

FISCAL DECENTRALIZATION IN METROPOLITAN MUNICIPALITIES: THE
TURKISH CASE

A THESIS SUBMITTED TO
THE GRADUATE SCHOOL OF SOCIAL SCIENCES
OF
MIDDLE EAST TECHNICAL UNIVERSITY

BY

OKAN AKSUOĞLU

IN PARTIAL FULFILLMENT OF THE REQUIREMENTS
FOR
THE DEGREE OF MASTER OF SCIENCE
IN
THE DEPARTMENT OF URBAN POLCY PLANNING AND LOCAL
GOVERNMENTS

MARCH 2021

Approval of the thesis:

**FISCAL DECENTRALIZATION IN METROPOLITAN MUNICIPALITIES:
THE TURKISH CASE**

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ABSTRACT

FISCAL DECENTRALIZATION IN METROPOLITAN MUNICIPALITIES: THE TURKISH CASE

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March 2021, 142 pages

After 1980, so-called neoliberal transformation has prevailed in numerous countries all around the World including Turkey. Neoliberal policies did not only redesign the economic structure of the countries by displacing welfare states in favors of market forces but also prescribe restructuring schemes for the state apparatuses. In most cases, especially in the early years of the neoliberal reforms, localization of the political structures was at the center of the state restructuration schemes leading to at least discursively some form of strengthening of the local authorities. In Turkey too neoliberal restructuration of economy and polity was a topical issue after 1980. In the early 2000s, some decentralization schemes were widely discussed and some changes were made at the provincial and municipal levels in 2004 and 2005. It would not be unfair to argue that legal changes made during this period paved the way to the metropolitanization of local government structure in Turkey. With the Metropolitan Municipality system, the central government has also gained the ability to implement and control its national policies at the local level. The dominant discourse on local government has argued that local authorities have been strengthened considerably as

a result of mentioned changes in the local government structure after 2004. Fiscal strengthening of the local authorities is part of this discursive argument.

This thesis questions the fiscal decentralization and strengthening argument by focusing on the financial conditions of metropolitan municipalities covering the years between 2014-2018. The analysis shows that metropolitan municipalities at metropolitan and district levels have not been strengthened as much as the dominant view on this issue suggests.

Keywords: Neoliberalism, Local Governments, Metropolitan Municipalities, Municipality Revenues, Municipality Expenditures



ÖZ

TÜRKİYE’DE BÜYÜKŞEHİR BELEDİYELERİNDE MALİ YERELLEŞME

AKSUOĞLU, Okan

Yüksek Lisans, Kentsel Politika Planlaması ve Yerel Yönetimler Bölümü

Tez Yöneticisi: Prof. Dr. H. Tarık ŞENGÜL

Mart 2021, 142 sayfa

1980'den sonra, Türkiye dahil dünyanın pek çok ülkesinde sözde neoliberal dönüşüm hakim hale geldi. Neoliberal politikalar, refah devletlerini piyasa güçlerinin lehine yerinden ederek sadece ülkelerin ekonomik yapısını yeniden tasarlamakla kalmadı, aynı zamanda devlet aygıtları için yeniden yapılanma planları da öngördü. Çoğu durumda, özellikle neoliberal reformların ilk yıllarında, siyasi yapıların yerelleştirilmesi, en azından söylemsel olarak yerel otoritelerin bir şekilde güçlendirilmesine yol açan devlet yeniden yapılanma planlarının merkezinde yer alıyordu. Türkiye'de de ekonominin ve politikanın neoliberal yeniden yapılandırılması 1980'den sonra güncel bir konuydu. 2000'lerin başında, bazı ademi merkeziyetçilik önerileri geniş çapta tartışıldı ve 2004 ve 2005'te il ve belediye düzeylerinde bazı değişiklikler yapıldı. Bu dönemde yapılan yasal değişikliklerin Türkiye'deki yerel yönetim yapısının metropolitenleşmesine zemin hazırladığını iddia etmek haksızlık olmaz. Büyükşehir Belediyesi sistemi ile merkezi hükümet, ulusal politikalarını yerel düzeyde uygulama ve kontrol etme becerisini de kazanmıştır. Yerel yönetimlere ilişkin baskın söylem, yerel yönetimlerin, 2004 yılından sonra bahsedilen değişikliklerin bir sonucu olarak önemli ölçüde güçlendiğini ileri sürmüştür. Yerel yönetimlerin mali olarak güçlendirilmesi bu söylemsel tezin bir parçasıdır.

Bu tez, 2014-2018 yıllarını kapsayan biçimde büyükşehir belediyelerinin mali koşullarına odaklanarak mali desantralizasyon ve güçlendirme tezini sorgulamaktadır. Analiz, büyükşehir ve ilçe düzeyindeki büyükşehir belediyelerinin bu konudaki hakim görüşün öne sürdüğü dikkate değerlikte güçlenmediğini göstermektedir.

Anahtar Kelimeler: Neoliberalizm, Yerel Yönetimler, Büyükşehir Belediyeleri, Belediye Gelirleri, Belediye Harcamaları



To those who do not leave the light of science



ACKNOWLEDGMENTS

First of all, I would like to express my gratitude to my supervisor Prof. Dr. H. Tarık Şengül for his invaluable guidance, support, critical comments and patience during my attempts to find my way for this study.

I would also like to thank Research Assistant Ufuk Poyraz, who patiently answered my endless questions and helped me in every step of my master's thesis.

I would like to express my deepest gratitude to my mother, father and brother, Arziye Aksuoğlu, Mustafa Aksuoğlu and Yavuz Aksuoğlu, who supported me in my graduate studies as well as throughout my education life.

Above all, I would not have been able to complete such a study without my dear wife Ece Aksuoğlu, who accepted to be my life partner during my graduate education and whose presence I find peace with. Likewise, I would like to thank my daughter Nil Aksuoğlu for speeding up the completion of this thesis, whose birth took me above the clouds with happiness.

TABLE OF CONTENTS

PLAGIARISM	iii
ABSTRACT	iv
ÖZ.....	vi
DEDICATION	viii
ACKNOWLEDGMENTS.....	ix
TABLE OF CONTENTS	x
LIST OF TABLES	xiii
LIST OF FIGURES.....	xv
LIST OF ABBREVIATIONS	xvi
CHAPTERS	
1.INTRODUCTION.....	1
1.1. Aim and Scope.....	2
1.2. Structure of Thesis.....	4
2.NEOLIBERALISM AND DECENTRALIZATION	7
2.1. Liberalism and Evolution to Neoliberalism in The Historical Process	7
2.2. Neoliberalism and Globalization	9
2.3. Neoliberalism and Small(?) State	11
2.4. Center - Local Contrast.....	13
2.5. Central Government - Local Government Difference	14
2.6. Fiscal Decentralization	15
2.6.1 First Generation Theories.....	16
2.6.2 Second Generation Theories	19

2.7. Conclusion.....	19
3.FISCAL DECENTRALIZATION IN EU, OECD AND HISTORICAL PROCESS IN TURKEY	21
3.1. Fiscal Decentralization from The Revenue and Expenditure Perspective in European Union Countries.....	24
3.2. Fiscal Decentralization from The Revenue and Expenditure Perspective in OECD Countries	28
3.3. Historical Development of Municipalities and Fiscal Decentralization in Turkey	35
3.3.1. Pre-Republican Period	36
3.3.2. Local Governments in the 1921 and 1924 Constitution Period	37
3.3.3. Local Governments in 1961 and 1982 Constitution Period	39
4.FISCAL DECENTRALIZATION IN METROPOLITAN MUNICIPALITIES: REVENUE PERSPECTIVE	43
4.1. Metropolitan Municipality Revenues	43
4.1.1. Shares Received from The General Budget	46
4.1.2. Own Revenues	54
4.2. General Evaluation and an Analysis - 2017 Review	57
4.3. Metropolitan District Municipalities Analysis – 2017	65
5.FISCAL DECENTRALIZATION IN METROPOLITAN MUNICIPALITIES: EXPENDITURE PERSPECTIVE	67
5.1. Expenditures in Metropolitan Municipalities.....	67
5.1.1 Expenditure Items	70
5.1.2. Per Capita Expenditure	71
5.2. Expenditure by Province	73
5.3. Analysis by Year	83

6.FINANCIAL DECENTRALIZATION ANALYSIS ON BASIS OF SELECTED METROPOLITAN DISTRICT MUNICIPALITIES IN SAMSUN	86
6.1. Quantitative Analysis	86
6.1.1 Metropolitan Municipality Level	86
6.1.2 District Municipalities Level.....	88
6.1.3. Conclusion.....	93
6.2. Qualitative Analysis	94
6.2.1. Interviews	95
6.2.2. Other Topics Discussed in Interviews.....	109
6.3. Conclusion.....	111
7.CONCLUSION	116
REFERENCES.....	124
APPENDICES	
C. TURKISH SUMMARY / TRKE ZET	128
D. THESIS PERMISSION FORM / TEZ İZİN FORMU.....	142

LIST OF TABLES

Table 1 Public Expenditures in the National Economy.....	12
Table 2 Share of Local Government Revenues in GDP (EU).....	25
Table 3 Share of Local Government Expenditures in GDP (EU).....	27
Table 4 Ratio of Local Government Revenues to General Government Revenues (%).....	29
Table 5 Ratio of Taxes Collected by Local Governments to GDP (%).....	30
Table 6 Ratio of Local Government Expenditures to General Government Expenditures (%).....	32
Table 7 Ratio of Local Government Debt to GDP (%).....	34
Table 8 Total Metropolitan Municipality Revenues and Share in GDP (2014 – 2018).....	45
Table 9 Shares Allocated from General Budget Tax Revenues and Amount of Shares Per Capita.....	51
Table 10 Per Capita Shares and Inflation Rates.....	52
Table 11 Shares Allocated from General Budget Tax Revenues and Ratio to Total Revenues.....	52
Table 12 Per Capita Income of Metropolitan Municipalities and WASAs.....	54
Table 13 Per Capita Own Revenue and Inflation Rates.....	55
Table 14 Own Revenue and Ratio of Own Revenue to Total Revenue.....	56
Table 15 Fiscal Decentralization Rates from Income Perspective by Years.....	57
Table 16 Share of Metropolitan Municipality Revenues in Local Government Revenues.....	58
Table 17 Metropolitan Municipality Revenues by Province (2014 – 2018).....	60
Table 18 Per Capita Revenue Growth Rates.....	61
Table 19 Affiliated Institutions Revenues by Province (2014 – 2018).....	63
Table 20 Per Capita Revenue Growth Rates.....	64
Table 21 Metropolitan District Revenues and Metropolitan District Revenues Per Capita.....	65

Table. 22 Total Metropolitan Municipality Expenditures and Share in GDP (2014 - 2018).....	69
Table 23 Contents of Expenditures.....	70
Table 24 Average Expenditure Per Capita (Metropolitan Municipality).....	71
Table 25 Average Expenditure Per Capita (WASA).....	72
Table 26 Average Expenditure Per Capita and Inflation Rate.....	72
Table 27 Metropolitan Municipality Expenditure by Province (2014 – 2018).....	74
Table 28 Water and Sewage Administration Expenditure by Province (2014 – 2018).....	76
Table 29 Revenues and Expenditures by Province (2014 – 2018).....	77
Table 30 Per Capita Exp. / Per Capita GDP (By Province and by Year).....	79
Table 31 Metr. Mun. Exp. Share in Local Government Expenditures.....	84
Table 32 Metr. Mun. Exp. Share in General Government Expenditures.....	85
Table 33 Samsun Metr. Mun. Revenue.....	87
Table 34 Samsun Metr. Mun. Expenditure.....	87
Table 35 Samsun Metr. Mun. Revenues and Expenditure.....	88
Table 36 İlkadım Mun. Revenue and Expenditure.....	89
Table 37 İlkadım Mun. Per Capita Revenue and Expenditure.....	89
Table 38 Atakum Mun. Revenue and Expenditure.....	90
Table 39 Atakum Mun. Per Capita Revenue and Expenditure.....	91
Table 40 Terme Mun. Revenue and Expenditure.....	92
Table 41 Terme Mun. Per Capita Revenue and Expenditure.....	92
Table 42 Per Capita Revenues and Expenditures of 3 District Municipalities.....	93

LIST OF FIGURES

Figure 1 Share Distribution.....	47
Figure 2 New Situation Brought by Law No. 6360 - Metropolitan Municipalities.....	49
Figure 3 New Situation Brought by Law No. 6360 – Metropolitan District Municipalities.....	50



LIST OF ABBREVIATIONS

EU	European Union
OECD	The Organization for Economic Co-operation and Development
USA	The United States of America
Met. Mun	Metropolitan Municipality
Exp.	Expenditure
Rev.	Revenue
JDP	Justice and Development Party
RPP	Republican People's Party
GP	Good Party

CHAPTER 1

INTRODUCTION

Neoliberal policies, in search of profitability and free movement of capital on a global scale, have aimed at making globalization the norm by annihilating the boundaries of nation-states. After 1980, the neoliberal policies accompanied by so-called globalization have become unrivalled all over the World by dominating almost all aspects of life. Particularly, in countries where central administrations are strong, “the failure of the state” rather than the market failure has gained ascendancy to provide the ground for neo-liberal reforms.

As is well known welfare state practices often accompanied by strong presence of central governments had become dominant in most developing countries and starting from the mid-1970s these welfare state policies and the involvement of the state as a part of the welfare policies were to be seen as the main source of the problems of capitalist economies towards the end of the 1970s. (Ulusoy & Tekdere, 2017). This has made local administrations as essential elements of public administration.

Direct involvement of the state in the economic and social domains, the cumbersome bureaucracy and direct and intense regulations were shown as the main reasons why the economies started to fail in the second half of the 1970s and parallel to these discussions, neo-liberal policy instruments aimed at eliminating state failure, have gained popularity. At this point, concepts such as localization, democratization, decentralization of local authority and local development started to be used frequently by decision makers.

As a developing country, Turkey was not outside such debates and policy changes. "The liberalization of the markets" and economy was realized thanks to the tough measures in economy as in the case of Jan. 24 Decisions and in political life as in the

case of military coup of September 12 Coup. One of the important features of so-called neo-liberal reform was that increasing power of local authorities were shown as one of the key mechanism of both liberalization of economy and democratization of social and political life and enlargement of freedoms in Turkey.

According to the World Bank, localization is the transfer of public authorities and responsibilities from central government to local authorities or semi-autonomous administrations and / or private sector (Keskin, 2008).

Structural reform studies have been carried out within the scope of the transfer of powers and responsibilities of central government to both independent administrative authorities and local authorities, the structure of public administration reorganized in the axis of neoliberalism. At this point, it can be said that both the Municipal Law No. 5393 and the Metropolitan Municipality Law No. 5216 have delegated significant powers and responsibilities to local governments. As a result of these studies, the powers of the governor and the district governor, which are the local reflection of the central government, have been significantly reduced and symbolized.

In parallel to the neo-liberal policies that are tried to be implemented in every field, it can be said that the central-local relationship is tried to be shown as test case in that decentralization became an important sign of liberalization on the one hand and an indicator of the democratization of the society.

The efforts for decentralization, which paralleled the efforts of the European Union membership process, which was accelerated in the early 2000s, were mainly carried out within the framework of democratization, governance and political participation. Transfer of power and responsibility to the local authorities by the strong central administration was seen an important dimension of reform in Turkey.

1.1. Aim and Scope

Building on the fact that localization has become a tool of neoliberalism this thesis focuses on the the question of what kind of results the fiscal dimension of localization have created in Turkish cities. Partly the emphasis is placed on the metropolitan centers in Turkey as they were the key areas of neoliberal driven localization policies in the last couple of decades.

Before dealing with the Turkish case, the way in which the fiscal decentralization is shaped in the international arena is examined to provide a wider policy context. In particular, given the Turkey's intense relations with them the European Union and OECD countries are examined with reference to their strategies of implementation of fiscal decentralization.

In so far as the Turkish local context is concerned, it is known that there are 81 provinces in Turkey. In 30 of these 81 provinces, there are metropolitan municipalities with broader powers and responsibilities than other municipalities. In other 51 provinces, there are lower-scale provincial municipalities, district municipalities and special provincial administrations. 30 metropolitan municipalities, whose borders are provincial borders, have 30 affiliate administrations. In addition, there are one each more affiliated administrations in Istanbul, Ankara and Izmir that have mostly transportation related duties. 30 metropolitan municipalities have metropolitan district municipalities, the borders of which are administrative district borders. There are 519 metropolitan district municipalities within the boundaries of 30 metropolitan municipalities. There are also 403 city district municipalities and 386 town municipalities.

Metropolitan municipality system in Turkey has been designed to reach a wide range of people by increasing the influence of the national policies of the central administration at the local level and in this way, in order to convey the practices of the central government as much as possible. In this context, "fake metropolises" that comply with the criteria of metropolitan municipalities but do not show a metropolitan feature were created with the law number 6360. While "30 metropolitan municipalities" or "metropolitan cities" were pronounced throughout the thesis, it should not be forgotten that some of these municipalities were brought to the level of metropolitan municipality on the grounds that they only meet the population criteria.

Throughout the thesis, comparisons have been made between local governments in both European Union countries and OECD countries and metropolitan municipalities in Turkey. There are also several local government units outside the metropolitan municipalities in Turkey as noted above. However, 85% of the population resides within the borders of metropolitan municipalities. In addition, various local

government units have different duties and jurisdictions. Only metropolitan municipalities and metropolitan district municipalities have been examined in order to ensure homogeneity in the financial analyzes to be made.

In metropolitan cities in Turkey, there are three institutions which has a separate legal entity from the central government and have the duty and authority to address local needs. These are metropolitan municipalities, affiliated administrations and metropolitan district municipalities. All three institutions have both own revenues and transfers from the central administration.

In this study, which examined the fiscal decentralization in Turkey, will be analyzed the financial situation of the 30 metropolitan municipalities where the most intense economic relations and the population. The examination of the local government system over the metropolitan municipalities, which has a significant change especially after the law numbered 6360, gives important information about the level of fiscal decentralization and the change in the level of fiscal decentralization. It will be tried to comment on financial information of metropolitan municipalities and affiliated administrations. An analysis at the district municipal level is not carried out due to the fact that the data are not published and the data cannot be found collectively.

With the analysis to be made, after the law numbered 6360, how the metropolitan municipalities have changed their income amounts and income structure will be examined. In addition, with the analysis on expenditures, the period examined before and the situation before it will be revealed and the differences between the two periods will be observed. In evaluations to be made from both revenue and expenditure perspective, the place of metropolitan municipalities in the economy will be examined.

1.2. Structure of Thesis

In Chapter 2, the studies on fiscal decentralization will be examined through literature review to establish the theoretical background. First-generation theories of fiscal federalism in the mid-20th century on the basis of neoclassical economics-based public economy theory and second-generation theorists who argue that local governments should increase their own sources of income, rather than relying on central government's transfers will be analyzed in this section.

The provisions of European Charter of Local Self-Government should be taken into account when assessing the fiscal localization of local governments. Also, according to OECD report, the stage of economic development and political economy constraints play important roles in determining the success of fiscal decentralization (OECD, Fiscal Decentralization, 2017). In Chapter 3, by assuming that they are the most important references to the case of Turkey, the situation in the countries of European Union and OECD will be examined and discussed to compare the Turkey's place in the world. Historical background of fiscal decentralization in Turkey will be examined in this chapter.

At the very beginning of the new millennium, Turkey experienced considerable changes and transformations. The Law on Special Provincial Administration No:5302, the Law on Metropolitan Municipality No:5216, the Law on Municipality No:5393 and the Law on Local Administration Unions are the pillars of the field of local administrations. Especially, with the Law on The Establishment of Fourteen Metropolitan Municipalities and Twenty-Seven Districts and Amendments at Certain Law and Decree Laws No:6360, Turkish metropolitan municipality system has changed appreciably. These changes effect fundamentally relationships between local administrations and central governments. Fulfilling the responsibilities given to local governments will be possible by providing them with sufficient financial resources. The last paragraph of Article 127 of the Turkish Constitution states that local governments shall be allocated financial resources in proportion to their functions. Municipal revenues are divided into two parts as shares allocated from general budget tax revenues and own revenues; own revenues are collected by the municipalities and the shares received from the general budget revenues are collected by the Ministry of Finance and sent to the municipal account. In Chapter 4, income, which is one of the two dimensions of fiscal decentralization, will be examined within the framework of the Law No:6360, Law on Municipal Revenues No:2464 and the Law on Allocation of a Share From General Budget Tax Revenues for Provincial Special Administrations and Municipalities No:5779 to emphasize the dependence of metropolitan municipalities on the center government.

In Turkey, there are various administrations as local authorities, separate legal entity from central government and have different powers and responsibilities. In addition to

the villages, municipalities and special provincial administrations that mentioned in the constitution, metropolitan municipalities, which are not included in the constitution but are a kind of municipality, are the local government units where the majority of the economic, social and cultural densities are realized. %93 of people live in the municipal area and %73 of them live in the metropolitan municipal area. Therefore, the study will focus only on the cities with metropolitan municipality in order to facilitate measurement the localization in terms of fiscal decentralization.

At this point, in Chapter 5, the concept of fiscal decentralization will be discussed by examining the financial data of expenditures of the metropolitan municipalities and their affiliate administrations of the previous election period 2014 – 2018.

In Chapter 6, the findings of the field research obtained from face-to-face interviews will be presented and discussed in order to identify the opinions of local administrators on the concept of fiscal decentralization in the metropolitan municipality of Samsun.

Conclusion provides an overall discussion of main arguments of the thesis by relating them to the main findings of the empirical research.

CHAPTER 2

NEOLIBERALISM AND DECENTRALIZATION

Neoliberal policies aimed at increasing profitability and free movement of capital globally. Post-1980 period has shown that neoliberal policy framework has survived despite its theoretical and practical contradictions. Although theoretically stated principles such as limited state and free market have never been applied, the reason why neoliberalism is accepted in the social sphere is the constant emphasis on concepts such as participation, transparency and localization.

2.1. Liberalism and Evolution to Neoliberalism in The Historical Process

Capitalism and the market system that it is based on, has a crisis-ridden structure and aims to maximize individual interests and corporate profits (Eğilmez, 2009). While the state intervention is limited, it is the main discourse of liberalism that the state leaves the production of goods and services to the free market other than services such as justice, internal and external security, education, health and infrastructure (Aktan, 1995).

The transformation of capitalism, which has accumulated capital understanding, into a fundamental economic order took place in the late 18th century with the Industrial Revolution (Bayırbağ, 2012). With the Industrial Revolution, the development in production adopted capitalism in the Western European countries first that its homeland, then spread it to other colonies in Asia and Africa, making it suitable for its own development (Eren, 2007).

In the second half of the 1800s, the explosion of production and technological innovations in the world economy led to the development of international trade (Acemoğlu & Robinson, 2018). Increased mechanization has a negative impact on the conditions of life and working conditions, resulting in the need for social and economic

protection of workers (Savaş, 1997). Liberalism based on a strong economic perspective along with its political dimension, principles like the free market, the small state and “laissez-faire, laissez-passer”, evolved after the 1929 Crisis in order to state intervene in the economic sphere until the 1973 Oil Crisis with the effect of Marxist criticism. The Great Depression of 1929 and after that the expansion of the state and the growth of the bureaucracy were felt and this situation led to the questioning of the dominant paradigm (Bayırbağ & Göksel, 2013).

In the period following the Second World War, Keynesian accumulation models became dominant in developed countries, while import substitution industrialization strategies gained weight in underdeveloped countries (Şengül, 2003). This period is a period in which the duties and functions of the state are increased and the state is accepted to enter the economic field by moving away from the limited state understanding (Tayyar & Çetin, 2013). This change of liberalism with Keynes and the subsequent developments are indicating of the reflexes against crises.

Stagflation and declining profitability situation with the 1973 Oil Crisis became an obstacle to capital accumulation, leaving states facing financial crisis (Harvey, 2003). This crisis, in which economies experienced both inflation and stagnation, was long lasting and the exit from the crisis reached the 1980s (Eğilmez, 2009). With this crisis, the social, political and administrative transformation experienced by capitalism is considered as a turning point in terms of new public administration approach (Bayırbağ & Göksel, 2013).

