REFORM EFFORTS FOR BETTER GOVERNANCE IN TURKEY*

After a long period of time Turkey has a one-party government which constitutes well for political stability and the ability to lead reforms effectively, in contrast to often unstable coalition governments of the past. Turkey has been going through a dynamic transformation process in public life. Our country is at the centre of overhauling its public administration system and restructuring its intergovernmental fiscal and political power-sharing mechanisms.

The style of governance, restructuring process of public administration and the role of the State in Turkey have been affected due to the impacts of globalisation and the process of information society, developments in the relations with the European Union (EU) and economic fluctuations. Increasing demands of citizens from the administration required new mechanisms to be established for better quality services.

To increase the capacity, efficiency, accountability and performance of the administration are most prominent needs in Turkey. The source of the problems in public sector stems from type of organizational structure and style of provision of services.

In Turkey about 3 million public officials are employed by Government, including public officials in local governments and workers in State Economic Enterprises. It constitutes 4.6% of total population in Turkey. The percentage of public officials in central government is 1.8% of total population.

A few years ago it was a common view in the public eye that the government affairs are badly conducted. Administration started to depart from its real functions and 4 major deficits emerged. These were

- Strategic deficit
- Budget deficit
- Performance deficit
- Trust deficit

Apart from the lack of quality in public services, implementation without merit, the disregard of citizens' rights and a lack of transparency harmed the administration's integrity and public involvement in administration.

**General Background:** Public sector reform efforts in Turkey date back to 1960s. Since then, official 5-year development plans and the reports prepared by the Public Administration Institute of Turkey and the Middle East (TODAIE) addressed the problems of public administration and local governments. 1980s' waves in Western countries favoring smaller state had an impact on Turkey, resulting in an agenda for redefining the role of the state, downsizing public sector, and increasing efficiency of public service delivery. Nevertheless, lack of a strong political leadership impeded such plans to be put into concrete legislative reforms and actions. As a result, Turkey’s public administrative

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system remained ineffective and failed to match extensive economic liberalization that took place in the 1980s.

Recognizing this gap and Turkey’s low performance compared to many other countries around the world, the ruling party in government included Public Sector Reform into its Urgent Action Plan in 2002, in addition to its government program.

Existing Government which came to power in the end of 2002 declared itself as reform government and prepared an ambitious reform package covering reforms on a broad range of issues and sectors. The reform package has been announced to public following the general elections as of URGENT ACTION PLAN (UAP). UAP provided the ground for the reform policies of the new government.

The Government prepared a comprehensive public administration reform law and local governments reform law. These two laws define new parameters for public governance in Turkey and signal a drastic change and transformation in the structural sense, provide the framework and the instruments for the achievement of better governance in Turkey and constitute a major step forward in Turkey’s progress.

Public Administration Law aims first of all to transform a mentality change in the bureaucracy, it then aims to change in the structure of administration.

The objective of this law is to redefine the functions of the State with an effort to better respond to citizens’ needs and form a public management system that is participatory, transparent, accountable and based on human rights and freedoms. It aims to redesigning the tasks, authorities and responsibilities of central and local administrations so that public services can be carried out in a just, speedy, quality, efficient and competent way.

The draft laws restructure intergovernmental relations among central government, provincial authorities (governors), and municipalities (mayors). They envisage relegating some of the powers of the central government to these regional and local administrative entities. By such a reform schedule, the government aims at increasing transparency and accountability, strengthening administrative capacity and efficiency and encouraging a participatory and result-oriented decision-making process.

Those principles are in fact the cornerstones of democratic reforms advocated both within and outside Turkey. Strong centralist tendencies in the Turkish government decision-making often precludes a fully democratic, transparent, and merit-based public management system.

The draft laws contain provisions that restrict public sector’s role in the production process of goods and services, and rather emphasize its regulatory functions. They also allow public administration bodies to develop stakeholder relations with private sector and non-governmental organizations (i.e. subcontracting some of the service delivery to them).

