved to provide legal training and judicial infrastructure in its broader packages of economic reform. The Bank realizes that in order to secure more participatory approaches to the design and implementation of its projects, a legal framework that reflects the needs and abilities of broader civil society has to be encouraged to secure good governance.

BOENINGER (1991)	CLARK (1991)	OSBORNE (1992)
1 Political 2 Technical 3 Institutional	1 Equity 2 Democracy 3 Social justice 4 Economic growth	1 Economic liberalism 2 Political pluralism 3 Human rights 4 Accountability
WORLD BANK (1992)	OECD (1993)	McAUSLAN (1993)
1 Public Sector management 2 Accountability 3 Legal Framework 4 Transparency	1 Democratization - legitimacy of government 2 Accountability 3 Competence to form policies and deliver services	1 Efficiency 2 Transparency 3 Accountability 4 Probity 5 Equity
PAPROSKI (1993)	WORLD BANK (1994)	ODA (1995)
1 Political 2 Economic 3 Policy and decision making 4 Managerial	1 Public Sector management 2 Accountability 3 Legal Framework 4 Transparency 5 Participatory approaches 6 Human rights	1 Democracy 2 Human rights 3 Transparency 4 Accountability

Figure 3: The Components/Dimensions of Governance Highlighted by Different Authors and Institutions ²⁰

As it is shown in figure 3, different authors' focuses on different components of governance, also considering the change in the view of WB²¹. The review reveals two aspects of governance emerge strongly in the literature, the performance aspect of governance including the public sector management, legal framework, economic liberalism and competence to form policies and deliver services and the representational aspect of governance involving the concepts of transparency, accountability, social justice, human rights and democracy. Also this review showed that there is little literature on how to measure governance or the dimension of governance is considered in a city.

²⁰ See: Harpham and Boateng (1997:65-77) for detailed explanation on the evaluation of the components and dimensions of the governance.

²¹ The recent bundle of the World Bank is explained in part 4.2.2.

Paproski suggests the use of performance criteria for example the provision of drinking water with the stated aim of improving health conditions²².

3.4. Origins of Urban Politics and the Subject of Governance

The concept of urban politics has been formed, originally, in opposition to the traditional institutional treatment of local government and politics within political science especially with reference to the subject of governance since 1960s. Moreover, throughout the years, urban political approach has changed parallel to the changes in other disciplines. Different approaches and theories from different views on urban politics have been developed since that time. The important point of the subject was the recognition of that it is impossible to evaluate urban political issues without urban sociology, culture and economics.

“The sub-discipline of ‘urban politics’ has been constructed in opposition to a traditional version of ‘institutional theory’—an approach that collapsed the political processes affecting urban communities with the workings of elected local government. Attention has shifted towards the broader influences on local decision-making and to the growing fragmentation of urban government and the rise of ‘partnerships’” (Lowndes, 2001:1954).

First studies on urban politics has provided a milieu to study broader influences on **local-decision making and on its sub-titles**; the role of business, new social movements, intergovernmental relations, and systemic changes within capitalist economies and states. The transformation of different views on world has added new dimensions and new study areas to the subject. The reasons that have formed new study areas for urban politics were **the organizational fragmentation of local governments, blurring public and private boundaries and the emergence of new political actors.** The different views on different issues have enriched the study area throughout the years. After the rise of the post-modernist ideas, urban politics has developed its multidisciplinary and interdisciplinary characteristics by means of the contributions from the literature of various disciplines. In fact, at this point, it is very crucial to stress the

²² See: Paproski (1993) for the significance of performance criteria about the relationship between urban service provision and governance.

governance subject as the main interest area of the urban politics. It will be made clear in the next section.

3.4.1. The Elitist vs. Pluralist Models of Urban Community Power

In the post-war period, before all else, the debate between two different views led to the emergence of different thoughts on different subjects of urban politics. Theories were developed on the basis of urban community power. **Floyd Hunter** made his famous study on a small elite group in Atlanta – *Community Power Structure (1953)*. According to him (1953), this small elite group makes all important decisions, including the governmental decisions on Atlanta. This elite group includes significant businessmen, families and makes local decisions with each other. This urban community power model is referred as **the elitist model** of urban community power. The defenders of the existence of such an urban community power are called as **structuralists**.

On the other side, as a comparative approach, **Martin Dahl** discovered a different structure of urban community power that it was almost at the opposite of the elitist model. Dahl carried out his study on New Haven – *Who Governs? (1961)* and focused on the fragmented structure of the local political power. According to him (1961), in the decision making process, different groups of the society is influential. In other words, power is dispersed with different elites dominant at different times over different issues. His definition of that kind of an urban community power is referred as **the pluralist model** of urban community power. The different views of two different schools, between elitists and pluralists, then, lead to the elaboration of widely accepted structuralist urban political theories. According to Dahl (1961), the example in the study of Hunter (1953) just one sample power group among many influential power groups.

According to pluralists, the system including power clusters is a democratic one as a whole. This system in a wide range of parapolitical structure provides political freedom by means of the competition among elites for the mass benefits supporting these elites. When the elites having more effect on the decision making mechanism ignore masses' interests or behave opposite to the masses' wishes, a new power cluster will be formed by these masses. The

reflections in the decision making process of all interest groups will be satisfied in one extent. Moreover, this is maintained until the effect of plural voice is lost on the mechanism.

There are main studies including critiques made by some famous structuralists to the pluralist thought. Peter Bachrach and Morton Baratz (1962) criticize pluralists by not taking into account relationships between state and the underlying socio-economic system shaping the political system. According to them (1992), pluralists do not clarify the mechanisms that promote some interests and issues. Clarence Stone²³ (1980) emphasizes on the analysis of the mechanism that create systemic or strategic advantages for some interests over others. Moreover, the unequal distribution of private resources creates different power values for political actors. In addition, neo-Marxist John Manley's²⁴ (1983) critiques to pluralists are related with the lack of a theory of exploitation and an objective standard of an equal distribution.

On the other hand, pluralists defend the idea of commandment of each legitimate group on some important resources and no dominant elite group can control all resources. The most important point is the existence of the bargaining process defining the urban power structure. However, the subject of coalition building is a sub-title around the main subject of power, since coalitions are formed in the condition of solving one specific problem related to the groups' some interests. The important other studies apart from Dahl are Banfield's (1961) *Political Influence--*, Sayre and Kauffman's (1960)–*Governing New York City--*. However, they are reacted by ignoring economic and political context and transformations, especially, by avoiding issue of the racial succession in their studies. Furthermore, structuralism provided social and economic context and emphasized on the subject of private ownership, market competition, wealth and income inequality, the corporate system and the capitalist development.

From a different perspective, Elitists studied on the articulation of business and politics in urban decision-making process. Pluralists focused on actual decisions in urban politics and analyzed the multiple and dispersed real life

²³ See: Stone, C., (1980) *Systemic Power in Community Decision Making*, for a systemic approach to the governance.

²⁴ See: Manley, J., (1983) *Neo-Pluralism: A Class Analysis of Pluralism I and Pluralism II*, for his discussion about this issue.

impacts on decision making process. According to John Mollenkopf²⁵ (1992) pluralist thought were widely accepted in the 1960s and early 1970s (Le Gates and Richard, 2001:215).

However, since the mid 1970s, neo-Marxists' and other structuralists' thought has gained a dominancy. The reasons of that are the political mobilization and the eruption of urban battles in 1960s and fiscal crisis of the 1970s. Neo-Marxists' attention focused on the role of 'systemic power' in explaining local decision-making, analyzing the role of urban politics within broader economic and state systems²⁶. Whether it is an elitist model or pluralist model for urban politics, the subject of governance is at the core of the urban politics with the arguments on urban community power at the theoretical base of these models.

3.4.2. Structuralist Urban Political Power and Governance

Neo-Marxian structuralist urban political approach focused on mechanisms that generate systemic, cumulative, political inequality, coalition patterns like other structuralists. These subjects are influential on outcomes and missed in the pluralists' works. However, neo-Marxists are diversified from the other structuralists in the point of economic determinism. By the inspiration of Marx's approach, they emphasized upon the importance of the organization of the state and the dynamics of political competition. In addition, the studies of David Harvey made an important contribution in Marxist approach²⁷, because he defends that the stage of capitalist development and the circuits of capital determine the urban spatial patterns, the bureaucratic state and urban consciousness. However, these studies were criticized by lack of a well-developed state theory that defines the instrumental mechanism.

On the other hand the mechanism definition is knotted in the point of subordination of state and political competition to the needs of capital. This situation was called as "power without participation" by Alford and Friedland

²⁵ See: Mollenkopf, J., (1992) *How to Study Urban Political Power*, for his main work on this subject

²⁶ See: Pickvance, C., (1995) *Theories of Urban Politics*, as an important example of the neo-Marxist studies.

²⁷ See: Harvey, D., (2006) *Neoliberalism and the City*, for his recent work about this subject

(1975). In addition, Molotch and Logan (1987) defended the immobility of the certain classes of business.

“...while businesses do directly influence policy-making, such intervention is logically secondary. The growth of locales depends on the fortunes of their firms, according to Friedland and Palmer, thus dominant and mobile (corporate) actors set the boundaries within which debate over public policy takes place.” (Le Gates and Richard, 2001:223).

Especially, Neo-Marxists studied on how urban politics can cope with the conflicts related with the capitalist urbanization. On this subject, M. Castells' work (1993) on collective consumption and urban social movements, Piven and Cloward's (1979) work on urban protest, Katznelson's (2002) studies of the absorptive capacity of local bureaucracies and the bias against class issues in urban politics are important studies.

3.4.3. Urban Regime Theory for an Associational Activity in Governance

Mollenkopf (1983) pointed out that urban political studies are not just seen as the discussions between structuralist and pluralist power models. As it is mentioned below in the part of “Other Contributions and Impacts to the Urban Politics”, after the debate between structuralists and pluralists, the study area has been tended to **the evolution and succession of a series of regimes**. As J. Mollenkopf (1983) examines on new paradigm in urban politics and community power studies, Urban Regime Theory questions the conditions in which locally specific partnerships between political and business elites are formed and maintained. This theory contributes a framework for associational activity within civil society and its impacts on urban governments. Regime theory tries to examine how different partnerships or coalitions of interest groups to reach successful outcomes in cities. The aim is to find concrete solutions to particular problems in the environment of pro-growth coalitions and political entrepreneurships.

“The crucial point about regime theory is that power does not flow automatically but has to be actively acquired. In the context of economic restructuring and metropolitan change, city officials seek alliances, it is argued

that will enhance their ability to achieve visible policy results. These alliances between public officials and private actors constitute regimes through which governance rests less on formal authority than on loosely-structured arrangements and deal making” (Knox and Pitch, 2000:154).

By means of the significant transformation in the study area of economics and sociology, these regimes have become more complex so it has increased the complexity of studying urban politics and has made significant contributions to this multidisciplinary and interdisciplinary area.

3.4.4. Contributions of Urban Economics

Mike Savage and Alan Warde’s (1993) study on globalization of economy and uneven economic development illustrates the main developments in urban economics. The contribution of urban economics has a profound effect for the formation of today’s urban political study area²⁸.

New International Division of Labor Thesis was the first study on the contemporary spatial division of labor. Frobel, Heinrichs and Kreve (1980) defended this thesis by changing the labor process as levels of skills involved in manufacturing production. Although this study has purely economic view, the theory of David Harvey (1988) emphasized on historical approach, urban characteristics and the impacts of social conflicts on urban development. He examines land ownership and the effects of land ownership on capital accumulation. His first studies defined the land with its natural characteristic. Then, Harvey’s studies in 1977 and 1982 were on the three circuits of capital; the production of good and commodity in the manufacturing process, the movement to the land investment by means of the regulation policies of the state, the investments on scientific knowledge and reproduction of labor. As a result, his study includes a theory that adapts social and political conflicts to the economic forces. However, he is criticized by not basing his works on empirical studies.

In addition, Doreen Massey (1984) focuses on the relation between social conflicts and capital restructuring process. He considers the strategies which

²⁸ See: Savage, M. and Warde, A., (1993) *Cities and Uneven Economic Development*, for their main work on uneven economic development.

entrepreneurs use to adapt world capitalist economy²⁹. Massey's study has purely economic view. The main subject is how specific characteristics impact on specific places in restructuring process. In addition, how local work culture is formed and how it shapes ambitious, reluctance.

Regulation Marxism School is another contributor to urban economics. Allen Scott, Michael Storper, Richard Walker are the main influencers of this school³⁰. This theory is also influenced from French structuralist Marxism and Aglietta, Lipietz, Boyer³¹. The study of this school focused on the transition period from Fordism to post-Fordism. Their view is criticized by being functionalist, deductive, exaggerated abstractive, ignorant of individuality and social conflicts. Moreover, Californian School is another school whose studies are formed by the Oliver Williamson's (1980) transaction cost analysis in the framework of urban economics.

These theories are unsuccessful in the explanation of the reason of urban social changes. Harvey (1988) focused on the social conflict in the process of economic development, Massey (1984) emphasized on the local social and political change and their relations to the economic restructuring, Scott (1997) stressed on the how neighborhood units are produced in the industrial regions. What the most important impact of the urban economic studies on urban politics is the emergence of requirement to a thought that includes social, political and cultural processes as a whole.

3.4.5. Other Contributions and Impacts to the Urban Politics and to the Subject of Governance

The arguments between structuralists and pluralists led to the formation of the study of local governance. In brief, in an environment of fragmented elected local government and the growing importance of multiactor and by the effect of different thoughts, the study area of urban politics became richer than the post-war period.

²⁹ See: Massey, D., (1984) *Spatial Division of Labor*, for his study about this subject.

³⁰ See, Scott, A.J., (1992), Storper, M. (1997), and Walker, R., (1988)

³¹ See: Aglietta, M., (1988), Lipietz, A. (1988), and Boyer, R., (1987)

Apart from the developments and the birth of new thoughts in urban politics that are mentioned above, the change in the mode of production attracted some political economists and they made important contributions to the study area of urban politics. For example; her work is similar to the Neo-Marxist Structuralists, Margit Mayer (1994) focused on the post-Fordist city politics that has gained importance since 1970s. She asked the question of what the role of local government in new post-Fordist system which forms some advantageous and disadvantageous roles for local governments. The decrease of state spending on urban services gave a new shape to the cities; she called them as entrepreneurial cities. By means of such developments, public-private **partnerships** have created the focus of new studies. By emphasizing on new post-Fordist urban politics, Mayer focuses on the significance of local groups bargaining.

In addition, Sherry Arnstein (1969) develops a ladder of citizen **participation** and focuses on the subject of how citizen groups can better participate in post-Fordist city politics. She develops a ladder of different degrees of citizen participation in a range, from non-participation at the bottom to the citizen control at the top of the ladder. Another importance of this study is the exhibition of theoretical concept of pluralism by understanding how meaningful citizen participation can be achieved. In her ladder, she defines eight levels from bottom to top: manipulation, therapy (non-participation); informing, consultation, placation (tokenism); partnership, delegated power and citizen control (citizen power).

Afterwards, from the **behavioral revolutionist** view, Goodwin and Klingemann (1996) studied on dismissing the formalisms of politics, institutions, organizational charts, constitutional myths and legal actions.

Behaviouralists are similar to the structuralists in the way of studying on post-war urban political theory. Their contribution was that urban politics could not be understood simply through the analysis of formal arrangements for representation, decision-making and policy implementation. In spite of the emergence of **new political actors and protest groups, new social movements**; these groups and movements ignore the constitutional structure for elections and party systems. That results to the dominancy of identity problems but with ignorance of the political legality (Fainstein and Hirst, 1995:182-183).

These ideas were defended in the article of --*Urban Social Movements (1995)* by S. Fainstein, C. Hirst.

James Q. Wilson and George L. Kelling's (1982) study focuses on the problem of **urban crime** on the base of neighborhood and police work issues, and the citizen perception of urban crime.

In addition, the classic debates on the efficiency and representativeness of local government were challenged by views of **feminists and greens**. In fact, these subjects were taken into consideration by L. Sharpe (1970). This contributed new conceptualizations of citizenship, civil society and local politics. The effects of feminist views on urban politics were evaluated by S. Clarke (1995) and A. Phillips (1996). Moreover, Greens' thought has been examined in the framework of urban politics by H. Ward (1996).

Apart from the works mentioned above, there are other important studies. Saunders examined on the role of business leaders in shaping local agendas (1979); Dunleavy and Rhodes emphasized on the role of public agencies (1995); Neo-Marxist writers like Cockburn, Duncan and Goodwin developed an analysis of the 'local state' within advanced capitalism (1980); Stoker, Laffin, Gyford studied on interactions between politicians and professionals, managers, workers, officials and citizens (1986).

By the recognition of the multiplicity of actors, urban political studies has given emphasize on the problems of **governance** within the fragmented organizational structure. In addition, **policy network theorists** examine on sector-specific issues and relationships between governmental and non-governmental actors in policy formation. On the other hand, new public management analysts studies on transformation of integrated bureaucratic hierarchies by means of the external contracting, internal markets and multi-agency partnerships (Lowndes, 2001:1956-1957).

Consequently, today, as it is mentioned in this thesis, urban politics has a broad and sophisticated study area which is interrelated with the other disciplines. Also, the various perspectives enrich the multidisciplinary and interdisciplinary characteristics of the urban politics. Today, urban political issues are made in such a sophisticated milieu. However, there is a need to a theory which includes and evaluates urban political, cultural, social and economic issues as a whole. **Moreover, the subject on governance lies at the core of the all**

discussions related with the urban politics, because of its significance through forming the origin of urban politics. Furthermore, the issue on governance inevitably can not be thought as separate from the issue on urban politics. The figure 4 on the evolution of urban politics and the standing point of governance issues is given in the next page.

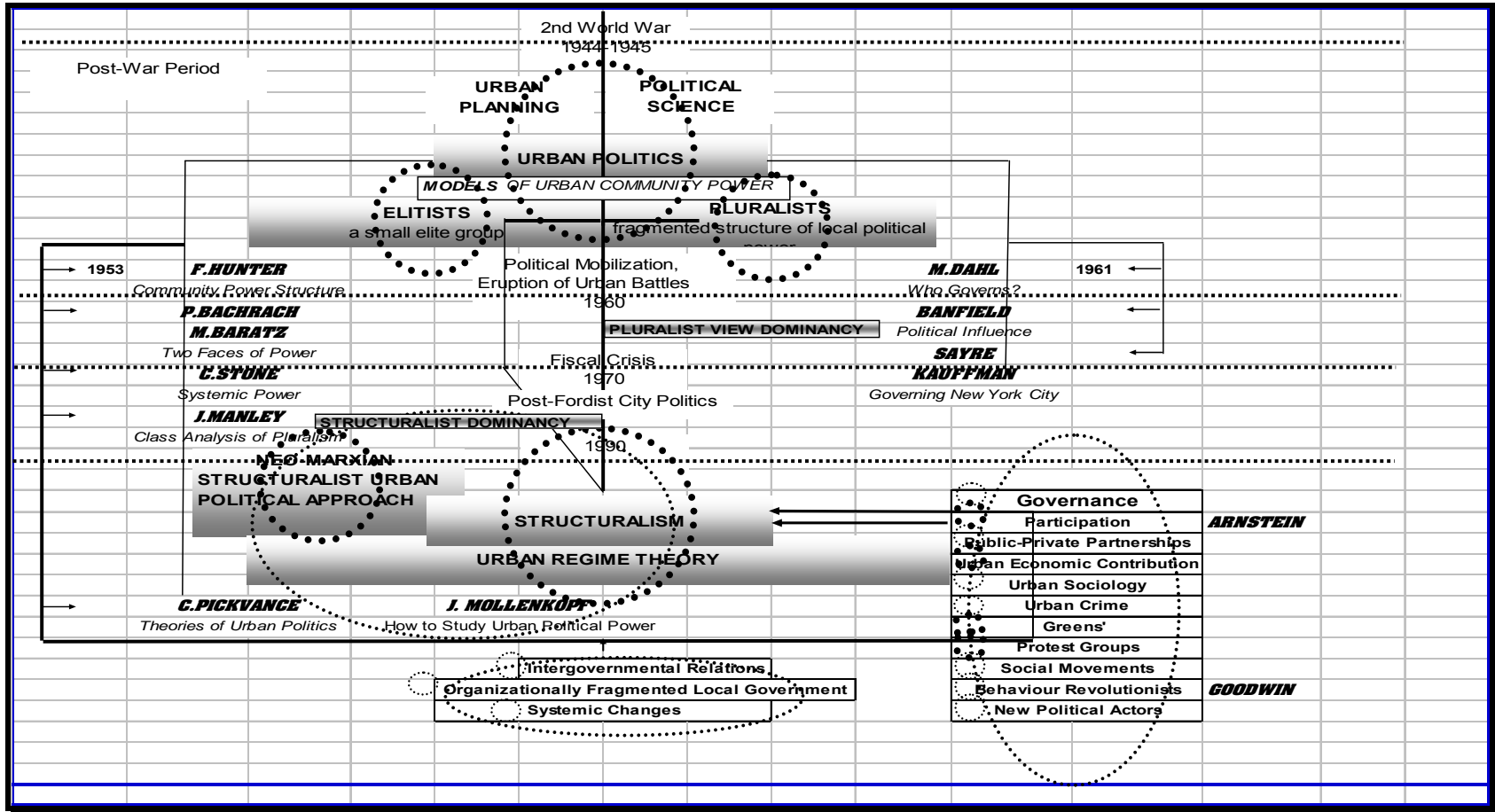


Figure 4: The Evolution of Perspective to the Concept of Governance

CHAPTER 4

INSTITUTIONALISM, GOVERNANCE AND URBAN SERVICE PROVISION

After a detailed focus on the governance and its relation to the urban politics as being the core concept of this multidisciplinary subject area, it is useful to handle the relationship between the institutionalization and governance issues. It is useful not only to complete the theoretical background for the rest of the thesis by taking attention to the relationship between the global tendency of the international organizations and the concept triangle of urban service provision, governance and institutionalism, but also to articulate the issues on the urban service provision to the governance and institutionalist approaches. In summary, the discussions on the urban service provision within the perspective of governance are related with the issues on decentralization, partnership and participation with their changing nature and content. In addition, the discussion on the governance can not be separated from the issues of the institutionalism if taking into account the network relation between these two approaches. Consequently, how to use these network relationships effectively to make urban service provision effectively is the core question for querying the key tendency of the projects of international organizations.

Because of these reasons, it is vital to evaluate deliberately the concepts of institution, institutionalism, old and neo-institutionalism, and its relation to the governance with the approaches in urban service provision by taking into account of the theoretical issues throughout the history.

4.1. Institutional Approaches and Neo-Institutionalism

The term of institution has been defined in many ways by means of a wide range of disciplines and a wide range of various approaches of disciplines through the history. As well, the approach of institutionalism has been loaded with

many various definitions including the organizations, their inter and intra relations, the network they use and run on, the instruments, processes, all stages that processes enveloped and methodologies and so on except for the usage of the term of institutions as we mention in our daily life for many structural formation. Since the complexity, ambiguity and a wide variation of definitions of institution and institutionalism, at that point, it is significant to emphasize to the core dimensions of the institutionalism briefly by concentrating on the difference between the so called 'old' institutionalism and neo-institutionalism.

Old institutionalism, explained in a detailed way in part 2, is based on path dependency, the importance of historical context, the autonomy of institutions, evolutionary economics, and a holistic approach to economics taking account of cultural and political factors of motivation, interaction, and organization.

Neo-institutionalism is based on atomistic accounts of social, economic and political relations as well as by assuming atomistic the main elements of their axioms by a special reference to the matter of network. Another main assumption is the active and influential role of institutions on these atomistic structures in an institutional environment; each institution is in a network and influence of other institutional linkages. In addition these linkages are not obliged to be formal as well as they can be in the context of informality. By taking into account of the thesis subject, deeply mentioned in part 3 and 4, institutions are the core element of the regionalism in a global order and with the renewed mission of localities, with the so emphasized term of institutional thickness and embeddedness.

Since the existence of a ambiguity in the delineation of the concepts of institution, institutionalism and institution based referential explanations, there are two query areas that former is about the relation between the terms of organization and institution and the latter focusing on the disparity and difference between so called 'old' and neo-institutionalism. These issues are elaborated with other matters related with the subjects in following sections.

4.1.1. Institution as a Concept

There is a wide variation in how institutions are defined and in what respects they are accepted as an issue. In part, this reflects different disciplinary

traditions and “the inclination to opt for a discipline based, theory yielded internalist style definition of the term” that makes most sense from a given disciplinary perspective (Goodin, 1996:21).

There are real problems in this case, because definitions are often indistinct, diffuse, and commonly inconsistent. The conventional social scientific literature, for example, tends to regard institutions as social practices that are regularly and continuously repeated, that are linked to defined roles and social relations, that are approved and maintained by social norms and that have a major significance in the social structure. Examples of institutions in this sense include the family, religion, property, markets, the state, education, sport, and medicine.

Structuralists and regulation theorists sometimes use the concept of structural forms to describe such institutions. This is an important alternative view regarding institutions as organizations or social bodies. This approach much owes to the economics and sociology of organizations (Jessop, 2001:1220).

In political scientific studies, institution is a vital concept because they typically use power and mobilize institutional resources in political struggles and governance relationships. Institutions are also said to matter because they are seen as shaping and constraining political behavior and decision making and even the perceptions and powers of political actors in a wide range of ways.

Although debate continues on how best to define institutions and institutional boundaries, it is probably best not to think of **an institution as a ‘thing’ but as a process or set of processes which shape behavior**. In fact, this definition is brought by the studies of new institutionalism in a detailed manner explained in part two. The reason why institutions matter is that laws, customs and established practices in institutional and organizational settings can play a powerful role in shaping the behavior of individuals.

There is broad agreement that in defining institutions in these terms **we need to focus not only on formal institutions and practices but also on informal routines or relationships**. Levi (1990:409) argues that ‘the most effective institutional arrangements incorporate a normative system of informal and internalized rules’. North (1990) agrees and argues that the most significant institutional factors are often informal.

Note also that there is no sharp analytical distinction in the above discussion between 'institutions' and 'organizations'. But analytically, there is not a large distinction between institutions and organizations, with the latter best seen as layered within and shaped by wider institutional arrangements.

North (1990) argues that 'organizations are a response to the institutional structure of societies also argues that the actions of organizations are a major cause of the alteration of the wider institutional structure;

In this sense, **institutions can be defined as anything from formal organizational arrangements to forms of patterned behavior operating through roles, rules and (partially) scripted behavior.**

For North (1990) an institution is '**any form of constraint that human beings devise to shape action**'. This might **involve formal constraints, such as rules, or informal constraints, such as conventions, norms or codes of behavior.**³²

Hall (1986:19) defines institutions as '**the formal rules, compliance procedures, and standard operating practices that structure the relationship between individuals in various units in the polity and economy**'.

Similarly, March and Olsen (1994) emphasize that the main impact of **institutions** in political life stems from the fact that they are: **collections of interrelated rules and routines that define appropriate actions in terms of relations between roles and situations.** The process involves determining what the situation is, what role is being fulfilled, and what the obligation of that role in that situation is.

Agreement with institutional rules, norms or operating procedures might be voluntary or subject to various monitoring and enforcement practices. Despite his emphasis above on the importance of informal arrangements and voluntary compliance, North (1990) also emphasizes the importance of formal rules and of the monitoring and enforcement mechanisms required to sustain or underpin them.

So, broadly speaking, **institutions are important because they *shape* or *influence* the behavior, power and policy preferences of political actors.** The emphasis here on *shaping* and *influencing* implies that institutional

³² See: North (1990:396,4,36) for the detailed explanations and comments on the concept of institution.

dynamics, at the same time as often important, do not explain everything. So pervasive has the impact of institutionalism been that each of the social science disciplines now **has its own 'new institutionalism'** (Bell, 2004:6).

In economics, there have been a range of arguments about how and why institutions matter for example, scholars have argued that **institutions can play an important role** in reducing transaction costs and various associated forms of market uncertainty and information costs and also **in helping to monitor and enforce contracts and agreements**. Thus, economic institutions, such as the firm, are created to organize a process of pulling back from the open market to 'internalize' certain forms of transactions to help cope with such problems.³³

In sociology, emphasis is put on the way in which **institutional life establishes** normative orientations, conventions and taken-for-granted practices that **shape and influence behavior**, often in clever ways.³⁴

And in political science, as we saw above, there has been renewed interest in **how institutional arrangements shape the behavior, power and preferences of actors in politics**.

However, it should be noted that, all definitions of new institutionalism share a common critique of atomistic accounts of social processes.

In political science, the critical difference between behaviorism and new institutionalism is that the focus on atomistic actors in the former is replaced or at least modified by a focus on institutionally 'situated' actors in the latter. **Institutions**, according to Shepsle (1986) '**are the social glue missing from the behaviorist's more atomistic account**',

Krasner (1984:19) writes that: **The political universe is not atomistic**. Atoms are bound together in stable molecules and compounds. The preferences of public officials are constrained by the administrative apparatus, legal order and enduring beliefs.

In political science two different schools of new institutionalist analysis have emerged. One is called **the rational choice approach**; the other is termed **historical institutionalism**. These approaches are also elaborated in part two.

³³ See: Hodgson (1988) particularly about the relation between economics and institutions by a perspective of rational choice theory.

³⁴ See: DiMaggio and Powell (1991) for the relationships between sociology and new institutionalism. This perspective is actually about the organizational analysis perspective for new institutionalism.

The rational choice approach borrows heavily from economics and adopts a 'deductive' methodology. This means that explanations and working hypotheses are 'deduced' from abstracted first principle assumptions about the motives and behavior of actors. The rational choice approach, as the name implies, assume that actors are rational.

Institutionalism has a wide range of applications in political analysis and public policy and it can not be handled the concept of governance and with its main agents compromising networks.

A *policy network* can be defined as a *structured pattern of interaction* between the key actors in a given public policy arena, be it health policy, economic policy or whatever. Typically, the key actors in question are state actors (politicians, key bureaucrats) and non-state actors (business leaders, the institutional factors which typically underpin such a pattern of interaction include:

- A state which is fragmented, which is open and porous to external demands and pressures (i.e. strongly liberal democratic), and which has only a limited capacity for centralized coordination.
- A non-state sector which is fragmented with multiple groups and associations displaying relatively weak internal leadership and organizational capacities (Bell, 2004:9).

Institutions can also be defined as sets of rules, codes or tacit understandings which shape behavior whether they determine behavior is another matter. As we saw above, rational choice approaches to institutionalist explanation run extremely close to this. For this reason **it is best instead to carefully explore the interaction between institutions and the 'situated subjects' within them.** The emphasis should be on *actors* as the primary unit of analysis and how they interpret and make choices within their institutional environment. It is these interpretive processes which have been the focus of the research mentioned above on how ideas and discourse interact with institutional settings.

To make clear the definition and to reveal the significance of institutions in the various theoretical issues, it is also useful to handle the concept with its meaning given by various disciplines. For example; the concept of "institutional thickness" is a crucial approach in the definition and role of institutions, introduced by Amin and Thrift (1995:91) rests on such an integrating approach of

institution and organization because it involves an overabundance of organizations that interact intensively, generating shared understandings, socializing costs, and developing mutual awareness of being involved in a common project to promote and sustain local or regional economic development.

If the concepts are taken into account by the views of other disciplines, for example, economy has to be considered as a set of institutions and institutionalizing processes. However, the term of institutionalization is not exactly labeled as economic with its all aspects. This brings a problem of splitting between the economic and the social.

As second, the first is more related with the conceptualization of the term of institutionalization, the more **embeddedness of some regions**. It seems that cultural identities of particular places are a vital part of the process of local embeddedness but these identities are themselves in a state of instability. In other words, what is needed is to develop a more open and positive cultural regionalism which can cope with the increase in the economic, social and cultural connections between places that globalization has helped to bring about.

According to Massey (1995:182), it will be a regionalism based on more open, mobile, and inclusive senses of identity, able to be positioned in a set of economic, social, and cultural networks of global extent, but not swamped by them. As a last sentence, institutions in local economy should be handled with two problems; this problem is not just how to achieve success but also how to sustain it.

However, in the claims of Hall, Brinton, Nee, Di Maggio and Taylor (1998), there are also disagreements within and across new institutionalist approaches about the roles of informal and formal rules, norms, procedures and about the significance of the cognitive, as opposed to the normative, properties of institutions (Jessop, 2001:1221). On the other hand, all these approaches imply that institutions matter otherwise they would not have major social structural significance.

In politics, too around whether the rise of supranational political bodies threatens the space of local institutions and local political struggles, at that point, it is useful to concentrate on the institutionalist paradigm of Granovetter (1992) and Hodgson (1993) and others concern local economic development, through the concept of local development.

According to the definitions of Hodgson (1993), **institutions are very broadly conceived to include not only formal institutions but also more informal conventions, habits, and routines which are sustained over time and through space.** In this definition, institutions have a role as stabilizing a range of collective economic practices in a particular territory. More generally, this means taking seriously the contention that the economic life of firms and markets is territorially embedded in social and cultural relations and dependent upon processes of cognition in different forms of rationality; culture in different forms of shared understanding or collective consciousness; social structure in networks of interpersonal relationships and politics in the way in which economic institutions are shaped by the state, class forces etc. (Amin and Thrift, 1994:16).

In addition to these definitions from different disciplines, it will be useful to focus on the Jessop's approach by reference to the term of institutional turn especially with a detailed treatment on ontological one. The ontological institutional turn rests on the belief that institutions and institutionalization are the primary axis of collective life and social order.

According to Grafstein (1992:3), **institutions are typically conditions of choice, not objects of choice.** This approach often presupposes the existence of an instituted around social order with little concern shown for the empirical conditions of its emergence and survival. Thus, institutions matter because they are seen; as the points of crystallization of social forms, as defining the rules and resources of social action, as defining opportunity structures and constraints on behavior, as shaping the way things are to be done if they are to be done, as path-dependent, path-defining complexes of social relations, as the macro structural matrices of societies and social formations, and so on (Jessop, 2001:1217).

Emile Durkheim provides an early example of this ontological position in presenting his rules of sociological method and justifying them against individualistic or psychological perspectives. Thus, he identifies the essence of social life in the externally constraining, collectively produced, "institutions" that every single individual must confront fully formed, **unable to avoid or change them** (Wagner, 1994:270).

Karl Polanyi (1957:243-244) is another example by going beyond the thematic turn of the institutions to the ontological dimension with a claim on

economic activities that can not be understood without thinking it outside the institutional structure.

Also institutional economics adopt this ontological position by insisting on a claim about irreducibility of actions of homo economics **but it should rather be mediated through the institutions that socially embed and socially regularize behavior.**

Similar ontological claims are advanced by the new institutionalism in political science. Thus, March and Olsen (1996:247) have often gone beyond a simple methodological turn to make the stronger ontological claim that;

“Intentional, calculative action is embedded in rules and institutions that are constituted, sustained and interpreted in a political system. Political actors act and organize themselves in accordance with rules and practices which are socially constructed, publicly known, anticipated and accepted. **Actions of individuals and collectivities occur within these shared meanings and practices, which can be called institutions and identities.**

Analogous arguments can easily be found in political geography. However, from many disciplines there have been made lots of definitions on institutionalization without reaching a common point.

For example Hall and Taylor’s review (1996) of the marked theoretical differences among three major versions of the “**new institutionalism “rational choice, sociological and historical in political science.**

Peters goes even further in identifying, admittedly in a rather *ad hoc* unsystematic fashion, no less than seven forms of institutionalism within the same discipline. There are similar divergences in the forms assumed by the so-called institutional turn in other social sciences considered individually (Jessop, 2001:1218).

Examples of this can be seen from the Brinton and Nee³⁵ (1998) on sociology and from Powell and DiMaggio³⁶ (1991) on organizational analysis with Ensminger³⁷ (1998) on anthropology.

DiMaggio (1991) **identifies three forms of new institutionalism within the social sciences as a whole;** rational action, social constructionist and an

³⁵ See: Brinton, M.C. and Nee, V., (1998) *The New Institutionalism in Sociology*, as their main study on this issue.

³⁶ See: Powell, W.W. and DiMaggio, P., (1991) *The New institutionalism in Organizational Analysis*, for the issue.

³⁷ See: Ensminger, J., (1998) *Anthropology and the New Institutionalism*, for his main study on this relationship.

approach concerned with how institutions mediate conflict but argues that each is rooted in a different discipline; **economics, sociology, and political science**, respectively. Likewise Goodin (1996:16) suggests that what distinguish the institutionalisms in different disciplines are the key variables that they own, the distinctive problem that institutions are said to resolve and the suggestions they make regarding how institutions shape social life. He argues that the old and new historical institutionalisms are concerned with the past and how it shapes the present and the future; that sociological institutionalism is concerned with the collective, the old institutionalism focusing on how collective entities include and subordinate individuals and the new one examining the impact of different forms of social embedding on individuals; that economic institutionalism deals with institutional constraints on individual choice; and finally, that political science is concerned with organizational and institutional constraints on the exercise of power and its outcomes (DiMaggio, 1998:698).

According to Jessop (2001), taking an institutional return requires that institutions be put in their place. There are several steps to take into account. First of all, there is a need **to define, locate and thematize institutions** so that they become less vague. The next is **to understand how institutions operate and are reproduced through routine actions** that do or perform institutions. This step is also emphasized in the studies of Bourdieu and Storper (2000). Further steps on a research agenda might include questions about **institutional embeddedness or about institutional governance**, that is, the governing of institutions and inter-institutional relations and their systemic environment. Finally, one might think examine **issues of institutional design** and implementation issues that would also require attention to the reflexive skills and capacities of actors as well as to the inevitable disjunctions between the intentions of institutional designers and actual institutional outcomes (Grafstein, 1992:2). As one turns from a single institution to examine institutional groups, institutional interfaces, institutional design, intersystemic relations, etc., more attention needs to be paid to the structural coupling and coevolution of institutions as well as to the attendant problems of their strategic coordination or guidance. This is where issues of path dependency, path shaping and metagovernance are important (Jessop, 1998:19).

A more interesting account of institutions seems to be offered by Giddens's structuration approach (1984:42). He treats institutions as sets of chronically reproduced, deeply sedimented rules and resources that constrain and facilitate social actions and that also bind social actions in time and space so that more or less systematic action patterns come to be generated and reproduced.

A similar approach can be found in Polanyi's (1957) view of the economy as an instituted process. Giddens (1984:45) makes two key innovations: the explicit introduction of time and space into analyses of institutions; and, although less often noted in secondary commentaries on his approach, a stress on institutions' connection to specific forms of power and domination. But he does not develop the full critical potential of these innovations because he is actually more interested in individuals and their actions than in the nature and effectiveness of structure.

An alternative perspective that offers a means of advancing beyond structuration theory is the strategic-relational approach (or SRA). This was first developed to overcome the common division in Marxist analyses between capital- vs class-theoretical accounts of the capitalist state. Since this is just a special case of the structure-agency dualism, the same approach should be relevant to the latter (Jessop, 2001:1222).

Institutions have both micro-foundations and macro-contexts. They are sustained and confirmed in individual, organizational, and inter-organizational activities but also embedded in functionally differentiated institutional orders.

Institutions cannot be meaningfully or productively analyzed without locating actors, identities, interests, strategies, or tactics in a wider strategic-relational context. At any given point in time, institutional analysis is prior to action even if the latter then proves transformative. Interrelated constraints matter because actors cannot change all the conditions of action at once. In this sense 'explanation of the rules of the game and the focal points that attract [strategic] actors rests on the sort of institutional analysis provided by sociology' (Jessop, 2001:1224).

Although time and space are important dimensions of institutions at micro- and macro-levels, they are often neglected in institutional analyses. These must

go beyond reference to time and space as external parameters of institutions and/or action. They should pay careful attention both to

(a) the temporalities and spatialities marked in (and reproduced through) specific institutional forms and

(b) the differential temporal and spatial horizons of various actors and their capacities to shift horizons, modify temporalities and spatialities, jump scales, and so forth.

Institutions provide a framework in which relevant actors can reach and consolidate agreements over (although possibly differential) spatial and temporal horizons of action in comparison with their environment.

Actually Jessop (2001) distinguishes and make comments on three different forms of institutional turns; thematic, methodological and ontological, however, there is a wide range of institutional turns that have been undertaken for quite different theoretical, empirical and policy related reasons. There is also a need for contextualize the institutional turn, both at macro and micro levels. Nonetheless, the one way of undertaking this contextualization is through the strategic relational approach with its concern with both the structural and the strategic dimensions of a contextualized institutional analysis.

As mentioned above, there is a wide variation in how institutions are defined, in the respects in which are held to matter, and in the reasons for suggesting that they do. Related to this, institutional turn can be seen as moments in the continuing self organization of social scientific enquiries and also as moments in a new interest in institutional design in diverse policy fields (Jessop, 2001:1224).

According to Jessop (2001), except for ontological approach there are two more types of institutional turns. The first is the thematic turn, the intuition, hypothesis or discovery that various institutional aspects of social life should be included among the key themes of social enquiry. The second can be referred as methodological turn, that is, the intuition, hypothesis, or discovery that the institutional aspects of social life provide a fruitful or even indeed the most productive entry point for exploring and explaining the social world even if the subsequent research is later extended to include other themes or explanatory factors. The third can be described as an ontological turn, that is, the intuition,

hypothesis, or discovery that institutions constitute the essential foundations of social existence.

In making a thematic turn, individualists seek to explain the emergence of institutions in terms of individualist micro foundations in order to show the latter's explanatory power and to study how such emergent institutions react back on individual behavior. In contrast, holists assume the primacy of wider cultural or societal dynamics and seek to interpret and explain lower order phenomena in terms of macro level laws, logics, functional needs, or other macro properties. Those holists who make a thematic institutional turn aim to show how such macro properties affect institutions. In some cases, individualist and holistic theorists have been prompted to take a thematic turn when institutional crisis, change, or design become major concerns in the real world and stimulate awareness of earlier neglect of institutions (Jessop, 2001:1215).

The third type of institutional turn is methodological. This can take several forms and is usually associated with the alleged mediating role of the institutional turn in regard to well established and troublesome ontological antinomies, epistemological dualisms and methodological dilemmas in the social sciences. Thus institutions have been endorsed as an excellent entry point for overcoming such ontological antinomies as; structural determination and social agency; holism and individualism; necessity and contingency. They are also recommended as entry points in resolving epistemological issues such as abstract and concrete; simple and complex; empirical description or grand theory; idiographic versus nomothetic approaches. And they have also been proposed as resolutions for methodological dilemmas such as anascopic (bottom-up) and katatopic (top-down); global and local approaches to spatial or scalar phenomena (Jessop, 2001:1216).

4.1.2. 'Old' and Neo-Institutionalism

Institutionalism is one of the most confusing concepts in contemporary social science inquiry. It exists in multiple branches of social science with multiple definitions, methodologies, faces ('old' and 'new'), and meanings. Notably, these multiple characteristics are at times contradictory.

To Paul Di-Maggio and Walter Powell (1991), institutionalism is ambiguous, paradoxical and complete with unresolved issues and divergences. To Junko Kato (1996) and others, it is confusing and controversial. Peter Hall and Rosemary Taylor (1994) describe it as having multiple schools of thought that are distant from each other and according to James March and Johan Olsen (1989:153), "it is far from coherent or consistent".

Institutionalism is inspiring excitement among social scientists. Powell and DiMaggio (1991) describe the renaissance of interest in institutions as "a renaissance." Sven Steinmo (1998) and others celebrate the "re-discovery" of institutions, challenging that it has opened up an "exciting research agenda" in comparative politics and comparative political economy. Hall and Taylor (1994) agree that institutionalism, in all its varieties, has "significantly advanced our understanding of the political world." Jack Knight and Sened (1995) argue that institutional analysis has "re-emerged as a central focus of social science research," while Picciotto and Weisner (1998) view "new" institutionalism as the emergence of "a new development paradigm" that holds institutions and organizations as the key determinants of economic social and political progress.

Although institutionalism has only become fashionable in the social sciences over the past two decades, it is rooted in concepts that date back two centuries to modern political thought and the Enlightenment inspired discourse of laws and customs. It was Montesquieu who emphasized the importance of rules (laws and customs) in the mid-18th century. In 19th century Germany, an economic debate on scientific methodology captured in the famous *Methodenstreit* was institutional in nature. The challengers in the debate, led by economist Gustav Schmoller³⁸ (1901), were inspired by Kantian and Hegelian philosophy. They argued that economic principles could not be reduced to set of universal laws; the traditional position because economic processes operated within a social framework that was in turn shaped by cultural and historical forces (Kariithi, 2005:373).

Most of the ideas offered by Schmoller's historical school were well received by American economists, among them Thorstein Veblen, John Commons and Wesley Mitchell (Hodgson, 1998). Although each supported a distinct perspective of economic institutionalism, the three were common in their

³⁸ His main book in German, published in 1901 by heading *Grundriss der allgemeinen Volkswirtschaftslehre*

criticism of conventional economic models for the unrealistic assumptions and ignorance of historical change.

These 'old' institutionalists also offered similar definitions of the concept. Schmoller (1901) defined an institution as **“a partial order for community life which serves specific purposes and which has capacity to experience further evolution independently.** It offers a firm basis for shaping social actions over long periods of time.” Veblen (1912) defined institutions as **“settled habits of thought common to the generality of men.”**³⁹ Hamilton narrowed the definition to “a way of thought or action of some prevalence and permanence, which is embedded in the habits of a group or customs of a people (1932).” To him, **institutions set the confines of and imposed form upon the activities of people.**

The solutions Veblen and Commons proposed comprised the theoretical framework of what is today referred to as **“old institutionalism.”** Commons⁴⁰, on the other hand, attempted to develop laws and institutions to solve some of the economic injustices, and is widely regarded as the father of the American labor industry. His work is also celebrated as the intellectual origin of the welfare state. DiMaggio and Powell (1991) and Scott (1995) offer a detailed discussion of this historical perspective.

Institutions have been always central to social science but they have not been addressed with the same emphasis and manner in every period. Before and after the turn of the twentieth century, several scholars were writing about institutions, but they had not developed a theory of institutions yet. Most of these approaches relied heavily on the study of formal institutions. Moreover, they were highly normative and, thus, prescriptive. Institutional examples of this sort abound: Marx's arguments relied on "social classes", Weber on "bureaucracy", Durkheim on "the division of labor", Thorstein Veblen on "consumption" (Kariithi, 2005:373). This is often called "old institutionalism".

"Old" institutionalists believe in path dependency, in other words, the importance of historical context, the autonomy of institutions, evolutionary economics, and a holistic approach to economics, that is, one

³⁹ See: Veblen, T., (1912) *The Theory of the Leisure Class: An Economic Study of Institutions*, as his main book.

⁴⁰ Commons' main article with name "Institutional Economics" published in 1931.

that considers cultural and political factors of motivation, interaction, and organization.

During the interwar period, interest in 'old' **institutionalism** decreased as the neo-classical paradigm gained prominence. The works of the early institutionalists failed to take root **in economics** because it lacked theoretical and philosophical reinforcement.

In political science, the institutionalism approach suffered similar end because it emphasized formal structures and legal systems, and was descriptive and atheoretical. It was replaced by the behavioralist approach from the mid-1930s through the 1960s.

In sociology, however, an institutionalist tradition not only succeeded and yielded an excess of studies throughout the 20th century but its students have distinguished numerous perspectives.

Charles Cooley founded the individualism/institutionalism interdependence school⁴¹, which was followed by the empiricist school represented by Gary Becker and Eliot Freidson⁴².

Emile Durkheim and Max Weber founded the social institutions/economic sociology school that attracted many followers including Talcott Parsons and Phillip Selznick, and more recently Walter Powell and Paul DiMaggio.

And George Mead and Karl Mannheim, with their sources of mind/self and ideology, respectively, founded a new approach that is associated with cognitive processes and knowledge systems.

In the mid-1970s, nearly half a century after it was published, Ronald Coase's *The Nature of the Firm* (1937) restarted the institutionalism debate. *The Nature of the Firm* was a major challenge on the general equilibrium theory on which much of neo-classical economic paradigm was hypothesized.

The new institutionalism is a relatively new theoretical perspective that has reached increasing levels of acceptance among social scientists. The rise of the new institutionalism can be seen as a historical modification of rational choice perspectives that became fashionable in the social sciences starting in the 1970s. It describes social theory that focuses on developing a sociological view of institutions, the way they interact and the way they affect society. It provides a

⁴¹ His main work published in 1928 with the name of "Case Study of Small Institutions as a Method of Research"

⁴² Freidson's work was on patients' view on medical practices, while Becker concentrated on the human capital.

way of viewing institutions outside of the traditional views of economics by explaining why so many businesses end up having the same organizational structure even though they evolved in different ways, and how institutions shape the behavior of individual members.

New institutionalism recognizes that institutions operate in an environment consisting of other institutions, called the institutional environment. Every institution is influenced by the broader environment. In this environment, the main goal of organizations is to survive. In order to do so, they need to do more than succeed economically; they need to establish legitimacy within the world of institutions. Much of the research within **New Institutionalism deals with the pervasive influence of institutions on human behavior through rules, norms, and other frameworks**. Previous theories held that institutions can influence individuals to act in one of two ways: they can cause individuals within institutions to maximize benefits (regulative institutions), similar to rational choice theory or to act out of duty or an awareness of what one is "supposed" to do (normative institutions).

An important contribution of new institutionalism was to add a cognitive type influence. This perspective adds that, instead of acting under rules or based on obligation, individuals act because of conceptions. "Compliance occurs in many circumstances because other types of behavior are inconceivable; routines are followed because they are taken for granted as 'the way we do these things'" (Scott, 2001:57). Individuals make certain choices or perform certain actions not because they fear punishment or attempting to conform, and not because an action is appropriate or the individual feels some sort of social obligation. Instead, the cognitive element of new institutionalism suggests that individuals make certain choices because they can conceive of no alternative.

Douglass North is the most important supporter and theoretician of the new institutionalism. North (1991) points out that some of the standard and necessary assumptions of rational choice models are questionable. He notes that preferences are not always transitive. In other words, their intensities change over time and they are not in a stable order over time. And that "framing effects" (in which alternate means of presenting a problem result in different choices), preference reversals ("where the order of the choices on the basis of their reported values contradicts the implied ordering in direct choice situations") and ".

. . problems in the formulation, manipulation, and processing of subjective probabilities in uncertain choices" also exist (A. Hira and R. Hira, 2000).

North (1991) suggests that institutions consist of these regularized interactions. In other words, for North an institution embodies and guides patterns of behavior. North defines institutions as "the rules of the game in a society," or the constraints that shape human interaction. Unlike standard neoclassical models, institutions are considered to be independent variables in their own right, limiting individual rationality, and affecting the courses of societies. Through institutions, history makes its impression on society, constraining future choices. Differences in institutions, moreover, are the primary reasons for differences in economic outcomes. By implication, some institutions in some countries are more efficient in reaching social outcomes, which explains, *ceteris paribus*, why some countries enjoy higher standards of living than others.

Refreshed by the works of Oliver Williamson, Douglass North, James March, William Riker, Thrainn Eggertsson, Johan Olsen and Kenneth Shepsle – among others – ‘new’ institutionalism has blossomed into many sub-fields. Pederson, Ellen Immergut, Junko Kato, and Peter Hall and Rosemary Taylor have recently reviewed contemporary literature in these sub-fields. However, four pertinent observations are noteworthy.

First, three major schools of thought have emerged in ***new institutionalism, namely rational choice, historical and sociological institutionalisms***. Among these schools, there is a general that institutions are interested in state and societal forces that shape the way political actors define their interests, and how such forces structure power relations between actors. Also uncontested is the primary objective of institutions, namely providing structure to daily activity and reducing uncertainty.

Second, these approaches have emerged in response to weaknesses inherent in current paradigms, for example, the behavioralist paradigm in political science, or the neoclassical paradigm in economics.

Third, the three “new” institutionalisms bear a number of distinct characteristics with the “old” institutionalism. The links between the “old” and the “new” institutionalisms have been widely acknowledged. Indeed, some analysts argue that new institutionalism is more a persuasion or an emphasis than a fixed proposal for systematic analysis. For instance, Ellen Immergut (1992) reminds us

that many analysts still question what is really new about the “new” institutionalism.

Fourth, we concentrate on the three main strands of new institutionalism, it is acknowledged that the field is fast changing, and there are numerous less pronounced perspectives that could in future be regarded as complete approaches in their own right. For example, Geoffrey Hodgson’s (1993) new institutionalism in economics has been variously mentioned as reasonable fourth school of thought. It, however, demonstrates extensive overlap with rational choice institutionalism and, consequently, is often classified under the rational choice school.

Another potential separate school of thought is **organizational institutionalism**, advanced by John Meyer, Richard Scott, Soren Christensen and Sven-Erik Sjostrand, among others. However, it is considered a component of sociological institutionalism, in keeping with the position adopted by numerous recent studies.

One major implication from these observations is that **irrespective of approaches, institutions have common origins in social rules and social interaction**.

Douglass North (1991) argues that institutions **reduce uncertainties inherent in human interaction**. The uncertainties themselves arise from the complexity of the problems confronting individuals, and the people’s abilities in resolving the problems.

Put differently, uncertainties arise from incomplete information on human behavior during the process of interaction. According to North (1991), rules and procedures evolve to simplify the interaction process.

The above discussion is important that there are multiple definitions of institutions.

From the rational choice perspective, North (1990) defines institutions as **“any form of constraint that human beings devise to shape human interaction.”** According to him, constraints could be formal rules (e.g., statute law, common law, regulations) or informal constraints (e.g., conventions, norms of behavior and self-imposed codes of conduct). In other words, institutions are “rules of the game without the players.”

From the historical institutionalism perspective, Peter Hall (1992) defines **institutions as the formal rules, compliance procedures and standard operating practices that structure the relationship between individuals in various units of the polity and economy**. The difference between historical and rational choice definitions is on the question of how institutions affect political behavior and where institutions come from.

From sociological institutionalism, **institutions represent social orders or patterns that have attained a certain state or property**.

Finally, from organizational institutionalism, a close variant of sociological institutionalism, institutions are defined as cognitive, normative and regulative structures and activities that provide stability and meaning to social behavior.

4.1.3. Institutionalization in Global Order

An explanatory study to institutionalization brought by the article with the title of "Holding Down the Global" by Ash Amin and Nigel Thrift (1994) is especially concerned a solution to the confusion over what the precise role of territory in globalization. This solution is offered through identifying the role of territory with the process of institutionalization. In other words, the role of the territory is given by means of the process of institutionalization.

Also, it reveals significant hints for the approaches to the international projects and programs by handling the term of territory with the concept of institutionalization because of this reason; this article has an importance for a theoretical background of this study.

Here the term of institutionalization is taken into account with the assumption of there is a way in which local initiatives structure responses to process of globalization and themselves become a part of process of globalization. The approach is based on the identifying of territory as a unit of globalization and the local initiatives as a dynamic actor of the local responses.

Globalization with this perspective can be defined with the two distinct but overlapping ways. One is by accepting it as a structural process with its being as more or less effective in certain places and favoring certain places over others. The second is related with the social contestation and it is itself as a part of

globalization process. In this second interpretation, the role of the place is quite different. Because in the first, the role is disempowered without doing anything for the local, either it is a determined role or looking for a position within it. However, in the second one, the local is defined with more options because they are a genuine part of action. These option possibilities for dynamically defined localities create an opportunity for improving a local development strategy for taking an action in the process of globalization (Amin and Thrift, 1994:257). This second approach is in the claim of providing this improvement via the existence of institutions. Here the perception of the concept of globalization should be taken into account to replace the significance of institutions with their role in the local and the global.

Except for this overlapping interpretation of globalization, another dilemma is related with the measurement of the impact of globalization in other words of the local position of the places if they are empowered or disempowered, correspondent with the first interpretation of the globalization. Also in the measurement of the impact of globalization, the use of institutions takes an important part for studies. In fact, this empowerment differential of locals can be handled with the industrial change and exactly related with the concept of institutionalization. Again, it is clear that for the measurement of the globalization impact, institutions are the key factors.

When the subject of institutionalization is taken into consideration, four closely related subjects are revealed. The first of these concerns is the "institutional diversity". According to Grabher (1993:12), the most successful regions over the longer run will be those having considerable redundancy in their institutional structure. These regions by having overlapping spheres of influence may seem to contain much local inefficiency however, it is vital for the longer term success. The institutional variety that these regions can offer, combined with their lack of any hegemonic institutional form, means that they constitute a constantly changing portfolio of possible organizational solutions to the problems of collective response to changed economic circumstances. However, regional adaptability is not based on a competition of firms but on a competition of forms but the interpretation of Grabher (1993) leaves unanswered the question of how it is possible to identify let alone institute as effective rather than ineffective redundancy.

Another concern is based on the institutional diversity, too, that it is correspondent to the question of how it is possible to measure the effectiveness of institutions. Simple efficiency based models of institutional effectiveness are inadequate to the task because of its possibility to misleading.

Third one is related with the institutional thickness which previously mentioned above, that casual combinations of path dependence and specific local instances have produced a unique local institutional thickness which can never be imitated. The possibility of creating institutional thickness is a problem of reproduction for policy makers. So to create thickness is more or less related with the adaptability of regions.

If the issues on the localization in the globalization process are again focused to understand the role of institutions, it is more or less having a common point that most writers seem to agree that the transition from an international to a global economy can be dated from the early 1970s and the breakup of the Bretton Woods system of control of national economies. As it is significant to remember the World Bank (WB) as a key organization for this study, it is one of the important Bretton Woods organizations.

The results of this transition can be corresponded with the seven aspects;

A) Increasing centrality of financial structure through which credit money is created, allocated and put to use and the resulting increase in the power of finance over production.

B) Increasing importance of the knowledge structure or expert systems by giving attention to the importance of knowledge as a factor of production.

C) Transnationalization of technology, in especially the knowledge based industries.

D) Rise of the global oligopolies because corporations have no choice but to go global very early on in their careers with the reasons of accelerated technological change, greater transnational mobility of capital, major changes in the transport and communication.

E) The globalization of state power by the rise of transnational economic diplomacy.

F) The rise of global cultural flows and deterritorialized signs, meanings and identities.

G) The rise of new global geographies.

In such a milieu, localities should be seen as a part of global, rather than separate from. Researches show that there has been a revolution of the organizational character of the firms itself, after a period in the 1960s and 1970s. Networks differ in the degree that to which members share the same backgrounds, institutional ties, and cultural and political outlooks.

There are at least three types of contact network;

a- networks between members of different firms, and between firms and major clients.

b- networks of specialists who form interest groups, often bound together by particular professional social institutions,

c- epistemic communities; interest groups which not only have shared specialist knowledge, shared interests, attitudes, and a normative commitment. Success at the local level can not be reduced to a set of narrow economic factors.

If these issues are handled; localities in the globalization process, the impact of transition periods, networks, it is observed that by means of an approach with the use of concept, “institutional thickness”, for localities’ strong stand on the global world is dependent on four different factors related with the concept of “institutional thickness”

a-a strong institutional presence,

b-high levels of interaction amongst the network of institutions in a local area,

c-development

d-development amongst participants in the set of institutions of a mutual awareness that they are involved in a common enterprise.

Moreover, how institutional thickness helps a locality to become or remain a territorialized economic system is explained that with

a- Persistence of local institutions,

b- Construction and deepening of an archive of commonly held knowledge of both the formal and tacit kinds.

c- Institutional flexibility,

d- High innovation capacity,

e- Ability to extend trust and reciprocity.

f- A widely held common project serving to mobilize the local economic system as a whole with speed and efficiency (Amin and Thrift, 1994:96).

As it is revealed here with the decisions on globalization process, the issue on institutionalization can not be separated from the issue of globalization.

Another issue is related with the nation states. Globalization does not need a position for locals however nation states create compulsory boundaries for localities. Nation states still hold considerable power and they can not be neglected in any solution to a region's ills. Here the proposal is related with the policy making is valid for yielding an improving a pool of basic assets like skills and infrastructure, so that at least the basis for a diversity of institutional solutions is present.

These issues point out a general concern for the arguments on institutionalization. That is the solution for all general issues on institutionalization correspondent with the concept of embeddedness. It seems that the economic is still seen as a separate sphere which is then, in some sense, institutional, collectivized, embedded in the social.

4.1.4. Institutionalization, Development and Governance Theory

Regional economic development theories continuously evolve and bring forth to the paradigms. One of the main stones of the new economic geography is these paradigms which are one to one related with the social and economic development. Although in the years of 1960s, firm based and centralized development models are dominant, in the years of 1970s regional inequality had priority. Following these change in the theoretical background, flexible production, new international division of labor, relation between local and global was on the agenda in 1980s. In 1990s, globalization matter has reached to the top among the theoretical issues. Moreover, the institutionalization theory which is based on regional economic development was the newest one of these paradigms because of this reason, arguments on the theory continues. Furthermore, there are strong relations observed between new economy approach and institutionalization process (Raco, 1998).

The institutionalization theory which has been widely argued since 1990s brings new perspectives to the economic development with reference to the globalization. It is also fed with the cultural theories. According to institutional theoreticians, analyses should be realized not only with the evaluation of individuals but also of societies. In addition, to understand the association between global and local is the main focal point. Provided that the local economic focuses are formed in the competitive global economy process and these focuses are made work as a network organization, it will be easy to articulate these focuses into the global market. In the scope of institutionalization theory, non-commercialized dependency, trajectory dependency and locality are the prior concepts. Institutions are formally defined as laws, rules and organizations, however, informally defined as social and cultural norms and values in other words as the form of embedded behavior of society. In global level, if it is accepted that a rapid technological transformation is observed, to adapt to this change will be possible with the information sharing via the formal and informal institutions.