Since the early 1980s, when the Keynesian and import substitution methods were dissolved and the neoliberal regime became dominant (Şengül, 2003), the neoliberal transformation that has taken place, redefines concepts such as “social justice, social equality and public interest” that have been used during the welfare state. In this case, where capitalism comes on a global scale, the attempt to involvement of national systems into the world system requires the abolition of the mechanisms used by the welfare state. At this point, all actors of the neoliberal regime that can be effective at the local level, such as the growing number of international companies, international organizations and non-governmental organizations are now interdependent (Bayırbağ & Göksel, 2013).

States have no longer used interventionist policies since the end of the 19th century and the economic understanding behind these decisions has been supported by both governments and companies (Fülberth, 2010). International capitalism was able to export neoliberal policies to third world countries through the Washington Consensus and these policies were owned by the elites and the rulers of underdeveloped countries (Boratav, 2007). In this sense, neoliberalism has been very successful in reinstating political power to the elite of the economy or creating the elite itself (Harvey, 2015).

In short, it is seen that classical liberalism was applied in liberalization periods and interventionist liberalism was applied in other periods. The 1880 crisis was responded to by military expenditures in the sense of state intervention. After the 1929 crisis, Keynesian policies came into play. With the crisis in the late 1970s, a return to the arguments stated in the theory was provided. And finally, in 2008 to overcome the crisis in the United States, a short-term but with a large extent state intervention has come. Therefore, neoliberalism can be considered as an updated version of classical liberalism (Övgün & Taşcier, 2019).

After the state intervention with the 2008 crisis, the capital was relieved to a certain extent and the liberalization process started again until the next crisis. It is possible to say that liberalism has a spiral tendency as a result of this situation. Accordingly, liberalism between liberalization and state intervention continues by reproducing itself on the main objective of increasing capital mobility and profitability (Harvey, 2015).

According to the neoliberal theory, the adoption of internationally determined rules such as private property, liberalization of markets and the removal of barriers to trade by the nation-states is the best way to increase prosperity (Gambetti, 2009). In this context, neoliberal policies can be defined as a mechanism to cope with the continuous crisis of capitalism (Bayırbağ & Göksel, 2013).

2.2. Neoliberalism and Globalization

Globalization can be briefly defined as national economies acting together with world markets and determining all economic processes for the purpose of capital accumulation (Yeldan, 2011).

In the historical process since the birth of capitalism, it is known that it is in fact a world system and that the accumulation process of capital exhibits a formation independent from nation-states (Yeldan, 2011). Evaluations about neoliberalism cannot be separated from the concept of globalization (Şengül, 2009). And globalization transfers problems experienced in a particular geography or society to other geographies or societies more rapidly (Bayırbağ, 2017).

The dilemma experienced by Keynesian policies in the 1970s has led to the emergence of neoliberal policies aimed at supporting capital. The point where these policies differ from the previous period is not only the abandonment of welfare state practices, but also the change in the geography of capital accumulation processes. Globalization has become an increasingly powerful concept in the organization of production and the free movement of capital (Şengül, 2003). Marx stressed in his book *Capital* that profit motive knows no boundaries by stating that the form of wealth is “the extraordinary accumulation of goods” in societies where the capitalist mode of production is decisive (Yeldan, 2011).

Globalization, which took place after 1970, calls all social, political, economic or administrative barriers as “irrational” or “outdated” (Bourdieu, 1988). In this sense, the only venerable success in the globalization process is the existence of economic systems integrated into the free market economy with the claim of efficient use of resources.

In the post-1945 period, a tendency towards globalization has been observed with the addition of national economies to the world economy and the emergence of supranational institutions such as the UN, WTO and the EU. In this sense, globalization has created relationship networks that change both the qualities of the nation-state and the nature of global politics in various ways (Heywood, 2016). The transformation in underdeveloped countries is the result of the imposition of the World Bank and similar international institutions (Güler, Yerelin Ulusaşırı Anlamı, 1999). With poor public consumption areas being further pushed to the background, the situation of the urban poor who have benefited relatively more from such services has worsened (Roberts, 1995). Open-ended and subjective concepts such as “the flexibility

of labor markets” and “financial liberalization” are the main pillars of the process of globalization to provide ideological framework and legitimacy (Yeldan, 2011).

The increase in the influence of IMF, World Bank and similar institutions in less developed countries has led to the transformation of state structures. In this sense, the role of local governments in the reproduction of labor has been replaced by policies that focus on economic development (Şengül, 2003).

Finally, in this transformation process, it is envisaged that local units will compete not only nationally but also globally and that the local will become a part of the global system of cities (Şengül, 2003).

2.3. Neoliberalism and Small(?) State

Under liberalism and neoliberalism, the state has been continuously redesigned structurally and functionally in order to ensure the continuity of the capitalist system, the free movement of capital and the increase of profitability. This goal has not changed either during the Keynesian period when state intervention increased or in the prevailing neoliberalism (Övgün & Taşcıer, 2019). This objective is that the state transfers the services other than the economic responsibilities left to it to the market / private sector and the economic management to the independent committees. The state's ability to canalize economic life through methods such as incentives, support, regulation and limiting public expenditures as much as possible serves the same purpose. Wallerstein describes anti-state view in liberalism as “theoretical enmity” (Wallerstein, 2009). Neoliberal discourse indicates that the great state has a cumbersome structure that it uses resources inefficiently due to its centralist structure and because of that this state structure is not democratic (Ataay, 2006).

The liberal thinkers, who find the state compulsory and correct, have focused on how to limit this structure. This is why the debate on the state, which is one of the most important instruments of capitalism, has been so intense in order to remove the barriers to capital and increase profitability (Harvey, 2015).

In contradiction with the principles put forward in theory, it can be said that in practice, large / wide state opposition does not come to life, but on the contrary, the neoliberal state is not a weak state but rather strong (Dumenil & Levy, 2009). According to

Harvey, the theoretical rhetoric of neoliberalism is, above all, an effort to justify the practices to achieve the goal and if the elite's maintaining's their power contradicts the principles of neoliberalism, either the principles are abandoned or distorted (Harvey, 2015). In this sense, a stronger structure was needed to ensure the reproduction of capital, to carry out neoliberal transformation, to operate the complex state structure and to act quickly (Bayırbağ & Göksel, 2013). Neoliberalism, which means the financialization of everything, means that it gives control over finance, the state and everyday life (Harvey, 2015).

Considering that the size of public expenditures in the national economy is one of the most important indicators of state intervention, the following table shows the contradictions that neoliberalism raises despite its "gendarmier state" objective:

Table 1. Public Expenditures in the National Economy

Countries / Years	1870	1913	1920	1937	1960	1980	1996
USA	3,9	1,8	7,0	8,6	27,0	31,8	33,3
Japan	8,8	8,3	4,8	25,4	17,5	32,0	36,2
Germany	10,0	14,8	5,0	42,4	32,4	47,9	49,0
United Kingdom	9,4	12,7	6,2	30,0	32,2	43,0	41,9
Italy	1,9	11,1	2,5	24,5	30,1	41,9	52,9
France	2,6	17,0	7,6	29,0	34,6	46,1	54,5
Sweden	5,7	6,3	8,1	10,4	31,0	60,1	64,7

Source: (Jessua, 2005)

As can be seen from the table, although neoliberalism aims to shrink the enormous state organism resulting from the Keynesian transformation of liberalism in order to cope with the crisis of the late 1920s, the growth in public expenditures and thus the expansion of the state continued even after 1980s.

By the 2000s, these figures were largely preserved. The average for OECD countries was 41.5%. Turkey's public spending from 1925 to 2008 increase overall. After 1990,

this increase accelerated considerably and in the first ten years of 2000, public expenditure rate was above 31% (Kapıcı, 2008).

Therefore, the downsizing of the state could not be achieved with neoliberal policies, but on the contrary, the state continued to exist in the market in increasing dimensions. Privatizations, lack of participation and the fact that the top councils of technocrats are often subjected to political pressures of the central administration as an indication that neoliberalism (Taşcıer, 2018) is not the subject of this study.

2.4. Center - Local Contrast

The fact that the capitalist state sometimes undertakes more duties and sometimes retreats to the background serves the goals of liberalism. In this sense, while strengthening local governments does not mean the elimination of central government, local governments form a whole together with central government. Therefore, the strengthening of the local area should be defined as the lack of responsibility of the central government on certain issues (Övgün & Taşcıer, 2019).

Institutional structuring is an important dimension of the state. The state is a unique expression of political balances between classes. In-class and intra-class divisions, contradictions and differentiations are inevitable in the state's internal organization. Contradictions between central and local governments are expressions of the contradictions between interest groups organized at central level and interest groups organized at local level (Şengül, 2003).

Although there is no fixed form of government in the capitalist state, central government sometimes comes to the forefront in economic and social life and sometimes local governments come to the fore. According to Marx (Marx, 2011), each mode of production reveals its legal relations and forms of governance. The local scale, like the national scale, contains inequalities in itself. Capital groups at local level are mostly beneficiaries when the power is transferred to the local. This may make the previously weak sections even weaker (Şengül, 2003).

The opposition to centralization and decentralization may also vary according to the level of development of the countries. In developed countries, security services and education and similar services for obtaining legitimacy through consent are among the

duties and powers of local governments. In these countries, it can be said that the social control function is transferred to the local. However, in underdeveloped countries, these functions are in the hands of central government and are carried out through local direct extensions of the center (Şengül, 2003).

A similar issue applies to the reproduction of labor. The process of reproduction of the labor force, which was at the center of urban development after the Second World War, was carried out by the welfare state in the developed countries, while in the less developed countries it was largely up to the local communities themselves (Şengül, 2003).

In this study, it will be emphasized how the localization phenomenon which is positioned against central administrations is shaped where neoliberal policies find application area.

2.5. Central Government - Local Government Difference

In the neoliberal literature, it is understood that the limitation of the state is the limitation of central government. Central government is understood to mean that administrative services are carried out by central and affiliated organizations within the hierarchical order (Övgün & Taşcıer, 2019).

Central government is more convenient in terms of providing standards in the provision of public services. Although central government is expected to be objective and efficient in terms of use of resources, it can be said that it has slow and disadvantageous responses to the demands of the local people (Keleş, Yerinden Yönetim ve Siyaset, 2019). What makes local governments attractive in the framework of the dominant discourse is the assumption that local governments are more open to participation than central government, and localism and democracy are almost identical within this discourse (Şengül, 2003).

Local self-government is a form of government in which local people are governed by bodies of their choice (Keleş, Yerinden Yönetim ve Siyaset, 2019). According to the International Encyclopedia of Social Sciences, local governments are “A subordinate unit of a state or regional government, which is a public authority that is responsible for the identification and implementation of a limited number of public policies in a

relatively small area”. In the same way, administrations where decisions taken by the governing bodies are taken without being included in the hierarchy of the center (Onar, 1952) or institutions with public legal personality under certain control of the state are delegated to some duties and powers (Nalbant, 1997).

According to Şengül (Şengül, 2003), while local authorities act as the representative of the center at the local level as intermediaries to the policies imposed from the center, on the other hand they are becoming a tool by which the local powers defend their own interests.

Decentralization is not uniform, but is also closely related to the political systems of the countries in which they are implemented (Görmez, 1997). Although decentralization cannot be defined as a system different from central government, there must be a central government in order for decentralization to exist. Because if the central government does not transfer its powers to the decentralized administrations, the decentralized administration will not be occurring (Nalbant, 1997). Therefore, while local governments define themselves by nature, they position themselves against central government.

Nadaroglu (Nadaroğlu, 2001) considers the existence of local governments as a necessity. He states that it is not possible and rational to see all public services efficiently by the central administration in meeting the social needs. He argues that local governments can meet local needs much more quickly and easily without having cumbersome bureaucracy and stationery problems.

2.6. Fiscal Decentralization

According to Montesquieu, local governments are the units that limit the power of the sovereign. Jean Jacques Rousseau attaches special importance to local governments and finds the source of local power in the participation of citizens, opposes the division of the country into geographical sections, criticizing the cities' dependence on a single capital (Keleş, 2019). According to Ibn Haldun, there is no way to ensure a sound moral life and prosperity in societies where economic conditions are distorted, commercial life is unbalanced, consumption is unbalanced, production is haphazard, income distribution is unfair and resources are not shared equally (Haldun, 1988).

In the approach of local administrations that integrate with the central government, the quality of service stands out and more autonomy is understood with the transfer of authority from the center and increasing the financial power of the local thanks to localization. Therefore, there is no point in delegating more tasks and powers unless local governments are provided with the necessary financial resources (Övgün & Taşcier, 2019).

2.6.1 First Generation Theories

Studies on the localization of the financial functions of central government were conducted by theoretician such as Musgrave, Tiebout, Oates, Buchanan, Olson and Hayek from the Second World War to the 1970s and categorized as First Generation Theories.

First Generation Theorists acknowledge that public administrators are benevolent maximists who aim to ensure social welfare (Karabacak, 2012). They have abstracted the state around functions such as preventing public market failures, making income distribution more equitable, and creating jobs (Oates, Toward A Second-Generation Theory Of Fiscal Federalism, 2005). The concept of decentralization is handled without disturbing the general framework of the optimization problem that the state is in. Increasing social common interests and effective market objectives are maintained. However, with the optimization approach, central and local governments have to be considered together (Karahanoğulları, 2015).

In his The Theory of Public Finance, Musgrave states that public finance has three main tasks. These tasks include efficient allocation of resources, regulation of income distribution and macroeconomic stability. The efficient allocation of resources function applies policies to eliminate inefficiency in resource allocation in the economic system. The function of regulating income distribution aims at justice. Macroeconomic stability is related to the function of stabilization (Case, 2008).

What is emphasized by the economic stability function is whether fiscal localization has positive or negative effects on economic stability and whether it is compatible with the macro - economic objectives of governments. What is explained by the income distribution function is that it will be more successful if the income distribution

policies are implemented at national level (Oates, 1972). In the resource allocation function, unlike the first two functions, financial localization comes to the forefront. The distribution of scarce resources is more efficient in localized financial systems. Because local governments are better able to maximize the expected benefit from the resources available in their region than in central government (Çalcalı, 2017).

In 1956, Tiebout argues that with his work “Pure Theory of Local Expenditures”, preferences for local public goods play a role in the selection of the local area of residence. According to Tiebout, some of the public goods are local public goods and people position themselves with their demands for these goods (Oates, 2005). According to this model, the mobility of people is assumed to be high and they live in the local government which applies the policies that best suits them.

In his book “The Theory of Public Finance in a Federal System”, Oates states that local governments do not have the functions of stabilizing and the functions of ensuring justice in the distribution of income. But he argues that they have an important role in ensuring the efficient distribution of resources (Oates, 1968). According to Oates:

“In a setting with public goods whose pattern of consumption is less than national in scope, decentralized finance offers some potentially important opportunities for gains in social welfare. For such “local public goods,” local governments can provide levels of public outputs that meet the demands of the residents of their respective jurisdictions. Such an outcome with local outputs tailored to the demands (and particular conditions) of each jurisdiction will clearly provide a higher level of social welfare than one in which a central government provides a single, uniform level of public output in all jurisdictions.” (Oates, 2005).

Oates emphasizes that it would be more efficient to produce Pareto-optimum level by local governments rather than standard and uniform production of public goods or services by central government (Oates, 1972).

Buchanan's Club Theory¹ has also been discussed in the context of fiscal decentralization. In this context, the optimal club size for some public goods is the whole country, while for some it may be a local region (Casella & Frey, 1992).

Olson states that in the Theory of Financial Equivalence, there must be an equivalence between those who benefit from public goods and those who bear the cost of goods (Olson, 1969). That is, in cases where the political and financial competence at the local level does not fully coincide, there will be a suboptimal situation in the provision of public goods. For this reason, public goods and services of local interest should be provided by local authorities and local people should bear the cost (Çalcalı, 2017).

Hayek likens local governments to free market actors and says that all public services, except foreign policy, should be provided by local authorities (Güler, 2006). He also stated that local administrations are better acquainted with local level and therefore local governments can make more rational decisions on matters of local interest (Karabacak, 2012).

According to First Generation Theorists, transfers from the central administration to the local administrations for equalization purposes will reveal a harmonious structure within the scope of financial decentralization. This will contribute to the elimination of horizontal and vertical financial inequalities between administrations (Çalcalı, 2018).

In short, in the First Generation Theories, the state is described as an organization that maximizes the interests of society. Social welfare can be maximized by localization in the presence of different needs and externalities at the local level (Karahanoğulları, 2015).

¹According to Buchanan's Club Theory, those who demand similar public services can come together to form a club and obtain service at lower costs. As a result, non-club members can be deprived of this service and are not considered club members after a certain capacity. Such public goods and services are called club goods.

2.6.2 Second Generation Theories

Keynesian policies were abandoned with the financial crisis of the 1970s. The second generation theorists have suggested that politicians manage the state in their own interests (Karahanoğulları, 2015).

The Second Generation Theorists reject the “benevolent” state assumption and propose a different scope of fiscal decentralization based on the “political” nature of the state. At this point, the assumption that the state is now a structure that protects the common interests of the public is abandoned (Karahanoğulları, 2015).

According to Weingast, competing regions will be able to achieve reliable incentives and reduction in transaction costs through incentives to be applied (Weingast, 1995).

It has been studied what kind of political organization is needed within the framework of efficient presentation of public goods and services and protection of markets. Therefore, it is assumed that competing local governments will tend to produce low-cost public goods (Karabacak, 2012).

The Second Generation Theorists emphasize the need for local governments to increase their own revenues. It is stated that the transfers received from the center increase the difference in benefit and cost in the services provided by local governments. In case the participation of the local people is low, the tax revenues collected by the central government are internalized by the local administrators and the local people. This may lead to financial transfer addiction (Çalcalı, 2018).

2.7. Conclusion

“The small state”, which is the main argument of neoliberalism, foresees that the decisions taken in the economic and social fields should be left to the private sector and individuals. As the state reduces its interventions, the economy will become more competitive and efficient.

However, there is a close relationship between capitalism and global inequality models. All economic systems that focus on financial incentives create inequality. It

is doubtful that the market is a means of distributing wealth while creating wealth (Heywood, 2016).

By creating an artificial wall between the state and society, liberalism identified the former with the central government and the other with the local government, and created a contrast between the center and the local (Güler, 1999). However, the liberal thesis establishes the right ratio between local government and democracy, and studies in the field of politics and administration emphasize that decentralization and democracy are increasing in direct proportion (Taşcier, 2019). However, it is not possible to talk about the relationship between local governments and democracy when the political system is not democratic (Wickwar, 1970).

Central government and local government are forms of government that aim to complement their weaknesses as opposed to each other (Keleş, 2019).

If a public institution does a job in the free market or the provision of services offered by local governments implementing by the central government, restricts individual freedom according to the liberal understanding, and local government should be protected from central administration so that freedom can be protected and pluralism can be ensured (Özgür, 2001).

Neoliberalism, whose main purpose is to provide capital mobility and increase profitability at global level, has been stated in the literature that it can achieve these aims through localization, but in practice such consistency has not been achieved (Taşcier, 2019).

Although local governments are equal in terms of duty, authority and financial resources under the law, in practice, this is not true (Keleş, 2019). In addition, liberalism, which underwent significant changes after 1980, began to see local governments as a tool for capital mobility by implementing central government policies and accelerating adaptation to the global capitalist system (Harvey, 2015).

CHAPTER 3

FISCAL DECENTRALIZATION IN EU, OECD AND HISTORICAL PROCESS IN TURKEY

Financial decentralization has become an increasingly important concept both within the framework of the First Generation Theories put forward after the Second World War and considered together with the welfare state, as well as with the Second Generation Theories in parallel with the post-1980 neoliberal policies. Especially after the institutionalization of the Union, in the discussions of democracy and local diplomacy in the European Union countries, localization and the financial dimension of decentralization continued to be at the forefront.

The relations between the central government and local governments in the countries are directly related to their administrative and legal structures. From the past to the present day, the systems of the countries whose administrative structures have resulted in the concentration of powers and responsibilities at the center and those countries which have similar and even the same powers and responsibilities to the sphere of influence of local governments rather than central administration are fundamentally separated from each other. In this sense, the understanding of local government of federal states and unitary states does not often coincide. However, in any case, institutions and organizations that provide goods and services for the local and collective needs of the people in a certain area, which we can call ‘local service’ have emerged and carried out in all countries. This is similar in both federal and unitary states.

Similarly, understanding of ‘local service’ may differ in different countries. The local needs of the people in a particular area are directly related to the history, traditions and social perception of that country. For example, in one country, only local authorities have been given the authority and responsibilities for environmental cleanliness and

transportation, while in another country, local governments can have authority and responsibilities in a wide range from education to health, tourism and law enforcement. The emergence of these differences may be related to the federal or unitary structure of that country but such a generalization is not possible. In other words, in a unitary country, local governments may serve in a wide range of areas, and in federal states, local governments may be as narrow as possible. Therefore, it is not possible to formulate an equation that can be applied to all countries in the field of local governments. However, in this study, since the financial dimension of decentralization will be examined, which goods and services are produced by local governments by using financial resources, i.e. the quality of goods and services, will be ignored. The focus will be on whether the services provided for local needs are provided by local governments, which have a legal entity separate from the central government, the local units of which are bound by local boundaries and the organs elected by the local people. In this sense, our focus is on the intensity of the service rather than what it is.

There are both federal and unitary states in terms of administrative system in the European Union and OECD countries. Federal states consist of central government, states and separate local governments. In countries with federal government, states have administrative, financial and political autonomy separate from the central government. States have their own legislative bodies and can impose taxes or determine tax rates. In unitary systems, there are no levels of government with political autonomy separate from central government. Administrative and financial autonomy of local governments can be seen within the limits determined by law (Yılmaz, Emil, & Kerimoğlu, 2012).

In general, sub-central governments (states and local governments) in federal states spend more of their total government expenditure than local governments in unitary states. In 2001, the share of sub-government expenditures in federal states was 40.1%, whereas in unitary states it was 21.67% (Ebel & Yılmaz, 2002). In the comparisons made during the analysis, both the unitary and federal states' expenditures or the revenues collected by the central governments and states at the local level were ignored. At this point, in line with both the statistical studies of the European Union and the statistical studies of OECD, the examined 'local administrations' are only

institutions providing local services, having a legal entity separate from the central government and state governments and organs elected by the votes of local people.

Revenues under local government control are well below their spending in most countries (Ebel & Yılmaz, 2002). This situation is one of the most important indicators of the dependence of local governments on central administrations.

When designing a decentralization system, the real problem is not the responsibilities that will be given to different levels of management, but the compatibility of the interdimensional financial system with national policies. This compliance should be aimed at ensuring interpersonal and spatial justice as well as efficiency, transparency and accountability (Ebel & Yılmaz, 2002). According to Bird, such a design should be placed on four pillars: expenditure, income, intergovernmental transfer and borrowing (Bird, 2000).

The first step of fiscal decentralization is the definition of expenditure authority. The imagination of a successful decentralized system should also include the transfer of expenditure authority in line with the transferred tasks and powers. Similarly, the existence of parallel revenue sources in parallel with the transferred authority is necessary for fiscal decentralization. For a truly financial autonomy, local governments are expected to have the authority to determine tax rates and impose taxes.

Population distribution across the country may vary due to reasons such as regional development differences and geographical reasons. In connection with this situation, it is inevitable that local governments' incomes will also change.

All intergovernmental transfer systems have two dimensions: vertical and horizontal inequality. Vertical inequality arises in the distribution of revenues between central and local governments. Horizontal inequality is the type of inequality that occurs after the distribution of revenues to local governments. In order to eliminate these two types of inequalities, each country has tried to resolve them on its own way. Within the framework of predetermined formulas and ratios, the gap tried to be closed by direct financial transfers, pool method and conditional or unconditional aid.

Borrowing is also an important combination of fiscal decentralization. There are three leading reasons for borrowing. The first is borrowing due to the fact that the resources needed for realization of investments such as infrastructure and education, which have intergenerational effects, cannot be met by current revenues. Second, the postponement of some investments has a negative impact on the economic performance of sub-central governments. Third, to prevent disruptions in service delivery if expenditure and revenue flow are not fully synchronized (Ebel & Yılmaz, 2002).

In this section, it will be described in a comparative manner how fiscal decentralization in the member states of the Organization for Economic Co-operation and Development, which gained global activity with the participation of the USA and Canada in the European Economic Cooperation Organization established in 1948 and the states in the European Union. Also, in this context, historical development of fiscal decentralization in Turkey will be tried to explain.