The Public Administration Draft Law sets up general principles and defines scope of the decentralization process. With this draft law tasks, authorities and services that should be carried out by the central government have been defined as such:
- justice
- national defense, security, intelligence
- foreign policy
- fiscal and economic policy
- national education
- social security
- law and order
- coordination among public authorities
- setting up standards and plans at national level

With this draft law, the central government no longer has the authority to assume duties which are explicitly given to local administrations. On the contrary, local administrations are given a general competence to decide or take action on any local issues. The role and function of the ministries and public agencies in the central government is limited to policy-making, monitoring and supervisory functions whereas the basic services are in the charge of local administrations.

The government attempted to incorporate the views and the evaluations of the civil society, related public authorities, universities and professional organizations with their participation in the process of the formulation of these draft laws.

The draft law on public administration is adopted in the Parliament, except some provisional articles and the last article stipulating the enforcement date.

Adjustments need to be made in ministry laws and other public agencies’ establishment laws in order to set standards in accordance with the framework drawn by the Public Administration Law. During the preparatory phase of these legal efforts, two Committees were set up in the Prime Ministry.

a) Coordination Committee of Reorganization in Public Administration
b) Advisory Committee of Reorganization in Public Administration

These Committees would advise and lead the reform efforts during the reorganization process in public administration.

Local Administrations Reform Package: Although, over the last decade, there has been a greater support for self-government and the delegation of the powers of the institutions of the central government to the provincial level, the structure and the tradition of a highly centralized public administration persisted. Local government expenditures decreased over years compared to total government expenditures. Though the rate of local government expenditures was about 22% of total government expenditures in 1955, it has fallen to 12% in 1995.

The domains of power of the municipalities and the central government in urban areas often overlapped with each other. Although some of the centrally held powers have been delegated down to the municipalities, powers and resources of municipalities have remained relatively limited. The central government had taken over responsibilities that should actually be carried out by local governments.
The local government reform packages aim at restructuring local administrations that operate under excessive central supervision with insufficient local resources, in accordance with the European Charter of Local Self-Government, to which Turkey is a party.

Public Administration Draft Law brought a framework for the local administrations as well. It is envisaged in this law that the entire local services, which are not openly given to another institution, will be conducted by the local administrations. Within this context, the plan is to transfer some of the public services related to health, culture, tourism, infrastructure development in rural areas, agriculture, youth welfare services, sport and social services to the local administrations. Only the ministries of Justice, National Defense, Internal Affairs, Finance, National Education, Labor and Social Security Ministries can maintain their local units/branches in provincial or sub-provincial level. Other ministries can no longer maintain the service delivery from their local units/branches in provincial or sub-provincial level.

Following the implementation of these reforms, local administrations will be restructured as modern administrative units open to public control having financial power to meet their local and common needs, generating their own resources, implementing their projects, in accordance with the principles, standards, and national and regional plans defined by the central administration. Local Administration Reform package is now on the agenda of the Parliamentary commissions.

**Measures taken to streamline central government affairs:** New government eliminated a large number of State Ministries and some of the line ministries. As a result, currently there are 23 ministers, including Prime Minister compared to 38 of the pre-election period. The reduction in the number of ministers promoted efficiency in government affairs and increased the speed of the bureaucracy.

The Prime Ministry has been criticised for a long time for its bulky administrative structure. In addressing the situation, new government reduced the number of administrative bodies connected to the Prime Ministry from 52 to 32. The government is sustaining efforts to streamline the Prime Ministry. Studies are being conducted and reports are prepared to actualise the shrinking process.

The Government announced with a circular that the year 2004 would be the year of using resources effectively and decreasing the costs in public services. All ministries and public institutions will provide accordingly a report showing the nature of activities in this regard to the Office of Prime Minister. Best practices will be awarded.

**Reducing administrative burdens and simplification efforts:** A key area for reform of existing requirements in Turkey is that of business licensing. There were 19 steps to establish a foreign company in Turkey, while local companies faced with similar level of complexity, including the need to produce up to 65 separate documents and apply to as many as 13 different institutions. This was changed by the law 4884, dated 11/6/2003 and the process of establishing a company decreased to 3 steps.
Administrative burdens are a leading competitive disadvantage of the Turkish business environment and a key constraint on foreign direct investment. Much effort has been expended in improving access to information about regulatory requirements (for example, current efforts to establish electronic “one stop shops”)

A positive sign is the Council of Ministers Decree for Improvement of Investment Climate. Nine technical committees were set up to implement the recommendations of the FIAS/World Bank report on reducing administrative barriers to investment. The Council will report on the studies carried out by the technical committees to the Council of Ministers on a quarterly basis.