Before mentioning on the subject of institutionalization theory, there is a need to focus on the concept of institution. As mentioned in the above paragraph, in the new economic geography approach and in an abstract meaning, the concept of institution is used to define cultural norms and values or the settled and iterative behaviors. In the concrete perspective, laws, rules and organizations are overtaken. In this context, even if by using the concept of institution, an organization is mostly imagined, in fact, the most important actors of the institutionalization process are institutions whose core are the behavioral forms of the individuals in society and they are based on the cultural theories. Shareholders, the synonym of institutions, try to catch the institutional order by means of social dependencies of organizations in a system consisting of strong economic and social relationships.

According to institutional theoreticians, another significant point is the realization of the analyses not only via the individuals but also via the society. In addition, the institutionalization theory lays the groundwork for regional economic development by taking reference the concept of globalization; its main focal point is to understand the relationship between global and local. Moreover, the perception of local-global relationships is closely related with the appearance and

development of intellectual regions. It takes place within the theory also as a result of the spatial embeddedness. From the view of institutional perspective, concentration in the localities and in the global scale, a geographical dispersion is encountered, however, the critical and close correlation is observed between central and local authority. Provided that the local economic focuses are formed in the competitive global economic process and these focuses are made work as a network organization, it will be easy to articulate these focuses into the global market⁴³.

Since institutions take place as the most important actors in social and economic network structures, as a starting point of regional economic development, they provide synergy by means of forming the strong local institutional structures. For the reason that institutions as a symbol, even if they seem as placed just around the political economic or legal institutions, in fact, they are the indispensable part of the social life by being guider and regulator structures for peoples' activities. As a result, cultural theory and human behavior embody the institutional theory and provide new expansions to the economic development.

While institutions exhibit dissimilarities in different industrial clusters, in general, they are related with the financial and educational issues. Institutions can generally be categorized under two headings. The first one is the financial institutions that they are interested in monetary issues and they produce necessary financial schemes to provide development. The latter one is the non-financial institutions which work with the aim of freshening economy in regional scale and of guiding the organizations. Non-financial institutions facilitate the regional development by producing regional economic development strategies. There is a wide range of regional institutions generating policies in a platform based on information. These are universities, associations, local governments, different clubs, professional societies, non governmental organizations and so on.

The content of institutionalism theory has sharply changed in recent years. At the first years of the emergence of the theory, there were windy movements in the world and especially, the complexity of capital and labor was on the agenda. In concurrent times, a small labor ensemble working in the small

⁴³ See: Raco (1998) for the significance of institutional turns for economic development. He makes suggestions about the use of institutional structure effectively for creating developed industrial districts.

and medium sized industrial units makes effort for institutionalization. This simple attempt, then, led to many important expansions and at that point, regional governance issue, related with the running network structuring instead of point structuring, emerged. While institutional associations provide coordination and connection between private and public units, they facilitate the implementation of integrated program strategies. As a natural outcome of this process, the content of institutionalization changed from the localization to the network structuring. At present, localities maintains their importance, however, if the network structuring can not be provided, then, neither exchange of information nor effective taking place in global market can be provided. If the rapid technological transformation in global scale is concerned, to adapt to this transformation will be obtainable by means of information exchanging and conveying on formal and informal institutions. In short terms, new institutionalism paradigm aims at meeting the innovative thinking, inventorship and institutional regulations at the same platform.

There are extremely important main concepts of the institutionalism theory. As mentioned before, these are trajectory dependency and localities or with another meaning of these concepts are spatial embeddedness, institutional stability and non-commercialized dependencies. The core of trajectory dependency concept is based on cultural theory and it is presupposed that past decisions related with technology absolutely affect future decisions. Put it differently, cultural and institutional approaches are overlapped and deliberated on the same platform or dimension. Especially, decisions related with technology can not be changed so through covering some other dependencies and with the outcome of external effects, trajectory dependency is caused. As a result, the requirement for attaining technological advantages emerges.

The concept of spatial embeddedness accepts the vigorous social relations as a precondition. Notwithstanding, by the effects of globalization, elusion and detachment from the spatial dimension is defended, whole events including the complete economic activities are based on the social relations and it is indispensable that social relations creates network structuring.

One of the essential principle emerged by the concept of spatial embeddedness is the institutional stability. As it emphasizes on the significance of cultural and social relations for the development of regional economy, regions

which have institutional stability are successful in strengthening the small producers and economic activities based on information. In short terms, this process can be explained as a step to the regional development and the establishment of institutional infrastructure special to the region which located on a distinct space. Amin & Thrift (1999) enlighten the elements of institutional stability with the terms of the entity of institutions, network structuring, power balances and the existence of common target. For information convey and the realization of network structuring, there is a need to availability of an institution in the organization of relations. In order to provide a sovereignty and control, as there is a necessity for the power structuring, the availability of common target is a must for development of cooperation among institutions and maintaining the authority.

The last concept is the non-commercialized dependencies related with the realization of informal exchanges in the network structuring in a milieu of cooperation and trust. Clustering of organizations in a region where past dependencies and past relations are observed lead to the non-commercialized dependencies. Provided that there is a spatial togetherness, non-commercialized dependencies are realized and the expansion of information among institutions is achieved.

Institutional economy has started to form the significant part of the studies related with the economic geography and regional development. Moreover, at the same time, it provides important outcomes to the regional economy, industrial economy and economic sociology. Beside this, the essential elements of the institutional economy are the local and reflexive information, institutional analyses, spatial embeddedness, network structuring, cultural norms, traditions and trajectory dependency.

At the root of governance concept, social and economic structuring and network organization take place. Governance is an instrument that is based on the participation of actors in the social structuring to the decision-making process entrenches the division of tasks. In short terms, it is an institution which produces policies in a milieu based on information and facilitates to the implementation of policies.

Institutional processes oriented to the regional economic development naturally enclose long term programs and innovative processes. For the reflection

of governance concept covers more difficult processes than the institutional processes. However, in order to vitalize, organize and develop economy at the regional scale, regional development agencies can be accepted as a first step.

First of the required conditions in order to produce successful policies is to shape regional economic policies more supporting network structuring than the individual actors. Secondly, it should be directed to the strategic visions which are established firmly on the inventorship and innovative aiming at the learning and developed by the negotiation and reconciliation apprehension. Third condition is the necessity for the organization of power balances among central, local and private institutions. Fourthly, there is a need for the evaluation of past relationships and institutional stability. The elements of this condition are the availability of institutions, network structuring, the maintenance of power balances and the formation of common targets. Last one is the aiming at solutions which considers at special to the localities or context dependency with the qualities of regions related with the historical process.

A successful economic, institutional and social structuring is overtaken as the precondition of individual or social achievement in regional economic development process. In this context, the formation of the competition advantages of localities is dependent on not only the education, innovation and invention with the provision of effective communication but also the availability of effective institutional infrastructure which is development agencies, local governments, entrepreneur organization and sector based organizations. By this theoretical approach, as a result, spatial togetherness or spatial closeness becomes important. At this point, the significance of local dynamics should be emphasized. If this local dynamics are described as the settled behavioral forms special to the same locality and social behaviors, the implication of regional and local scale institutional structuring and facilities provided by them reveal. In this milieu, approaches which provide learning via face to face communication and development of innovations may ignore the prominence of reciprocal communication in a global scale. Notwithstanding, the common point of these two different handling is the importance of local and regional scale industrial structuring, the local dynamics and the institutional organization in the global scale industrial and financial organization in order to provide economic development.

Beyond the arguments made on institutional restructuring, there is a need for a new approach. For example, the expression on Europe of Regions emerges by the apprehension of autonomy related with the local, financial and administrative issues. However, the institutionalism approaches focuses on the limits and the problems of this approach. In brief, the aim is not to create new elite managerial class in the local scale institutions which may be central administration units, local governments, development agencies or employer organizations. The core of this perspective is to pass the beyond of existent approach and to include the structures representing the public. An institutional renovation process which encloses the participation of all local agents in decision making process is a necessity to realize to attain the common targets. As an example, private commissions should work together with the specialists, the representatives of the local agents and public institutions to accomplish the target of putting the existing potentials into use. This approach that can also defined as awakening the local social capital should also be supported by the social activities including the participation of local settlers. In short, to develop the art of governance is the most significant issue in the world (Cameron, 2000:1-6).

Institutionalism approach proposes to change the political approaches in three ways. First emphasizes on the long term programs while second suggests to change the customary behavior forms. The last one expands the content of the economic success to a wide range. By way of addition, taking action for the local dynamics will not create amazing results. Before all else, a milieu, in which, the formation of connections among localities, global industrial and financial organizations and the encouragement of innovations and inventor ship are provided, is a core for development. All of these can only be provided with the macroeconomic policies formed by the central governments. Provided that necessitates of this approach is achieved, long-term, sustainable and wide comprehensive development programs can be expected from the localities.

4.2. Institutionalism and Governance Theory

When a project or program related with an investment of supranational bodies put into use, it can not be handled just within the national scale but with the global and regional level. As it is mentioned in previous chapters, investment projects of WB as well as those of other supranational blocks does not target technical upgrading or technical support and enhancement however, since the last two decade after they focused on the governance dimension of the investments, especially in urban service provision. At that point, by the aim of good governance which is the ideal delineation of the neo-liberal theorists for the term of governance, projects and programs are handled with a perspective of multi-level governance enveloping vertical aspects and horizontal aspects of governance.

However, when a project or program is evaluated in a various stage of the exact project time, multi-level governance should be evaluated inevitably with the institutional structure and institutional building assumed for the project. The reason for the tackling with the issues related with institutions and governance together can be more or less explained with the presentation of tools for governance by institutions. As a result, in a theoretical background, the matter on governance theory can not be thought as separate from the issues on institutionalism and with its old and new forms apart from various types of institutionalism schools' approach. Whatever the type of institutionalism is concerned, two main questions arise which are related with the changes provided with the institutional change or building and about the consequences of governance process shaped with the institutional change

If the new definition of WB on the term of governance is concerned, namely, good governance can be called as the ideal governance of the neo-liberal approaches and rational choice theory. However, governance is the process of decision-making and the process by which decisions are implemented or not implemented. Within the explanation of good governance, WB changes good governance measurement set, from time to time. The last bundle declared includes the terms of participation, rule of law, transparency, consensus orientation, equity and inclusiveness, effectiveness and efficiency and accountability.

In this respect, institutions can be handled by its use the space between the ideal one; good governance and real governance that is faced in actual life. In other words, Institutions, broadly conceived, create a space between policy intentions and unintended consequences. Institutions explain the difference between the dream of governance spread by neo liberals and the reality of governance as networks. However, in the use of this space in order to render institutions active for governance process, institutionalist approaches should be evaluated within its different schools and their contribution to the literature.

In addition, governance and institutionalization are symbiotic for the issues of network, since governance can be defined as more or less inter-organizational and self-organizing networks. That is **a complex network of institutions that constitute a form of governance of regional development and a mode of local governance for particular locality and a particular investment (Stoker, 1998)**. Governance consisted of networks as opposed to **both hierarchies and markets**. The political scientists involved in the programs of WB understood governance to refer to what they saw as the unintended consequences of the new public management, marketization, and privatization

Path dependency, a term of old-institutionalism, is a problem for the use of institutions in providing tools for governance since it assumes man following the same trajectory from the past choices, desires and preferences. This approach defines institutions as passive. However if it was so, institutions could not be use for achieving the ideals of governance theory. Neo-institutionalist approaches provide us with tools in the design of new governance modes and give a way for institutional design and change by means of loading active roles for institutional structures.

Herein four approaches should be concerned; rational choice, rational choice institutionalism, sociological institutionalism and historical institutionalism. (Bell, 2004). While rational choice is just can be defined with its symbiotic characteristic with neo-liberalism, rational choice institutionalism concerns the institutionally affected logic of consequentiality, in other words, it can be united with the thinking of calculus approach of human being in the perfect mechanisms and with the passive role of the institutions. On the one hand, sociological institutionalism is interested in preference-related logic of appropriateness, on the other hand, historical institutionalism concerns with the action-related logic of

consequentiality as moderated by the logic of appropriateness (Kerremans, 2001). However after these definitions for concern areas, whatever the institutional approach in the theoretical background, the crucial one is that what the changes in governance can be reached by the institutional change and design and what the consequences of new governance modes shaped by the institutional change for a specific investment project to a locality by considering about the multi-level governance in local, national and regional level.

4.2.1. Investments, Governance and Institutional Building

Especially, two influential areas of the international and supranational credit institutions are the increasing political importance of the regional level **by taking into consideration of the regional and continental blocks and the diffusion of regionally-based initiatives in economic promotion and development** (Danson, Halkier and Cameron, 2000:1). Both areas have important consequences **for the distribution of institutionalized capacity**. Because of this reason, an investment to a project of supranational bodies can not be handled just within the national scale but with the global and regional scale even in the subject of institutional capacity which has been established to take and influence decisions with regard to the long-term future and development of a particular locality and for a particular investment and service.

Actually, it is primarily crucial for the governance structure for a particular locality and a particular investment or service. In other words, the issues on institutions and institutionalization can not be separated from the concerns of governance through the all scales from local to national and to global. In addition, for exploring a development or advancement in a service, or infra-structural investment, it is necessary to address main themes of governance and institutional change. The main theme of this study, because of this reason, necessarily takes into account not only the institutionalization matters but also the governance as a subject.

At that point it is also useful to find answers to the problems related with;

-the question of governance, how the ongoing process of institution building within a project affect the ways in which the regions and localities

are governed including the questions of participation, regional self-determination, public-private partnerships and accountability, (how institutions affect change?), and

-the question of what the consequences of new modes of governance and institutional change for regional or local development strategies and policies (what the consequences are of qualitative rather than evolutionary changes on strategies and policies?) (Danson, Halkier and Cameron, 2000:3).

Institutions at the core of investments for localities themselves transform to reflect and promote for upgrading services and indirectly for a particular contribution to the development of locality. In particular, by the changing perspective of supra-blocks and new global restructuring, they have been evolving compared with their traditional role of direct deliverers of policies and strategies of the central and global bodies.

This is exclusively presented by the ongoing changes in the structures of governance at local, regional, national and global level. Changes herein mentioned is closely related with the position of economic development agencies in all levels, and more decentralization of bodies that have been changed in structure, not only public or private, but also public and private. Change in structure, also, can not be confined to the formation of actors that it is also observed in functioning, inner formation and the changes comes with the transformations in all areas directly or indirectly related with the actors.

At that point, three rationales should be focused;

-institutional relationships, including different type of partnerships, non-governmental organizations, even community-based organizations

-horizontal aspects of governance and inter-organizational relations,

-vertical aspects of multi-level governance (Danson, Halkier and Cameron, 2000:267),.

Institutional relationships have an important feature of investment and it is valuable with the cooperation. It makes the institutional environment of individual actors less unpredictable, and development partnerships, coping with large and various projects. For the success of an investment with its outcomes at the end and for the survival of the investment outcomes, institutional relationships are vital to concern.

An investment to a service is also an issue of development, no matter whatever the scale of the investment made, in local or regional level. An investment to a locality is no longer in the exclusive responsibility of public body and credit institution, and it is not only valid for WB. Instead, like many organizations, different levels of governmental bodies, non-governmental organizations, and partnerships are involved in **a complex network of institutions that constitute a form of governance of regional development and a mode of local governance for particular locality and a particular investment (Stoker, 1998)**. Although exploration of individual actors still stands as crucial, a study of inter-organizational and institutional relations have become a major field of research.

It has been clearly apparent that a range of methodologies have been applied to **the study of governance and institutional change**. Indeed, without recourse of a range of disciplines, it would have been possible to gain an understanding of the matrix of forms and structures implemented across the worldwide (Danson, Halkier and Cameron, 2000:3). Till to present, some have used institutionalism/network theory, combining aspects of organizational theory with traditional themes in political science to examine the evolution of partnerships of organizations and authorities.

In the analysis of multi-governance, for the specific role of particular individuals and services, actor-centered approach, as well as for the understanding of the relationship between central government and sub-central public bodies within a local based services power-dependence approach have been applied. At the end, for a final output of these studies, policy-network approach addressed to reach a multi-level governance and institutional analysis (Danson, Halkier and Cameron, 2000:4).

4.2.2. Good Governance as a Term

The terms governance and **good governance** are increasingly being used in development literature. Governance describes **the process of decision-making and the process by which decisions are implemented (or not implemented)**. Hereby, public institutions conduct public affairs, manage public

resources, and guarantee the realization of human rights. Good governance accomplishes this in a manner essentially free of abuse and corruption, and with due regard for the rule of law.

Good governance defines an ideal which is difficult to achieve in its totality. However, to ensure sustainable human development, actions must be taken to work towards this ideal. Major donors and international financial institutions, like the IMF or WB, are increasingly basing their aid and loans on the condition that reforms ensuring good governance are undertaken.

WB defines and changes a bundle of criteria for the acceptability of the good governance time by time. In recent studies of the WB, good governance is defined in a set of 8 major characteristics⁴⁴:

- participation,
- rule of law,
- transparency,
- responsiveness,
- consensus orientation,
- equity and inclusiveness,
- effectiveness and efficiency,
- accountability

These characteristics assure that

- corruption is minimized,
- the views of minorities are taken into account and

that the voices of the most vulnerable in society are heard in decision-making

The contents of these criteria is described below one by one;

Participation

- Participation by both men and women.
- Participation could be either direct or through legitimate intermediate institutions or representatives.
- Participation also means freedom of association and expression on the one hand and an organized civil society on the other hand.

⁴⁴ Also see the part: 3.3. for the evaluation of the good governance bundle throughout the history explained by various authorities.

Rule of law

- Good governance requires fair legal frameworks that are enforced impartially.
- Full protection of human rights, particularly those of minorities.
- It also means independent judiciary and an impartial and incorruptible police force.

Transparency

- Decisions taken and their enforcement are done in a manner that follows rules and regulations.
- Information is freely available and directly accessible to those who will be affected by such decisions and their enforcement.

Responsiveness

- Institutions and processes try to serve all stakeholders within a reasonable timeframe.

Consensus orientation

- Need of mediation of the different interests in society to reach a broad consensus in society on what is in the best interest of the whole community and how this can be achieved.
- It also requires a long-term perspective for sustainable human development and how to achieve the goals of such development.

Equity and inclusiveness

- Ensuring that all members of society feel that they have a stake in it and do not feel excluded from the mainstream.
- This requires all groups, and especially the most vulnerable to have opportunities to maintain or improve their well being.

Effectiveness and efficiency

- Processes and institutions produce results that meet the needs of society while making the best use of resources at their disposal.
- It also means sustainable use of natural resources and the protection of the environment.

Accountability

- Governmental institutions as well as the private sector and civil society organizations must be accountable to the public and to their institutional stakeholders.

- In general organizations and institutions are accountable to those who will be affected by decisions or actions.

A basic practical example of good governance would be where a member of a committee, with a vested interest in a topic being discussed at committee, would absent themselves from the discussion and not attempt to exert influence.

4.2.3. Good Governance, Governance Theory and Institutionalism

In 1992, WB introduced **the concept of good governance** as part of its criteria for lending to developing countries. It invoked governance to refer to changes in the public sector associated with the new public management, marketing, and even privatization. The introduction of these **neoliberal reforms**, it implied, led to **greater efficiency in public services**. In contrast, the work done within the Local Government and Whitehall Programmes organized by the British Economic and Social Research Council invoked governance to describe a new pattern of relations between the state and civil society. Governance consisted of networks as opposed to **both hierarchies and markets**. The political scientists involved in these Programmes understood governance to refer to what they saw as the unintended consequences of the new public management, marketization, and privatization (Rhodes and Beyir, 2001:3).

Obviously governance means different things to different people. Despite some overlaps, it has **one meaning for the economists of WB** and another for the political scientists engaged in the Local Government and Whitehall Programmes. The two groups understand governance differently because they construct the concept from within very different sources (Rhodes and Beyir, 2001:4). Here the source stands as a form of explanation that take outs **human actions in terms of the beliefs and desires of the actors**. It embodies particular theories about **the rationality of actors, their institutional embeddedness, and their capacity for agency**. The particular theories at work in different sources prompt their adherents to take very different views of changes in government, society, and economy.

Just as the neoliberal source has a symbiotic relationship with rational choice theory, so the story of **governance** as networks often evokes **an**

institutionalist approach. Its proponents typically accept that pressures such as **globalization, inflation, the underclass, and state-overload** brought about neoliberal reforms, only then to emphasize that embedded institutional patterns and inertia were such that the reforms did not operate as the neo-liberals had hoped.

Institutions, broadly conceived, create a space between policy intentions and unintended consequences. Institutions explain the difference between the dream of governance spread by neoliberals and the reality of governance as networks. A concern with institutions, moreover, unites the proponents of governance as networks with numerous other critics of the neoliberal narrative (Hodgson, 1993:125). **Institutionalism emphasizes the diverse national, organizational, and at times even cultural, contexts within which capitalism operates**⁴⁵. It shifts our attention from a supposedly inexorable process fuelled by the pressures of globalization, capital mobility, and competition between states **to the ways in which inherited institutions generate diverse responses to these pressures.** Although states are experiencing much the same troublemaking forces, the speed and intensity with which they do so depends **on the stability of their institutions.** Some institutionalists even argue that common pressures or inputs need not lead to **common consequences or outputs since the pressures and the reforms associated with them** impact upon states differently. Institutions are thus said to **generate diverse responses to global pressures and so diverse national trajectories** (Rhodes and Beyir, 2001:7).

Currently the dominant explanation of governance is the neoliberal one and that of governance as networks. The neo-liberal one has a symbiotic relationship with rational choice theory. It assumes **global pressures such as inflation, bureaucratic overload, and the mobility of finance capital,** all of which are to be explained in large part through a micro-economic analysis based on utility functions and profit maximizations. A similar micro-economic analysis suggests, to neo-liberals, that states must adopt certain strategies, such as **the new public management,** if they are adequately to cope with these pressures. **The explanation of governance as networks has symbiotic ties to**

⁴⁵ See: Hay (2000) for the relationship between the contemporary capitalism, globalization, regionalization and institutionalism, especially pp. 509-532

institutionalism. While it too postulates **global pressures,** it insists that states respond to these **pressures in diverse ways depending on their historical and institutional trajectories (Rhodes and Beyir, 2001:7).**

As it is indicated when considering the term of governance as networks, institutionalists typically attempt to explain actions and trajectories **by reference to embedded institutions** whether within different states or at other geographical levels. The clear implication is that formal institutions, understood in terms of rules or norms, at least explain and perhaps even determine behavior.

James March and Johan Olsen (1989:19), for example, define institutions as **“collections of standard operating procedures and structures that define and defend interest”** thereby both explaining the political actions of individuals and constituting “political actors in their own right”. Similarly, Peter Hall (1996) defines institutions as **“formal rules, fulfillment procedures, and standard operating practices that structure relationships between individuals in various units of the polity and the economy.”** However, there remains considerable ambiguity here about how to conceive of institutions (Lowndes, 1996:181-197).

On the one hand, institutions often seem to be being given an unacceptably reified form in a way that enables political scientists to take them for granted: they are defined as supposedly **fixed operating procedures or rules that limit, and arguably even determine, the actions of those subjects within them.**

On the other hand, institutions are sometimes opened up so as to include within them **cultural factors or meanings in a way that suggests they do not fix such meanings nor thus the actions of the subjects within them.** But if we open up institutions in this way, that can not be treated as if they were given. It has to be asked that how meanings and so actions are created, recreated, and changed, thereby producing and reforming institutions (Rhodes and Beyir, 2001:11-12).

Generally, institutionalists like to take institutions for granted; they treat them **as if the people within them are bound to follow the relevant procedures or rules;** they treat these rules, rather than contingent agency, as the source of something similar to a path dependency. Institutionalism, so conceived, assumes that objective procedures or rules prescribe or cause

behavior so that someone in a position X who is thereby subject to a rule Y will behave in a manner Z. The problem with this assumption is not just that people can willfully choose to disobey a norm or rule, but also, as we have seen, that we cannot read off people's beliefs and desires from their social location. People who are in a position X might not grasp that they fall under rule Y, or they might understand the implications of rule Y differently from us, and in these circumstances they might not act in a manner Z even if they intend to follow the rule Y (Rhodes and Beyir, 2001:20). Moreover, we cannot resolve this **problem by examining the intentions implicit in the rules or norms themselves**, as Neville Johnson (1977) would have us do, since we have no reason to assume the intentions, beliefs and desires of those who now fall under an institution in any way resemble, let alone are identical to those of the founders of that institution. Faced with such considerations, institutionalists might decide to open up the concept of an institution so as to incorporate meanings; they might conceive of an **institution as a product of actions informed by the varied and contingent beliefs and desires of the relevant people** (Rhodes and Beyir, 2001:13).

Alternatively, we might take it to be the development of an institutional theory that takes seriously **the contingent nature of institutions and so treats them as products of human agency informed by diverse sets of beliefs and desires** (Rhodes and Beyir, 2001:17). At that point, the important thing is that **governance should be thought as the contingent product of political struggles that embody competing sets of beliefs**.

If the term of governance is concerned, the source of governance **as networks, with its close ties to institutionalism**. In this account, governance is often defined more or less as something like **self-organizing, inter-organizational networks**. Behind such definitions, there generally hides a notion that the rise and growth of governance reflect **process of functional and institutional specialization and differentiation characteristic of advanced industrial societies**. For some institutionalists, moreover, such differentiation stands as a more or less unchangeable development grounded on economic changes (Stoker, 1998:26). Embedded institutional patterns or trajectories ensured that the neoliberal reforms actually led not to markets but to the further

differentiation of policy networks within an increasingly hollow state (Rhodes and Beyir, 2001:18-19).

Within the definition of **governance as networks**, an ambiguity is faced that reflects within institutionalist theory. On the one hand, differentiation can evoke recognition of differences, or the specialist parts of a whole, based on function.

When advocates of governance as networks understand differentiation in this way, they move toward a positivist account of governance; **they tend to think of governance as a complex set of institutions and institutional linkages defined by their social role or function in a way that renders useless appeals to the contingent beliefs and preferences of agents.** On the other hand, however, differentiation can evoke recognition of differences, or the discrimination of contingent patterns, based on meaning. If advocates of governance as networks understood differentiation in this way, they would move toward a decentered account of governance; **they would unpack the institutions of governance through a study of the various contingent meanings that inform the actions of the relevant individuals** (Rhodes and Beyir, 2001:19).

Neoliberals portray **governance as composed of policies, such as marketization and the new public management** that are allegedly the inevitable outcomes of global economic pressures. Institutionalists argue that these neoliberal policies do not have uniform consequences but rather effects that vary across states according to the content and strength of their established practices (Rhodes and Beyir, 2001:27).

The question of how do governance changes is far more difficult for network theorists to answer than it is for neoliberals. Neoliberals can unpack change in terms of the economic self-interest of the key actors. Network theorists, in contrast, often organize an institutionalism that remains ambiguous about the nature of change. In order to avoid the need to interpret beliefs and desires institutionalists often reduce individual behavior to a matter of following the rules or norms that govern the institution and the role of the relevant individual therein – but, of course, **if individuals merely follow rules, they can not be the causes of change.** In order to explain change, therefore, institutionalists often appeal to external factors that might appear to avoid the need to unpack the beliefs and

desires of individuals – but, of course, external factors will bring about changes in an institution only if they lead individuals to modify established patterns of behavior, where we can understand how individuals do this only by interpreting their beliefs and desires (Rhodes and Beyir, 2001:31).

Anyway, network theorists, like institutionalists more generally, typically try to explain change by reference to external causes. David Marsh and Rod Rhodes, for example, effectively dismiss the way in which individuals constantly create and recreate the networks of which they are a part by emphasizing that networks create routines for policy-making (Marsh and Rhodes, 1992:261). They identify four categories of change – economic, ideological, knowledge, and institutional – all of which they define as external to the network (Rhodes and Beyir, 2001:32).

Finally, the institutional approach to the management of governance concentrates on the formal and informal context of laws, rules, and norms within which governing structures operate. Its exponents encourage the state to concentrate on changing things such as the relationships between actors, the distribution of resources, and the rules of the game. The techniques most relevant to modifying and controlling governance and its outcomes thus include the creation of new funding arrangements or new agencies (Rhodes and Beyir, 2001:35).

It is a difficult task to give the definition of an institution. It is therefore not important to look for a definition that would be acceptable for all, but rather to provide a definition that is sufficiently clear to allow for a valid operationalization of the concept. In doing so it is important to make the distinction **between institutions, and their effects.** Although to a certain extent, **it is difficult to define institutions independently from what we expect from them,** a definition should precisely aim at disconnecting these two.

In its most elementary form, institutions can be seen as structures in which the preferences of different actors are being aggregated (Milner, 1997:121). They are the context in which strategic interactions will take place and thus, where collective action will occur. One could say that this definition is the most “thin” definition one can provide, and as such it shows up in scholarly work on rational choice institutionalism. Scharpf (1997:38) for instance, defines

institutions as:“(..) systems of rules that structure the courses of actions that a set of actors may choose.”

“Rules” refers to formal and informal rules such as procedures, codes of conduct, etc. (Hall and Taylor, 1996:938). As Scharpf (1997) observes, institutions to a certain extent determine what can be reached through the interactions *minimally*. But rather than determining what can be reached minimally, they define what will be allowed maximally. Certain courses of action will be rejected or can only be chosen at a very high cost. In this sense, institutions change the payoffs for the different participants. They increase the cost of certain actions – through penalties either immediately or in the long run and reduce the cost of interactions – by making behavior more predictable or rather, less unpredictable. They exclude certain outcomes and certain courses of action, with an emphasis on the latter rather than the former.

In such a minimalist definition, institutions are not agents. They are not active but passive players. **They shape expectations and limit options and because of that, they create constraints and opportunities.** But they do this passively in the sense that they are not agents of their own. It is important to restrict the definition in this sense. If we would provide agency to institutions we would not be merely referring to institutions but to particular institutions with specific characteristics, namely the capacity to act (Cram, 1998:69) . But even if they lack this capacity, the question has to be raised whether still, they matter. As such, institutions defined as passive players provide a forum (arena) in which positions are being defended and interests warranted through interactions that lead to collective action (Kerremans, 2001:4).

Institutions provide some stability. They are “resistant to redesign”. That is their essence. **But that does not mean that they are static.** That depends on the time frame one takes. In the short run, they normally are, otherwise they would not be stable. But in the medium and longer run, they can be considered to be dynamic, although this is only indirectly relevant when one tries to find out how institutions affect policy outcomes. Looking at institutional change provides some clues on the autonomy of institutions. This is an important aspect. In case they are autonomous. Being autonomous means that – whatever the explanation for their emergence –institutions have a certain existence **at least partially independent** from their environment, and from the political actors that

are affected by them. In other words, they have to be “sticky” to a certain extent (Pierson, 2000:490-491). Thelen’s concept of “dynamic constraints points to that institution may be changeable, but that nonetheless, they function as constraints. Changes can be the consequence, then, of planned actions to change the institutional parameters, or an unintended consequence of interactions (Thelen and Steinmo, 1995:17). If institutions could be changed according to the requirements of concrete situations, they would not have any significance of their own but would merely be an instrument of actors that are not constrained by them.

When dealing with the institution’s stability a last remark is in order. By definition, if institutions have an effect on their own, **they create path dependency** in the sense that the **choices of the past affect the choices of the present** (Kerremans, 2001:5).

What can we expect from institutions? That is an important question if we want to determine whether and how they matter. In other words, **they have to make a difference**. What difference do they have to make? In order to answer this question, it could be useful to look at the three different kinds of institutionalism in a complementary way. Seen from the perspective of an individual actor, institutions can have a limited or a large impact. In the lack of any impact, an actor could be expected to be purposive in the sense that he makes choices according to the logic of rational choice **(RC). He would try to maximize his utility by weighing the costs and benefits of different courses of action, and by deciding which action to take.**

A minimalist institutionalist approach, one that is central to rational choice institutionalism (RCI), would refer to a situation where an individual enters the decision-making process with exogenously determined preferences, but **where the institutions would be helpful in providing information, and in making some courses of action more costly than others.** The actors continue to behave rationally. But in doing so, the institutions are helpful. **They provide information about capabilities. They narrow the scope of possible actions because they create procedures that provide for a specific sequence of actions and for specific rights, duties, and constraints for each of the participants (Hall and Taylor, 1996:944-945).** They also provide enforcement mechanisms that help to protect the rights, to fulfill the duties, and to respect the procedural constraints. In

this sense, they will not only constrain options but equally enable courses of action that are either unfeasible or too costly in the absence of institutions. They will equally affect the usefulness of the resources that the actors possess or control. In other words, in RCI, one can only expect a minimal effect from institutions. As Checkel has phrased it, in RCI: “(..) institutions are a structure that actors run into, go ‘ouch’, and then recalculate how, in the presence of the structure, to achieve their interests (..)” (Checkel, 1999:546).

When historical institutionalism (HI) is a matter, one can expect more from institutions. It remains unclear however, what one can expect. In making the distinction between the three institutionalisms many authors seem to struggle, not with the distinctiveness of rational choice institutionalism or sociological institutionalism, but with the exact meaning of the historical alternative. This is quite obvious in Hall and Taylor’s attempt (1996) to do so as they make a distinction between two approaches: **the “calculus approach” and the “cultural approach”**, whereby the first clearly fits into RCI, and the second in SI. Historical institutionalism is not really distinctive from neither of these two, as, according to the authors, in historical institutionalism a “calculus” variant and a “cultural” variant can be discerned. As Hay and Wincott observe, does this way of approaching historic institutionalism “a considerable disservice” to the “potentially distinctive social ontology of this approach.” And they add “By locating both approaches within (..) [the historical institutionalist] canon [Hall and Taylor] imply that historical institutionalism is not a distinctive approach to institutional analysis in its own right” (Hay and Wincott, 1998:951-953).

And they may be right. Hall and Taylor themselves indicate that the combination of the instrumental and the cultural ontology in HI – the eclecticism of HI – has its costs: “historical institutionalism has devoted less attention than the other schools to developing **a sophisticated understanding of exactly how institutions affect behavior, and some of its works are less careful than they should be about specifying the precise causal chain through which the institutions they identify as important are affecting the behavior they are meant to explain.**” But they equally claim that “(..) although much rational choice theory is underpinned by assumptions from what we term the ‘calculus approach’, and many sociological institutionalists take a ‘cultural’ approach, we do not see the two schools as coherent with these approaches” (Hall and Taylor, 1996:950).

In trying to find what one can expect from institutions before one could claim that historical institutionalism is at work, Steinmo and Thelen on the one hand and Peter Hall on the other, provide a first clue. Steinmo and Thelen point to the fact that institutions do more than just changing the strategic environment in which actors behave instrumentally (Thelen and Steinmo, 1995:8-9). They change the actors' preferences as well. As they phrase it. "Thus one, perhaps, **the core difference between rational choice institutionalism and historical institutionalism lies in the question of preference formation**, whether treated as exogenous (rational choice) or endogenous (historical institutionalism)."

In the same vein, Hall points at the effect of institutions on both the relative power positions of the actors, and on their own assessment of their interests: "Institutional factors play two fundamental roles in this model. On the one hand, **the organization of policy-making affects the degree of power that any one set of actors has over the policy outcomes** (..). On the other hand, **organizational position also influences and actor's definition of his own interests, by establishing his institutional responsibilities and relationship to other actors**. In this way, organizational factors affect both the degree of pressure an actor can bring to bear on policy and the likely direction of that pressure" (Hall, 1986:19).

And in the same sense, he defines the close relationship **between interests, institutions, and ideas** as follows: "institutions interact with interests and ideas in a variety of ways. By providing routines linked to processes of socialization and incentives for certain kinds of behavior, they contribute to the very terms in which the interests of critical political actors are constructed. By making organized activity and the expression of political views more or less viable for certain groups, they affect the power with which the interests of key social groups are pressed."

The problem with all these definitions is however, that they do not provide the basis of an approach that is significantly different from sociological institutionalism, that provides "a distinctive response to the question: how do institutions relate to individual action?". But they do provide clues for such a response (Kerremans, 2001:7).

At the minimum, they add to the rational calculus a second assessment, that of appropriateness. In doing so, they include the element of interaction,

whereby the individual actor has to decide about his courses of action by weighing his desire to maximize his utility against the institutional pressure to forgo certain courses of action, even if precisely these would enable him to maximize his utility. In other words, what is distinctive for historical institutionalism is the interplay between agency action and structure. As Hay and Wincott (1998:54) have phrased it that “Actors are strategic, seeking to realize complex, contingent and often changing goals. They do so in a context which favors certain strategies over others and must rely upon perceptions of that context which are at best incomplete and which may very often reveal themselves inaccurate after the event. (...) the context is viewed in largely institutional terms”.

We would add that given the fact that actors are strategic, they behave themselves moderately instrumental. Their instrumentality is indeed moderated as they do not look for the optimal bribe but for satisfying outcomes. And this “satisfaction” itself is determined by a combination of material – interest optimization – and immaterial (psychological) concerns – appropriateness. **What is appropriate, is determined – or rather suggested – by the institutional context in which the actor interacts with others. At minimum therefore,** what would distinguish historical institutionalism from rational choice institutionalism is the fact that in the latter the logic of consequentiality prevails, whereas in the former **the logic of consequentiality** (LOC) is being moderated by **the logic of appropriateness** (LOA). In both cases however, **it concerns the instruments and strategies used by the actors to realize their pre-determined preferences.** That is a difference with sociological institutionalism, because here the preferences are supposed to be affected by the institutions as well, i.e. they are supposed to be endogenous (Kerremans, 2001:8-9).

In this way of defining historical institutionalism and distinguishing it from the sociological variant, one could claim that to a certain extent, a caricature is being made of both. Indeed, most historical institutionalists will consider it as a deviation to claim that only the choice of strategies, not the preferences, is endogenous. The objective here is not however to make caricatures, but to help building theories that enable us to exactly understand where, how, and to what extent, institutions affect individual political behavior. The way in which the three institutionalisms are being distinguished here helps in keeping the benefits of the rational choice institutionalism’s parsimony, while simultaneously trying to explain

part of its residual variance. In doing it in this way, we try to avoid falling in the methodological traps for which among others, Moravcsik (1999: 678-679) has warned us. Indeed, in trying to explain the remaining variance, we need to be as rigorous as in the testing of the theoretical models to which this variance is remaining. We cannot afford to engage in indeterminate statements, in unclear claims about causal relationships, or in abstract discussions that do not result in clear testable hypotheses (Kerremans, 2001).

In brief, we should equally separate carefully the analysis of the impact of institutions on individual behavior from the impact of individual behavior on institutions. **In other words, the analysis of institutional impact should be separated from the analysis of institutional change.** Or rather, they should only be combined at a later stage, after we have gained sufficient insight in the question of institutional impact. From this perspective, though institutional change may be important for historical institutionalism, we should first know better what the importance of institutional persistence is. This brings us to the question of path dependency.

Although path dependency is quite often presented as something that is essential for the difference between rational choice institutionalism and its historical counterpart, it is not. As has been mentioned above, stability and persistence are essential characteristics of institutions. Where there is persistence, there is path dependency as choices of the past will affect opportunities of the present, and as today's choices will impact on tomorrow's outcomes. The importance is therefore, not in path dependency, but in the nature of its consequences. **Actors create institutions because they want to create certain consequences in the sense that they bring the payoffs of certain actions closer to their preferred outcomes.** But institutions are not individual devices. They are collective and therefore, inter-subjective. And in that sense, they generate not only intended but also unintended consequences. The unintended consequences can be found in the norms of appropriateness that interacting within institutions brings with it, and eventually in the preference changes that this entails. From that perspective, one can see how path dependency plays a distinctive role in each of the three institutionalisms, whereas indeed it plays a role in all of them. In rational choice institutionalism, path dependency will play a role in the sense that the dependency is predictable, but

nonetheless compelling. In historical institutionalism, the dependency is partly unpredictable in the sense that norms of appropriate actions will emerge. In sociological institutionalism, dependency will be partly unpredictable in the sense that it not only affects the appropriateness of actions but also the appropriateness of preferences.

This brings us back to the question of what we can expect from institutions in the historical institutionalist sense. We can expect them to change, not just the power relations among the actors, but also the norms of appropriateness that guide their strategic actions and interactions. From institutions in the sociological institutionalist sense, we can expect that they will change the actors' preferences as well, i.e. that they will partly replace individually determined preferences by jointly or collectively determined ones. In the following table on institutionalisms, the expected impact of three institutionalism schools are focused

Table 1: The Expected Impact of the Three Institutionalisms

<i>Approach</i>	<i>Expected Impact</i>
Rational Choice (RC)	Logic of consequentiality
Rational Choice Institutionalism (RCI)	Institutionally affected logic of consequentiality
Historical Institutionalism (HI)	Action-related logic of consequentiality as moderated by the logic of appropriateness
Sociological Institutionalism (SI)	Preference-related logic of appropriateness

Based on the above, it is possible to try to measure the exact effects of institutions by using the three institutionalisms in a complementary way. As has been indicated above, the starting point would be that actors try to behave rationally, that they try to weigh the costs and the benefits of different alternatives before they decide. If they can do this without any impediment, rational choice (RC) is supposed to be at work.

When an actor behaves in this way, but has to do this in an institutionalized context, rational choice institutionalism (RCI) will supposed to be at work when the actor will continue to try to maximize his utility, but taking into account the path dependencies created by the institutions – the sequence of the procedure, the power relations as created by the institutions – and using the benefits of the informational added value provided by the institutions.

When an actor departs from utility maximizing behavior because of the written and unwritten rules, historic institutionalism (HI) will supposed to be at work. When the preferences themselves are being affected by the institutions – i.e. when preferences have been changed as a consequence of participation in the institutionalized decision-making – sociological institutionalism (SI) will supposed to be at work.

The four approaches (RC, RCI, HI, and SI) are not only supposed to be complementary, but also cumulative. Even if an actor is exposed to the logic of sociological institutionalism, part of his behavior will continued to be inspired by rational choice, and rational choice institutionalism. Equally, when an actors' strategic choices are being confined by rules of appropriateness, one can expect that in case these rules still leave some room between a range of appropriate strategies, that the actor concerned, will choose among these on the basis of his concern to maximize his utility, given the behavioral confines. And even when sociological institutionalism is at work, the actor can be considered to strife for a maximal achievement of the appropriate preferences, taking into account the behavioral confines.

4.3. Governance and Urban Service Provision

4.3.1. Articulation of the Concept of Governance to the Subject of Urban Service Provision

After emphasizing on challenges to urban service provision; by the rising issue of governance, institutionalization and the changing mission of WB, in this section, it is useful to take into consideration the debates related with the relationship between governance and urban service provision.

As mentioned in the first chapter of this thesis, especially, for the last twenty years, there is a widespread idea that in developing countries the central government alone will be unable to meet the internationally agreed targets for poverty alleviation by means of the urban service provision. It has also been projected that for the next five decades most of the growth in the world's population will be in urban areas. In addition, over the past two decades, a form of consensus has appeared about the nature of the urban service provision problem formed in declarations of WB. Apart from the shift in WB's approach, gradually, the general tendency of the international institutions' focus on urban service provision has shifted from a concern with technical improvements **towards a growing importance of the institutional aspects of service delivery** (Allen, 2004:1-6).

However, today, there is a high degree of fragmentation in terms of the agents involved in the different stages of urban service provision. In addition, the double dimension of urban service provision has a significant study area for the social scientists: the formal and the informal systems. The formal system is referred as 'policy-rooted' and the informal system as 'practice-rooted' in the literature.

At this point it will be useful to mention the evolution in the term of governance with its new perception as a dynamic part of urban service provision. The debate on governance has developed significantly in the last fifteen years. This has been associated with an increased concern in order to understand and improve the general conditions for policy making by the aims of participatory democracy, social justice and environmental sustainability. In some cases, the outcomes of this debate have even become organized as an external conditionality proposed by international institutions, a case in point; by the proposed projects and programs of WB.

In contrary to the general view, the current debate goes beyond a concern for establishing a relatively formalized set of prescriptive governing practices aimed at to facilitate the operation of the delivery of services.

Actually, partnerships for urban poverty alleviation between nongovernmental organizations (NGOs), community-based organizations (CBOs) and local government began emerging in the 1980s. The failure of public

agencies to meet the needs of poor and the success of certain projects of NGOs has turned these projects as alternatives or substitutes for publicly provided services. Even, the urban poverty alleviation programmes of WB have started by central government and funded by the international and supranational organizations by the participation of NGOs and CBOs. In addition, this policy has become widely used by the influence of analogous changes in a milieu of neo-liberalism. This has been a milieu including the policies of structural adjustment and reforms towards free markets and a reduction in the role of the state to increase productivity and efficiency.

Except for the parallel changes in the role of state, in the 1980s, local governments were perceived with the characteristics of lack of autonomy, inadequate capacity to mobilize financial resources for development, unresponsive and inefficient to provide urban services especially for the poor. On the other hand, NGOs advocated for the poor and were increasingly contracted by international, multinational organizations and local governments to organize poor communities, deliver services and provide access to microcredits. It was soon realized that NGOs were more responsive to the poor; their efforts were not easily replicable or sustainable due to the inadequate technical capacity and rivalries. Due to this realization, the policy of transferring service delivery to NGOs and the private sector have become widely used for wider access to public services and increasing efficiency. The role of local governments in public service have been started to define with a change from being “provider” to “facilitator.”

In the early 1990s, there was a rising issue on the performance of local governments through the decentralization problem. Another challenge came from the Local Agenda 21 which charged local governments with a new mission as consultant to reach a consensus on sustainable service delivery and environmental protection. There was a new requirement for local governments to create a capacity for the new tasks for coordinating with NGOs and the private sector.

In addition, the literature on decentralization and service delivery has emphasized on two distinct categories;

- **Opportunities for enhanced popular participation and increased accountability of local authorities and**
- **New forms of service delivery involving a plurality of actors.**

However, there is no evidence on whether increased participation in decentralized local governance generates better results in terms of improvements in the urban service delivery.

At the same time, there was a question about the extent to which people centered development initiatives provide inputs into higher structures for planning and policy-making. The concerns today are the operational challenges facing NGOs, their ability deal with political processes of urban governance, accountability in local governments.

In the discipline of urban politics, the debate on governance and urban service provision increasingly emphasize on the formations of new institutional structures associated with cooperative management regimes. These regime studies try to organize society through the means of associations and public deliberation and represent alternatives to hierarchies and markets as modes of coordination.

As mentioned above, in the early 1970s, the participation of NGOs and CBOs received an impetus with the move towards decentralization and people-centered development and the emergence of successful NGO initiatives in service delivery. It was felt that NGO participation would increase responsiveness of programmes and their sustainability. Correspondingly, governments were asked to facilitate the activities of NGOs and CBOs through changes in regulatory structures and management style. The participatory model was also encouraged to overcome financial shortages for service delivery.

After 1970s, restructuring process transmitted globally the urban service provision through the major global economic institutions such as the WTO, IMF and WB (Hall, 2003:26).

-The World Trade Organization (WTO), through the General Agreement on Trade in Services (GATS), is creating potential extra pressure for privatization of public services, including healthcare. The key element in GATS is for countries to make 'commitments' to open a sector to trade.

-The IMF lays down strict conditionality, which may include requirements on public services, as a condition for a country receiving its financial support

-WB actively promotes privatization as a matter of policy in many public services, including water and energy. Also its proposals and consultative role on

governance process to improve urban service provision and for the final aim of poverty alleviation have affected the bureaucratic, legal and technical structures of the central and local governments.

In recent years, apart from these global institutions, other multi-supra-international institutions have more influential on the changing nature of urban service provision. Actually, this raises a crucial study area for the urban scientists especially related with the debate on the impact of global powers to the administrative units, whether the new institutional structure requires a top-bottom or bottom-top relationship between various actors.

4.3.2. Partnerships between Governmental and Nongovernmental Actors

After stressing on the observed relationship on recent years between the governance and urban service provision, it is practical to focus into the partnerships between the governmental and non-governmental actors.

It has been observed from few limited samples that partnerships between governmental and nongovernmental are constrained by:

(a) The coordination of several government agencies active in various sectors of development with overlaps and conflicts in jurisdictions and tasks; and

(b) The integration of the interests and efforts of NGOs with different philosophies and varying levels of professionalism and dedication to the poor to have an impact beyond individual projects (Bennett, Grohmann and Gentry, 1999:2).

In recent years, there is a rising issue and an emerging literature analyzing partnerships between civil society and the government for urban poverty alleviation. There are also deliberations about the relationships among the various actors in urban governance, their roles and the patterns of decision-making determines by the objectives and influence of each actor in a partnership for service delivery (Devyani, 2002:1). The concern is to improve service delivery while briefly addressing the manner in which political processes include the interests of poor in policy making.

In addition, discussions on participatory urban governance in WB and the United Nations Centre for Human Settlements (UNCHS) focus on practical

aspects of service delivery. Three broad stages may be identified in the evolution of partnerships: initiation, consolidation and complementarity (Rosenau, 2003).

4.3.2.i. Initiation Stage

In the initiation stage, the various actors are brought together in partnership related with a certain concern. This formation can be resulted from prerequisites in external donor-funded projects, decentralization and governance reform initiated by central governments or as a result of social networks.

In the initiation stage, leadership and openness of different kinds of agencies are important because of a need for consolidation, delineation of roles and responsibilities, credibility, accountability, and transparency. Changes in traditional patron-client relationships can be achieved partly through innovations in finance generation. Formation of networks and participation in the political processes is important to integrate the urban poor into the mainstream.

4.3.2.ii. Consolidation Stage

The consolidation stage covers establishing working relationships, scaling-up of small projects into larger programmes and introducing rules and regulations to clarify the roles and responsibilities of each partner as well as ensuring equitable distribution of benefits and risks. These benefits could be material benefits from a project as well as earning credit for the successful completion of task. Certain partners can be vulnerable to financial and political risks within a partnership if this is not addressed, the partnership can break down. When roles are not clearly defined and communication breaks down, the partnerships move away from the consolidation stage and may have to be reinitiated.

In the consolidation stage, the relationship between them is challenged by differences in working styles, flows of information between agencies, and transparency in dealings. In contrast to long bureaucratic procedures in government, NGOs use to greater flexibility. However, the lack of measures for accountability in NGOs constrains the functioning of the government agency involved in the partnership. Poor coordination among various agencies is often

the result of inadequate information flows resulting in delays and flawed decision making. Conflict occurs where there is limited or no transparency in the tasks undertaken and the decisions made by each partner.

Also, changes are required in the working styles of different types of agencies to work with each other and in the target groups of the programmes. Capacity has to be built in all the agencies to enable them to undertake their new roles. An institutional environment has to be created to support the roles of each agency such that the benefits are maximized and distributed evenly and the risks are minimized and distributed equitably.

The strengths of NGOs lie in their ability to reach the poor and organize them to participate in development activities, their low operation costs, their capacity for innovation and ability to adapt to changing situations, and their strong negotiation skills. Therefore, several international and multinational agencies initiated development programmes with NGOs as the principal implementers. While NGOs were successful in undertaking individual projects, their activities were too small to be scaled upon a citywide or region wide basis. As their role had been primarily that of advocacy and small-scale service delivery, many NGOs lacked the capacity to undertake a greater number and wider variety of tasks related to programme strategies for poverty alleviation.

Similarly, CBOs lack technical and organizational skills, financial resources, and the productive capacity even though they were engaged in self-help activities. There are often inadequate frameworks to address the wide variety of initiatives of CBOs and large transaction costs are borne by all the partners in adjusting to a partnership in explaining concepts and negotiations. There is a need to identify the benefits, costs, and risks for the various partners to improve the management process. At the same time, where several local governments have conceded some of their tasks to NGOs and CBOs, they lack the capacity to undertake their “facilitating” role, which requires skills in assigning tasks, negotiation, and conflict management.

Following the Local Agenda 21 in 1992, several countries have developed a regulatory framework to include NGOs and CBOs in the tasks of urban governance including service delivery. NGOs and CBOs however remain more active in service delivery than in planning and policy-making at the city level.

There are some problems in this stage related with the credibility and accountability. In many developing countries, local governments have to bear the burden of low credibility due to long-term poor performance and corruption. NGOs have often substituted government in providing services to traditionally deprived areas that are neglected by government. Some poor communities receive services when local politicians address their needs, but usually their needs are addressed only during election periods to get more votes. Meanwhile, only NGOs with a proven record of accomplishment in urban poverty alleviation are considered credible by government and donor agencies. This lack of credibility delays consolidation of partnerships between civil society and government. Increased professionalism in governments and NGOs through capacity building improves efficiency, which, in turn, heightens credibility. The successful implementation of projects has a strong demonstration effect in improving credibility. For NGOs working closely with government and dependent on government finance is a threat that compromises their accountability to the community. Community participation in the CBOs can weaken over time due to frustration when their needs are not addressed. The extent to which the poor have advantage in the political process by being organized influences accountability (Devyani, 2002:6).

Observers of changes in the NGOs' role over the last decade have warned against the increased professionalism of NGOs in the attempt to attract external funding as a step away from advocacy. To ensure a voice, a sufficient critical mass has to be built up by NGOs and CBOs to develop sufficient political advantage. This can be achieved when they have sufficient negotiating skills and can sustain community participation beyond specific issues. When community participation is linked with specific issues, for which decisions are made from outside, the organization cannot be sustained.

4.3.2.iii Complementarity Stage

Complementarity is defined as "...the interrelationship or the completion or perfection brought about by the interrelationship of one or more units supplementing, being dependent upon, or standing in polar opposition to another unit or other units" (Klitgaard, 1997:12). In the context of partnerships for urban

poverty alleviation, complementarity implies that each partner has a voice and control over its contribution to, and the benefits gained from, the partnership with sufficient negotiating capacity and participation in decision-making. This would require that roles are clearly defined and the partnership is not subject to manipulation. Stereotyping of government and NGO roles, for example, seeing government as inefficient and corrupt and NGOs as innovative and effective does not yield results. Success in citywide programmes has been achieved where government and NGOs have gone beyond their traditional roles. There are instances of governments being innovative and responsive to the needs of the consumers and of NGOs participating in local politics. Sanyal (1994) has argued that for NGOs to be more effective in bringing the disadvantaged groups into the mainstream, they have to consider (Rosenau, 2000:53):

- (a) Establishing relationships with political parties and participating in the electoral process and policy-making; and
- (b) Generating resources through profit-making activities to reduce dependence on external aid and increase sustainability.

Complementarity can be achieved by means of the innovation in roles of government and NGOs, and in local resource generation. Complementarity is the result of regulatory frameworks and participation of the poor in the political process.

Capacity building is essential for improving negotiating skills between agencies and increasing professionalism. Initiating partnerships between NGOs and government agencies was not easy that their relationship was adversarial with NGOs drawing attention to shortcomings in government performance and advocating for the poor who were neglected by the system. NGOs perceive government agencies as inefficient, elitist, and corrupt while government agencies perceive NGOs as upstarts in development. The partnerships are an outcome of political conflict and the need to integrate people power in governance.

4.3.3. Building Partnerships between Civil Society and Local Governments: Some Key Elements

Some key elements in building partnerships between civil society and local governments are:

- Advocacy by NGOs for the poor;
- Consultation with the community and mobilization for participation in political process;
- Dialogue among diverse groups;
- NGO networks and creation of common agenda;
- Changes in working styles in government and NGOs;
- Frameworks for joint policymaking and planning;
- Innovation in generating resources in local governments and NGOs; and
- Innovation in traditional roles of local government and NGOs (Batley, 1986)

Also, the level of poverty is influenced by the patterns of local economic growth as well as delivery of services to the poor through collaboration between poor communities, NGOs, and the local government. In a complementary partnership, each partner has the voice and the negotiating capacity in the policy and decision-making process.

Furthermore, programmes are being successfully implemented due to the integration of service delivery with income generation and access to micro credit. Innovation in raising finances locally has also contributed to sustained community participation and reduction in dependence on external sources. However, the local government has yet to adapt to being a facilitator through improved coordination and negotiation skills and increased transparency in decision making. Consolidation is being achieved through the establishment of effective institutional structures and adjustments of NGOs and government to each other's working styles. Programmes are constrained by the lack of income-generating activities, local resource generation, and provision of credit facilities (Batley, 1996:724).

There are some points to give attention from the standpoint of enriching the concept of participatory governance:

- The community not only demands the satisfaction of a vital need such as water or asserts the right to a service, but also **takes on concrete responsibilities** in the management of the systems, maintenance of the networks, payment for the service, care in the use of water, and in general, the creation of a water culture that makes the systems more sustainable.
- **Trust in the institutions** is built up on the basis of transparency of action, a permanent flow of information, and the completion of projects with the anticipated concrete results.
- **Communication** is a key factor for the flow of information between the organization and the community. It is also a key to relations between the institution and the organized community, so that both can develop an up-to-date view of the meaning and course of the projects under way.
- **The community-professional relationship** based on of what institutional action means and of what the community is. Joint work results in mutual trust and respect for both technical and popular knowledge, as a basis for improving the service and the quality of life,
- **Coordination** among the different institutional and community players involved in the solution of socio territorial problems, transcending the differences associated with the country's sociopolitical conflict.

4.3.4. Public Private Partnerships (PPPs)

An examination of the current literature on the governance of service provision in various urban services shows that they are similar in implementation to a certain extent. The spectrum of relations between three sectors of public, private and community sectors is characterized as shown in the figure 5.

The spectrum in figure 5 helps reveal different roles in the production and provision of urban services and the opportunity for participation of different actors (particularly the private sector), as well as the overall institutional arrangements that allow their interaction.

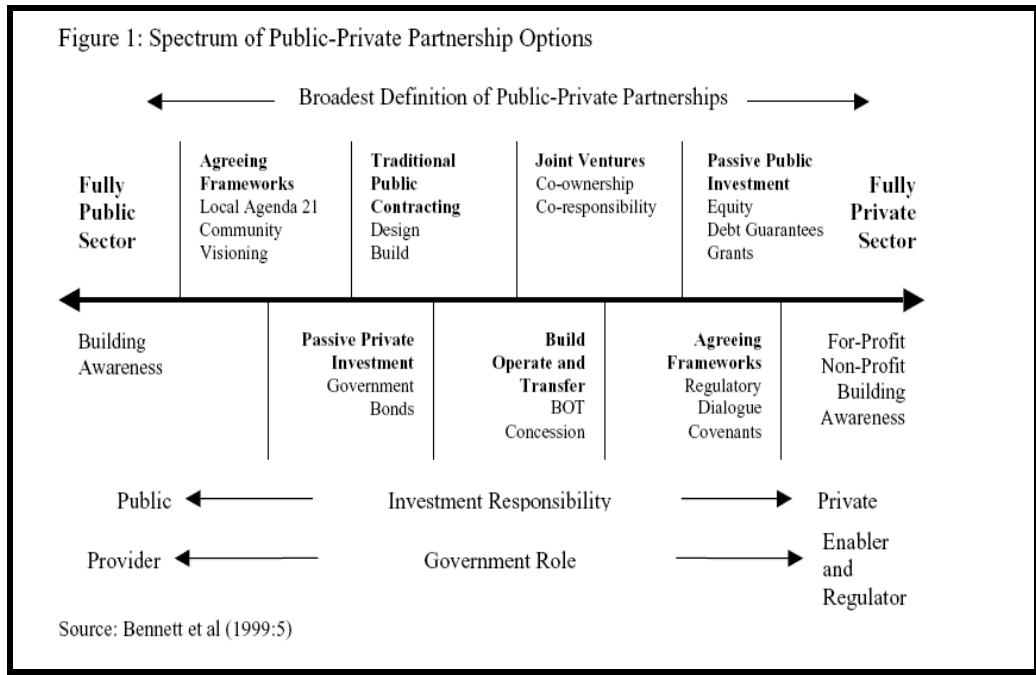


Figure 5: Spectrum of Public-Private Partnership Options (Bennett, Grohmann and Gentry, 1999:6)

However, it is somehow limited and limiting as it only deals with institutionalized governance arrangements or, in other words, with the terms of Harpham and Boateng (1997) governance refers not just to the exercise of governmental authority but to other forms of decision making, “formal as well as informal, participatory as well as representative, decentralized as well as centralized, and national as well as local” (Harpham and Boateng, 1997:67). Some of this informality is covered by the formal system. But in addition to these mechanisms, there is a wide set of arrangements that are not necessarily backed up by the formal system but operate on the basis of solidarity, reciprocity or need, such as those cases in which water is provided as a ‘gift’, by certain members of the community to others in need. These mechanisms can be characterized as being practice-rooted and correspond to the informal spectrum of arrangements by which the poor gain access to water (Figure 6).