3.1. Fiscal Decentralization from The Revenue and Expenditure Perspective in European Union Countries

After the Second World War, two opposing political movements co-existed: Ensuring economic and political unity of Europe and transferring some powers of central governments to local governments (Keleş, 2019).

With the Maastricht Treaty of 1992, which can also be called the European Union's founding law, the principle of “subsidiarity” has been seen as a general principle. This principle, which is also referred to as locality or decentralization in the service, is based on the understanding that the unit closest to it is to conduct a service and that decisions are taken as close and clear as possible to the citizen. The European Charter of Local Self-Government was effective in bringing this principle into European Union legislation. In the Charter, this principle is accepted as the basis of localization and democratization and the provision of the Maastricht Treaty is guaranteed by the Charter (Akman, 2015). In this sense, local governments have an important place within the European Union.

The size of the financial resources that local governments need to fulfill their responsibilities is important to examine the financial dimension of decentralization in that country. According to the European Charter of Local Self-Government, the resources allocated to the use of local governments should be proportionate to the duties and responsibilities transferred by the constitution and laws. In addition, these resources should be flexible enough to track the increase in expenditures. Financially inadequate local governments should be protected and allocated resources should not be conditioned as much as possible (Ulusoy and Akdemir, 2009). In this context, the resources of local governments are critical in terms of financing the services that they will provide for local needs. Therefore, local governments are able to provide services according to their financial resources. The realization of local services not by the central administration but by the local administration itself is the greatest indicator of decentralization.

The ratio of central government and local government revenues (general government revenues) to GDP in EU countries is generally around 35-36%. The ratio of local government revenues to GDP within general government revenues is around 11-12%.

Table 2 Share of Local Government Revenues in GDP (EU)

Countries	2014	2015	2016	2017	2018
EU – 28 Countries	11,2	11,1	10,9	10,7	10,7
Belgium	7,2	7,1	7,1	7,1	6,9
Bulgaria	8,9	9,4	6,9	7,3	7,5
Czechia	11,7	11,8	11,2	11,5	12,2
Denmark	35,5	35,0	34,6	33,9	33,6
Germany	7,7	8,0	8,3	8,3	8,5
Estonia	9,0	9,5	9,3	9,3	9,7
Ireland	2,9	2,5	2,4	2,4	2,3
Greece	3,6	3,7	3,8	3,8	3,9
Spain	6,6	6,5	6,4	6,5	6,4
France	11,6	11,4	11,3	11,2	11,2
Croatia	12,8	12,4	11,9	11,7	12,1
Italy	15,0	15,1	14,5	13,9	14,0

Table 2 (cont'd)

Countries	2014	2015	2016	2017	2018
Cyprus	1,6	1,6	1,4	1,6	2,4
Latvia	9,8	9,6	9,7	10,0	9,9
Lithuania	8,1	8,2	8,3	7,9	8,3
Luxembourg		4,8	4,9	4,8	5,2
Hungary	9,2	8,0	6,3	6,3	6,3
Malta	0,6	0,6	0,4	0,4	0,4
Netherlands	13,3	13,8	13,7	13,2	12,8
Austria	8,5	8,5	8,3	8,3	8,3
Poland	13,2	12,9	13,2	13,5	14,0
Portugal	6,3	6,3	6,1	6,0	6,0
Romania	9,6	10,6	9,3	9,1	8,1
Slovenia	9,7	9,2	8,4	8,2	8,3
Slovakia	6,6	7,5	7,1	6,9	7,2
Finland	22,5	22,3	22,0	21,5	20,8
Sweden	24,3	24,0	24,4	24,7	24,6
United Kingdom	10,7	10,3	9,6	9,3	9,2

Source: (Eurostat, 2019)

As can be seen from the table above, the ratio of revenues of local administrations in GDP has decreased in the last 5 years. The decrease in the ratio of revenues to GDP in almost every country in European Union is significant, just like the local governments in Denmark and the local governments in Malta that have the highest and the lowest ratios. As a result of the comparison of local government revenues in the European Union, Denmark, Finland, Sweden, Italy, Poland and the Netherlands remained above the average while other countries remained below the average.

The ratio of central government and local government expenditures to GDP in European Union countries is generally around 48-45%. The ratio of local government expenditures to GDP is around 10-11%.

Table 3 Share of Local Government Expenditures in GDP (EU)

Countries	2014	2015	2016	2017	2018
EU – 28 Countries	11,2	11,0	10,8	10,6	10,6
Belgium	7,3	7,0	6,9	6,9	7,0
Bulgaria	8,9	10,4	6,9	7,1	7,3
Czechia	11,5	11,3	10,2	10,7	11,7
Denmark	35,3	34,8	34,3	33,8	33,5
Germany	7,9	7,9	8,0	8,0	8,1
Estonia	9,1	9,2	9,1	9,5	9,5
Ireland	2,8	2,2	2,4	2,3	2,3
Greece	3,3	3,4	3,5	3,4	3,5
Spain	6,1	6,1	5,8	5,9	5,8
France	11,8	11,4	11,1	11,1	11,1
Croatia	12,9	12,3	11,9	11,7	12,2
Italy	14,8	14,6	14,2	13,8	13,8
Cyprus	1,6	1,6	1,4	1,4	1,5
Latvia	10,0	9,3	9,4	10,1	10,5
Lithuania	7,9	7,9	7,8	7,7	8,1
Luxembourg		4,4	4,6	4,7	4,7
Hungary	7,8	7,8	6,0	6,3	6,3
Malta	0,6	0,5	0,4	0,3	0,3
Netherlands	13,5	14,0	13,6	13,2	13,0
Austria	8,5	8,5	8,4	8,4	8,3
Poland	13,5	12,9	12,9	13,4	14,3
Portugal	6,0	5,9	5,7	5,8	5,8
Romania	9,1	9,9	9,1	8,9	8,2
Slovenia	9,8	8,9	8,2	8,2	8,5
Slovakia	6,7	7,4	6,6	7,0	7,1
Finland	23,2	23,0	22,4	21,7	21,7
Sweden	24,7	24,3	25,0	25,0	25,3
United Kingdom	10,6	10,4	10,0	9,7	9,5

Source: (Eurostat, 2019)

As one of the most important indicators of fiscal decentralization, it can be said that local government expenditures have been in a decreasing trend in the European Union countries in the last 5 years. As can be seen from the table, Denmark has the highest ratio of local government expenditures to GDP and Malta is the lowest country. As a result of the comparison of local government expenditures in the European Union, Denmark, Finland, Sweden, Italy, Poland and the Netherlands remained above the average while other countries remained below the average.

3.2. Fiscal Decentralization from The Revenue and Expenditure Perspective in OECD Countries

The OECD has 34 countries that Turkey is one of them. It has become one of the largest and most reliable sources of economic, social data and analysis in the world with the data collected from member countries and by itself. The OECD provides a platform where member states can share policy practices, seek solutions to common and similar problems, and coordinate national and international policies.

There are also studies carried out by OECD in the field of local administrations based on the practices of member countries. There are policy recommendations on fiscal decentralization, especially in the field of public finance. For example, according to OECD report “Taxing Powers Of State And Local Government” determining the tax rate and tax base by local governments is one of the fundamental elements of fiscal autonomy (OECD, 1999).

In the Fiscal Design Across Levels of Government published in 2001, it was stated that the financial systems should be reorganized and the functions of expenditures and income sources should be transferred or localized. In addition, institutional arrangements have been proposed to ensure fiscal discipline and budgetary constraints. It is stated that stable, transparent and rule-based transactions and relations are needed for the redesign of financial relations between central and local governments (OECD, 2001).

Similar recommendations are made by supporting statistical studies on countries within the OECD. The table below shows the ratio of local government revenues to general government revenues in OECD countries:

Table 4 Ratio of Local Government Revenues to General Government Revenues (%)²

Country	2014	2015	2016	2017	2018
Australia					
Austria	6,06	6,23	6,51	6,26	6,34
Belgium	7,33	7,55	7,73	7,61	7,25
Canada	11,97	12,11	12,19	11,98	11,78
Czech Republic	19,6	19,31	18,21	18,32	18,84
Denmark	25,98	27,34	27,66	27,19	27,5
Estonia	4,67	4,45	4,07	4,57	4,38
Finland	29,49	29,15	28,44	28,85	27,98
France	15,62	15,86	16,03	15,88	16,25
Germany	11,02	11,16	11,12	11,21	11,22
Greece	2,89	2,86	2,89	2,97	2,96
Hungary	9,56	9,64	7,16	7,04	7,66
Iceland	24,95	26,21	19,42	26,36	26,98
Ireland	5,18	4,92	5	5,01	4,94
Israel	9,32	9,21	9,12	9,02	
Italy	19,08	19,14	17,26	17,75	17,86
Japan	25,12	25,1	25,28	24,93	
Korea	34,31	34,33	33,78	33,94	
Latvia	17,86	17,85	18,24	18,47	17,16
Lithuania	2,98	3,25	3,14	3,07	3,09
Luxembourg	5,32	5,08	5,45	5,5	5,94
Mexico	4,28	4,42	4,09	4,34	
Netherlands	9,3	9,39	9,05	8,77	8,54
New Zealand	10,63	11,09	10,8	10,76	
Norway	14,83	15,98	16,59	16,16	15,48
Poland	17,76	16,91	15,54	15,75	16,66

²Revenues encompass taxes (e.g. taxes on consumption, income, wealth, property and capital), net social contributions (e.g. contributions for pensions, health and social security; net means after deduction of social insurance scheme service charges, where applicable), and grants and other revenues. Grants can be from foreign governments, international organisations or other general government units. Other revenues include sales, fees, property income and subsidies.

Table 4 (cont'd)

Country	2014	2015	2016	2017	2018
Portugal	10,42	10,62	10,38	10,43	10,23
Slovak Republic	5,46	5,39	5,16	4,82	4,83
Slovenia	12,75	11,59	11,97	11,88	11,81
Spain	11,26	11,12	11,21	11	10,59
Sweden	34,34	33,52	33,24	33,35	33,12
Switzerland	19,14	18,84	19,14	18,68	
Turkey	9,59	9,66	9,23	10,33	
United Kingdom	8,93	8,81	8,58	8,39	8,49
United States					
OECD - Average	13,16	13,19	12,78	12,95	

Source: (OECD, 2019)

As can be seen from the table, while the average of OECD of the ratio of local government revenues to general government revenues is around 12-13% the highests are Sweden, Japan, Korea, Iceland, Finland and Denmark.

In terms of fiscal decentralization, local governments are expected to have their own income items. In other words, the existence of revenues that they can determine independently from the central administration indicates that the fiscal decentralization is relatively more intensive in that country. The fact that the ratio of their own revenues is higher than the transfers or grants from the central administration decreases the dependence of the local administrations to the center, thus creating a picture closer to autonomy.

Taxes are the most important income items that the local governments obtain. Determining the rate of taxes, they collect is one of the important indicators of fiscal decentralization. Moreover, the high share of these taxes collected by local governments in total revenues of local governments is a positive situation in terms of fiscal decentralization.

The table below shows the ratio of local governments' self-collected tax revenues to GDP:

Table 5 Ratio of Taxes Collected by Local Governments to GDP (%)

Country	2014	2015	2016	2017	2018
Australia	1,0	1,0	1,0	1,0	
Austria	1,3	1,3	1,3	1,3	1,2
Belgium	2,1	2,2	2,2	2,2	2,0
Canada	3,2	3,4	3,5	3,4	3,3
Czech Republic	0,4	0,4	0,4	0,4	0,4
Denmark	12,0	12,0	12,1	12,1	12,0
Estonia	0,3	0,3	0,3	0,3	0,3
Finland	10,3	10,4	10,2	10,2	9,7
France	5,9	5,9	6,1	6,1	6,2
Germany	3,0	3,1	3,2	3,2	3,3
Greece	0,9	0,9	0,9	0,9	0,9
Hungary	2,1	2,2	2,3	2,2	2,2
Iceland	9,2	9,1	9,4	9,9	10,0
Ireland	0,8	0,6	0,5	0,5	0,5
Israel	2,5	2,5	2,4	2,5	2,5
Italy	7,2	7,1	6,4	6,5	6,6
Japan	7,1	7,3	7,3	7,1	7,4
Korea	4,2	4,5	4,6	4,6	4,7
Latvia	5,6	5,6	5,9	6,0	5,6
Lithuania	0,3	0,4	0,4	0,3	0,4
Luxembourg	1,2	1,3	1,5	1,6	1,8
Mexico	0,2	0,3	0,3	0,3	
Netherlands	1,4	1,4	1,2	1,2	1,1
New Zealand	2,1	2,2	2,1	2,1	2,2
Norway	5,4	5,9	6,3	6,2	6,0
Poland	4,1	4,2	4,3	4,3	4,5
Portugal	2,5	2,5	2,5	2,4	2,6
Slovak Republic	0,8	0,7	0,6	0,6	0,6
Slovenia	3,8	3,5	3,5	3,4	3,4

Table 5 (cont'd)

Country	2014	2015	2016	2017	2018
Sweden	15,7	15,5	15,6	15,7	15,6
Switzerland	4,1	4,2	4,3	4,4	4,3
Turkey	2,3	2,4	2,5	2,4	2,3
United Kingdom	1,6	1,6	1,6	1,6	1,7
United States	3,7	3,7	3,8	3,8	3,7
OECD - Average	3,7	3,7	3,8	3,8	3,9

Source: (OECD, 2019)

The ratio of taxes collected by local governments to GDP is important in terms of showing the dependence of local governments on central government. It can be said that the higher the share of taxes collected in the economy by the local governments, the higher the fiscal decentralization. Indeed, in countries such as Sweden, Iceland, Finland and Denmark, this rate is well above the OECD average.

Similarly, when the share of local government expenditures in general government expenditures is examined, a similar picture is observed:

Table 6 Ratio of Local Government Expenditures to General Government Expenditures (%)³

Country	2014	2015	2016	2017	2018
Australia					
Austria	14,62	15,01	15,03	15,32	15,33
Belgium	13,34	13,28	13,21	13,52	13,66
Canada	20,95	21,03	20,95	20,87	20,71
Czech Republic	27,12	26,94	25,7	27,33	28,65
Denmark	62,21	62,26	63,51	64,28	63,72
Estonia	24	23,12	23,07	24,42	24,08
Finland	40,24	39,72	39,48	39,56	40,1

³General government consists of central, state and local governments, and social security funds. State government is only applicable to the nine OECD countries that are federal states: Australia, Austria, Belgium, Canada, Germany, Mexico, Spain (considered a quasi-federal country), Switzerland and the United States.

Table 6 (cont'd)

Country	2014	2015	2016	2017	2018
France	20,21	19,73	19,36	19,33	19,43
Germany	16,84	17,02	17,33	17,12	17,42
Greece	6,56	6,34	7,06	7,19	7,52
Hungary	15,5	15,42	12,69	13,08	12,81
Iceland	29,71	30,08	27,52	32,09	30,83
Ireland	7,44	7,67	8,39	8,52	8,62
Israel	12,72	12,76	12,87	13,24	
Italy	28,03	27,69	27,52	26,95	26,98
Japan	35,03	34,73	34,94	34,65	
Korea	34,44	34,23	34,54	34,96	
Latvia	26,13	24,29	25,48	26,68	27,2
Lithuania	22,82	22,48	22,84	23,25	23,71
Luxembourg	10,71	9,81	10,57	10,85	10,92
Mexico	6,89	6,78	7,19	7,24	
Netherlands	29,21	30,96	30,95	30,79	30,52
New Zealand	11,41	11,57	11,59	11,66	
Norway	33,15	32,68	32,96	33,17	33,39
Poland	31,37	30,67	31,01	32,07	33,69
Portugal	11,39	12,06	12,42	12,62	13,12
Slovak Republic	15,81	16,45	15,75	17,16	17,34
Slovenia	19,54	18,62	18	18,82	19,37
Spain	11,19	11,39	11,37	11,55	11,42
Sweden	48,33	48,96	50,02	50,51	50,73
Switzerland	20,55	20,23	20,22	20,3	
Turkey	9,84	9,31	9,61	10,72	
United Kingdom	24,28	24,33	23,78	23,34	23,05
United States					
OECD - Average	21,52	21,42	21,39	21,84	

Source: (OECD, 2019)

When the expenditures of local administrations are analyzed in OECD countries, which is one of the most important indicators in the measurement of financial localization, it is seen that the average is around 21%. In parallel with the data in Table 4, it is observed that developed countries such as Sweden, Norway, Korea, Japan, Iceland, Finland and Denmark are above average.

Apart from having sources of income commensurate with responsibilities and the authority to spend these revenues, borrowing authority is another indicator of financial localization. The borrowing authority has a structure that varies from country to country. For example, some countries allow borrowing only to realize investment expenditures, while others may leave them more flexible. Similarly, in some countries there is a balanced budget requirement and in some countries it is allowed to cover current expenditures with borrowing.

Table 7. Ratio of Local Government Debt to GDP (%)

Country	2014	2015	2016	2017	2018
Australia					
Austria	5,5	5,71	5,73	5,76	5,67
Belgium	6,74	6,67	6,49	6,11	5,92
Canada	9,8	9,77	10,22	9,87	9,72
Czech Republic	4,53	4,02	3,71	3,54	3,38
Denmark	11,1	11,05	10,65	10,25	9,7
Estonia	4,67	4,28	4,06	4,06	3,76
Finland	12,22	12,8	12,71	12,49	12,71
France	10,25	10,33	10,48	10,38	10,38
Germany	6,09	5,9	5,73	5,39	4,95
Greece	1,33	1,3	1,24	1,12	
Hungary	0,69	0,6	1,1	2,47	3,07
Iceland					
Ireland	3,11	2,12	2,07	1,85	
Israel	2,5	2,12	2,18	2,01	
Italy	12,01	11,37	10,9	10,63	10,33
Japan	36,41	34,91	34,12	33,27	

Table 7 (cont'd)

Country	2014	2015	2016	2017	2018
Latvia	8,02	7,57	7,36	7,38	7,66
Lithuania	2,64	2,4	2,08	1,73	1,47
Luxembourg	2,49	2,5	2,29	2,1	1,95
Netherlands	11,94	11,5	11,09	10,43	9,87
New Zealand	5,39	5,74	5,83	6,03	
Norway	15,64	16,89	17,99	18,1	17,93
Poland	6,28	6,16	5,82	5,48	5,42
Portugal	8,43	7,81	7,38	7,12	6,8
Slovak Republic	3,11	3,07	2,78	2,76	2,66
Slovenia	3,66	3,23	3,02	2,84	2,79
Spain	5,4	4,92	4,48	4,09	3,69
Sweden	13,14	13,56	13,98	14,3	14,81
Switzerland	9,95	10,03	9,68	9,67	
Turkey	2,74	2,9	3,2	3,47	
United Kingdom	8,09	8,81	8,63	8,29	8,12
United States					
OECD - Average	7,46	7,33	7,22	7,08	

Source: (OECD, 2019)

Local governments may borrow for the reasons listed above, and although high debt ratios pose a financial risk, this is considered a measure of fiscal decentralization. It can be said that the local governments with high borrowing capability in the economy are more independent from the center and the rate of decentralization is higher.

3.3. Historical Development of Municipalities and Fiscal Decentralization in Turkey

Even though the history of municipalities in Turkey within the meaning of today is not based on very old, tension between centralization and decentralization has always existed. This tension has been showed itself since the last period of the Ottoman Empire, where the idea of a nation state emerged. Especially in the last 50 years, both

the development plans and the other upper policy documents have determined policies based on this contrast.

According to historians, the concept of a formal local government in the Ottoman Empire emerged with external pressure on the participation and ethnic rights of minorities (Ortaylı, 2007). Until the establishment of municipalities in the western sense, ‘local services’ were provided by foundations (Ergin, 1944).

3.3.1. Pre-Republican Period

Before the Ottoman constitution of 1876 (Kanun-u Esasi) was proclaimed, various arrangements were made on the central government's provincial organization and the division of tasks of local services. With the declaration of the Tanzimat (the political reforms made in the Ottoman State in 1839), the officialization of local governments is an indication that the Tanzimatists want to strengthen the central government (Keleş, 2019). In 1826, İhtisap Nazırlığı was founded in Istanbul and İhtisap Müdürlükleri in the provinces. The services provided by the Kadi were transferred to these institutions. Şehremaneti was established in 1854 (Şehremini, the head of the Şehremaneti, appointed from the central government (Keleş, 2019)) to carry out municipal services that are needed to be organized and more systematic in Istanbul due to the increasing migrations as a result of the Crimean War (Taşcier, 2019).

It would be wrong to say that Şehremaneti is a municipality organization with selected organs in today's sense (Ortaylı, 1974). In 1855, the İntizam-ı Şehir Komisyonu was established and Istanbul was divided into 14 municipalities. ‘The sixth region’, including Beyoğlu and Galata, selected as the pilot region, was the first application area (Seyitdanlıoğlu, 1996). However, in 1868, ‘the sixth region’ was removed with a nizamname and was connected to the Şehremaneti.

With the ‘Vilayet Nizamnamesi’ of 1864, regulations were made for the provincial organization of the central government. This regulation is more concerned with the provincial administration. In 1870, the ‘İdare-i Umumiye-i Vilayet Nizamnamesi’ was enacted, which required the establishment of a municipality in each province and district center. Accordingly, the mayors will be appointed by the central government (Keleş, 2019).

With the declaration of 1876 Kanun-u Esasi and the revolution in 1908, the central - local relations came to the fore again. The two mainstream political views of the period positioned themselves as centralized or decentralized (Ortaylı, 1978). The Provisional Law on the Municipality of Dersaadet, which was enacted in 1912, maintained the centralized structure. This structure was preserved until the Municipal Law No. 1580 of 1930 (Keleş, Yerinden Yönetim ve Siyaset, 2019).

Article 108 of the Kanun-u Esasi defines the concept of ‘deconcentration’, which still exists today. In this sense, the center-local balance is found in the highest legal text. In addition, Article 110 of the constitution provides that the powers and responsibilities of the central government are general and the local governments are exceptional (Taşcier, Neoliberalizm Yerelleşme ve Türkiye, 2019). This understanding still exists in the center - local relationship.

3.3.2. Local Governments in the 1921 and 1924 Constitution Period

There is consensus that the 1921 constitution provides for a system that focuses on local governments. Article 11 of the Constitution stipulates the provision of local authorities with legal personality and autonomy and broad powers and responsibilities. The fact that the duties of both the central and local administrations were counted led to the interpretation that the central and local were complementary (Taşcier, Neoliberalizm Yerelleşme ve Türkiye, 2019).

Despite the fact that it was a period of war and a transitional period, this constitution did not ignore the control of the central government (Taşcier, Neoliberalizm Yerelleşme ve Türkiye, 2019). Article 23 explicitly authorizes General Inspectors to oversee the implementation of decisions of local authorities (Keleş, Yerinden Yönetim ve Siyaset, 2019).

The new state and new regime established by the 1924 Constitution introduced a new application for local governments as in all other areas. Mustafa Kemal Atatürk stated that the implementation of the appointment of mayors by local superiors should be regulated and studies were carried out on this issue. As a matter of fact, in addition to security reasons, criteria such as geographical location, climate and economic needs were taken into consideration with the ‘Teşkilatı Mülkiye Kanunu’ dated 1926

(Taşcıer, Neoliberalizm Yerelleşme ve Türkiye, 2019). Cemil Bey, the Minister of Interior of the period, stated that this law is expected to improve local administrations and ensure the participation of the people (Keskin E. N., 2007).

During the 1924 Constitution, the number of provinces was reduced and a suitable administrative structure was aimed for economic, social and political development. However, the constitution does not include the concept of decentralization. In addition, centralization was reinforced by the Provincial Administration Law of 1929 and the Provincial Administration Law of 1949 (Taşcıer, 2019). The 1924 Constitution adopted the principles of Separation of Duties and Deconcentration in the Kanun-u Esasi and emphasized that the central and local administrations have different duties (Keleş, 2019).

Law No. 1580 on Municipalities was enacted in 1930. Although the law imposes many duties on municipalities, local duties such as zoning, environment and agriculture have been transferred to the relevant ministries (Kara, 2016). This period, which was heavily tutelage by the center, continued throughout the 1950s (Şengül, 2009).

During this period, many reports were prepared such as the 1933 Dorr Report, the 1949 Thornburg Report, and the 1951 Barker Report, which will develop solutions to the problems that exist in order to ensure the continuity of the newly established state and the regime and economic development. The common discourse of all these reports, in parallel with the liberal theory, consists of policy proposals such as ending state intervention in the economy, giving priority to foreign investments and giving priority to local governments by abandoning centralized administration system (Yayman, 2005).