The government implements several programmes to deal with the issue of simplification. The Development of Administration Department in the Office of Prime Minister carries out the projects relating with modernisation of administration and simplification. The number of documents and amount of money requested for the processes in land registry system, public hospitals, customs offices and municipalities will be analysed by an ad-hoc commission in the Prime Ministry.

**Transparency:** Public administrations in Turkey traditionally has the tendency to keep information regarding the whole public administration issues as state secret. The issues not related to national security such as public debt are also considered to be secret. There was no obligation by the laws or regulations for the dissemination of information. Therefore, public authorities did not feel any obligation to disseminate information and illuminate the citizens even on the issues that would affect people deeply, such as in the case of emergence of a disease. This attitude prevailed from top administrator to the desk clerk.

However, recently there has been a change in this attitude. Law on the Right to Access to Information, defines principles and procedures that citizens can use their right of access to information. This law is in affect beginning from 24/4/2004. With the new act, Information and documents about all administrative acts and actions with some exceptions like national security, state secrets, personal information, legal and administrative prosecutions, will be disseminated to citizens upon request.

To enhance regulatory transparency, legislation information system was opened on June 2003 by the Office of Prime Ministry to the access of the public free of charge. All laws, decrees and by-laws of the Council of Ministers are accessible on internet (www.basbakanlik.gov.tr) with their last updated version.

**Administrative Procedure Law:** Engaging citizens in policy-making allows governments to tap new sources of ideas, information and resources when making decisions. Administrative Procedure Draft Law sets standard procedures in administrative actions. The draft law envisaged that the public agencies must take into consideration of the views of people who are likely to be affected of the administrative actions. This consultation mechanism will no doubt enhance regulatory transparency in Turkey. It stipulates the participation to administration as a right of people and requires public agencies to give information from their web pages of the actions which involves the general public.
Establishment of Strategy Development Units in Ministries: Strategic planning or strategic management in broad terms is a participatory and flexible management approach that refers to the process in which the institutions will have a vision for their future activities on the basis of their existing situations, missions and basic principles. They will set objectives in conformity with this vision and define targets and develop strategies to reach these objectives. They will also monitor and evaluate their performance by means of measurable criteria. After the promulgation of Public Administration Draft Law, Strategy Development Units will be established in all ministries and some of the public institutions.

Ethical principles for public sector employees: With a view to increasing transparency and combating corruption in public administration, regulatory studies have started to set out professional and ethical principles and rules for public officials. To this end, a draft Law has been prepared by the Prime Ministry and is now on the agenda of the Parliament. The draft Law aims to ensure that civil servants, while fulfilling their tasks, observe the principles such as non-discrimination, citizen satisfaction, transparency, honesty and reliability. It also envisages the establishment of a Public Officials Ethics Board, who is competent to determine ethical standards and issue regulations for this aim.

In order to fight against corruption, a draft law was prepared and submitted to Parliament in May 2004.

E-Government initiatives: In the framework of e-Transformation Turkey Project, work regarding with the Project covers partnership of public and private sector. The project aims to accelerating citizens' transactions with government, carrying out the public services closer to the citizen in parallel with the developments in information technology, preventing red tape in these services and ensuring transparency and speed.

A Prime Ministry circular on the aims, stages and institutional aspects of the e-Transformation Turkey Project has been issued. Information Society Department has been established within the SPO to carry out the activities foreseen in the Project. Moreover, work towards the establishment of an Advisory Board with the task of high level steering and monitoring of the project has been completed. An Action Plan is about to be completed with the contributions of various working groups.

Electronic Signature Law passed from the Parliament and it will enter into force on July 2004.

Regulation on the right to access to information stipulates that every public institution shall have a web page. This will no doubt improve the environment for e-governance in Turkey. All ministries and most of the agencies in the central government have their web pages. They give many useful information and documents regarding their competencies from their web pages. Many of the local governments have their internet pages. They are subject to the regulation on the right to access to information as well.
State Organisation Database provides information concerning with the organisational structure and internet addresses of all ministries and other public agencies. It can be accessed from http://proje.basbakanlik.gov.tr/dtv/