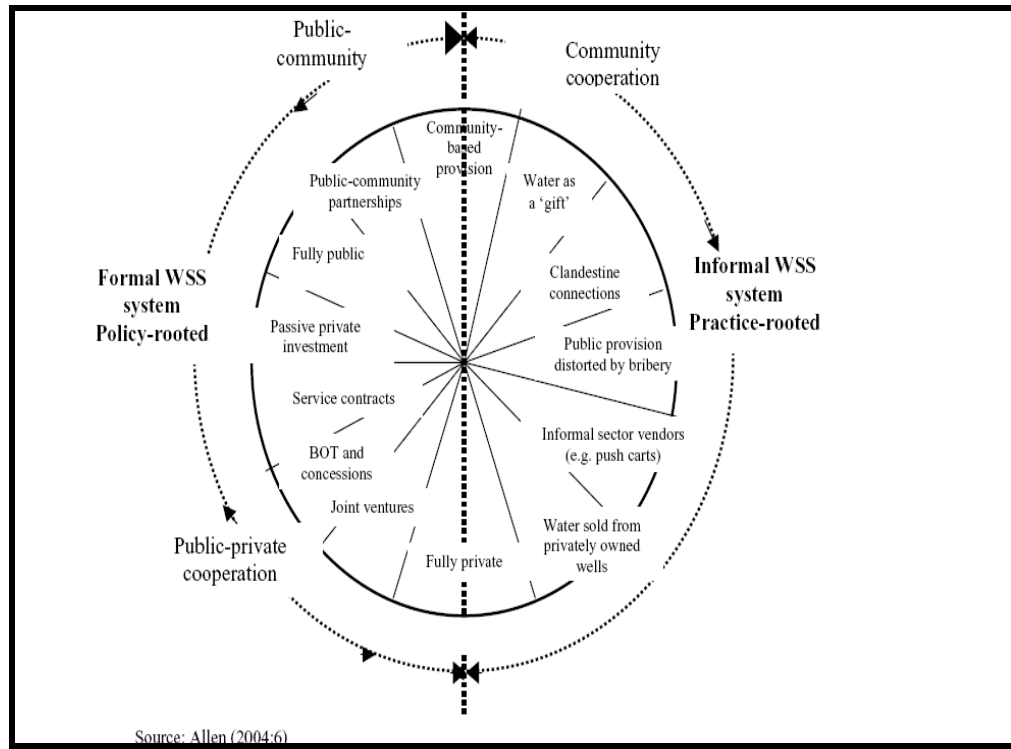


Figure 6: Formal Systems and Informal Practices in the WSS Wheel (Allen, Davila and Hofmann, 2004:7)

In addition to the debate on formal-informal, the PPPs are complex issues. At start, it may seem that public and private partnership can be perceived as undesirable by each groups' prejudgments. Because, most organizations prefer to work with others on the same path, for example; public working with public and businesses working with other businesses. Their relations in the history can be characterized by the purchases of public sectors from the private sector however, without some exceptions, no complex relations can be observed before 1980s. It is because of the some prejudgments against each other, public sector characterizes private sector with its aim of profit and attempts to take the advantage of partnerships, while government is concerned with the bureaucracy leading to wastes in time and money (Devyani, 2002:2).

As mentioned before, it is becoming increasingly obvious that governments can not meet the continually growing demand to public services alone. The term public-private partnership (PPP) describes a spectrum of possible relationships between public and private actors for the cooperative provision of urban services. Here, the term of private actors may cover private

businesses, as well as NGOs, and CBOs. In addition, NGOs are intermediaries between government and communities by providing communities with technical and financial assistance for the development of their projects, on the other hand, CBOs represent directly one or several communities.

By means of the PPPs, private sector provides the advantages of innovation, access to finance, knowledge of technologies, managerial efficiency, and entrepreneurial spirit, while public sector provides social responsibility, environmental awareness, and local knowledge. If the samples from all over the world are emphasized, it is seen that private sector involvement provides an improvement to an extent in the operation of urban services. However, it does not provide an automatic solution to urban service problems.

On the other hand, private sector involvement by no means eliminates public sector responsibilities. Because of the profit necessity, if the profit cannot be gotten, human and social capital is underinvested. Therefore, public sector must maintain responsibility for ensuring adequate and affordable urban services for all citizens.

In most countries public services are largely provided by the state, through government departments and specialized agencies. In recent years private sector is becoming increasingly common in all areas of service provision as a result of the state failure. The partnership can be divided into three distinct components:

- Determination of the scope and content of provision,
- The financing of services and the production or
- Physical delivery of the service.

Governments may remain responsible for determining service standards and financing the costs of provision. It means the public service delivery is not prior to the state agencies, but involves combinations of state and private actors and increasingly civil society organizations that directly engage in the delivery of services (Robinson and White, 2001:79-100).

There are some important factors to be successful in the partnerships related with the political commitment and leadership, political mobilization of the poor, institutionalized participation, adequacy of financial resources, technical and managerial capacity.

In recognition of the latent power of organized civic protest, local authorities in different countries have experimented with institutional arrangements designed to facilitate public engagement, feedback and oversight.

The availability of financial resources is a critical determinant of the equity, quality and efficiency of public services and the inadequacy of financial resources often explain poor service outcomes.

The provision of public services can be an enormously complex exercise, especially in urban municipalities with large populations, and often requires a high level of technical and managerial capacity

There are five major types of PPP;

- 1-Service contracts (operation, maintenance and service contracts),
- 2-Build-operate transfer contracts for new treatment plans (BOTs),
- 3-Concessions,
- 4-Joint Ventures (mixed-capital partnerships),
- 5-Community-Based Provision

Choosing among these types depends upon a number of issues, including the:

- Degree of control desired by the public sector,
- Ability of public sector and private sector to provide desired service,
- Legal frameworks for private investment and regulatory oversight,
- Availability of financial resources from the public and private sectors (Allen, Davila and Hofmann, 2004:11).

In entering into public private partnerships, governments generally **switch from being a provider to a regulator of the service**. This means that governments must become sophisticated in their understanding of what private firms can and cannot offer. Governments must ensure that basic social needs are met while the individual goals of the other parties are honored. **Such role changes** often require substantial capacity building, which may include the following (Crook, 2002:13):

- Strategic planning, financial modeling, and infrastructure investment planning;
- Developing financial packages for the contract;
- Setting effective tariffs and service levels;
- Managing contracts and monitoring contract compliance; and
- Re-prioritizing budgets to adjust for new development priorities.

Private sector involvement **does not relieve the municipality of its responsibility to ensure adequate provision of the service**. Given the nature of environmental services such as waste and water, it is inevitable that **public regulation** of the private involvement will be necessary. Developing such **regulatory frameworks** can be challenging. Governments must find the appropriate balance between making a partnership attractive to private firms and protecting the rights and interests of their citizens. Regulations must not just be designed to protect public interests, but must also create the conditions under which private firms can operate effectively and efficiently.

Before getting involved in a PPP, governments should be aware of some **key pricing issues**. Pricing issues are a particular concern for long-term PPPs such as BOTs, concessions, and joint ventures. At the beginning, the public sector often does not have any way to know what the true long-term costs and benefits of the package will be. Even when information is available, it is rarely incorporated into pricing structures. Other pricing concerns include the use of subsidies and the political acceptance of the higher prices that typically accompany private involvement.

Most governments have rules requiring some form of **competitive bidding for the procurement** of any private sector good or service. In addition, most international lending institutions and assistance organizations require the use of competitive bidding procedures as a condition of the loan or assistance. Governments generally mention three reasons for using a competitive bidding procedure:

- It ensures **transparency** in the contract award;
- It provides **a market mechanism** for selecting the best proposal, typically resulting in the lowest costs; and

- It stimulates interest among **a broad range of potential investors.**

The structures and time scales associated with more complex PPPs such as BOTs, concessions and joint ventures, make the traditional 'competitive bidding' procurement process a less efficient vehicle for forming contractual relationships between the public and private sectors. Four characteristics of traditional procurement help to explain why:

- Traditional public tender is designed to **work under conditions of certainty** – large-scale PPPs start and generally evolve under conditions of uncertainty;
- Traditional public tender is designed only **to get the lowest price for a given product or service** – large-scale PPPs often involve multiple design proposals and look for criteria other than the lowest prices (including use of local firms and fostering local economic development);
- Traditional public tender generally prohibits informal communication between the public and private sectors – **communication** is the cornerstone of a successful large-scale PPPs (particularly joint ventures) and must start at the earliest possible stage of the process; and
- Traditional public tender is **a time-intensive process**. High transaction costs and long delays in contract awards will serve as barriers to private sector participation, particularly for smaller scale service contracts and joint ventures (Rajkumar and Swaroop, 2002:56).

Despite the incompatibility of traditional procurement practices, the problem of corruption and high costs make governments and lending institutions reluctant to examine alternative procurement procedures. It is close to impossible if there is not a high level of trust, or at least predictability, in the process. If people think there are irregularities going on, many will be unwilling to invest their time or resources. Even the appearance of corruption will discourage many private investors from involvement. A recent WB study shows a negative correlation between **investment and growth and corruption** (as perceived by private investors and businesses). In addition, the presence of corruption has

been shown to greatly increase the cost of any public service to the public. Therefore, any procurement process that does not control corruption will never get a good value.

In this chapter, the relationships between the governance and institutionalization and their link to the issues of urban service provision have been evaluated in a deliberated way. By means of this chapter, the network types shaped practically and theoretically have been handled within the implementation of urban service provision from the preparation to the completion by also focusing the significant elements of the issue. However, if the hypothesis of this thesis is taken into consideration, the global tendency revealed with the declarations and publications of the global and overseas organizations, the institutional dimension is the core factor to render effective the urban service provision. International institutions as well as WB use the projects of human development and infrastructural investments to improve urban service provision and at that point, it is vital to emphasize on the assessment methods for institutions involved in the projects, because of the significance of the institutional dimension emphasized throughout the thesis.

CHAPTER 5

METHODOLOGY

5.1. International Examples Related with the Thesis' Subject

This part of the thesis is formed by the evaluation of the international examples of projects implemented abroad about the improvement of urban service provision. These projects are selected among a wide range of projects examined in the literature survey according to their close relation to the arguments on the significance of institutionalization and the utilization of governance as a main tool for the achievement of the projects and the realization of the institutional sustainability. The term of institutional sustainability is not only considered with its relation not only with the survival of the institution established within the framework of project proposal but also with the different institutional concepts in order to evaluate the institutions with its intra-structural and international linkages by using institutional assessment as a frame method.

The main purpose to examine these international examples is to evaluate and develop measurement techniques for the Turkish case studies. In addition, this is also significant for detecting the deficient dimensions of the projects implemented in Turkey. And, this completes the rest of the study by means of assessment on institutions established within the project proposal of Turkish case studies. The detailed information about the Institutional Assessment Method is given in chapter 5.2.

Actually, second stage of the thesis including this chapter mainly comprises four different purposes with the main aim of the formation of questions used for the interviews carried out with the main stakeholders of the projects. In other words, the formation of the questions answered within the case studies are based on four different criteria;

I-to prove the relationship between urban service provision and institutional structure considering the shift in the approaches of the World Bank (WB) about poverty alleviation mentioned in the introductory stage.

II-to identify the negative and positive dimensions of the institutions and institutional dimension established or reformed within the project cycle,

III-to detect the reasons of negative dimensions of the projects with proposing solutions for the future project implementations,

IV-to evaluate the change level of the institutions from various dimensions by taking into consideration institutional assessment criteria by focusing the significance of institutional structure for the achievement of the projects with the key concepts of good governance and relationship linkages.

The evaluation of the international projects for the thesis' subject has been made according to their being as a close sample to Turkish case project to be able to make comments and evaluations and to develop proposals in the conclusive stage; about various problems appear in the different stage of the projects. The formation of the questions is mostly related with the questions mentioned as the objectives of the thesis. While the relationship between the governance with institutional structure and urban service provision is examined, one type of urban services, namely pure local, is used as a base for the rest of the thesis. This is useful to differentiate the various governance regimes that underlie specific urban services and their alteration by the projects of WB's approach. However, it is unsuspecting that the functioning of the project from the start to the end does not carry any different characteristic regardless of the type of investment whether it is a subject of pure local or transitive local urban service provision.

Selected case studies from abroad include various different forms of projects from a wide range of countries. The selection of the case studies are also dependent on the different factors, especially the type of urban service provided, the similarity of the selected country to Turkey, and their relation to thesis' subject whether they are focused within the different stage of the implemented projects.

If the literature survey on urban service provision is concerned, it is especially accepted that the urban service provision can be classified in four groups according to their natural inner dynamics; pure public, **pure local**, **mixed**

local and pure private urban services. This thesis uses the information in analyses on urban services related with the group of pure local urban services especially on water supply and sanitation projects.

Pure Local Urban Services; electricity supply, sewage system, local radio-tv, gas supply, telephone and internet services, This group consists of the urban services which are available to all individuals at equal costs within particular local government units or administrative area.

Also, it is useful to define “Transitive Local Urban Services”; it includes police protection, fire protection, public housing, education, health, library, etc This group shows not only a transitive characteristic in the urban service provision whether it is publicly or privately provided, but also reflects a transitive characteristic in the classification of the urban service provision by spatial characteristics.

The investments on Infrastructure & Energy can be treated as the pure local urban services and the investments on Human Development may be evaluated with the transitive local urban services.

Actually, the reason for the selection of these urban service types is related with their connection to the term of “local”. This creates not only an inductive opportunity to observe the governance relationship from local to central policies but also an easiness to diagnose the relationship between these two terms in local level because the ignored types of pure public urban services are related with defense and legal systems, monitory standards and social security benefits, as well as the pure private urban services, these having a wide-ranging service system from clothing to advertisement.

On the one hand, Turkish case studies are selected under the heading of “Human Investment” under the general headings of WB’s projects implemented in Turkey, so these projects can be handled as the pure local services because of their being as infra structure investments for the water supply and sanitation system. Selected case studies from abroad given below in tables with the explanations about them;

Table 2: Key Terms for the Case Studies -1

KEY TERMS FOR THESIS/COUNTRY		MEXICO	MEXICO	MEXICO
<i>Article/ Paper/Study/Report</i>		Hoffmann	Allison, LA Studies	Porras
<i>Case</i>		Mexico City	4 Municipalities	General
A. World Bank	A1-Projects	Water Supply and Sanitation Service	Urban Services in General	Local Governance and Democracy
	<i>A1a. Positive Results of the projects,</i>			x
	<i>A1b. Negative Impacts of the projects.</i>			x
	A2-Monitoring during implementation	Southern States and Mexico City	Celaya, Mexicali, Naucalpan, Veracruz	x
	A3-Evaluation of the impacts			x
B. Governance	B1-Public-Private Partnership	√	x	Governance, Participation, Partnerships in theory and Mexican Case
	B2-NGOs and CBOs (Participation)	Participation		
	B3-Decentralization	√	√	
C. Urban Service Provision	C1-Technical Dimension	√	x	x
	<i>C1a. The pure local urban services</i>	WSS System	x	x
	<i>C1b. The transitive local urban services</i>	x	x	x
	C2-Legal Dimension	√	Administrative Capacity, Institutional Capacity; Interpretation of Service Provision Successes and Failures	x
	<i>C2a. Informal Provision of Services</i>	√		x
	<i>C2b. Formal Provision of Services</i>	√		x
	C3-Institutional Dimension	x		x
D. Poverty	OTHER KEY WORDS	Consequences of Lack of Accessibility	Local Government Capacities	x

Table 3: Key Terms for the Case Studies -2

KEY TERMS FOR THESIS/COUNTRY		ARGENTINA	VENEZUELA	VENEZUELA
	<i>Article/ Paper/Study/Report</i>	WB, Bergen Seminar	Cariola, Lacabana	Davila
	<i>Case</i>	General	Caracas (periphery)	Caracas
A. World Bank	A1-Projects	Emergency Programs	Water Supply and Sanitation Service	Water Supply and Sanitation Service
	<i>A1a. Positive Results of the projects,</i>	x	x	Caracas
	<i>A1b. Negative Impacts of the projects.</i>	x	x	
	A2-Monitoring during implementation	x	x	
	A3-Evaluation of the impacts	x	x	
B. Governance	B1-Public-Private Partnership	Responsiveness, Accountability, Partnership of fragmented actors	Types of Participation, The poor as recipients of service, The poor as contributor of service	√
	B2-NGOs and CBOs (Participation)			Participation
	B3-Decentralization			√
C. Urban Service Provision	C1-Technical Dimension	x	x	√
	<i>C1a. The pure local urban services</i>	x	WSS System	WSS System
	<i>C1b. The transitive local urban services</i>	x	x	x
	C2-Legal Dimension	x	x	√
	<i>C2a. Informal Provision of Services</i>	x	x	√
	<i>C2b. Formal Provision of Services</i>	x	x	√
	C3-Institutional Dimension	x	x	x
D. Poverty	OTHER KEY WORDS	Social Monitoring System	Consequences of Lack of Accessibility	Consequences of Lack of Accessibility
			Structural Causes of Lack of Accessibility	Structural Causes of Lack of Accessibility

Table 4: Key Terms for the Case Studies -3

KEY TERMS FOR THESIS/COUNTRY		BOLIVIA	INDIA	INDIA
	<i>Article/ Paper/Study/Report</i>	Nickson	Davila	Lall
	<i>Case</i>	Santa Cruz	Chennai	Bangalore
A. World Bank	A1-Projects	Water Supply and Sanitation Service	Water Supply and Sanitation Service	Urban Services In General
	<i>A1a. Positive Results of the projects,</i>	√	Chennai	√
	<i>A1b. Negative Impacts of the projects.</i>	√		√
	A2-Monitoring during implementation	x		Bangalore
	A3-Evaluation of the impacts	√		
B. Governance	B1-Public-Private Partnership	√	√	x
	B2-NGOs and CBOs (Participation)	x	√	CBOs
	B3-Decentralization	x	√	x
C. Urban Service Provision	C1-Technical Dimension	Efficiency, Effectiveness and Performance	√	x
	<i>C1a. The pure local urban services</i>		WSS System	x
	<i>C1b. The transitive local urban services</i>		x	x
	C2-Legal Dimension	x	√	x
	<i>C2a. Informal Provision of Services</i>	x	√	x
	<i>C2b. Formal Provision of Services</i>	x	√	x
	C3-Institutional Dimension	x	x	√
D. Poverty	OTHER KEY WORDS	x	Consequences of Lack of Accessibility Structural Causes of Lack of Accessibility	Willingness to Participation Model for CBO participation

Table 5: Key Terms For The Case Studies-4

KEY TERMS FOR THESIS/COUNTRY		GHANA	EGYPT	INDIA
	<i>Article/ Paper/Study/Report</i>	Crook	Hoffmann	Batley
	<i>Case</i>	Accra & Kumasi	Cairo	Delhi
A. World Bank	A1-Projects	Solid Waste Management	Water Supply and Sanitation Service	Urban Services In General
	<i>A1a. Positive Results of the projects,</i>	x	x	x
	<i>A1b. Negative Impacts of the projects.</i>	x	x	x
	A2-Monitoring during implementation	x	x	x
	A3-Evaluation of the impacts	x	x	x
B. Governance	B1-Public-Private Partnership	√	√	x
	B2-NGOs and CBOs (Participation)	√	Participation	x
	B3-Decentralization	x	√	√
C. Urban Service Provision	C1-Technical Dimension	x	√	x
	<i>C1a. The pure local urban services</i>	Solid Waste Management	WSS System	Urban Services In General
	<i>C1b. The transitive local urban services</i>	x	x	
	C2-Legal Dimension	√	√	√
	<i>C2a. Informal Provision of Services</i>	x	√	√
	<i>C2b. Formal Provision of Services</i>	√	√	√
	C3-Institutional Dimension	x	x	√
D. Poverty	OTHER KEY WORDS	Partnership Equation	Consequences of Lack of Accessibility	Management of Decentralization
			Structural Causes of Lack of Accessibility	Reform Types on Urban Service provision

As it is observed from the tables, case studies have been examined according to their relation to the four main headings sequentially; the institutional dimension are not take into consideration as a main heading because of being universal comprising term of whole below mentioned terms.

A-World Bank: in this row of the table, whether these projects are implemented within the programs of WB or not, and the negative and positive results of the projects are mentioned in the staff appraisal, implementation completion and or other documents related with the projects. Moreover, in the table, monitoring within implementation and evaluation of the impacts are shown, whether monitoring and implementation are made or not within project cycle. This heading is crucial for evaluation of the Turkish case studies to compare the assessment results for projects and institutional structures within the projects with the case studies from abroad.

B-Governance: this concept is the core dimension of this thesis as it is defined in its hypothesis while its meaning is referred to whole institutional schemes of the projects by covering various dimensions via institutional assessment. In this perspective, the case studies from abroad mentioned in the above tables have been examined in the framework of institutional environmental structure by focusing on their relation to the subjects of public-private partnership, non-governmental organizations, community based societies and decentralization.

C-Urban Service Provision: this heading as a key theme of the thesis's subject is mainly shown in these tables according to their relation to the different dimensions of the urban service provision. These dimensions are practically set from the findings of literature survey and namely *technical, legal and institutional dimensions*. The technical dimension is classified according to the type of urban service if it is a pure local or transitive local service that it changes in consistent with the nature of the service provided. Since it is mentioned before, the case studies from Turkey are selected among water supply and sanitation projects which are assessed as the pure local urban service in the literature. The legal dimension of the services are correlated with the provision type of the service whether it is normally or informally provided, this provision type not only affected by the nature of the service provided but also by the characteristics of the locality where it is served. Although the institutional dimension is shown as separated

from the other dimensions of the urban service provision, in thesis, it is accepted as the cover dimension for all other dimensions covering the legal and technical dimensions. However, here, it is usefully separated from other two dimensions to be able to examine the case studies from abroad in an easy way.

D.Poverty: since it is as a crucial term of governance-urban service provision and poverty nexus, and referring to required steps to alleviate its negative impacts, its relation to the other subjects mentioned in the case studies are separately shown in the table by leaving a row for it.

While these case studies from abroad are presented as in tables in this section some of them are mentioned with key headings and terms at the end of the thesis in the section of appendices. By this approach, the examining of these case studies can be seen as a part of literature survey of the thesis for yielding comments, proposals and developing proposals for the Turkish case studies and the conclusive stage of the thesis. Also, the reason of the mentioning to these international studies is to show the examples of this kind of studies carried out in abroad and to find the similar and different characteristics of these projects to the projects implemented in Turkey.

The next stage in this chapter is related with the institutional assessment criteria which can be evaluated as the introduction to the frame method of the thesis.

5.2. Institutional Assessment Method

As parallel to the hypothesis of the thesis that is related with the non-effective use of institutional dimension in Turkey to provide urban services efficiently by WB, in order to measure the effectiveness of the institutions established by the receipts of WB projects and programs, **the Institutional Assessment Method** becomes a significant element of this study⁴⁶.

In this perspective, from findings of literature survey, there exist common main subjects to assess the institutional sustainability. By the end date of the project, to diagnose the continuity of the institutions in its defined functions

⁴⁶ Also, the studies of Lusthaus, Anderson and Murphy are very important for the shaping of institutional assessment method framework

shaped by the project, assessment of the institutions have a crucial priority for this study.

Related to the above mentioned subjects, following headings should be conceived within the interest area of the thesis;

1-Organizational sustainability

2-Achievements in service provision

3-Quality of outcomes

4-Compliance with legislation and program guidelines, including acquittal of funding

The sub-categories of these headings can be arranged as it indicated below;

1-Organizational sustainability

a-strategic focus of the institutions

b-risk management

c-financial viability

2-Achievements in service provision

a-teaching/learning

b-research and research training

c-equity and indigenous access

3-Quality of outcomes

a-systems and processes

b-service quality

c-research

d-audit and monitoring

4-Compliance with legislation and programme guidelines, including acquittal of funding

a-financial status

b-national governance protocols and international governance principles

c-institutional workplace reform

d-programme guidelines and legislation⁴⁷

On the other hand, above related categories of the heading on institutional assessment criteria are delineated in Part 5.5. by taking into consideration of the approach of International Development Research Center on Institutional Assessment in the thesis' subject.

5.3. Organizational Components

To be able to harden brief heading lists on institutional assessment criteria it is useful to open up the components of the organization because not only cover inter-institutional linkages but also include the inner dynamics to the research. It is beneficial to differentiate the term of organization from the concept of institution which requires a different approach to examine the governance regime within the projects.

An organization can be thought of as a system of related components that work together to achieve an agreed-upon mission. The following list of **organizational components** is not all-inclusive, nor does it apply universally to all organizations. Rather, the components are representative of most organizations involved in development work and will vary according to the type of organization and the context in which it functions.

1-Administrative and Support Functions

- a- Administrative procedures and management systems
- b- Financial management (budgeting, accounting, fundraising, sustainability)
- c- Human resource management (staff recruitment, placement, support)
- d- Management of other resources (information, equipment, infrastructure)

⁴⁷See: USAID Center for Development Information and Evaluation (2000:1-25) for practices in monitoring and evaluation.

2-Technical/Program Functions

- a- Service delivery system
- b- Program planning
- c- Program monitoring and evaluation
- d- Use and management of technical knowledge and skills

3-Structure and Culture

- a- Organizational identity and culture
- b- Vision and purpose
- c- Leadership capacity and style
- d- Organizational values
- e- Governance approach
- f- External relations

4-Resources

- a- Human
- b- Financial
- c- Other (Booth and Morin, 1996:35-43)

However, naturally, in selecting the measurement instrument, corresponding with the hypothesis and the objectives of this thesis, the right selection of the specific component of the institutions is useful to capture only the information relevant to the thesis. Actually, institutions can be measured at several different levels. One approach is to measure the actual services or products the organization provides. A second method is to look at how well the entire organization functions by examining all of the components. In addition, yet another technique can involve examining only selected components of the institutions.

After a brief glance over institutional assessment criteria and organizational components, it is practically useful to clarify the method used for the evaluation of Turkish case studies.

5.4. Approach by International Development Research Center on Institutional Assessment Method

Institutional Assessment Method is a comprehensive approach for profiling institutional environment, motivation, capacity and performance. The approach tends to be descriptive of the various factors which come to play in institutional development:

1) forces in the external environment (administrative and legal, political and economic, social and cultural - this includes stakeholder analysis);

2) institutional factors (history and mission, culture, leadership, structures, human and financial resources, formal and informal management systems, and an assessment of performance);

3) inter-institutional linkages. By taking into consideration the forces in the external factors, institutional factors and inter-institutional linkages, International Development Research Center (IDRC) uses this approach by providing some key concepts to analyze the institution's environment, motivation, capacity, and performance. This approach includes below mentioned stages by considering the organizational components in part 5.3;

1-Data Collecting

2-Institution's Environment

3-Institutional Motivation

4-Institutional Capacity

5-Institutional Performing⁴⁸

In Data Collecting, data needs in the assessment process are explained in a detailed way by the possible data sources;

- Meeting a suitable spectrum of people: administrators, researchers, teachers, support staff, clients, stakeholders, institutional representatives, government officials etc.,
- Obtaining available key documents: on institution, mission statement annual report, financial reports, program descriptions etc.,

48 See: Morgan and Taschereau (1996:2-16) for capacity and institutional assessment frameworks methods and tools for analysis. They worked in Canadian International Development Agency in those years.

- Observing relevant facilities; buildings, grounds, teaching areas, program or project sites etc.,
- Observing the dynamics among people; processes for teaching and learning, nature of dealings with institution's clients, how research is conducted; dominant paradigm

In this thesis, as an exact part of the study the literature survey, the interviews with the institutional authorities by considering the definition of institution made in the framework of the study on Cesme-Alacati and Antalya Water Supply Project, and staff appraisal reports, implementation completion reports and other related materials as well as the interviews with the government project representatives and WB officials take an important part of the data collecting stage.

Other stages of the institutional assessment, except for the data collecting actually related with the organizational components of the institutions investigated as relevant to the thesis objectives. On the other hand, some of these stages are not necessarily covered by this study.

While the Institution's Environment is researched the fact that the external environment should be characterized in a deliberate way which is handled with the inter-institutional linkages of the case studies of this thesis.

- Describing and assessment of the **administrative/legal** environment within which the institution operates with the policy, legislative, regulatory and legal dimensions.
- Describing and assessment of the **technological** environment within which the institution operates: infrastructure, utilities, technological literacy, information technology and links to national issues.
- Describing and assessment of the external **political** environment within which the institution operates: form of government (exceptionally perspective on the project), distribution of power, access to government resources, allocation decisions
- Describing and assessment of the **economic** environment within which the institution operates: GDP, inflation, growth, debt, IMF conditionality,

wage/price structure, community economics, hard currency access, government funding distribution and their overall effects to the project results and institutions.

- Describing and assessment of the **social/cultural** environment within which the institution operates: norms, values, attitudes in society, literacy
- Describing and assessment of the major **stakeholders** of the institution: clients, donors, beneficiaries, volunteers, government bodies, other institutions

In this category, administrative/legal and assessment of the major stakeholders forms the main part of the institutional assessment, however, as external effects the political, social/cultural, technologic and economic environment is mentioned in a general perspective depending on the thesis' subject.

The final question after the assessment of institution's environment is related with the impact of these environmental forces on the mission, performance and capacity of the institution and the major opportunities and risks resulting from the environment.

In fact, no two institutions are alike. Each has a distinct history, mission, culture and incentive/reward system, which are all powerful motivators of behavior. This is called as the Institutional Motivation. The category of institutional motivation can be determined by the components of;

- Analyzing the institution's **history**: Date and process of founding, major historical milestones, major struggles, changes in size, growth, programs, leadership, structure and function, associations with the donor organizations,
- Understanding the institution's **mission**: Evolution of the mission statement, role of mission in shaping organization, giving it purpose, giving it direction, institutional goals, types of research/research products that are valued,
- Understanding the institution's **culture**: Attitudes about work and working, attitudes about colleagues, clients, other stakeholders, Attitudes towards women, gender issues, values, beliefs, customs, traditions affecting mission fulfillment, underlying organizational norms that guide operations,
- Understanding the institution's **incentive/reward** structure, Key factors, values, motivations to promote productivity, Intellectual freedom,

stimulation, autonomy, remuneration, grant access, opportunity for advancement, peer recognition, prestige

So by the assessment of the institutional motivation the questions rise with its effects on institutional performance and the ways the history, mission, culture and incentive system positively and negatively influence the institution.

As addition to the evaluation of the permanency and durability of the institutions either without changing or needed related changing its function and structure, the assessment of institutional motivation should be considered as important to be able to diagnose the weight and efficiency of the governance dimension in the service supply.

Institutional Capacity underlies an institution's performance. Capacity is understood as the six interrelated areas detailed below. The institutional capacity can be characterized by using the following conceptual guidelines;

- Assessment of the strengths and weaknesses of **strategic leadership in the institution**: Leadership (managing culture, setting direction, supporting resource development, ensuring tasks are done), Strategic planning (scanning environment, developing tactics to attain objectives, goals, mission), governance (legal framework, decision-making process, methods for setting direction, external links), structure (roles and responsibilities, coordinating systems, authority systems, accountability systems), Niche management (area of expertise, uniqueness, recognition of uniqueness)
- Assessment of the strengths and weaknesses of the following systems, processes or dimensions of **human resources** (managerial, research, teaching, technical/support staff): Human resource planning (recruiting, selecting, orientation), Training and professional development (performance management, monitoring and evaluation), Career management (record-keeping, merit), Compensation (wage rates, incentives), Equity
- Assessment of the strengths and weaknesses of other **core resources**: Infrastructure (facilities, equipment, maintenance systems, utilities), technology (information, communication technologies, levels of technology needed/acquired to perform work), finance (Planning, managing and monitoring, cash flow and budget, ensuring an accountable and auditable financial system)

- Assessment of the strengths and weaknesses of **program management** of research, teaching and service programs in the institution: Planning (identifying needs, setting objectives, costing alternatives and developing evaluation systems), implementing (adherence to schedules, coordination of activities), monitoring (systems for evaluating progress, communicating feedback to stakeholders),
- Assessment of the strengths and weaknesses of **process management** in the institution: Planning (identifying needs, looking at alternatives, setting objectives and priorities, costing activities and developing evaluation systems), problem-solving and decision-making (defining problems, gathering data, creating alternatives, deciding on solutions, monitoring decisions), communications (exchanging information, achieving shared understanding among organizational members), monitoring and evaluation (generating data, tracking progress, making judgments about performance, utilizing information, changing and improving organization, program, etc)
- Assessment of the strengths and weaknesses of **interinstitutional linkages**: Networks (type, nature, number; utility, recruitment of appropriate members, coordination, participatory governance, management structure, technology, donor support, participation of national research systems, cost-benefit, sustainability), partnerships (type, nature, number; utilization, cost-benefit, needs met, sustainability), external communications (type, nature, number; utilization, frequency, cost-benefit, needs met)

The questions on how institutional capacity affects institutional performance and what the overall strengths and weaknesses of the institutional capacity will be answered directed to the thesis' objectives related with the efficient use of governance and institutional dimension of WB projects on the way of effective service provision.

Every institution attempts to meet its goals with an acceptable outlay of resources while ensuring sustainability over the long term. "Good performance" means the work is done effectively, efficiently and remains relevant to stakeholders. the Institutional Performance is answered by the following questions:

- How effective is the institution in moving toward fulfillment of its mission? Research performance (major achievements, general level of research productivity defined according to the institution's mission and values, utilization of results), teaching performance (training researchers, serving clients' learning needs), service performance (development of community activities, support to research community, transfer technology), policy influence
 - How efficiently are resources used? Stretching the financial allocations, staff productivity (turnover, absenteeism, research outputs), clients (program completion rates, long term association with institution), administrative system efficiency,
 - Has the institution kept its relevance over time? Program revisions, adaptation of mission, meeting stakeholders needs, adapting to environment, reputation, sustainability over time, entrepreneurship ⁴⁹

5.5. Institutional Assessment Method for Thesis

By examining the institutional criteria, organizational components and institutional assessment approach, with concentrating on the thesis' subject, objective and hypotheses, the relevancy tables related with the case studies is presented below.

By means of these relevancy tables, the questions in questionnaire and interviews have been formed and the assessment of the institutions with its relationship to the institutional dimension is categorized according to the coverage of assessment of institution if it is related with the categories of institutional capacity, performing, and its environment or with the motivation.

⁴⁹ See: Booth and Morin (1996:53-58) for assessing organizational capacity through participatory monitoring and evaluation.

Table 6: Institutional Environment Category for Thesis

CATEGORY	CRITERIA	SUB-HEADINGS	Relevant	Relevant With General Terms	Not Relevant
INSTITUTIONAL ENVIRONMENT	ADMINISTRATIVE & LEGAL ENVIRONMENT	<i>Policy, Legislative, Legal, Regulatory</i>	√	X	X
	TECHNOLOGICAL	<i>Infrastructure</i>	X	X	√
		<i>Utilities</i>	X	√	X
		<i>Technological Literacy</i>	X	X	√
		<i>Information Technology</i>	X	X	√
		<i>Links to National Issues</i>	X	√	X
	EXTERNAL POLITICAL ENVIRONMENT	<i>Form of Government</i>	√	X	X
		<i>Distribution of Power</i>	√	X	X
		<i>Access to Government Resources</i>	√	X	X
		<i>Allocation Decisions</i>	√	X	X
	ECONOMIC	<i>GDP, Inflation, Growth, Debt</i>	X	X	√
		<i>IMF Conditionality</i>	X	X	√
		<i>Wage/Price Structure</i>	X	X	√
		<i>Community Economics</i>	X	X	√
		<i>Hard Currency Access</i>	X	X	√
		<i>Gov. Funding Distribution</i>	X	√	X
	MAJOR STAKEHOLDERS	<i>Clients</i>	√	X	X
		<i>Donors</i>	√	X	X
		<i>Beneficiaries</i>	√	X	X
		<i>Volunteers</i>	√	X	X
		<i>Government Bodies</i>	√	X	X
		<i>Other Institutions</i>	√	X	X

Table 7: Institutional Motivation Category for Thesis

CATEGORY	CRITERIA	SUB-HEADINGS	Relevant	Relevant With General Terms	Not Relevant
INSTITUTIONAL MOTIVATION	INSTITUTION'S HISTORY	<i>Date and Process of Founding</i>	X	√	X
		<i>Historical Achievements/Millstones</i>	X	√	X
		<i>Major Struggles</i>	X	√	X
		<i>Changes in Size, Growth, Programs, Leadership and Structure</i>	√	X	X
		<i>Associations with other Donors</i>	√	X	X
	INSTITUTION'S MISSION	<i>Evolution of the Mission Statement</i>	√	X	X
		<i>Role of Mission in Shaping Org.</i>	√	X	X
		<i>Institutional Goals</i>	√	X	X
		<i>Distribution of Power</i>	√	X	X
		<i>Types of Research/Products Valued</i>	X	√	X

Table 8: Institutional Capacity Category for Thesis

CATEGORY	CRITERIA	SUB-HEADINGS	Relevant	Relevant With General Terms	Not Relevant
INSTITUTIONAL CAPACITY	STRATEGIC PLANNING (strengths and weaknesses)	<i>Leadership (setting direction, supporting resource development, ensuring tasks are done)</i>	X	√	X
		<i>Strategic Planning (scanning environment, developing tactics to attain objectives, goals, mission)</i>	X	√	X
		<i>Governance (legal framework, decision-making process, methods for setting direction, external links)</i>	√	X	X
		<i>Structure (roles and responsibilities, coordinating systems, authority systems, accountability systems)</i>	√	X	X
		<i>Niche management (area of expertise, uniqueness, recognition of uniqueness)</i>	X	√	X
	HUMAN RESOURCES (strengths and weaknesses)	<i>Human resource planning (recruiting, selecting, orientation)</i>	X	X	√
		<i>Training and professional development (performance management, monitoring and evaluation, Equity, Compensation, Career Management)</i>	X	X	√
	CORE RESOURCES (strengths and weaknesses)	<i>Infrastructure (facilities, equipment, maintenance systems, utilities)</i>	X	X	√
		<i>Technology (information, communication technologies, levels of technology needed/acquired to perform work)</i>	X	X	√
		<i>Finance (Planning, managing and monitoring, cash flow and budget, ensuring an accountable and auditable financial system)</i>	X	X	√
	PROGRAM MANAGEMENT (strengths and weaknesses)	<i>Planning (identifying needs, setting objectives, costing alternatives and developing evaluation systems)</i>	X	X	√
		<i>Implementing (adherence to schedules, coordination of activities)</i>	X	√	X
		<i>monitoring (systems for evaluating progress, communicating feedback to stakeholders),</i>	√	X	X
	PROCESS MANAGEMENT (strengths and weaknesses)	<i>Problem-solving and decision-making (defining problems, gathering data, creating alternatives, deciding on solutions, monitoring decisions)</i>	X	√	X
		<i>Communications (exchanging information, achieving shared understanding among organizational members)</i>	X	√	X
		<i>Monitoring and evaluation (generating data, tracking progress, making judgments about performance, utilizing information, changing and improving organization, program, etc)</i>	X	√	X
	INTERINSTITUTIONAL LINKAGES (strengths and weaknesses)	<i>Networks (type, nature, number; utility, recruitment of appropriate members, coordination, participatory governance, management structure, technology, donor support, participation of national research systems, cost-benefit, sustainability)</i>	√	X	X
		<i>Partnerships (type, nature, number; utilization, cost-benefit, needs met, sustainability)</i>	√	X	X
		<i>External communications (type, nature, number; utilization, frequency, cost-benefit, needs met)</i>	√	X	X

Table 9: Institutional Performance Category for Thesis

CATEGORY	CRITERIA	SUB-HEADINGS	Relevant	Relevant With General Terms	Not Relevant
INSTITUTIONAL PERFORMANCE	EFFECTIVENESS IN MISSION	<i>Research Performance(major achievements, general level of research productivity defined according to the institution's mission and values, utilization of results)</i>	√	X	X
		<i>Teaching Performance(training researchers, serving clients' learning needs)</i>	X	X	√
		<i>Service Performance (development of community activities, support to research community, transfer technology)</i>	√	X	X
		<i>Policy Influence</i>	√	X	X
	EFFICIENT RESOURCE USING	<i>Stretching the financial allocations</i>	X	X	√
		<i>Staff productivity (turnover, absenteeism, research outputs), clients (program completion rates)</i>	X	X	√
		<i>Administrative system efficiency</i>	√	X	X
	INSTITUTIONS' RELEVANCE OVER TIME	<i>Program revisions</i>	X	√	X
		<i>Adaptation of mission</i>	√	X	X
		<i>Meeting stakeholders needs</i>	√	X	X
		<i>Adapting to environment</i>	√	X	X
		<i>Sustainability over time</i>	√	X	X
		<i>Entrepreneurship</i>	X	X	√

The aim is to form these relevancy tables to modify and adapt the method suitable to the subject of the thesis. Also, by means of this, the explanations, comments and the evaluations of the results of the questionnaire and the results is targeted to direct to the hypothesis of thee thesis without loosingthe concentration to the subject. While making this mofification and adaptation, the scope, subject and hypothesis of the thesis is taking into account carefully. Except for this thesis, any other study using institutional assessment method carried for another study can develop its own institutional category, criteria and sub-headings.

The phases of the thesis' methodology is listed below, however the detailed explanation about the methodology is made in part 7.1.,

-The adaptation and modification of the Institutional Assessment Method taking into account of the thesis' scope, subject, and hypothesis with the international examples.

-The selection of the case studies from Turkey, (reasons and detailed information is given in chapter 7),

-The formation of the relevancy tables,

-The formation of the questions for each category, criteria and sub-headings of the method for the organization of the questionnaire,

-The implementation of the analysis to the 14 professionals involved directly or directly within the projects, (selection of the professionals and other related information about the analysis' implementation is given in part 7.1.),

-Separate evalauation of the results of the anaysis for case studies (AWSSP and CWSSP), (part 7.2. and 7.3.),

-Formation of the final comparative tables,

-Comparative review of the result of the analysis for the case studies (part 7.4.),

-General and macro evaluations for the results and findings of the analysis, and presentation of the proposals (Part 7.4. and Chapter 8).

As a methodology, for this study, a comparative case study with fieldwork and literature survey with the evaluation of qualitative data analysis is preferred. While comparative case study can be accepted as an approach for the thesis, institutional assessment can be perceived as a frame method. This thesis uses

in-depth interviews presented with the questions at the end of this chapter, and literature survey with other related documents such as staff appraisal report and implementation completion report by WB.

In thesis;
Comparative Case Study as an approach; Institutional Assessment Method as a frame method; Interview with in-depth analysis, literature survey, other related documents, theoretical background as a tool; Qualitative as a Research.

Figure 7: Thesis Methodological Information

The third stage of thesis is the assessment of WB Projects implemented in Turkey. In both stages, “the institutional assessment method” is used with the criteria defined above. The reasons for the usage of this method are that because the subject of WB projects and programs mostly related with the institutional structure which directs the governance modes and how it is formed in different ways in different stages of the project with the actors public, private, community based societies and non-governmental organizations. The formation of these actors takes us to concentrate on the institutional structure shaped with the projects. Moreover, within this institutional structure, each actor takes some responsibility in some stages for the achievement of the projects and these responsibilities can be defined as a limited mission with different weight for a different stage of the project process.

As mentioned above, Institutional Assessment Method is a comprehensive approach for profiling institutional capacity and performance so for thesis, the assessment of institutions cover not only an institution shaped with a project but also the whole structure, influential for governance modes and includes whole actors whether it is public, private, NGOs and CBSs or the joint partnerships of these actors for a distinct part of a project and the relations with their interconnections each other.

In the third stage the selected investment are related with the Infrastructure & Energy, Antalya and Cesme & Alacati Water Supply Projects are handled as the pure local urban services in the conclusive stage of the thesis.

The institutional assessment includes four different categories having criteria and sub-headings as mentioned above presented by the relevancy of its criteria and sub-headings to the thesis;

The category of **institutional environment** contains the criteria of administrative/legal, technological, external political, economic and social/cultural environment and the assessment of major stakeholders of the institutions.

In this category, in order to assess *the administrative/legal environment* within which the institution operates is clarified by its policies, legislative structure, legal and regulatory bases. In this section, for the evaluation of the administrative/legal environment, policies or laws come into forces, additionally, other legislative, legal and regulatory bases can be evaluated according to their sufficiency for the achievement of the project, sustainability of the institutions formed by the project and its role with its strengths and weaknesses to define the mission and responsibilities of each actor for every stage of the project. It is also significant to evaluate how legal base draws the picture for the sustainability of governance for a defined WB project, and how governance provides the regulator base for the achievement of the project.

For the assessment of *technological environment*, infrastructure, utilities, technological literacy, information technology and links to national issues related with the technological dimension is examined. However, this category is evaluated with a lower weight in compare to the administrative/legal environment. Although, the technological dimension is very crucial for the sustainability of the institutions, the continuation, advancement and the reflections of the administrative/legal conditions without any interruption, it is evaluated with a lower weight because of the relation of the hypothesis of thesis with the institutional arrangement rather than technical improvements and enhancements.

Other parts under the heading of institutional environment are concerned with the *political and economic environment* within which the institution operates. Since, the political environment is related with the form of government, distribution of power, access to government resources and allocation decisions, the evaluations made for political environment is used with the general

assessments for each country where projects and programmes are implemented in order to diagnose the strengths and weaknesses rooted from the national political structure of each country. Moreover, the economic environment is connected with the GDP, inflation, growth, debt, IMF conditionality, wage/price structure, community economics, hard currency access and government funding distribution. Therefore, the results of the projects of international organizations are evaluated within external dimensions other than the inner dynamics of the projects. In addition, this is helpful to answer the question of how a political and economic structure of a country is influential from a positive or negative side for an international project. This is also practical to analyse whether top-bottom or bottom-top institutional structure processes for a new world order and what are the results and impacts of the direction of this institutional structure if international projects or programmes are concerned. However, for a comparison of two similar projects from two different countries, the data on economic and political environment is examined in detail and it is so useful in order to observe the impacts of these dimensions to the inner dynamics of projects.

Social and cultural environment is not evaluated as a part of this thesis to assess the institutions concerning with the hypothesis excluding the extraordinary conditions influential for the results of the projects because in some cases it can be more powerful than other factors to design governance modes and institutional structures to change the success level of a project.

Description and assessment of the major stakeholders of the institutions is one of the most important parts to analyse the institutional environment to clarify what the components of the institutional structure are and what the effect, weight, mission and responsibility of clients, donors, beneficiaries, volunteers, governmental and nongovernmental bodies and other institutions is. It is also necessary for the rest of the assessments to carry out all evaluations for other dimensions defined under the institutional environmental assessment.

So the overall assessment of these environmental forces is useful to clarify the impacts of each dimension on the mission, performance and capacity of the institutions shaped with the project.

The institutional motivation is another category of the Institutional Assessment Method with the criteria of history and mission of the institutions. *The criterion of history* covers the subjects of date and process of founding, major

historical achievements and milestones, major struggles, changes in size, growth, programs and structure, associations with international organizations time through. This information gives crucial hints to assess the sustainability, experience, and knowledge accumulation, changes in the inner structure by the external and internal factors directed to the institutions. It is also important to observe the whole change within the institutions throughout the history. While analysing the actors, relations and interconnections as a part of the institutions, this data also provides main clues for the future and the strengths and weaknesses of the institutions.

The institutions' mission is examined through the assessment of the mission of the all parts of the institutions shaped by the projects. In addition, it includes role of mission in shaping organization, institutional goals and types of research or research products that are valued.

Therefore, the evaluation of the institutional motivation provides important information about how motivation affects institutional performance and in what ways the history, mission, culture and incentive system positively and negatively influence the institutions shaped by the project.

The institutional capacity which underlies institutions' performance is another category for the institutional assessment method. It comprises six interrelated criteria which are strategic leadership, human resources, core resources, program management, process management and inter-institutional linkages with their strengths and weaknesses.

If it is reminded that the institution is assumed as the totality of whole actors with their joint structures and their interconnection as a part of governance mechanism, *strategic leadership* cross-examines the leadership with managing culture, setting direction, supporting resource development and ensuring tasks are done; strategic planning with scanning environment, developing tactics to attain objectives, goals and mission; governance with legal framework, decision-making process, method for setting direction and external links; structure with roles and responsibilities, coordinating systems, authority and accountability systems and niche management with the area of expertise, uniqueness and the recognition of uniqueness gives crucial gives about the performance of the institutions. Actually, this headline provides conclusive evaluations about the

structure and it covers whole the general arguments about the subject with their strengths and weaknesses.

Core resources with infrastructure, technology and finance and human resources with human resource planning, training and professional development, career management, compensation and equity issue is not included by concerning the hypothesis.

On the one hand, *program management* with planning, implementing and monitoring provides information to assess the program as a whole by concentrating on the capability of the projects or programs to identify needs, setting objectives, costing alternatives, developing evaluation systems, adherence to schedules, coordination of activities systems for evaluating progress and communicating feedback to stakeholders. Actually, this is essentially related with the flow of the projects concerning with the institutional structure shaped by the governance modes developed for a distinct project.

On the other hand, *process management* concentrates on the processes and the flows in the different stages of the projects by concerning about the planning, problem-solving, communications, monitoring and evaluation. Moreover, it can not be thought separately from the program management with an example, program management defines the stages and parts of a stage for a project however process management clarifies the inner dynamics of the stages and the inner dynamics of a part of a stage for a project. In addition, *institutional linkages* are used to clarify networks for institutions by defining type, nature, utility, coordination, participatory governance, donor support and sustainability for the project. Partnerships and external communications are also handled under this heading.

The overall assessment of the institutional capacity clarifies how capacity affects the institutional performance and the strengths and weaknesses of the capacity.

Institutional performance is significant to diagnose the institutions by analysing the efficiency, effectiveness and relevancy to stakeholders of institutional structure shaped by the project or a program. It also concentrates on how effective the institution in moving toward fulfilment of its mission by focusing on research, teaching, service performance and policy influence on performance. Administrative system efficiency is analysed by the question of how efficiently

resources are used. Naturally, for the comments on sustainability of institutions, it is queried with the keeping relevancy over time by taking attention to the program revisions, adaptation of mission, meeting stakeholders needs, adapting to environment, sustainability over time and entrepreneurship. The assessment provides hints about how institution performs well to be successful in the implementation of the project.

While looking for answers to questions in each category of the Institutional Assessment Method, **document reviews, interviews and participant observations** are used in the framework of **qualitative research** in addition to this, **institutional assessment method** within the frame of comparative **case study approach** are preferred actually by using the water supply projects of WB in Turkey.

By using the Institutional Assessment Method, two types of questions have been developed to find answers to the questions for the conclusive stage listed above. These questions are directed into mainly into to detect the institutional capacity, environment, performance and motivation of the institutions created within the project milieu. Another core issue of the questions prepared for interviews is correspondent with the sustainability of the institutions taking various roles at the different stages of the project.

Two kinds of questions can be especially classified according to the purpose of the questions directed to the participants of the interviews from the institutions created or reformed by the projects. These purposes are;

-to observe the change in the institutional capacity, performance, motivation and environment,

-to observe the evaluation of the participants about the institutional capacity, performance, motivation and environment,

By evaluating both style of these questions is general aim is to learn the achievement level of the institutions with detecting the positive and negative dimensions of the institutions.

These two styles of questions can be equated with the approach of grounded theory which benefits from the experiences of the participants, professionals in their institutions. In the table below the related sub-headings of institutional assessment criteria is correlated with the related questions asked to the participants and it is referred by the question numbers;

Table 10: Related Questions in Questionnaire for Institutional Environment

INSTITUTIONAL ENVIRONMENT		Relevant	Relevant With General Terms	Not Relevant	Related Question Number	
INSTITUTIONAL ENVIRONMENT	ADMINISTRATIVE & LEGAL ENVIR.	<i>Policy, Legislative, Legal, Regulatory</i>	√	X	X	80-81-94-95
	TECHNOLOGICAL	<i>Infrastructure</i>	X	X	√	82-93
		<i>Utilities</i>	X	√	X	82-93
		<i>Technological Literacy</i>	X	X	√	82-93
		<i>Information Technology</i>	X	X	√	82-93
		<i>Links to National Issues</i>	X	√	X	82-93
	EXTERNAL POLITICAL ENVIRONMENT	<i>Form of Government</i>	√	X	X	83-88-92
		<i>Distribution of Power</i>	√	X	X	83-88-92
		<i>Access to Government Resources</i>	√	X	X	83-88-90-92
		<i>Allocation Decisions</i>	√	X	X	83-88-92
	ECONOMIC	<i>GDP, Inflation, Growth, Debt</i>	X	X	√	87-92
		<i>IMF Conditionality</i>	X	X	√	87-92
		<i>Wage/Price Structure</i>	X	X	√	87-92
		<i>Community Economics</i>	X	X	√	87-92
		<i>Hard Currency Access</i>	X	X	√	87-92
		<i>Gov. Funding Distribution</i>	X	√	X	-
	MAJOR STAKEHOLDERS	<i>Clients</i>	√	X	X	84-89-91
		<i>Donors</i>	√	X	X	91
		<i>Beneficiaries</i>	√	X	X	84-91
		<i>Volunteers</i>	√	X	X	91
		<i>Government Bodies</i>	√	X	X	86-91
<i>Other Institutions</i>		√	X	X	85-91	

Table 11: Related Questions in Questionnaire for Institutional Motivation

INSTITUTIONAL MOTIVATION		Relevant	Relevant With General Terms	Not Relevant	Related Question Number	
INSTITUTIONAL MOTIVATION	INSTITUTION'S HISTORY	<i>Date and Process of Founding</i>	X	√	X	-
		<i>Historical Achievements/Millstones</i>	X	√	X	12
		<i>Major Struggles</i>	X	√	X	11
		<i>Changes in Size, Growth, Programs, Leadership and Structure</i>	√	X	X	9-10
		<i>Associations with other Donors</i>	√	X	X	13-14
	INSTITUTION'S MISSION	<i>Evolution of the Mission Statement</i>	√	X	X	1-3
		<i>Role of Mission in Shaping Org.</i>	√	X	X	1-3-8-6
		<i>Institutional Goals</i>	√	X	X	2-4-15
		<i>Distribution of Power</i>	√	X	X	-
		<i>Types of Research/Products Valued</i>	X	√	X	5-7

Table 12: Related Questions in Questionnaire for Institutional Capacity

INSTITUTIONAL CAPACITY		Relevant	Relevant With General Terms	Not Relevant	Related Question Number	
INSTITUTIONAL CAPACITY	STRATEGIC PLANNING (strengths and weaknesses)	Leadership (setting direction, supporting resource development, ensuring tasks are done)	X	√	X	16-18-25-38
		Strategic Planning (scanning environment, developing tactics to attain objectives, goals, mission)	X	√	X	22-23-25-38
		Governance (legal framework, decision-making process, methods for setting direction, external links)	√	X	X	20-21-25-26-38
		Structure (roles and responsibilities, coordinating systems, authority systems, accountability systems)	√	X	X	17-19-25-38
		Niche management (area of expertise, uniqueness, recognition of uniqueness)	X	√	X	24-25-27-38
	HUMAN RESOURCES (strengths and weaknesses)	Human resource planning (recruiting, selecting, orientation)	X	X	√	28-36-38
		Training and professional development (performance management, monitoring and evaluation, Equity, Compensation, Career Management)	X	X	√	37-38
	CORE RESOURCES (strengths and weaknesses)	Infrastructure (facilities, equipment, maintenance systems, utilities)	X	X	√	30-33-38
		Technology (information, communication technologies, levels of technology needed/acquired to perform work)	X	X	√	29-34-38
		Finance (Planning, managing and monitoring, cash flow and budget, ensuring an accountable and auditable financial system)	X	X	√	31-35-38
	PROGRAM MANAGEMENT (strengths and weaknesses)	Planning (identifying needs, setting objectives, costing alternatives and developing evaluation systems)	X	X	√	38-41-42
		Implementing (adherence to schedules, coordination of activities)	X	√	X	32-38-39
		monitoring (systems for evaluating progress, communicating feedback to stakeholders),	√	X	X	38-40-43-44
	PROCESS MANAGEMENT (strengths and weaknesses)	Problem-solving and decision-making (defining problems, gathering data, creating alternatives, deciding on solutions, monitoring decisions)	X	√	X	38-50-54
		Communications (exchanging information, achieving shared understanding among organizational members)	X	√	X	38
		Monitoring and evaluation (generating data, tracking progress, making judgments about performance, utilizing information, changing and improving organization, program, etc)	X	√	X	38-45-46-55
	INTERINSTITUTIONAL LINKAGES (strengths and weaknesses)	Networks (type, nature, number; utility, recruitment of appropriate members, coordination, participatory governance, management structure, technology, donor support, participation of national research systems, cost-benefit, sustainability)	√	X	X	38-47-48-50-53
		Partnerships (type, nature, number; utilization, cost-benefit, needs met, sustainability)	√	X	X	38-47-48-50-52-53
		External communications (type, nature, number; utilization, frequency, cost-benefit, needs met)	√	X	X	38-45-47-48-49-50-51-53

Table 13: Related Questions in Questionnaire for Institutional Performance

INSTITUTIONAL PERFORMANCE			Relevant	Relevant With General Terms	Not Relevant	Related Question Number
INSTITUTIONAL PERFORMANCE	EFFECTIVENESS IN MISSION	<i>Research Performance(major achievements, general level of research productivity defined according to the institution's mission and values, utilization</i>	√	X	X	56-60
		<i>Teaching Performance(training researchers, serving clients' learning needs)</i>	X	X	√	57-61-65
		<i>Service Performance (development of community activities, support to research community, transfer technology)</i>	√	X	X	58-62
		<i>Policy Influence</i>	√	X	X	59-63
	EFFICIENT RESOURCE USING	<i>Stretching the financial allocations</i>	X	X	√	-
		<i>Staff productivity (turnover, absenteeism, research outputs), clients (program completion rates, long term association with instit)</i>	X	X	√	64-73
		<i>Administrative system efficiency</i>	√	X	X	65-72
	INSTITUTIONS' RELEVANCE OVER TIME	<i>Program revisions</i>	X	√	X	71-78
		<i>Adaptation of mission</i>	√	X	X	67
		<i>Meeting stakeholders needs</i>	√	X	X	66-77
		<i>Adapting to environment</i>	√	X	X	68-76
		<i>Sustainability over time</i>	√	X	X	69-74
		<i>Entrepreneurship</i>	X	X	√	70-79

By getting answers to the related questions to the corresponded subjects, the aim is to measure the institutional achievement with the assessment of the project by observing different dynamics.

Here, the matrix at the next page shows what kind of dimension is related with what dimensions of achievement criteria of the institutions. For the subject of institutional environment, five different dimensions reveal the environment in which institution carries out its function. Its meaning for the administrative and legal environment is related with the appropriateness of the administrative and legal environment of the institution that it can function properly on the way defined for the efficiency and effectiveness of the project. On the other hand, technological appropriateness, external political and economic environment, and appropriate relations with the major stakeholders to achieve harmonious in the project cycle are other significant dimensions.

About the subject of institutional capacity, for the achievement of the project, the capability and capacities of the institutions about different dimensions are queried. This heading shown in the matrix is related with the capability in the strategic planning, human resources, utilization of core resources, process and program management and capability in the providing harmonious relationships with the actors having role in the project cycle.

Related with the subject about the institutional performance, the effectiveness of the institution is observed that for the achievement criteria for an institution can not solely measured with the institutional capacity and environment. It takes into account effective use of resources, effective performance to realize mission and effectiveness to be able to survive.

For the subject of institutional mission, the background of infrastructure is analyzed about whether the setting mission and principles are motivative for the institution to be successful in the project. Because of this reason, encouraging mission and institutional goals with the efficient and effective power of distribution and, encouraging historical background for achievement in adapting to environment and to be capable in structure are handled with their change scale since the establishment date of the institutions.

By means of related questions directed to the participants within the interview study for Turkish case studies, the achievement criteria of the institutions are queried one by one. The related questions referred with the

related question numbers shown in the tables above are just correspondent with the matrix given below. And, at the end of the chapter, the interview questions are presented with the numbers of how many questions are planned for each institutional assessment criteria and with what style of questions if they are questions related with the findings about the change (in what extent...?), or about the evaluation (how do you evaluate....?).

Here, the matrix at the next page shows what kind of dimension is related with what dimensions of achievement criteria of the institutions. For the subject of institutional environment, five different dimensions reveal the environment in which institution carries out its function

Table 14: Matrix Related with the Measurement of the Institutional Achievement

INSTITUTIONAL	ENVIRONMENT	MOTIVATION	
<i>ADMINISTRATIVE & LEGAL ENVIRONMENT</i>	APPROPRIATE ADMINISTRATIVE AND LEGAL ENVIRONMENT	ENCOURAGING HISTORICAL BACKGROUND FOR ACHIEVEMENT IN ADAPTING TO ENVIRONMENT AND TO BE CAPABLE IN STRUCTURE	<i>INSTITUTION'S HISTORY</i>
<i>TECHNOLOGICAL</i>	APPROPRIATE TECHNOLOGICAL ENVIRONMENT	ENCOURAGING MISSION AND INSTITUTIONAL GOALS WITH THE EFFICIENT AND EFFECTIVE POWER OF DISTRIBUTION	<i>INSTITUTION'S MISSION</i>
<i>EXTERNAL POLITICAL ENVIRONMENT</i>	APPROPRIATE EXTERNAL POLITICAL ENVIRONMENT		
<i>ECONOMIC</i>	APPROPRIATE ECONOMIC ENVIRONMENT		
<i>MAJOR STAKEHOLDERS</i>	HARMONIOUS WITH THE MAJOR STAKEHOLDERS		
<i>STRATEGIC PLANNING</i>	CAPABLE IN STRATEGIC PLANNING		
<i>HUMAN RESOURCES</i>	CAPABLE IN HUMAN RES.		
<i>CORE RESOURCES</i>	CAPABLE IN THE UTILIZATION OF CORE RESOURCES		
<i>PROGRAM MANAGEMENT</i>	CAPABLE IN PROGRAM MANAGEMENT	EFFECTIVE PERFORMANCE TO REALIZE MISSION	<i>EFFECTIVENESS IN MISSION</i>
<i>PROCESS MANAGEMENT</i>	CAPABLE IN PROCESS MANAGEMENT	EFFECTIVE RESOURCE USING PERFORMANCE	<i>EFFECTIVE RESOURCE USING</i>
<i>INTERINSTITUTIONAL LINKAGES</i>	CAPABLE IN PROVIDING HARMONIOUS R.SHIPS WITH THE ACTORS.	ACHIEVEMENT IN SUSTAINABILITY	<i>RELEVANCE OVER TIME</i>
INSTITUTIONAL	CAPACITY	PERFORMANCE	

CHAPTER 6

WORLD BANK PROJECTS IN TURKEY

In this chapter, the World Bank (WB) projects in Turkey is taken into account, then by emphasizing on the selected case studies with useful presentation of the project area, emergence of the projects, objectives, general information about the projects and institutional arrangements made by WB.