During the 1924 Constitution, most of the municipal revenues were composed of shares sent from the central government. Revenues were counted in the Municipal Revenues Law No. 5237, which was enacted in 1948, and remained in force until 1981. In this sense, it can be said that the revenues of local governments are under the control of the center (Taşcıer, Neoliberalizm Yerelleşme ve Türkiye, 2019). This is because the determination of the municipal revenues by the central administration, which items are composed and to what extent they will be implemented has a negative effect on decentralization by making the municipalities the central practitioner.

3.3.3. Local Governments in 1961 and 1982 Constitution Period

Article 112 of the 1961 Constitution states that the establishment and duties of the administration are based on the principles of centralized administration and decentralized administration. With this provision, it can be said that the administration is shaped on the basis of central government and local government.

Local governments have been granted public legal personality. Moreover, it is an important guarantee for local governments that the control of the elected bodies to gain and loss of their title through judiciary (Özmen, 2012). Providing revenue to local governments is also a favorable practice in terms of fiscal autonomy of local governments (Taşcier, Neoliberalizm Yerelleşme ve Türkiye, 2019). The method of mayors to take office with the approval of the Ministry of Interior has been terminated.

Although municipalities are provided with income sources, revenues are mostly dependent on central administration. At the same time, these revenues decreased during the period. While the share of municipal revenues in general budget revenues increased from 10.5% in 1950 to 11% in 1960, it decreased to 6.2% in 1970 and to 4.8% in 1975. In the following period, this rate is 2,33% for 1990, 3,17% for 1995 and 4,53% for 2000 (Keleş, Yerinden Yönetim ve Siyaset, 2019).

During the 1961 Constitution, more than 50 percent of the population began to live within the municipality. This has caused local needs to become a part of the social life day by day, to meet these needs is becoming more and more important in the agenda of the country and the importance of municipalities has increased.

The Ministry of Local Governments, established during this period, has taken a stance to increase the revenues of the municipalities with both its implementations and legislative proposals. However, the amendments and policy proposals proposed by this ministry were often rejected. This is an indication that the dominant political view in the central administration is centralized.

The success of a non-ruling political party in the 1973 local elections abolished the concept of “extension of the center” on local governments (Şengül, 2009). Because of the municipal elections were similar to the parliamentary elections and procedure for the appointment of the mayors from the center in the early periods of the Republic, the

perception of local governments that are not considered separate from the central government has been a significant break in.

The 1982 Constitution provides for a structure that suppresses local governments in accordance with the spirit of emergence. The central government has been given wide discretionary powers over local governments. An example of this is the authority of the Minister of the Interior to dismiss local government bodies or members who are under investigation or prosecution for a criminal offense. At the same time, the opinion of the central administration was compulsory for the local authorities to establish unity among themselves.

The 1982 Constitution paved the way for the introduction of ‘special forms of government’ by law for large settlements. These “special” forms of governance have been established in 1984 as metropolitan municipalities, starting with the Decree Law No. 195 and then with the Law No. 3030. The Metropolitan Municipalities were last regulated by Law No. 5216 which was enacted in 2004. Metropolitan municipalities are not in a different category than other provincial municipalities. In other words, it is not regulated in the constitution as a separate form of local government. They are designed as a different form of municipalities. However, due to both being established in the most populous cities of the country and providing services in the places where economic and commercial relations are most intense, it has been prioritized by other provincial municipalities.

In 1981, the Law on Giving Share from General Budget Tax Revenues to Municipalities and Special Provincial Administrations was enacted. With the amendments made in this law in 1984, the share of municipal revenues from general government budget was increased from 5% to 10.3%. In 1985, it was reduced to 9.25% and then to 8.55%. In 1994, it was reduced to 7.55%, then back to 8.55% and 9.25% (Taşcier, 2019). Finally, in 2008, Law No. 5779 on Giving Share from General Budget Tax Revenues to Special Provincial Administrations and Municipalities was enacted.

As a result of the increasing importance of municipalities and the services they offer, the adequacy of financial resources has been a subject of much debate in recent years. In the 10th Development Plan Local Authorities Special Commission Report (2014), covering the years 2014-2018, the following statements were made:

“Revenues in municipal budgets are continuously increasing in total. However, this increase does not mean that new tasks are assigned to municipalities and new resources are transferred accordingly. Continuous growth in municipal budgets is due to the fact that the increase in general budget tax revenues is reflected to the municipalities as a share and the continuous increase in the price of goods and services produced by the municipalities.”

As can be seen from the above paragraph, it is clear that the increase in municipal incomes is not due to an increased transfer of resources to municipalities or the transfer of revenue-raising powers. This increase due to inflationary reasons cannot be said to have a positive effect on fiscal decentralization. In addition, it is observed that the municipalities' dependence on the central administration in terms of financial resources continues.

The legal status and duties and powers of the metropolitan municipalities determined by the law no. 3030 but a new legal arrangement was needed due to the differentiation and expansion of local needs over time. As a new law focusing on solving the problems encountered in the previous period, the Metropolitan Municipality Law No. 5216 was enacted.

Law No. 5216 amended the criteria for a province to become a metropolitan municipality. Providing more concrete criteria for determining the boundaries of metropolitan municipalities, the provincial border for Istanbul and Kocaeli was accepted as the municipal border. This will be the case for all metropolitan municipalities with Law No. 6360. It can be said that the authority and responsibilities of metropolitan municipalities have increased with the expansion of the borders. In addition, the removal of the approval of the governor for the finalization of the budgets of metropolitan municipalities is an important development in terms of decentralization.

The Law No. 5216 shows that the emphasis on municipalities in the solution of increasing local problems in metropolises has been internalized by the central administration. In this sense, it can be said that metropolitan municipalities have strengthened considerably. However, the metropolitan municipalities are still highly dependent on the shares of the central administration from the general budget revenues

in terms of revenue sources. This shows that the center still has the source of the tasks handed over to the local and is cautious about local authorities' being separate power centers from the center administration.

Although Law No. 6360 brought important innovations to Law No. 5216, which was applied less than 10 years before it, Law No. 5216 remained in force. The reason why Law 6360 is needed is stated in the justification of the law. When the justification of the law is examined, it is stated that metropolitan municipalities are wanted to be handled with a holistic approach, and because of globalization and changing paradigms, local administrations can be strengthened and have a new management understanding and efficiency in public administration can be achieved in this way. In addition, it was emphasized that decentralization came to the forefront as a basic principle by giving reference to developed countries⁴. These explanations, which are parallel to the neoliberal discourse, seem to be understood by the central administration that the problems experienced in the metropolises throughout the country and the need for change can be solved by adapting to the dynamics of globalization and neoliberalism. With the new system, special provincial administrations, town municipalities and villages in metropolitan municipalities were abolished. The boundaries of metropolitan municipalities have been expanded as provincial borders. A two-tier system was established in the form of metropolitan municipality and district municipality. These provisions started to be implemented after the first local elections in 2014 and 2/3 of the population started to live in metropolitan municipalities. Whether the Law No. 6360 can provide fiscal decentralization in metropolitan municipalities will be discussed in the following sections.

⁴General Justification for Law No. 6360

CHAPTER 4

FISCAL DECENTRALIZATION IN METROPOLITAN MUNICIPALITIES: REVENUE PERSPECTIVE

There is no single formula for the measurement of fiscal decentralization, which is a multi-dimensional concept. In this context, budgetary measurements based on revenues and expenditures are common. In this section, the revenue of the metropolitan municipalities in Turkey and will be carried out an analysis of the intensity of these items.

Metropolitan municipalities in Turkey is a two stage system. The metropolitan municipalities and district municipalities, which do not have an official hierarchical ranking, perform local services. Water and sewerage administrations (WASA) also fulfill their duties with a separate legal entity as affiliated administration of metropolitan municipalities.

The revenues of municipalities are counted in the Municipal Law No. 5393. In addition, with the Law on Municipal Revenues No. 2464, the income items listed in Law No. 5393 are detailed. However, as a special form of municipalities, metropolitan municipalities were established by Law No. 5216 on the Metropolitan Municipality and their income is counted here. In this study, both the provisions of Law No. 2464 and the provisions of Law No. 5216 will be evaluated together.

4.1. Metropolitan Municipality Revenues

The revenues of the metropolitan municipalities, which are listed in the Law no. 5216, consist of the following items:

a) (Repealed: 2/7/2008-5779/8 Art.);

b) (Repealed: 2/7/2008-5779/8 Art.);

c) The remaining 50% of the Entertainment Tax collected by the metropolitan municipality on pool betting, including horse racing bets, according to the percentages and principles provided for in the Law No. 2464 on Municipal Revenues, after 20% of the tax has been allocated to the municipality of the locality where the pool betting races take place and 30% to the other district and first-tier municipalities for distribution in proportion to their population;

d) All municipal taxes, duties and charges to be collected from social and cultural

facilities, sporting, entertainment and leisure facilities and green areas placed under the metropolitan municipality's authority;

e) Taxes on all notices and advertisements posted up in the areas referred to in subparagraph (g) of the first paragraph of Article 7 and on the buildings having a front to such areas, and the related posting up, allocation and maintenance fees;

f) The remaining 50% of the revenue from the operation of the parking areas designated under subparagraph (f) of Article 7, after 50% has been deducted for distribution to the district and first-tier municipalities in proportion to their population;

g) The contributions to the spending on road, water supply and sewer works collected according to the percentages and principles provided for in the Law No. 2464 on Municipal Revenues, on condition that the metropolitan municipality provide the services concerned;

h) Revenues of rent, interest and fines;

i) Grants from public administrations and establishments;

j) Revenues to be transferred from the surplus in the balance of income and expenditures in the final accounts of the metropolitan municipality's affiliated entities;

k) Shares acquired in the net proceeds of the metropolitan municipality's economic enterprises, according to the percentage to be determined by the metropolitan council;

l) Revenues from the metropolitan municipality's movable and immovable property;

m) Charges for the services provided;

n) Conditional and unconditional donations;

o) Other revenues;⁵

It is very important for local governments to have their own funding sources and to have as little dependence on the central administration as possible. The fact that the local administrations cannot determine the tax and similar practices under the tutelage of the central administration has a negative result in terms of fiscal decentralization. For example, in metropolitan municipalities, although the mayor is authorized to prepare and implement the budget, the fact that income items are counted in the law and the revenues consist of those enumerated raises questions about how effectively this authority can be used.

Table 8 Total Metropolitan Municipality Revenues and Share in GDP (2014 – 2018)

	Total Metropolitan Municipality Revenues (TL)	Rate of Increase (%)	GDP Growth Rate (%)	Total Revenues / GDP (%)
2014	30.197.652.820,93	-	13,0	1,48
2015	33.436.419.799,88	10,73	14,4	1,43
2016	37.944.852.407,20	13,48	11,5	1,45
2017	46.435.267.953,08	22,38	19,2	1,49
2018	54.493.048.667,40	17,35	19,7	1,46

Source: Compiled from TURKSTAT data and the Activity Reports of the TCA and Metropolitan Municipalities.

⁵Regulated in Article 23 of the Law no. 5216

According to the table above, the total revenues of metropolitan municipalities increased with each passing year in 2014 - 2018, while the rate of increase excluding the last year also increased. The highest ratio of total revenues to GDP was realized in 2017. The fact that the increase observed during the period is parallel to the nominal increase in GDP in the same period shows that this situation is caused by inflationary effects, that there is no change in the income items of the municipalities and the quality of resources and that there is no indication that the dependence on the central administration decreases. Similarly, there was no increase in the ratio of total revenues to GDP. Therefore, since there is no change in the share of metropolitan municipal revenues in the economy, it can be said that the increase in total revenues with current prices does not mean that there is an increase in the rate of fiscal decentralization.

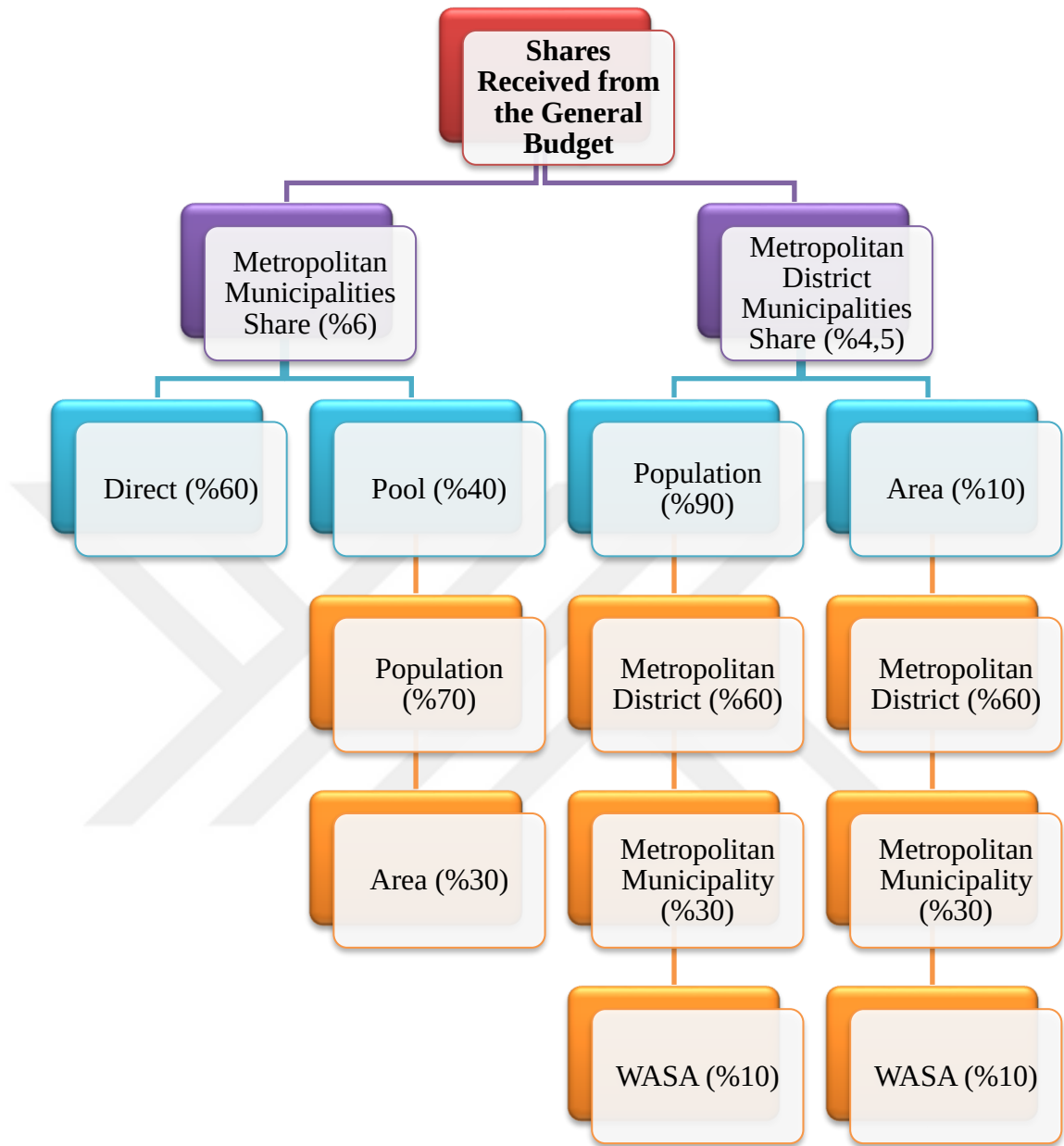
Municipal revenues are divided into two parts as the general budget tax revenues collection shares and own revenues. Own revenues consists of taxes, fees, contributions and fees, as well as rent and undertakings' income. While the own revenues are collected by the municipalities, the shares received from the general budget are collected by the Ministry of Treasury and Finance and sent to the account of the municipalities. The ratio of municipalities' share of the general budget and their own revenues may vary according to the status and scale of municipalities. Borrowing can also be broadly included in municipal revenues.⁶

4.1.1. Shares Received from The General Budget

The shares of metropolitan municipalities, metropolitan district municipalities and water and sewerage administrations in the metropolitan municipalities which are affiliates of metropolitan municipalities and having a separate legal personality from it, the shares they receive on the general budget are calculated and distributed in accordance with Articles 2, 4 and 5 of the Law No: 5779 on Giving Share from General Budget Tax Revenues to Special Provincial Administrations and Municipalities.

⁶Since the debt amounts of metropolitan municipalities are not published, no analysis can be made on borrowing.

Figure 1 Share Distribution



When the law came into force, the shares of metropolitan municipalities were 5%, metropolitan district municipalities were 2.5%, other municipalities were 2.85% and private administrations were 1.15%. With the latest amendment made to Law no. 5779 by Law No. 6360, the shares of metropolitan municipalities were increased from 5% to 6%. The shares of metropolitan districts were increased from 2.5% to 4.5%; the share of other municipalities was reduced from 2.85% to 1.5% and the share of private administrations from 1.15% to 0.5%.

As can be seen from the table, while the distribution criteria include population and area criteria, there is no development index. However, there is a development index criterion in the other 51 provincial municipalities and special provincial administrations that are not included in this thesis.

According to the table, metropolitan municipalities receive 6% share of tax revenues collected in the province. In addition, 60% of the 4.5% share of the general budget tax revenues allocated to metropolitan district municipalities goes to metropolitan district municipalities, while 30% is given to metropolitan municipality and 10% to water and sewerage administrations. In short, the share allocated for metropolitan district municipalities is allocated to metropolitan municipalities. Although this situation has an effect on reducing the revenues of metropolitan district municipalities, the metropolitan municipality has no obligation to invest in that district as much as the metropolitan district share transferred to the metropolitan area.

The share transferred to water and sewerage administrations is not included in the Law No: 5779. This ratio is determined in Article 13 of the Law No. 2560 on the Establishment and Duties of the General Directorate of Istanbul Water and Sewerage Administration.

According to the provisions of the Law, the President⁷ is authorized to increase the share of the shares allocated from the general budget up to two times or to reduce to the legal limit. But this authority has never been used before.

According to the Law, the shares allocated from the general budget tax revenues are calculated over the net amount after deducting the tax returns. In addition, the shares of metropolitan municipalities are calculated after deducting the amounts in Special Consumption Tax Table (I) from the general budget tax collection realized within the boundaries of metropolitan municipalities⁸.

After the Law No. 6360, which increased the number of metropolitan municipalities from 16 to 30, significant changes were made in the share distribution system. 14 new

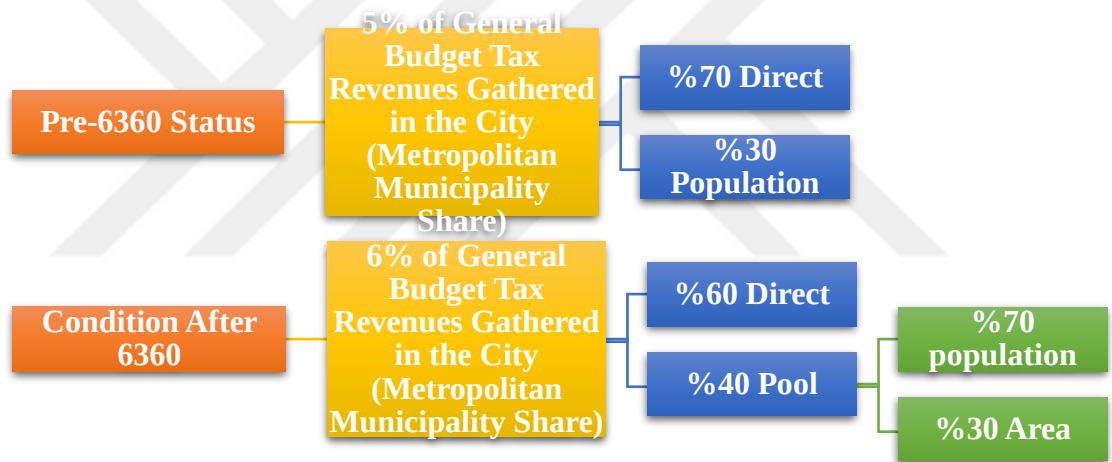
⁷Prior to the 2018 Constitutional Amendment, this authority belonged to the Council of Ministers.

⁸The calculation of the shares allocated from the general budget tax revenues has become a very technical issue due to the mentioned provisions and different regulations and due to the unpublished data, it has not been possible to calculate the shares allocated on a provincial basis.

provinces with a relatively low development index were included in the metropolitan municipal system. As a reflection of this situation, the share of metropolitan municipalities increased from 5% to 6%.

The expansion of the metropolitan municipal boundaries to the provincial territorial boundaries raised another problem. In Konya, Erzurum, and even in Antalya, which have broad provincial boundaries, the difficulties caused by the delivery of services to the most remote neighborhoods and the service needs of the places that were converted from villages to neighborhoods that served by the special provincial administrations before, in the metropolitan municipality system made it necessary to include the surface area as a new parameter in the metropolitan municipal system.

Figure 2 New Situation Brought by Law No. 6360 - Metropolitan Municipalities

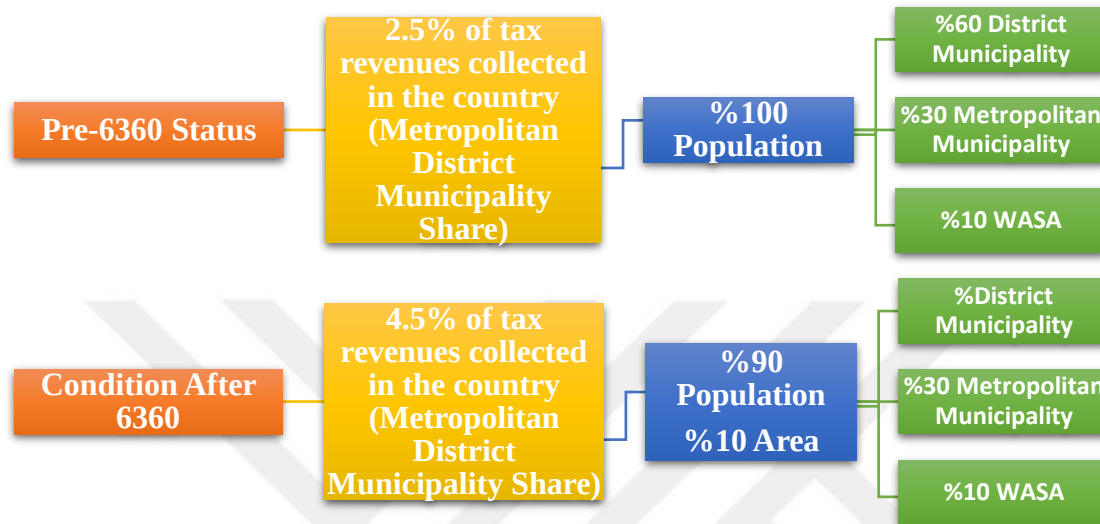


The areas of responsibility of the metropolitan municipalities, which have expanded their boundaries from the central districts to the whole province border, also included the population living in the newly added regions. This situation has caused the provinces to be subject to the same criteria, such as Konya, which is a geographically wide province but relatively comfortable in terms of land conditions and geographically narrow provinces such as Ordu, but with very difficult terrain conditions.

In the distribution of shares of metropolitan district municipalities, the system has not been changed much. With the Law No. 6360, the boundaries of the metropolitan

district municipalities were expanded to the district boundaries. In order not to be affected by this limit change, an area parameter is added to the share distribution basis.

Figure 3 New Situation Brought by Law No. 6360 - Metropolitan District Municipalities



With this change, the number of metropolitan district municipalities increased from 143 to 519. At the same time, the population of the district municipalities has increased since the border of the district municipalities has expanded to the administrative borders. In the previous period, the special provincial administrations working outside the municipal boundaries were abolished in the provinces that were converted to metropolitan cities. The absence of these institutions also brought burdens on metropolitan district municipalities. Therefore, the increase in the shares allocated from tax revenues collected in the country from 2.5% to 4.5% is an understandable increase.