6.1. Current World Bank Projects

The World Bank (WB) investments in Turkey are made on four general headings; **Infrastructure & Energy, Human Development**, Agriculture and Rural Development, Economic Management, Public Sector & Finance

If the dimension of urban service provision is considered, the investments on Infrastructure & Energy is handled with the pure local urban services and the investments on Human Development is evaluated with the transitive local urban services in the conclusive stage of the thesis. However, the case studies selected for this study are on Infrastructure & Energy Investment.

The sample list of current infrastructure and energy investments of WB on Turkey is given below⁵⁰;

- a) **Energy Community of South East Europe**
- b) **Railway Restructuring Project**
- c) **Seismic Risk Mitigation Project**
- d) **Renewable Energy Project**
- e) **Anatolia Watershed Rehabilitation Project**
- f) **Municipal Services Project**
- g) **Industrial Technology Development**

⁵⁰ World Bank, [http:// www.worldbank.org](http://www.worldbank.org)., (accessed September 06, 2008)

h) National Transmission Grid

In addition, the sample list of present human development investments of WB on Turkey is given below;

- a) Health Transition Project**
- b) Privatization Social Support Project**
- c) Privatization Social Support Project 2**
- d) Social Risk Mitigation Project**
- e) Secondary Education Project**
- f) Turkey Basic Education Project**

Other ongoing projects of WB are implemented under the heading of investments on “Agriculture and Rural Development” and “Economic Management, Public Sector & Finance”⁵¹;

- a) Agricultural Reform Implementation
- b) Programmatic Financial and Public Sector Adjustment Loan
- c) Third Export Finance Intermediary Loan
- d) Second Export Finance Intermediary Loan

There are also three grants; Biodiversity Project funded by the Global Environment Facility, Second Ozone Depleting Substance Phase-Out Project supported by Montreal Protocol and Institution Building for Efficient Public Liability Management.

These third mentioned project bundle and grants are not covered within the assessment of the thesis' scope. Also, there are two other project proposals, which are handled under the heading of “Investments on Human Development”, declared at WB Monthly Operational Summary in **November 2005**. These projects are “Second Programmatic Public Sector Development Policy” with the objective of broadening and reform in social protection and improvement in public service delivery, and “Public Sector Governance Project” with the objective of implementation the public sector reform program.

⁵¹ World Bank, [http:// www.worldbank.org](http://www.worldbank.org), (accessed September 06, 2008)

Moreover, WB's Country Assistance Strategy for Turkey is based on four pillars; Sound Macroeconomics and Governance, Equitable Human and Social Development, Attractive Business Climate and Knowledge, Strong Environmental Management and Disaster Prevention⁵².

1. Under the heading of "Sound Macroeconomics and Governance", there are four development objectives;
 1. Maintain Macroeconomic Stability and Sustain Economic Growth
 2. Implement Fiscal Adjustment Towards Sustainable Fiscal Balances
 3. **Improve Efficiency of Public Expenditure Management**
 4. **Improve Public Sector Governance**
 5. **Improve Delivery of Local Services**
2. The pillar, namely, "Equitable Human and Social Development" covers three development objectives;
 1. Reduce Economic Vulnerability and Inequality by Increasing Vulnerable Groups' **Ability to Participate in Economic Growth**
 2. Develop a Financially Sustainable Social Protection System with Broader Coverage
 3. Close the Health Gap between Turkey and Comparable Middle Income Countries,
3. "Attractive Business Climate and Knowledge" includes five headings for development objectives;
 1. Improve Financial System Soundness and Performance
 2. Stimulate Real Sector Growth
 3. Reduce Government Liabilities in the Energy Sector and Achieve to Sustainable Private Ownership

⁵² World Bank, [http:// www.worldbank.org](http://www.worldbank.org)., (accessed August 11, 2008)

4. Reduce Government Liabilities in the Transport Sector and Raise Its Efficiency, Reduce Logistic Costs, a Major Barrier to Trade
 5. Restore Competitiveness in Agriculture
4. Under the title of “Strong Environmental Management and Disaster Prevention”, there are two development objectives;
1. Reduce Pollution and Use Natural Resources in a Sustainable Manner
 2. Increase Disaster Preparedness and Minimize Losses from Natural Disasters⁵³.

6.2. Antalya Water Supply and Sanitation Project⁵⁴

6.2.1. Project Area and Emergence of the Project

The project area, which embraces the Antalya Metropolitan Municipality (Kepez, Konyaalti and Muratpasa Municipalities) and surrounding districts, lies in the Antalya Province of Turkey. Situated on a large fertile plain, the region is bound on three sides by mountains rising to over 3,000 meters above sea level. The topography is unusual in that the coastline in the central part of the Municipality is located on an ancient travertine terrace which rises about 30 m vertically from the sea in rugged cliffs and thence in successive terraces to the foot of the Taurus Mountains about 40 kms to the north.

One of the ten most populous cities in Turkey, Antalya's estimated 1994 population of 491,000 was at an average annual rate of 7 percent at that time. The high growth rate was due primarily to migration from the rural areas and to the choice of Antalya as a retirement home by large numbers of middle- and high-income pensioners from all over the country, attracted by the natural beauty and favorable weather conditions⁵⁵.

⁵³ World Bank, [http:// www.worldbank.org](http://www.worldbank.org), (accessed October 11, 2008)

⁵⁴ The Information mainly given in this chapter is from the Staff Appraisal and Project Completion Implementation Reports of AWSSP, the World Bank

⁵⁵ See: World Bank (1995:3) for Staff Appraisal Report on Antalya Water Supply Sanitation Project

This highest population increase in Turkey by 7 % in these years in Antalya revealed a need for a sufficient water network capacity and sewerage services which no municipalities had.

Because of these reason, following a request from the Government of Turkey in March 1992, WB secured a Japanese grant of 310.5 million for the preparation of the Antalya Water Supply and Sanitation Project and of a solid waste management project. In November 1992, the contract for the feasibility study was signed with a consortium of foreign and Turkish firms. The consultant's report was issued in April 1994, and a WB mission visited Antalya in July 1994 to appraise the water and sanitation and the solid waste management projects. Loan negotiations for both projects took place from March 20-23, 1995.

For project preparation, first, to ensure sustainability, it was considered necessary to define an institutional arrangement that would enjoy full support from the national and municipal governments. Such arrangement was assumed to provide the necessary managerial, technical and financial capabilities to achieve the required level of service with full cost recovery at affordable prices.

Second, the proposed institutional arrangement was handled as replicable and serves as an example of self-financing in the delivery of public services.

Third, the Project was suggested to protect the environment, promote sustainable use of natural resources, and strengthen the capacity of local institutions to achieve these objectives.

Fourth, the national water quality objectives should be progressively reached within the framework of the National Water Pollution Regulations.

6.2.2. Objectives and General Information on Project

WB Project of Antalya Water Supply and Sanitation Project approved in 25.05.1995 with the objectives of;

-meet at least cost the demand for water supply, sewerage and storm water drainage;

-develop new institutional arrangements for management of municipal water supply, sewerage and storm water drainage, and to introduce private sector participation in the operation of the services;

- implement appropriate cost recovery policies;
- postpone the need to develop costly new water resources by improving the efficiency of utilization of existing sources and of water usage by reducing the volume of non-revenue water which is presently too high; and
- improve and sustain environmental conditions and reduce health hazards that threaten the local population and the tourism industry.

The project represents the first phase, to be implemented from 1995 through 2002, of a program designed to continue to the year 2020. The project would renovate, rehabilitate and extend the existing water supply network; provide a new sewerage.

The objective of developing new institutional arrangements covers strengthening the project management unit to assist the Antalya Metropolitan Municipality, the district municipalities and ALDAS in initiating, coordinating and supervising project activities. In addition, preparation of bidding documents, bid evaluation and contract negotiations for the private operation of water supply, sewerage and storm water services with providing assistance to ALDAS through a twinning agreement or contract with a water supply and sewerage operator for the management of the services, planning and administration of contracts and the implementation of a training program are included under the objective of institutional development.

However, according to WB authorities (WB, 1995), this objective was not met within project. The brief definition of the project is to develop new institutional arrangements for the management of municipal water supply, sewerage and storm water drainage, and to introduce private sector participation in the operation of services.

First, the commercial enterprise ALDAS, was created to manage the project investments and provide a more flexible complement to ASAT that retained its statutory responsibility to manage water supply, sewerage and storm water services. ALDAS became the project implementation unit for the project and handled project procurement and relations with the private operator ANTSU. However, ALDAS did not acquire fully sufficient operating experience to monitor the contract between ASAT and ANTSU.

Table 15: General Information on Antalya Water Supply and Sanitation Project

ANTALYA WATER SUPPLY AND SANITATION PROJECT	
Approval Date : 25.05.1995 Closing Date : 30.06.2003	
Sector / Subsector: Water Supply 51 %, Sewerage 43 %, Sub-national Government Administration 5 %, Flood Protection 1 %,	
Theme: Water Resource Management, Other Urban Development, Pollution Management and Environmental Health, Other Financial and Private Sector Development	
Objectives: -meet (at least cost) the demand for water supply, sewerage and stormwater drainage, (<i>Was Met</i>)	
-develop new institutional arrangements for the municipal water supply, sewerage and stormwater drainage to introduce private-sector participation in the operation of urban services, (<i>Was Not Met</i>)	
-implement appropriate cost recovery policies to enhance self-financing of water and sewerage services, (<i>Was Not Met</i>)	
-postpone the need to develop costly new water resources by improving the efficiency of utilization of existing sources and by reducing the volume of non-revenue water which is presently too high. (<i>Was Not Fully Met</i>)	
-improve and sustain environmental conditions and reduce health hazards that threaten the local population and the tourism industry by eliminating deficiencies in the collection and disposal of municipal sewage and by improving stormwater drainage in areas suffering seasonal flooding. (<i>Was Met</i>)	
Components: -water supply works, -sewerage works, -stormwater drainage works, -technical assistance (Project implementation, institutional development)	
Institutional Dimension: 1-ALDAS (a company created to manage the Project investments and provide statutory responsibility to manage water supply, sewerage and stormwater services), 2-ANTSU (the private company operating water services then left the project) 3-ASAT (Antalya water supply and sewerage authority)	

Second, private sector participation was introduced in Antalya under a contract signed in November 1996 but the contract lasted only half of the ten-year contract period. Following ANTSU's departure the contract is now in negotiation with ANTSU claiming compensation of US\$ 30 million from ASAT and ASAT having filed a counter claim of US\$ 40 million. After ANTSU's departure ASAT wished to contract again with a private operator but first wanted to undertake a study to define the optimal form of private sector participation. However, due to the substantial effort necessary to prepare for the arbitration procedures, ASAT deferred the options study and the renewed effort to contract with another private operator.

According to Implementation Completion Report of WB about the project, the creation of a commercial enterprise, ALDAS, represents a significant accomplishment. ALDAS implemented successfully a large project within the budget and time frame allotted. Its value has been proven in the ongoing arbitration proceedings with the former private operator ANTSU. Without ALDAS' ability to employ world-class legal expertise it is unlikely that either ASAT or the Antalya Metropolitan Municipality would have been in a position to argue their case effectively. However, ALDAS was never able to become independent from the Antalya municipality.

The IDI in the case of the legal borrower ASAT is rated as "modest". ASAT was established on February 18, 1995 in accordance with the ISKI Law # 2560 of the year 1981. The trigger for the establishment of ASAT was the fact the Antalya Municipality received the status of a metropolitan municipality. ASAT became the official borrower of the Bank and EIB loans and became ultimately responsible for project implementation and procurement. Another consequence of the changed status, although not attributable to the project, was the requirement of creating district municipalities (DMs). In the case of Antalya three DMs were established. The DM administrations reflected municipal election results where the party affiliation of the three DMS was different from that of the Mayor of the Antalya Metropolitan Municipality. The divergent party mandates complicated the governance of ASAT that depended on the Municipal Council for approval of the tariff and support on institutional matters such as private sector participation (Staff Appraisal Report, WB, 1995).

ASAT's lack of autonomy influenced the Bank-financed project on three occasions. The first two were the transfers or "loans" from ASAT to the Antalya Metropolitan Municipality of US\$ 14 million in the year 1996 and of US\$ 6 million somewhat later. The "loans" were used for municipal purposes not directly related to the Bank water supply and sanitation project in contradiction of Sections 4.01 and 5.02 of the Loan Agreement that prescribed that ASAT was forbidden to invest more than US\$ 0.2 million without the authorization from the Bank. Only US\$ 1 million of the "loans" were repaid from the Antalya Metropolitan Municipality to ASAT. The third occasion was the construction of secondary wastewater treatment, outside the original project design. The Ministry of the Environment approved the original project design comprising only preliminary treatment on the basis of the feasibility study. The preliminary plant was financed by the European Investment Bank and successfully completed in 1999 (Staff Appraisal Report, WB, 1995).

However, already in November 1996 ASAT and the Antalya Metropolitan Municipality informed the Bank that they wished to add a secondary, biological wastewater treatment plant in response to complaints from local environmental groups that a preliminary treatment plant would not be sufficient to ensure satisfactory seawater quality. After extensive discussion, the Bank agreed to include the biological treatment plant but conditioned its approval on a satisfactory environmental Assessment since the treatment plant investment would be an Environmental Category A. However, ASAT did not want to delay further the building of the treatment plant and went ahead and financed the entire investment cost out of its own cash flow. The financing of the entire investment cost of US\$ 8 million from its internal cash generation weakened ASAT's finances.

The most significant institutional development impact refers to the contracting of the private operator, ANTSU. The decision to introduce a private operator seems to have had little political support within ASAT and the Antalya Metropolitan Municipality. The chosen form of private sector participation (PSP) was a lease contract with a zero lease fee. Significantly, no options study was undertaken. The private operator was to operate and maintain the existing water supply and planned sewerage systems on behalf of ASAT with remuneration for each cubic meter billed and collected from the customers.

The procurement was based on a two-stage procedure where potential bidders were first pre-qualified technically and then participated in the actual bid where contract award was based on remuneration demanded per cubic meter collected. ASAT contracted with a private UK firm to help out on the preparation of bidding documents and for advice during negotiations.

Four private operators were pre-qualified: a French operator Lyonnaise des Eaux in a joint venture with the Turkish contract ENKA; another French operator SAUR in a joint venture with the Turkish firm ALKE; a UK operator North West Water International in a joint venture with the Turkish firm IDIL and another UK operator Thames International in a joint venture with the Turkish firm Dogus (Staff Appraisal Report, WB, 1995).

Only the first three consortia submitted bids in mid-1996. The bid award criterion was the lowest demanded remuneration during the stipulated ten-year operating contract where the estimated quantities of water and wastewater billed and collected were fixed to make the financial proposals readily comparable.

In accordance with the stated selection criterion ASAT awarded the contract to the Lyonnaise des Eaux/ENKA consortium. SAUR/ALKE lodged a protest claiming that the Lyonnaise des Eaux/ENKA financial bid was unrealistically low. However, ASAT rejected the objection and awarded the contract to the Lyonnaise/ENKA consortium. The Bank gave its no-objection to the contract in a communication on October 24, 1996. The operating contract was signed in November 1996 and the Lyonnaise des Eaux /ENKA private operator, ANTSU, took over operations in February 1997 (Staff Appraisal Report, WB, 1995).

Contract implementation proved difficult and resulted in losses for ANTSU. None of ASAT's operating staff transferred to ANTSU in order not to lose the job security and financial conditions of municipal employment and ANTSU was obliged to recruit new staff. The Turkish partner ENKA left fairly early into the contract, selling their shares in the joint venture to Lyonnaise des Eaux. As a consequence, the private operator became synonymous with a foreign operator, possibly weakening the political support among the population and the Municipal Council.

Towards the end of the first five years of operations ANTSU presented its case to the Antalya Municipal Council and requested that the remuneration to be

adjusted since ANTSU had, by its own calculations, lost significant amount of money. The adjustment request was permissible within the contract (Section 2.2) that allowed that “ ...at the end of the fifth year of the Contract, the Employer/Supervisor and the Operator would discuss the possibility ... and the inclusion, by agreement of the Parties of the right to renegotiate prices”. However, ASAT did not agree to discuss to adjust contract prices.

On February 7, 2002, prior to its obligation to renew its performance bond of US\$ 1 million by the deadline of February 8, 2002 ANTSU obtained an injunction against renewing the performance bond in a court in Istanbul. On February 15, 2002 ANTSU asked for arbitration procedures to be initiated and claimed compensation of US\$ 30 million from ASAT. On May 2, 2002 ANTSU notified ASAT that it was obliged to liquidate itself as required under Turkish law, given that two thirds of its equity had been lost. ANTSU then declared to be prepared to “in good faith ...continue to perform under the Contract “ for another 30 days from May 2, 2002. ASAT assumed responsibility for operations on June 1, 2002, taking over ANTSU’s staff and operating procedures. Subsequently, ASAT filed for damages of US\$ 40 million with the negotiation panel (Staff Appraisal Report, WB, 1995).

The arbitration is now proceeding with a possible decision by June 30, 2004. The ICR rates the overall IDI from the private operator as “negligible” since ASAT is operating the system with much the same technical and commercial efficiency as ANTSU⁵⁶.

6.2.3. Institutional Arrangements

6.2.3.1. Antalya Metropolitan Municipality

The September 1993 designation of Antalya as a metropolitan municipality under Law No. 3030 (that changed with Law numbered 5216) had important implications for the project. First, Law No. 3030 requires the application of Law No. 2560 (the ISKI Law) for:

⁵⁶ See: World Bank (2004:35) for Implementation Completion Report on Antalya Water Supply Sanitation Project

- the development and operation of public water supply, sewerage and storm water drainage services, and
- the monitoring and control of liquid waste discharges and enforcing of water pollution control regulation. Law No. 2560 requires the creation of an autonomous water and sewerage authority under Antalya Metropolitan Municipality. This entity Antalya Water Supply and Sewerage Authority - ASAT was created in February 1995 by Decree 94/6516.

And, second, under the Environmental Law 2872, Antalya Metropolitan Municipality responsible for monitoring the quality of water supply, wastewater, sea and air pollution in Antalya. (Staff Appraisal Report, WB, 1995).

In addition, drawing on the lessons of Bank experience they would limit the direct involvement of Antalya Metropolitan Municipalities and District Municipalities in the day-to-day decision-making of service provision, limit the size and role of ASAT in the project, give management responsibility to a commercially-oriented company and give operational responsibility to private operators under lease and management contracts. This would be a major step forward for the sector, as high expectations are placed on private involvement as an instrument to improve efficiency. The proposed institutional arrangement was the subject of a seminar organized by Antalya Metropolitan Municipality in Antalya, with the participation of the Bank, in May 1994. This seminar was followed by a visit of representatives of Antalya Metropolitan Municipalities and District Municipalities, Ministry of Interior (MOI) and Treasury to privately-operated water and sanitation facilities in France and the UK from May 29 to June 4, 1994 (Implementation Completion Report, WB, 2004).

The Antalya Water Supply and Bus Department (ASO) were dismantled and its assets and personnel have been transferred to ASAT and Antalya Metropolitan Municipalities and District Municipalities, respectively. Contrary to similar institutions created in other Metropolitan Municipalities, ASAT would remain very small. The number of authorized positions is 19 but Antalya Metropolitan Municipalities would not fill all the authorized positions and would limit the number of ASAT staff to a general manager, a deputy general manager and three others required to complete the Board of Directors. This arrangement provides the legal umbrella for the water supply, sewerage and storm water

services. While retaining its legal responsibility for service provision, ASAT would delegate management of water supply, sewerage and storm water services to a company incorporated under the commercial code. ASAT would be a joint owner of the company with Antalya Metropolitan Municipalities and District Municipalities.

6.2.3.2. Company

Company, Antalya Metropolitan Municipalities and District Municipalities and ASAT would establish this commercial enterprise as a means for consolidating administrative and financial management of water supply, sewerage, storm water and solid waste services and ensuring the necessary commercially-oriented approach to service provision. Creation of the Company would allow greater autonomy to sector management and would help to achieve economies of scale. While the presence of ASAT and the proposed company provide a seemingly heavy structure, it is necessary under the law to have both entities.

As indicated above, the heaviness of the structure would be alleviated by keeping ASAT very small and by passing all administrative responsibilities to the Company. To help ensure this efficient orientation, the Board of Directors of the Company would include representatives of other important agencies (e.g., DSI, Iller Bank) and of the private sector. The Company, with a staff of ten professionals would manage, on behalf of Antalya Metropolitan Municipalities and District Municipalities and ASAT, the bidding of civil works and equipment financed under the Project and would assure supervision of such contracts. This ceiling of ten professionals has been agreed at negotiations.

The Company would also provide billing, accounting, contractor payment, and preparation of withdrawal applications, reporting and other administrative services to Antalya Metropolitan Municipalities and District Municipalities and ASAT. The Company would engage the private operator for the water and sewerage services. Bidding documents and draft contracts for the private operator under lease and management contracts would be prepared by a specialized consultant. The Company was expected to be assisted in its assignment by a firm specialized in the management of water, sewerage and

solid waste services (preferably a twinning arrangement). This approach was assumed to maximize the sense of responsibility and ownership as well as the self-financing effort of Antalya Metropolitan Municipalities and District Municipalities and ASAT. It was expected also to result in a reduction of dependency on Central government agencies, such as Iller Bank and DSI. It was also expected minimize the bureaucratic and political constraints to which sector institutions were typically exposed. The Company was established before loan effectiveness and its key staff was planned to be appointed not later than November 30. 1995.

6.2.3.3. Project Management Unit

Project Management Unit which was already in place reporting to the Antalya Metropolitan Municipality Mayor, would assist Antalya Metropolitan Municipalities and District Municipalities and ASAT, as well as the Company, in implementing the project for about one year (or less if appropriate) after the signing of the contract with the private operator for the operation of water supply and sewerage services.

The Project Management Unit was planned to assist Antalya Metropolitan Municipalities and District Municipalities and ASAT in:

- setting up the *company*, including selection of its personnel and technical assistance and
- supervising the preparation of the bidding documents for the selection of the private operator.

Until the company was fully operational, the Project Management Unit was going to advise and assist ASAT in the implementation of the project and recommend any actions to achieve the project objectives, including the preparation of loan withdrawal applications and reports on operational and financial progress. PMU would be assisted by a high-level expert experienced in project management and familiar with the Bank's procurement and disbursement procedures and guidelines. The recruitment of this expert was a condition of loan effectiveness (Implementation Completion Report, WB, 2004)..

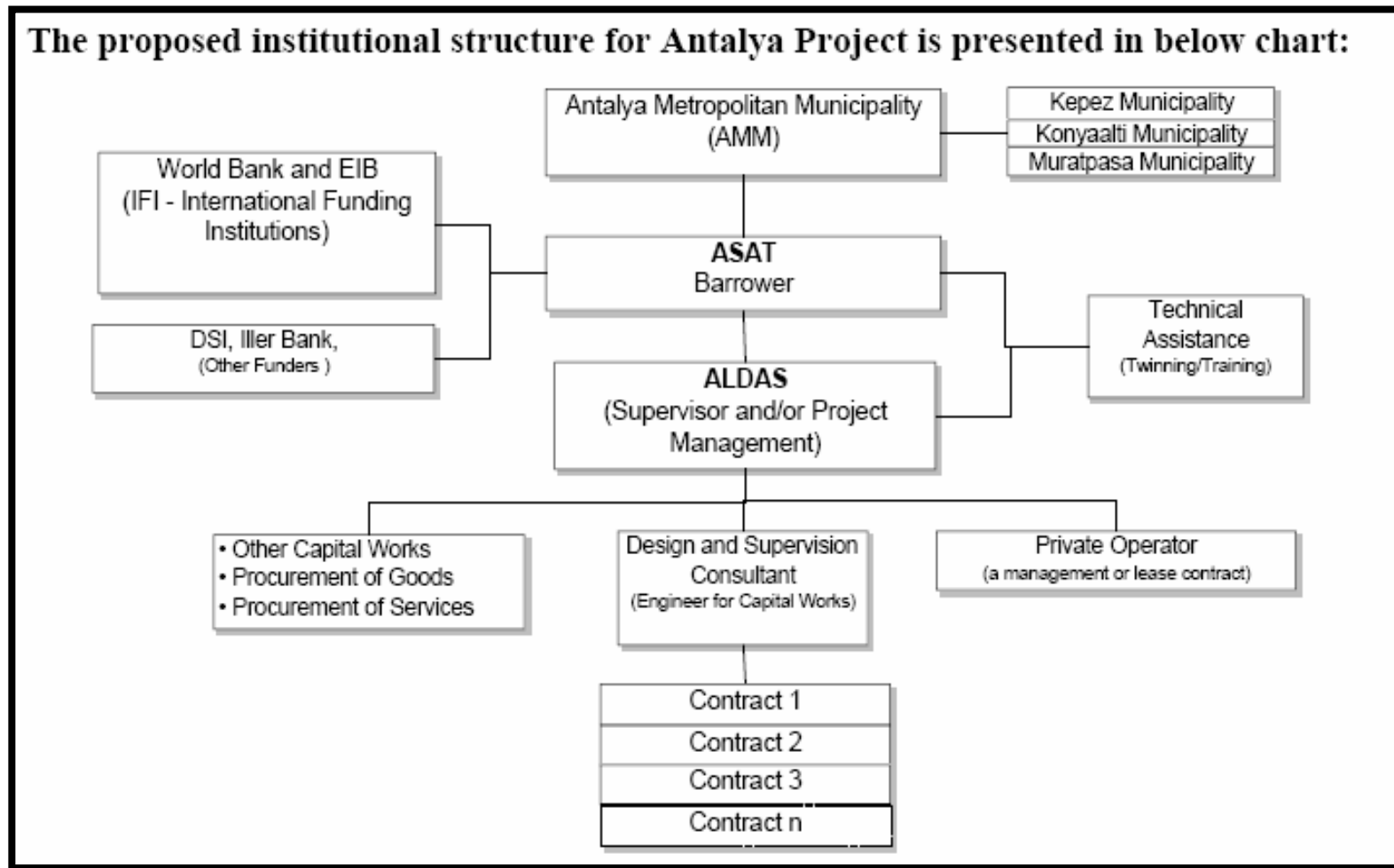


Figure 8: Proposed Institutional Structure for Antalya Water Supply and Sanitation

6.2.3.4. *Single Private Operator*

A single private operator was expected to be engaged under a single contract comprising a lease of the water supply system and a management arrangement for the operation of the sewerage system. This operator was expected to be a joint venture of an experienced international company and a Turkish company. The operator would, under the lease and management contract:

- manage, operate and maintain all the water and sewerage facilities;
- bill and collect water and sewerage tariffs on behalf of ASAT and company, retaining its contractual share of revenues and remitting the balance to ASAT and company;
- maintain detailed operating records and accounts and have the latter audited annually by private auditors; and
- provide water supply quality and sewage treatment plant effluent test results.

The private operator would be responsible for investments, either in terms of financing or construction. ASAT and company would be responsible for financing new investments and would engage contractors and consultants to undertake the necessary civil works and supervision. At negotiations it was agreed that as a condition of loan effectiveness ASAT would hire the consultants to assist in the preparation of bidding documents, bid evaluation, and conduct negotiations for the private operator.

6.3. Cesme-Alacati Water Supply & Sanitation Project⁵⁷

6.3.1. Project Area and Emergence of the Project

According to WB literature (1997), by Turkey's 1996-2000 Seventh Five-Year Development Plan, the number of tourists increased from about 4.5 million in 1989 to about 6.5 million in 1994, generating net tourism revenue of about US\$3.5 billion. Over the same period, the total bed capacity increased from about 150,000 to about 300,000. Plans of that years call for a continuous expansion and the objective pursued to reach a total bed capacity of about 800,000, attract about 13 million visitors by the year 2000 and generate net tourism revenue of about US\$8.5 billion. However, as it was claimed by the Seventh Plan recognition, achievement of these ambitious targets were put at risk by the persistence of severe insufficiencies in tourism related infrastructure and services.

These, together with growing project area which is comprised of the two municipalities of Cesme and Alacati, locates on Turkey's Aegean coast on the Cesme Peninsula about 80 kms West of Izmir. The Cesme peninsula is one of the most sought after recreational and vacation regions on the Aegean coast and a major attraction for domestic and foreign tourists. Up to the 1960's small fishing and agricultural communities, the two municipalities had become the main tourism centers of the area and have currently a total permanent resident population of about 20,000 (about 13,000 and 7,000, respectively), to which are added about 80,000 temporary residents and tourists during the summer period, from May to October. The area has a total current total bed capacity of about 10,500 beds in about 240 hotels and pensions and over 10,000 summer houses with the future prospects in the beginning of 1995.⁵⁸

At that time, the resident population was projected to increase to about 50,000 by the year 2010 while the tourism and temporary summer population is expected to reach about 120,000, with a total resulting peak population of about 170,000 during the summer period. In the longer term, growth was expected to

⁵⁷ The Information mainly given in this chapter is from the Staff Appraisal and Project Completion Implementation Reports of CWSSP, the World Bank

⁵⁸ See: World Bank (1997:4) for Project Information Report on Cesme-Alacati Water Supply Sanitation Project

decrease rapidly with the area's capacity peaking at around 220,000 due to environmental protection restrictions on land available for development by the diagnoses of WB staff.

As project risks, three groups of risks were clarified with the headings of institutional/political, financial, and technical. The institutional/political risks relate primarily to the novelty of the proposed service Union and the possibility of political interference in its operations and finances. This risk is mitigated by the existence of precedents for the special purpose Union in Turkey, the strong support of Central Government authorities for this institutional approach, design of the Cesme-Alacati Union bylaws to specifically offset this risk and the creation of contractual arrangements for regular adjustment of tariffs.

From the point of inter-agency co-ordination and public, NGO participation Consultation and meetings were held with all Government authorities and the relevant NGOs in the Cesme-Alacati Area. A questionnaire survey of local people indicated a low opinion of potable water quality and a belief that the most serious environmental problems in the area were due to increasing urbanization and the inadequacy of infrastructure services. According to WB literature, public meetings were held in Cesme Municipality in July and September 1996 and February 1997, to enable a debate on the relevant aspects of the water, wastewater and solid waste disposal proposals.

Table 16: General Information on Cesme-Alacati Water Supply and Sanitation Project

CESME-ALACATI WATER SUPPLY AND SANITATION PROJECT	
Approval Date:	14.04.1998
Closing Date :	31.12.2004
Sector / Subsector;	Water Supply 35 %, Sewerage 65 %
Theme;	Access to Urban Services for the Poor, Pollution Management and Environmental Health, Other Financial and Private Sector Development
Objectives;	<ul style="list-style-type: none">-bring about institutional development in the Union of Municipalities (<i>Was Met</i>)-increase efficiency of delivering infrastructure services through the introduction of a private operation (<i>Was Partially Met</i>)-improve water, quality, sewerage services and environmental conditions, (<i>Was Met</i>)
	in the Schedule 2 of Loan Agreement;
	<ul style="list-style-type: none">-to develop new institutional arrangements for management of water supply and sewerage services in the Cesme-Alacati area,-to increase efficiency in the delivery of said services through the operation of said services by a private operator.-to improve water quality, sewerage service and environmental conditions in said area.
Components;	<ul style="list-style-type: none">-institutional development consisting of strengthening the CALBIR,-improving the operational condition of the water supply system,-completion of sewerage system
Institutional Dimension;	<ul style="list-style-type: none">1-CALBIR (Cesme Alacati Municipal Union)-responsible for the development, management and operation of water supply, wastewater and solid waste services in the municipalities of Cesme and Alacati.2-ALCESU (Alacati-Cesme Su (private operator)

6.3.2. Objectives and General Information on Project

The Cesme-Alacati Water Supply and Sanitation Project was approved in 14.04.1998. It was defined as priority in the Bank's Country Assistance Strategy to Turkey (CAS of August 6, 1997) to create an institutionally strengthened Union of municipalities, introduce private sector participation in the provision of services, contribute to improved water and sewerage services, environmental conditions, and protect the tourism industry. In addition, the creation of the Cesme-Alacati Union was identified as an important institutional achievement, with potential for replication in other small municipalities in Turkey, to help remove the diseconomies of scale present in each individual municipality.

The **objectives** of the projects are characterized as following;

-bring about institutional development in the Union of municipalities, Cesme and Alacati,

According to the remarks of WB authorities, although projects have generally been successful in achieving their physical objectives, limited success has in general been obtained in **improving the institutional performance of water and sewerage utilities.**

Objective (a) Institutional Development (21% of base cost) consisting of strengthening the CALBIR by:

- (i) setting up of the Union's technical and financial management systems, including auditing, staff training and office equipment;
- (ii) hiring and monitoring the performance of a private operator for improved water and sewerage services;
- (iii) providing technical assistance for a high level of project supervision; and
- (iv) technical assistance on environmental issues, including the protection of sea water quality.

The reasons were cited as inadequate linkage between institutional and physical objectives, lack of management and financial autonomy of utilities, and excessive complexity by the experience of the Antalya Project that is other case study of this thesis.

Other objectives are explained as mentioned below;

-increase efficiency of delivering infrastructure services through the introduction of a private operation,

Objective (b) Improving the Operational Condition of the Water Supply System (15% of base cost) consisting of:

- (i) hydrogeological investigation to increase water production of the wells in the Ildir area; district metering to reduce commercial loss; and chlorination for safer water quality;
- (ii) relocation of wells in the Ildir area and rehabilitation of the pumping stations, to improve their operational conditions;
- (iii) construction of a water barrier (about 500m long) to protect the aquifer in the Ildir area from sea water intrusion;
- (iv) provision of operational equipment to improve water and wastewater services; and
- (v) provision for urgent repairs and upgrading of the water supply system to reduce losses (Urgent Repairs and Upgrading).

-improve water quality, sewerage service, and environmental conditions.

Objective (c) Completion of Sewerage System (64% of base cost)

- (i) development and improvement of the sewerage network, consisting of the upgrading and expansion of the sewerage network through the construction of the main sewer pipes from the Cesme area to Ilica, and the construction of the sewerage networks including house discharges in the areas of: Cesme, Alacati, and Ilica;
- (ii) acquisition and installation of mechanical and electrical equipment, and pipes for pumping stations (TM2, TM6, TM17, and TM18); and
- (iii) construction of a pre-treatment plant for the combined waste water flow from Cesme and Alacati to discharge into the sea.

These objectives were three components in this project. In detail, **the first objective** of bringing about institutional development in the union of municipalities consists of strengthening the CALBIR (Cesme-Alacati Union) by setting up the Union's technical and financial management systems, including auditing, staff training and office equipment; hiring and monitoring the performance of a private operator for improved water and sewerage services; and providing technical assistance for a high level of project management and on environmental issues including protection of sea water quality.

The second objective of increasing efficiency of delivering infrastructure services through the introduction of a private operation includes the improvement of the operational condition of the water supply system by supporting hydrogeological investigations to increase water production of the wells in the Ildir area; relocation of wells in the Ildir area; construction of a water barrier; provision of operational equipment to improve water and wastewater services; and provision for urgent repairs and upgrading of the water supply system.

The last objective covers the completion of sewerage system to develop and improve the sewerage network; construct a pre-treatment plant for the combined waste water flow from Cesme and Alacati to discharge into the sea.

In brief, the key objective of the project can be indicated as to improve the delivery of the basic urban services of water supply, sewerage, wastewater treatment and solid waste collection and disposal in the Municipalities of Cesme and Alacati by a scheme which is financially affordable, environmentally sustainable and has the required institutional framework.

Cesme and Alacati were planned to form a Union to undertake the project and to provide water supply and sewerage services by the provision of the Project Management Unit of the Ministry of Tourism guidance and support to the Union during project preparation and implementation. Project financed civil works, equipment supply and other activities were in the responsibility of the Union which would engage private contractors and suppliers in accordance with WB procurement guidelines. A Project Implementation Unit is planned to be established to assist the Union, which would engage a private company to operate the water supply and sewerage systems. (Implementation Completion Report, WB, 2005).

As far as the objectives of the project are concerned, under the heading of institutional development, CALBIR was established. Institutional development was % 21 of the project base cost. The creation of CALBIR as approved by the Ministry of Interior on September 4, 1997, ratified by the Parliament on September 8, 1997 and gained effectiveness through the publication in the Official Gazette on September 30, 1997. CALBIR's by-laws make it responsible for the development, management and operation of water supply, wastewater and solid waste services in the municipalities of Cesme and Alacati. (Implementation Completion Report, WB, 2005).

Then, CALBIR bid and signed a contract with a private consortium of the French firm Compagnie Generale des Eaux (CGE) in a joint venture with the Turkish firm, Tekser Insaat to operate and maintain the water supply and wastewater system during a ten-year period in December 31, 1998 with financing from a Japanese PHRD grant (Implementation Completion Report, WB, 2005).

Actually, CALBIR's dependence on its municipal officials is illustrated by the fact that the revenue collected for water and sewerage services were not routinely deposited into CALBIR's accounts. Instead Municipalities of Cesme and Alacati chose to use a portion of the operational revenue to pay for other municipal expenses. The situation was put right with the start-up of the private operator contract in 2003. Because CALBIR's accounts shows that the mere creation of systems is not sufficient, CALBIR contracted with external auditing firms throughout the project. Deloitte & Touche was the external auditor during 1998-2001, and Price Waterhouse during 2002 and 2004. On the other hand, CALBIR did set up technical and financial management systems, no staff training whatsoever was provided during the project implementation period because of the heavy work load on the contracted consultant who was indispensable for managing relations with WB, contractors, other consultants and private operator.

To date, one administrative staff position was authorized by the Ministry of the Interior but has not approved of three staff positions: those of general secretary, an accountant and a technician. As a result, CALBIR has relied on two staff detached from the Municipality of Cesme to support the lack of a general secretary and an accountant, and on the contracting of a full-time consultant who has managed procurement, project supervision and the general relations with WB.

As a technical assistance for the project, the British consulting firm Babtie was employed until July 2000 and supported with the process of pre-qualifying private operators and with the early versions of the bidding documents for the private operator contract. Also, the Turkish consulting firm UBM supervised all project construction during 2000-2002. In addition, a consultant team of one civil engineer, one environmental engineer and one financial analyst assisted throughout the project with the process of procuring a private operator and with the financial monitoring of CALBIR. As effective from June 2003, the private operator ALCESU is responsible for supervising project investments.

If the actual schedule and forecast to employ a private operator is compared, it is observed that the actual lapsed time of 57 months is equal to the time from effectiveness of the loan to the original closing time of April 1999; however, the project was closed in December 31, 2003. The reasons for the delays in employing a private operator can be handled under three events. First, the project had been prepared and negotiated with one mayor in Cesme who subsequently lost out in municipal elections in March 1999. The new mayor was not supportive of a private operator and only once he had become convinced that there was no alternative to an outside operator, the new local government accepts the idea by studying and understanding the implications of employing a private operator.

Second reason was the complexity in the preparation and procurement process in comparing with the lack of experience for the municipality. Third reason is related with the bidding process. More than one year of a series a price negotiations followed with the low bidder and the result were reduced operator fees, particularly during the early years. However, the question remains why the bid prices were considerably higher than expectations⁵⁹.

6.3.3. Inter Agency Coordination and Public, NGO Participation as a Part of Institutionalism

This part is crucial, except for the above mentioned institutional structures assigned for the different stages of the projects for different roles, to understand the inter-institutional linkages covering other agencies, the participation of public as well as the non-governmental organizations, which are questioned with the interviews at the last stage of the thesis.

According to WB reports, throughout the projects, meetings were been held with the Ministry of Environment and the Provincial Environmental Directorate in Izmir to seek advice on Environmental Assessment Report and on specific technical options on water, wastewater and solid waste issues.

⁵⁹ See: World Bank (1998:23-25) for Staff Appraisal Report on Cesme-Alacati Water Supply Sanitation Project

All discussions and submissions to the various Environment Ministry Departments were co-ordinated through the Ministry of Tourism. In addition to meeting with the above organizations and the local representatives of the Ministries of Tourism and Agriculture, meetings were held by the Study Team with several NGOs, including the Small Business Association, TURSAB the Travel Agents' Association, the Fishermen's Co-operative and Diving Association and managers and owners of some of the larger hotels. There was no Chamber of Commerce or Hotel Association in Cesme or Alacati at that time.

They were 39 associations which were active in various fields in Cesme but only two of them were actively working in environmental, nature or animal protection issues. These were the Cesme Beautification and Nature Protection Association and the Nature and Animal-Lovers Protection Association.

The view of senior representatives of these associations was that the local environment was being destroyed by the development of tourism and urbanization. They believed that Cesme's infrastructure was insufficient and that the proposed improvements, such as the collection and treatment of wastewater, solve many of these problems.

Informal surveys to canvas the views of residents in Cesme and Alacati on environmental issues were carried out during the Study. The Project developments were discussed with local people and the related public entities in two Citizens' Forums. The first was on July 20, 1996, after the submission of the Interim Study Report. Present were a large assembly of local participants, including winter and summer residents, representatives from both Cesme and Alacati Municipalities; the Provincial Environmental Directorate, from Dokuz Eylül, Ege and Istanbul Technical Universities and from various potentially interested private sector companies.

The Bank of Provinces, Ministry of Tourism and Study Team representatives described the Project's technical institutional and financial aspects related to water, wastewater and solid waste. In addition to the Municipal comments, views were expressed by the University and Environmental Directorate participants, members of Cesme Municipality's Advisory Council, local business and hotel owners and the local residents. Among the various issues raised, were the degree of wastewater treatment, the fund raising

mechanisms and cost and tariff levels (Implementation Completion Report, WB, 2005).

The second public consultation meeting was held in Cesme on September 13, 1996, during WB pre-appraisal mission. Again attendants similar to those in the First Forum were present. A general presentation of the technical Project developments was followed by the financial requirements based on the pre-appraisal. On September 12, 1996, a brief presentation was made to the Izmir Provincial Members of Parliament with Cesme and Alacati Mayors, the Ministry of Tourism, the Study Team and WB representatives. The legal issues were explained and political support sought for the Project implementation. In addition, a public hearing meeting was held in February 1997 for the proposed sanitary landfill. The landfill project was presented to the participants and their views were evaluated.

6.3.4. Institutional Arrangements

6.3.4.1. Municipal Governance

Turkey's system of municipal administration differs depending on the size of the jurisdictions. At that time, sixteen large cities of populations of 400,000 or more were administered, in accordance with the Metropolitan Law (Law 3030) that changed at present with the Law 5216, which provides for specific fiscal arrangements and mandates specific organizational structures for the delivery of local services. Medium-size cities and small towns with a population of at least 2,000 have a lesser degree of administrative autonomy and are administered in accordance with the Municipal Law (Law 1580) which is replaced presently by the Law numbered 5216. Localities of less than 2,000 inhabitants and rural areas have no administrative autonomy and come under the direct administration of the Provincial Governor. Municipal revenues are, to a large extent, derived from the redistribution of central government tax revenues channeled through Bank of Provinces and, to a lesser extent, from an array of taxes, fees and contributions defined by the Municipal Revenue Law (Law 2464).

All municipal authorities are elected for a mandate of five years. Municipalities are administered by a mayor who presides over an executive committee, as the executive body, and the municipal assembly, as the legislative body. At that time, Municipal administrations had little autonomy as they are constrained by a wide range of legal and administrative problems including: (a) lack of transparency of the role of central organizations like Bank of Provinces; (b) rigidity of the legislation on municipal administrative structure; (c) Government control of municipalities' authority to mobilize local resources; and (d) inappropriateness of salary structures which, in accordance with prevailing laws, are fixed at the central government level.

6.3.4.2. Government's Sector Objectives Related with the Project

As outlined in Turkey's 1996-2000 Seventh Five-Year Development Plan, the objectives of the central government and its different agencies responsible for the water supply and sewerage sector were to:

- satisfy the drinking water needs of the population not currently served;
- promote the construction of sewerage networks and treatment facilities; and
- promote the development of new management systems for water supply and sewerage operations, including the encouragement of private sector participation.

These above objectives were all the more challenging as, due to population growth, services would need to be provided to an estimated additional 16 million inhabitants over the next decade, while simultaneously improving the quality of the services and rehabilitating decaying infrastructure. The 10-year total investment program for the construction of new facilities and upgrading of existing urban water supply and sewerage systems and waste water treatment facilities during the 1990s requires financing resources of US\$10.0 billion equivalent (Implementation Completion Report, WB, 2005)...

A government's policy objective was the preservation and improvement of the environment. Water pollution was an acute problem in urban and industrial zones in major metropolitan municipalities and was also beginning to become an

issue in the tourism areas of the Aegean and Mediterranean coasts, which were the backbone of Turkey's tourism industry. There was a growing concern regarding the need to better protect groundwater and surface water resources, as well as to safeguard natural tourism attractions such as beaches and coastal sea waters. Legislation and regulations adopted in the 1980s and early 1990s have permitted the central government and the municipalities to take a more aggressive stance toward environmental protection. The enforcement of environmental laws and regulations is generally the responsibility of the municipalities and the provincial governments. While the enforcement capability of the provincial and local authorities was still developing, they were making progress in monitoring water quality, and in planning for substantial investments in water and sewerage facilities to mitigate initial problems. In keeping with government's intention to eventually join the European Union (EU), and as a general target for water quality standards, the central government was seeking to progressively improve norms for sewage discharge to EU levels.

6.3.4.3. CALBIR, Ministry of Tourism and Private Operator⁶⁰

The CALBIR was approved by the Council of Ministers on September 08, 1997 and published in the Official Gazette on September 30, 1997. The CALBIR was established in accordance with the provisions of Articles 133-148 of Municipal Law 1580. Under the CALBIR By-laws, the CALBIR was responsible for the development, management and operation of water supply, wastewater and solid waste services in Cesme and Alacati.

The Borrower and project implementation agency is the CALBIR. At the Borrower's request the loan was made at the Bank's standard rates for a LIBOR-based single (London Inter-Bank Rate) currency loan in US Dollars. The term would be seventeen years with five years of grace. The CALBIR would bear the foreign exchange risk. The MOT contributions would be made through annual appropriations in accordance with Government budgetary procedures.

The CALBIR is responsible under its By-laws for the development, management and operation of water supply, wastewater and solid waste services

⁶⁰ Information given is here is mainly from the Staff Appraisal Report of CWSSP, the World Bank

in Cesme and Alacati. The CALBIR also had the authority to set tariffs for water and wastewater services.

The CALBIR is administered by a Council comprised of the mayors of Cesme and Alacati, and by representatives of the Municipal Councils. One of the mayors is the president and chief executive officer of the CALBIR and the other is his deputy. The presidency rotates every year between the two mayors. The president is assisted by two full-time employees: the Secretary General and the Treasurer. The Secretary General and the Treasurer are expected to be appointed in June 1998 once the Council of Ministers approves the positions in March 1998 during the annual review of requests for new positions in public entities. In the meantime the CALBIR would be run by the President assisted by staff from the municipalities detached to the CALBIR.

There were some suggestions for CALBIR by WB these can be enumerated as following;

- The risk of the CALBIR suffering the negative consequences from a management contractor abandoning a contract should be mitigated by requiring the management contractor to keep careful technical, operating and commercial data bases on the Cesme and Alacati systems and share data continuously with the CALBIR or its designated representatives. In this way, the CALBIR was going to be able to reduce the risk that it would be at a competitive disadvantage in negotiations with a management contract or that might use an information asymmetry in renegotiating a contract in his own favor. Similarly, the CALBIR would be in a better position to rebid competitively a management contract or to bid competitively a concession in case it has an up-to-date system statistics,
- The institutional risk of putting the inexperienced CALBIR at a disadvantage of dealing with an experienced private operator should also be mitigated by hiring consultants to assist the CALBIR in the dealings with the Private Operator,
- During negotiations agreement was reached on the following the CALBIR would open a bank account to deposit local counterpart funding to the project,

- the CALBIR would hire the private operator of the water and sewerage system according to the proposed schedule,
- the CALBIR would implement the investment plan for each calendar year after discussion and agreement with the private operator,
- the CALBIR would utilize the loan allocation for urgent repairs and upgrading only after the contract with the private operator is executed
- the CALBIR would furnish to the Bank before October 31 of each year a report on the following: a) the tariff policy to be implemented in the following year; b) plans and schedule for project completion; and c) corrective actions necessary to secure timely completion of the project
- The CALBIR would conduct a Mid-term Review of project implementation in mid-2000 to examine implementation progress, all major problems encountered, the continued relevance of the project as appraised and any changes to be proposed to the Government and the Bank
- the CALBIR would put into effect tariff adjustments to ensure that the tariffs and other operating revenues are sufficient to cover (i) payments to the private operator; (ii) the required contribution to investment;(iii) debt service payments; and (iv) CALBIR operating costs,
- the CALBIR would implement peak tariffs in July and August that are two times the preceding June tariffs,
- the CALBIR would not extend loans to other entities, including the municipalities not incur additional long term borrowings without consultation with the Bank
- the CALBIR would prepare a plan on the phase-out of use of private wells
- As a condition of effectiveness, the CALBIR would employ the consultants who would help secure the private operator, (Implementation Completion Report, WB, 2005).

As parallel to this agreements and recommendations, The CALBIR contracted with a private operator the provision of water supply and wastewater services, and concentrate on financing new investments, and employing

contractors and consultants to undertake and supervise the necessary investments.

In addition to the Secretary General, Treasurer, and support staff, the CALBIR hired two individual consultants to assist in the management of the engineering and financial aspects of project implementation. The two consultants were financed by the Japanese grant until the closing date of the grant at the end of 1998.

Ministry of Tourism played an important role in preparing the Cesme-Alacati project in coordination with the municipal authorities and continued to play a central role during the duration of this consultant study and would continue to advise the CALBIR.

Within the project scope, a single private operator was responsible for;

- managing, operating and maintaining all the water supply and wastewater service;
- for billing and collecting water and wastewater charges on behalf of the CALBIR;
- for maintaining detailed operating records and accounts which would be duly audited annually by private auditors; and
- for monitoring the water supply quality and effluent quality in the planned pre-treatment wastewater plant.

The CALBIR expected to benefit from the experience of the private sector participation in water supply and wastewater services in Antalya and in Bursa.

6.3.4.4. Role of the Consulting Firm

The objective of the consulting services contract is to assist the CALBIR in preparing for and contracting with a private operator in the provision of water supply and wastewater services. The contractual arrangement to be implemented shall be technically, legally, financially and politically viable. A technically viable arrangement that was defined by WB authorities would be one that is:

- well-targeted to resolve existing problems, as perceived by municipal authorities, customers, and other stakeholders; and
- compatible with existing legislative framework.

A legally viable arrangement means one where no new legislation is required for implementation. A financially viable arrangement would be one that could be financed at tariffs that consumers are willing to pay. And, a politically liable arrangement would be one that has political support, both within the formal authorities and other relevant stakeholders.

The consultants were responsible for assessing the differences in conditions between Antalya and Bursa on one hand and on the other hand, and allow for the impact that these differences may have on the bidding process and conditions of the contract. Ensure that the cost of engaging the private operator is reasonable in light of the relatively small size of the water supply and wastewater systems. The consultants were going to use to the maximum extent the recently completed studies for Antalya and Bursa while preparing similar bidding documentation and contracts for the CALBIR. The Cesme-Alacati contract was expected to serve as model documents for small and medium-sized municipalities in Turkey.

With regard to WB's experience on subject (Implementation Completion Report, WB, 2004),

Several OED reports as well as other Bank surveys have concluded that although water and sewerage projects have often been successful in achieving their physical objectives, the success in improving the institutional performance of the water utilities has been limited.

Some of the reasons for the less than expected results were:

- inadequate linkages between physical and institutional objectives;
- lack of qualified management and financial autonomy of local utilities;
- staff inexperience in project implementation and institutional problem solving;
- project complexity;
- lack of reliable information on production and consumption patterns that prevented the design of well-focused unaccounted-for-water reduction programs and adequate tariff structures; and
- problems related to cost recovery and timely provision of counterpart funds.

- These lessons have been incorporated into the design of the proposed project by hiring a private firm to provide water and sewerage services on behalf of the CALBIR;
- strengthening the institutional capacity of CALBIR to implement the Project and to hire and monitor the performance of the private provider of services;
- securing strong support for the project from the local authorities, civil society and central government;
- defining the scope of the project within the financial capability of the CALBIR; and
- simplicity in project design and limiting the physical investments to critical infrastructure required to provide clean water, without rationing and improved sewerage service.⁶¹

⁶¹ See: World Bank (2005:45-47) for Implementation Completion Report on Cesme-Alacati Water Supply Sanitation Project

CHAPTER 7

THE RESULTS OF INSTITUTIONAL ASSESSMENT ANALYSES FOR CASE STUDIES

7.1. Implementation of the Analyses

As it is explained in a detailed way, in chapter 5, namely methodology, “Institutional Assessment Method” in thesis is used as a frame method with an analysis of questionnaire via in-depth interviews. In chapter 6, the case studies namely Antalya Water Supply & Sanitation Project (AWSSP) and Cesme-Alacati Water Supply & Sanitation Project (CWSSP) are presented with their general characteristics, objectives and institutional arrangements created or revised according to the designs of the project proposals of the World Bank (WB). In addition, comparative case study as an approach is used in analyses by benefiting the output of the analyses obtained from the questionnaire submitted during the in-depth interviews. At last, with these methodological definitions made both in chapter 5 and in this chapter, the research method is purely qualitative except for the total and percentage evaluations of the questionnaire results. In other words, just the use of the total and percentage values can be accepted as the quantitative analysis of the thesis.

Moreover, as a tool, literature survey presented in the first stage of the thesis, other related documents having both theoretical and practical information about the subject is combined with the findings from the analyses on case studies.

The qualitative characteristic of the research are occasionally supported by the evaluations of the total and percentage tables with quantitative evaluations. However, the quantitative analysis methods such as detailed statistical analyses are not used both not to affect the evaluations at the last of the thesis and due to the number of participants joint to the interviews. Also,

usage of the statistical analysis is assumed as not suitable for the nature and the content of the qualitative analysis and for the in-depth analysis.

Furthermore, the institutional assessment as a frame method needs more observation and direct relation to the participants with long surveys than statistical output evaluations. This is provided by a set of ninety five questions.

Although, the reason for the selection of the case studies from Turkey as AWSSP and CWSSP is explained in chapter 5, it is also useful to give some additional information to make clear about the hesitations. First of all these two projects are both implemented in the same period with sequential date information AWSSP was carried out between 25.05.1995-30.06.2003 while CWSSP was between the date of 14.04.1998-31.12.2004. The same period means to have more or less unique information can be obtained from related literature sources especially from WB. Moreover, there is no more projects implemented in the same period and under the same sector project. They are also completed projects with their staff appraisal and implementation completion reports which form a reliable base for findings from the interviews.

The AWSSP and CWSSP are both infra structural investments made by WB so it is mentioned in chapter 5 these investments are related with the pure local urban service. This makes the use of related documents and the findings from the interviews comparable. As another characteristic, comparability makes easy by their being implemented in the same period and in the same sector. The assumption of comparison makes findings both from the literature survey and interviews clear and easy to reach the acceptable results.

The another question about the selection of Antalya and Cesme-Alacati Region as case studies for this thesis can be evaluated as questionable because of WB's project triple on good governance with institutionalist approach-urban service provision and poverty alleviation. Because one base of this approach corresponding to the poverty and Antalya and Cesme-Alacati as a place are not appraised as poor populated areas concerning the whole geography of Turkey. However, main subject of the subject is much more related to the institutionalism and international projects than the one base of WB projects, namely poverty. While poverty is not at the central issue of this thesis, as it is clear from the hypothesis and objectives, subject of poverty is just handled to set the relation between the governance and urban service provision or with a detailed

explanation between the issues of institutionalization and international projects. Moreover, there is no such region where poor population is high in the same period and in the same sector. Furthermore, even if it existed, it would make difficult to choose case studies from a different period to reach acceptable results with satisfactory literature findings meanwhile it is too difficult to prepare an acceptable and comparable findings from the interviews.

After explaining the selection reasons for AWSSP and CWSSP as case studies, it is useful to clear about the implementation of the in-depth interviews. These interviews were carried out with fourteen professionals for each project who are technical staff, municipality mayor, experts and managers from the public institutions included within the projects. The number of fourteen was based to reach acceptable findings from the surveys because the less contacted number of people was in CWSSP as fourteen, so this number was also based for AWSSP while forming the list of interviewers. Surveying with equal number of professionals have eased to evaluate the results especially in comparison of two projects. Since the institutions revised or created by the projects are evaluated, and the results of the findings from the interviewers onto the institutions are the core of the thesis, within the selection of interviewers, it is concerned for professionals to have a direct and indirect duty and responsibility during the start, implementation and the completion of the project. The questionnaire and interviews are conducted in summer 2008 between May and August. Actually, it is important to assess the results of the projects after the completion of the project in almost five years.

In fact, it is explained in the chapter 5, the questions conducted by using the Institutional Assessment Method is based on two types of questions. These questions are directed into mainly into to detect the institutional capacity, environment, performance and motivation of the institutions created within the project milieu.

Two kinds of questions can be especially classified according to the purpose of the questions directed to the participants of the interviews from the institutions created or reformed by the projects. These purposes are;

-to observe the change in the institutional capacity, performance, motivation and environment, (in what extent....?)

-to observe the evaluation of the participants about the institutional capacity, performance, motivation and environment, (how do you evaluate....?).

By getting answers to the related questions to the corresponded subjects, the aim is to measure the institutional achievement with the assessment of the projects by observing different dynamics. By means of related questions directed to the participants during the interviews for Turkish case studies, the achievement criteria of the institutions are queried one by one.

The total numbers for each question and for case study are given in tables at the end in the appendix part of the thesis with the questionnaire formed for the thesis. The evaluation of these total numbers is made in the next parts both for the AWSSP and CWSSP by concerning the “Institutional Assessment Method” developed by “the International Development Research Center on Institutional Assessment” about the categories of institutional environment, motivation, capacity and performance. The findings from the interviews are also combined with the findings from the literature survey especially from WB documents on each project. Then, the comparison of each institutional assessment criteria is made for both projects selected as a case.

The table at the next pages shows the general findings from the questionnaires in percentages; the abbreviations and related information used in tables are shown in the next page; figure 9.

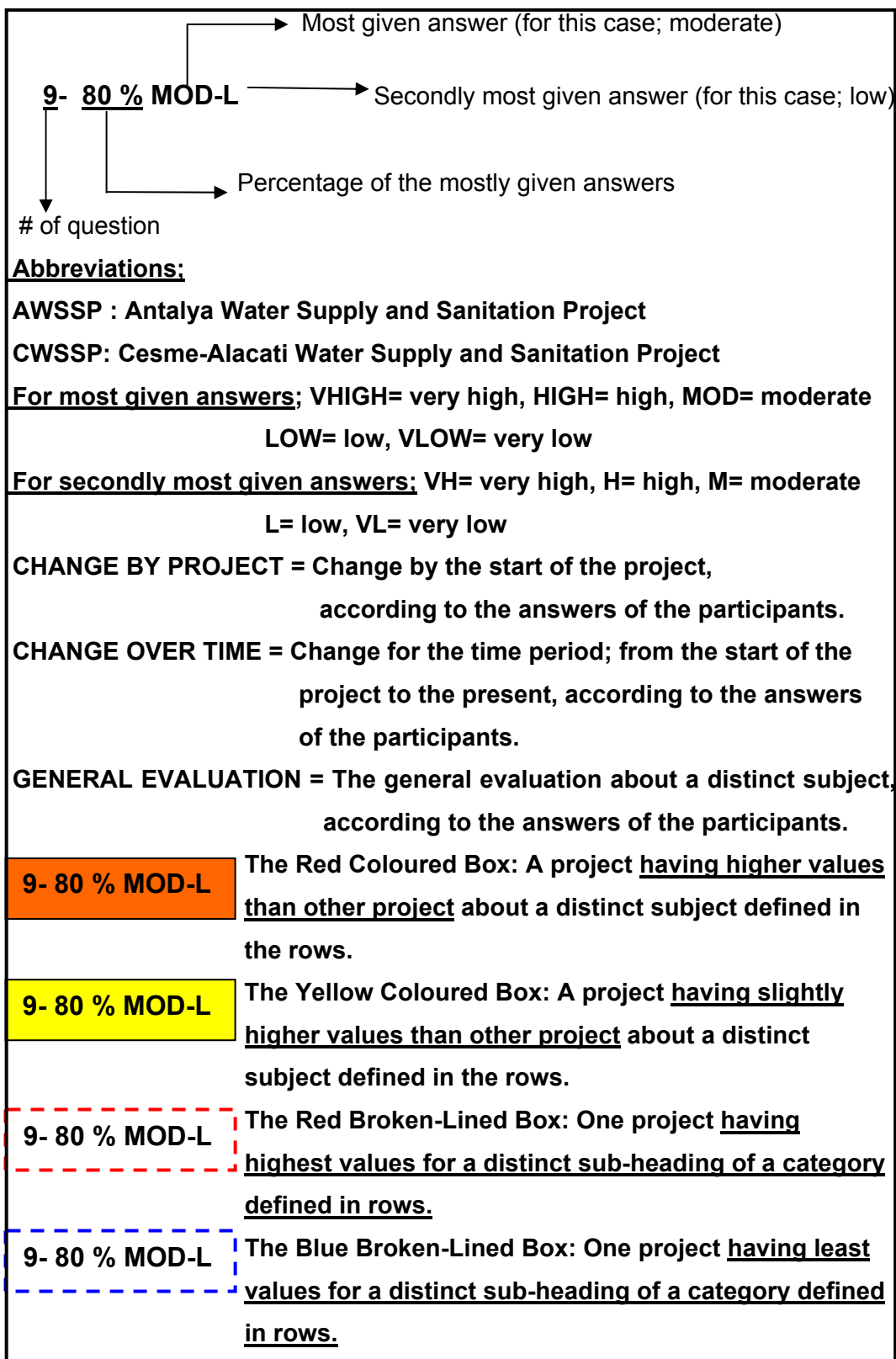


Figure 9: The Explanations for Tables about the Results from the Questionnaire

Table 17: Final Table for Case Studies on Institutional Environment

INSTITUTIONAL ENVIRONMENT			CHANGE BY PROJECT		CHANGE OVER TIME		GENERAL EVALUATION		
CRITERIA	SUB-HEADINGS	Related Question Number	MAIN SUBJECT OF THE RELATED QUESTIONS	AWSSP	CWSSP	AWSSP	CWSSP	AWSSP	CWSSP
ADMINISTRATIVE & LEGAL ENVIRONMENT	<i>Policy, Legislative, Legal, Regulatory</i>	80-81-94-95	ADMINISTRATIVE ENVIRONMENT	80- 80 %VLOW	80- 80 %VLOW	80- 65 %MOD-L	80- 65 %MOD-L	94- 85 %HIGH-M	94- 85 %MOD-H
			LEGAL STRUCTURE	81- 80 %MOD-L	81- 65 %MOD-L	81- 65 %HIGH-M	81- 65 %MOD-L	95- 90 %VLOW-M-L	95- 90 %VLOW-M-L
TECHNOLOGICAL	<i>Infrastructure</i>	82-93	TECHNOLOGICAL ENVIRONMENT	82- 85 %MOD-L	82- 90 %LOW-M	82- 100 %VHIGH-H	82- 85 %VHIGH-H	93- 90 %HIGH-VH	93- 65 % MOD-VH
	<i>Utilities</i>								
	<i>Technological Literacy</i>								
	<i>Information Technology</i>								
	<i>Links to National Issues</i>								
EXTERNAL POLITICAL ENVIRONMENT	<i>Form of Government</i>	83-88-92	IMPACT OF EXTERNAL POLITICAL ENVIRONMENT	83- 50 %VLOW	83- 50 %VLOW	83- 65 %VLOW	83- 80 %VLOW	88- 65 %VHIGH	88- 80 %VHIGH
	<i>Distribution of Power</i>	83-88-92							
	<i>Access to Government Resources</i>	83-88-90-92	ACCESS TO GOVERNMENT RESOURCES	X	X	X	X	90- 60 %HIGH-M	90- 90 %MOD-L
	<i>Allocation Decisions</i>	83-88-92	IMPACT OF WHOLE ECONOMIC ENVIRONMENT	X	X	X	X	92- 80 %VHIGH-H	92- 85 %VHIGH
ECONOMIC	<i>GDP, Inflation, Growth, Debt</i>	87-92	EVALUATION OF THE INSTITUTION'S ECONOMIC ENVIRONMENT	X	X	X	X	87- 100 %VLOW-L	87- 100 %VLOW-L
	<i>IMF Conditionality</i>								
	<i>Wage/Price Structure</i>								
	<i>Community Economics</i>								
	<i>Hard Currency Access</i>								
<i>Gov. Funding Distribution</i>	-								
MAJOR STAKEHOLDERS	<i>Clients, Donors, Beneficiaries, Volunteers, Governmental Bodies and Other Institutions</i>	84-89-91	RELATIONS WITH CLIENTS AND OTHER BENEFICIARIES	X	X	X	X	84- 65 %VHIGH 89- 100 %VHIGH-H	84- 60 %VHIGH 89- 80 %VHIGH-H
		91							
		84-91							
		91	RELATIONS WITH STAKEHOLDERS	91- 65 %LOW-M	91- 65 %MOD-L	91- 80 %HIGH-VH	91- 65 %HIGH-M	X	X
		86-91	RELATIONS WITH GOVERNMENTAL BODIES	X	X	X	X	86- 70 %VHIGH-H	86- 60 %VHIGH-H
85-91	RELATIONS WITH OTHER INSTITUTIONS	X	X	X	X	85- 90 %VHIGH-H	85- 65 %VHIGH-H		

Table 18: Final Table for Case Studies on Institutional Motivation

INSTITUTIONAL MOTIVATION			CHANGE BY PROJECT		CHANGE OVER TIME		GENERAL EVALUATION		
CRITERIA	SUB-HEADINGS	Related Question Number	MAIN SUBJECT OF THE RELATED QUESTIONS	AWSSP	CWSSP	AWSSP	CWSSP	AWSSP	CWSSP
INSTITUTION'S HISTORY	<i>Date and Process of Founding</i>	-	-	X	X	X	X	X	X
	<i>Historical Achievements/Millstones</i>	12	-	X	X	X	X	X	X
	<i>Major Struggles</i>	11	-	X	X	X	X	X	X
	<i>Changes in Size, Growth, Programs, Leadership and Structure</i>	9-10	STRUCTURE	9- 80 %MOD-L	9- 85 %VLOW-L	9- 70 %MOD-L	9- 70 %MOD-L	X	X
			LEADERSHIP	10- 85 %VLOW-L	10- 85 %VLOW-L	10- 70 %VLOW-L	10- 70 %VLOW-L	X	X
<i>Associations with other Donors</i>	13-14	PARTNERSHIPS	13- 80 %MOD-L	13- 80 %MOD-L	13- 80 %MOD-L	13- 80 %MOD-L-VL	14- 85 %MOD-HIGH	14- 85 %HIGH-M	
INSTITUTION'S MISSION	<i>Evolution of the Mission Statement</i>	1-3	MISSION	3- 90 %VLOW-L	3- 90 %VLOW-L	3- 60 %MOD-H	3- 90 %VLOW-L	1- 80 % VHIGH-H	1- 70 % MOD-H
	<i>Role of Mission in Shaping Org.</i>	1-3-8-6	ROLE	8- 80 %VLOW-L	8- 90 %VLOW-L	8- 70 %HIGH-M	8- 85 % HIGH-M-L	6- 90 % VHIGH-H	6- 70 % MOD-H
	<i>Institutional Goals</i>	2-4-15	GOALS	4- 85 %VLOW-L	4- 80 %VLOW-L	4- 80 %HIGH-M	4- 60 %HIGH-M	2- 85 % VHIGH-H	2- 80 % HIGH-M
			DUTY	X	X	X	X	15- 100 %VHIGH-H	15- 100 % VHIGH-H
	<i>Distribution of Power</i>	-	-	X	X	X	X	X	X
<i>Types of Research/Products Valued</i>	5-7	TYPE OF SERVICE	5- 80 %VLOW-L	5- 80 %VLOW-L	5- 65%MOD-L	5- 65%MOD-L	7- 80 % HIGH-VH	7- 70 % HIGH-VH	

Table 19: Final Table for Case Studies on Institutional Capacity-1

INSTITUTIONAL CAPACITY/1				CHANGE BY PROJECT		CHANGE OVER TIME		GENERAL EVALUATION	
CRITERIA	SUB-HEADINGS	Related Question Number	MAIN SUBJECT OF THE RELATED QUESTIONS	AWSSP	CWSSP	AWSSP	CWSSP	AWSSP	CWSSP
STRATEGIC PLANNING (strengths and weaknesses)	<i>Leadership (setting direction, supporting resource development, ensuring tasks are done)</i>	16-18-25-38	LEADERSHIP CAPACITY	16- 90 %VLOW-L	16- 85 %VLOW-L	16- 65 %MOD-L	16- 70 %MOD-H-L	18- 80 %VHIGH-H	18- 60 %VHIGH-H
	<i>Strategic Planning (scanning environment, developing tactics to attain objectives, goals, mission)</i>	22-23-25-38	STRATEGIC PLANNING CAPACITY	22- 65 %MOD-H	22- 85 %VLOW-L	22- 70 %VHIGH-H	22- 70 %HIGH-VH	X	X
			DEVELOPING TACTICS	23- 85 %VLOW	23- 90 %VLOW	23- 85 %VHIGH-H	23- 65 %HIGH-M	X	X
	<i>Governance (legal framework, decision-making process, methods for setting direction, external links)</i>	20-21-25-26-38	DECISION-MAKING CAPACITY	20- 90 % VLOW-L	20- 100 %VLOW-L	20- 65 %LOW-MOD	20- 65 %MOD-H	26- 90 %VHIGH-H	26- 80 %HIGH-M
			PARTICIPATION AND RELATION WITH STAKEHOLDERS	21- 80 % MOD-H-L	21- 70 %MOD-H-L	21- 80 % MOD-H-VH	21- 70 %MOD-H-VH	X	X
	<i>Structure (roles and responsibilities, coordinating systems, authority systems, accountability systems)</i>	17-19-25-38	ROLES AND RESPONSIBILITIES	17- 80 %VLOW-L	17- 85 %VLOW-L	17- 70 %HIGH-VH	17- 65 %HIGH-M	19- 80 % VHIGH	19- 60 %VHIGH
<i>Niche management (area of expertise, uniqueness, recognition of uniqueness)</i>	24-25-27-38	AREA OF EXPERTISE	24- 85 %VLOW	24- 85 %VLOW	24- 90 %VLOW-L	24- 70 %VLOW-L	27- 100 %VHIGH-H	27- 100 %VHIGH-H	
HUMAN RESOURCES (strengths and weaknesses)	<i>Human resource planning (recruiting, selecting, orientation)</i>	28-36-38	HUMAN RESOURCE CAPACITY	28- 90 %VLOW-L	28- 100 %VLOW-L	28- 90 %LOW-M	28- 80 %VLOW	36- 85 %MOD-L	36- 70 %MOD-L
	<i>Training and professional development (performance management, monitoring and evaluation, Equity, Compensation, Career Management)</i>	37-38	PROFESSIONAL DEVELOPMENT CAPACITY	X	X	X	X	37- 85 %VHIGH-H	37- 80 %VHIGH-H
CORE RESOURCES (strengths and weaknesses)	<i>Infrastructure (facilities, equipment, maintenance systems, utilities)</i>	30-33-38	INFRASTRUCTURAL CAPACITY	30- 65 %VLOW-L	30- 85 %VLOW-L	30- 80 %VHIGH-H	30- 65 %MOD-H	33- 90 %VHIGH-H	33- 85 %HIGH-VH
	<i>Technology (information, communication technologies, levels of technology needed/acquired to perform work)</i>	29-34-38	TECHNOLOGICAL CAPACITY	29 - 70 %LOW-M	29- 65 %MOD-H	29- 80 %VHIGH-H	29- 85 %VHIGH-H	34- 80 %HIGH-VH	34- 60 %HIGH-VH
	<i>Finance (Planning, managing and monitoring, cash flow and budget, ensuring an accountable and auditable financial system)</i>	31-35-38	FINANCIAL CAPACITY	31- 80 %HIGH-M	31- 65 %MOD-L	31- 80 %MOD-HIGH	31- 70 %MOD-L	35- 85 %VHIGH-H	35- 80 %MOD-H

Table 20: Final Table for Case Studies on Institutional Capacity-2

INSTITUTIONAL CAPACITY/2				CHANGE BY PROJECT		CHANGE OVER TIME		GENERAL EVALUATION	
CRITERIA	SUB-HEADINGS	Related Question Number	MAIN SUBJECT OF THE RELATED QUESTIONS	AWSSP	CWSSP	AWSSP	CWSSP	AWSSP	CWSSP
PROGRAM MANAGEMENT (strengths and weaknesses)	<i>Planning (identifying needs, setting objectives, costing alternatives and developing evaluation systems)</i>	38-41-42	PLANNING CAPACITY	41- 80 %MOD-L	41- 80 %MOD-L	41- 80 %VHIGH-H	41- 70 %HIGH-M	42- 85 %VHIGH-H	42- 65 %VHIGH-H
	<i>Implementing (adherence to schedules, coordination of activities)</i>	32-38-39	IMPLEMENTATION CAPACITY	32- 85 %VLOW-L	32- 85 %VLOW-L	32- 80 %VHIGH-H	32- 80 %VHIGH-H	X	X
			ADHERENCE CAPACITY TO SCHEDULE	39- 65 %HIGH-VH	39- 60 %HIGH-M	39- 35 %VHIGH	39- 65 %MOD-H	X	X
	<i>Monitoring (systems for evaluating progress, communicating feedback to stakeholders),</i>	38-40-43-44	MONITORING CAPACITY	40- 70 %MOD-H	40- 70 %MOD-L	40- 70 %MOD-L	40- 65 %VHIGH-H	43- 80 %HIGH-VH	43- 65 %HIGH-M
			COORDINATION OF ACTIVITIES	X	X	X	X	44- 80 %HIGH-M	44- 70 %VHIGH-H
PROCESS MANAGEMENT (strengths and weaknesses)	<i>Problem-solving and decision-making (defining problems, gathering data, creating alternatives, deciding on solutions, monitoring decisions)</i>	38-50-54	PROBLEM SOLVING MECHANISM	X	X	X	X	50- 85 %HIGH-M	50- 80 %MOD-H
			CREATING ALTERNATIVES	X	X	X	X	54- 85 %VHIGH-H	54- 65 %HIGH-VH
	<i>Communications (exchanging information, achieving shared understanding among organizational members)</i>	38	-	X	X	X	X	X	X
	<i>Monitoring and evaluation (generating data, tracking progress, making judgments about performance, utilizing information, changing and improving organization, program, etc)</i>	38-45-46-55	INFORMATION EXCHANGE WITH PARTNERS	45- 80 %MOD-L	45- 80 %LOW-M	45- 70 %HIGH-M-L	45- 60 %MOD-H	X	X
			UTILIZING INFORMATION AND FLOW OF DATA	46- 65 %MOD-H	46- 65 %MOD-H	46- 85 %VHIGH-H	46- 70 %VHIGH-H	55- 80 %VHIGH-H	55- 80 %HIGH-M
INTERINSTITUTIONAL LINKAGES (strengths and weaknesses)	<i>Networks (type, nature, number; utility, recruitment of appropriate members, coordination, participatory governance, management structure, technology, donor support, participation of national research systems, cost-benefit, sustainability)</i>	38-47-48-50-53	RELATION CAPACITY	47- 40 %VLOW	47- 85 %MOD-L	47- 80 %VHIGH-H	47- 65 %VHIGH-H	X	X
			NATURE OF RELATIONS	48- 80 %HIGH-M	48- 80 %VLOW-L	48- 80 %HIGH-M	48- 60 %VHIGH-H	X	X
	<i>Partnerships (type, nature, number; utilization, cost-benefit, needs met, sustainability)</i>	38-47-48-50-52-53	DECISION-MAKING MECHANISM	X	X	X	X	53- 70 %VHIGH-H	53- 65 %HIGH-VH
			SUCCESS OF PARTNERSHIP	X	X	X	X	52- 40 %VHIGH	52- 35 %VHIGH
	<i>External communications (type, nature, number; utilization, frequency, cost-benefit, needs met)</i>	38-45-47-48-49-50-51-53	COMMUNICATION WITH OTHER STAKEHOLDERS	X	X	X	X	49- 80 %HIGH-VH 51- 80 %MOD-H	49- 80 %VHIGH-H 51- 70 %HIGH-M
	Common Questions for this Criterion	STRATEGIC PLANNING CAPACITY	X	X	X	X	25- 85 %VHIGH-H	25- 60 %MOD-H	
		OVERALL INSTITUTIONAL CAPACITY	X	X	X	X	38- 85 %VHIGH-H	38- 85 %HIGH-VH	

Table 21: Final Table for Case Studies on Institutional Performance

INSTITUTIONAL PERFORMANCE				CHANGE BY PROJECT		CHANGE OVER TIME		GENERAL EVALUATION	
CRITERIA	SUB-HEADINGS	Related Question Number	MAIN SUBJECT OF THE RELATED QUESTIONS	AWSSP	CWSSP	AWSSP	CWSSP	AWSSP	CWSSP
EFFECTIVENESS IN MISSION	<i>Research Performance(major achievements, general level of research productivity defined according to the institution's mission and values, utilization of results)</i>	56-60	RESEARCH PERFORMANCE	56- 70 %MOD-L	56- 85 %MOD-L	56- 65 %VHIGH-H	56- 70 %VHIGH-H	60- 65 %VHIGH-H	60- 65 %HIGH-VH
	<i>Teaching Performance(training researchers, serving clients' learning needs)</i>	57-61-75	TEACHING PERFORMANCE	57- 90 %MOD-H	57- 85 %VLOW-L	57- 80 %HIGH-VH	57- 80 %VHIGH-H	61- 80 %VHIGH-H	61- 70 %VHIGH-H
			SERVING CLIENT'S LEARNING	X	X	X	X	75- 80 %VHIGH	75- 65 %VHIGH
	<i>Service Performance (development of community activities, support to research community, transfer technology)</i>	58-62	SERVICE PERFORMANCE	58- 65 %MOD-H	58- 90 %MOD-L	58- 65 %VHIGH-H	58- 80 %VHIGH-H	62- 70 %VHIGH	62- 60 %VHIGH
<i>Policy Influence</i>	59-63	PERFORMANCE TO POLITICAL INFLUENCE	59- 65 %VLOW	59- 70 %VLOW	59- 70 %VLOW	59- 85 %VLOW	63- 70 %VLOW	63- 85 %VLOW	
EFFICIENT RESOURCE USING	<i>Stretching the financial allocations</i>	-	-	X	X	X	X	X	X
	<i>Staff productivity (turnover, absenteeism, research outputs), clients (program completion rates, long term association with institution)</i>	64-73	STAFF PRODUCTIVITY	64- 80 %MOD-L	64- 85 %LOW-M	64- 80 %VHIGH-H	64- 65 %HIGH-VH	73- 80 %HIGH-M	73- 80 %MOD-H
	<i>Administrative system efficiency</i>	65-72	ADMINISTRATIVE SYSTEM EFFICIENCY	65- 80 %MOD-H	65- 65 %MOD-L	65- 80 %HIGH-VH	65- 65 %HIGH-VH	72- 70 %HIGH-VH	72- 70 %MOD-H
INSTITUTIONS' RELEVANCE OVER TIME	<i>Program revisions</i>	71-78	PROGRAM REVISIONS PERFORMANCE	71- 70 %MOD-L	71- 70 %MOD-L	71- 65 %LOW-M	71- 65 %VHIGH-H	78- 60 %MOD-H	78- 80 %LOW-M-L
	<i>Adaptation of mission</i>	67	ADAPTATION OF MISSIONS	67- 65 %VLOW	67- 85 %VLOW	67- 80 %HIGH-VH	67- 65 %HIGH-VH	X	X
	<i>Meeting stakeholders needs</i>	66-77	MEETING THE NEEDS	66- 65 %VLOW	66- 60 %VLOW	66- 80 %HIGH-VH	66- 65 %HIGH-VH	77- 85%VHIGH	77- 65 %VHIGH
	<i>Adapting to environment</i>	68-76	ADAPTATION TO ENVIRONMENT	68- 80 %HIGH-M	68- 80 %MOD-H	68- 80 %HIGH-VH	68- 80 %HIGH-VH	76- 60 %VHIGH	76- 40 %VHIGH
	<i>Sustainability over time</i>	69-74	SUSTAINABILITY OVER TIME	69- 70 %VLOW	69- 65 %VLOW	69- 70 %VLOW	69- 65 %VLOW	74- 60 %VHIGH	74- 85 %VHIGH-H
	<i>Entrepreneurship</i>	70-79	ENTREPRENEURSHIP	70- 80 %MOD-L	70- 90 %LOW-M	70- 65 %HIGH-M	70- 65 %MOD-H	79- 60 %HIGH	79- 40 %HIGH

7.2. Evaluation of the Antalya Water Supply and Sanitation Project (AWSSP)

7.2.1. Institutional Environment of AWSSP

As it is explained in chapter 5, the category of “**Institutional Environment**” includes the criteria of administrative/legal, technological, external political, economic and social/cultural environment and the assessment of major stakeholders of the institutions revised or established within the proposal frameworks of WB projects. The whole institutional environment of the project was queried with sixteen questions that eleven of them are asked to observe the evaluation and five of them are questioned to evaluate the change by the project. The evaluations made below about these criteria are briefly given with the findings from the interviews however the results, comments, suggestions and critics of the detailed elaboration of the institutional assessment are given in part 7.4. and “Conclusion”. Also, the appendix A. and B. for the tables for the questionnaire is given in the appendix part of thesis and table 17 should be seen for the related questions for each criteria and sub-headings of the category of the institutional environment.

7.2.1.1. Administrative and Legal Environment;

The criteria of “administrative and legal environment” within which the institution operates was queried by the questions on policy, legislative, regulatory and legal dimensions.

The question 80 (see: Appendix A., B. and Table 17) on the change of administrative environment with the start of the project was replied with a definite answer of “very low”, by the eleven replies out of fourteen. However, the proportion of the answers related with the change from the start of the project to the present on administrative structure was almost 50 % by using the term of moderate, and almost 85 % of the participants replied the question with the terms of moderate, low and very low. It seems that the changes proposed by WB at the start of the project could not reach its target actually because of the rigid administrative environment within which the institutions operate. The answers related to the present status can be corresponded with the legislative

arrangements covering administrative environment in 2003. With regard to the administrative structure as a part of institutional environment within which institution operates, the arrangements held for the administrative environment seems unsuccessful.

The question 81 on the change of legal environment by the beginning of WB project was answered with a proportion of almost 80 % by the most answers of moderate or low. Though, exactly 65 % of the participants answer as high or moderate corresponded to the questions related with the change in legal environment from the start of the project to the present. However the most reply of moderate change provided by WB proves the answers given to the administrative environment. Nonetheless, the change because of the preconditions of the project provided by the change in legal environment, this can not be seem as sufficient for the success of the project due to the rigid structure of the administrative, so called bureaucratic structure of the institutional environment. This result is supported by the documents of WB's staff appraisal and implementation completion reports on the projects revealed at the conclusion of thesis.

Pertaining to the impact of administrative environment for the effective and efficient process of the institution, the answer of the question was almost 80 % with the most reply of high and moderate, while the reply for the impact of the policy environment was almost 90 % with the most answers of moderate, low and very low. These answers also important to learn the evaluations of the participants especially includes professionals about the significance of the administrative, legislative, policy and legislative environment within which the institution operates. However, it is interesting that while the administrative structure is defended more than the policy environment. It is because of the observing the administrative structure as a part of the "State", while the policies assumed as something external and combined with the thinking of "policies can be wrong and if so, they can be changed if it is required, that is not a matter. This is so much related with the perception of concept of the state and assuming the administrative environment as a crucial part of it.

7.2.1.2. Technological Environment;

For the assessment of technological environment, infrastructure, utilities, technological literacy, information technology and links to national issues related with the technological dimension is examined. However, this criterion is evaluated with a brief overview in compare to the administrative/legal environment concerning the subject, scope and hypothesis of the thesis. Although, the technological dimension is very crucial for the sustainability of the institutions, the continuation, advancement and the reflections of the administrative/legal conditions without any interruption, it is evaluated with a brief overview because of the relation of the hypothesis of thesis with a special prominence to the institutional arrangement rather than technical improvements and enhancements.

Two questions are defined with the technological environment, as it is seen from the Table 17., one of them is related with the change of the technological environment of the institutions for two periods; at the start and from the start to the present. The latter one is a direct question to learn about the perception of the professionals on technological environment.

For question 82, nearly 80 % of the participants reply as moderate and low about the change of technological environment at the start of the project. In addition, the change in technological environment is answered as very high and high by the all participants for the period of that from start the project until present. However, if 50 % of the participants are concerned; the change in technological environment by the contribution of WB project can be accepted as undeniable. In addition, the answers on the change of technological environment from the start of the project to the present as purely 100 % are understandable since the beginning year of 1995 for project is concerned. This is a clear and parallel change to the development in Turkey corresponding to the technological development in nationwide. Moreover, for question 93 about the general evaluation of the technological environment of the institutions, participants give the most answers of high and very high with a proportion of 90 %. As a result, it can be assessed that if the answers given to the question 93 and 82 are concerned altogether, the professionals evaluate the contribution of the project to the technological environment as slightly successful. As a result, the expectations

on the technological side are actually seen as sufficient and were somewhat met by WB.

7.2.1.3. External Political Environment;

In order to describe and assess the external political environment within which the institutions operate: with regard to the form of government (exceptionally perspective on the project), distribution of power, access to government resources and allocation decision, four questions (questions 83, 88, 90 and 92) were conducted. (see: Table 17, Appendix A., and B.)

The relief capability of WB in order not to be affected from the external political structure is seen unsuccessful because the answers given to the question 83 by almost 85 % of the participants are low and very low about the mitigation of impact due to the external political structure at the beginning of the project. However, after the five years from the finish of the project again the impact level of the institutions from the external political environment seems unchanged by the answers roughly 90 % as moderate, low and very low. The direct question 88 about the impact of external political environment is answered by 100 % as very high and high. So, from the start of the project to the present, the impact of external political environment seems very high and the project of WB could not relieve or find ways to mitigate the impact of external political environment. The creativity of the institutional policy of the project can be evaluated as unsuccessful because of the ignorance about the Turkish administrative and political structure although WB accepts the institutional arrangements in favor of the technological improvements. It stays as a paradigm when WB injects the projects into the nation-states' administrative structure because of the rigid and unique structures of the nation-states.

In addition, nearly 60 % of the participants admit the accessibility of government resources is acceptable by the reply of high and moderate. Of course, the national and international economic environment can not be thought as separate if their impact on the institutions is concerned, almost 80 % of the participants verify by the mostly given answers to the question 92.

7.2.1.4. Economic Environment;

For the **assessment of the economic environment within which the institution operates**, GDP, inflation, growth, debt, IMF conditionality, wage/price structure, community economics, hard currency access, government funding distribution and their overall effects to the project results and institutions, two questions were asked that one of them is above referred with the evaluation also on external political environment question 92 and the latter one is the question 87 (see: table 17).

Purely 100 % of the participants comment on the economic environment with the terms of poor economic conditions.

7.2.1.5. Major Stakeholders;

The description and assessment of the major stakeholders of the institutions is one of the most important criteria to analyse the institutional environment for clarifying what the components of the institutional structure and what the effect, weight, mission and responsibility of clients, donors, beneficiaries, volunteers, governmental and nongovernmental bodies and other institutions are. On this subject, five questions (questions 84, 85, 86, 89 and 91) were asked to the participants (see: Appendix A., B. and Table 17).

The institutions' relations with clients and other beneficiaries is evaluated as very high by almost 65 % of the participants as taking into consideration of 100 % answers were given by the terms of very high, high and moderate to this question. These percentages are crucial by concerning that this question was directed to various professionals from different institutions included in the project. The question 84 is evaluated with question 85 by enlarging the scope from clients and beneficiaries to the institutions, however the replies do not changes, in fact at all, by a proportion of almost 95 % of the participants. Also the answers given to the question 84 was tested by the answers given to the question 89. Almost with the same distribution, 100 % of the participants answered the question with the terms of very high and high.

The subject on relations was verified with question 86 pertaining to the governmental bodies. Nevertheless, the proportions decreased to roughly 40 %

with the most answers of very high, by a different perspective if the answers given as high, besides the answers of very high are considered, exactly 70 % of the participants reply this question with the responds of very high and high.

With regard to major stakeholders, 91 is the crucial question of over all questions conducted due to including just the major stakeholders. Almost 65 % of the participants evaluated the change as moderate at the start of the project. However, for the time period from the start to the present, the change about the relations with major stakeholders is mostly explained with the terms of high and very high by a percentage of roughly 80 %.

Although it is not efficient to measure governance environment within which the institution operates, if solely the relations is concerned, the relations with the clients, beneficiaries and other institutions is assessed as more successful than the relations with the governmental bodies. The reason, especially mentioned by the professionals is that it is about the structure of the central government due to the high dependency to the central governmental bodies even about the decisions related with their local authority area. In other words, the legislative environment makes the relations with the governmental bodies slightly weak because of the legislative authorities of the central governmental bodies in the local areas. In addition, WB can not yield required remedies to overcome these difficulties; naturally, it is too difficult in a rigid central administrative structure.

If the whole answers about the institutional environment of the project is concerned, administrative and legal environment within which the institutions operate are separated with an absolute line. On the one hand the policy and regulatory framework interpreted as insufficient while the technological environment also seems not to meet the expectations. On the other hand, according to the participants, economic and external political environment are accepted as major impact area on project but the relief by the project proposals are not sufficient. However, the relations with the major stakeholders assumed as satisfactory for the efficient and effective functioning of the institutions.

7.2.2. Institutional Motivation of AWSSP

The category of institutional motivation forms another part of the institutional assessment with the criteria of history and mission of the institutions. The findings about this category give crucial information in order to assess the sustainability, experience, and knowledge accumulation, changes in the inner structure as a result of the external and internal factors.

Thirteen questions (see: Appendix A., B. and Table 18) were asked to the participants on institutional motivation as a part of institutional assessment method. Six of these were pertaining to the evaluation while the other seven questions were related to the change in the institutional motivation perceived by the participants.

7.2.2.1. Institutions' History;

On institutions' history, questions envelopes the historical achievements, milestones, major struggles, changes in size, growth, programs, leadership and structure and, the associations with other donors. Only in this category two questions (see: Appendix A., B. and Table 18), were directed to the contributors to detect about the major struggles and milestones of their institutions without applying two other style of questions on evaluation and change (questions 11 and 12).

In other words, on these subjects, the question type was open-ended without giving any limitation to the participants.

Nevertheless, WB projects are not accepted as a major struggle or milestone by professionals i.e. contributors do not use any hints of being milestone or struggle connected with the projects. Moreover, while asked them about the projects' impacts on institutional milestone and struggles, they replied the question with a definite answer of "No".

Again for the scope of institutions' history, related with the Changes in Size, Growth, Programs, Leadership and Structure, two questions were enquired; 9 and 10. (see: Appendix A., B. and Table 18)

About the question on the change in structure, at the start of the project, roughly 80 % of the participants replied the question with an answer of moderate

and low. However, around 70 % of them gave the answer of moderate and low change in the structure for the period; from the start of the project to the present. Although there is a slight difference, it is interesting that it was the first time for admitting of WB's contribution to the institutions since the answers with regard to the change in structure by WB's project was higher than the evaluation of the present status.

For the verification of the replies to the question 9, the 10th one is useful by elaborating the question with the terms of size, growth and leadership. For the beginning of the project, nearly 65 % of the participants answered the question on change in size, growth and leadership as very low, since the roughly 60 % of them replied again the question from the start of the project till present, with the answer of very low. It verifies the answers given to the question 9 that WB's contribution to the change in size, growth and leadership is admitted as slightly lower than the present evaluation of the participants. It can be also assumed from the results that professionals admit the influence of WB's project on the change in structure especially about the change in size, growth and leadership. In other words, the finding from these questions is only about the change in structure about the change in size, growth and leadership that there was provided a slight change on structure by the beginning of the project. Here the term change in size can be thought with the inner arrangements in the institutional structure in order to employ some personnel in the project, and the employment of new specialized personnel within the institutions for the achievement of the project. The change in growth is perceived with the shift in the mission and goals of the institution by means of a specialized project in a distinct interest area. This specialization is accepted as a growth by the participants. In addition, the change in leadership is explained by becoming a part of WB project and gaining priority against other institutions serve in the same sector.

The questions on donors, actually, may be evaluated with the other inquiry areas directed to the participants within the questions corresponded to the institutional environment. Because of this reason and concerning the thesis' subject, questions on donors was shifted to the subject on the relations with the other partner institutions. The questions are 13 and 14 (see: Appendix A., B. and Table 18).

Concerning the question 13 on the change about the relationships with other partner institutions during the periods; at the beginning and from the start of the project to the present; the answers were the same for both time periods with almost 80 % reply with the answers of moderate and low. In fact, the arrangements in relationships with the institutions, because of the requirements and the functioning of the project, seem in acceptable level by the contributors.

Moreover, for the evaluation corresponded to the achievement of the relationship with partner institutions for present was answered with the replies of high and moderate with almost 85 % proportion of the professionals. In fact, the answers given in the category of institutional motivation on the relationship with other partners are similar to the answers given in the category of institutional environment about the relationship with the stakeholders, other institutions, beneficiaries etc.

7.2.2.2. Institutions' Mission;

The other assessment under the category of institutional environment is pertaining to the questions on institutions' mission. The questions are 1 and 3 (see: Appendix A., B. and Table 18). These are related with the evolution of the mission and the role mission in shaping organization. Naturally, approximately 80 % of the participants answered the question on the evaluation of success of institution in the achievement of its mission with the answers of high and very high due to their responsibility in their institution as being high position.

With regard to the change of the institutions' mission, participants pointed out a slight change by the start of the project with a proportion of almost 30 % with a reply of low but nearly 65 % with the answer of very low. For the time period since 1995, the question on evaluation of the change in mission was replied with the most answers of high and moderate by the proportion of almost 65 %.

If it is evaluated with the questions of 1 and 3, the question 8 makes clear the change in the role of institution for both periods (see: Appendix A., B. and Table 18);

Roughly 80 % of the answers were about a low and very low change in the role of institution. However, the three participants were not from the

municipalities or province special administration answered this question with a reply of moderate change in the role of institutions. Actually, it exhibits the impacts of the project especially on the specialized institutions in other words, the impact of the project on water supply and sewerage authority's role was higher than the municipalities and province specialized administration.

About the sub-heading of the institutional goals, four questions were directed to the professionals (see: Appendix A., B. and Table 18); question 2, 4, 6 and 15.

Almost 85 % of the participants evaluate their institution as successful in the achievement of institutional goals, actually, for this question; the evaluations of professionals can be assessed as subjective because of their high position in the institution. In the question 6, the cover of the question was changed slightly by shifting the enquiry by focusing on the success of the role of institution; however the percentage of answers were approximately 93 % by the reply of high and very high so it verifies the answers given to the question 2.

Another evaluation question is corresponded with the assessment of the significance of the institution in the realization of the mission by taking into consideration its public duty; professionals answered the question of 15 about this subject with a definite answer of high and very high by a proportion of 100 %.

The 4th question is crucial for the assessment of the impact of the project on the change of institutional goals, the replies about the perceptions of the professionals on the effect of WB's implementation was almost 85 % with the answers of low and very low about the change in institutional goals. This perception is actually because of accepting the project as a part of their duties and responsibilities.

Intended for the types of service and research, two questions were directed to the participants; 5 and 7. (see: Appendix A., B. and Table 18).

About question 7, almost 80 % of the participants evaluate their institution as successful in the research and contribution of their institution. However, by the start of the project, again, almost 80 % of them gave the most answers of low and very low with regard to the change in research, production and contribution of the institution. If it is evaluated with the answers given in the category of institutional environment, there comes a result that project does not meet the expectations of professionals both in the technical and institutional perspective. However, the

success is limited with the equipment contribution to the institutions covered by the project not directly used in the implementation of the project. Moreover, if the change from the start of the project to the present is concerned, the answers move to the reply of moderate and low with a proportion of nearly 65 %.

Although, there is no change is observed in the roles, duties, responsibilities and contributions of the institutions, it is found that the crucial contribution of the project to the institutions is related with the change in structure and a slight favor of the increasing relations with other partner institutions.

If the whole answers about the institutional motivation of the project are concerned, the contributions of WB's project are not accepted as being a milestone or a major struggle for professionals. While carrying out their duties and responsibilities determined by the related laws, the participants seem giving subjective replies for defending their institution due to their high position in the organization. Nevertheless at the point of the assessment of the project, the impacts of WB are observed as slightly successful in the change of the structure. The last additional statement to say is the more impact of the project on more specialized institutions than the municipalities and province special administration having much more duty and responsibilities rather than just urban service provision.

7.2.3. Institutional Capacity of AWSSP

As it is explained in chapter 5, the category of **institutional capacity** underlies institutions' performance. It comprises six interrelated criteria which are strategic leadership, human resources, core resources, program management, process management and inter-institutional linkages with their strengths and weaknesses. The whole institutional capacity of the project was queried with forty questions that twenty one of them was related with the evaluation and nine teen of them was corresponded with the change. (see: Appendix A., B. and Table 19).

7.2.3.1. Strategic Planning Capacity;

The strategic planning with its strength and weaknesses within which the institution operates was queried by the questions on Leadership (setting direction, supporting resource development, ensuring tasks are done), Strategic Planning (scanning environment, developing tactics to attain objectives, goals, mission), Structure (roles and responsibilities, coordinating systems, authority systems, accountability systems), Niche management (area of expertise, uniqueness, recognition of uniqueness).

On leadership, four questions were asked to the participants (questions 16, 18, 25 and 38), however the question 38 is the common one for all criteria of the institutional capacity, and the question 25 is the general one for the sub-criteria of the leadership; (see: Appendix A., B. and Table 19).

Roughly, 90 % of the participants evaluate the effect of the project to the leadership in strategy as low or very low. Here the term of leadership was explained to the contributors as the capacity of setting direction, supporting resource development and ensuring tasks are done. While the change from the start till present was asked, the answers moves to the moderate and low with a proportion of almost 60 %. If the question is directed in the other type with a special prominence to the strategic planning capacity of the institution, the replies shifts to nearly 85 % as high or very high capacity. Without giving any time schedule in question 18 by asking the leadership capacity in strategy of the institution, the answers are quite distinct with the almost 80 % of the participants' answers by high and very high. Therefore, in increasing capacity for leadership, the project is assessed by participants as not meeting the expectations. The most answers about the strategic planning capacity and overall institutional capacity of the institutions are subsequently almost 50 % by very high and 85 % by high and very high. As an overall evaluation, according to the answers of the participants, there is no observed contribution of the project about increasing leadership capacity. However, it should not be confused with the term of leadership under the category of institutional motivation.

With regard to the strategic planning capacity by a definition of capacity on scanning environment, developing tactics to attain objectives, goals and mission, two different questions which should be assessed with the answers

given to the questions 25 and 38, were asked (see: Appendix A., B. and Table 19).

On the contrary to the given answers on the subject of leadership, for the change in strategic planning capacity, the most answers about the evaluations are moderate and high, respectively 36 % and 30 %. For present, the replies are conspicuously high and very high with a total proportion of almost 70 %. Nevertheless, for the start of the project, the change in the capability on developing tactics to attain objectives, answers are distinctly very low with almost 85 %. On the other hand, for the question on developing tactics from the start of the project to the present, this time, roughly 85 % of the participants gave the answers of high and very high. As a result, the project seems supporting the strategic planning capacity of the institutions by scanning environment, developing tactics to attain objectives, goals and mission, although it is evaluated as unsuccessful in meeting expectations about the developing tactics.

About the governance capacity on legal framework, decision-making process, methods for setting direction, external links, three questions were directed; 20, 21 and 26. (see: Appendix A., B. and Table 19).

For decision-making process, the proportions of the answers related to the time periods; “at the start of the project” and “from the start to the present” are, respectively, almost 65 % of participants’ reply; very low and again, 65 % of them; moderate and low. For participation again with the same sequence, the answers are 36 % moderate with the most reply in the same way, and again almost 35 % with the answer of moderate. However in the latter case, more of the answers are in the side of moderate and high. About the decision-making process capacity, participants answer the question with the terms of high or very high by a proportion of almost 90 %.

As an overall evaluation for the governance capacity under the category of institutional capacity, the project seems meeting expectations on increasing participation and relation with other stakeholders but there are problems in decision-making capacity.

On structure with the roles and responsibilities by coordinating, authority and accountability systems, two questions were directed; 17 and 19 (see: Appendix A., B. and Table 19).

Most of the answers given about the change by the project related to the structure and roles and responsibilities of the institutions are very low with almost 65 %. Since the beginning of the project, the change on this subject was assessed with the term of high by the most answers in the proportion of roughly 40 %. About the evaluation of the importance of the roles and responsibilities of the institutions, participants gave the most answer of very high with the proportion of almost 80 %.

About the niche management with the definition of capacity on area of expertise, uniqueness and recognition of uniqueness, questions 24 and 27 were requested to the partakers; (see: Appendix A., B. and Table 19).

Participants give high significance to the area of expertise of their institutions, on the question about the change in area of expertise by the start of the project was answered with the term of very low by almost 85 % of the participants. In addition, if the time period from the start till present is concerned, the answers is enhanced again with the very low by a percentage of 60 %, however, this is just because of the long period time, moreover, if the answers given with the terms of low and very low are concerned, proportion of the replies are distinct by almost 90 %. As the question is directed about its evaluation, replies are high or very high with 100 %. If the answers given to the questions 17, 19, 24 and 27 are considered, there is no contribution of WB to the niche management and structural capacity.

Under the category of institutional capacity, all answers given to the criterion of strategic planning capacity are concerned, on leadership, project seems not to meet the expectations, while some success can be awarded in the category of strategic planning and governance, parallel to the answers given to the questions in the criteria of institutional environment and motivation that governance capacity of the institutions are evaluated as successful by the participants. In addition, the achievement in the governance capacity provided by the project can be assessed as successful. However questions on niche management stay no influential because the projects are prepared according to the area of expertise and expected to be carried out by them.

7.2.3.2. Human Resource Capacity;

With regard to **the human resources with its strength and weaknesses**, the category includes two areas on Human Resource Planning (recruiting, selecting, and orientation) and Training and Professional Development (performance management, monitoring and evaluation, Equity, Compensation, Career Management).

On human resource planning, two questions were asked to the participants; 28 and 36 (see: Appendix A., B. and Table 19).

About the contribution of WB on human resource strategy, answers intensify on the term of very low by almost 90 %. The same percentage was obtained for the time period since the beginning of the project but with the answers of moderate and low. Moreover, the human resource planning capacity of the institutions was answered with the expressions of moderate or low by roughly 85 %.

With regard to the training and professional development, one other question was asked to the partakers; question 37. (see: Appendix A., B. and Table 19).

On the contrary to the replies given to the human resource planning capacity, the professional development capacity of the institutions was appraised, mostly, with the idioms of very high and high.

The answers given related to the human resource strategy are concerned; professionals assess a serious deficiency in human resource planning not just by the project but by the human resource capacity of their institutions. In the side of professional development capacity, they trust to transferring of working tradition among their staff in institutions. According to their evaluations, problems corresponding to the human resource starts with the being employed of a personnel and it includes a wide range of problem area from the selection to the training. Training is perceived as useful when it is made on the job.

7.2.3.3. Core Resource Capacity;

The other assessment under the heading of institutional capacity is pertaining to the questions on **core resources with its strengths and weaknesses**. This category includes Infrastructure (facilities, equipment, maintenance systems, utilities), Technology (information, communication technologies, levels of technology needed/acquired to perform work) and Finance (Planning, managing and monitoring, cash flow and budget, ensuring an accountable and auditable financial system).

About infrastructure related with the facilities, equipment, maintenance systems and utilities, two questions were asked; 30 and 33. (see: Appendix A., B. and Table 19).

The contribution of the project to the institutional capacity was evaluated as very low by 50 % of the participants. However, there are 4 professionals who gave the answer of moderate. Moreover, 80 % of them assessed the change as successful from the start of the project to the present. On the infrastructure capacity roughly 90 % of the participants gave the answer of very high or high for their institutions.

Concerning the technological capacity on information and communication technologies, levels of technology needed and acquired to perform work, questions of 29 and 34 were directed to the participants (see: Appendix A., B. and Table 19).

The technological support of WB was verified by the answers of moderate and low with the proportion of almost 70 %. Although the replies of moderate and low can seem as insufficient for this evaluation, if the answer related to the start of the project was taken into consideration, the shift of the answers from very low or low to moderate or low are remarkable. Again, the overall change in technological capacity from the start of the project to the present was in favour of high and very high by the proportion of almost 80 %. Moreover, the technological capacity of the institutions is evaluated as high by 50 % for question 34.

On finance with the related subjects on its planning, managing and monitoring, cash flow and budget and ensuring an accountable and auditable financial system, question 31 and 34 were requested in addition to the other pertaining questions (see: Appendix A., B. and Table 19).

Almost 80 % of the participants accepted the financial support of WB directly carried out by the project. On the other side, change from the start to the present was evaluated with the term of moderate by the most of the participants. Almost 80 % of the contributors assessed the financial capacity of the institutions as high or moderate since the increasing budget of the great municipality and their status in the institution they worked.

For core resources with the sub-headings of the infrastructure, technology and financial capacity, participants' assessment on finance and technology was sufficient to detect the effect of WB. However, in the point of infrastructure, expectations seem less met by WB. If the change from the start of the project to the present is concerned, the change in the technological capacity is more favorable than the other dimensions; in fact, it is parallel to the development in technological dimension in Turkey. It is mentioned by the representatives of sub-municipalities and provincial directories that there exist many problems in financial capacity by wide ranging from taxation to budget share.

7.2.3.4. Program Management Capacity;

Describing and assessment of **the program management with its strengths and weaknesses**; Planning (identifying needs, setting objectives, costing alternatives and developing evaluation systems), Implementing (adherence to schedules, coordination of activities) and Monitoring (systems for evaluating progress, communicating feedback to stakeholders) were queried.

About the planning capacity corresponding to the capability of identifying needs, setting objectives, costing alternatives and developing evaluation systems, question 41 and 42 were examined; (see: Appendix A., B. and Table 20).

Related to the start of the project, almost 80 % of the partakers appraised the change in planning capacity as moderate or low, in addition, from the start of the project to the present, roughly 80 % of them evaluated the change with the terms of very high or high. On the present evaluation of planning capacity, nearly 85 % of them used the terms of very high or high.

Corresponding to the implementing about the adherence to schedule and coordination of activities, two questions were asked to the participants; 32 and 39. (see: Appendix A., B. and Table 20).

Almost 85 % of the participants gave the answers of low and very low about the change in implementation capacity at the start of the project, however, it is symmetrical for the time period from the start to the present by again with the percentage of roughly 85 % with the answers of high and very high. If the capacity on adherence to the schedules is concerned, at the start of the project, change was mentioned with the replies of high and very high by almost 65 %. It is remarkable to stress on the impact of WB about the institutions' adherence to schedules to carry out the duties at the proper and distinct time. However, for the present situation, it is in debate by the mostly answers of very high or low, because 5 professionals gave these answers by reflecting the confusion.

With regard to the monitoring capacity related to the systems for evaluating progress and communicating feedback to stakeholders, question 40, 43 and 44 were inquired; (see: Appendix A., B. and Table 20).

About the monitoring capacity, there is a visible change by the start of the project with the most answers with moderate and high. However, when the change in monitoring capacity from the start of the project to the present is inquired the answers move to the moderate and low with a proportion of almost 70 %. For the question of 43, nonetheless, almost 80 % of the participants evaluate their institutions' monitoring capacity as high or very high. In fact, the answers are stands as unsatisfactory by not verifying the answers given to the question 40 for the time period from the start of the project to the present. On the coordination of activities, roughly 80 % of the participants evaluate their institution high and moderate in the capability of coordinating activities.

If the all answers are taken into account as a whole for the sub-heading of program management capacity, in monitoring capacity, the impact of WB and the change by the start of the project is visible. However, there always exists problem in monitoring both in the national and inner dynamics of the institution. For planning activities, professionals assess the institutions as successful, but the impact of the project seems unsuccessful to meet the expectations. In implementing, the outer control

of WB is clear, but it is revealed in the next parts and in the Conclusion, whether this effect brought the achievement or not.

7.2.3.5. *Process Management Capacity;*

On **the process management of the institutions with their strengths and weaknesses**, Problem-Solving and Decision-Making (defining problems, gathering data, creating alternatives, deciding on solutions, monitoring decisions), Communications (exchanging information, achieving shared understanding among organizational members) and, Monitoring and Evaluation (generating data, tracking progress, making judgments about performance, utilizing information, changing and improving organization, program, etc) were examined.

For problem-solving and decision-making related with the defining problems, gathering data, creating alternatives, deciding on solutions and monitoring decisions, two questions were examined; 50 and 52. (see: Appendix A., B. and Table 20).

Almost 85 % of the participants evaluate their institutions' problem solving mechanism capacity as high or moderate. The same proportion assesses the capacity of the institution; they worked, on creating alternatives as very high or high. However, these answers do not give sufficient hint if the participations' status in the institution is concerned.

With regard to the communication pertaining to the exchanging information and achieving shared understanding among organizational members, the question 38 which is the common for all sub-heading was inquired. As mentioned above for the question 38, the overall institutional capacity was favored by almost 85 % of the participants.

About the monitoring and evaluation unlike to the questions asked under the sub-heading of the program management, three questions were directed to the participants; 45, 46 and 55. (see: Appendix A., B. and Table 20).

The question 45 was answered mostly by the terms of moderate and low with a proportion of 80 % for the start of the project and the answers do not change if the time period is shifted as from the start of the project to the present. According to the participants, if the most given replies are considered, the evaluation capacity of the institution was changed in moderate by nearly 35 %

answers at the start of the project. In addition, 50 % of them believe that from the start of the project until present, the evaluation capacity of the institution changed in very high. While directing the questions, the evaluation capacity was explained with the terms of capacity on generating data, tracking progress, making judgments about performance, utilizing information, changing and improving organization and program to the participants. On utilizing information, the capability of institutions is mostly appraised as very high or high with a proportion of almost 80 %.

If the overall answers given for the criterion of the process management capacity of the institutions are regarded, it is observed that in problem-solving and decision making, institutions evaluates their own as less experienced than in communication capacity. Monitoring and evaluation capacity is observed as increased by the project; the deficiencies in these dimensions are parallel to the deficiencies in the program management capacity.

7.2.3.6. Interinstitutional Linkage Capacity;

With regard to **inter-institutional linkages with its strength and weaknesses**, the criterion includes three sub-headings on Networks (type, nature, number; utility, recruitment of appropriate members, coordination, participatory governance, management structure, technology, donor support, participation of national research systems, cost-benefit, sustainability), Partnerships (type, nature, number; utilization, cost-benefit, needs met, sustainability) and External Communications (type, nature, number; utilization, frequency, cost-benefit, needs met).

On the network capability regarding the subjects of type, nature, number; utility, recruitment of appropriate members, coordination, participatory governance, management structure, technology, donor support, participation of national research systems, cost-benefit and sustainability, four questions were asked; 47, 48, 50 and 53. (see: Appendix A., B. and Table 20).

By the beginning of the project, the change in the relations with the other partner organizations is evaluated with the answers of very low or moderate. There is an idea opposition for this question while some believe a lasting relation

before the project; however, others believe new established relations by the start of the project.

However, when the scope of the question was shifted regarding the nature of the relation, almost 80 % of the professionals answer the question by a reply of high or moderate. As parallel to the answers given about the question correspondent with the relationship with other partners, the proportion increases in the favor of high and very high for the time period of from the start of the project till present. The proportion for the question 47 is roughly 80 %. For the same time period, about the change in nature of relation, again, the percentage 80 % with the answers of moderate and high.

For question 50, the problem-solving mechanism capacity of the institution, partakers mostly give the answers of moderate or high by nearly 85 %, while evaluating the decision making mechanism of the institution as high or very high by almost 70 %.

Regarding the partnerships correspondent with the subjects of type, nature, number; utilization, cost-benefit, needs met and sustainability, in addition the questions directed in the criterion of network capability, the question 52 was asked to the participants. (see: Appendix A., B. and Table 20).

The question 52 is sufficient if it is handled with the answers given to the sub-heading of network capacity, the answers are mostly very high or moderate for this question.

About the external communication, beside the questions asked for this sub-heading of the inter-institutional linkages, question 49 and 51 was asked to the professionals. (see: Appendix A., B. and Table 20).

The answers are consistent with a proportion of almost 80 % for the evaluation on communication of the institution with stakeholders.

If all answers given for the criterion of inter-institutional linkages are considered, the all relations of institutions are accepted as sufficient by admitting the changing nature of the relations at the start of the project.

With regard to the overall evaluation of the institutional capacity category, it is observed that the project has a contribution to strategic planning capacity, financial capacity under the criterion of core resources, adherence and monitoring capacity under the criterion of program management, monitoring and evaluation capacity under the criterion of

process management with a special impact on utilizing information and information exchange and flow, with partners, and the nature of relations under the criterion of inter-institutional linkages. However, there are problems in the criterion of human resource capacity. The chronic obstacles also continue in creating difficulty about the program and process management, the sustainability of the monitoring and evaluation activities.

7.2.4. Institutional Performance of AWSSP

The category of **institutional performance** forms another part of the institutional assessment with the criteria of effectiveness in mission, efficient resource using and institutions' relevance over time. This heading is significant to diagnose the institutions by analyzing the efficiency, effectiveness and relevancy to stakeholders of institutional structure shaped by the project or a program. It also concentrates on how effective the institution in moving toward fulfillment of its mission by focusing on research, teaching, service performance and policy influence on performance. Administrative system efficiency is analyzed by the question of how efficiently resources are used. Naturally, for the comments on sustainability of institutions are queried with the keeping relevancy over time by taking attention to the program revisions, adaptation of mission, meeting stakeholders needs, adapting to environment, sustainability over time and entrepreneurship. The assessment of performance provides hints about how institution performs well to be successful in the implementation of the project.

Twenty four questions (see: Appendix A., B. and Table 21) were directed to the participants on institutional performance as a part of institutional assessment method. Twelve of these were pertaining to the evaluation as the other twelve questions were related to the perception of the change in the institutional performance.

7.2.4.1. Effectiveness in Mission;

About the criterion of **effectiveness in mission**, questions take account of the sub-headings of Research Performance (major achievements, general level of research productivity defined according to the institution's mission and values, utilization of results), Teaching Performance (training researchers, serving clients' learning needs), Service Performance (development of community activities, support to research community, transfer technology) and Policy Influences.

Research performance was queried with two questions; 56 and 60. (see: Appendix A., B. and Table 21).

For the question 56, the most answer was moderate by a proportion of almost 40 % about the change in research performance for the start of the project. Intended for the period, from the beginning of the project to the present, the most answers about the change were very high and high by nearly 64 %. The question was elaborated by the evaluation inquiry, so the most replies were distinct with 100 % by the answers of moderate, high or very high. However, the effect of the project is clear by giving special prominence to the research performance if the proportions of answers given to the other questions are considered.

Teaching performance was examined with three questions; 57, 61 and 75. (see: Appendix A., B. and Table 21).

The change in the teaching performance of the institution was replied with the most answers of moderate by the 50 % of the participants for the start of the project. About the change since the beginning of the project, the most answers were high with a proportion of 50 %. The differences between two answers are related with the changing teaching technologies correspondent with the development in the teaching technology and materials. For the question 61, the answers enrich the replies given to the previous one with the proportion of 50 % by the term of very high. The in-depth interviews also reveal the idea of trusting institutional tradition about the transferring experience to the newcomers. The most answers to the question 75 is very high with a proportion of almost 80 % of the participants which is slightly higher than the CWSSP.

The questions of 58 and 62 were directed to the participants to learn about the evaluations on service performance; (see: Appendix A., B. and Table 21).

For the start of the project, the service performance was mostly answered by the term of moderate with almost 35 % of the participants. This same proportion moves to the reply of very high for the period of; from the beginning of the project to the present. By the proportion of almost 70 % of the professionals gave the answer of very high for the today's service performance of the institution. In addition, most of the professionals perceive the service performance efficient and effective.

For policy influence two questions were directed to the partakers; 59 and 63. (see: Appendix A., B. and Table 21).

Also the questions in this section can be evaluated with the answers given to the questions in related section for institutional environment. For this sub-heading, roughly 65 % of the reply was very low about the change on the influence of the institution by the political decisions. The same question for the period from the start of the project till present was replied, again, by the most answers of very low with nearly 70 %. In addition, the most answers for the evaluation for this influence was almost 70 % with the term of very low. Policy influence performance of the institution both by the project and by the inner dynamics of the institution was evaluated as very low y the participants. The institutions are clearly not resistant to the policy influence.

If overall answers given about the effectiveness in mission is considered, the change in service performance is perceived as moderate as the change in research performance. Teaching performance is much more related with the inner capacity of the institutions while the resistance to the policy influence is very low. There is an upgrading in teaching, research and service performance by the project. However, the service performance is the best one compare to the others due to the support from the inner dynamics of the institution.

7.2.4.2. *Efficient Resource Using;*

With regard to **the efficient resource using**; staff productivity (turnover, absenteeism, and research outputs), clients (program completion rates, long term association with institution) and administrative system efficiency are queried. By concerning about the thesis subject, although it is a part of the assessment, stretching the financial allocations was not questioned in this section.

For both **staff productivity and administrative system efficiency**, four questions apiece were asked to the participants; 64, 65, 72 and 73. (see: Appendix A., B. and Table 21).

Questions 64 and 73 for requesting **staff productivity** were answered by the most answers of moderate with almost 43 % for the start of the project; by the most answers of high with roughly 40 % for since the start of the project, and by the most answers of high with 50 % for the general evaluation of the staff productivity. This proportions reveals the trust to the staff productivity however, the lack of experience for staffs are often expressed by the professionals. Some others focus on the staff inefficiency about the division of duties and responsibilities among the staff. In addition, the more experienced staff were placed in the project that commonly mentioned by the partakers.

The questions of 65 and 72 for examining the change in **the administrative system efficiency** were replied by the most answers of moderate with almost 43 % for the start of the project; by the most answers of high with roughly 40 % for since the start of the project, and by the most answers of high with nearly 40 % for the general evaluation of the staff productivity.

If the answers given to the other questions asked for the other institutional assessment categories are concerned, the effect of the project on the administrative system efficiency and staff productivity seems moderate and satisfies the expectations. About the density of the answers in favor of the high about the staff productivity is because of the use of more experienced staff in the project.

7.2.4.3. *Institutions' Relevance over Time;*

About the institutions' relevance over time; program revisions, adaptation of mission, meeting stakeholders needs, adapting to environment, reputation, sustainability over time and entrepreneurship are examined with various questions.

For program revisions, two questions were asked to the participants; 71 and 78. (see: Appendix A., B. and Table 21).

About program revisions, WB seems carrying out the duty of guidance by the expressions of the participants during the interviews and the most replies of moderate with the proportion of roughly 40 %. However, the answers from the start to the present move to the low with the same proportion. It is clear that by the completion of the project, institutions can not provide the continuity in the achievement of the program revision performance. For evaluation question, the answers were mostly moderate by a proportion of nearly 35 %.

About the adaptation of the mission, question 67 was requested; (see: Appendix A., B. and Table 21).

On the performance of adaptation of missions of the institutions, partakers reject the contribution of the project by a proportion of almost 65 % with the answer of very low. Concerning on the change since the start of the project, the question was replied with the term of high by almost 40 %. It is related with the perception of the mission of the institution parallel to the mission defined with the project.

With regard to the meeting stakeholders' need two questions was inquired; 66 and 77. (see: Appendix A., B. and Table 21).

For meeting performance of the institutions to the needs of stake holders, again, the contribution of the project was rejected by the most answers of very low with roughly 65 %. With regard to the time period; since the start of the project till today, the most answers shift to the high by a proportion of nearly 40 %. 85 % of the participants gave the answer of very high for the evaluation of the institutions' performance on this subject.

On adapting the environment which should be handled with the answers given to the institutional environment, question 68 and 76 were requested. (see: Appendix A., B. and Table 21).

For question 68, most replies were almost same with the term of moderate by almost 40 % both for the start and for the time from the start to the present. However, for general evaluation the proportion shifts to the high by almost 60 % of the partakers.

To diagnose the sustainability over time, question 69 and 74 were asked to the partakers. (see: Appendix A., B. and Table 21).

Performance of sustainability was described with the expression of very low both for two periods. However, for the evaluation of the institutional sustainability over time the answers dense around high by approximately 60 %. The answers for question 69 were perceived by the project's targets survival while the latter one is identified with the institutions' survival with their own existence around their defined missions and vision.

In relation to the partnership, question 70 and 79 were examined. (see: Appendix A., B. and Table 21).

Partnership related questions are again answered with high proportions on the favor of institutions. For performance of entrepreneurship, by the project the change was expressed by the most answers of moderate by almost 43 % of the participants. From the start of the project to the present, the change in the performance was mentioned with the mostly used term of high by the 35 % of the partakers. About the general evaluation of the institutions' performance on entrepreneurship, the replies were high by roughly 60 % of the professionals.

About the institutional assessment category of institutional performance, effectiveness in mission is evaluated by the more success in service and research performance by project while teaching performance is attributed to the success of the institutions' own dynamics. Policy influence is high and not being removed by the project. Efficient resource using is evaluated by the development in administrative system efficiency over time while the staff productivity is approached by suspicious appraisals. Institutions' relevance over time can be in favor of the institutions' own missions nevertheless, the contributions by the projects are assessed as not being sustainable over time. In addition, institutions regardless of the project's contribution are perceived as being satisfactory to meet the needs of the stakeholders. About the institutions' relevance over time, the projects' contribution is observed in the adaptation of

environment. However there are always problems about the sustainability of the institutions while carrying out their duties, roles and responsibilities.