Table 9 Shares Allocated From General Budget Tax Revenues And Amount Of Shares Per Capita⁹

	Metropolitan Municipalities	WASA
2014 (Share)	13.952.531.000	1.335.300.000
2014 Population of Metr. Mun.	59.988.496	59.988.496
2014 Share Per Capita (TL)	232,59	22,26
2015 (Share)	24.894.872.000	1.764.957.000
2015 Population of Metr. Mun.	60.962.088	60.962.088
2015 Share Per Capita (TL)	408,37	28,95
2016 (Share)	28.382.500.000	1.946.243.000
2016 Population of Metr. Mun.	61.837.649	61.837.649
2016 Share Per Capita (TL)	458,98	31,47
2017 (Share)	33.309.105.000	2.334.931.000
2017 Population of Metr. Mun.	62.717.604	62.717.604
2017 Share Per Capita (TL)	531,10	37,23
2018 (Share)	40.206.298.000	2.717.788.000
2018 Population of Metr. Mun.	63.495.314	63.495.314
2018 Share Per Capita (TL)	633,22	42,80

Source: Compiled from the Local Administrations General Activity Report and TURKSTAT data.

Table 9 shows the shares allocated from the general budget tax revenues to metropolitan municipalities and water and sewerage administrations between 2014-2018. In this period, an increase was observed in the shares allocated from the general budget to both metropolitan municipalities and water and sewage administrations. In addition, there was an increase in the amount of shares per capita.

⁹There are 519 district municipalities within the boundaries of metropolitan municipalities, and the budget information of these municipalities is not published collectively. Therefore, it is not possible to make an analysis at district level.

Table 10 Per Capita Shares and Inflation Rates

	Metropolitan Municipalities	Rate of Change (%)	WASA	Rate of Change (%)	Inflation Rate (%)
2014 Share Per Capita (TL)	232,59		22,26		8,17
2015 Share Per Capita (TL)	408,37	75,58%	28,95	30,07%	8,81
2016 Share Per Capita (TL)	458,98	12,40%	31,47	8,71%	8,53
2017 Share Per Capita (TL)	531,10	15,71%	37,23	18,29%	11,92
2018 Share Per Capita (TL)	633,22	19,23%	42,80	14,97%	20,30

Source: Compiled from the Local Administrations General Activity Report and TURKSTAT data.

As can be seen from the table, in 2016, 2017 and 2018, the increase in the shares allocated from the general budget tax revenues per capita in metropolitan municipalities is similar to the inflation rates. Local elections were held on March 31, 2014 and the effects of this transition period in 2015 were observed. In 2015, the new share distribution system was realized for the first time throughout the year. We have mentioned that this share distribution system foresees an increase in the transfers sent to the metropolitan municipalities from the center. Therefore, the increase in the amount of shares per capita in 2015 compared to 2014 is not unexpected. This increase indicates a kind of adaptation period.

Table 11 Shares Allocated From General Budget Tax Revenues And Ratio To Total Revenues

	Metropolitan Municipalities	WASA
2014 (Share)	13.952.531.000	1.335.300.000
2014 (Total)	30.197.652.821	16.400.288.078
Share/Total Revenue	46, 20%	8,14%
2015 (Share)	24.894.872.000	1.764.957.000
2015 (Total)	33.436.419.800	17.196.330.121

Table 11 (cont'd)

	Metropolitan Municipalities	WASA
Share/Total Revenue	74,45%	10,26%
2016 (Share)	28.382.500.000	1.946.243.000
2016 (Total)	37.944.852.407	18.972.865.686
Share/Total Revenue	75,80%	10,26%
2017 (Share)	33.309.105.000	2.334.931.000
2017 (Total)	46.435.267.953	22.212.669.644
Share/Total Revenue	71,73%	10,51%
2018 (Share)	40.206.298.000	2.717.788.000
2018 (Total)	54.493.048.667	24.527.423.284
Share/Total Revenue	73,78%	11,08%

Source: Compiled and used the data of the Local Administrations General Activity Report, Court of Accounts Reports and municipalities' annual reports (2014, 2015, 2016, 2018).

Although transfers from the central administration to local governments increase local governments' revenues, they also have a negative impact on fiscal decentralization as they increase their dependence on the center. In this sense, the revenue structure of metropolitan municipalities in Turkey is faced with a dramatic table is examined. In 2015, the share of the shares in the metropolitan municipalities, which was 46% in total, increased to 75% in 2015. These levels were maintained throughout the period. Although a similar increase is observed in water and sewerage administrations, neither the increase rate nor the share rate is at this level.

This high share of the shares allocated from the general budget tax revenues in the metropolitan municipal revenues increases the dependence of these municipalities to the center, which have important duties and powers in metropolises. It can also be said that this situation involves the risk of restricting the political field from time to time. Because the metropolitan municipality won by a political party different from the central administration will in any case depend on the center.

In this sense, it is possible to say that Law no. 6360 further increases the dependence of metropolitan centers to the center compared to the previous system.

4.1.2. Own Revenues

Own revenues are self-collected by municipalities. While the increase in the shares of the central administration increases the dependence of the local administrations to the center, the increase of the share of own revenues in the total revenues has a positive effect in terms of fiscal decentralization.

Own revenues are those that are at the discretion of local governments. It is the most flexible type of income. The collection and budgeting by the central administration is made up of various items, such as taxes, fees, participation fees, license fees, and enterprise and property revenues, which are left entirely to local governments.

The proportion of own revenues of the metropolitan municipalities in Turkey is low compared to other forms of local government.

Table 12 Per Capita Income of Metropolitan Municipalities and WASAs

	Metropolitan Municipalities	WASA
2014 (Own Revenue)	9.764.184.000	14.633.601.000
2014 Population of Metr. Mun.	59.988.496	59.988.496
2014 Per Capita Own Revenue (TL)	162,77	243,94
2015 (Own Revenue)	8.004.780.000	14.545.004.000
2015 Population of Metr. Mun.	60.962.088	60.962.088
2015 Per Capita Own Revenue (TL)	131,31	238,59
2016 (Own Revenue)	9.272.900.000	16.480.798.000
2016 Population of Metr. Mun.	61.837.649	61.837.649
2016 Per Capita Own Revenue (TL)	149,96	266,52
2017 Own Revenue)	12.624.482.000	18.870.595.000
2017 Population of Metr. Mun.	62.717.604	62.717.604
2017 Per Capita Own Revenue (TL)	201,29	300,88
2018 (Own Revenue)	14.069.647.000	20.993.138.000
2018 Population of Metr. Mun.	63.495.314	63.495.314

Table 12 (cont'd)

	Metropolitan Municipalities	WASA
2018 Per Capita Own Revenue (TL)	221,59	330,62

Source: Compiled from the Local Administrations General Activity Report and TURKSTAT data.

As can be seen from the table, the municipalities' own revenues are quite low. Even the water and sewerage administrations, which are affiliates of metropolitan municipalities, have higher own revenues than the metropolitan municipality's own revenues.

After the decrease in 2015, the own revenues of metropolitan municipalities increased during the period. This situation arises from the increase in the prices of goods and services produced by municipalities due to inflationary effects, not because of providing new own sources of income to metropolitan municipalities.

Table 13 Per Capita Own Revenue and Inflation Rates

	Metropolitan Municipalities	Rate of Change (%)	WASA	Rate of Change (%)	Inflation Rate (%)
2014 Per Capita Own Revenue	162,77		234,94		8,17
2015 Per Capita Own Revenue	131,31	- 19,33%	238,59	1,55%	8,81
2016 Per Capita Own Revenue	149,96	14,20%	266,52	11,71%	8,53
2017 Per Capita Own Revenue	201,29	34,23%	300,88	12,89%	11,92
2018 Per Capita Own Revenue	221,59	10,08%	330,62	9,88%	20,30

Source: Compiled from the Local Administrations General Activity Report and TURKSTAT data.

As can be seen from the table, a transition period was experienced especially after the Law No. 6360 entered into force. Due to the increasing spatial size and population ratios of metropolitan municipalities, per capita own revenue decreased at the beginning of the period. 2017 was the year in which the increase in the amount of per capita own revenue was highest. In this sense, it can be said that 2017 is the year in which the fiscal decentralization rate is the highest from the own revenue-perspective.

Table 14 Own Revenue and Ratio of Own Revenue to Total Revenue

	Metropolitan Municipalities	WASA
2014 (Own Revenue)	9.764.184.000	14.633.601.000
2014 (Total)	30.197.652.821	16.400.288.078
Own Revenue/Total Revenue	32,33%	89,23%
2015 (Own Revenue)	8.004.780.000	14.545.004.000
2015 (Total)	33.436.419.800	17.196.330.121
Own Revenue/Total Revenue	23,94%	84,58%
2016 (Own Revenue)	9.272.900.000	16.480.798.000
2016 (Total)	37.944.852.407	18.972.865.686
Own Revenue/Total Revenue	24,44%	86,87%
2017 (Own Revenue)	12.624.482.000	18.870.595.000
2017 (Total)	46.435.267.953	22.212.669.644
Own Revenue/Total Revenue	27,19%	84,95%
2018 (Own Revenue)	14.069.647.000	20.993.138.000
2018 (Total)	54.493.048.667	24.527.423.284
Own Revenue/Total Revenue	25,82%	85,59%

Source: Compiled from the Local Administrations General Activity Report and TURKSTAT data.

Except for 2014, when elections were held and the new system could be implemented only from the middle of the year, 2017 was the year in which the ratio of the amount of own revenue to total revenue was highest in the metropolitan municipalities.

In water and sewerage administrations, the share of own revenues in total revenues is quite high. At this point, the fact that water and sewerage administrations are so independent from the center is a positive situation for metropolitan municipalities as they are affiliates of metropolitan municipalities.

4.2. General Evaluation and an Analysis - 2017 Review

Fiscal decentralization status of metropolitan municipalities in Turkey are likely to be highly dependent on central administration when analyzed from the perspective of revenue. 78% of the country's population lives within the boundaries of metropolitan municipalities. The very low rate of fiscal decentralization in terms of revenue, is an indicator of the centralist tradition is very strong in Turkey.

Nevertheless, there is an improvement in fiscal decentralization in terms of revenues in the metropolitan municipalities after the Law no. 6360.

Table 15 Fiscal Decentralization Rates from Income Perspective by Years

	Metropolitan Municipality Revenues	General Government Revenues	Fiscal Decentralization Rate
2009	11.335.294.000	329.943.492.700,8	3,44%
2010	13.322.111.000	389.743.222.929,5	3,42%
2011	15.560.584.000	472.469.088.415,1	3,29%
2012	17.228.427.000	535.775.725.517,7	3,22%
2013	20.719.833.000	625.349.588.744,6	3,31%
2014	30.197.652.821	654.108.951.000,0	4,62%
2015	33.436.419.800	749.436.201.030,7	4,46%
2016	37.944.852.407	848.797.209.999,0	4,47%
2017	46.435.267.953	966.577.724.400,0	4,80%
2018	54.493.048.667	1.192.963.159.476,5	4,57%

Source: Compiled from the data of Local Administrations General Activity Report and Strategy and Budget Directorate.

As can be seen from the table, since 2014, when Law No. 6360 and the income system of metropolitan municipalities began to be implemented, the share of metropolitan municipal revenues within general government revenues increased compared to the previous period. 2017 was the year with the highest rate of fiscal decentralization. Although the nominal increase in metropolitan municipal revenues has inflationary effects, it is possible to say that there has been an increase in proportion to the previous period.

Table 16 Share of Metropolitan Municipality Revenues in Local Government Revenues

	Metropolitan Municipality Revenues	Local Government Revenues	Metr. Mun. Rev. / Local Gov. Rev.
2009	11.335.294.000,00	42.477.177.000	26,69%
2010	13.322.111.000,00	53.582.118.000	24,86%
2011	15.560.584.000,00	63.415.789.000	24,54%
2012	17.228.427.000,00	69.263.300.000	24,87%
2013	20.719.833.000,00	83.376.231.000	24,85%
2014	30.197.652.820,93	87.170.755.000,00	34,64%
2015	33.436.419.799,88	97.706.380.000,00	34,22%
2016	37.944.852.407,20	109.374.491.000,00	34,69%
2017	46.435.267.953,08	133.766.501.000,00	34,71%
2018	54.493.048.667,40	157.938.576.000,00	34,50%

Source: Compiled from the data of Metropolitan Municipalities Annual Reports, Court of Accounts Reports and Local Administrations General Annual Report.

As can be seen from the table, the share of incomes of metropolitan municipalities in local government revenues increased by around 10%. The highest year is 2017.

This situation shows that the local government system in Turkey focused on metropolitan municipalities. Parallel to the increasing importance of metropolitan municipalities among local governments, total revenues of metropolitan municipalities increased compared to other types of local governments. The increase can be explained by the increase in the number of metropolitan municipalities and the decrease in the number of other types of local government and thus their total revenues.

Although 30 metropolitan municipalities are identical in terms of duties, powers and responsibilities, their size varies. Both the transfers from the central administration and the own revenue collections led to different amounts of revenue in each province. This situation resulted in the metropolitan municipalities having the same duties, powers and responsibilities to work under different conditions.

When the metropolitan municipality revenues are examined on a provincial basis in the 2014-2018 period, a nominal increase can be seen during the period.



Table 17 Metropolitan Municipality Revenues by Province (2014 – 2018)

	2014			2015			2016			2017			2018		
	Revenue	Population	Per Capita Revenue	Revenue	Population	Per Capita Revenue	Revenue	Population	Per Capita Revenue	Revenue	Population	Per Capita Revenue	Revenue	Population	Per Capita Revenue
Adana	761.630.427,17 ₺	2.165.595	351,70 ₺	801.166.532,49 ₺	2.183.167	366,97 ₺	918.050.257,09 ₺	2.201.670	416,98 ₺	1.089.632.322,80 ₺	2.216.475	491,61 ₺	1.236.877.487,09 ₺	2.220.125	557,12 ₺
Ankara	3.497.776.552,80 ₺	5.150.072	679,17 ₺	4.389.394.914,07 ₺	5.270.575	832,81 ₺	5.360.777.188,37 ₺	5.346.518	1.002,67 ₺	6.005.553.245,67 ₺	5.445.026	1.102,94 ₺	6.043.723.812,19 ₺	5.503.985	1.098,06 ₺
Antalya	695.297.043,13 ₺	2.222.562	312,84 ₺	1.025.381.671,44 ₺	2.288.456	448,07 ₺	1.095.373.928,99 ₺	2.328.555	470,41 ₺	1.351.369.560,11 ₺	2.364.396	571,55 ₺	1.620.781.901,24 ₺	2.426.356	667,99 ₺
Aydın	232.609.388,79 ₺	1.041.979	223,24 ₺	336.961.056,62 ₺	1.053.506	319,85 ₺	393.599.648,84 ₺	1.068.260	368,45 ₺	468.627.321,53 ₺	1.080.839	433,58 ₺	556.668.704,41 ₺	1.097.746	507,10 ₺
Balıkesir	313.777.087,82 ₺	1.189.057	263,89 ₺	514.145.195,80 ₺	1.186.688	433,26 ₺	507.575.500,65 ₺	1.196.176	424,33 ₺	604.912.073,33 ₺	1.204.824	502,08 ₺	709.384.677,60 ₺	1.226.575	578,35 ₺
Bursa	1.066.365.270,36 ₺	2.787.539	382,55 ₺	1.249.811.392,79 ₺	2.842.547	439,68 ₺	1.358.600.286,52 ₺	2.901.396	468,26 ₺	1.913.280.696,02 ₺	2.936.803	651,48 ₺	2.122.159.794,20 ₺	2.994.521	708,68 ₺
Denizli	358.217.509,98 ₺	978.700	366,01 ₺	471.339.475,03 ₺	993.442	474,45 ₺	532.045.050,76 ₺	1.005.687	529,04 ₺	671.120.756,52 ₺	1.018.735	658,78 ₺	640.139.249,41 ₺	1.027.782	622,84 ₺
Diyarbakır	390.236.925,35 ₺	1.635.048	238,67 ₺	486.222.408,04 ₺	1.654.196	293,93 ₺	541.961.823,07 ₺	1.673.119	323,92 ₺	641.606.021,37 ₺	1.699.901	377,44 ₺	764.343.780,7 ₺	1.732.396	441,21 ₺
Erzurum	304.764.174,66 ₺	763.320	399,26 ₺	403.082.525,76 ₺	762.321	528,76 ₺	623.311.985,46 ₺	762.021	817,97 ₺	882.306.783,31 ₺	760.476	1.160,20 ₺	969.248.401,11 ₺	767.848	1.262,29 ₺
Eskişehir	324.405.254,18 ₺	812.320	399,36 ₺	390.023.674,8 ₺	826.716	471,77 ₺	415.274.103,07 ₺	844.842	491,54 ₺	516.129.623,83 ₺	860.620	599,72 ₺	622.483.956,8 ₺	871.187	714,52 ₺
Gaziantep	590.120.447,73 ₺	1.889.466	312,32 ₺	637.309.201,88 ₺	1.931.836	329,90 ₺	760.102.326,02 ₺	1.974.244	385,01 ₺	1.129.663.832,68 ₺	2.005.515	563,28 ₺	1.323.534.131,11 ₺	2.028.563	652,45 ₺
Hatay	309.561.120,70 ₺	1.519.836	203,68 ₺	504.401.398,13 ₺	1.533.507	328,92 ₺	551.139.297,15 ₺	1.555.165	354,39 ₺	820.767.322,70 ₺	1.575.226	521,05 ₺	929.019.270,79 ₺	1.609.856	577,08 ₺
Mersin	628.175.413,35 ₺	1.727.255	363,68 ₺	801.378.066,18 ₺	1.745.221	459,18 ₺	877.510.176,76 ₺	1.773.852	494,69 ₺	1.248.835.191,88 ₺	1.793.931	696,14 ₺	1.329.668.611,48 ₺	1.814.468	732,81 ₺
İstanbul	12.276.426.546,00 ₺	14.377.018	853,89 ₺	10.586.738.310,57 ₺	14.657.434	722,28 ₺	11.717.664.936,00 ₺	14.804.116	791,51 ₺	14.610.463.282,00 ₺	15.029.231	972,14 ₺	18.424.947.829,00 ₺	15.067.724	1.222,81 ₺
İzmir	2.436.624.473,84 ₺	4.133.072	589,54 ₺	2.796.511.087,19 ₺	4.168.415	670,88 ₺	3.181.484.840,28 ₺	4.223.545	753,27 ₺	3.760.733.584,73 ₺	4.279.677	878,74 ₺	4.554.901.784,48 ₺	4.320.519	1.054,25 ₺
Kayseri	545.966.167,09 ₺	1.322.376	412,87 ₺	739.181.350,01 ₺	1.341.056	551,19 ₺	656.554.354,33 ₺	1.358.980	483,12 ₺	750.521.297,0 ₺	1.376.722	545,15 ₺	938.925.812,97 ₺	1.389.680	675,64 ₺
Kocaeli	1.281.312.453,58 ₺	1.722.795	743,74 ₺	1.508.788.767,56 ₺	1.780.055	847,61 ₺	1.792.117.151,08 ₺	1.830.772	978,89 ₺	2.254.390.259,86 ₺	1.883.270	1.197,06 ₺	2.604.688.262,22 ₺	1.906.391	1.366,29 ₺
Konya	913.902.164,67 ₺	2.108.808	433,37 ₺	1.169.929.700,10 ₺	2.130.544	549,12 ₺	1.463.413.466,97 ₺	2.161.303	677,10 ₺	1.445.587.618,04 ₺	2.180.149	663,07 ₺	1.676.052.557,03 ₺	2.205.609	759,90 ₺
Malatya	242.410.185,34 ₺	769.544	315,00 ₺	304.548.979,99 ₺	772.904	394,03 ₺	361.572.393,02 ₺	781.305	462,78 ₺	413.198.050,63 ₺	786.676	525,25 ₺	461.061.188,06 ₺	797.036	578,47 ₺
Manisa	372.585.404,38 ₺	1.367.905	272,38 ₺	475.466.058,10 ₺	1.380.366	344,45 ₺	570.788.183,73 ₺	1.396.945	408,60 ₺	749.578.934,28 ₺	1.413.041	530,47 ₺	866.568.570,1 ₺	1.429.643	606,14 ₺
Kahramanmaraş	334.908.502,24 ₺	1.089.038	307,53 ₺	384.249.540,46 ₺	1.096.610	350,40 ₺	435.730.289,57 ₺	1.112.634	391,62 ₺	501.841.356,00 ₺	1.127.623	445,04 ₺	600.339.491,65 ₺	1.144.851	524,38 ₺
Mardin	143.313.244,88 ₺	788.96	181,64 ₺	223.151.092,20 ₺	796.591	280,13 ₺	252.662.107,67 ₺	796.237	317,32 ₺	290.314.572,26 ₺	809.719	358,54 ₺	346.415.537,04 ₺	829.195	417,77 ₺
Muğla	230.810.283,67 ₺	894.509	258,03 ₺	366.916.936,53 ₺	908.877	403,70 ₺	429.920.606,46 ₺	923.773	465,40 ₺	496.421.135,77 ₺	938.751	528,81 ₺	596.664.885,01 ₺	967.487	616,72 ₺
Ordu	136.618.319,00 ₺	724.268	188,63 ₺	239.201.714,91 ₺	728.949	328,15 ₺	267.265.345,47 ₺	750.588	356,07 ₺	391.949.639,17 ₺	742.341	527,99 ₺	468.844.272,24 ₺	771.932	607,36 ₺
Sakarya	281.855.597,26 ₺	932.706	302,19 ₺	321.704.416,26 ₺	953.181	337,51 ₺	401.158.277,99 ₺	976.948	410,62 ₺	392.527.192,68 ₺	990.214	396,41 ₺	495.011.041,72 ₺	1.010.700	489,77 ₺
Samsun	327.799.263,51 ₺	1.269.989	258,11 ₺	481.661.482,38 ₺	1.279.884	376,33 ₺	541.895.291,84 ₺	1.295.927	418,15 ₺	640.553.387,63 ₺	1.312.990	487,86 ₺	714.888.286,44 ₺	1.335.716	535,21 ₺
Tekirdağ	321.155.825,06 ₺	906.732	354,19 ₺	504.218.809,52 ₺	937.910	537,60 ₺	392.103.895,21 ₺	972.875	403,04 ₺	602.862.347,50 ₺	1.005.463	599,59 ₺	704.730.22,15 ₺	1.029.927	684,25 ₺
Trabzon	304.899.548,19 ₺	766.782	397,64 ₺	306.336.525,07 ₺	768.417	398,66 ₺	345.267.293,25 ₺	779.379	443,00 ₺	386.808.775,97 ₺	786.326	491,92 ₺	489.609.529,94 ₺	807.903	606,03 ₺
Şanlıurfa	338.289.095,74 ₺	1.845.667	183,29 ₺	642.363.860,04 ₺	1.892.320	339,46 ₺	769.049.569,38 ₺	1.940.627	396,29 ₺	875.030.583,47 ₺	1.985.753	440,65 ₺	1.030.875.069,23 ₺	2.035.809	506,37 ₺
Van	235.839.133,46 ₺	1.085.542	217,25 ₺	374.833.571,28 ₺	1.096.397	341,88 ₺	430.882.832,20 ₺	1.100.190	391,64 ₺	528.681.251,64 ₺	1.106.891	477,63 ₺	650.490.826,83 ₺	1.123.784	578,84 ₺
TOTAL	30.197.652.820,93 ₺	59.988.496	503,39 ₺	33.436.419.799,88 ₺	60.962.088	548,48 ₺	37.944.852.407,20 ₺	61.837.649	613,62 ₺	46.435.267.953,08 ₺	62.717.604	740,39 ₺	54.493.048.667,40 ₺	63.495.314	858,22 ₺

Source: Compiled from the Annual Reports of Metropolitan Municipalities, TCA Reports and TURKSTAT data of 2014, 2015, 2016, 2017 and 2018.

As can be seen from the table, the metropolitan municipal revenues are quite different from each other. The criteria in the transfer system and the intensity of each province's own economic activities make this difference understandable. Revenue amounts increased during the period, which led to an increase in per capita revenue.

Table 18 Per Capita Revenue Growth Rates

	Per Capita Revenue	Per Capita Revenue Growth Rates
2014	503,39	
2015	548,48	8,96%
2016	613,62	11,88%
2017	740,39	20,66%
2018	858,22	15,91%

Source: Compiled from the Annual Reports of Metropolitan Municipalities, TCA Reports and TURKSTAT data of 2014, 2015, 2016, 2017 and 2018.

The highest increase in per capita metropolitan municipality revenues was recorded in 2017.