7.3. Evaluation of the Cesme-Alacati Water Supply and Sanitation Project (CWSSP)

In this part, the questions for each category, criteria and sub-headings of the institutional assessment method can be seen in Appendix A., C. and Table 17, 18, 19, 20 and 21.

7.3.1. Institutional Environment of CWSSP

The category of **institutional environment** encloses the evaluation of criteria about administrative/legal, technological, external political, economic and social/cultural environment and the assessment of major stakeholders of the institutions revised or established within the proposals of WB project. As it is explained in part 7.2.1., The evaluations made below in these parts are briefly given with the findings from the questionnaire and interviews however the results, comments, suggestions and critics of the detailed elaboration of the institutional assessment is given in part 7.4. and the chapter of Conclusion.

7.3.1.1. Administrative and Legal Environment;

The administrative and legal environment within which the institution operates was queried by the questions on policy, legislative, regulatory and legal dimensions; 80, 81, 94 and 95. (see: Appendix A., C. and Table 17).

The question 80 on the change of administrative environment at the start of the project was replied with a definite answer of “very low”, by almost 80 % of the participants. However, the proportion of the most answers related with the change for the period from the start of the project to the present on administrative environment was almost 40 % of the participants who says moderate, and almost 90 % of the participants replied the question with the terms of moderate, low and

very low. The answers given for this question is almost same with the answers given for the same question about the AWSSP.

The question 81 on the change of legal environment at the start of WB project was mostly answered with a proportion of almost 65 % by the answers of moderate or low. Though, nearly 40 % of the participants answer as moderate corresponded to the questions related with the change in legal environment from the start of the project to the present. The answer for the latter defined period is lower than the answer given to the AWSSP.

On the impact of administrative environment for the effective and efficient process of the institution, the mostly answers of the question was almost 90 % with the reply of high and moderate, while the reply for the impact of the policy environment was almost 95 % moderate, low and very low. Answers are almost same with the replies for the AWSSP.

The only difference between the AWSSP and the CWSSP is about the answers given about the change in legal environment for the time period from the start of the project to the present that the change in the AWSSP is accepted as higher than CWSSP. The contracts and related agreements on projects to form the legislative base are evaluated as more successful than the CWSSP. In addition, the achievement of the legislative frame for the AWSSP is also accepted as one of the most important dimension of this project.

7.3.1.2. Technological Environment;

With regard to the assessment of technological environment, infrastructure, utilities, technological literacy, information technology and links to national issues related with the technological dimension is examined.

Two questions (82 and 93) are defined with the technological environment, as it is observed from the below, one of them is related with the change of the technological environment of the institutions for the time periods; at the start and from the start to the present. The latter one is a direct question to learn the observation of the professionals on technological structure of the institutions they are working. (see: Appendix A., C. and Table 17).

For question 82, nearly 90 % of the participants reply as moderate and low about the change of technological environment at the start of the project. In

addition, the change in technological environment is answered with the terms of very high and high by almost 85 % of the participants for the time period; from the start to the present. However, if the 50 % of the participants are concerned; the change in technological environment by the contribution of WB project is undeniable. Moreover, the findings from the both projects are almost same, although the only difference exists about the general evaluation of the technological environment for present. The values for the AWSSP are higher than the CWSSP since Antalya as a region places in a Metropolitan district with having more technological opportunity than Cesme and Alacati.

7.3.1.3. External Political Environment;

For the assessment of the external political environment within which the institutions function: pertaining to the form of government (exceptionally perspective on the project), distribution of power, access to government resources; allocation decision, four questions were conducted; 83, 88, 90 and 92. (see: Appendix A., C. and Table 17).

The contribution of WB project for not being affected from the external political structure is seen unsuccessful because of the answers given to the question 83 by the answers of 100 % low and very low change. However, after the five years from the finish of the project again the impact level of the institutions from the external political environment seems unaffected by the answers roughly 80 % as very low. The subject about the general evaluation of the impact of external political environment is mostly answered by almost 80 % with the term of very high.

Besides, nearly 90 % of the participants admit the accessibility of government resources is intolerable by the reply of low and very low. This is explicitly reverse answers of the AWSSP. In addition, almost 85 % of the participants sharply verify the impacts of national and international economic environment on the institutions with the term of very high by a proportion of almost 85 % to the question 92. The only difference between two projects are the answers related with the accessibility to government resources, again, it may be corresponded with the Antalya's status as being in a metropolitan district. Naturally, in Turkey, the districts and sub-municipalities within the boundaries of

resources than the small municipalities. Nonetheless, the findings are almost same for both projects about the favour and disfavour of WB project.

7.3.1.4. Economic Environment;

Intended for the assessment of the economic environment within which the institution operates: GDP, inflation, growth, debt, IMF conditionality, wage/price structure, community economics, hard currency access, government funding distribution and their general effects to the project results and institutions are queried, by taking into consideration the subject of the thesis, two questions were asked one of them is with the number of 92 and the other is the question 87. (see: Appendix A., C. and Table 17).

90 % of the participants remark the economic environment as poor and the answers are nearly same with the answers given for the AWSSP project.

7.3.1.5. Major Stakeholders;

The explanation and appraisal of the major stakeholders of the institutions is one of the most important parts to analyze the institutional environment to clarify what the components of the institutional structure and what the effect, weight, mission and responsibility of clients, donors, beneficiaries, volunteers, governmental and nongovernmental bodies and other institutions are. On this criterion, five questions were asked to the participants; 84, 85, 86, 89 and 91. (see: Appendix A., C. and Table 17).

The subject of the institutions' relations with clients and other beneficiaries is evaluated with mostly replies of very high by roughly 60 % of the participants. The question 84 is elaborated with the question 85 by enlarging the scope from clients and beneficiaries to the institutions; however almost the replies do not changes by a proportion of almost 60 % with the terms of very high and high. However, these values are lower than the proportions of the AWSSP. Verification to this subject was made with a question pertaining to the governmental bodies. Nevertheless, the proportions decreased to roughly 35 % by the most answers of very high, on the other hand, around 60 % of the participants reply this question

with the responds of very high and high. Moreover, the question 89 about the general evaluation of the relations with the clients was answered mostly by the terms of very high and high but with a slight lower proportion than AWSSP.

About the relation with major stakeholders, approximately 35 % of the participants' mainly remarks as moderate change at the start of the project. However, from the start to the present, the change about the relations with major stakeholders is explained with the term of high by a percentage of exactly 50 %.

The contribution of WB about the promoting relations with major stakeholders for both projects seems limited; in addition, there is no distinct difference between the answers given to each project on this subject. Moreover, as the strong dimensions of the projects are taken into account, the relations with major stakeholders can be accepted as successful.

If the whole answers about the institutional environment of the project are concerned, the accessibility to governmental resources is evaluated as not meeting the expectations. Moreover, the relations with the clients and beneficiaries are lower than the project of the AWSSP. On the one hand, the policy and regulatory framework interpreted as insufficient as the AWSSP. While the technological environment also seems not to meet the expectations, the ratios are lower than the AWSSP. On the other hand, according to the partakers, economic and external political environment are accepted as major impact area on project but the relief by the project proposals are not sufficient. However, the relations with the major stakeholders assumed as satisfactory as in the AWSSP.

7.3.2. Institutional Motivation of CWSSP

The category of "**Institutional Motivation**" shapes another part of the institutional assessment method with the criteria of history and mission of the institutions.

7.3.2.1. Institutions' History;

On institutions' history, simply two questions were asked to the contributors to identify about the major struggles and milestones of their institutions. These questions were 11 and 12. (see: Appendix A., C. and Table 18).

Nonetheless, for being a major struggle or milestone, WB projects do not seem having any effect on institutions according to the professionals. However, some of them mention about the struggles corresponded with the implementation of the project especially on adaptation to the schedule defined before the project.

In the extent of institutions' history, related with the Changes in Size, Growth, Programs, Leadership and Structure, two questions were enquired; 9 and 10. (see: Appendix A., C. and Table 18).

With reference to the change in structure by the start of the project, 50 % of the participants replied the question with an answer of very low. Yet, roughly 40 % of them gave the most answer of moderate change in the structure from the start of the project to the present. On the contrary to the AWSSP, the participants find the contribution of the project to the structure lower than the CWSSP.

In favour of the evidence of the replies to the question 9, the 10th one is functional by elaborating the question with the terms of size, growth and leadership. For the beginning of the project, nearly 60 % of the participants answered the question on change in size, growth and leadership as very low, the same as roughly 60 % of them replied again the question for the period; from the start of the project till present, with the answer of very low. These findings are same with the AWSSP, they verify the answers given to the question 9 that also for the 10th one WB's contribution to the change in size, growth and leadership is admitted as slightly lower than the present evaluation values of the participants.

The questions on the related partner institutions are 13 and 14. (see: Appendix A., C. and Table 18).

Concerning the question on the change about the relationships with other partner institutions at the beginning of the project, the most answers are almost 80 % reply with the answers of moderate and low while this proportion is roughly 60 % for the time period of that from the beginning of the project to the present.

Unlike to the AWSSP, the partakers admit the contribution of WB to the relationships with other partner institutions.

Additionally, for the appraisal question corresponded to the achievement of the relationship with partner institutions for general was answered with the replies of high and moderate with almost 85 % proportion of the professionals.

7.3.2.2. Institutions' Mission;

The other concern in the category of institutional environment is pertaining to the questions on **institutions' mission**. The questions of 1 and 3 are related with the evolution of the mission and the role mission in shaping organization. (see: Appendix A., C. and Table 18). Just about 40 % of the participants mostly answered the question on the evaluation of institution about the achievement of its mission with the most answers of moderate so these values are lower than the AWSSP. As regards the change of the institutions' mission, participants pointed out a slight change by the start of the project with a proportion of almost 30 % with a reply of low but nearly 65 % with the answer of very low. Since 1998, for the evaluation of the change in mission was replied with the answers of low and very low by the proportion of almost 90 %. It is so higher than the answers given to the same question for the AWSSP.

If the answers given to the questions of 1 and 3 are considered, the question 8 makes clear the change in the role of institution for both periods. (see: Appendix A., C. and Table 18).

Nearly 90 % of the answers were about a low and very low change in the role of institution.

About the institutional goals, four questions were directed to the professionals; 2, 4, 6 and 15. (see: Appendix A., C. and Table 18).

Almost 80 % of the participants evaluate their institution with the terms of moderate and high in the achievement of institutional goals. In the question 6, the extent of the question was changed slightly by shifting the enquiry by focusing on the success of the role of institution; however the most responds were around 70 % by the reply of high and moderate so it verifies the answers given to the question two.

Another assessment question is corresponded with the evaluation of the significance of the institution in the realization of the mission by taking into consideration its public duty; professionals answered the question of 15 about this subject with a definite answer of high and very high by a proportion of 100 %. The replies were same with the AWSSP.

The fourth question is crucial for the assessment of the impact of the project on the change of institutional goals, the perceptions of the professionals on the effect of WB's implementation was almost 80 % with the answers of low and very low about the change in institutional goals. On the other hand, the most answers for the present from the start of the project were contradictory, because every participant gave various answers in the range of moderate, low, very low and high with the same proportion.

For the types of service and research, two questions were directed to the participants; 5 and 7. (see: Appendix A., C. and Table 18).

To the question 7, almost 70 % of the participants evaluate their institution as successful in the research and contribution of their institution. However, by the start of the project, again, almost 80 % of them gave the answers of low and very low with regard to the change in research, production and contribution of the institution. Moreover, if the change from the start of the project to the present is concerned, the answers move to the reply of moderate and low with a proportion of nearly 65 %. So, these results are same with the AWSSP.

If the whole answers about the institutional motivation of the project are concerned, the contributions of WB's project are not accepted as having a characteristic of milestone. However, for CWSSP, during the implementation of the project, some participants admit such struggles about the schedule adhesiveness and financial subjects. They also give significant clues about the effect of the project on the change of institutions' mission. In addition, the contribution of the project is seen as slight for the structural change while it is in favor of the project about the relationship with the other partner institutions.

7.3.3. Institutional Capacity of CWSSP

The category of institutional capacity comprises six interrelated criteria which are strategic leadership, human resources, core resources, program management, process management and inter-institutional linkages with their strengths and weaknesses.

7.3.3.1. Strategic Planning Capacity;

The strategic planning capacity with its strength and weaknesses within which the institution operates was queried by the questions (see: Appendix A., C. and Table 19) on Leadership (setting direction, supporting resource development, ensuring tasks are done), Strategic Planning (scanning environment, developing tactics to attain objectives, goals, mission), Structure (roles and responsibilities, coordinating systems, authority systems, accountability systems), Niche management (area of expertise, uniqueness, recognition of uniqueness).

About the subject of leadership, four questions (16, 18, 25 and 38) were asked to the participants, in addition, the question 38 is the common for all sub-categories of the institutional capacity, and the question 25 is the general for the sub-category of the leadership. (see: Appendix A., C. and Table 19).

Roughly, 85 % of the participants evaluate the effect of the project to the leadership in strategy as low or very low. Here the term of leadership was explained to the contributors as the capacity of setting direction, supporting resource development and ensuring tasks are done. While the change from the start till present was asked, the answers were homogenous within the range from the high to the very low. It is different from the answers given to the same question for AWSSP. However, if two project are concerned altogether, an agreement seen about the very low contribution of WB with regard to the leadership. When the question is directed without time limitation by a special prominence to the strategic planning capacity of the institution, the replies shift to nearly 60 % as high or very high capacity. These findings are lower than the AWSSP. The most answers about the strategic planning capacity and overall

institutional capacity of the institutions are subsequently almost 35 % by moderate and 60 % by high.

With regard to the strategic planning capacity with a definition of capacity on scanning environment, developing tactics to attain objectives, goals and mission, two different questions (22 and 23) which should be assessed with the answers given to the questions 25 and 38, were asked. (see: Appendix A., C. and Table 19).

In contrast to the given answers on the subject of leadership, for the change in strategic planning capacity, the answers intensify in the evaluations with the terms of low and very low by nearly 85 % which are lower than the AWSSP. For present, the replies are noticeably high and very high with a total proportion of almost 70 %. Nevertheless, for the start of the project, the change in the capability on developing tactics to attain objectives, answers are distinctly very low with almost 90 %. On the other hand, for the question on developing tactics from the start of the project to the present, this time, roughly 35 % of the participants gave the answers of high. However, the proportion of the replies of moderate and low are almost 30%.

For questions on the subject of the governance capacity, about legal framework, decision-making process, methods for setting direction, external links; three questions were directed; 20, 21 and 26.

For decision-making process, the proportions of the answers related to the “by the project” and “from the start to the present” are, respectively, almost 80 % of participants’ reply; very low and again, 65 % of them; moderate and high. For participation again with the same sequence, the answers are 30 % moderate with the most reply in the same way, and again almost 30 % with the answer of moderate. However the answers for question 21 are homogenous. About the decision-making process capacity, participants answer the question with the terms of high or moderate by a proportion of almost 80 %.

About structure with the roles and responsibilities by coordinating, authority and accountability systems, two questions were directed; 17 and 19. (see: Appendix A., C. and Table 19).

Most of the answers given about the change by the project related to the structure and roles and responsibilities of the institutions are very low with almost 65 %. Since the beginning of the project the change on this subject were

assessed with the term of high by the most answers in the proportion of roughly 35 %. About the evaluation of the importance of the roles and responsibilities of the institutions, participants gave the most answer of very high with the proportion of almost 60 %.

Concerning the niche management with the definition of capacity on area of expertise, uniqueness and recognition of uniqueness, questions 24 and 27 were requested to the partakers. (see: Appendix A., C. and Table 19).

Participants give high significance to the area of expertise of their institutions, on the question about the change in area of expertise by the project was answered with the term of very low with almost 85 %. In addition, if the time period from the start till present is concerned, the answer is enhanced again with the very low by a percentage of 65 %, however, this is just because of the long period time, moreover, if the answers given with the terms of low and very low are concerned, proportion of the replies are distinct by almost 90 %. As the question is directed about its evaluation, replies are high or very high with 100 %. These values are same with the answers given to the AWSSP.

For the category of institutional capacity, if the all answers given to the criteria and sub-headings of the strategic planning capacity are concerned; there seems an agreement on the lower contribution of the project on leadership. The evaluations of the professionals on strategic planning capacity are lower than the AWSSP. The proportions of the answers given to the governance capacity, structure and niche management are similar to the AWSSP. In general, project seems not to meet the expectations, while some achievements can be awarded in the category of strategic planning and governance. For example; the participation and relations with stakeholders seem increased in a positive way by the start of the project. Moreover, the positive change in the decision-making capacity is observed for the period from the start to the present.

7.3.3.2. Human Resource Capacity;

With regard to the human resource capacity, the category includes two areas on Human Resource Planning (recruiting, selecting, and orientation) and

Training and Professional Development (performance management, monitoring and evaluation, Equity, Compensation, and Career Management).

As regards human resource planning, two questions were asked to the participants; 28 and 36. (see: Appendix A., C. and Table 19).

About the contribution of WB on human resource strategy, answers intensify on the term of very low by almost 85 %. For the time period since the beginning of the project, the professionals evaluate the human resource strategy with the terms of low by almost 80 %. It is lower than the answers given to the same question for the AWSSP. Moreover, the human resource planning capacity of the institutions was answered with the expressions of moderate or low by roughly 70 %. It is again lower than the AWSSP.

With regard to the training and professional development, the question 37 was asked to the partakers; (see: Appendix A., C. and Table 18).

On the contrary to the replies given to the human resource planning capacity, the professional development capacity of the institutions was appraised, mostly, with the term of very high by 50 % of the participants.

The answers given related to the human resource strategy are concerned; professionals assess a serious deficiency in human resource planning not just by the project but by the human resource capacity of their institutions. Unlikely to the AWSSP, there are serious problems in the professional development capacity. However the problems are related with the human resource capacity rather than the professional development capacity. In fact, the human resource capacity is generally handled with the national employment policies, while they believe the professional training tradition of their institution.

7.3.3.3. Core Resource Capacity;

The other assessment under the heading of institutional capacity is pertaining to the questions on core resources with its strengths and weaknesses. This section includes Infrastructure (facilities, equipment, maintenance systems, utilities), Technology (information, communication technologies, levels of technology needed/acquired to perform work) and Finance

(Planning, managing and monitoring, cash flow and budget, ensuring an accountable and auditable financial system).

In relation to infrastructure related with the facilities, equipment, maintenance systems and utilities, question 30 and 33 were asked. (see: Appendix A., C. and Table 19).

The contribution of the project to the institutional capacity was evaluated as very low by 50 % of the participants. Moreover, 90 % of them assessed the change as successful from the start of the project to the present. On the infrastructure capacity roughly 90 % of the participants gave the answer of very high or high for their institutions, as a consequence these are almost same with the AWSSP.

In relation to the technological capacity on information and communication technologies, levels of technology needed and acquired to perform work, questions of 29 and 34 were directed to the participants. (see: Appendix A., C. and Table 19).

The technological support of WB was verified by the answers of moderate and low with the proportion of almost 65 %. Although the replies of moderate and low can seem as insufficient for this evaluation, if the answer related to the start of the project was taken into consideration, the shift of the answers from a range of very low or low to moderate or low are remarkable. Again, the overall change in technological capacity from the start of the project to the present was in favour of high and very high by the proportion of almost 85 %. Moreover, the technological capacity of the institutions is evaluated as high and very high by 60 % for question 34.

On the subject of finance with the related subjects on its planning, managing and monitoring, cash flow and budget and ensuring an accountable and auditable financial system, questions of 31 and 35 were requested in addition to the other pertaining questions. (see: Appendix A., C. and Table 19).

Almost 40 % of the participants admitted the financial support of WB carried out by the project. On the other side, change from the start to the present was evaluated with the term of moderate by the most of the participants. Almost 50 % of the contributors assessed the financial capacity of the institutions as moderate.

For core resources with the criteria of the infrastructure, technology and financial capacity, participants' assessment on finance and technology was sufficient to detect the effect of WB. Actually about the technological and financial capacity, the project seem meeting the expectations. However, the values for the technological capacity are higher than the AWSSP. In addition, in the favor of WB financial capacity is admitted as satisfactory and it is more satisfactory in the AWSSP than in the CWSSP.

7.3.3.4. Program Management Capacity;

In order to describe and appraise **the program management capacity with its strengths and weaknesses**; the criteria of Planning (identifying needs, setting objectives, costing alternatives and developing evaluation systems), Implementing (adherence to schedules, coordination of activities) and Monitoring (systems for evaluating progress, communicating feedback to stakeholders) were queried.

With reference to the planning capacity corresponding to the capability of identifying needs, setting objectives, costing alternatives and developing evaluation systems, question 41 and 42 were examined. (see: Appendix A., C. and Table 20).

Related to the start of the project, almost 80 % of the partakers appraised the change in planning capacity as moderate or low, in addition, from the start of the project to the present, roughly 50 % of them evaluated the change with the terms of high. On the present evaluation of planning capacity, virtually 35 % of them used the terms of very high as the mostly given answers. Planning capacity seems increased by the start of the project while professionals do not evaluate their institution satisfactory about the planning capacity.

Corresponding to the implementing about the adherence to schedule and coordination of activities, two questions were asked to the participants; 32 and 39. (see: Appendix A., C. and Table 20).

Almost 85 % of the participants gave the answers of low and very low about the change in implementation capacity at the start of the project; however, for the time period from the start to the present, it was 80 % with the answers of high and very high. If the change in capacity on adherence to the schedules at

the start of the project is concerned, change was referred with the replies of high and moderate by almost 60 %. It is remarkable to emphasize on the impact of WB about the institutions' adherence to schedules to carry out the duties at the proper and distinct time. However, for the question 39, almost 65 % of the participants gave the answers of high and moderate. They trust the adherence capacity of their institution without the impact of the project, unlike to the case for the AWSSP.

With regard to the monitoring capacity related to the systems for evaluating progress and communicating feedback to stakeholders, three questions were inquired; 40, 43 and 44. (see: Appendix A., C. and Table 20).

About the monitoring capacity, there is a visible change by the start of the project with the most answers with moderate and high by a proportion of nearly 70 %. However, while the change in monitoring capacity from the start of the project to the present is inquired, the answers move to the high and very high with a proportion of almost 65 %, so, these findings are higher than the AWSSP. For the question of 43, nonetheless, almost 65 % of the participants evaluate their institutions' monitoring capacity as high or moderate. In fact, the answers are stands as unsatisfactory by not verifying the answers given to the question 40 for the time period from the start of the project to the present. On the coordination of activities, roughly 70 % of the participants evaluate their institution high and moderate in the capability of coordinating activities.

If the all answers are taken into account as a whole for the sub-category of program management capacity, professionals trust their institution's monitoring and adherence capacity much more than the project of AWSSP. Moreover the CWSSP is similar to the AWSSP about the positive contribution of WB to the subjects of "adherence to the schedule" and "monitoring capacity".

7.3.3.5. Process Management Capacity;

On the process management of the institutions, Problem-solving and Decision-Making (defining problems, gathering data, creating alternatives, deciding on solutions, monitoring decisions), Communications (exchanging information, achieving shared understanding among organizational members)

and, Monitoring and Evaluation (generating data, tracking progress, making judgments about performance, utilizing information, changing and improving organization, program, etc) were examined.

For problem-solving and decision-making related with the defining problems, gathering data, creating alternatives, deciding on solutions and monitoring decisions, two questions were examined; 50 and 54. (see: Appendix A., C. and Table 20).

Almost 80 % of the participants evaluate their institutions' problem solving mechanism capacity as high or moderate. The proportion of almost 65 % assesses the capacity of the institution; they worked, on creating alternatives as very high or high. In addition, the proportions are lower than the AWSSP case.

With regard to the communication pertaining to the exchanging information and achieving shared understanding among organizational members, the question 38 which is the common for all sub-heading was inquired. As mentioned above for the question 38, the overall institutional capacity was favored by almost 85 % of the participants.

About the monitoring and evaluation unlike to the questions asked under the sub-heading of the program management, three questions were directed to the participants; 45, 46 and 55. (see: Appendix A., C. and Table 20).

According to the participants, if the most given replies are considered, the evaluation capacity of the institution was changed in moderate level by nearly 40 % of the answers for the start of the project. In addition, almost 40 % of them believe that from the start of the project until present, the evaluation capacity of the institution changed in very high. While directing the questions, the evaluation capacity was explained with the terms of capacity on generating data, tracking progress, making judgments about performance, utilizing information, changing and improving organization and program to the participants. On utilizing information, the capability of institutions is mostly appraised as very high or high with a proportion of almost 80 %.

If the overall answers given for the criterion of the process management capacity of the institutions are regarded, it is observed that in problem-solving and decision making, institutions evaluates their own as less experienced than in communication capacity. Monitoring and evaluation capacity is observed as increased by the project; the

deficiencies in these dimensions are parallel to the deficiencies in the program management capacity. However, the projects seem satisfactory to provide efficiency for institutions in utilizing, exchange and flow of information with the partners.

7.3.3.6. Interinstitutional Linkage Capacity;

With regard to **inter-institutional linkages with its strength and weaknesses**, the sub-category includes three areas about Networks (type, nature, number; utility, recruitment of appropriate members, coordination, participatory governance, management structure, technology, donor support, participation of national research systems, cost-benefit, sustainability), Partnerships (type, nature, number; utilization, cost-benefit, needs met, sustainability) and External Communications (type, nature, number; utilization, frequency, cost-benefit, needs met).

In relation to the network capability regarding the subjects of type, nature, number; utility, recruitment of appropriate members, coordination, participatory governance, management structure, technology, donor support, participation of national research systems, cost-benefit and sustainability, four questions were asked; 47, 48, 50 and 53. (see: Appendix A., C. and Table 20).

By the beginning of the project, the change in the relations with the other partner organizations is evaluated with the answers of very low or moderate. However, for the period from the start of the project to the present, there is a homogenous distribution of the answers, in addition to this; almost 35 % of the participants give the answer of moderate, mostly.

However, when the scope of the question was shifted regarding the nature of the relation, almost 80 % of the professionals answer the question by a reply of low or very low so this is completely same of the AWSSP case. As parallel to the answers given about the question correspondent with the relationship with other partners, the proportion increases mostly in the favor of very high for the time period of from the start of the project till present by almost 35 %.

For question 50, the problem-solving mechanism capacity of the institution, partakers mostly give the answers of moderate or high by nearly 80 %,

while evaluating the decision making mechanism of the institution as high or very high by almost 65 %. These percentages are slightly less than the AWSSP.

On the topic of the partnerships correspondent with the subjects of type, nature, number; utilization, cost-benefit, needs met and sustainability, in addition the questions directed in the criterion of network capability, the question 52 was asked to the participants. (see: Appendix A., C. and Table 20).

The question 52 is sufficient if it is handled with the answers given to the sub-heading of network capacity, the answers are mostly very high by a proportion of 35 %.

About the external communication, beside the questions asked for this sub-heading of the inter-institutional linkages, question 49 and 51 were asked to the professionals. (see: Appendix A., C. and Table 20).

The answers for the questions 49 and 51 are consistent with a proportion of almost 70 % for the evaluation in relation of the institution with stakeholders by the terms of moderate or high. These answers are vaguely less than the AWSSP.

If all answers given for the sub-heading of inter-institutional linkages are considered, the replies slightly less than the AWSSP, by a special trust to the decision making and problem solving mechanism of the institutions. About the relations with other partner organizations, the contribution of the projects are not accepted by assuming the existing relations before the implementation of the projects.

7.3.4. Institutional Performance of CWSSP

The category of institutional performance is noteworthy to identify the institutions by analyzing the efficiency, effectiveness and relevancy to stakeholders of institutional structure shaped by the project or a program.

7.3.4.1. Effectiveness in Mission;

Concerning the criterion of effectiveness in mission, questions embrace Research Performance (major achievements, general level of research productivity defined according to the institution's mission and values, utilization of

results), Teaching Performance (training researchers, serving clients' learning needs), Service Performance (development of community activities, support to research community, transfer technology) and Policy Influences.

Research performance was queried with two questions; 56 and 60. (see: Appendix A., C. and Table 21).

For the question 56, the most answer was moderate by a proportion of 50 % by the change in research performance with the start of the project. From the beginning of the project to the present, the most answers were very high and high by 70 %. The question was elaborated by the evaluation inquiry, so the most replies were almost 90 % by the answers of moderate, high or very high.

Teaching performance was examined with three questions; 57, 61 and 75. (see: Appendix A., C. and Table 21).

The change in the teaching performance of the institution was replied with the most answers of very low by the 50 % of the participants for the start of the project. About the change since the beginning of the project, the most answers were high and very high with a proportion of nearly 80 %. For the question 61, the answers enhance the replies given to the previous one with the proportion of 60 % by the term of very high. As a result, teaching performance of the institution is accepted more successful than the AWSSP, as the support of WB is sharply evaluated less than the AWSSP. The question about the institutions' performance on serving clients' learning was mostly answered with the terms of very high with a proportion of 65 % which is less than the AWSSP.

The questions of 58 and 62 were directed to the participants to learn about the evaluations on service performance. (see: Appendix A., C. and Table 21).

For the start of the project, the service performance was mostly answered by the term of moderate or low with almost 90 % of the participants. This same proportion moves to the reply of very high and high by nearly 80 % for the period of that is from the beginning of the project to the present. By the proportion of almost 60 % of the professionals gave the answer of very high for the today's service performance of the institution. Service performance of the institutions is assessed as successful by the professionals.

For policy influence two questions were directed to the partakers; 59 and 63. (see: Appendix A., C. and Table 21).

Too, the questions in this section can be evaluated with the answers given to the questions in related section for institutional environment. For this sub-heading, roughly 70 % of the reply was very low about the change on the influence of the institution by the political decisions. The same question for the period from the start of the project till present was replied, again, by the most answers of very low with nearly 85 %. In addition, the most answers for the evaluation for this influence was almost 85 % with the term of very low. However, it is interesting that by the project the policy influence on the institution detected as higher than the normal status of the institution.

If taken as a whole answers given about the effectiveness in mission are considered, research performance is observed as increasing by the project while the teaching performance is appraised as not meeting the expectations. Service performance is evaluated as less successful than the AWSSP as well as the project does not bring any improvement on this subject.

7.3.4.2. Efficient Resource Using;

With reference to the efficient resource using; staff productivity (turnover, absenteeism, and research outputs), clients (program completion rates, long term association with institution) and administrative system efficiency are queried. By concerning about the thesis subject, although it is a part of the assessment, stretching the financial allocations was not questioned in this section.

In favor of both staff productivity and administrative system efficiency, four questions each were asked to the participants; 64, 65, 72 and 73. (see: Appendix A., C. and Table 21).

The questions of 64 and 73 for requesting staff productivity were answered by the most answers of low with 50 % for the start of the project; by the most answers of moderate with roughly 40 % for since the start of the project, and by the most answers of moderate with 40 % for the evaluation of the staff productivity. These proportions are slightly less than the AWSSP.

The questions of 65 and 72 for examining the change in the administrative system efficiency were replied by the most answers of moderate with almost 35

% for the start of the project; by the most answers of high with roughly 35 % for since the start of the project, and by the most answers of high with nearly 40 % for the evaluation of the administrative system efficiency.

If the answers given to the questions directed for the institutional performance category are concerned, the effect of the project on the administrative system efficiency and staff productivity seems moderate and satisfies the expectations however these values are lower than the AWSSP.

7.3.4.3. Institutions' Relevance over Time;

Regarding **the institutions' relevance over time**; program revisions, adaptation of mission, meeting stakeholders needs, adapting to environment, reputation, sustainability over time and entrepreneurship are examined with various questions.

For program revisions, two questions were asked to the participants; 71 and 78. (see: Appendix A., C. and Table 21).

On the subject of program revisions, WB seems carrying out the duty of guidance by the expressions of the participants during the interviews and the most replies of moderate with the proportion of 50 %. However, the answers from the start to the present move to the high with the same proportion. It is clear that by the completion of the project, institutions can not provide the continuity in the achievement of the program revision performance. For evaluation question, the answers were mostly low by a proportion of nearly 35 %.

Concerning the adaptation of the mission, the question 67 was requested; (see: Appendix A., C. and Table 21).

On the performance of adaptation of missions of the institutions, partakers reject the contribution of the project by a proportion of almost 85 % with the answer of very low. Pertaining to on the change since the start of the project, the question was replied with the term of high by almost 35 %. The proportion for the support of the project to the performance on adaptation of missions of institutions seems lower than the AWSSP.

About the meeting stakeholders need two questions were inquired; 66 and 77. (see: Appendix A., C. and Table 21).

For meeting performance of the institutions to the needs of stakeholders, again, the contribution of the project was rejected by the most answers of very low with roughly 60 %. With regard to the time period; since the start of the project till today, the most answers shift to the high by a proportion of nearly 35 %. 65 % of the participants gave the answer of very high for the evaluation of the institutions' performance on this subject.

On the adapting the environment which should be handle with the answers given to the institutional environment, question 68 and 76 were requested. (see: Appendix A., C. and Table 21).

For question 68, most replies were almost matching with the term of moderate by almost 40 %, but for the time from the start to the present, it is 50 %. However, for general evaluation the proportion shifts to very high and high by almost 90 % of the partakers.

Toward identifying the sustainability over time, two questions were asked to the partakers; 69 and 74. (see: Appendix A., C. and Table 21).

Performance of sustainability was described with the expression of very low both for two periods. However, for the evaluation of the institutional sustainability over time the answers dense around very high by approximately 85 %.

With respect to the partnership, two inquiries were examined; 70 and 79. (see: Appendix A., C. and Table 21).

Partnership related questions are again answered with high proportions on the favor of institutions. For performance of entrepreneurship, by the project the change was expressed by the most answers of low by almost 60 % of the participants. From the start of the project to the present, the change in the performance was mentioned with the mostly used term of moderate by the 35 % of the partakers. About the general evaluation of the institutions' performance on entrepreneurship, the replies were high and moderate by roughly 85 % of the professionals.

About the institutional assessment category of institutional performance for the CWSSP, it was found that the most important contribution of WB is admitted for service and research performance in the criterion of effectiveness in mission; administrative system efficiency in the criterion of efficient resource using; program revision performance and

adaptation to environment in the criterion of institutions' relevance over time. However, all the values for mentioned above subjects are lower than the AWSSP. Professionals from both projects evaluate their institutions' as successful in meeting the needs and sustainability over time.

In this chapter, the results of four institutional assessment categories of "the Institutional Assessment Method" are handled with their criteria and sub-headings, the general review of the findings from the Institutional Assessment Method is presented in part 7.4. also by comparing the findings from the AWSSP and CWSSP.

7.4. Comparative Review of the Findings from the Institutional Assessment Method

The findings about the category of "Institutional Environment" showed that with regard to the sub-heading of "administrative environment" under the criterion of "Administrative & Legal Environment", the changes proposed by WB at the start of the both projects could not attain its targets actually because of the rigid administrative environment of the institutions. This result is supported by the documents of WB's staff appraisal and implementation completion reports on the projects. The answers related to the present can be corresponded with the legislative arrangements covering administrative structures since 2003. With regard to the administrative environment as a part of institutional environment within which institution operates, the arrangements held for the administrative environment by the project seems unsuccessful.

Concerning the sub-heading of "legislative environment", the only difference between the AWSSP and the CWSSP is about the answers given about the change in legislative environment for the time period from the start of the project to the present that the change in the AWSSP is accepted as higher than CWSSP. The contracts and related agreements on projects to form the legislative base are evaluated more slightly successful than the CWSSP. Moreover, by the project, the change in the legislative environment is assessed as successful because of the mostly answers given with the terms of moderate.

In addition, the achievement of the legislative frame for the AWSSP is also accepted as one of the most important dimension of this project.

However, it is interesting that the administrative environment is defended more than the “policy environment”. It is because of observing the administrative structure as a part of the “State”, while the policies assumed as something external and combined with the thinking of “policies can be wrong but in that case can be changed if it required that is not a matter”. This is so much related with the perception of State and assuming the administrative structure as a crucial part of it.

Regarding the sub-headings of the criterion of “Technological Environment”, although, the technological dimension is very crucial for the sustainability of the institutions, the continuation, advancement and the reflections of the administrative/legal conditions without any interruption, it is evaluated with a brief overview because of the relation of the hypothesis of thesis by a special prominence to the institutional arrangement rather than technical improvements and enhancements. The answers about the change of technological capability from the start of the project to the present as being purely 100 % are understandable since the beginning year of 1995 for project is concerned. This is a clear and parallel change to the development in Turkey corresponding to the technological development in nationwide. Findings show that the professionals evaluate the contribution of the project to the technological environment as slightly successful. As a result, the expectations on the technological side are actually seen as met by WB. Moreover, the findings from both projects are almost the same, although the only difference exists about the general evaluation of the technological environment for present. The values for AWSSP are higher than CWSSP since Antalya as a region locates in a Metropolitan district with having more technological opportunity than Cesme and Alacati.

About the sub-headings of the criterion of “External Political Environment”, the relief capacity of WB in order not to be affected from the external political structure is seen unsuccessful with the most answers of low and very low about the mitigation of impact due to the external political structure at the beginning of the project. However, after the five years from the finish of the project, again, the impact level of the institutions from the external political environment seems

unchanged. So, WB could not relieve or find the ways to mitigate the impact of external political environment. The creativity of the institutional policy of the projects can be evaluated as unsuccessful because of the Turkish administrative and political structure although WB prefers stressing on the institutional arrangements instead of technological improvements. It stays as a paradigm when WB injects the projects into the nation-states' administrative structure because of the rigid and unique structures. Nonetheless, the participants admit the accessibility of government resources is acceptable by the reply of high and moderate. The only difference between two projects are the answers related with the accessibility to government resources, again, it may be corresponded with the Antalya's status as locating in a metropolitan district. Naturally, in Turkey, the districts and sub-municipalities within the boundaries of metropolitan municipality have more opportunity to access the governmental resources than the small municipalities.

As regards the sub-headings of the criterion of "Economic Environment", purely 100 % of the participants from both projects define the economic environment with the terms of poor economic conditions. In fact, the sub-headings of this criterion are corresponding with the macro economic issues, so nothing is expected from the projects to meet.

With reference to the sub-headings of the criterion of "Relations with Major Stakeholders"; though it is not efficient to measure governance structure within which the institutions operates, if solely the relationships are concerned, for both projects, the relations with the clients, beneficiaries and other institutions is assessed as more successful than the relations with the governmental bodies. The reason, especially mentioned by the professionals is that it is about the structure of the central government due to the high dependency to the central governmental bodies even about the decisions related with their local authority area. In other words, the legislative environment makes the relations with the governmental bodies slightly weak because of the legislative authorities of the central governmental bodies in the local areas. In addition, WB can not yield required remedies to overcome these difficulties; naturally, it is observed as too difficult in a rigid central administrative structure. In addition, the contribution of WB about the promoting relations with major stakeholders for both projects seems limited; as well, there is no distinct difference between the answers given

to each project on this subject. Moreover, as the strong dimensions of the each project are taken into account, the relations with major stakeholders can be accepted as successful for present.

The findings about the category of “Institutional Motivation” showed that with reference to the sub-heading of “milestones & struggles” under the criterion of “Institutions’ History”, nevertheless, WB projects are not accepted as a major struggle or milestone by professionals i.e. contributors do not use any hint word of projects’ being a milestone or struggle for their institutions. Moreover, while asked them about the projects’ impacts on institutional milestone and struggles, they replied the question with a definite answer of “No”.

Pertaining to the sub-headings of “change in structure and leadership”, again, under the criterion of “Institutions’ History”, the findings from questionnaire is barely regarding the change of structure; in size, growth and leadership that there was provided a slight change on structure by the beginning of the project. Herein, the term of change in size can be thought with the inner arrangements in the institutional structure in order to employ some personnel in the project, and the employment of new specialized personnel within the institutions for the success of the project. The change in growth is perceived with the shift in the mission and goals of the institution by means of a specialized project in a distinct interest area. This specialization is accepted as a growth by the participants. In addition, the change in leadership is explained by becoming a part of WB project and gaining priority against other institutions serve in the same sector. Moreover, on the contrary to the AWSSP, the participants find the contribution of the project to the structure lower than the CWSSP.

In connection with the sub-headings of “role, mission and goals”, under the criterion of “Institutions’ Motivation”, there is no observed change in roles, missions and goals of the institutions for both projects. However, for the institutions employed in the AWSSP, a sharp change is mentioned for the time period; from the start of the project to the present.

Moreover, though, there is no change is observed in the roles, duties, responsibilities and contributions of the institutions, it is found that the crucial contribution of the AWSSP to the institutions is related with the change in

structure and a slight favor of the increasing relations with other partner institutions.

If the whole answers about the institutional motivation of the project are concerned, the AWSSP and the CWSSP are not accepted as being a milestone or a major struggle for participants. However, for the CWSSP, during the implementation of the project, some participants admit some struggles about the schedule adhesiveness and financial subjects. While carrying out their duties and responsibilities determined by the related laws, the participants seem giving subjective replies for defending their institution due to their high position in the organization. Nevertheless at the point of the assessment of the project, on the contrary to the CWSSP, the impacts of the AWSSP are observed as slightly successful in the change of the structure. The last additional statement to say is the more impact of the project on more specialized institutions than the municipalities and province special administration having much more duty and responsibilities rather than just urban service provision. In general, the contribution of the projects is seen as slight for the structural change while it is in favor of the project about the relationship with the other partner institutions.

The findings about the category of “Institutional Capacity” showed that as regards the sub-heading of “leadership capacity” under the criterion of “Strategic Planning Capacity”, as an overall evaluation according to the answers of the participants, there is no contribution of both projects to the institutions observed about increasing leadership capacity. However, it should not be confused with the term of leadership under the category of institutional motivation.

With reference to the sub-heading of “strategic planning capacity” as a special emphasized heading for the criterion of “Strategic Planning Capacity”, the projects seem supporting the strategic planning capacity of the institutions by scanning environment, developing tactics to attain objectives, goals and mission, although it is evaluated as unsuccessful in meeting expectations about the developing tactics.

With regards to the sub-heading of “governance capacity” under the criterion of “Strategic Planning Capacity”, the projects seem meeting expectations on increasing participation and relation with other stakeholders but there are

background presented within the thesis is concerned, these findings are not efficient to evaluate the governance capacity. Since the aim is to show how to implement an Institutional Assessment Method, for the assessment of the governance, no such prominence given to the concept of governance in the questionnaire.

Taking into account the sub-headings of “structural capacity and niche management” under the criterion of “Strategic Planning Capacity”, there is no observed contribution of the projects by the professionals.

Under the main criterion of “Institutional Capacity”, all the answers given to the heading of strategic planning capacity are concerned, on leadership, both projects seem not to meet the expectations, while some success can be awarded in the category of strategic planning and governance capacity, parallel to the answers given to the questions in the criteria of “Institutional Environment and Institutional Motivation that governance capacity and environment of the institutions are evaluated as successful by the participants.. However projects’ effects on niche management stay no influential because the projects are prepared according to the institutions’ area of expertise and expected to be carried out by them

In addition, with regard to the CWSSP, the evaluations of the professionals on strategic planning capacity are lower than the AWSSP. The proportions of the answers given to the governance capacity, structure and niche management are similar to the AWSSP. For example; the participation and relations with stakeholders seem increased in a positive way by the start of the project. Moreover, the positive change in the decision-making capacity is observed for the period from the start to the present.

Considering the sub-headings of the criterion of “Human Resource Capacity”, for both projects, professionals assess a serious deficiency in human resource planning not just by the project but by the human resource capacity of their own institutions. In the side of professional development capacity, they trust to their institutions in transferring of working tradition and experience among their staff. According to their evaluations, problems corresponding to the human resource starts with the being employed of a personnel and it includes a wide

range of problem area from the selection to the training. Training is perceived as useful when it is made on the job.

Taking into consideration the sub-headings of the criterion of “Core Resources Capacity”, for both projects, participants’ assessment about the contribution of projects on financial and technological capacity was in favor of sufficient. However, in the point of infrastructure, expectations seem less met by WB. If the change from the start of the project to the present is concerned, the change in the technological capacity is more favorable than the other dimensions; in fact, it is parallel to the development in technological dimension in Turkey. In addition, it is mentioned by the representatives of sub-municipalities and provincial directories that there exist many problems in financial capacity by wide ranging from taxation to budget share. Moreover, for the CWSSP, the values for the technological capacity are higher than the AWSSP. In addition, in the favor of WB, financial capacity is admitted as satisfactory and it is more reasonable in the AWSSP than in the CWSSP.

With regards to the sub-headings of the criterion of “Program Management Capacity”, for monitoring capacity, the impact of WB and the change by the start of the project is visible. However, there always exists problem in monitoring both due to the national and inner dynamics of the institution. For planning capacity, professionals assess the institutions as successful, but the impact of the project seems unsuccessful to meet the expectations. In implementing capacity, the dominancy of WB is clear. In addition, it is remarkable to emphasize on the positive impact of WB about the institutions’ adherence to schedules to carry out the duties at the proper and distinct time. However, institutions employed in the CWSSP trust the adherence capacity of their institutions without the impact of the project, unlike to the case for the AWSSP.

Taking into consideration the sub-headings of the criterion of “Process Management Capacity”, monitoring and evaluation capacity is observed as increased by the project; the deficiencies in these dimensions are parallel to the deficiencies in the criterion of “Program Management Capacity”. Also, it is observed that in problem-solving and decision making, institutions evaluates their own as less experienced than in communication capacity. However, the projects seem satisfactory to provide efficiency for institutions in utilizing, exchange and flow of information with the partners.

With regards to the sub-headings of the criterion of “Inter-institutional Linkages”, the all relations of institutions are accepted as sufficient by admitting the changing nature of the relations at the start of the project.

As regards the overall evaluation of the institutional capacity category, it is observed that the project has a contribution to strategic planning capacity, financial capacity under the criterion of core resources capacity, adherence and monitoring capacity under the criterion of program management, monitoring and evaluation capacity under criterion of process management with a special impact on utilizing information, information exchange and flow with partners, and the nature of relations under the criterion of inter-institutional linkages. However, there are problems in the criterion of human resource capacity. The chronic obstacles also go on creating difficulty about the program and process management, and the sustainability of the monitoring and evaluation activities.

The findings about the category of “Institutional Performance” showed that regarding the sub-headings of “Effectiveness in Mission”, for the AWSSP, the change in service performance is perceived as moderate as the change in research performance. Moreover, these values are slightly higher than the CWSPP. Teaching performance is much more related with the inner capacity of the institutions while the resistance to the political influence is very low. There is an upgrading in teaching, research and service performance by the project. However, the service performance is the best one to compare to the others due to the support from the inner dynamics of the institution. The in-depth interviews also reveal the idea of trusting institutional tradition about the transferring experience to the newcomers.

With regards to the sub-headings of the criterion of “Efficient Resource Using”, participants evaluates their institutions’ staff productivity as successful, however, the lack of experience for staffs’ performance to implement projects are often expressed by the professionals. Some others focus on the staff inefficiency is due to the non effective division of labor. In addition, the more experienced staff were placed in the project that commonly mentioned by the participants. In general, the effect of the project on the administrative system efficiency and staff productivity seems moderate and satisfies the expectations. About the density of the answers in favor of the high about the staff productivity is because of the use

of more experienced staff in the project. However, values for the institutions employed in the CWSSP are lower than the AWSSP.

With regards to the sub-headings of the criterion of “Institutions’ Relevance over Time”, the contributions by the projects are assessed as not being sustainable over time.

For the AWSSP, about the category of “Institutional Performance”, effectiveness in mission is evaluated by the more success in service and research performance by project while teaching performance is appraised with the success of the institutions’ own dynamics. Policy influence is high and not being removed by the project. Efficient resource using is evaluated by the development in administrative system efficiency over time while the staff productivity is approached by suspicious appraisals. Institutions’ relevance over time can be in favor of the institutions’ own missions nevertheless, the contributions by the projects are assessed as not being sustainable over time. In addition, institutions regardless of the project’s contribution are perceived as being satisfactory to meet the needs of the stakeholders. About the institutions’ relevance over time, the projects’ contribution is observed in the adaptation of environment. However there are always problems about the sustainability of the institutions while carrying out their duties, roles and responsibilities.

For the CWSSP, it was found that the most important contribution of WB is admitted for service and research performance in the criterion of effectiveness in mission; administrative system efficiency in the criterion of efficient resource using; program revision performance and adaptation to environment in the criterion of institutions’ relevance over time. However, all the values for mentioned above subjects are lower than the AWSSP. Professionals from both projects evaluate their institutions’ as successful in meeting the needs and sustainability over time.

CHAPTER 8

CONCLUSION

In the last twenty years, the widespread claim among the social scientists on the insufficiency of the central governments to meet the internationally agreed targets for the poverty alleviation have created the central issue about the functioning of the free market mechanism but also effectiveness of the projects, programs and investments of the international and overseas organizations. In this scope, the issue for the perfect market mechanism has been accompanied by a new issue about the duties, roles and partnerships of public, private sector and NGOs, while the issue for the international projects has appeared with a new issue on the institutional arrangements instead of technical improvements for the effective urban service provision as a chief tool for poverty alleviation.

By the time, the significance of the issue increased practically through the aim of attaining the Millennium Development Goals (MDGs) of the United Nations with a special prominence on the governance approaches with a detailed tackling about the concept of institutionalization.

With regard to the World Bank (WB), appeared with the objective of restructuring the Western World through sustaining economic development and performing the equality principle, it increased the number of the projects implemented in developing and underdeveloped countries as well as the other international and supranational bodies, as parallel to the restructuring process in the economic, social and political world. However, since 1990s, WB's approaches and strategies corresponding to the transformations in the whole world have shifted to the poverty alleviation instead of economic development and inequality decreasing. Moreover, WB officials have declared the urban services as the key factor for poverty alleviation since that time. In fact, this approach can be considered as an effort to make better the quality of life and environment for low-income groups.

As parallel to the general tendency of the international and overseas organizations, over the past two decades, a form of consensus, which has appeared about the nature of urban service provision accepted as the key factor for the problem of poverty, is based on declarations of WB, the MDGs of United Nations and Local Agenda 21. The general tendency of international organizations' focus on urban service provision has **shifted from a concern with technical improvements towards a growing importance of the institutional aspects of service delivery** since 1990s (Allen, Davila and Hofmann, 2004).

Except for the Local Agenda 21 which brought a re-concentration to the issue of governance and institutionalization, the eighth goal of the MDGs of United Nations is also namely to “Build a Global Partnership for Development”; the complementary goal of other seven goals. This goal has evaluated as referring that the partnership is required for the MDGs at both national and international levels. Here the term of development has been assumed as the internationally agreed targets by United Nations and other international organizations. Furthermore, the concept of partnerships is closely interlinked to the issue of governance and institutionalization, by taking into consideration the shift in the approach.

As regards WB, it has a particular worth for the urban problems, based on WB's prominence on designing governance proposals and institutional arrangements in their projects and programs to improve urban services for a final aim of poverty alleviation. Also, by the so called aim of achieving at least provision of universally accepted living standards for people, beside WB, it should not be ignored that programs and projects of other international and overseas organizations in developing and underdeveloped countries have been more encountered in the last twenty years than before.

Consequently, the relationships among “Poverty Alleviation—Improving Urban Services—Good Governance & Institutionalization” form the main approach of WB and the declarations of the other international organizations after 1990s. These projects and programs provide a wide study area for discipline of planning because of a necessity for an interdisciplinary and multidisciplinary approach.

Moreover, by means of globalization; the emergence of free market, new ecological ideals, telecommunication, technological improvements and other

transformations in global systems have led to significant changes in planning thought. The globalization process has created new roles and vision to the planning theory. Therefore, the change in planning thought has also required the re-assessment of cities, urban culture and society, space concept, urban politics, governance and urban economics and urban theories and practices with a different outlook. With regard to the governance issue; planners has undertaken the role of catalyst. Planners has become the actor of governance, he has not given direction to the administration, anymore. In other words, he has become a part of the process. In the new order, the mission of planners has been mainly directed to the institutional design, that's why the subject of thesis is so crucial in order to make necessary contributions to the field of planning.

In the perception of "planner as an institutional designer", individuals are assumed as free in their decisions, and planners just focus on the institutional structure in order to direct individuals. In other words, he manipulates individuals using the institutional structure. As a result, the interest area of the planners is not only corresponded with the technical and spatial dimensions anymore but also with the institutional dimension of the governance.

Concerning the subject of the thesis, although **the emergence of theories on the influence of governance and institutionalization on urban service provision after the global declarations and studies by international organizations, a contradictory situation remains as a question; institutional dimension** is misevaluated or ignored in the urban service provision or poverty alleviation projects implemented in Turkey as a result it **can not be used effectively**.

By taking into account the diminishing power of the central governments and the increasing number of international projects and programs in nation-state boundaries, development theories should be focused to examine the direction and the weight of the relationship from local to global or vice verse.

After 1990s, bi-polar political world was replaced by the challenges of free market mechanism; maximization of capital mobility, the sharp reducing intervention of the governments on national and local economy, and shrinking activities of the nation-states. In the same period, principally after the 1970s, while post-Fordist mode of production creates new prospects in economy, post-modernism has started to affect all fields deeply. Post ideas have replaced all

concepts of modernism by the recognition of a break from the modernist ideas throughout the years.

At the same time, neo-liberal politics has started to define the concept of democracy with the terms of free market mechanism and economic development. According to many social scientists, neo-liberal definition of so-called democracy made an essential contribution to the rise of free market mechanism. In this viewpoint, structural adjustment is assumed as the democratization process dependent on free market mechanism has spread to whole world in order to restructure nation-states.

As corresponding to the reflections of these briefly mentioned political and economic transformations, at present, overseas international credit institutions offer a great amount of credits to the developing and underdeveloped countries. They direct all investments and lay some economic, political policies down as a condition to the nation-states with the promise on continuity of the credits. This policy is enhanced by the structural adjustment, sectoral adjustment and reforms in bureaucratic structures of the nation-states. Moreover, this approach deeply interferes to the inner dynamics of the nation-states.

As parallel to the globalization process, changes in the economic geography and local administrative structures have raised an issue related with the concepts of globalization and localization. This issue is also connected with the debate on the new roles of nation-states. It bases on the debate related with the superiority of the globalization or localization processes. In this context, there are three different approaches which are localist, systemic, and the reciprocal influence of global-local.

The common point of these three approaches is related with the observation on the shrinking activities of the nation-states and the changing characteristics in the relationships between the global dynamics and the local units. Also, the risen debate on the institutionalization of local governments, the new roles of central governments and global powers have provided a significant study area within the assessment of the problem of governance and institutionalization except for the other reasons cited above.

By the restructuring process in all dynamics of the global world, the debates on institutionalization have given a prominence to the risen concept of governance. The concept of governance re-emerged with new connotations as it

was reassessed in a context characterized by significant transformations, including the dominance of neo-liberal politics, the withdrawal of the welfare state, economic globalization and the emergence of multi-national corporations as agents with supra-national powers. This has a contribution from the wide recognition of the ecological crisis, the emergence of new social movements acting through local and global networks and a re-evaluation of the role of local governments in the development process.

Naturally, the focus of “governance” is on multi-agency ensembles, such as partnerships and networks devised for creating synergy among different social actors in order to realize public policy goals (Pierre and Peters, 2000).

Also, the challenges have been encountered in reference to urban service provision. The central feature of modern public services is based on **the principle of mutual support across communities, based on shared social objectives**.

After 1970s, neo-liberal approach take the view that expenditure on public services is a burden on the productive sectors of the economy and those services should be provided as far as possible by the private sector. Except for these deliberations, new forms have appeared in the urban service provision regarding the effects of neo-liberal policies. In addition, **the debate has been directed to the new institutional arrangements in the urban service provision within the context of rising issue on governance**

It should not be forgotten that if WB’s approach on urban service provision for poverty alleviation and development is taken into consideration as an institutional issue, the governance approach and the institutionalism theory can not be separated from the approach of development and urban service provision. In addition, so as to attain the goals in the projects, the problem on institutional insufficiency with a special emphasize on governance should be closely focused.

Regarding the issue of institutionalism, the term of institution has been defined in many ways by means of a wide range of disciplines and a wide range of various approaches of disciplines through the history. As well, the approach of institutionalism has been loaded with many various definitions including the organizations, their inter and intra relations, the network they use and run on, the instruments, processes, all stages that processes enveloped and methodologies

and so on except for the usage of the term of institutions as we mention in our daily life for many structural formation. Also there is a complexity, ambiguity and a wide variation of definitions of institution and institutionalism, the existence of the concepts of old and neo-institutionalism makes the subject and its relation to the governance more sophisticated.

On the one hand, Old institutionalism is based on path dependency, the importance of historical context, the autonomy of institutions, evolutionary economics, and a holistic approach to economics taking account of cultural and political factors of motivation, interaction, and organization.

Neo-institutionalism is based on atomistic accounts of social, economic and political relations as well as by assuming atomistic the main elements of their axioms by a special reference to the matter of network. Another main assumption is the active and influential role of institutions on these atomistic structures in an institutional environment; each institution is in a network and influence of other institutional linkages. In addition these linkages are not obliged to be formal as well as they can be in the context of informality. By taking into account of the thesis subject, institutions are the core element of the regionalism in a global order and with the renewed mission of localities, by means of the so emphasized term of institutional thickness and embeddedness.

It is crucial to examine the four schools of institutionalism to understand and make prospective comments and evaluations on institutional structure as a whole. Douglass North (1991) argues that institutions **reduce uncertainties inherent in human interaction**. The uncertainties themselves arise from the complexity of the problems confronting individuals, and the people's abilities in resolving the problems.

From the rational choice perspective, North (1991) defines institutions as **“any form of constraint that human beings devise to shape human interaction.”** According to him, constraints could be formal rules (e.g., statute law, common law, regulations) or informal constraints (e.g., conventions, norms of behavior and self-imposed codes of conduct). In other words, institutions are “rules of the game without the players.”

From the historical institutionalism perspective, Peter Hall (1994) defines **institutions as the formal rules, compliance procedures and standard operating practices that structure the relationship between individuals in**

various units of the polity and economy. The difference between historical and rational choice definitions is on the question of how institutions affect political behavior and where institutions come from.

From sociological institutionalism, institutions represent social orders or patterns that have attained a certain state or property.

Finally, from organizational institutionalism, a close variant of sociological institutionalism, institutions are defined as cognitive, normative and regulative structures and activities that provide stability and meaning to social behavior

In order to take consider the subject of regional economic development theories with institutionalization process, it should not be forgotten that regional economic development theories continuously evolve and bring forth to new paradigms. One of the main stones of the new economic geography is these paradigms which are one to one related with the social and economic development. Although in the years of 1960s, firm based and centralized development models are dominant, in the years of 1970s regional inequality had priority. Following these change in the theoretical background, flexible production, new international division of labor, relation between local and global was on the agenda in 1980s. In 1990s, globalization matter has reached to the top among the theoretical issues. Moreover, the institutionalization theory which is based on regional economic development was the newest one of these paradigms because of this reason, arguments on the theory.

When a project or program related with an investment of supranational bodies put into use, it can not be handled just within the national scale but with the global and regional level. As it is mentioned in previous chapters, investment projects of WB as well as those of other supranational blocks have not target technical upgrading or technical support and enhancement anymore however, since the last two decade after they focused on the governance dimension of the investments, especially in urban service provision. At that point, by the aim of good governance which is the ideal delineation of the neo-liberal theorists for the term of governance, projects and programs are handled with a perspective of multi-level governance enveloping vertical and horizontal aspects of governance.

However, when a project or program is evaluated in a various stage of the exact project time, multi-level governance should be evaluated inevitably with the institutional structure and institutional building assumed for the project. The

reason for the tackling about the issues related with institutions and governance together can be more or less explained with the presentation of tools for governance by institutions. As a result, in a theoretical background, the matter on governance theory can not be thought as separate from the issues on institutionalism and with its old and new forms apart from various types of institutionalism schools' approach. Whatever the type of institutionalism is concerned, two main questions arise which are related with the changes provided with the institutional change or building and about the consequences of governance process shaped with the institutional change

If the new definition of WB on the term of governance is concerned, namely, good governance can be called as the ideal governance of the neo-liberal approaches and rational choice theory. However, governance is the process of decision-making and the process by which decisions are implemented or not implemented. Within the explanation of good governance, WB changes good governance measurement set, from time to time. The last bundle declared includes the terms of participation, rule of law, transparency, consensus orientation, equity and inclusiveness, effectiveness and efficiency and accountability.

In this respect, institutions can be handled by its use the space between the ideal one; good governance and real governance that is faced in actual life. In other words, Institutions, broadly conceived, create a space between policy intentions and unintended consequences. Institutions explain the difference between the dream of governance spread by neo liberals and the reality of governance as networks. However, in the use of this space in order to render institutions active for governance process, institutionalist approaches should be evaluated within its above mentioned different schools and their contribution to the literature.

In addition, governance and institutionalization are symbiotic for the issues of network, since governance can be defined as more or less inter-organizational and self-organizing networks. That is **a complex network of institutions that constitute a form of governance of regional development and a mode of local governance for particular locality and a particular investment (Stoker, 1998)**. Governance consisted of networks as opposed to **both hierarchies and markets**. The political scientists involved in the programs

of WB understood governance to refer to what they saw as the unintended consequences of the new public management, marketization, and privatization.

Path dependency, a term of old-institutionalism, is a problem for the use of institutions in providing tools for governance since it assumes man following the same trajectory from the past choices, desires and preferences. This approach defines institutions as passive. However if it was so, institutions could not be use for achieving the ideals of governance theory. Neo-institutionalist approaches provide us with tools in the design of new governance modes and give a way for institutional design and change by means of loading active roles for institutional structures.

Herein again with illustration, four approaches should be concerned; rational choice, rational choice institutionalism, sociological institutionalism and historical institutionalism (Bell, 2004). While rational choice is just can be defined with its symbiotic characteristic with neo-liberalism, rational choice institutionalism concerns the institutionally affected logic of consequentiality, in other words, it can be united with the thinking of calculus approach of human being in the perfect mechanisms and with the passive role of the institutions. On the one hand, sociological institutionalism is interested in preference-related logic of appropriateness, on the other hand, historical institutionalism concerns with the action-related logic of consequentiality as moderated by the logic of appropriateness (Kerremans, 2001). However after these definitions for concern areas, whatever the institutional approach in the theoretical background, the crucial one is that what the changes in governance can be reached by the institutional change and design and what the consequences of new governance modes shaped by the institutional change for a specific investment project to a locality by considering about the multi-level governance in local, national and regional level.

In other words, the issues on institutions and institutionalization can not be separated from the concerns of governance through the all scales from local to national and to global. In addition, for exploring a development or advancement in a service, or infra-structural investment, it is necessary to address main themes of governance and institutional change. The main theme of this study, because of this reason, necessarily takes into account not only the institutionalization matters but also the governance as a subject.

An investment to a service is also an issue of development, no matter whatever the scale of the investment made, in local or regional level. An investment to a locality is no longer in the exclusive responsibility of public body and credit institution, and it is not only valid for WB. Instead, like many organizations, different levels of governmental bodies, non-governmental organizations, and partnerships are involved in **a complex network of institutions that constitute a form of governance of regional development and a mode of local governance for particular locality and a particular investment**. Although exploration of individual actors still stands as crucial, a study of inter-organizational and institutional relations have become a major field of research.

It has been clearly apparent that a range of methodologies have been applied to **the study of governance and institutional change**. Indeed, without recourse of a range of disciplines, it would have been possible to gain an understanding of the matrix of forms and structures implemented across the worldwide.

At that point, it should be mentioned that, except for the re-evaluation of the theoretical background on the institutionalism and governance theory by a new perspective to the international projects, especially by taking into consideration WB projects, in this study, “the institutional assessment method” is presented as one of the significant tool to assess the institutions reorganized or created by these projects.

In brief, Institutional Assessment Method is a comprehensive approach for profiling institutional environment, motivation, capacity and performance. The approach tends to be descriptive of the various factors which come to play in institutional development: 1) forces in the external environment (administrative and legal, political and economic, social and cultural - this includes stakeholder analysis); 2) institutional factors (history and mission, culture, leadership, structures, human and financial resources, formal and informal management systems, and an assessment of performance); 3) inter-institutional linkages. By taking into consideration the forces in the external factors, institutional factors and inter-institutional linkages (Lusthaus, Anderson and Murphy, 1995), International Development Research Center (IDRC) uses this approach by providing some key

concepts to analyze the institution's environment, motivation, capacity, and performance.

The category of **institutional environment** contains the evaluation of administrative/legal, technological, external political, economic and social/cultural environment and the assessment of major stakeholders of the institutions.

The institutional motivation is another category of the institutional assessment with the criteria of history and mission of the institutions. **The institutional capacity** which underlies institutions' performance is another part for the institutional assessment.

A last, institutional performance is significant to diagnose the institutions by analyzing the efficiency, effectiveness and relevancy to stakeholders of institutional structure shaped by the project or a program. It also concentrates on how effective the institution in moving toward fulfillment of its mission by focusing on research, teaching, service performance and policy influence on performance.

If it is required to remind, in this thesis, the institution is assumed as the totality of whole actors with their joint structures and their interconnection as a part of governance mechanism. However, while carrying out the Institutional Assessment Method, the various institutions included within WB projects are examined through the categories of the institutional motivation, performance, capacity and environment.

As it is explained in a detailed way, in chapter 5, namely methodology, institutional assessment in thesis is used as a frame method with an analysis of interview via in-depth. Moreover, comparative case study as an approach is used in analyses by benefiting the output of the analyses obtained with the questionnaire submitted during the in-depth interviews. With regard to the research method, it is purely qualitative except for the percentage and total evaluations of the questionnaire results. The qualitative characteristic of the research are occasionally supported by the evaluations of the total and percentage table with quantitative values. Nonetheless, the quantitative analysis methods such as statistical analyses are not used both not to affect the evaluations at the last of the thesis and due to the number of participants joint to the interviews. Also, usage of the statistical analysis is presupposed not suitable for the nature and the content of the qualitative analysis and for the in-depth

analysis. Furthermore, the institutional assessment as a frame method needs more observation and direct relation to the participants with long surveys and questionnaires than statistical output evaluations.

As mentioned before, Antalya Water Supply and Sanitation Project and Cesme-Alacati Water Supply and Sanitation Project are selected as the case studies of the thesis. Both projects are infra structural investments made by WB so it is mentioned in chapter 5 these investments can be corresponded with the pure local urban service. This makes the use of related documents and the findings from the interviews comparable. As another characteristic, comparability makes easy by their being implemented in the same period and in the same sector. The assumption of comparison makes findings both from the literature survey and interviews clear and easy to reach the acceptable results.

The findings from the Institutional Assessment Method have briefly shown that;

a) With reference to the Institutional Environment;

WB seems meeting the expectations on the technological environment in general. About the administrative and legal environment, projects do not present the required tools to remedy the failure points of the general administrative and legal structure. In other words, the changes proposed by WB at the start of the both projects could not reach its targets actually because of the rigid administrative environment of the institutions. This result is supported by the documents of WB's staff appraisal and implementation completion reports. With regard to the administrative environment as a part of institutional environment within which institution operates, the arrangements held for the administrative environment by the project seems unsuccessful.

Pertaining to external political environment, institutions as well as WB is evaluated as prone to the external political environment. The relations with the major stakeholders seem promoting by the effects of the project. However, in macro scale economic, political and administrative issues, WB's proposals remain insufficient to mitigate the impacts.

b) With regard to the Institutional Motivation;

About the change in partnership structure, projects and programs seems meet the expectations for both projects. The institutional structure created within

the project milieu not only increases the experience for setting new partnerships but also forms effective partnership structure among the various institutions. The expected estimations about the partnership satisfy the professional take a part in the interviews before and after the project implementation.

However, regarding the institutional goals and mission, there is no change observed within the project schedule. Institutions assume themselves as experienced on carrying out their duties and responsibilities.

In addition, projects are believed to bring leadership in their own specialized area with a special power among their rivals. To be included in an international project is accepted as a plus achievement in carrying out their own duties, roles and responsibilities. The reflection of the priority is especially perceived by a new regulatory arrangement accept for the national law defining their roles and responsibilities. This situation is also valid for a personnel working in an organization and taking a part in WB project. This may somehow be related with the social structure of the institutions.

Because of the rigid structure of the institutions whose duties, roles and responsibilities defined with an inflexible legislative arrangement, the contribution of WB seems ineffective in redefining the mission and goals. Again, the new attributed goals of the institutions remain useless due to the stiff legislative structure. There are always problems about the adjustment and harmonious between the national laws and the contracts signed with the international organizations.

c) As regards the Institutional Capacity;

Three achievements are respectable; monitoring, changing nature of relations and financial capacity. Within the processes of project implementation; generating data tracking progress, making judgments about the performance, utilizing information and improving the project are evaluated as successful by the participants.

However, institutions assesses themselves as successful in defining problems, gathering data, creating alternatives, deciding on solutions and monitoring decisions. Decision-making mechanism, especially defined by related laws, is accepted as presenting efficient tool for problem solving. What project brings is more related with the contribution of WB during the project on

monitoring. Nonetheless, after the finish of the project, monitoring can not be lasted effectively because when the contract date is ended, the national law's dominancy starts by loading known roles and responsibilities to the institutions.

Beside the contribution of WB on monitoring, by means of the project, changes in inter-institutional linkages are assessed as acceptable. The useful partnership among various stakeholders is appraised satisfactory by taking into account the partnership type and nature. However, it is remarkable that there is always rivalry among various institutions regardless of providing same type of service or not, even they are, all, public organizations.

The significant obstacle defined with various partakers is about the utilizing information because of the different type of data in archives of the different institutions even they are providing the same type of service. Because the data could not be provided during the project, the shared partnerships and the utilizing information during the project can not be satisfied.

In addition, scanning environment and developing tactics to attain objectives, goals and mission, projects seems provide necessary tools to the institutions. With regard to the adherence to the schedules and coordinating activities, the project's capacity on adherence to schedule and the obligation's of the contract are evaluated as successful again by taking into consideration the monitoring activity of WB. This monitoring activity does not only include the financial dimension but also the performing capacity of the institutions. Nonetheless, some interruptions and failure are perceived because of the economic crisis lived in Turkey during the project implementation period.

About the technological capacity change, WB is accepted as successful both by bringing new technology from abroad and the increase in the technological capacity via the support of technological infrastructure to the institutions.

d) Concerning the Institutional Performance;

Development in the administrative system efficiency, service and teaching performance of WB is evaluated as successful by the participants. However, the instability in the political influence and the remedies to take measures about the impacts of the political influence affects the projects' results in a negative way.

On effectiveness in mission, general level of research productivity defined according to the institution's mission and values are evaluated as successful by the project. Research performance is appraised as flourishing as teaching performance especially training personnel on the project requirements. About the teaching performance institutions assesses themselves as successful by trusting on their own institutions conventional structure.

Efficient resource using is a crucial part of the institutional performance, the effect of the project on staff productivity is not accepted as successful because of the preferences of WB about the specialized personnel employment during the project.

In addition, institutions do not seem sustainable not only about the sustainability of the project principles after the end date of the project but also related with sustainability on the financial, economic and infrastructural dimensions.

As a conclusive evaluation,

The significant obstacle to attain the objectives defined at the start of WB projects is mostly related with the rigid administrative, legislative and regulatory structure of the nation-states. Nevertheless, WB can not produce effective solutions to mitigate the impacts rooting from these macro structures while creating or re-arranging the institutions.

The signed contracts as the only legislative base for before, during and after the project implementation are not peculiar to the natural and local conditions. This exhibits the failure in the preliminary studies performed in the project area before the implementation. It is expected at least take precautions before the implementations about possible failures. However, it should be accepted as periods of economic crisis are not only problems of the international projects but also problems in national projects and institutions.

The inflexibility in the related laws about the institutions occasionally creates crucial obstacles about the achievement of the projects. This requires a special attention in the formation of agreements made by WB.

Although WB declares the approach shift from the technical improvements to the area of institutional arrangement and design, the old tradition goes on being satisfactory just in the area of technical and financial dimensions. This exhibits a reflection with an achievement in the monitoring

however there is a need for sustainability both for the institution and institutional tasks.

As a national policy failure, the monitoring and evaluation processes, it is widely accepted that, do not function effectively in all sectors because of the inefficient legislative structure. This uneasiness is also a problem of WB projects to attain the defined targets. Moreover, sustainability can only be provided by rendering monitoring effectively in legislative structure and reflecting it into the practice of institutions.

With regard to governance process, the nature and type of the relations with major stakeholders; clients, donors, beneficiaries, volunteers, governmental bodies, private organizations, NGOs, society based communities, seems satisfactory by the effect of the project. However, while making assessment the achievement in the governance process both vertical and horizontal relations should be taken into account. The relationship with the central government and the international body requires a detailed and different research within which all dynamics and criteria under the institutional assessment method is included.

The institutional tradition is another subject to handle since the findings from the assessment exhibits that the familiarity is significant for the functioning of the institutions. Even the three or five year period for a project can be seen as sufficient to pass to a new system with a new structure formed by the proposals on the institutional arrangements, however, after the finish of the project, it is too easy to go on old habits in the functioning of the institutions. May be the reason is more or less related with the rigid legislative and administrative structure of the institutions, nonetheless, it should be both the duty of WB and the policy makers to become volunteer about providing sustainability of the institutions with all dynamics.

After giving the general information about the findings from the questionnaire, it is clear that the general tendency of WB about the shift from the technical improvements to the institutional arrangement can not be perceived in practice during the project implementation. Actually, this is a widespread contradictory situation about the harmony of the theoretical and practical stages of an implementation. However, the reasons for the failure can not be solely attributed to WB, while the inflexible, rigid and stiff legislative, administrative and economic structure of the nation states stands.

The crucial point is to consider the institutional arrangements having much more perspective than the technical dimension, in fact, it envelopes also the technical dimension with all dynamics, both vertically and horizontally, of the institutional structure.

The theoretical evaluation of the thesis shows that there is a general and widespread agreement on the significance of the institutional dimension by a more participatory governance approaches. Nonetheless, there is a need for abandoning from the old habits of both policy makers and international organizations.

This thesis just presents one chief tool for the institutional assessment and solely focuses on two projects with ignoring the vertical and horizontal institutional structure by the aim of highlighting the prominence of institutional assessment. However, when a project or program is designed, it is inevitable that all institutional dimensions with all dynamics should be considered in an elaborated way. Herein, the decision on the definition of “institution” reaches high importance because of **reminding its definition including all social structure with formal and informal economic, social and political dimensions, horizontal and vertical multi governance network, legislative and administrative environment by the capacity and performance of the organizational system**.

While this thesis giving a simple example of the institutional assessment stresses on the significance of the governance approaches and institutional theory by basing on the practice, the declarations of the international and overseas organizations and the claims of the MDGs and Local Agenda. The ignorance and miscalculations or the reasons of failures about the institutional dimension is also concentrated by underlining the contradictory situation encountered within the project implementation while highlighting the increasing number of international project within nation-states by providing the useful theoretical background about the shrinking activities of the nation states as the increasing impact area of the international and overseas organizations is taken into account. While doing this, development theories, the challenges in urban service provision, the increasing prominence of institutional theory and governance approaches, the triple relationship set by the international declarations about the governance-urban service provision-poverty alleviation,

the distinguished significance of the concept of governance by the issue on decentralization, the appearance of new actors, the issue on partnerships and the eminence of governance for the institutionalism is stressed by also providing useful information about the global transformation after the 1990s with new challenges of the post and global ideas.

Consequently, the significance of this thesis, by means of the assessment of WB projects selected as a case, is to take attention to the institutional dimension of the international projects which quite increased in number in Turkey as well as in other developing countries, also, to elaborate the useful theoretical background with a new perspective. The results obtained with this thesis study are noteworthy for the evaluation with a new perspective of the projects implemented in Turkey not only by WB but also by other international and overseas organizations quite increased in number in recent years.

REFERENCES

- Aglietta, M., 2000. *A Theory of Capitalist Regulation: The U. S. Experience*, New Left Books, London, UK.
- Aglietta, M., and Fernbach, D., 1979. *A Theory of Capitalist Regulation*, NLB London, UK.
- Alford, R.R. and Friedland, R., 1975. "Political Participation and Public Policy", in: *Annual Reviews in Sociology*, 1: pp. 429-479.
- Allen, A., 2004. "Governance and Access to Water and Sanitation in the Metropolitan Fringe; an Overview of Five Case Studies", *ESRC Seminar*, London, UK.
- Allen, A., Davila J. and Hofmann, P., 2004. "Governance and Access to Water and Sanitation in the Metropolitan Fringe", *ESRC Seminar*, London, UK.
- Allmendinger, P. and Tewdry-Jones, M., 2000. "Spatial Dimensions and Institutional Uncertainties of Planning and the 'New Regionalism'", in: *Environment and Planning C.: Government and Policy*, Vol. 18, pp. 711-726.
- Amin, A., 1999. "An Institutional Perspective on Regional Economic Development", in: *International Journal of Urban & Regional Research*, Vol. 23, Issue 2.
- Amin, A. and Thrift, N., 1994. "Holding down the Global", in: *Globalization, Institutions and Regional Development in the "New Economy"*, Oxford University Press, UK.
- Amin, A. and Thrift, N., 1995. "Globalisation, Institutional 'Thickness' and the Global Economy", in: *Managing Cities, The New Urban Context* eds P Healey, S Cameron, S Davoudi, S Graham, AMadani-Pour (JohnWiley, Chichester, Sussex, UK).
- Amin, A. and Thrift, N., 1995. "Institutional Issues for the European Regions: from Markets and Plans to Socio-economic and Powers of Association", in: *Economy and Society*, Vol. 24 (1), pp. 41-66.
- Arnstein, S.R., 1969. "A Ladder of Citizen Participation", in: *Journal of the American Planning Association*, 35, pp. 216-224.
- Aycrigg, M., 1998. "Participation and the World Bank: Successes, Constraints, and Responses", in: *Social Development Papers* No. 29. World Bank. Washington, D.C.
- Ayee, J. and Crook R., 2003. "Toilet Wars; Urban Sanitation Services and the Politics of Public-Private Partnerships", *IDS Centre for the Future State Working Paper*, No.213, University of Sussex, Brighton, UK.
- Ayres, R., 1999. *Background Notes for a Review of World Bank Poverty Assessments in Latin America and Caribbean*, World Bank Press, Washington D.C., p.59.

- Bachrach, P. and Baratz, M.S., 1962. Two Faces of Power, in: *The American Political Science Review*, Volume 56, Issue 4, pp. 947-952.
- Bailey, N., 2003. "Local Strategic Partnerships in England: the Continuing Search for Collaborative Advantage, Leadership and Strategy in Urban Governance", in: *Planning Theory and Practice*, 4 (4), pp. 443-457.
- Baker, J., 2000. *Evaluating Project Impact for Poverty Reduction: A Handbook for Practitioners*, World Bank, Washington D.C.
- Banfield, E.C., 1961. *Political influence: a New Theory of Urban Politics*, The Free Press, New York.
- Batley, R., 1992. "Political Control of Urban Planning and Management", *Managing Fast Growing Cities*, Longman, London, p.15.
- Batley, R., 1996. "Public-Private Partnerships and Performance in Service Provision", in: *Urban Studies*, Vol.33, No.4-5, pp.723-751.
- Batley, R. and Larbi, G., 2004. "Capacity to Deliver? Management, Institutions and Public Services in Developing Countries", *Public Sector Reform in Developing Countries: Capacity Challenges to Improve Services*, Part I., UNRISD Publications, Geneva, pp.1-26.
- Baud, I. and Post, J., 2001. "Between Market and Partnerships: Urban Solid Waste Management and Contributions to Sustainable Development", *GBER*, Vol. 3, No: 1, pp. 46-65, pp. 46-65.
- Beall, J., 2001. *Towards Exclusive Urban Governance in Johannesburg*, London School of Economics Publication, UK.
- Beauregard, R., 2006. *When America Became Suburban*, Minneapolis, University of Minnesota Press, MN.
- Becker, M.C., 2005. "The Concept of Routines: some Clarifications", in: *Cambridge Journal of Economics*, 29(2):249-262.
- Bell, S., 2004. Institutionalism: Old and New, in '*Appropriate' Policy Knowledge, and Institutional and Governance Implications*, The University of Queensland, Australia.
- Bennett, E., Grohmann P. and Gentry B., 1999. "Public-Private Partnerships for the Urban Environment", in: *PPPUE Working Paper Series*, Vol.1, UNDP and Yale University.
- Bernstein, W., 2003. *The Birth of Plenty: How the Prosperity of the Modern World was Created*, McGraw-Hill; 1st edition, New York.
- Best, M.H., 1990. *The New Competition*, Polity Press, Cambridge, MA.
- Boeninger, E., 1991. "Governance and Development" In *Proceedings of the World Bank Annual Conference on Development Economics*, The World Bank, Washington D.C., p. 27.

- Booth, W. and Morin, R., 1996. "Assessing Organizational Capacity Through Participatory Monitoring and Evaluation Handbook", *prepared for the Pact Ethiopian NGO Sector Enhancement Initiative*. Washington, USAID.
- Boschma, R., Lambooy, A. and Jan, G., 1999. "Evolutionary Economics and Economic Geography", in: *Journal of Evolutionary Economics* 9, pp. 411-429.
- Bruno, M., Ravallion, M. and Squire, L., 1996. "'Equity and Growth in Developing Countries", Old and New Perspectives on the Policy Issues', in: *Policy Research Working Paper*, World Bank, Washington D.C.
- Cameron, G., Danson, N. and Halkier, H., 2000. "Institutional Change, Governance and Regional Development: Problems and Perspectives", in: *Governance, Institutional Change and Regional Development*, Aldershot: Ashgate, UK.
- Cameron, J., 2000. "Development Economics, the New Institutional Economics and NGOs", in: *Third World Quarterly*, Vol. 21, Issue 4.
- Castells, M., 1977. *The Urban Question*, Edward Arnold, London, p. 54.
- Castells, M., 1989. *The Informational City. Information Technology, Economic Restructuring, and the Urban-Regional Process*, Oxford: Basil Blackwell Ltd.
- Castells, M., 1993. *European Cities, the Informational Society, and the Global Economy*, Blackwell Publishers, Massachusetts and Oxford, p.247.
- Castells, M., 1996. "The Informational Mode of Development and the Restructuring of Capitalism". In Susan Fainstain and Scott Campell (eds) in: *Readings in Urban Theory*, Blackwell Publishers. Massachusetts.
- Castells, M., 1996. "The Rise of the Network Society", in: *The Information Age. Economy, Society and Culture*, Vol. I., Blackwell Publishers Inc.
- Checkel, J.T., 1999. "Social Construction and Integration", in: *Journal of European Public Policy*, Vol. 6, n° 4.
- Chossudovsky, M., 2003. *The Globalization of Poverty and the New World Order*, Global Research; 2nd edition.
- Clarke, R., 1985. *Logics of Organization Theory: Audiences, Codes, and Ecologies*, Blackwell Publishing.
- Cloward, R.A. and Piven, F.F., 1979. "Hidden Protest: The Channeling of Female Innovation and Resistance", in: *Signs: Journal of Women in Culture and Society* 4, UChicago Press.
- Cochrane, A., 1986. Community Politics and Democracy, in David Held and Cristopher Pollit (eds) *New Forms of Democracy*, SAGE Publications, London.
- Collins, 1995. *Let them Eat Catch up!, The Politics of Poverty and Inequality*, Monthly Review Press, New York.
- Cooke, P., Uranga, M. and Etxebarria G., 1997. "Regional Innovation Systems: Institutional and Organizational Dimensions", in: *Research Policy* 26, Elsevier Science B. V.

- Cox, K.R. and Mair, A., 1991. "From Localised Social Structures to Localities as Agents", in: *Environment and Planning A.*, Vol. 23 pp.197-213.
- Cram, L., 1998. "EU Institutions and Collective Action: Constructing a European Interest?", in: J. Greenwood, M. Aspinwall, *Collective Action in the European Union*, Routledge, London.
- Crook, R., 2002. "Urban Service Partnerships, Coping with Organizational Change in the Public Bureaucracy", in: *World Development Report 2003/04 Workshop*, Enysham Hall, Oxford.
- Danson, M., 2000. *Governance, Institutional Change and Regional Development, England*; Brookfield VT: Ashgate Pub.
- Danson, M., Halkier, H. and Cameron, G., 2000. "Regional Governance, Institutional Change and Regional Development", in: *Governance, Institutional Change and Regional Development*, Aldershot, Ashgate.
- Deichmann, U. and Somik, L., 2003. *Are You Satisfied?, Citizen Feedback and Delivery of Urban Services*, Development Research Group of World Bank, Washington D.C.
- Dente, B., and Kjellberg, F., 1988. *The Dynamic of Institutional Change: Local Government Reorganization in Western Democracies*, SAGE Publications, London.
- Devyani, M., 2002. "Evolution of Partnerships for Poverty Alleviation", in: *UNCRD Papers*, p.1.
- DiGaetano and Klemanski, 1999. *Power and City Governance*, U. of Minnesota Press, MN.
- DiMaggio, P., 1998. "The New Institutionalisms: Avenues of Collaboration", in: *Journal of Institutional and Theoretical Economics* 154, p.696.
- DiMaggio, P. and Powell, W., 1991. *The New Institutionalism in Organisational Analysis*, Chicago, Chicago University Press.
- Dowding, K., 1996. *Power (Concepts in Social Thought)*, U. of Minnesota Press.
- Dowding, K., 2001. "Explaining Urban Regimes", in: *International Journal of Urban and Regional Research*, Vol. 25-1.
- Duhigg, C., 2008, "Depression, You Say? Check Those Safety Nets," *New York Times*, March 23.
- Dunford, M. and Kafkalas, G., 1992. *Cities and Regions in the New Europe: The Global-Local Interplay and Spatial Development Strategies*, Belhaven Press, London.
- Engerman, S. and Gallman R., 1996. *The Cambridge Economic History of the United States: Volume 2: The Long Nineteenth Century*, Cambridge University Press, 2000.
- Ensminger, J., 1998. "Anthropology and the New Institutionalism", in: *Journal of Institutional and Theoretical Economics*, 154(4), pp.774-789.

- Fainstein, S. and Hirst C., 1995. *Urban Social Movements*, Sage Publications, London, pp. 182-183.
- Fainstein, S. And Campbell, S., 1996. *Readings in Urban Theory*, Blackwell Publishers, Cambridge, Massachussets and Oxford UK.
- Forest Protection Committees, 1998. *Bringing Citizen Voice, and Client Focus Into Service Delivery*, University of Sussex, Brighton. IDS Working paper 128.
- Freeman, C., 1997. *The Economics of Industrial Innovation*, 3rd ed. (co-author with Luc Soete), Pinter, London.
- Gaiha, R., Imai, K. and Kaushik, P.D., 2001. "On the Targeting and Cost- Effectiveness of Anti-Poverty Programmes in Rural India", in: *Development and Change*, Vol. 32, pp. 309-342.
- Gaye, M. and Diallo, F., 1997. "Community Participation in the Management of the Urban Environment in Rifusqie (Senegal)", in: *Environment and Urbanization*, Vol. 9, No. 1.
- Ghosh, B.N., 2006. *Globalization and the Third World*, Palgrave Macmillan.
- Giddens, A., 1984. *The Constitution of Society: Outline of the Theory of Stracturation*, University of California Press, p.42.
- Goldsmith, S., 2004. *Governing By Network: The New Shape of the Public Sector*, Brooking Institution Press.
- Goodin, R.E., 1996. "Institutions and Their Design", in: *The Theory of Institutional Design*, Cambridge University Press.
- Göymen, K., 2003. "Local Administration as a Partner in Local and Regional Development: The Case of GAP Region in Turkey", International Association of Schools and Institutes of Administration.
- Grabher, G., 1993. *The Embedded Firm: On the Socio-Economics of Industrial Networks*, Routledge, London, p.12.
- Grafstein, R., 1992. *Institutional Realism: Social and Political Constraints on Rational Actors*, Yale University, New Haven, p.3.
- Granovetter, M., 1985. "Economic Action and Social Structure: The Problem of Embeddedness", in: *American Journal of Sociology*, vol. 91, no. 3, November, pp. 481-510.
- Granovetter, M., 1992. Economic Institutions as Social Constructions: A Framework for Analysis, in *Acta Sociologica*, vol. 35, no. 1, pp. 3-11.
- Granzow, S., 2000. *The World Bank; Our Dream a World Free of Poverty*, Washington D.C., Oxford University Press.
- Gurr, R. and King, D.S., 1987. *The State and the City*. London: Macmillan.

- Halkier, H., 2003. "Discourse, Institutionalism and Public Policy: Theory, Methods and a Scottish Case Study", in: *Discussion Paper No.23/2003*, Center for International Studies, Aalborg University, Denmark.
- Hall, D., 2003. "Public Services Work!: Information, Insights and Ideas for Our Future", in: *Public Service International-PSI*-p. 4.
- Hall, P.A., 1986. *Governing the Economy: The Politics of State Intervention in Britain and France*, New York, Oxford University Press.
- Hall, P.A., 1992. "The movement from Keynesianism to monetarism: Institutional analysis and British economic policy in the 1970s", in: Steinmo, Sven; Thelen, Kathleen; Longstreth, Frank (eds), *Structuring Politics*, Cambridge University Press, Cambridge, pp. 90-113.
- Hall, P.A. and Taylor, R.C.R., 1994. "Political Science and the Four New Institutionalisms", in: Paper presented at the *Annual Meeting of American Political Science Association*, New York. September.
- Hall, P.A. and Taylor, R.C.R., 1996. "Political Science and the Three New Institutionalisms", in: *Political Studies*, Vol. XLIV, n° 5, December, pp. 936-957.
- Hallsall, P., 1998. eds. *Modern History Sourcebook: The Warsaw Pact*, 1955.
- Hamada, A.M.M., Interviews Eduard, K.R.A., 2003. "Water Governance and Private Sector Participation in OECD Countries", in: *Ecologic*, Berlin, pp. 1-38.
- Harding, A., 1995. *Elite Theory and Growth Machines*. In David Judge, Gerry Stoker and Harold Wolman (eds) *Theories of Urban Politics*, London: SAGE Publications.
- Harpham, T. and Boateng, K., 1997. "Urban Governance in Relation to the Operation of Urban Services in Developing Countries", in: *Habitat International*, Vol. 21, No.1, pp.65-77.
- Harvey, D., 2006. "Neoliberalism and the City", in: *Middlebury College, Rohatyn Center for International Affairs Symposium*, "Urban Landscapes: The Politics of Expression". September 29, 2006.
- Hay, C., 2000. "Contemporary Capitalism, Globalization, Regionalization and the Persistence of National Variation", in: *Review of International Studies* 26:4.
- Hay, C. and Wincott, D., 1998. "Structure, Agency, and Historical Institutionalism", in: *Political Studies*, Vol. XLVI, n° 5.
- Healey, M. and Ilbery, B.W., 1990. *Location and Change: Perspectives on Economic Geography*, New York: Oxford University Press p. 6.
- Helmsing, B., 2001. "Externalities, Learning and Governance: New Perspectives on Local Economic Development", in: *Development and Change*, Vol. 32, pp. 277-308.
- Hira, A. and Hira, R., 2000. "The New Institutionalism Contradictory Notions of Change", in: *The American Journal of Economics and Sociology*, 59, 2.
- Hirst, P., 1993. *Associative Democracy*. Cambridge: Polity.

- Hodgson, G.M., 1993. *Economics and Institutions*, Polity Press, Cambridge, pp. 365.
- Hodgson, G.M., 1993. Institutional Economics: Surveying the 'Old' and the 'New', in *Metroeconomica*, vol. 44, no. 1, February, pp. 1-28.
- Hodgson, G.M., 1994. The Return of Institutional Economics, in Smelser, Neil J.; Swedberg, Richard (eds), *The Handbook of Economic Sociology*, Princeton University Press, Princeton, pp. 58-76.
- Hodgson, G.M., 1997. "The Ubiquity of Habits and Rules", in: *Cambridge Journal of Economics*, vol. 21, no. 6, 663–84.
- Hodgson, G.M., 1998. The Approach of Institutional Economics, in *Journal of Economic Literature*, vol. 36, no. 1, March, pp. 166-192.
- Hofmann, P., 2004. *Access to Water Supply and Sanitation Services of Low-Income Households in the Peri-urban Interface of Developing Countries*, Development Planning Unit, University College London.
- Holmberg, J., Thomson, K., and Timberlake, L., 1993. *Facing The Future: Beyond the Earth Summit*, Earthscan, p.52.
- Huther, J. and Shah, A., 1999. "Applying a Simple Measure of Good Governance to the Debate on Fiscal Decentralization", in: *ECLAC Seminar on Decentralization*.
- Immergut, E.M., 1992. *Health Politics: Interests and Institutions in Western Europe*, Cambridge University Press.
- Jaglin, S., 2002. "The Right to Water versus Cost Recovery: Participation, Urban Water Supply and the Poor in Sub-Saharan Africa", in: *Environment and Urbanization*, Vol. 14, No.1.
- Jessop, B., 1998. "Reflections of Globalization and Its (II) Logics", *Globalization and the Asia Pacific: Contested Territories*, Routledge, p.19.
- Jessop, B., 2001. "Institutional Re(Turns) and the Strategic-Relational Approach", in: *Environment and Planning A 2001*, Vol. 33, pp. 1213-1235.
- Johnson, N.J., 1977. "Needs, Incentive And Initiative [Microform]: A Report On An Evaluation Of Substantial Book Grants To Non-Government Primary Schools In Australia", in: *a Thesis (M.Ed.) - Monash University*, Clayton, Vic.
- Johnstone, N. and Wood, L., 2001. *Private Firms and Public Water*, Edward Elgar, Cheltenham.
- Jones, H. and Bachelor, L.W., 2007. *The Sustaining Hand Community Leadership and Corporate Power*, University Press of Kansas.
- Kafkalas G. and Dunford, M., 1992. *Cities and Regions in the New Europe: the Global-Local Interplay and Spatial Development Strategies*, John Wiley & Sons Inc.
- Kariithi, N., 2005. "New Institutionalism", in Michie, J. (ed), in: *Readers Guide to the Social Sciences*, Fitzroy Dearborn Publishers, London, p.373.

- Kato, J., 1996. "Institutions and Rationality in Politics-Three Varieties of Neo-Institutionalists", in: *British Journal of Political Science*, JSTOR.
- Kaufmann, 2004. "The Enemy of Nature: The End of Capitalism or the End of the World", in *Futures*, Vol. 36.
- Kearns, A. and Paddison, R., 2000. "New Challenges for Urban Governance", in: *Urban Studies*, Vol. 37, No: 5-6, pp. 845-850.
- Keating, M., 1991. *Comparative Urban Politics: Power and the City in the United States and Canada*, E. Elgar.
- Keating, M., 2001. "Rethinking the Region: Culture, Institutions and Economic Development in Catalonia and Galicia", in: *European Urban and Regional Studies* 8(3), Sage Publications, London, pp. 217-234.
- Keating, M., Weller, P. and Wanna, J., 2001. *Institutions on the Edge?: Capacity for Governance*, Allen & Unwin.
- Kelly, J.M. and Swindell, D., 2002. "Service Quality Variation Across Urban Space: First Steps toward a Model of Citizen Satisfaction", in: *Journal of Urban Affairs*, Volume 24, Issue 3.
- Kerremans, B., 2001. "Institutionalism, Multi-Level Governance, and the European Union's Actions in External Trade Negotiations: Some Clues for Research", paper presented at *the ECPR Joint Sessions of Workshops*.
- King, R., 2007. *The Regulatory State In An Age Of Governance: Soft Words And Big Sticks*, Palgrave Mac Millan, UK.
- King, S.J., 2003. *Liberalization Against Democracy: The Local Politics of Economic Reform*, Indiana University Press.
- Klitgaard, R., 1997. *Cleaning up and Invigorating the Civil Service*, The RAND Graduate School.
- Knight, J. and Sened, I., 1995. *Explaining Social Institutions*, University of Michigan Press.
- Knox, P. and Pitch, S., 2000. *Urban Social Geography*, 3rd ed. Harlow: Longman p.154.
- Kooiman, J., 1993. *Modern Governance: Government-Society Interactions*, Sage Publications, London.
- Krasner, S.D., 1984. 'Approaches to the State: Alternative Conceptions and Historical Dynamics', in: *Comparative Politics*, 16: 223-46.
- La Gales, P., 2004. *Changing Governance of Local Economies: Responses of European Local Production Systems*, Oxford.
- Lall, S., Deichmann, U., Lundberg, M.K.A. and Chaudhury, N., 2002. "Tenure, Diversity and Commitment: Community Participation for Urban Service Provision", in: *Development Research Group*, the World Bank.

- Landell-Mills, P. and Serageldin, I., 1991. "Governance and the External Factor", in: *Proceedings of the World Bank Annual Conference*.
- Lash, S. and Urry, J., 1987. *End of Organized Capitalism*, University of Wisconsin Press.
- Le Gates, T. and Stout, F., 2001. *The City Reader*, Routledge, London, p.215.
- Levi, M., 1990. "A Logic of Institutional Change' in Cook", K.S. and Levi, M. (eds) in: *The Limits of Rationality*, Chicago University Press, Chicago.
- Lipietz, A., 1988. "Accumulation, crises and ways out", in: *International Journal of Political Economy*, 9:2.
- Lipietz, A. and Boyer, R., 1987. "La Régulation: les Mots et les Choses. A Propos de la Théorie de la Régulation: une Approche", in: *Revue Economique*, JSTOR.
- Logan, J.R. and Molotch, H.L., 1996. The City as a Growth Machine. In Susan Fainstain and Scott Campell (eds) *Readings in Urban Theory*. Massachusetts: Blackwell Publishers.
- Lovering, J., 1999. "Theory Led by Policy : the Inadequacies of the New Regionalism (Illustrated from the Case of Wales)", in: *International Journal of Urban & Regional Research*, Vol.23.
- Lowndes, V., 1996. "Varieties of the New Institutionalism: A Critical Appraisal", in: *Public Administration*, Blackwell Publishing Ltd.
- Lowndes, V., 2001. "Rescuing Aunt Sally; Taking Institutional Theory Seriously in Urban Politics", in: *Urban Studies*, Vol. 38, No. 11, p.1954.
- Lusthaus, C., Anderson, G. and Murphy, E., 1995. *Institutional Evaluation: A Framework for Building Organizational Capacity for IDRC's Research*, Ottawa: IDRC, Canada.
- MacLeod, G., 2001. "Beyond Soft Institutionalism: Accumulation, Regulation and Their Geographical Fixes", in: *Environment and Planning*, Vol. 33, pp. 1145-1167.
- Majdalani, R., 1999. *Municipal Governance and Expanded NGOs Role in Selected Countries in the Middle East*, UNESCWA, New York, p.46.
- Manley, J.F., 1983. "Neo-Pluralism: A Class Analysis of Pluralism I and Pluralism II", in: *American Political Science Review* 77, pp. 368-83.
- March, J.G. and Olsen, J., 1984. "The New Institutionalism: Organisational Factors in Political Life", in: *American Political Science Review* 78, pp. 734-49.
- March, J.G. and Olsen, J., 1989. *Rediscovering Institutions: The Organizational Basis of Politics*, New York: Free Press.
- March, J.G. and Olsen, J., 1996. "Institutional Perspectives on Political Institution", in: *Governance* 9 (3) July. s. 247-264.
- March, J.G. and Olsen, J., 2005. "Elaborating the "New Institutionalism"", in: *Arena Working Paper Series*, Center for European Studies, University of Oslo, Norway.

- Marsh, D. and Rhodes R., eds., 1992. *Policy Networks in British Government*, Oxford: Clarendon Press.
- Massey, D., 1995. "Places and their Past", in: *History Workshop Journal*, 39, pp. 183–192.
- Mayfield, L., 1996. *The Reorganization of Urban Politics: The Chicago Growth Machine After World War II*, Massachusetts, Blackwell Publishers.
- Mc Auslan, P., 1993. "The Role of Law in Urban Planning", in N. Devas and C. Rakodi (eds), *Managing Fast Growing Cities*, Longman, London, p.45.
- Mercer, C., 2002. "'Little Supplements of Life' Urban Governance and Quality of Life", in: *Canadian Journal of Communication*, Vol.27, pp.315-330.
- Midgley, J., 1986. *Community Participation, Social Development and the State*, Mathuen Routledge, London.
- Milner, H.V., 1997. *Interests, Institutions, and Information: Domestic Politics and International Relations*, Princeton NJ, Princeton University Press.
- Moore, C., 1990. "Displacement, Partnership and Privatization: Local Government and Urban Economic Regeneration in the 1980s". In Desmond S. King and Jon Pierre (eds) *Challenges of Local Government*. London: Sage Publications.
- Moravcsik, A., 1999. "Is Something Rotten in the State of Denmark? Constructivism and European Integration", in: *Journal of European Public Policy*, Vol. 6, n° 4.
- Morgan, P., Taschereau S., 1996. *Capacity and Institutional Assessment: Frameworks, Methods and Tools for Analysis*, Canadian International Development Agency, pp. 2-16.
- Narayan, D. and Parker, R., 2000. *Crying Out for Change: Voices of the Poor*, New York, NY, World Bank Publications.
- Nee, V. and Brinton, M.C., 1998. *The New Institutionalism in Sociology*, RS Foundation, N York, VD - Russell Sage Foundation, New York, 1998.
- Nickson, A., 1997. "The Public-Private Mix in Urban Water Supply", *International Review of Administrative Sciences*, Vol. 63.
- Nickson, A., 2000. "Organizational Structure and Performance in Urban Water Supply: The Case of Saguapac Co-operative in Santa Cruz, Bolivia", in: *Public Management and Latin American Development*, the University of Birmingham.
- North, D.C., 1990. *Institutions, Institutional Change and Economic Performance*, Cambridge, Cambridge University Press.
- North, D.C., 1991. "Institutions", in: *Journal of Economic Perspectives*, Vol. 5, Number 1, pp. 97-112.
- Özaslan, M., 2004. *Küresel-Yerel Etkileşimin Yeni Örgütlenme Biçimleri:Ağ-Şebeke (Network) Tarzı Firma ve İdari-Kurumsal Örgütlenmeler*, Devlet Planlama Teşkilatı Müsteşarlığı Yayınları, pp. 440-467.

- Papanek, and Kyn, 1986. "The Effect on Income Distribution of Development, the Growth Rate and Economic Strategy", in: *Journal of Development Economics*, V 23, Issue 1.
- Paproski, P., 1993. "Urban Governance Systems Another Analyzed Abstraction ?", in: *Development Planning* No:28, University College, London, p.69.
- Perez, C., 2002. *Technological Revolutions and Financial Capital: The Dynamics of Bubbles and Golden Ages*, Edward Elgar.
- Peters, G., 1998. *Public-Private Partnership as Instruments and Institutions*, London, Macmillan.
- Peters, G., 1999. *Institutional Theory in Political Science: The 'New' Institutionalism*, London: Continuum.
- Peterson, P. and Greenstone, J.D., 1976. *Race and Authority in Urban Politics: Community Participation*, University of Chicago Press.
- Picciotto, R. and Wiesner, E., 1998. *Evaluation & Development, New Brunswick (USA) and London (UK)*, Transaction Publishers, Prescott, JRV, Evaluation and Development: The Institutional Dimension, Aldine. Prescott, JRV.
- Pickvance, C. and Preteceille, E. (eds), 1991. *State Restructuring and Local Power: A Comparative Perspective*. London: Pinter Publishers.
- Pierre, J., 1998. *Partnerships in Urban Governance*, London: Macmillan.
- Pierre, J., 1999. "Models of Urban Governance: The Institutional Dimension of Urban Politics", in: *Urban Affairs Review*, Vol: 34, No: 3, pp. 372-396.
- Pierre, J., 2000. *Debating Governance, Authority, Steering, and Democracy*, Oxford University Press, Oxford.
- Pierre, J. and Peters, G., 2000. *Governance, Politics and the State*, Macmillan Press, London.
- Pierson, P., 2000. "The Limits of Design : Explaining Institutional Origins and Change", in: *Governance*, Vol. 13, n° 4.
- Pinheiro, J., 1995. "The Role of Aid: we must not Sign Away the Future", in: *The Courier*, No:149, EU, Brussels, p.45.
- Piore, M. and Sabel, C., 1984. *The Second Industrial Divide: Possibilities For Prosperity*, Basic Books.
- Polanyi, K., 1957. "The Economy as Instituted Process", in: *Economies in History and Theory*, pp. 243-244.
- Potter, D., Thomas A., 1992. "Development, Capitalism and the Nation State", T. Allen & A. Thomas, (eds. *Poverty and Development in 1990s*, Oxford University Press, p.43.
- Powell, W.W. and DiMaggio, P., 1991. *The New Institutionalism in Organizational Analysis*, P. imprenta: Chicago.

- Pratchett, L. and Wilson, D., 1996. "Local Government Under Siege" In Lawrence Pratchett and David Wilson (eds) *Local Democracy and Local Government*. London: Macmillan Press Ltd.
- Putnam, R. D., 1993. *Making Democracy Work: Civic Traditions in Modern Italy*, Princeton University Press.
- Raco, M., 1998. "Competition, Collaboration and the New Industrial Districts: Examining the Institutional Turn in Local Economic Development", in: *Urban Studies*, 36 (5-6).
- Rajkumar, A.S. and Swaroop, V., 2002. *Public Spending and Outcomes: Does Governance Matter?*, World Bank Group, Washington.
- Rhodes, R.A.W., 1996. "The New Governance: Governing without Government", in: *Political Studies*, Vol. 64, pp. 652-667.
- Rhodes, R.A.W., Bevir, M., 2001. "A Decentred Theory of Governance: Rational Choice, Institutionalism and Interpretation", *Working Paper 2001-10*, Paper to a colloquium at the Institute of Governmental Studies, University of California.
- Robinson, M., 2003. "Participation, Local Governance and Decentralized Service Delivery", in: *A Workshop on New Approaches to Decentralized Service Delivery: March-2003*, Santiago, Chile.
- Robinson, M. and White, G., 2001. "The Role of Civic Organizations in the Production of Social Services" in: Mwabu et al., pp. 79-100.
- Rosenau, P.V., 2000. *Public-Private Policy Partnerships*, Cambridge, Mass: MIT Press.
- Sanyal, B., 1994. *Co-operative Autonomy: the Dialectic of State-Movement Partnership Model. A study of India's*, International Institute for Labour Studies, Genève.
- Sassen, S., 1991. *The Global City: New York, London and Tokyo*. New Jersey: Princeton University Press.
- Savage, M. and Warde, A., 1993. Cities and Uneven Economic Development, in *Urban Sociology, Capitalism, and Modernity*, Macmillan Press.
- Sayer, A., 1992. *Method in Social Science. A Realist Approach*. First Published in 1984, second edition 1992. London and New York: Routledge.
- Sayre, W.S. and Kaufman, H., 1960. *Governing New York City: Politics in the Metropolis*, Philadelphia: Russell Sage.
- Scharpf, F.W., 1997. *Games Real Actors Play. Actor-Centered Institutionalism in Policy Research*, Boulder Co., Westview Press.
- Schuurman, F.J. and Van Naerssen, A.L., 1989.. *Urban Social Movements in the Third World*, Routledge Kegan & Paul.
- Scott, A.J., 1992. "The Roepke Lecture in Economic Geography: The Collective Order of Flexible Production Agglomerations : Lessons for Local Economic Development Policy and Strategic Choice", in: *Economic Geography*, Vol: 28, No: 3, p.219.

- Scott, J.C., 1999. *Geographies of Trust, Geographies of Hierarchy*, Cambridge University Press, pp. 273-289.
- Scott, W.R., 2001. *Institutions and Organizations*. Thousand Oaks, CA: Sage.
- Shepsle, K., 1986. "Institutional Equilibrium and Equilibrium Institutions", in Weisburg, Herbert, editor, *Political Science: The Science of Politics*. New York:, Agathon Press.
- Shixue, J., 2003. "Income Distribution in Latin America", *the Latin America and Asia-Pacific Economics and Business Association (LAEBA) Conference*, Tokyo.
- Steinmo, S. and Tolbert, C.J., 1998. "Do Institutions Really Matter?", in: *Comparative Political Studies*, Harvard University.
- Stoker, G., 1990. "Regulation Theory, Local Government and the Transition from Fordism", In Desmond S. King and Jon Pierre (eds) *Challenges of Local Government*, London: Sage Publications.
- Stoker, G., 1995. "Regime Theory and Urban Politics", In David Judge, Gerry Stoker and Harold Wolman (eds) *Theories of Urban Politics*. London. SAGE Publications.
- Stoker, G., 1996. "Redefining Local Democracy", In Lawrence Pratchett and David Wilson (eds) *Local Democracy and Local Government*. London: Macmillan.
- Stoker, G., 1998. "Theory and Urban Politics", in: *International Political Science Review* 19, Vol. 19, No. 2, 119-129.
- Stoker, G., 2003. *Transforming Local Governance: From Thatcherism to New Labour*, Palgrave Macmillan, London.
- Stoker, G., 2005. *What is Local Government For?: Refocusing Local Governance to Meet the Challenges of the 21st Century*, London.
- Stoker, G., Judge, D., and Wolman, H., 1995. *Theories of Urban Politics*, Sage, London.
- Stone, C.N., 1980. "Systemic Power in Community Decision Making", in: *American Political Science Review*, 74, 978 90.
- Stone, C.N., 1989. *Regime Politics Governing Atlanta, 1946 – 1988*, University of Kansas Press, Lawrence, KA.
- Stone, C.N. and Sanders, H.T., 1987. *The Politics of Urban Development*, University of Kansas Press, Lawrence, KA.
- Storper, M., 1997. *The Regional World: Territorial Development in a Global Economy*, The Guilford Press.
- Storper, M., 2000. *Institutions and the Role of the State*, Edward Elgar Pub.
- Stren, R., 1992. "Urban Management in Development Assistance", in: *Cities* 10, (2). 125-138.

- Swanstrom, T. and Logan, J.R., 1991. *Beyond the City Limits*, Philadelphia: Temple University Press, pp. 27-59.
- Teune, H., 1995. "Local Governance Around the World", in: *The Annals of the American Academy of Political and Social Science*, Vol. 540.
- Thelen, K., Steinmo, S., 1995. "Historical Institutionalism in Comparative Politics", in: S. Steinmo, K. Thelen, F. Longstreth (eds.), *Structuring Politics. Historical Institutionalism in Comparative Analysis*, Cambridge, Cambridge University Press.
- Toffler, A., 1980. *The Third Wave*, Bantam Books, New York, NY.
- Torres, L. and Pina, V., 2002. "Changes in Public Service Delivery in EU Countries", in: *Public Money and Management, University of Zaragoza*, Vol. 22, pp. 41-48.
- Tovey, K.S., 1999. "P.O.W.E.R. : Politics Of Water and Emerging Realities", 25th WEDC Conference, Addis Ababa, Ethiopia.
- UN-Habitat 2003. *Water Sanitation in the World's Cities, Local Action for Global Goals*, Earthscan, London.
- USAID Center for Development Information and Evaluation, 2000. *Recent Practices in Monitoring and Evaluation Tips*, pp.1-25.
- Vogel, R.K., 1992. *Urban Political Economy*, University Press of Florida.
- Vogel, R.K., 1997. *Handbook of Research on Urban Politics and Policy in the United States*, Greenwood Publishing Group.
- Wagner, P., 1994. "Dispute, Uncertainty and Institution in Recent French Debates", in: *Journal of Political Philosophy*, Volume 2, Number 3 pp.270-289.
- Walker, R., 1988. "The Geographical Organization of Production-Systems", in: *Environment and Planning D: Society and Space* 6(4), pp. 377 – 408.
- Walker, R. and Ashworth, K., 1994. *Poverty Dynamics, Issues and Examples*, Avebury, Aldershot.
- Williamson, O., 1987. *Markets and Hierarchies-Analysis and Antitrust Implications*, Free Press.
- Winston, C., 1991. "Efficient Transportation Infrastructure Policy", in: *Journal of Economic Perspectives*, Vol. 5, No. 1, pp. 113-127.
- Wodon, Q. and Ayres, R.L., 2000. Background Notes on Most of the Poverty Assessments, *World Bank*, Washington D.C.
- Wolman, H., 1996. "Theories of Local Democracy in United States". In Desmond S. King and Gerry Stoker (eds) *Rethinking Local Democracy*. London: Macmillan.
- Wong, K.K., 1998. "Transforming Urban School System, Integrated Governance in Chicago and Birmingham", *the Office of Educational Research and Improvement*, Publication Series, No:20.
- World Bank, www.worldbank.org. last accessed; January 05, 2009

- World Bank, 1998. "Bolivia: Major Cities Water and Sewerage Rehabilitation Project-Implementation Completion Report No:18009", *Finance, Private Sector and Infrastructure Department*.
- World Bank, 2003. *World Development 2004: Making Services Work for Poor People*, Oxford University Press, Washington D.C.
- World Bank, 2004. Implementation Completion Report on *Antalya Water Supply Sanitation Project*, p.35.
- World Bank, 2005. *Implementation Completion Report on Cesme-Alacati Water Supply Sanitation Project*.
- World Bank, 1997. *Project Information Document on Cesme-Alacati Water Supply Sanitation Project*.
- World Bank, 1998. Staff Appraisal Report on *Cesme-Alacati Water Supply Sanitation Project*.
- World Bank, 1995. *Staff Appraisal Report on Antalya Water Supply Sanitation Project*.
- World Bank, Latin America and the Caribbean Regional Office, 2000. *Managing Social Risks in Argentina*, World Bank Press, Washington D.C.
- World Bank Operations Evaluation Department, 2004. *Evaluation Capacity Development, Monitoring and Evaluation: Some Tools Methods and Approaches*, pp.1-19.
- Xie, Q. and Stough, R., 2002. "Public-Private Partnerships in Urban Economic Development and Prospects of Their Application in China", presented at *the International Conference on Transitions in Public Administration and Governance*, Beijing.
- Yeung, H. and Wai, C., 2000. "Organizing 'the Firm' in Industrial Geography I: Networks, Institutions and Regional Development", in: *Progress in Human Geography* 24,2, pp. 301-315.

APPENDIX A

QUESTIONNAIRE ON INSTITUTIONAL ASSESSMENT FOR CASE STUDIES

**A. Questions on Institutional Motivation
(6 Evaluation +7 Change) Questions=13 Questions**

1. How do you evaluate the success of institution in the achievement of its mission ?

	2008
very high	
high	
moderate	
low	
very low	

2. How do you evaluate the success of institution in the achievement of institutional goals?

	2008
very high	
high	
moderate	
low	
very low	

3. To what extent the mission of the institution has changed ?

	Start of the Project	2008
very high - a distinct change		
high		
moderate		
low		
very low		

4. To what extent the institutional goals has changed ?

	Start of the Project	2008
very high - a distinct change		
high		
moderate		
low		
very low		

5. To what extent types of research and the production or contribution of institution has changed ?

	Start of the Project	2008
very high - a distinct change		
high		
moderate		
low		
very low		

6. How do you evaluate the success of the role of institution ?

	2008
very high	
high	
moderate	
low	
very low	

7. How do you evaluate the success of the research and contribution of the institution ?

	2008
very high	
high	
moderate	
low	
very low	

8. To what extent the role of institution has changed ?

	Start of the Project	2008
very high - a distinct change		
high		
moderate		
low		
very low		

9. To what extent the institution has changed in structure ?

structure : overall in size, growth, programs, leadership and other structural factors.

	Start of the Project	2008
very high - a distinct change		
high		
moderate		
low		
very low		

10. To what extent the institution has changed in size, growth, leadership ?

Start of the Project 2008

very high - a
distinct change
high
moderate
low
very low

11. What are the major struggles in the institution ?

12. What can be said as milestone or an historical achievement for the institution ?

13. To what extent the relationship with other partner institutions has changed ?

Start of the Project 2008

very high - a
distinct change
high
moderate
low
very low

14. How do you evaluate the success of the institution in the relationship with other partner institutions ?

2008

very high
high
moderate
low
very low

15. How do you evaluate the significance of the institution in the realization of the mission by taking into consideration its public duty ?

2008

very high
high
moderate
low
very low

**B. Questions on Institutional Capacity
(21 Evaluation +19 Change) Questions=40 Questions**

16. To what extent the leadership in strategy (setting direction, supporting resource development, ensuring tasks) are done of the institution has changed ?

	Start of the Project	2008
very high - a distinct change		
high		
moderate		
low		
very low		

17. To what extent the structure and roles and responsibilities of the institution has changed ?

	Start of the Project	2008
very high - a distinct change		
high		
moderate		
low		
very low		

18. How do you evaluate the leadership capacity in strategy (setting direction, supporting resource development, ensuring tasks) are done of the institution ?

	2008
very high	
high	
moderate	
low	
very low	

19. How do you evaluate the roles and the responsibilities of the institution ?

	2008
very high	
high	
moderate	
low	
very low	

20. To what extent the decision-making process of the institution has changed ?

	Start of the Project	2008
very high - a distinct change		
high		
moderate		
low		
very low		

21. To what extent the participation and the relation with other stakeholders has changed ?

very high - a
distinct change
high
moderate
low
very low

Start of the Project 2008

22. To what extent the strategic planning of the institution has changed ?

very high - a
distinct change
high
moderate
low
very low

Start of the Project 2008

23. To what extent the capability on developing tactics to attain objectives of the institution has changed ?

very high - a
distinct change
high
moderate
low
very low

Start of the Project 2008

24. To what extent the area of expertise of the institution has changed ?

very high - a
distinct change
high
moderate
low
very low

Start of the Project 2008

25. How do you evaluate the strategic planning capacity of the institution ?

very high
high
moderate
low
very low

2008

26. How do you evaluate the decision-making process of the institution ?

	2008
very high	
high	
moderate	
low	
very low	

27. How do you evaluate the area of expertise of the institution by considering its significance in the sector ?

	2008
very high	
high	
moderate	
low	
very low	

28. To what extent the human resource strategy of the institution has changed ?

	Start of the Project	2008
very high - a distinct change		
high		
moderate		
low		
very low		

29. To what extent the technological capacity of the institution has changed ?

	Start of the Project	2008
very high - a distinct change		
high		
moderate		
low		
very low		

30. To what extent the infrastructural capacity of the institution has changed ?

	Start of the Project	2008
very high - a distinct change		
high		
moderate		
low		
very low		

31. To what extent the financial capacity of the institution has changed ?

	Start of the Project	2008
very high - a distinct change		
high		
moderate		
low		
very low		

32. To what extent the implementation capacity of the institution has changed ?

	Start of the Project	2008
very high - a distinct change		
high		
moderate		
low		
very low		

33. How do you evaluate the infra structure capacity of the institution ?

	2008
very high	
high	
moderate	
low	
very low	

34. How do you evaluate the technological capacity of the institution ?

	2008
very high	
high	
moderate	
low	
very low	

35. How do you evaluate the financial capacity of the institution ?

	2008
very high	
high	
moderate	
low	
very low	

36. How do you evaluate the human resource planning capacity of the institution ?

	2008
very high	
high	
moderate	
low	
very low	

37. How do you evaluate the professional development capacity of the institution ?

2008

very high
high
moderate
low
very low

38. How do you evaluate the overall institutional capacity of the institution ?

2008

very high
high
moderate
low
very low

39. To what extent the adherence capability to the schedules of the institution has changed ?

Start of the Project

2008

very high - a distinct change
high
moderate
low
very low

40. To what extent the monitoring of the institutional activities has changed ?

Start of the Project

2008

very high - a distinct change
high
moderate
low
very low

41. To what extent the planning capacity of the institution by identifying needs and developing alternatives has changed ?