According to Table 18, the average per capita income of metropolitan municipalities is 503,39 for 2014, 548,48 for 2015, 613,62 for 2016, 740,39 for 2017 and 858,22 for 2018. During the period, 25 metropolitan municipalities remained below average in per capita income, while those above the average were Istanbul, Izmir, Ankara, Kocaeli and Erzurum.

Istanbul, Izmir, Ankara and Kocaeli are the provinces where the commercial relations and economic life of the country are most intense. We have stated that the most important revenues of the metropolitan municipalities are the shares transferred from the center. The connection of the shares transferred from the central administration to the tax revenues in the provinces helps to understand why Istanbul, Izmir, Ankara and Kocaeli have a higher than average revenue. However, the fact that Erzurum shows an above average outlook in per capita revenue throughout the whole period is the best example of the disruption in the share distribution system. Because Konya is the province with the largest area but the least population located according to the size of the area is in Erzurum. As a province which continuously migrates but its surface area

does not change at all, Erzurum showed an above average outlook with the other 4 provinces in the revenue per capita with its share from the central administration thanks to the land area criterion.

Turkey has 30 water and sewage administration in 30 metropolitan municipalities. Apart from these, there are three affiliated institutions established in Istanbul, Ankara and Izmir before the Metropolitan Law No. 5216. Established to meet the local needs of the metropolitan area, these 3 institutions are still in operation today and are affiliates of the metropolitan municipalities.



Table 19 Affiliated Institutions Revenues By Province (2014 – 2018)

ADI	2014			2015			2016			2017			2018		
	Revenue	Popula- tion	Per Capita Revenu e	Revenue	Popula- tion	Per Capita Revenu e	Revenue	Popula- tion	Per Capita Revenu e	Revenue	Popula- tion	Per Capita Revenu e	Revenue	Popula- tion	Per Capita Revenu e
Adana WASA	324.995.70 8,12 ₺	2.165.595	150,07 ₺	360.258.49 6,41 ₺	2.183.167	165,02 ₺	427.113.31 1,93 ₺	2.201.670	194,00 ₺	518.966.26 2,08 ₺	2.216.475	234,14 ₺	605.199.23 0,05 ₺	2.220.125	272,60 ₺
Ankara WASA	1.462.808.5 16,67 ₺	5.150.072	284,04 ₺	1.965.334.5 36,98 ₺	5.270.575	372,89 ₺	2.131.453.2 39,01 ₺	5.346.518	398,66 ₺	2.663.022.0 93,07 ₺	5.445.026	489,07 ₺	2.990.316.4 05,18 ₺	5.503.985	543,30 ₺
EGO GENERAL DIRECTORATE	441.023.23 0,20 ₺		85,63 ₺	691.266.04 7,14 ₺		131,16 ₺	548.269.81 0,46 ₺		102,55 ₺	825.014.26 9,91 ₺		151,52 ₺	812.001.32 6,59 ₺		147,53 ₺
Antalya WASA	407.275.42 7,52 ₺	2.222.562	183,25 ₺	626.246.87 3,20 ₺	2.288.456	273,65 ₺	679.096.93 7,40 ₺	2.328.555	291,64 ₺	811.239.09 6,30 ₺	2.364.396	343,11 ₺	945.616.66 8,35 ₺	2.426.356	389,73 ₺
Aydın WASA	49.647.609. 12 ₺	1.041.979	47,65 ₺	181.523.07 0,30 ₺	1.053.506	172,30 ₺	223.927.19 6,19 ₺	1.068.260	209,62 ₺	275.234.74 2,34 ₺	1.080.839	116,41 ₺	323.737.99 5,70 ₺	1.097.746	294,91 ₺
Balıkesir WASA	36.860.216. 94 ₺	1.189.057	31,00 ₺	170.155.37 0,12 ₺	1.186.688	143,39 ₺	250.689.25 3,18 ₺	1.196.176	209,58 ₺	307.041.32 8,68 ₺	1.204.824	284,08 ₺	275.764.15 7,48 ₺	1.226.575	224,82 ₺
Bursa WASA	515.536.62 9,71 ₺	2.787.539	184,94 ₺	627.093.41 1,38 ₺	2.842.547	220,61 ₺	750.889.20 7,18 ₺	2.901.396	258,80 ₺	908.448.02 7,51 ₺	2.936.803	754,01 ₺	1.004.966.7 31,70 ₺	2.994.521	335,60 ₺
Denizli WASA	114.616.59 1,13 ₺	978.700	117,11 ₺	173.764.67 3,02 ₺	993.442	174,91 ₺	261.619.51 5,00 ₺	1.005.687	260,14 ₺	320.512.56 1,86 ₺	1.018.335	109,14 ₺	322.857.41 7,17 ₺	1.027.782	314,13 ₺
Diyarbakır WASA	153.648.60 1,32 ₺	1.635.048	93,97 ₺	184.190.78 7,94 ₺	1.654.196	111,35 ₺	208.095.76 7,36 ₺	1.673.119	124,38 ₺	266.367.08 3,00 ₺	1.699.901	261,47 ₺	275.296.15 6,94 ₺	1.732.396	158,91 ₺
Erzurum WASA	89.111.236. 04 ₺	763.320	116,74 ₺	104.781.66 6,97 ₺	762.321	137,45 ₺	138.766.92 1,07 ₺	762.021	182,10 ₺	183.917.37 6,00 ₺	760.476	108,19 ₺	172.582.56 3,01 ₺	767.848	224,76 ₺
Eskişehir WASA	143.794.98 3,50 ₺	812.320	177,02 ₺	157.754.48 1,30 ₺	826.716	190,82 ₺	179.058.92 3,71 ₺	844.842	211,94 ₺	201.872.91 9,70 ₺	860.620	265,46 ₺	223.085.81 9,80 ₺	871.187	256,07 ₺
Gaziantep WASA	333.479.54 3,52 ₺	1.889.466	176,49 ₺	403.688.32 1,12 ₺	1.931.836	208,97 ₺	463.959.89 4,49 ₺	1.974.244	235,01 ₺	588.704.45 2,81 ₺	2.005.515	684,05 ₺	607.250.41 7,87 ₺	2.028.563	299,35 ₺
Hatay WASA	48.799.142. 31 ₺	1.519.836	32,11 ₺	212.255.08 0,28 ₺	1.533.507	138,41 ₺	285.157.22 3,71 ₺	1.555.165	183,36 ₺	301.829.66 2,62 ₺	1.575.226	150,50 ₺	299.727.39 1,62 ₺	1.609.856	186,18 ₺
Mersin WASA	251.341.61 6,70 ₺	1.727.255	145,52 ₺	346.702.46 9,74 ₺	1.745.221	198,66 ₺	416.197.53 3,58 ₺	1.773.852	234,63 ₺	454.561.06 4,78 ₺	1.793.931	288,57 ₺	508.771.64 1,24 ₺	1.814.668	280,40 ₺
İstanbul WASA	4.217.066.3 71,00 ₺	14.377.018	293,32 ₺	4.794.885.6 17,00 ₺	14.657.344	327,13 ₺	5.091.484.1 10,94 ₺	14.804.116	343,92 ₺	5.731.276.9 71,00 ₺	15.029.231	381,34 ₺	6.262.405.5 87,38 ₺	15.067.724	415,62 ₺
İETT GENERAL DIRECTORATE	4.551.012.7 20,37 ₺		316,55 ₺	1.713.489.0 71,76 ₺		116,90 ₺	1.535.846.7 17,20 ₺		103,74 ₺	1.332.942.7 51,72 ₺		88,69 ₺	1.719.519.3 49,52 ₺		114,12 ₺
İzmir WASA	893.478.13 0,47 ₺	4.113.072	217,23 ₺	1.005.371.4 94,24 ₺	4.168.415	241,19 ₺	1.125.946.8 03,24 ₺	4.223.545	266,59 ₺	1.309.946.8 70,86 ₺	4.279.677	306,09 ₺	1.563.241.8 5,76 ₺	4.320.519	361,82 ₺
ESHOT GENERAL DIRECTORATE	613.203.47 5,07 ₺		149,09 ₺	617.216.43 8,94 ₺		148,07 ₺	688.990.39 1,40 ₺		163,13 ₺	735.163.97 1,56 ₺		171,78 ₺	811.151.66 5,76 ₺		187,74 ₺
Kayseri WASA	191.847.42 8,85 ₺	1.322.376	145,08 ₺	206.515.84 4,41 ₺	1.341.056	153,99 ₺	233.774.09 1,67 ₺	1.358.980	172,02 ₺	269.556.41 7,49 ₺	1.376.722	195,80 ₺	309.791.56 0,29 ₺	1.389.680	222,92 ₺
Kocaeli WASA	514.432.85 7,64 ₺	1.722.795	298,60 ₺	568.992.85 6,82 ₺	1.780.055	319,65 ₺	652.239.35 9,35 ₺	1.830.772	356,26 ₺	785.786.22 6,30 ₺	1.883.270	417,25 ₺	893.589.79 9,17 ₺	1.906.391	468,73 ₺
Konya WASA	283.096.17 9,93 ₺	2.108.808	134,24 ₺	350.600.41 5,40 ₺	2.130.544	164,56 ₺	451.056.21 8,48 ₺	2.161.303	208,70 ₺	629.108.74 9,22 ₺	2.180.149	288,56 ₺	590.533.49 6,78 ₺	2.205.609	267,74 ₺
Malatya WASA	55.529.383. 64 ₺	769.544	72,16 ₺	100.345.18 1,99 ₺	772.904	129,83 ₺	152.395.84 0,82 ₺	781.305	195,05 ₺	289.992.87 6,64 ₺	786.676	368,63 ₺	334.204.12 4,11 ₺	797.036	263,90 ₺
Manisa WASA	59.172.240. 75 ₺	1.367.905	43,26 ₺	195.918.68 3,56 ₺	1.380.366	141,93 ₺	248.643.46 9,35 ₺	1.396.945	177,99 ₺	283.363.94 1,78 ₺	1.413.043	200,53 ₺	334.204.12 8,52 ₺	1.429.643	233,77 ₺
Kahramanmaraş WASA	68.068.435. 93 ₺	1.089.038	62,50 ₺	116.049.25 9,58 ₺	1.096.610	105,83 ₺	181.677.46 8,85 ₺	1.112.634	163,29 ₺	207.841.21 7,89 ₺	1.127.623	184,32 ₺	232.417.22 1,34 ₺	1.144.851	203,01 ₺
Mardin WASA	23.796.295. 26 ₺	788.996	30,16 ₺	45.312.366. 31 ₺	796.591	56,88 ₺		796.237	- ₺		809.719	- ₺	84.936.229. 90 ₺	829.195	102,43 ₺
Muğla WASA	97.999.395. 94 ₺	894.508	109,56 ₺	219.853.71 2,24 ₺	908.877	241,90 ₺	252.772.47 5,02 ₺	923.773	273,63 ₺	276.088.18 8,98 ₺	938.751	294,10 ₺	313.243.93 4,37 ₺	967.487	323,77 ₺
Ordu WASA	48.130.549. 74 ₺	724.268	66,45 ₺	97.660.700. 00 ₺	728.949	133,97 ₺	167.319.99 6,31 ₺	750.588	222,92 ₺	214.797.08 8,34 ₺	742.341	289,35 ₺	160.056.46 7,45 ₺	771.932	207,35 ₺
Sakarya WASA	174.459.61 4,78 ₺	932.706	187,05 ₺	228.867.73 4,40 ₺	953.181	240,11 ₺	247.795.15 0,66 ₺	976.948	253,64 ₺	313.785.14 7,36 ₺	990.214	316,89 ₺	331.011.70 6,16 ₺	1.010.700	327,51 ₺
Samsun WASA	182.847.67 2,68 ₺	1.269.89	143,98 ₺	218.428.11 4,75 ₺	1.279.884	170,66 ₺	322.137.43 3,58 ₺	1.295.927	248,58 ₺	317.773.54 1,93 ₺	1.312.990	242,02 ₺	328.361.85 3,98 ₺	1.335.716	245,83 ₺
Tekirdağ WASA	57.319.973. 70 ₺	906.732	63,22 ₺	180.753.03 8,30 ₺	937.910	192,72 ₺	223.879.81 4,44 ₺	972.875	230,12 ₺	301.708.40 0,89 ₺	1.005.463	300,07 ₺	317.023.60 2,37 ₺	1.029.927	307,81 ₺
Trabzon WASA	58.919.399. 00 ₺	766.782	76,84 ₺	109.164.59 1,65 ₺	768.417	142,06 ₺	130.153.54 4,10 ₺	779.379	167,00 ₺	168.442.38 9,97 ₺	786.326	214,21 ₺	191.954.32 2,09 ₺	807.903	237,60 ₺
Şanhurfa WASA		1.845.667	- ₺	141.507.04 6,69 ₺	1.892.320	74,78 ₺	205.503.98 8,75 ₺	1.940.627	105,90 ₺	282.096.80 4,75 ₺	1.985.753	142,06 ₺	362.096.77 7,82 ₺	2.035.809	177,86 ₺
Van WASA	34.968.296. 77 ₺	1.085.542	32,21 ₺	80.382.667. 35 ₺	1.096.397	73,32 ₺	96.954.084. 68 ₺	1.100.190	88,12 ₺	136.267.14 6,70 ₺	1.106.891	123,11 ₺	144.374.29 5,99 ₺	1.123.784	128,47 ₺
TOTAL	16.490.287. 474,34 ₺	59.968.496,00	275,12 ₺	17.196.330. 121,29 ₺	60.962.088,00 ₺	282,08 ₺	18.972.865. 685,90 ₺	61.837.649,00	306,82 ₺	22.212.669. 644,04 ₺	62.717.604,00	354,17 ₺	24.527.423. 284,27 ₺	63.495.314,00	386,29 ₺

Source: Compiled from the Annual Reports of Affiliated Institutions, TCA Reports and TURKSTAT data of 2014, 2015, 2016, 2017 and 2018.

In affiliated institutions, a similar picture is observed for metropolitan municipal revenue realizations. The nominal increase observed during the period stemmed from the inflationary increase in the prices of the services provided. Because, we have stated that the share of the allocation from the central administration to the affiliated institutions in the total revenue is low and their own revenues are quite high. In this sense, parallel to the increase in the price level, there was also a nominal increase in the own income of the affiliated administrations. This led to an increase in the amount of revenue per capita.

Table 20 Per Capita Revenue Growth Rates

	Per Capita Revenue	Per Capita Revenue Growth Rates
2014	275,12	
2015	282,08	2,53%
2016	306,82	8,77%
2017	354,17	15,43%
2018	386,29	9,07%

Source: Compiled from the Annual Reports of Affiliated Institutions, TCA Reports and TURKSTAT data of 2014, 2015, 2016, 2017 and 2018.

In 2017, the highest increase in per capita revenue was realized.

According to Table 20, the average revenue per capita of the affiliated administrations is 275,12 for 2014, 282,08 for 2015, 306,82 for 2016, 354,17 for 2017 and 386,29 for 2018. The provinces with higher than average revenue per capita during the period were Istanbul, Ankara and Kocaeli.

The fact that the shares transferred from the center have a low share in the total revenues of the affiliated administrations and that Istanbul, Ankara and Kocaeli are above the average in per capita revenue is understandable due to the high population density and economic activities. As in the metropolitan municipalities where the share of the central administration in the budget revenues is high, a clunky appearance is not observed in water and sewage administrations.

4.3. Metropolitan District Municipalities Analysis – 2017

When we examine the revenue perspective, the highest level of fiscal decentralization in Turkey in 2014 - 2018 period was in 2017. 2017 was a period in which the implementation of the local government system and the share distribution system were internalized after the second half of 2014, when the law no. 6360 came into force, and 2015 as a kind of transition period. For this reason, revenues of district municipalities will be evaluated in 2017¹⁰.

Table 21 Metropolitan District Revenues and Metropolitan District Revenues Per Capita

	Number of District	Population	Total Revenue of Metropolitan District Municipalities	Average Per Capita District Revenue
Adana	15	2.216.475	497.274.417	224,35
Ankara	25	5.445.026	1.168.326.941	214,57
Antalya	19	2.364.396	542.695.440	229,53
Aydın	17	1.080.839	243.917.355	225,67
Balıkesir	20	1.204.824	291.956.655	242,32
Bursa	17	2.936.803	623.029.103	212,15
Denizli	19	1.018.735	244.762.471	240,26
Diyarbakır	17	1.699.901	391.604.862	230,37
Erzurum	20	760.476	245.434.035	322,74
Eskişehir	14	860.620	219.402.160	254,94
Gaziantep	9	2.005.515	422.400.234	210,62
Hatay	15	1.575.226	333.647.902	211,81
Mersin	13	1.793.931	412.399.153	229,89
İstanbul	39	15.029.231	3.011.911.068	200,40
İzmir	30	4.279.677	894.795.244	209,08
Kayseri	16	1.376.722	333.546.306	242,28
Kocaeli	12	1.883.270	381.282.892	202,46
Konya	31	2.180.149	577.817.389	265,04
Malatya	13	786.676	200.851.305	255,32
Manisa	17	1.413.041	328.251.482	232,30

¹⁰There are 519 metropolitan municipalities in total, and since the total revenue amounts and the own revenue -transfer amounts have not been published collectively, no analysis can be conducted on a district level.

Table 21 (cont'd)

	Number of District	Population	Total Revenue of Metropolitan District Municipalities	Average Per Capita District Revenue
Kahramanmaraş	11	1.127.623	274.705.509	243,61
Mardin	10	809.719	191.905.053	237,00
Muğla	13	938.751	231.200.676	246,29
Ordu	19	742.341	72.025.546	97,02
Sakarya	16	990.214	213.798.147	215,91
Samsun	13	1.312.990	293.853.145	223,80
Tekirdağ	11	1.005.463	217.441.700	216,26
Trabzon	18	786.326	174.258.578	221,61
Şanlıurfa	13	1.985.753	458.319.324	230,80
Van	17	1.106.891	292.649.807	264,39
TOTAL	519	62.717.604	13.785.463.899	219,80

Source: (Güngör, 2018)

According to the table, in 2017, metropolitan district municipalities have an average revenue of 219,80 TL per capita. This amount is not the same amount in every district. As we mentioned, the shares of metropolitan district municipalities from the central administration vary according to the population and area criteria. For this reason, the per capita revenue of Atakum District Municipality (Population: 181.302 Area: 354 km²) is 204.86, whereas Terme District Municipality (Population: 71.577 Area: 583 km²) per capita income is 228,56 (Güngör, 2018) which both of are located within the borders of Samsun Metropolitan Municipality.

As a result, in 2017, per capita income of metropolitan district municipalities was above 20 municipalities, while 10 municipalities, most of them with high population, remained below average. The highest per capita income was in Erzurum with 322,74 TL, while the lowest per capita income was Ordu with 97,02 TL.

CHAPTER 5

FISCAL DECENTRALIZATION IN METROPOLITAN MUNICIPALITIES: EXPENDITURE PERSPECTIVE

Another variable used in the measurement of financial decentralization is the expenditure item. Expenditures by local governments separately from the central administration is an important indicator in understanding the level of financial decentralization. Just like having income sources apart from the central government, expenditures of local governments with organs selected by the local community can also show how much financial decentralization can be achieved.

In this section, the analysis of the expenditures made in the metropolitan municipalities in 2014-2018 period will be analyzed and the change in the financial decentralization rate and the reasons of this change will be evaluated.

5.1. Expenditures in Metropolitan Municipalities

In provinces where the metropolitan municipalities and district municipalities and their affiliate administrations water and sewer authorities in Turkey are spending expenses. It is stated in the law on which subjects they can spend. The expenditures of the metropolitan municipalities consist of the ones listed below:

- Costs for the supply, maintenance and repair of municipal service buildings and facilities,*
- Salaries, wages, allowances, right to peace, runnerships, service training and other expenses paid to the municipal staff and members of the municipality's elected bodies,*
- Aid to district municipalities and affiliated institutions and joint project expenses,*

- *All kinds of infrastructure, construction, repair and maintenance expenses,*
- *Expenses for municipal police and fire services and other duties and services,*
- *Taxes, duties, fees, participation fees, fees to be collected for service and expenses for tracking and collecting other income,*
- *Partnership share with the company, institutions and associations to which the municipality has participated, and membership fee expenses,*
- *Expenses related to the establishment, protection and maintenance of cemeteries,*
- *Interest, other payments related to borrowing and insurance expenses,*
- *Social services and aids to be provided to people with low income, poor, needy and orphans and disabled people,*
- *Litigation and enforcement costs,*
- *Representation, ceremony, hospitality and promotional expenses,*
- *Advocacy, consultancy and audit payments,*
- *Joint services and other project expenses with domestic and international public and private organizations and non-governmental organizations limited to the duties assigned to the metropolitan municipality in this Law,*
- *Expenses for sports, social, cultural and scientific events,*
- *Public opinion polling and investigation expenses related to metropolitan municipal services,*
- *Other expenses incurred by the law for the execution of duties and services.*

Although the issues in which metropolitan municipalities can spend, are listed in the law, the areas where the metropolitan municipalities can spend, with the authority to spend on every subject, provided that the locals in the law are jointly, are kept as wide as possible. In this sense, a restriction is not foreseen in terms of expenditures as much

as the income items of metropolitan municipalities. It is possible for them to spend on every subject for local and common needs. There is no objective definition of what local and common needs are. This situation may change according to the economic and political conjuncture.

Metropolitan municipalities predict their expenditures to be made in the next year at the end of each year. However, due to both the changing conjuncture and external factors such as inflation, different expenditures may occur from these projections. Likewise, spending does not need to be based on revenues. Most of the time, they are spending above their income.

Table. 22 Total Metropolitan Municipality Expenditures and Share in GDP (2014 - 2018)

	Total Metropolitan Municipality Expenditures (TL)	Rate of Increase (%)	GDP Growth Rate (%)	Total Expenditure / GDP (%)
2014	30.514.581.099,24		13,00%	1,49%
2015	35.335.635.928,30	15,80%	14,40%	1,51%
2016	45.618.964.251,54	29,10%	11,50%	1,75%
2017	56.764.435.881,26	24,43%	19,20%	1,82%
2018	65.110.162.088,86	14,70%	19,70%	1,75%

Source: Compiled from TURKSTAT data and the Activity Reports of the TCA and Metropolitan Municipalities.

As can be seen from the table, the total expenditures of the metropolitan municipalities have increased more than twice in nominal terms from the beginning of the period to the end of the period. However, the share of these spending amounts in the GDP did not increase, but increased less. Although the increase rate of the expenditure amounts of metropolitan municipalities in 2016 and 2017 compared to the previous years is considerably higher than the GDP increase rate, especially in the last year, it is less than the GDP increase rate. 2017 is the year when the share of metropolitan municipal expenditures in GDP was the highest.

This increase in the expenditures of metropolitan municipalities does not indicate that these institutions spend more in each area, their scales are expanding, their spending

capacities are increasing. Because the share of total expenditures in GDP has increased by 0.3% since the beginning of the period. In other words, there was no noticeable increase in the share of metropolitan municipalities in the country's economy.

5.1.1 Expenditure Items

The expenditures made by the metropolitan municipalities are separated according to their subjects. While determining budgets, allowance is made on this distinction.

Table 23 Contents of Expenditures

	Personnel Expenditure (Thousand TL)	Social Security Expenditure (Thousand TL)	Procurement of Goods and Services (Thousand TL)	Interest Expenditures (Thousand TL)	Current Transfers (Thousand TL)	Capital Expenses (Thousand TL)	Capital Transfers (Thousand TL)	Lending (Thousand TL)	TOTAL (Thousand TL)
2014	3.082.843	483.625	8.691.878	889.864	1.606.878	13.586.856	672.174	1.362.116	30.376.234
2014 Share in Total	10,15%	1,59%	28,61%	2,93%	5,29%	44,73%	2,21%	4,48%	100,00%
2015	3.473.337	546.592	11.830.744	902.409	2.063.199	13.983.178	1.020.101	1.311.404	35.130.964
2015 Share in Total	9,89%	1,56%	33,68%	2,57%	5,87%	39,80%	2,90%	3,73%	100,00%
2016	3.902.741	615.872	14.918.046	1.094.178	2.409.467	19.545.401	691.376	2.212.106	45.389.187
2016 Share in Total	8,60%	1,36%	32,87%	2,41%	5,31%	43,06%	1,52%	4,87%	100,00%
2017	4.019.313	634.460	17.757.246	1.797.241	2.716.755	27.326.047	850.510	1.589.180	56.690.752
2017 Share in Total	7,09%	1,12%	31,32%	3,17%	4,79%	48,20%	1,50%	2,80%	100,00%
2018	4.652.231	740.200	20.012.250	2.881.837	3.433.030	30.863.362	923.118	1.633.545	65.139.573
2018 Share in Total	7,14%	1,14%	30,72%	4,42%	5,27%	47,38%	1,42%	2,51%	100,00%

Source: Compiled from the Activity Reports of the General Directorate of Local Governments.

Expenditure contents of metropolitan municipalities are shown in the table above. According to the table, expenditures, which have the biggest place in the expenditure items of metropolitan municipalities, are goods and services purchases and capital investments. These two expenditure items are the expenditures made by metropolitan municipalities in order to fulfill their duties. The shares of both at the end of the period increased compared to the beginning of the period. Similarly, a decrease was observed in social security expenditures due to personnel expenditures and in personnel expenditures. This shows that metropolitan municipalities use their resources more effectively than the beginning of the period. However, interest expenditures increased during the period. This indicates that borrowing expenses have increased, metropolitan

municipalities are seeking resources and, parallel to this situation, borrowing needs have also increased.

5.1.2. Per Capita Expenditure

When the expenditures made by the metropolitan municipality in the provinces where the metropolitan municipalities are located are calculated by proportioning the number of people living in that province, the amount of expenditure per person is reached. The evaluations made over this amount show what the average table is by clearing the spending from the venue size.

Table 24 Average Expenditure Per Capita (Metropolitan Municipality)

	Total Metropolitan Municipality Expenditures (TL)	Rate of Change % (Total Expenditure)	Population of Metr. Mun. (Total)	Rate of Change % (Population)	Per Capita Expenditure (TL)	Rate of Change % (Per Cap. Exp.)
2014	30.514.581.099,24		59.988.496		508,67	
2015	35.335.635.928,30	15,80%	60.962.088	1,62%	579,63	13,95%
2016	45.618.964.251,54	29,10%	61.837.649	1,44%	737,72	27,27%
2017	56.764.435.881,26	24,43%	62.717.604	1,42%	905,08	22,69%
2018	65.110.162.088,86	14,70%	63.495.314	1,24%	1.025,43	13,30%

Source: Compiled from TURKSTAT data and the Activity Reports of the TCA and Metropolitan Municipalities.

When the table is analyzed, it is seen that the metropolitan municipal expenditures continuously increase in nominal terms throughout the period. Similarly, it is observed that the population living within the boundaries of the metropolitan municipality is constantly increasing. However, the population growth rate decreased from the beginning of the period to the end of the period.

The increase rate in the total expenditures of metropolitan municipalities is higher than the increase rates in per capita expenditures. This shows that, although a decrease in population growth rate is observed, the increase in per capita expenditures due to the increasing population could not achieve the increase in total expenditures.

Table 25 Average Expenditure Per Capita (WASA)

	Total WASA Expenditures (TL)	Rate of Change % (Total Expenditure)	Population of Metr. Mun. (Total)	Rate of Change % (Population)	Per Capita Expenditure (TL)	Rate of Change % (Per Cap. Exp.)
2014	13.569.230.529,33		59.988.496		226,20	
2015	17.836.549.055,34	31,45%	60.962.088	1,62%	292,58	29,35%
2016	20.870.242.835,61	17,01%	61.837.649	1,44%	337,50	15,35%
2017	24.404.361.927,54	16,93%	62.717.604	1,42%	389,12	15,29%
2018	27.682.840.691,42	13,43%	63.495.314	1,24%	435,98	12,04%

Source: Compiled from TURKSTAT data and the Activity Reports of the TCA and Metropolitan Municipalities.

A similar situation is observed in the water and sewerage administrations, which are the affiliates of metropolitan municipalities. The increase rates in the total expenditures of the water and sewage administrations were less than the increase in per capita expenditures.

This shows that the expenditures of metropolitan municipalities and water and sewage administrations in metropolitan cities are not able to reach the rate of population growth. Increasing population is putting great pressure on local governments, but not enough expenditures to cover this pressure.

Table 26 Average Expenditure Per Capita and Inflation Rate

	Per Capita Exp. (Metr. Mun.) (TL)	Rate of Change (%)	Per Capita Exp. (WASA) (TL)	Rate of Change (%)	Inflation Rate (%)
2014	508,67		226,20		8,17
2015	579,63	13,95%	292,58	29,35%	8,81
2016	737,72	27,27%	337,50	15,35%	8,53
2017	905,08	22,69%	389,12	15,29%	11,92
2018	1.025,43	13,30%	435,98	12,04%	20,30

Source: Compiled from TURKSTAT data and the Activity Reports of the TCA and Metropolitan Municipalities.

When the increase in per capita spending is compared with the inflation rate, real effects of spending can be seen. Increase in per capita expenditures was higher than inflation rates throughout the period, excluding 2018. In other words, except for the

last year, when the increase in per capita spending is purified from the inflation effect, a positive result is also encountered. However, this situation was not sustainable, especially the impact of the economic crisis in 2018 was clearly seen. Even if there was no such high inflation in 2018 and an inflation rate was recorded similar to the previous years, the increase rates per capita would be expected to converge to the inflation rate.

5.2. Expenditure by Province

Metropolitan municipalities and affiliates of metropolitan municipalities, water and sewage administrations make their expenses within the provincial administrative boundaries. Spending varies both in each metropolitan municipality and for each year.



Table 27 Metropolitan Municipality Expenditure by Province (2014 – 2018)

	2014			2015			2016			2017			2018		
	Expenditure	Population	Per Capita Expenditure	Expenditure	Population	Per Capita Expenditure	Expenditure	Population	Per Capita Expenditure	Expenditure	Population	Per Capita Expenditure	Expenditure	Population	Per Capita Expenditure
Adana	817.694.369,15 ₺	2.165.595	377,58 ₺	1.035.597.428,20 ₺	2.183.167	474,36 ₺	1.230.480.393,28 ₺	2.201.670	558,89 ₺	1.382.386.833,06 ₺	2.216.475	623,69 ₺	1.836.317.551,77 ₺	2.220.125	827,12 ₺
Ankara	4.472.250.149,49 ₺	5.150.072	868,39 ₺	4.139.317.545,71 ₺	5.270.575	785,36 ₺	5.337.619.877,39 ₺	5.346.518	998,34 ₺	6.344.372.282,57 ₺	5.445.026	1.165,17 ₺	6.614.445.916,76 ₺	5.503.985	1.201,76 ₺
Antalya	745.724.564,32 ₺	2.222.562	335,52 ₺	892.557.910,70 ₺	2.288.456	390,03 ₺	1.342.414.801,14 ₺	2.328.555	576,50 ₺	1.945.056.343,13 ₺	2.364.396	822,64 ₺	2.229.521.012,55 ₺	2.426.356	918,88 ₺
Aydın	127.169.986,45 ₺	1.041.979	122,05 ₺	294.652.144,06 ₺	1.053.506	279,69 ₺	533.390.511,20 ₺	1.068.260	499,31 ₺	442.111.887,63 ₺	1.080.839	409,05 ₺	743.299.147,88 ₺	1.097.746	677,11 ₺
Balıkesir	182.457.745,13 ₺	1.189.057	153,45 ₺	441.108.638,82 ₺	1.186.688	371,71 ₺	675.021.688,62 ₺	1.196.176	564,32 ₺	851.194.283,30 ₺	1.204.824	706,49 ₺	1.180.548.731,74 ₺	1.226.575	962,48 ₺
Bursa	980.280.246,5 ₺	2.787.539	351,67 ₺	1.457.433.973,41 ₺	2.842.547	512,72 ₺	1.884.637.012,92 ₺	2.901.396	649,56 ₺	2.302.196.297,08 ₺	2.936.803	783,91 ₺	2.348.758.153,07 ₺	2.994.521	784,35 ₺
Denizli	485.927.218,33 ₺	978.700	496,50 ₺	459.700.162,11 ₺	993.442	462,73 ₺	648.978.891,93 ₺	1.005.687	645,31 ₺	856.893.053,54 ₺	1.018.735	841,13 ₺	1.116.123.685,04 ₺	1.027.782	1.085,95 ₺
Diğer	312.810.764,20 ₺	1.635.048	191,32 ₺	502.874.244,60 ₺	1.654.196	304,00 ₺	515.844.585,59 ₺	1.673.119	308,31 ₺	678.521.133,30 ₺	1.699.901	399,15 ₺	876.350.378,02 ₺	1.732.396	505,86 ₺
Erzurum	263.058.634,58 ₺	763.320	344,62 ₺	607.269.409,07 ₺	762.321	796,61 ₺	688.984.683,20 ₺	762.021	1.153,49 ₺	1.124.197.516,75 ₺	760.476	1.478,28 ₺	1.149.774.473,47 ₺	767.848	1.497,40 ₺
Eskişehir	365.179.438,37 ₺	812.320	449,55 ₺	412.157.684,66 ₺	826.716	498,55 ₺	416.397.729,03 ₺	844.842	492,87 ₺	443.737.045,84 ₺	860.620	515,60 ₺	834.395.547,47 ₺	871.187	957,77 ₺
Gaziantep	674.854.297,69 ₺	1.889.466	357,17 ₺	904.293.311,00 ₺	1.931.836	468,10 ₺	1.297.857.009,13 ₺	1.974.244	657,39 ₺	1.319.649.582,90 ₺	2.005.515	658,01 ₺	1.426.197.115,35 ₺	2.028.563	703,06 ₺
Hatay	123.712.238,79 ₺	1.519.836	81,40 ₺	478.809.407,83 ₺	1.533.507	312,23 ₺	759.500.842,11 ₺	1.555.165	488,37 ₺	820.767.322,70 ₺	1.575.226	521,05 ₺	974.740.436,69 ₺	1.609.856	605,48 ₺
Mersin	515.804.427,30 ₺	1.727.255	298,63 ₺	1.010.179.361,86 ₺	1.745.221	578,83 ₺	1.137.627.030,01 ₺	1.773.852	641,33 ₺	1.394.512.306,11 ₺	1.793.931	777,35 ₺	1.862.014.843,04 ₺	1.814.468	1.026,20 ₺
İstanbul	12.493.245.706,00 ₺	14.377.018	868,97 ₺	11.181.993.432,69 ₺	14.657.434	762,89 ₺	15.068.391.099,00 ₺	14.804.116	1.017,85 ₺	19.537.237.836,00 ₺	15.029.231	1.299,95 ₺	22.148.025.366,00 ₺	15.067.724	1.469,90 ₺
İzmir	2.394.180.192,22 ₺	4.133.072	579,27 ₺	3.284.291.698,51 ₺	4.168.415	787,90 ₺	4.008.816.799,12 ₺	4.223.545	949,16 ₺	4.619.299.524,56 ₺	4.279.677	1.079,36 ₺	5.077.200.363,78 ₺	4.320.519	1.175,14 ₺
Kayseri	307.206.540,89 ₺	1.322.376	232,31 ₺	605.460.531,13 ₺	1.341.056	451,48 ₺	679.878.011,53 ₺	1.358.980	500,29 ₺	1.008.375.741,86 ₺	1.376.722	732,45 ₺	1.002.281.290,37 ₺	1.389.680	721,23 ₺
Kocaeli	1.200.587.851,01 ₺	1.722.795	696,88 ₺	1.298.667.172,76 ₺	1.780.055	729,57 ₺	1.454.439.786,66 ₺	1.830.772	794,44 ₺	2.318.632.218,10 ₺	1.883.270	1.231,17 ₺	2.786.391.181,84 ₺	1.906.391	1.461,61 ₺
Konya	1.306.313.750,64 ₺	2.108.808	619,46 ₺	1.530.102.674,36 ₺	2.130.544	718,17 ₺	1.539.785.495,03 ₺	2.161.303	712,43 ₺	1.574.708.124,15 ₺	2.180.149	722,29 ₺	1.977.059.255,33 ₺	2.205.609	896,38 ₺
Malatya	305.858.533,79 ₺	769.544	397,45 ₺	394.133.461,13 ₺	772.904	509,94 ₺	490.043.978,81 ₺	781.305	627,21 ₺	487.822.036,37 ₺	786.676	620,11 ₺	577.713.906,47 ₺	797.036	724,83 ₺
Manisa	322.577.798,68 ₺	1.367.905	235,82 ₺	631.311.822,40 ₺	1.380.366	457,35 ₺	696.141.553,92 ₺	1.396.945	498,33 ₺	1.195.288.689,27 ₺	1.413.041	845,90 ₺	1.324.137.846,81 ₺	1.429.643	926,20 ₺
Kahramanmaraş	309.926.334,88 ₺	1.089.038	284,59 ₺	399.050.022,60 ₺	1.096.610	363,89 ₺	543.367.873,12 ₺	1.112.634	488,36 ₺	790.549.915,14 ₺	1.127.623	701,08 ₺	917.491.000,00 ₺	1.144.851	801,41 ₺
Mardin	63.061.275,87 ₺	788.996	79,93 ₺	164.932.606,71 ₺	796.591	207,05 ₺	250.747.912,42 ₺	796.237	314,92 ₺	361.956.978,57 ₺	809.719	447,02 ₺	451.833.192,00 ₺	829.195	544,91 ₺
Muğla	129.706.226,54 ₺	894.509	145,00 ₺	285.319.633,73 ₺	908.877	313,93 ₺	544.579.037,53 ₺	923.773	589,52 ₺	504.277.538,08 ₺	938.751	537,18 ₺	548.777.658,04 ₺	967.487	567,22 ₺
Ordu	137.967.755,46 ₺	724.268	190,49 ₺	324.421.158,50 ₺	728.949	445,05 ₺	426.224.956,37 ₺	750.588	567,85 ₺	524.309.124,25 ₺	742.341	706,29 ₺	650.142.612,47 ₺	771.932	842,23 ₺
Sakarya	237.900.026,46 ₺	932.706	255,06 ₺	298.042.762,61 ₺	953.181	312,68 ₺	403.207.749,59 ₺	976.948	412,72 ₺	461.033.253,88 ₺	990.214	465,59 ₺	562.141.503,05 ₺	1.010.700	556,19 ₺
Samsun	387.121.342,17 ₺	1.269.989	304,82 ₺	558.442.115,06 ₺	1.279.884	436,32 ₺	755.798.013,2 ₺	1.295.927	583,21 ₺	733.727.195,05 ₺	1.312.990	558,82 ₺	809.259.425,43 ₺	1.335.716	605,86 ₺
Tekirdağ	133.937.279,81 ₺	906.732	147,71 ₺	461.951.556,67 ₺	937.910	492,53 ₺	559.218.522,69 ₺	972.875	574,81 ₺	651.884.946,41 ₺	1.005.463	648,34 ₺	789.245.266,20 ₺	1.029.927	766,31 ₺
Trabzon	213.776.626,83 ₺	766.782	278,80 ₺	269.282.573,4 ₺	768.417	350,44 ₺	409.945.879,54 ₺	779.379	525,99 ₺	381.203.491,91 ₺	786.326	484,79 ₺	467.196.106,72 ₺	807.903	578,28 ₺
Şanlıurfa	343.956.430,33 ₺	1.845.667	186,36 ₺	542.112.536,59 ₺	1.892.320	286,48 ₺	677.257.089,55 ₺	1.940.627	348,99 ₺	1.084.479.850,28 ₺	1.985.753	546,13 ₺	1.151.179.819,34 ₺	2.035.809	565,47 ₺
Van	160.333.69,21 ₺	1.085.542	147,70 ₺	470.168.951,78 ₺	1.096.397	428,83 ₺	452.365.457,79 ₺	1.100.190	411,17 ₺	624.053.529,47 ₺	1.106.891	563,79 ₺	677.599.306,69 ₺	1.123.784	602,96 ₺
TOTAL	30.514.581.099,24 ₺	59.988.496	508,67 ₺	35.335.635.928,30 ₺	60.962.088	579,63 ₺	45.618.964.251,54 ₺	61.837.649	737,72 ₺	56.764.435.881,26 ₺	62.717.604	905,08 ₺	65.110.162.088,86 ₺	63.495.314	1.025,43 ₺

Source: Compiled from the Annual Reports of Metropolitan Municipalities, TCA Reports and TURKSTAT data of 2014, 2015, 2016, 2017 and 2018.

In the table above, the spending amounts of the metropolitan municipalities in the period of 2014 - 2018 are provided on a provincial basis. Spending sizes of metropolitan municipalities, whose duties and responsibilities are the same, differ from each other. This is because the income levels are different from each other. At the same time, the economic, social and demographic characteristics of each province in metropolitan municipalities can have an impact on the different levels of spending.

Istanbul, Ankara, Izmir and Kocaeli metropolitan municipalities spent more than the average per capita expenditure throughout the period. It is understandable that these counted metropolitan municipalities spend higher than average and are the provinces where the economic and commercial activities of the country are the most intense. In these provinces, municipal services provided for local needs have also been intense.

However, with Istanbul, Ankara, Izmir and Kocaeli, spending amounts were also above the average in Konya and Erzurum provinces. The reason for the high expenditure amounts in these provinces is that the transfers sent from the center, which is included in the revenues, are relatively higher than other provinces. In addition, Erzurum, due to its low population compared to its surface area and its demographic structure that continuous migration, the per capita expenditure amounts are higher than the per capita expenditure of the largest provinces of the country. Likewise, in Konya which is the metropolitan municipality with the largest surface area, the cost of providing services to the places on the periphery of the city is high compared to other provinces and the expenditure amount was automatically high.

Table 28 Water and Sewage Administration Expenditure by Province (2014 – 2018)

	2014			2015			2016			2017			2018		
	Expenditure	Population	Per Capita Exp.	Expenditure	Population	Per Capita Exp.	Expenditure	Population	Per Capita Exp.	Expenditure	Population	Per Capita Exp.	Expenditure	Population	Per Capita Exp.
Adana	313.353.1 39,16 ₺	2.165.595	144,70 ₺	430.502.5 89,42 ₺	2.183.167	197,19 ₺	429.638.3 61,60 ₺	2.201.670	195,14 ₺	583.298.4 63,70 ₺	2.216.475	263,16 ₺	758.857.9 44,78 ₺	2.220.125	341,81 ₺
Ankara	1.433.677 800,42 ₺	5.150.072	278,38 ₺	2.265.927 967,42 ₺	5.270.575	429,92 ₺	2.018.756 645,99 ₺	5.346.518	377,58 ₺	2.424.733 595,33 ₺	5.445.026	445,31 ₺	2.881.078 582,27 ₺	5.503.985	523,45 ₺
EGO General Directorate	762.446.9 05,80 ₺		148,05 ₺	699.488.2 36,55 ₺		132,72 ₺	668.357.3 00,01 ₺		125,01 ₺	768.011.2 61,42 ₺		141,05 ₺	1.024.220 930,75 ₺		186,09 ₺
Antalya	421.463.3 34,69 ₺	2.222.562	189,63 ₺	623.521.2 82,67 ₺	2.288.456	272,46 ₺	745.713.8 65,72 ₺	2.328.555	320,25 ₺	821.304.6 31,12 ₺	2.364.396	347,36 ₺	1.098.960 748,35 ₺	2.426.356	452,93 ₺
Aydın	49.986.54 9,26 ₺	1.041.979	47,97 ₺	181.381.9 46,80 ₺	1.053.506	172,17 ₺	240.495.8 72,06 ₺	1.068.260	225,13 ₺	272.260.7 57,80 ₺	1.080.839	115,15 ₺	323.835.4 31,76 ₺	1.097.746	295,00 ₺
Bahçeşehir	33.424.25 7,45 ₺	1.189.057	28,11 ₺	234.152.8 10,54 ₺	1.186.688	197,32 ₺	350.544.6 47,11 ₺	1.196.176	293,05 ₺	379.826.1 22,64 ₺	1.204.824	351,42 ₺	409.010.8 07,62 ₺	1.226.575	333,46 ₺
Bursa	578.909.1 01,79 ₺	2.787.539	207,68 ₺	851.219.2 78,96 ₺	2.842.547	299,46 ₺	1.120.256 326,71 ₺	2.901.396	386,11 ₺	1.465.662 148,97 ₺	2.936.803	1.216,49 ₺	975.419.2 12,53 ₺	2.994.521	325,73 ₺
Denizli	101.996.2 49,53 ₺	978.700	104,22 ₺	278.352.2 86,56 ₺	993.442	280,19 ₺	531.225.0 47,78 ₺	1.005.687	528,22 ₺	399.256.1 59,98 ₺	1.018.735	135,95 ₺	383.511.0 63,25 ₺	1.027.782	373,14 ₺
Diyarbakır	153.396.4 91,86 ₺	1.635.048	93,82 ₺	190.918.6 59,25 ₺	1.654.196	115,41 ₺	210.857.2 85,94 ₺	1.673.119	126,03 ₺	231.824.9 86,00 ₺	1.699.901	227,56 ₺	374.807.6 77,08 ₺	1.732.396	216,35 ₺
Erzurum	84.114.53 6,04 ₺	763.320	110,20 ₺	128.214.1 30,11 ₺	762.321	168,19 ₺	138.766.9 21,07 ₺	762.021	182,10 ₺	185.128.6 34,18 ₺	760.476	108,91 ₺	209.330.0 97,14 ₺	767.848	272,62 ₺
Eskişehir	113.862.3 84,45 ₺	812.320	140,17 ₺	147.712.6 31,91 ₺	826.716	178,67 ₺	181.630.8 10,48 ₺	844.842	214,99 ₺	174.783.3 01,77 ₺	860.620	229,83 ₺	234.340.6 71,26 ₺	871.187	268,99 ₺
Gaziantep	308.765.6 52,44 ₺	1.889.466	163,41 ₺	358.377.2 01,46 ₺	1.931.836	185,51 ₺	419.437.1 82,75 ₺	1.974.244	212,45 ₺	710.171.4 73,23 ₺	2.005.515	825,19 ₺	833.159.2 97,31 ₺	2.028.563	410,71 ₺
Hatay	114.758.5 34,20 ₺	1.519.836	75,51 ₺	253.290.8 12,49 ₺	1.533.507	165,17 ₺	365.231.8 62,47 ₺	1.555.165	234,85 ₺	502.259.8 04,24 ₺	1.575.226	250,44 ₺	453.753.9 28,21 ₺	1.609.856	281,86 ₺
Mersin	242.389.3 62,08 ₺	1.727.255	140,33 ₺	353.646.7 80,41 ₺	1.745.221	202,64 ₺	419.693.9 02,11 ₺	1.773.852	236,60 ₺	509.250.3 00,61 ₺	1.793.931	323,29 ₺	575.812.1 53,43 ₺	1.814.468	317,34 ₺
İstanbul	4.043.960 918,00 ₺	14.377.018	281,28 ₺	4.714.469 674,00 ₺	14.657.434	321,64 ₺	5.283.158 796,62 ₺	14.804.116	356,87 ₺	6.524.827 488,00 ₺	15.029.231	3.637,17 ₺	6.762.775 004,15 ₺	15.067.724	448,83 ₺
İETT General Directorate	1.332.890 058,77 ₺		92,71 ₺	1.354.540 183,65 ₺		92,41 ₺	1.424.880 680,86 ₺		96,25 ₺	1.809.520 627,49 ₺		120,40 ₺	1.799.818 736,83 ₺		119,45 ₺
İzmir	917.576.6 58,62 ₺	4.113.072	223,09 ₺	1.166.364 020,43 ₺	4.168.415	279,81 ₺	1.392.782 457,99 ₺	4.223.545	329,77 ₺	1.342.066 952,73 ₺	4.279.677	313,59 ₺	1.610.280 683,44 ₺	4.320.519	372,71 ₺
ESHOT General Directorate	615.894.0 79,85 ₺		149,74 ₺	556.239.8 23,20 ₺		133,44 ₺	717.480.6 65,59 ₺		169,88 ₺	731.767.5 12,83 ₺		170,99 ₺	838.005.2 81,76 ₺		193,96 ₺
Kayseri	190.576.1 88,44 ₺	1.322.376	144,12 ₺	204.976.0 07,06 ₺	1.341.056	152,85 ₺	261.973.5 25,19 ₺	1.358.980	192,77 ₺	305.079.5 78,71 ₺	1.376.722	221,60 ₺	344.384.5 62,73 ₺	1.389.680	247,82 ₺
Kocaeli	485.020.5 19,56 ₺	1.722.795	281,53 ₺	556.686.1 07,40 ₺	1.780.055	312,74 ₺	678.508.1 50,98 ₺	1.830.772	370,61 ₺	785.138.0 31,00 ₺	1.883.270	416,90 ₺	993.347.4 57,21 ₺	1.906.391	521,06 ₺
Konya	322.192.8 90,96 ₺	2.108.808	152,78 ₺	440.256.6 13,60 ₺	2.130.544	206,64 ₺	609.127.9 24,33 ₺	2.161.303	281,83 ₺	367.372.1 49,62 ₺	2.180.149	168,51 ₺	775.940.2 96,31 ₺	2.205.609	351,80 ₺
Malatya	48.422.23 4,50 ₺	769.544	62,92 ₺	133.802.8 92,82 ₺	772.904	173,12 ₺	233.539.9 81,66 ₺	781.305	298,91 ₺	280.037.3 00,75 ₺	786.676	355,98 ₺	284.599.5 10,15 ₺	797.036	357,07 ₺
Manisa	56.905.08 8,86 ₺	1.367.905	41,60 ₺	177.510.2 59,49 ₺	1.380.366	128,60 ₺	372.608.9 11,41 ₺	1.396.945	266,73 ₺	395.588.9 49,18 ₺	1.413.041	279,96 ₺	591.559.2 40,00 ₺	1.429.643	413,78 ₺
Kahramanmaraş	64.564.54 0,27 ₺	1.089.038	59,29 ₺	126.025.9 51,34 ₺	1.096.610	114,92 ₺	181.677.4 68,85 ₺	1.112.634	163,29 ₺	235.561.6 09,93 ₺	1.127.623	208,90 ₺	333.367.2 79,42 ₺	1.144.851	291,19 ₺
Mardin	19.868.58 5,78 ₺	788.996	25,18 ₺	108.755.0 08,82 ₺	796.591	136,53 ₺		796.237	- ₺		809.719	- ₺	169.502.5 31,15 ₺	829.195	204,42 ₺
Muğla	86.132.82 1,33 ₺	894.509	96,29 ₺	233.256.2 27,14 ₺	908.877	256,64 ₺	271.698.3 77,94 ₺	923.773	294,12 ₺	283.033.6 63,43 ₺	938.751	301,50 ₺	302.302.0 84,03 ₺	967.487	312,46 ₺
Ordu	49.893.89 2,55 ₺	724.268	68,89 ₺	109.938.5 92,33 ₺	728.949	150,82 ₺	161.759.2 93,00 ₺	750.588	215,51 ₺	215.807.7 65,87 ₺	742.341	290,71 ₺	195.711.4 71,55 ₺	771.932	253,53 ₺
Sakarya	198.961.1 30,12 ₺	932.706	213,32 ₺	235.909.3 82,00 ₺	953.181	247,50 ₺	299.357.8 98,34 ₺	976.948	306,42 ₺	420.178.7 26,68 ₺	990.214	424,33 ₺	465.074.0 27,23 ₺	1.010.700	460,15 ₺
Samsun	265.276.7 59,96 ₺	1.269.989	208,88 ₺	257.933.8 03,45 ₺	1.279.884	201,53 ₺	314.245.5 31,65 ₺	1.295.927	242,49 ₺	311.079.1 53,30 ₺	1.312.990	236,92 ₺	400.175.0 87,97 ₺	1.335.716	299,60 ₺
Tekirdağ SÜKİ	75.405.54 1,28 ₺	906.732	83,16 ₺	197.402.6 14,95 ₺	937.910	210,47 ₺	350.550.5 36,06 ₺	972.875	360,32 ₺	377.450.7 94,85 ₺	1.005.463	375,40 ₺	450.240.1 31,65 ₺	1.029.927	437,16 ₺
Trabzon SÜKİ	48.400.97 8,87 ₺	766.782	63,12 ₺	119.547.8 88,34 ₺	768.417	155,58 ₺	137.471.2 46,18 ₺	779.379	176,39 ₺	167.547.7 31,67 ₺	786.326	213,08 ₺	223.092.6 79,47 ₺	807.903	276,14 ₺
Şanlıurfa		1.845.667	- ₺	39.249.50 4,86 ₺	1.892.320	20,74 ₺	225.912.0 75,01 ₺	1.940.627	116,41 ₺	287.388.8 05,86 ₺	1.985.753	144,73 ₺	391.183.2 78,46 ₺	2.035.809	192,15 ₺
Van	34.743.34 2,44 ₺	1.085.542	32,01 ₺	106.977.8 85,91 ₺	1.096.397	97,57 ₺	112.903.2 82,15 ₺	1.100.190	102,62 ₺	137.143.4 44,65 ₺	1.106.891	123,90 ₺	215.382.8 02,17 ₺	1.123.784	191,66 ₺
TOTAL	13.569.23 0,529,33 ₺	59.968.496,00	226,27 ₺	17.836.54 9,055,34 ₺	60.962.088,00	292,58 ₺	20.870.24 2,835,61 ₺	61.837.649,00	337,50 ₺	24.404.36 1,927,54 ₺	62.717.604,00	389,12 ₺	27.682.84 0,691,42 ₺	63.495.314,00	435,98 ₺