Start of the Project

2008

very high - a distinct change
high
moderate
low
very low

42. How do you evaluate the planning capacity of the institution ?

very high
high
moderate
low
very low

2008

43. How do you evaluate the monitoring capacity of the institution ?

very high
high
moderate
low
very low

2008

44. How do you evaluate the capacity of institution about the coordination of the activities ?

very high
high
moderate
low
very low

2008

45. To what extent the flow of information with the partner organizations of the institution has changed ?

very high - a
distinct change
high
moderate
low
very low

**Start of the
Project**

2008

46. To what extent the evaluation capability of the institution about its own activities has changed ?

very high - a
distinct change
high
moderate
low
very low

**Start of the
Project**

2008

47. To what extent the relations with the other partner organizations has changed ?

Start of the Project 2008

very high - a
distinct change
high
moderate
low
very low

48. To what extent the nature of relations with the other partner organizations has changed ?

Start of the Project 2008

very high - a
distinct change
high
moderate
low
very low

49. How do you evaluate the relations with the stakeholders of the institution ?

2008

very high
high
moderate
low
very low

50. How do you evaluate the problem solving mechanism of the institution ?

2008

very high
high
moderate
low
very low

51. How do you evaluate the communication of the institution with stakeholders ?

2008

very high
high
moderate
low
very low

52. How do you evaluate the nature of the partnership of the institution ?

2008

very high
high
moderate
low
very low

53. How do you evaluate the decision making mechanism of the institution by considering the relations with the partners ?

very high
high
moderate
low
very low

2008

54. How do you evaluate the capacity of institution on creating alternatives ?

very high
high
moderate
low
very low

2008

55. How do you evaluate the capability of institution on utilizing the information ?

very high
high
moderate
low
very low

2008

**C. Questions on Institutional Performance
(12 Evaluation +12 Change) Questions=24 Questions**

56. To what extent the research performance of the institution has changed ?

very high - a
distinct change
high
moderate
low
very low

Start of the Project 2008

57. To what extent the teaching performance of the institution has changed ?

very high - a
distinct change
high
moderate
low
very low

Start of the Project 2008

58. To what extent the service performance of the institution has changed ?

	Start of the Project	2008
very high - a distinct change		
high		
moderate		
low		
very low		

59. To what extent the influence of the institution by the political decisions has changed ?

	Start of the Project	2008
very high - a distinct change		
high		
moderate		
low		
very low		

60. How do you evaluate the research performance of the institution ?

	2008
very high	
high	
moderate	
low	
very low	

61. How do you evaluate the teaching performance of the institution ?

	2008
very high	
high	
moderate	
low	
very low	

62. How do you evaluate the service performance of the institution ?

	2008
very high	
high	
moderate	
low	
very low	

63. How do you evaluate the policy influence performance of the institution ?

	2008
very high	
high	
moderate	
low	
very low	

64. To what extent the staff productivity of the institution has changed ?

very high - a
distinct change
high
moderate
low
very low

**Start of the
Project** **2008**

65. To what extent the efficient running of the administrative system of institution has changed ?

very high - a
distinct change
high
moderate
low
very low

**Start of the
Project** **2008**

66. To what extent the performance of meeting the needs of stakeholders of the institution has changed ?

very high - a
distinct change
high
moderate
low
very low

**Start of the
Project** **2008**

67. To what extent the performance of adaptation of missions of the institution has changed ?

very high - a
distinct change
high
moderate
low
very low

**Start of the
Project** **2008**

68. To what extent the performance of adaptation to the environment of the institution has changed ?

very high - a
distinct change
high
moderate
low
very low

**Start of the
Project** **2008**

69. To what extent the performance of sustainability over time of the institution has changed ?

very high - a
distinct change
high
moderate
low
very low

Start of the Project	2008

70. To what extent the performance of entrepreneurship of the institution has changed ?

very high - a
distinct change
high
moderate
low
very low

Start of the Project	2008

71. To what extent the performance of program revisions of the institution has changed ?

very high - a
distinct change
high
moderate
low
very low

Start of the Project	2008

72. How do you evaluate the administrative system efficiency of the institution ?

very high
high
moderate
low
very low

2008

73. How do you evaluate the staff productivity of the institution ?

very high
high
moderate
low
very low

2008

74. How do you evaluate the institutional sustainability over time ?

very high
high
moderate
low
very low

2008

75. How do you evaluate institution's performance on serving clients' learning ?

very high
high
moderate
low
very low

2008

76. How do you evaluate institution's performance on adapting environment ?

very high
high
moderate
low
very low

2008

77. How do you evaluate institution's performance on meeting stakeholders needs?

very high
high
moderate
low
very low

2008

78. How do you evaluate institution's performance on program revisions ?

very high
high
moderate
low
very low

2008

79. How do you evaluate institution's performance on entrepreneurship ?

very high
high
moderate
low
very low

2008

D. Questions on Institutional Environment
(11 Evaluation +5 Change) Questions=16 Questions

80. To what extent the administrative structure of the institution has changed ?

Start of the Project 2008

very high - a
distinct change
high
moderate
low
very low

81. To what extent the legal structure influencing the institution has changed ?

Start of the Project 2008

very high - a
distinct change
high
moderate
low
very low

82. To what extent the technological capability of the institution has changed ?

Start of the Project 2008

very high - a
distinct change
high
moderate
low
very low

83. To what extent the affect of external political structure on institution has changed ?

Start of the Project 2008

very high - a
distinct change
high
moderate
low
very low

84. How do you evaluate institution's relations with clients and other beneficiaries?

2008

very high
high
moderate
low
very low

85. How do you evaluate institution's relations with other institutions ?

2008

very high
high
moderate
low
very low

86. How do you evaluate institution's relations with governmental bodies ?

2008

very high
high
moderate
low
very low

87. How do you evaluate institution's environment by considering the economic situation ?

2008

very high
high
moderate
low
very low

88. How do you evaluate the impact on institution by external political environment ? (negative question)

2008

very high
high
moderate
low
very low

89. How do you evaluate institution's relations with clients ?

2008

very high
high
moderate
low
very low

90. How do you evaluate the institution about accessibility to the government resources ?

2008

very high
high
moderate
low
very low

91. To what extent the relationships with the major stakeholders of the institution has changed ?

	Start of the Project	2008
very high - a distinct change		
high		
moderate		
low		
very low		

92. How do you evaluate the impact on institution about national and international economic environment ? (negative question)

	2008
very high	
high	
moderate	
low	
very low	

93. How do you evaluate technological environment for institution ?

	2008
very high	
high	
moderate	
low	
very low	

94. How do you evaluate the administrative environment for the institution ?

	2008
very high	
high	
moderate	
low	
very low	

95. How do you evaluate the policy environment for the effective and efficient process of the institution ? (negative question)

	2008
very high	
high	
moderate	
low	
very low	

APPENDIX B

AWSSP (ANTALYA WATER SUPPLY AND SANITATION PROJECT) TOTAL RESULTS OF THE QUESTIONNAIRE

A. Questions on Institutional Motivation (6 Evaluation +7 Change) Questions=13 Questions

1. How do you evaluate the success of institution in the achievement of its mission ?

	very high	high	moderate	low	very low
2008	6	5	3	0	0

2. How do you evaluate the success of institution in the achievement of institutional goals?

	very high	high	moderate	low	very low
2008	6	6	2	0	0

3. To what extent the mission of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	1	4	9
2008	0	4	5	3	2

4. To what extent the institutional goals has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	2	5	7
2008	0	6	5	2	1

5. To what extent types of research and the production or contribution of institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	1	2	6	5
2008	2	3	5	4	0

6. How do you evaluate the success of the role of institution ?

	very high	high	moderate	low	very low
2008	7	6	1	0	0

7. How do you evaluate the success of the research and contribution of the institution ?

	very high	high	moderate	low	very low
2008	5	6	3	0	0

8. To what extent the role of institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	3	5	6
2008	0	5	5	3	2

9. To what extent the institution has changed in structure ?

structure : overall in size, growth, programs, leadership and other structural factors.

	very high - a distinct change	high	moderate	low	very low
By means of project	0	2	6	5	1
2008	0	3	5	5	1

10. To what extent the institution has changed in size, growth, leadership ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	2	3	9
2008	0	0	4	2	8

11. What are the major struggles in the institution ?

12. What can be said as milestone or an historical achievement for the institution ?

13. To what extent the relationship with other partner institutions has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	6	5	3
2008	0	0	6	5	3

14. How do you evaluate the success of the institution in the relationship with other partner institutions ?

	very high	high	moderate	low	very low
2008	2	5	7	0	0

15. How do you evaluate the significance of the institution in the realization of the mission by taking into consideration its public duty ?

	very high	high	moderate	low	very low
2008	8	6	0	0	0

**B. Questions on Institutional Capacity
(21 Evaluation +19 Change) Questions=40 Questions**

16. To what extent the leadership in strategy (setting direction, supporting resource development, ensuring tasks) of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	1	5	8
2008	1	2	5	4	2

17. To what extent the structure and roles and responsibilities of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	1	1	0	2	9
2008	4	6	3	1	0

18. How do you evaluate the leadership capacity in strategy (setting direction, supporting resource development, ensuring tasks) of the institution ?

	very high	high	moderate	low	very low
2008	5	6	3	0	0

19. How do you evaluate the importance of roles and the responsibilities of the institution ?

	very high	high	moderate	low	very low
2008	11	3	0	0	0

20. To what extent the decision-making process capacity of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	1	4	9
2008	2	3	4	5	0

21. To what extent the participation and the relation with other stakeholders have changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	1	3	5	3	2
2008	3	3	5	2	1

22. To what extent the strategic planning capacity of the institution has changed?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	4	5	3	2
2008	5	5	2	2	0

23. To what extent the capability on developing tactics to attain objectives of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	1	1	12
2008	8	4	2	0	0

24. To what extent the area of expertise of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	0	2	12
2008	0	0	1	5	8

25. How do you evaluate the strategic planning capacity of the institution ?

	very high	high	moderate	low	very low
2008	7	5	2	0	0

26. How do you evaluate the decision-making process capacity of the institution ?

	very high	high	moderate	low	very low
2008	8	5	1	0	0

27. How do you evaluate the area of expertise of the institution by considering its significance in the sector ?

	very high	high	moderate	low	very low
2008	7	7	0	0	0

28. To what extent the human resource strategy of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	0	1	13
2008	0	0	6	7	1

29. To what extent the technological capacity of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	2	1	4	6	1
2008	6	5	1	0	2

30. To what extent the infrastructural capacity of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	0	1	4	2	7
	6	5	3	0	0

31. To what extent the financial capacity of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	1	6	5	2	0
	2	4	5	2	1

32. To what extent the implementation capacity of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	0	2	0	6	6
	6	5	3	0	0

33. How do you evaluate the infra structure capacity of the institution ?

	very high	high	moderate	low	very low
2008	7	6	1	0	0

34. How do you evaluate the technological capacity of the institution ?

	very high	high	moderate	low	very low
2008	4	7	3	0	0

35. How do you evaluate the financial capacity of the institution?

	very high	high	moderate	low	very low
2008	2	5	6	1	0

36. How do you evaluate the human resource planning capacity of the institution?

	very high	high	moderate	low	very low
2008	0	2	6	6	0

37. How do you evaluate the professional development capacity of the institution?

	very high	high	moderate	low	very low
2008	7	5	1	0	1

38. How do you evaluate the overall institutional capacity of the institution ?

	very high	high	moderate	low	very low
2008	6	6	2	0	0

39. To what extent the adherence capability to the schedules of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	4	5	3	0	2
	5	3	0	5	1

40. To what extent the monitoring capacity of the institutional activities has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	0	4	6	3	1
	0	3	5	5	1

41. To what extent the planning capacity of the institution by identifying needs and developing alternatives has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	0	0	6	5	3
	6	5	3	0	0

42. How do you evaluate the planning capacity of the institution ?

	very high	high	moderate	low	very low
2008	7	5	2	0	0

43. How do you evaluate the monitoring capacity of the institution ?

	very high	high	moderate	low	very low
2008	5	6	2	1	0

44. How do you evaluate the capacity of institution about the coordination of the activities ?

	very high	high	moderate	low	very low
2008	3	6	5	0	0

45. To what extent the flow of information with the partner organizations of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	1	1	6	5	1
	4	2	6	2	0

46. To what extent the evaluation capability of the institution about its own activities has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	3	4	5	0	2
	7	5	2	0	0

47. To what extent the relations with the other partner organizations has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	1	1	4	2	6
	6	5	3	0	0

48. To what extent the nature of relations with the other partner organizations has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	1	6	5	2	0
	2	5	6	1	0

49. How do you evaluate the relations with the stakeholders of the institution ?

	very high	high	moderate	low	very low
2008	5	6	3	0	0

50. How do you evaluate the problem solving mechanism capacity of the institution ?

	very high	high	moderate	low	very low
2008	2	6	6	0	0

51. How do you evaluate the communication of the institution with stakeholders ?

	very high	high	moderate	low	very low
2008	2	5	6	1	0

52. How do you evaluate the success of the partnership of the institution ?

	very high	high	moderate	low	very low
2008	6	2	5	1	0

53. How do you evaluate the decision making mechanism of the institution by considering the relations with the partners ?

	very high	high	moderate	low	very low
2008	6	4	2	2	0

54. How do you evaluate the capacity of institution on creating alternatives ?

	very high	high	moderate	low	very low
2008	6	6	2	0	0

55. How do you evaluate the capability of institution on utilizing the information ?

	very high	high	moderate	low	very low
2008	6	5	2	1	0

**C. Questions on Institutional Performance
(12 Evaluation +12 Change) Questions=24 Questions**

56. To what extent the research performance of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	2	6	4	2
2008	5	4	2	1	0

57. To what extent the teaching performance of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	7	6	1
2008	4	7	3	0	0

58. To what extent the service performance of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	4	5	4	1
2008	5	4	3	2	0

59. To what extent the influence of the institution by the political decisions has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	0	5	9
2008	0	0	0	4	10

60. How do you evaluate the research performance of the institution ?

	very high	high	moderate	low	very low
2008	5	4	5	0	0

61. How do you evaluate the teaching performance of the institution ?

	very high	high	moderate	low	very low
2008	7	4	3	0	0

62. How do you evaluate the service performance of the institution ?

	very high	high	moderate	low	very low
2008	10	4	0	0	0

63. How do you evaluate the policy influence performance of the institution ?

	very high	high	moderate	low	very low
2008	0	0	1	3	10

64. To what extent the staff productivity of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	2	6	5	1
2008	5	6	3	0	0

65. To what extent the efficient running of the administrative system efficiency of institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	5	6	1	2
2008	5	6	2	1	0

66. To what extent the performance of meeting the needs of stakeholders of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	0	5	9
2008	5	6	3	0	0

67. To what extent the performance of adaptation of missions of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	0	5	9
2008	5	6	3	0	0

68. To what extent the performance of adaptation to the environment of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	6	5	1	2
2008	5	6	2	0	1

69. To what extent the performance of sustainability over time of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	0	0	2	2	10
	0	0	1	3	10

70. To what extent the performance of entrepreneurship of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	1	0	6	5	2
	2	5	4	3	0

71. To what extent the performance of program revisions of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	0	2	6	4	2
	1	3	3	6	1

72. How do you evaluate the administrative system efficiency of the institution ?

	very high	high	moderate	low	very low
2008	4	6	2	0	2

73. How do you evaluate the staff productivity of the institution ?

	very high	high	moderate	low	very low
2008	3	7	4	0	0

74. How do you evaluate the institutional sustainability over time ?

	very high	high	moderate	low	very low
2008	8	5	1	0	0

75. How do you evaluate institution's performance on serving clients' learning ?

	very high	high	moderate	low	very low
2008	11	1	0	2	0

76. How do you evaluate institution's performance on adapting environment ?

	very high	high	moderate	low	very low
2008	8	5	1	0	0

77. How do you evaluate institution's performance on meeting stakeholders needs ?

	very high	high	moderate	low	very low
2008	12	1	0	1	0

78. How do you evaluate institution's performance on program revisions ?

	very high	high	moderate	low	very low
2008	4	3	5	2	0

79. How do you evaluate institution's performance on entrepreneurship ?

	very high	high	moderate	low	very low
2008	1	8	0	3	2

D. Questions on Institutional Environment

(11 Evaluation +5 Change) Questions=16 Questions

80. To what extent the administrative structure of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	0	3	11
2008	2	0	5	4	3

81. To what extent the legal structure influencing the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	2	6	5	1
2008	1	5	4	0	4

82. To what extent the technological capability of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	7	5	2
2008	8	6	0	0	0

83. To what extent the affect of external political structure on institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	2	5	7
2008	0	1	2	2	9

84. How do you evaluate institution's relations with clients and other beneficiaries?

	very high	high	moderate	low	very low
2008	9	2	3	0	0

85. How do you evaluate institution's relations with other institutions ?

	very high	high	moderate	low	very low
2008	8	5	0	1	0

86. How do you evaluate institution's relations with governmental bodies ?

	very high	high	moderate	low	very low
2008	6	4	2	1	1

87. How do you evaluate institution's environment by considering the economic situation ?

	very high	high	moderate	low	very low
2008	0	0	0	6	8

88. How do you evaluate the impact on institution by external political environment ? (negative question)

	very high	high	moderate	low	very low
2008	9	5	0	0	0

89. How do you evaluate institution's relations with clients ?

	very high	high	moderate	low	very low
2008	8	6	0	0	0

90. How do you evaluate the institution about accessibility to the government resources ?

	very high	high	moderate	low	very low
2008	1	4	4	1	4

91. To what extent the relationships with the major stakeholders of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	1	4	5	2
2008	5	6	0	3	0

92. How do you evaluate the impact on institution of national and international economic environment ? (negative question)

	very high	high	moderate	low	very low
2008	6	5	0	2	1

93. How do you evaluate technological environment for institution ?

	very high	high	moderate	low	very low
2008	6	7	1	0	0

94. How do you evaluate the impact of administrative environment for the effective and efficient process of the institution?

	very high	high	moderate	low	very low
2008	1	6	6	1	0

95. How do you evaluate the policy environment for the effective and efficient process of the institution ? (negative question)

	very high	high	moderate	low	very low
2008	0	1	5	2	6

APPENDIX C

CWSSP (CESME-ALACATI WATER SUPPLY AND SANITATION PROJECT) TOTAL RESULTS OF THE QUESTIONNAIRE

A. Questions on Institutional Motivation (6 Evaluation +7 Change) Questions=13 Questions

1. How do you evaluate the success of institution in the achievement of its mission ?

	very high	high	moderate	low	very low
2008	4 ¹	4	6	0	0

2. How do you evaluate the success of institution in the achievement of institutional goals?

	very high	high	moderate	low	very low
2008	3	5	6	0	0

3. To what extent the mission of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	1	4	9
2008	0	0	1	4	9

4. To what extent the institutional goals has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	3	5	6
2008	0	5	3	2	4

5. To what extent types of research and the production or contribution of institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	1	2	2	9
2008	1	4	4	5	0

¹ Number of persons who replied.

6. How do you evaluate the success of the role of institution ?

	very high	high	moderate	low	very low
2008	3	4	6	1	0

7. How do you evaluate the success of the research and contribution of the institution ?

	very high	high	moderate	low	very low
2008	3	7	2	1	1

8. To what extent the role of institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	1	6	7
2008	0	4	4	4	2

9. To what extent the institution has changed in structure ?

structure : overall in size, growth, programs, leadership and other structural factors.

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	2	5	7
2008	0	3	6	4	1

10. To what extent the institution has changed in size, growth, leadership ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	2	4	8
2008	0	2	2	2	8

11. What are the major struggles in the institution ?

12. What can be said as milestone or an historical achievement for the institution ?

13. To what extent the relationship with other partner institutions has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	5	6	3
2008	2	1	3	5	3

14. How do you evaluate the success of the institution in the relationship with other partner institutions ?

	very high	high	moderate	low	very low
2008	1	7	5	1	0

15. How do you evaluate the significance of the institution in the realization of the mission by taking into consideration its public duty ?

	very high	high	moderate	low	very low
2008	7	7	0	0	0

**B. Questions on Institutional Capacity
(21 Evaluation +19 Change) Questions=40 Questions**

16. To what extent the leadership in strategy (setting direction, supporting resource development, ensuring tasks) are done of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	2	4	8
2008	1	3	4	3	3

17. To what extent the structure and roles and responsibilities of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	2	3	9
2008	3	5	4	1	1

18. How do you evaluate the leadership capacity in strategy (setting direction, supporting resource development, ensuring tasks) are done of the institution ?

	very high	high	moderate	low	very low
2008	4	4	2	2	2

19. How do you evaluate the roles and the responsibilities of the institution ?

	very high	high	moderate	low	very low
2008	8	5	1	0	0

20. To what extent the decision-making process of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	0	3	11
2008	2	4	5	3	0

21. To what extent the participation and the relation with other stakeholders has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	1	3	4	3	3
2008	3	3	4	3	1

22. To what extent the strategic planning of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	0	0	2	6	6
	4	6	3	1	0

23. To what extent the capability on developing tactics to attain objectives of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	0	0	0	1	13
	0	5	4	4	1

24. To what extent the area of expertise of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	0	0	0	2	12
	0	2	2	1	9

25. How do you evaluate the strategic planning capacity of the institution ?

2008	very high	high	moderate	low	very low
	2	3	5	3	1

26. How do you evaluate the decision-making process capacity of the institution ?

2008	very high	high	moderate	low	very low
	1	6	5	1	1

27. How do you evaluate the area of expertise of the institution by considering its significance in the sector ?

2008	very high	high	moderate	low	very low
	6	8	0	0	0

28. To what extent the human resource strategy of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	0	0	0	2	12
	0	0	1	2	11

29. To what extent the technological capacity of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	1	3	4	5	1
	7	5	2	0	0

30. To what extent the infrastructural capacity of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	0	0	2	5	7
	4	4	5	1	0

31. To what extent the financial capacity of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	0	3	6	3	2
	0	3	6	4	1

32. To what extent the implementation capacity of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	0	1	1	5	7
	5	6	2	1	0

33. How do you evaluate the infra structure capacity of the institution ?

2008	very high	high	moderate	low	very low
	5	7	1	1	0

34. How do you evaluate the technological capacity of the institution ?

2008	very high	high	moderate	low	very low
	3	5	2	1	3

35. How do you evaluate the financial capacity of the institution ?

2008	very high	high	moderate	low	very low
	0	4	7	2	1

36. How do you evaluate the human resource planning capacity of the institution ?

2008	very high	high	moderate	low	very low
	0	1	5	5	3

37. How do you evaluate the professional development capacity of the institution ?

2008	very high	high	moderate	low	very low
	7	4	2	1	0

38. How do you evaluate the overall institutional capacity of the institution ?

2008	very high	high	moderate	low	very low
	4	8	2	0	0

39. To what extent the adherence capability to the schedules of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	2	4	4	2	2
	2	4	5	2	1

40. To what extent the monitoring of the institutional activities has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	0	3	5	5	1
	5	4	2	3	0

41. To what extent the planning capacity of the institution by identifying needs and developing alternatives has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	0	0	5	6	3
	2	7	3	2	0

42. How do you evaluate the planning capacity of the institution ?

	very high	high	moderate	low	very low
2008	5	4	2	2	1

43. How do you evaluate the monitoring capacity of the institution ?

	very high	high	moderate	low	very low
2008	3	5	4	1	1

44. How do you evaluate the capacity of institution about the coordination of the activities ?

	very high	high	moderate	low	very low
2008	5	5	3	1	0

45. To what extent the flow of information with the partner organizations of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	0	2	5	6	1
	3	2	6	2	1

46. To what extent the evaluation capability of the institution about its own activities has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	2	3	6	2	1
	6	4	2	1	1

47. To what extent the relations with the other partner organizations has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	0	0	6	6	2
	5	4	3	2	0

48. To what extent the nature of relations with the other partner organizations has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	0	0	3	5	6
	5	3	4	2	0

49. How do you evaluate the relations with the stakeholders of the institution ?

	very high	high	moderate	low	very low
2008	6	5	3	1	0

50. How do you evaluate the problem solving mechanism capacity of the institution?

	very high	high	moderate	low	very low
2008	2	5	6	1	0

51. How do you evaluate the communication of the institution with stakeholders ?

	very high	high	moderate	low	very low
2008	1	6	4	3	0

52. How do you evaluate the nature of the partnership of the institution ?

	very high	high	moderate	low	very low
2008	5	3	3	2	1

53. How do you evaluate the decision making mechanism of the institution by considering the relations with the partners ?

	very high	high	moderate	low	very low
2008	4	5	2	2	1

54. How do you evaluate the capacity of institution on creating alternatives ?

	very high	high	moderate	low	very low
2008	4	5	3	1	1

55. How do you evaluate the capability of institution on utilizing the information ?

	very high	high	moderate	low	very low
2008	2	6	5	0	1

**C. Questions on Institutional Performance
(12 Evaluation +12 Change) Questions=24 Questions**

56. To what extent the research performance of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	7	5	2
2008	6	4	3	0	1

57. To what extent the teaching performance of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	2	5	7
2008	5	6	2	1	0

58. To what extent the service performance of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	7	6	1
2008	6	5	2	1	0

59. To what extent the influence of the institution by the political decisions has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	0	4	10
2008	0	0	0	2	12

60. How do you evaluate the research performance of the institution ?

	very high	high	moderate	low	very low
2008	4	5	3	1	1

61. How do you evaluate the teaching performance of the institution ?

	very high	high	moderate	low	very low
2008	8	2	2	1	1

62. How do you evaluate the service performance of the institution ?

	very high	high	moderate	low	very low
2008	8	3	2	0	1

63. How do you evaluate the policy influence performance of the institution ?

	very high	high	moderate	low	very low
2008	0	0	0	2	12

64. To what extent the staff productivity of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	1	5	7	1
2008	4	5	4	1	0

65. To what extent the efficient running of the administrative system of institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	2	5	4	3
2008	4	5	2	1	0

66. To what extent the performance of meeting the needs of stakeholders of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	1	1	4	8
2008	4	5	3	2	0

67. To what extent the performance of adaptation of missions of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	0	2	12
2008	4	5	4	0	1

68. To what extent the performance of adaptation to the environment of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	5	6	2	1
2008	4	7	2	1	0

69. To what extent the performance of sustainability over time of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	0	1	1	3	9
	0	1	1	3	9

70. To what extent the performance of entrepreneurship of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	0	0	5	8	1
	1	4	5	3	1

71. To what extent the performance of program revisions of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project 2008	0	1	7	3	3
	5	4	1	2	2

72. How do you evaluate the administrative system efficiency of the institution ?

	very high	high	moderate	low	very low
2008	0	4	6	3	1

73. How do you evaluate the staff productivity of the institution ?

	very high	high	moderate	low	very low
2008	1	5	6	1	1

74. How do you evaluate the institutional sustainability over time ?

	very high	high	moderate	low	very low
2008	6	6	1	0	1

75. How do you evaluate institution's performance on serving clients' learning ?

	very high	high	moderate	low	very low
2008	9	1	2	2	0

76. How do you evaluate institution's performance on adapting environment ?

	very high	high	moderate	low	very low
2008	6	6	1	1	0

77. How do you evaluate institution's performance on meeting stakeholders needs ?

	very high	high	moderate	low	very low
2008	9	1	2	1	1

78. How do you evaluate institution's performance on program revisions ?

	very high	high	moderate	low	very low
2008	2	1	3	5	3

79. How do you evaluate institution's performance on entrepreneurship ?

	very high	high	moderate	low	very low
2008	0	6	6	0	2

D. Questions on Institutional Environment

(11 Evaluation +5 Change) Questions=16 Questions

80. To what extent the administrative structure of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	1	2	11
2008	1	0	6	3	4

81. To what extent the legal structure influencing the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	1	1	5	4	3
2008	0	1	6	3	4

82. To what extent the technological capability of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	5	8	1
2008	7	5	2	0	0

83. To what extent the affect of external political structure on institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	0	0	7	7
2008	0	0	1	2	11

84. How do you evaluate institution's relations with clients and other beneficiaries?

	very high	high	moderate	low	very low
2008	8	3	2	1	0

85. How do you evaluate institution's relations with other institutions ?

	very high	high	moderate	low	very low
2008	6	3	3	1	1

86. How do you evaluate institution's relations with governmental bodies ?

	very high	high	moderate	low	very low
2008	5	3	3	2	1

87. How do you evaluate institution's environment by considering the economic situation ?

	very high	high	moderate	low	very low
2008	0	0	0	1	13

88. How do you evaluate the impact on institution by external political environment ? (negative question)

	very high	high	moderate	low	very low
2008	11	3	0	0	0

89. How do you evaluate institution's relations with clients ?

	very high	high	moderate	low	very low
2008	6	5	3	0	0

90. How do you evaluate the institution about accessibility to the government resources ?

	very high	high	moderate	low	very low
2008	0	1	7	6	0

91. To what extent the relationships with the major stakeholders of the institution has changed ?

	very high - a distinct change	high	moderate	low	very low
By means of project	0	1	5	4	4
2008	2	7	2	3	0

92. How do you evaluate the impact on institution of national and international economic environment ? (negative question)

	very high	high	moderate	low	very low
2008	12	1	1	0	0

93. How do you evaluate technological environment for institution ?

	very high	high	moderate	low	very low
2008	4	2	5	3	0

94. How do you evaluate the impact of administrative environment for the effective and efficient process of the institution ?

	very high	high	moderate	low	very low
2008	0	5	7	1	1

95. How do you evaluate the policy environment for the effective and efficient process of the institution ?

	very high	high	moderate	low	very low
2008	0	1	4	3	6

Table 22: World Bank Projects in Turkey throughout the History

	Project Name	Amount (million dollars)	Status	Approval Date
1	Second Programmatic Public Sector Development Policy Loan (PPDPL 2)	400	CLOSED	19/06/2008
2	Fourth Export Finance Intermediation Loan (EFIL IV)	600	ACTIVE	22/05/2008
3	Turkey Land Registry and Cadastre Modernization Project	203	ACTIVE	01/05/2008
4	Competitiveness and Employment Development Policy Loan (CEDPL)	500	CLOSED	28/06/2007
5	Istanbul Municipal Infrastructure Project	322,15	ACTIVE	28/06/2007
6	Access to Finance for SMEs	66,7	ACTIVE	19/06/2007
7	Electricity Distribution and Rehabilitation Project	269.4	ACTIVE	19/04/2007
8	Programmatic Public Sector Development Policy Loan (PPDPL)	500	ACTIVE	29/06/2006
9	Access to Finance for SMEs	180.21	ACTIVE	08/06/2006
10	Electricity Generation Rehabilitation and Restructuring Project	336	ACTIVE	06/06/2006
11	Avian Influenza & Human Pandemic Preparedness & Response APL 2 Project	34.4	ACTIVE	24/04/2006
12	Energy Community of South East Europe APL 3 Project	150	ACTIVE	23/03/2006
13	Gas Sector Development	325	CLOSED	29/11/2005
14	Municipal Services Project	275	ACTIVE	23/06/2005
15	Privatization Social Support Project 2	465.4	ACTIVE	14/06/2005
16	Railways Restructuring Project	184.7	ACTIVE	09/06/2005
17	Seismic Risk Mitigation Project	400	ACTIVE	26/05/2005
18	Export Finance Intermediation Loan 3 (EFIL 3)	305	ACTIVE	17/05/2005
19	Energy Community of South East Europe (APL #2) (Turkey)	66	ACTIVE	04/04/2005
20	Secondary Education Project	104	ACTIVE	15/03/2005
21	Programmatic Financial & Public Sector Adjustment Loan 3 (PFPSAL 3)	1000	CLOSED	17/06/2004

WORLD BANK PROJECTS IN TURKEY THROUGHOUT
THE HISTORY

APPENDIX D

Table 22: (continued)

	Project Name	ID	Amount (million dollars)	Status	Approval Date
22	Anatolia Watershed Rehabilitation GEF Project (Black Sea)	P075094	7	ACTIVE	01/06/2004
23	Anatolia Watershed Rehabilitation Project	P070950	20	ACTIVE	01/06/2004
24	Health Transition Project	P074053	60.61	ACTIVE	20/05/2004
25	Renewable Energy Project	P072480	202.03	ACTIVE	25/03/2004
26	Export Finance Intermediation Loan 2 (EFIL 2)	P082801	303.1	CLOSED	13/01/2004
27	Basic Education 2 Project (APL #2)	P059872	300	CLOSED	16/07/2002
28	Programmatic Financial & Public Sector Adjustment Loan 2 (PFPSAL 2)	P070560	1350	CLOSED	16/04/2002
29	Social Risk Mitigation Project (SRMP)	P074408	500	CLOSED	13/09/2001
30	Agricultural Reform Implementation Project (ARIP)	P070286	600	ACTIVE	12/07/2001
31	Programmatic Financial & Public Sector Adjustment Loan (PFPSAL)	P070561	1100	CLOSED	12/07/2001
32	Financial Sector Adjustment Loan	P066511	777.78	CLOSED	21/11/2000
33	Privatization Social Support Project	P069894	250	CLOSED	21/11/2000
34	Biodiversity & Natural Resource Management GEF Project	P044175	8.19	CLOSED	13/06/2000
35	Economic Reform Loan (ERL)	P068792	759.6	CLOSED	18/05/2000
36	Emergency Earthquake Recovery Loan (EERL)	P068394	252.53	CLOSED	16/11/1999
37	Marmara Earthquake Emergency Reconstruction Project	P068368	505	CLOSED	16/11/1999
38	Export Finance Intermediation Loan (EFIL)	P065188	252.53	CLOSED	06/07/1999
39	Industrial Technology Project	P009073	155	CLOSED	17/06/1999
40	Emergency Flood & Earthquake Recovery Project	P058877	369	CLOSED	10/09/1998
41	Commodities Market Development Project	P048851	4	CLOSED	16/07/1998
42	Basic Education Project	P009089	300	CLOSED	23/06/1996

Table 22: (continued)

	Project Name	ID	Amount (million dollars)	Status	Approval Date
43	National Transmission Grid Project	P048852	270	CLOSED	11/06/1996
44	Cesme-Alacati Water Supply & Sewerage Project	P008985	13.1	CLOSED	14/04/1998
45	Privatization of Irrigation Project	P009072	20	CLOSED	14/10/1997
46	Primary Health Care Services Project	P009095	14.5	CLOSED	24/06/1997
47	Baku-Ceyhan Oil Export Pipeline Technical Assistance	P045073	5	CLOSED	12/09/1996
48	Road Improvement & Traffic Safety Project	P038091	250	CLOSED	20/06/1996
49	ODS Phaseout 2 Project under Montreal Protocol	P038404	2.8	CLOSED	05/10/1995
50	Public Finance Management Project	P035759	62	CLOSED	21/09/1995
51	Antalya Water Supply & Sanitation Project	P009093	100	CLOSED	25/05/1995
52	Health 2 Project	P009076	150	CLOSED	22/14/1995
53	Privatization Implementation Technical Assistance Project	P009102	100	CLOSED	03/05/1994
54	Phaseout of Ozone Depleting Substances Montreal Protocol Project	P008871	2.8	CLOSED	28/12/1993
55	Bursa Water & Sanitation Project	P009065	129.5	CLOSED	11/03/1993
56	Eastern Anatolia Watershed Project	P009023	77	CLOSED	11/03/1993
57	Turkey in-situ Gene Conservation Project	P008869	5.1	CLOSED	11/03/1993
58	Employment & Training Project	P009064	67	CLOSED	10/12/1992
59	Earthquake Rehabilitation & Reconstruction Project	P009099	285	CLOSED	23/07/1992
60	Berke Hydropower Project	P009019	270	CLOSED	28/05/1992
61	Technical Assistance for Treasury Data Project	P009097	9.2	CLOSED	28/05/1992
62	Agricultural Research Project	P009044	55	CLOSED	21/05/1992
63	Private Investment Credit Project (PICP)	P009036	200	CLOSED	13/06/1991

Table 22: (continued)

	Project Name	ID	Amount (million dollars)	Status	Approval Date
64	TEK Restructuring Project	P009071	300	CLOSED	13/06/1991
65	State & Provincial Roads Project	P009051	300	CLOSED	14/05/1991
66	Technology Development Project	P009058	100	CLOSED	28/02/1991
67	National Education Development Project	P009029	90.2	CLOSED	26/04/1990
68	Turkey Second Agriculture Extension Project	P008974	63	CLOSED	13/03/1990
69	Ankara Sewerage Project	P009061	173	CLOSED	21/12/1989
70	Agricultural Credit Project (03)	P008967	250	CLOSED	15/06/1989
71	Agroindustry Development Project	P009056	150	CLOSED	30/05/1989
72	Small & Medium Scale Industry Project (02)	P009057	204.5	CLOSED	23/05/1989
73	Health Project (01)	P009030	75	CLOSED	11/05/1989
74	II Fin.Adj. B Loan	P009069	0	ACTIVE	15/09/1988
75	Financial Sector Adjustment Loan Project (02)	P008987	400	CLOSED	21/06/1988
76	Industrial Training Project (02)	P008988	115.8	CLOSED	22/03/1988
77	Industrial Export Development Project	P009033	300	CLOSED	19/01/1988
78	Istanbul Water Supply & Sewerage Project	P009034	218	CLOSED	01/12/1987
79	Egy. Sec. Loan -B. Loan	P009060	0	ACTIVE	23/09/1987
80	Energy Sector Adjustment Loan Project	P008968	325	CLOSED	25/06/1987
81	Cukurova Urban Development Project	P008970	120	CLOSED	21/05/1987
82	Izmir Water Supply & Sewerage Project	P008971	184	CLOSED	21/05/1987
83	B-LOAN (FSAL)	P009043	0	ACTIVE	26/01/1987
84	Non Formal Vocational Training Project	P008976	58.5	CLOSED	06/01/1987

Table 22: (continued)

	Project Name	ID	Amount (million dollars)	Status	Approval Date
85	B-LOAN FSAL	P009041	0	ACTIVE	05/09/1986
86	Sir Hydropower Project	P008964	132	CLOSED	26/08/1986
87	Railway Project (02)	P008969	197	CLOSED	08/07/1986
88	Financial Sector Adjustment Loan Project	P008962	300	CLOSED	10/01/1986
89	Bloan Kaytaktape Pow	P009027	0	CLOSED	07/04/1986
90	Drainage & On Farm Development Project	P008961	255	CLOSED	20/03/1986
91	Kayraktepe Hydropower Project	P009004	200	CLOSED	25/02/1986
92	Elbistan Operation & Maintenance Assistance Project	P008960	10	CLOSED	04/02/1986
93	Small & Medium Scale Industry Project	P008957	100	CLOSED	07/01/1986
94	TEK Power System Operations Assistance Project	P008978	140	CLOSED	02/07/1985
95	Agricultural Sector Adjustment Loan Project	P008956	300	CLOSED	18/06/1985
96	TEK Transmission Project (04)	P009008	142	CLOSED	18/06/1985
97	Pulp & Paper Rehabilitation Project	P008959	55.1	CLOSED	16/05/1985
98	Cukurova Region Urban Engineering Project	P009002	38757	CLOSED	09/05/1985
99	Industrial Schools Project	P008958	57.7	CLOSED	09/05/1985
100	Port Project (03)	P008965	134.5	CLOSED	09/05/1985
101	Structural Adjustment Loan Project (05)	P008954	376	CLOSED	14/06/1984
102	Highway Project (02)	P008955	186.4	CLOSED	07/06/1984
103	Igdir Aksu Eregli Ercis Irrigation Project	P008950	115.3	CLOSED	05/06/1984
104	Agriculture Extension & Applied Research Project	P008951	72.2	CLOSED	17/04/1984
105	Industrial Training Project	P008952	36.8	CLOSED	27/03/1984

Table 22: (continued)

	Project Name	ID	Amount (million dollars)	Status	Approval Date
106	Technical Assistance to State Economic Enterprises Project	P008953	7.6	CLOSED	27/03/1984
107	Thrace Gas Exploration Project	P008947	55.2	CLOSED	28/06/1983
108	Structural Adjustment Loan Project (04)	P008948	300.8	CLOSED	23/06/1983
109	TEK Power Transmission Project (03)	P008949	163	CLOSED	23/06/1983
110	Agriculture Credit Project (02)	P008946	150.4	CLOSED	14/06/1983
111	Istanbul Sewerage Project	P008945	88.1	CLOSED	27/05/1982
112	Structural Adjustment Loan Project (03)	P008943	304.5	CLOSED	27/05/1982
113	Highway Rehabilitation Project	P008944	71.1	CLOSED	11/05/1982
114	Fertilizer Rationalization & Energy Saving Project (02)	P008942	44.1	CLOSED	27/04/1982
115	Erzurum Rural Development Project	P008940	40	CLOSED	23/02/1982
116	Export Oriented Industries Project	P008941	100	CLOSED	23/02/1982
117	State Industrial Enterprise Project (03)	P008933	70	CLOSED	21/05/1981
118	Structural Adjustment Loan Project (02)	P008938	300	CLOSED	12/05/1981
119	Fertilizer Rationalization & Energy Saving Project (01)	P008937	110	CLOSED	07/05/1981
120	Fruit and Vegetable Project (02)	P008932	40	CLOSED	31/03/1981
121	Labor Intensive Industry Project	P008934	40	CLOSED	03/03/1981
122	Bati Raman Oil Pilot Development Project	P008935	62	CLOSED	18/11/1980
123	Petroleum Exploration Project	P008936	25	CLOSED	18/11/1980
124	Str. Adj. Loan I Supplement	P008939	75	CLOSED	18/11/1980
125	Livestock Project (05)	P008925	51	CLOSED	03/06/1980
126	Summerbank Textile Project	P008928	83	CLOSED	20/05/1980

Table 22: (continued)

	Project Name	ID	Amount (million dollars)	Status	Approval Date
127	Karakaya Hydropower Project	P008930	120	CLOSED	15/05/1980
128	Structural Adjustment Loan Project	P008929	200	CLOSED	25/03/1980
129	Ankara Air Pollution Control Engineering Project	P008931	6	CLOSED	23/10/1979
130	Private Sector Textile Project	P008926	80	CLOSED	04/09/1979
131	Turkiye Sinai Kalkima Bank Project (13)	P008927	60	CLOSED	12/07/1979
132	Grain Storage Project	P008921	85	CLOSED	26/06/1979
133	Port Rehabilitation Project	P008924	75	CLOSED	26/06/1979
134	Bati Raman Enhanced Oil Engineering Project	P008922	2.5	CLOSED	21/11/1978
135	Program Loan Project	P008923	150	CLOSED	07/11/1978
136	Erdemir Steel Project (02)	P008920	95	CLOSED	29/06/1978
137	Livestock Project (04)	P008918	24	CLOSED	01/06/1978
138	Northern Forestry Project	P008919	86	CLOSED	01/06/1978
139	Turkiye Sinai Kalkima Bank Project (12)	P008915	74	CLOSED	24/05/1977
140	Devlet Yatirim Bankasi Project (02)	P008916	70	CLOSED	15/03/1977
141	South Antalya Tourism Infrastructure Project	P008917	26	CLOSED	03/07/1976
142	Livestock Project (03)	P008912	21.5	CLOSED	25/05/1976
143	Balikesir Newsprint Project	P008913	70	CLOSED	18/05/1976
144	Agriculture Credit and Agro Industry Project	P008911	63	CLOSED	27/04/1976
145	TEK Power Transmission Project (02)	P008914	56	CLOSED	18/11/1975
146	Corum Cankiri Rural Development Project	P008908	75	CLOSED	17/06/1975

Table 22: (continued)

	Project Name	ID	Amount (million dollars)	Status	Approval Date
147	IGSAS Fertilizer Exps.	P008910	18	CLOSED	15/04/1975
148	Turkiye Sinai Kalkima Bank Project (11)	P008909	65	CLOSED	07/01/1975
149	Elbistan Power Project	P008907	148	CLOSED	27/06/1975
150	State Investment Bank Project (01)	P008905	40	CLOSED	20/06/1974
151	Antalya Forestry Project	P008906	40	CLOSED	15/06/1974
152	Istanbul Urban Development and Power Distribution Project	P008903	14	CLOSED	24/04/1973
153	Railway Project	P008904	47	CLOSED	24/04/1973
154	Ceyhan Asiantas Multipurpose Project	P008901	74	CLOSED	13/02/1973
155	Turkiye Sinai Kalkima Bank Project (10)	P008902	40	CLOSED	21/12/1972
156	Istambul Urban Development Project	P008899	2.3	CLOSED	27/06/1972
157	Istanbul Water Supply Project	P008900	37	CLOSED	27/06/1972
158	IGSAS Ammonia Project	P008897	24	CLOSED	16/05/1972
159	Livestock Project (02)	P008896	16	CLOSED	04/04/1972
160	Eregli Iron and Steel Mill Project	P008898	76	CLOSED	14/03/1972
161	Irrigation Rehabilitation Project	P008895	18	CLOSED	18/06/1972
162	Cukurova Power Project (04)	P008893	7	CLOSED	29/06/1971
163	Power Transmission Project	P008894	24	CLOSED	15/06/1971
164	Fruit and Vegetable Export Project	P008890	25	CLOSED	10/06/1971
165	Education Project (01)	P008892	13.5	CLOSED	20/05/1971
166	Intensive Dairy Production Project	P008889	4.5	CLOSED	16/02/1971
167	Turkiye Sinai Kalkima Bank Project (09)	P008891	40	CLOSED	24/11/1970

Table 22: (continued)

	Project Name	ID	Amount (million dollars)	Status	Approval Date
168	Cukurova Power Project (03)	P008887	11.5	CLOSED	24/06/1969
169	Industrial Development Bank Project (05)	P008886	25	CLOSED	04/03/1969
170	Seyhan Irrigation Project (02)	P008885	24	CLOSED	25/02/1969
171	Keban Power Project	P008888	25	CLOSED	29/10/1968
172	Industrial Development Bank Project (06)	P008884	25	CLOSED	10/08/1966
173	Industrial Development Bank Project (05)	P008882	10	CLOSED	01/04/1965
174	Industrial Development Bank Project (04)	P008881	5	CLOSED	31/08/1964
175	Mersin and Kadincik Hydroelectric Project	P008883	24	CLOSED	14/07/1964
176	Seyan Irrigation Project	P008878	20	CLOSED	31/05/1963
177	Cukurova Power Project (01)	P008880	1.7	CLOSED	01/02/1963
178	Industrial Development Bank Project (03)	P008879	5	CLOSED	23/11/1962
179	Port Devt. I. Suppl	P008877	3.8	CLOSED	25/02/1954
180	Development Bank of Turkey Project (02)	P008876	9	CLOSED	10/09/1953
181	Seyan Dam Project	P008875	25.2	CLOSED	18/06/1952
182	Development Bank of Turkey Project (01)	P008873	9	CLOSED	19/10/1950
183	Grain Storage Project	P008872	3.9	CLOSED	06/07/1950
184	Port Project	P008874	12.5	CLOSED	07/07/1950
185	Access to Finance for SMEs	P082822	182.49	CLOSED	N/A
186	Community Development & Heritage	P058480	12.2	CLOSED	N/A
187	Electricity Distribution Rehabilitation Project	P096801	300	CLOSED	N/A
188	Electricity Generation Rehabilitation and Restructuring Project	P085561	300	CLOSED	N/A

Table 22: (continued)

	Project Name	ID	Amount (million dollars)	Status	Approval Date
189	Iskenderun Private Power Guarantee Project	P059950	140	CLOSED	N/A
190	Istanbul Municipal Infrastructure Project	P100383	250	CLOSED	N/A
191	Köykent Development Project	P077324	100	CLOSED	N/A
192	Knowledge Economy and Innovation Project	P083985	100	CLOSED	N/A
193	Local Initiatives and Social Assistance Project	P009090	100	CLOSED	N/A
194	Programmatic Public Sector Development Policy Loan (PPDPL)	P071052	400	CLOSED	N/A
195	Rural Cooperatives Restructuring Project	P078269	200	CLOSED	N/A
196	Southeastern Region Urban Sanitation Project	P043388	20	CLOSED	N/A
197	Turkey Harran Plain On-Farm Development Project	P009091	100	CLOSED	N/A

APPENDIX E

SYNOPTIC : SAMPLES OF INTERNATIONAL STUDIES

1. Between Market and Partnerships: Urban Solid Waste Management and Contributions to Sustainable Development?

By Isa Baud and Johan Post

Main Concepts: Delivering Urban Services (Urban Solid Waste Management), Urban Sustainable Development

Intent Areas: Market-led provision and public sector-civil society partnerships.

Case Studies: Hyderabad (India) and Nairobi (Kenya), a comparative study.

The Objective: To see how new patterns of re-alignment between state, civil society and the market occur in urban environmental provision.

Premises: 1-The perspectives of local communities and small-scale economic actors are equally important to the perspectives of urban planners.

2-Changes in urban environmental services must be assessed not only by criteria of cost efficiency and service effectiveness, but also by considering issues of equality in access, coverage, affordability, and environmental concerns.

Main Question: To what extent changes in the solid waste management systems contribute to aspects of sustainable development.

Issues: 1-The main actors and partnerships found,

2-The influence of the regulatory framework,

3-To what specific components of sustainable development the various solid waste management activities contribute.

General Information: 1-Research on urban solid waste management in developing countries has developed both from the concern for increasing costs as well as from concern for environmental impacts.

2-The perspective related with environmental impacts covers three areas a) problems for the environmental health and public health of urban citizens, b) health and safety hazards for those working with solid waste, c) problems of resource recovery and recycling of waste materials.

3-Local authorities limit solid waste management to collection, transportation and disposal in dumpsites. However, a more environmentally oriented view includes re-use, recycling and recovery activities, and safe disposal of waste.

Research Methodology: A comparative case study with fieldwork approach, team workshops, literature survey with the evaluation of qualitative and quantitative data.

Results: There are strong variations in the strength of local government lead to contrasting results in the ways markets and partnerships function.

Partnerships require a conducive, physical, socio-economic, and political environment. Political commitment is needed, and the administrative structure and culture have to be geared to participatory modes of management. Financial support is needed in order to carry out activities effectively.

The potential for partnerships between local government and the private sector in waste recycling is limited.

The community based organizations in urban service delivery are mostly concerns either one-time initiatives or small-scale activities at neighborhood level. Therefore, the overall contribution of such activities to sustainable development

Main Conclusions; **1-** A basic preventing issue for solid waste management service from contributing more to sustainable development is the segmentation of state responsibilities concerning policy initiatives integrating environmental health and ecological concerns do not exist.

2- There is a conflict between scale level which prevents integration of different aspects of sustainable development. Recycling or re-use of inorganic waste is regulated primarily at national or regional level, while solid waste collection is a local responsibility.

3- There are conflicts in financing different aspects contributing to sustainable development in service management. Local authorities set their priorities on the basis of financial stability and continuity. This conflicts with considerations of equality and total coverage in collection, with its implications for environmental health as also investments in systems for increased waste separation and recycling.

4- There is a lack of responsibility that local authorities continue to display towards the needs of residents living in unplanned or spontaneous settlements. This increases the environmental health risks.

5- The segmentation of domains leads to fluctuations in resource and materials recycling. This issue is related with macro-economic context affects the relative prices for domestic and imported resources or materials.

2.Capacity to Deliver ?

Management, Institutions and Public Services in Developing Countries

By Richard Batley and George Larbi

Main Concepts: Delivering Urban Services, Performance of Reforms in Delivering Services

Intent Areas: Reform types analyzed by sectors, summary of performance of organizational reforms, adaptation to reforms in service delivery.

Case Studies: Ghana, Zimbabwe, India and Sri Lanka as core countries and several reference countries where more limited research was undertaken; Bolivia, Argentina, Venezuela, South Africa, Kenya, and Thailand within the context of reforms in four service sectors; urban water supply, curative health, business promotion and agricultural marketing services.

Reasons for selected countries; They have different public sector traditions and experience of economic and state reform. In Ghana and Sri Lanka, adjustment came earlier than the others. India has had more stable traditional public administration.

Latin American Countries has been used as other case areas because of their relatively deeper involvement in the destatization of their economies and because of their different administrative traditions and relatively higher levels of market development.

Reasons for selected services; Curative health, urban drinking water, agricultural marketing and business development were selected because of their impact on the livelihoods of the poor, the different conditions that they offer for the exercise of control by citizens and policymakers over service delivery agents, the different technical cases for government intervention, and their all being a pure good.

The Objective: To examine performance in the implementation of management reforms and to seek explanations for reform effectiveness in four spheres:

a-The circumstances of reform and in particular the depths of the economic and political crisis that engendered the case for change,

b-The political significance of reforms,

c-The principal agency characteristics of service sectors,

d-The managerial capacity and institutional conditions of systems of governance.

Premises: **1-** Governments may be ill equipped to adopt unfamiliar approaches to public service provision, where the conditions on which new management practices are premised may not be present.

2-Over the last two decades there has been worldwide emphasis on reducing the role of government and on reforming public management by adopting aspects of private sector practice.

3-There has been considerable research on the difficult process and outcomes of public management reform for improved service delivery.

Main Question: What are the reasons of failure in reforms and adaptations to reforms in delivering services, according to the different possible type of reforms?

General Information: **1-**Specific types of reforms were the decentralization of service delivery management, the application of charges to users of services, privatizing and contracting-out the delivery and management of public services, and the development of enabling and regulatory roles by public agencies.

2-There are three core central tendencies in new public management; organizational restructuring, use of market-type mechanisms and performance assessment based on outputs.

Research Methodology: A comparative case study with fieldwork approach, team workshops, literature survey with the evaluation of qualitative and quantitative data.

General Outcomes: In the adaptation of reforms in developing countries, the lesson is not that such reforms cannot work in developing countries. Where they have been effectively implemented, they have often delivered services more effectively and responsively. The problem is in the achievement and maintenance of management reforms.

There can be changes in forms of management may have a long term effect in the improvement of service delivery, but most do not bring quick and visible effects in and little public support.

There is the nature of service sectors in which reform is taking place. The characteristics of social services give the principals (citizens and policy makers) of reform a weak hand by comparison with their agents. Citizen-clients are weakly organized to make demands and policy-makers have a weak information base from which to exercise control over service providers.

There may be weak organizational capacity to undertake and to sustain reforms. New management approaches require new skills and new forms of organization.

Failure to implement reform was generally found to have less to do with personal and organizational capacities than with underlying conditions and institutions; political and macro-economic instability, uncertainty of legal and judicial frameworks that would ensure a rule-based environment for providers of services, centralized control of operational resources, blurred boundaries between political and administrative responsibility, weak civil society demands, and weak traditions of accountability for performance.

Public service reform needs to take account of each country's conditions and context, based on local initiatives within a sustained long-term approach. More attention needs to be given to the sequencing and phasing of reforms to existing capacity, to take into account institutional conditions, and to match reform ambitions to realities. Some of the problems inherent in the transformation

from traditional to new public management in low-income countries may be transitional while others may be more fundamental and institutional.

3. The Politics of Service Delivery Reform

By Richard Batley

Main Concepts: Delivering Urban Services, Politics of Service Delivery

Intent Areas: Identifying the leaders, the supporters and the resisters of public service reform, adopting a principal agent framework, identifying the interests involved in reform, indicating how the balance between them is affected by institutional and sectoral factors, comparing reality with an ideal situation in which citizens are the principals over political policy-makers as their agents, and policy-makers are the principals over public service officials as their agents.

It identifies the interests involved in reform, indicating how the balance between them is affected by institutional factors including: the importance of the statist model to the institutional stability of weaker states, the important role of international organizations in reform, in the context of economic and fiscal crises; and the effect of the characteristics of different service sectors on the power balance between clients, policy-makers and provider organizations.

Case Studies: Ghana, Zimbabwe, India and Sri Lanka as core countries and several reference countries where more limited research was undertaken; Bolivia, Argentina, Venezuela, Kenya, and Thailand within the context of reforms in four service sectors; urban water supply, curative health, business promotion and agricultural marketing services.

Reasons for selected countries; They have different public sector traditions and experience of economic and state reform. In Ghana and Sri Lanka, adjustment came earlier than the others. India has had more stable traditional public administration.

Latin American Countries has been used as other case areas because of their relatively deeper involvement in the destatization of their economies and because of their different administrative traditions and relatively higher levels of market development.

The Objective: To examine whether the policy-makers and citizens of developing countries have been instrumental in demanding, designing and directing reforms in service delivery systems.

Premises on Political Stakes in the Reform of Public Management:

1- the political stakes are higher in the first case; determined political support is needed to drive them through. In the second case, the political stakes are lower; the crucial issues are within the competence and compliance of the bureaucracy.

2- whether reforms become openly political or are managed internally are, include the distribution of the concrete costs and benefits of reforms between government and sections of the public, and also factors to do with the 'visibility' of reforms, their administrative complexity, whether public support is required for their implementation, and the duration of the process of implementation. So, reforms such as the introduction of user fees are likely to become matters of open public debate. The benefits are most obviously to the public purse, the costs are to consumers, and the impact is immediate and visible. Decision-makers therefore confront high political stakes in pushing such reforms.

3- there is not such a clear distinction between the bureaucratic and public arenas. In weaker political economies, particularly the African cases in this study, the bureaucratic arena is itself highly politicized and inter-connected with societal interests; it is where power, employment and patronage are concentrated, so the stakes are high. Second, as it would be seen later in the study, where policy reform was led by external agencies (donors) rather than by government, public reaction was likely to have little capacity to influence the course of reform.

Premise on the Institutional Background to Reform :

Reform entails a re-structuring of institutions. It is not just a technical matter of finding the best design solution and applying it, although much of the debate about the respective roles of state and market in the 1980s and early 1990s proceeded on this sort of technical-economist basis. Nor is reform only a narrowly political process of confronting specific interests. An institutional perspective draws attention to a more complex reality where political and administrative arrangements embody values, behavior and structures of power.

Main Question: whether the policy-makers and citizens of developing countries have been instrumental in demanding, designing and directing reforms in service delivery systems.

General Information on Principal Agent Framework;

The principal–agent model (Lane, 2000; Stiglitz, 1987; Walsh, 1995) examines organizational relationships as a tension between the ‘principal’ who demands a service and the ‘agent’ who provides it. The model assumes that actors are motivated by rational self-interest. The question, then, is how principals can manage the self-interest of those empowered to act on their behalf, their agents, so that it is aligned with the purposes that they (the principals) wish to achieve. The problem arises not just from conflicts of interest but also from the privileged access of the agents to information — the problem of asymmetric information.

Research Methodology: A comparative case study with fieldwork approach, team workshops, literature survey with the evaluation of qualitative and quantitative data.

General Outcomes: 1-The first generation of reform in the 1980s and early 1990s, under the pressure of crisis and structural adjustment, focused on reforms concerned with macro-economic stabilization. The more recent reforms in the organization of service delivery, particularly in health, education, water and

sanitation present a much harder reform task. They have less clear-cut goals, offer uncertain benefits, involve multiple actors, challenge existing provider groups, and require long-term commitment. In the social sectors, citizen or client awareness and capacity to organize in order to press for improved services are weak, and policy-makers have relatively little capacity to assert control over the performance of providers. This is particularly the case in the health sector; infrastructural services (such as water) appear to offer greater opportunities for control by policy-makers over provider organizations.

2- A second point with regard to the nature of these reforms is that their concern with the organization of service delivery was of little direct interest to users or citizens. The struggle for change generally remained within the bureaucratic rather than the public arena.

3- External bodies (IMF, World Bank and donors) have the greatest force with regard to the weakest governments, with the greatest dependence and the least capacity to negotiate. As a result, proposals for reform, including in the social and utility sectors, have often been most sweeping and radical in the countries with the deepest crises. The consequence has been a large gap between radical reform design and modest outcomes, particularly in Africa.

4- By comparison with macroeconomic and industrial reform, there was much less high-level political and top official involvement in health and water reforms.

5- Professional staff — engineers in water, doctors in health (and teachers in education) — are much more important in the direction of these sectors than they are in ministries of industry and agriculture, and are likely to have a continuing role whatever the reform. Where social reform was more successful it was led by a small reform team that included donors, core ministry and line ministry officials with high level political support.

CURRICULUM VITAE

PERSONAL INFORMATION

Surname, Name : Albayrak, Turgay
Nationality : Turkish (TC)
Date and Place of Birth : 14 September 1977, Ankara
Marital Status : Married
Phone : +90.312.410.2456
 +90.506.774.7991
 +90.312.341.7049
E-mail : albayrak.turgay@gmail.com
 turgaya@bayindirlik.gov.tr

EDUCATION

Degree	Institution	Year of Graduation
M.S.UPL	METU/Urban Policy Planning and Local Government	2002
B.S.CP	METU/City Planning	1999
High School	Ankara Aydınlikevler Anadolu Lisesi	1994

WORK EXPERIENCE

Year	Place	Enrollment
2000-Present	The Ministry of Public Works and Settlement The General Directorate of Tech. Res. & Imp., Department of Urban Development Planning	City Planner
1999-2000	Middle East Technical University Institute of Social Sciences, Department of Urban Pol. Pl. & Loc. Gov.	Res. Assistant

FOREIGN LANGUAGE

Advanced English

SEMINARS, COURSES & MEETINGS

- World Urban Habitat Forum-4, WUF-IV, Nanjing-China [02.11-06.11.2008]
- Seminar Series: Partnerships for Sustainable Development, "Sustainable Public Policies and Business Practices for Black Sea Countries, Venice-Italy (28.09-08.10.2008)
- Seminar Series: Partnerships for Sustainable Development, "Sustainable Public Policies and Business Practices for Black Sea Countries, Istanbul (15.06-24.06.2008)
- EU Conference on Urban Development and Territorial Cohesion, Brdo-Slovenia (18.03-19.03.2008)
- UNECE Conference on Working Party on Land Administration and Management, Geneva-Switzerland (19.11-21.11.2007)
- Training of Trainees on EU Funded Project and Programmes, Ankara, (18.09-21.09.2007)
- Training on EU funded Programme/Project Evaluation and Monitoring, Ankara, (July 2007)
- Seminar on Spatial Difficulties for Disabled People, Ankara, (July 2007)
- Tubitak EU Frame Programmes National Coordination Office Tr-Access Project, Ankara (June 2007)
- EU Project Cycling Management Seminar, Ankara (June 2006)
- 10th UNECE Conference on Urban and Regional Research, Bratislava-Slovakia (20-24.05.2006)
- EU Enlargement Process and Turkey, Introductory Screening on Agriculture and Rural Development, Brussels-Belgium (05-08.12.2005)
- EU Enlargement Process and Turkey, Detailed Screening on Agriculture and Rural Development, Brussels-Belgium (23-26.01.2006)
- AutoCAD and Urban Development Plan Drawing Techniques on Computer (10.1997-12.1997)
- NETCAD User Certificate with Drawing Techniques on Computer

SUBJECT OF INTERESTS

Institutionalization, International Projects and Programs, the World Bank, European Union, Globalization, Urban Politics, Poverty Alleviation, Urban Service Provision, Partnership Models and Participation for Development Projects, Governance, Urban Sociology, Identity and Ethnicity Politics, Sustainable Development, Climate Change and Mitigation & Adaptation, Development Theories.

THESIS-- FOR MS DEGREE

An Assessment on the Impact of Governance Approaches for Effective Provision of Urban Services by the World Bank : A Comparative Study

PLANNING ACTIVITIES & PROJECTS INVOLVED

In the Ministry of Public Works and Resettlement,

Date; 31.12.2000-present

As a City Planner

- Coastal Management and Development Plans on Aegean and Black Sea Coastal Provinces in different scales; Muğla, Trabzon, Ordu
- Arrangements of Legal Framework especially on Urban Development, Coastal and Storages for Exploiting Materials Laws
- Preparation of Procedures for Coastal Zones and Structures (harbors, breakwaters, moles, shipyards etc.)
- Preparation of Urban Development and Regulation Plans; (1/25.000 Bodrum Peninsula Urban Development Plan, 1/25.000 Gökova Gulf Urban Development Plan, 1/25.000 Fethiye-Dalaman Urban Development Plan, 1/5.000 Göl-Türkbükü Urban Development Plan, 1/5.000 Yalıkavak Urban Development Plan, 1/5.000 Çökertme Tourism Centre Urban Development Plan)
- Projects on the Mediterranean Caretta Caretta's and Seals' Preserving
- Preparation of Development Plans for Fishery Products in 1/25.000 scale for Aydın-Muğla

In the Department of Policy Planning and Local Governments, METU

Date; 17.11.1999-22.12.2000

As a Research Assistant

- Project on Zonguldak (A Coal Industry) in the period of Deindustrialization
- Project on Ankara and Survival Strategies of the Poor
- Area survey after the 1999 earthquake (in Adapazarı, Kocaeli (interviews, evaluation of the interviews in SPSS, conclusions related with the evaluation of the interviews in urban sociological dimension)

In the Mass Housing Development Administration of Turkey

Year; 1998

As a Trainee

- Project on Halkalı Mass Housing Project