Source: Compiled from the Annual Reports of Metropolitan Municipalities, TCA Reports and TURKSTAT data of 2014, 2015, 2016, 2017 and 2018.

A similar picture can be seen when the expenditures of the affiliated administrations during the period are analyzed. However, in Istanbul, Ankara and Izmir provinces, there are one more affiliated administration as well as water and sewage administrations. Considering the expenditures made by these institutions, it is seen that these three provinces have spent a lot above the average expenditure level.

Table 29 Revenues and Expenditures by Province (2014 – 2018)

5-YEAR EXPENDITURES AND REVENUES OF METROPOLITAN MUNICIPALITIES															
	2014			2015			2016			2017			2018		
	Reve nue	Expe nditu re	Bud get Bala nce	Reve nue	Expe nditu re	Bud get Bala nce	Reve nue	Expe nditu re	Bud get Bala nce	Reve nue	Expe nditu re	Bud get Balan ce	Reve nue	Expe nditu re	Bud get Balan ce
Adana	761.63 0.427, 17	817.69 4.369,1 5	-56.06 3.941, 98	801.16 6.532,4 9	1.035.5 97.428, 20	-234.43 0.895, 71	918.05 0.257,0 9	1.230.4 80.393, 28	-312.43 0.136, 19	1.089.6 32.322, 80	1.382.3 86.833, 06	-292.75 4.510,2 6	1.236.8 77.487, 09	1.836.3 17.551, 77	-599.44 0.064,6 8
Ankar a	3.497. 776.55 2,80	4.472.2 50.149, 49	-974.4 73.59 6,69	4.389.3 94.914, 07	4.139.3 17.545, 71	250.07 7.368, 36	5.360.7 77.188, 37	5.337.6 19.877, 39	23.157 310,9 8	6.005.5 53.245, 67	6.344.3 72.282, 57	-338.81 9.036,9 0	6.043.7 23.812, 19	6.614.4 45.916, 76	-570.72 2.104,5 7
Antaly a	695.29 7.043, 13	745.72 4.564,3 2	-50.42 7.521, 19	1.025.3 81.671, 44	892.55 7.910,7 0	132.82 3.760, 74	1.095.3 73.928, 99	1.342.4 14.801, 14	-247.04 0.872, 15	1.351.3 69.560, 11	1.945.0 56.343, 13	-593.68 6.783,0 2	1.620.7 81.901, 24	2.229.5 21.012, 55	-608.73 9.111,3 1
Aydın	232.60 9.388, 79	127.16 9.986,4 5	105.4 39.40 2,34	336.96 2.100,6 2	294.65 2.144,0 6	42.308 3.861,5 6	393.59 9.648,8 4	533.39 0.511,2 0	-139.79 0.862, 36	468.62 7.321,5 3	442.11 1.887,6 3	26.515. 433,90	556.66 8.704,4 1	743.29 9.147,8 8	-186.63 0.443,4 7
Bahke sir	313.77 7.087, 82	182.45 7.745,1 3	131.3 19.34 2,69	514.14 5.195,8 0	441.10 8.638,8 2	73.036 5.56,9 8	507.57 5.500,6 5	675.02 1.688,6 2	-167.44 6.187, 97	604.91 2.073,3 3	851.19 4.283,3 0	-246.28 2.209,9 7	709.38 4.677,6 0	1.180.5 48.731, 74	-471.16 4.054,1 4
Bursa	1.066. 365.27 0,36	980.28 0.224,6 5	86.08 5.045, 71	1.249.8 11.392, 79	1.457.4 33.973, 41	-207.62 2.580, 62	1.358.6 00.286, 52	1.884.6 37.012, 92	-526.03 6.726, 40	1.913.2 80.696, 02	2.302.1 96.297, 08	-388.91 5.601,0 6	2.122.1 59.794, 20	2.348.7 58.153, 07	-226.59 8.358,8 7
Denizl i	358.21 7.509, 98	485.92 7.218,3 3	-127.7 09.70 8,35	471.33 9.475,0 3	459.70 0.162,1 1	11.639 3.12,9 2	532.04 5.050,7 6	648.97 8.891,9 3	-116.93 3.841, 17	671.12 0.756,5 2	856.89 3.053,5 4	-185.77 2.297,0 2	640.13 9.249,4 1	1.116.1 23.685, 04	-475.98 4.435,6 3
Diyar bakır	390.23 6.925, 35	312.81 0.764,2 0	77.42 6.161, 15	486.22 2.408,0 4	502.87 4.256,3 0	-16.651 848,2 6	541.96 1.823,0 7	515.84 4.585,5 9	26.117 2.37,4 8	641.60 6.021,3 7	678.52 1.133,3 0	-36.915. 111,93	764.34 3.778,0 7	876.35 0.378,0 2	-112.00 6.599,9 5
Erzur um	304.76 4.174, 66	263.05 8.634,5 8	41.70 5.540, 08	403.08 2.525,7 6	607.26 9.409,0 7	-204.18 6.883, 31	623.31 1.985,4 6	878.98 4.683,2 0	-255.67 2.697, 74	882.30 6.783,3 1	1.124.1 97.516, 75	-241.89 0.733,4 4	969.24 8.401,1 1	1.149.7 74.743, 47	-180.52 6.072,3 6
Eskişe hir	324.40 5.254, 18	365.17 9.438,3 7	-40.77 4.184, 19	390.02 3.867,4 8	412.15 7.684,6 6	-22.133 817,1 8	415.27 4.103,0 7	416.39 7.729,0 3	-1.123. 625,96	516.12 9.623,8 3	443.73 7.045,8 4	72.392. 577,99	622.48 3.895,6 8	834.39 5.547,4 7	-211.91 1.651,7 9
Gazia ntep	590.12 0.444, 73	674.85 4.297,6 9	-84.73 3.852, 96	637.30 9.201,8 0	904.29 3.311,0 0	-266.98 4.109, 12	760.10 2.326,0 2	1.297.8 57.009, 13	-537.75 4.683, 11	1.129.6 63.832, 68	1.319.6 49.582, 90	-189.98 5.750,2 2	1.323.5 34.131, 11	1.426.1 97.115, 35	-102.66 2.984,2 4
Hatay	309.56 1.120, 70	123.71 2.238,7 9	185.8 48.88 1,91	504.40 1.398,1 3	478.80 9.407,8 3	25.591 79.361, 86	551.13 9.297,1 5	759.50 0.842,1 1	-208.36 1.544, 96	703.67 9.606,6 0	820.76 7.322,7 0	-117.08 7.716,1 0	929.01 9.270,7 9	974.74 0.436,6 9	-45.721. 165,90
Mersi n	628.17 5.413, 35	515.80 4.427,3 0	112.3 70.98 6,05	801.37 8.066,1 8	1.010.1 79.361, 86	-208.80 1.295, 68	877.51 0.176,7 6	1.137.6 27.030, 01	-260.11 6.853, 25	1.248.8 35.191, 88	1.394.5 12.306, 11	-145.67 7.114,2 3	1.329.6 68.611, 48	1.862.0 14.843, 04	-532.34 6.231,5 6
İstanb ul	12.276 0.426,5 46,00	12.493. 245.70 6,00	-216.8 19.16 0,00	10.586. 738.31 0,57	11.181. 993.43 2,69	-595.25 5.122, 12	11.717. 664.93 6,00	15.068. 391.09 9,00	-3.350. 726.16 3,00	14.610. 463.28 2,00	19.537. 237.83 6,00	-4.926.7 74.554, 00	18.424. 947.82 9,00	22.148. 025.36 6,00	-3.723.0 77.537, 00
İzmir	2.436. 624.47 3,84	2.394.1 80.192, 22	42.44 4.281, 62	2.796.5 11.087, 19	3.284.2 91.698, 51	-487.78 0.611, 32	3.181.4 84.840, 28	4.008.8 16.799, 12	827.33 1.958, 84	3.760.7 33.584, 73	4.619.2 99.524, 56	-858.56 5.939,8 3	4.554.9 01.784, 48	5.077.2 00.363, 78	-522.29 8.579,3 0
Kayse ri	545.96 6.167, 09	307.20 6.540,8 9	238.7 59.62 6,20	739.18 1.350,0 1	605.46 0.531,1 3	133.72 0.818, 88	656.55 4.354,3 3	679.87 8.011,5 3	-23.323 4.512, 0	750.52 1.229,7 0	1.008.3 75.741, 86	-257.85 4.512,1 6	938.92 5.812,9 7	1.002.2 81.290, 37	-63.355. 477,40
Kocae li	1.281. 312.45 3,58	1.200.5 87.851, 01	80.72 4.602, 57	1.508.7 88.767, 56	1.298.6 67.172, 76	210.12 1.594, 80	1.792.1 17.151, 08	1.454.4 39.778, 66	337.67 7.372, 42	2.254.3 90.259, 86	2.318.6 32.218, 10	-64.241. 958,24	2.604.6 88.262, 22	2.786.3 91.181, 84	-181.70 2.919,6 2
Konya	913.90 2.164, 67	1.306.3 13.750, 64	-392.4 11.58 5,97	1.169.9 29.700, 10	1.530.1 02.674, 36	-360.17 2.974, 26	1.463.4 13.466, 97	1.539.7 85.495, 03	-76.372 0.028,0 6	1.445.5 87.618, 04	1.574.7 08.124, 15	-129.12 0.506,1 1	1.676.0 52.557, 03	1.977.0 59.255, 33	-301.00 6.698,3 0
Malat ya	242.41 0.185, 34	305.85 8.533,7 9	-63.44 8.348, 45	304.54 8.979,9 9	394.13 3.461,1 3	-89.584 481,1 4	361.57 2.393,0 2	490.04 3.978,8 1	-128.47 1.585, 79	413.19 8.050,6 3	487.82 2.036,3 7	-74.623. 985,74	461.06 1.188,0 6	577.71 3.904,7 4	-116.65 2.716,6 8

Table 29 (cont'd)

	Reve nue	Expe nditu re	Bud get Balan ce	Reve nue	Expe nditu re	Bud get Balan ce	Reve nue	Expe nditu re	Bud get Balan ce	Reve nue	Expe nditu re	Bud get Balan ce	Reve nue	Expe nditu re	Bud get Balan ce
Manis a	372.58 5,404, 38	322.57 7,798,6 8	50.00 7,605, 70	475.46 6,058,1 0	631.31 1,822,4 0	- 155.84 5,764, 30	570.78 8,183,7 3	696.14 1,553,9 2	- 125.35 3,370, 19	749.57 8,934,2 8	1,195.2 88,689, 27	- 445.70 9,754,9 9	866.56 8,557,0 1	1,324.1 37,846, 81	- 457.56 9,289,8 0
Kahra mam araş	334.90 8,502, 24	309.92 6,334,8 8	24.98 2,167, 36	384.24 9,540,4 6	399.05 0,022,6 0	- 14,800 ,482,1 4	435.73 0,289,5 7	543.36 7,873,1 2	- 107.63 7,583, 55	501.84 1,356,0 0	790.54 9,915,1 4	- 288.70 8,559,1 4	600.33 9,491,6 5	917.49 1,000,0 0	- 317.15 1,508,3 5
Mardi n	143.31 3,244, 88	63.061. 275,87	80.25 1,969, 01	223.15 1,009,2 0	164.93 2,606,7 1	58.218 ,402,4 9	252.66 2,107,6 7	250.74 7,912,4 2	1.914. 195,25	290.31 4,572,2 6	361.95 6,978,5 7	- 71,642. 406,31	346.41 5,537,0 4	451.83 3,189,2 0	- 105.41 7,652,1 6
Muğla	230.81 0,283, 67	129.70 6,226,5 4	101.1 04,05 7,13	366.91 6,936,5 3	285.31 9,633,7 3	81.597 ,302,8 0	429.92 0,606,4 6	544.57 9,037,5 3	- 114.65 8,431, 07	496.42 1,135,7 7	504.27 7,538,0 8	- 7,856.4 02,31	596.66 4,885,0 4	548.77 7,658,0 4	47.887. 226,97
Ordu	136.61 8,319, 00	137.96 7,755,4 6	- 1,349. 436,4 6	239.20 1,714,9 1	324.42 1,158,5 0	- 85,219 ,443,5 9	267.26 5,345,4 7	426.22 4,956,3 9	- 158.95 9,610, 90	391.94 9,639,1 7	524.30 9,124,2 5	- 132.35 9,485,0 8	468.84 4,272,2 4	650.14 2,612,4 7	- 181.29 8,340,2 3
Sakar ya	281.85 5,597, 26	237.90 0,026,4 6	43.95 5,570, 80	321.70 4,416,2 6	298.04 2,762,6 1	23.661 ,653,6 5	401.15 8,277,9 9	403.20 7,749,5 9	- 2,049. 471,60	392.52 7,192,6 8	461.03 3,253,8 8	- 68,506. 061,20	495.01 1,041,7 2	562.14 1,503,0 5	- 67.130. 461,33
Samsu n	327.79 9,263, 51	387.12 1,342,1 7	- 59.32 2,078, 66	481.66 1,482,3 8	558.44 2,115,0 6	- 76,780 ,632,6 8	541.89 5,291,8 4	755.79 8,001,3 2	- 213.90 2,709, 48	640.55 3,387,6 3	733.72 7,195,0 5	- 93,173. 807,42	714.88 8,286,4 4	809.25 9,425,4 3	- 94,371. 138,99
Tekir dağ	321.15 5,825, 06	133.93 7,279,8 1	187.2 18,54 5,25	504.21 8,809,5 2	461.95 1,556,6 7	42,267 ,252,8 5	392.10 3,895,2 1	559.21 8,522,6 9	- 167.11 4,627, 48	602.86 2,347,5 0	651.88 4,946,4 1	- 49,022. 598,91	704.73 0,022,1 5	789.24 5,266,2 0	- 84,515. 244,05
Trabz on	304.89 9,548, 19	213.77 6,626,8 3	91.12 2,921, 36	306.33 6,525,0 7	269.28 2,557,3 4	37,053 ,967,7 3	345.26 7,293,2 5	409.94 5,879,5 4	- 64,678 ,586,2 9	386.80 8,775,9 7	381.20 3,491,9 1	5,605.2 84,06	489.60 9,529,9 4	467.19 6,106,7 2	22,413. 423,22
Şanlı urfa	338.28 9,095, 74	343.95 6,430,3 3	- 5,667. 334,5 9	642.36 3,886,0 4	542.11 2,536,5 9	100,25 1,349, 45	769.04 9,569,3 8	677.25 7,089,5 5	91,792 ,479,8 3	875.03 0,583,4 7	1,084.4 79,850, 28	- 209.44 9,266,8 1	1,030.8 75,069, 23	1,151.1 79,819, 34	- 120.30 4,750,1 1
Van	235.83 9,133, 46	160.33 3,369,2 1	75.50 5,764, 25	374.83 3,571,2 8	470.16 8,951,7 8	- 95,335 ,380,5 0	430.88 2,832,2 0	452.36 5,457,7 9	- 21,482 ,625,5 9	528.68 1,251,6 4	624.05 3,529,4 7	- 95,372. 277,83	650.49 0,826,8 3	677.59 9,306,6 9	- 27,108. 479,86
TOPL AM	30,197 ,652,8 20,93	30,514 ,581,09 9,24	- 316.9 28,27 8,31	33,436 ,419,79 9,88	35,335 ,635,92 8,30	- 1,899. 216,12 8,42	37,944 ,852,40 7,20	45,618 ,964,25 1,54	- 7,674. 111,84 4,34	46,318 ,180,23 6,98	56,764 ,435,88 1,26	- 10,446. 255,64 4,28	54,493 ,048,66 7,40	65,110 ,162,08 8,86	- 10,617. 113,42 1,46

Source: Compiled from the Annual Reports of Metropolitan Municipalities, TCA Reports and TURKSTAT data of 2014, 2015, 2016, 2017 and 2018.

As can be seen from the table, the increase in expenditure amounts of metropolitan municipalities throughout the period was higher than the increase in income amounts. As of the end of the period, all metropolitan municipalities, except Muğla and Trabzon metropolitan municipalities, had negative budget balance by spending more than their income. This is an indication that metropolitan municipalities spend more than their income.

Metropolitan municipalities plan and realize their expenditures annually. The budgets they prepare are annual, excluding specific cases. Multi-year planning generally covers the election period and annual plans and programs are prepared in accordance with these plans. For this reason, the share of the expenditures made by the metropolitan municipalities in the economy changes every year. This is the way municipalities' elected bodies implement their own policies. As a result of administrative autonomy, each municipality determines and implements its own

strategy. Therefore, while savings come to the fore in some places, spending may increase in some places. This situation has revealed the need to evaluate each municipality on its own.

Table 30 Per Capita Exp. / Per Capita GDP (By Province and by Year)

	Year	GDP (TL)	Population	Per Capita GDP (TL)	Per Capita Exp. (TL)	Per Capita Exp. / Per Capita GDP
Adana	2014	41.813.830.726,44	2.165.595	19.308,24	377,58	1,96%
	2015	47.145.799.072,45	2.183.167	21.595,14	474,36	2,20%
	2016	52.962.478.464,69	2.201.670	24.055,59	558,89	2,32%
	2017	62.365.359.159,67	2.216.475	28.137,18	623,69	2,22%
	2018	72.187.342.003,82	2.220.125	32.514,99	827,12	2,54%
Ankara	2014	186.977.437.558,15	5.150.072	36.305,79	868,39	2,39%
	2015	211.949.666.267,17	5.270.575	40.213,77	785,36	1,95%
	2016	240.197.198.214,68	5.346.518	44.925,91	998,34	2,22%
	2017	280.160.899.569,48	5.445.026	51.452,63	1.165,17	2,26%
	2018	329.831.245.075,52	5.503.985	59.925,90	1.201,76	2,01%
Antalya	2014	65.038.930.766,86	2.222.562	29.263,04	335,52	1,15%
	2015	74.493.829.142,64	2.288.456	32.552,00	390,03	1,20%
	2016	75.987.775.166,09	2.328.555	32.633,02	576,50	1,77%
	2017	90.065.114.253,34	2.364.396	38.092,23	822,64	2,16%
	2018	113.764.160.876,30	2.426.356	46.886,84	918,88	1,96%
Aydın	2014	19.723.033.713,20	1.041.979	18.928,44	122,05	0,64%
	2015	22.308.131.629,26	1.053.506	21.175,13	279,69	1,32%
	2016	25.032.004.407,46	1.068.260	23.432,50	499,31	2,13%
	2017	30.172.519.231,88	1.080.839	27.915,83	409,05	1,47%
	2018	35.251.304.106,26	1.097.746	32.112,44	677,11	2,11%
Balıkesir	2014	26.102.201.152,30	1.189.057	21.952,02	153,45	0,70%
	2015	28.713.009.440,45	1.186.688	24.195,92	371,71	1,54%
	2016	32.675.168.335,94	1.196.176	27.316,36	564,32	2,07%
	2017	38.761.715.039,95	1.204.824	32.172,10	706,49	2,20%
	2018	45.577.579.945,74	1.226.575	37.158,41	962,48	2,59%
Bursa	2014	82.779.435.940,81	2.787.539	29.696,24	351,67	1,18%
	2015	94.307.319.655,79	2.842.547	33.177,05	512,72	1,55%
	2016	105.631.178.443,06	2.901.396	36.407,02	649,56	1,78%
	2017	127.784.176.043,50	2.936.803	43.511,32	783,91	1,80%
	2018	155.316.700.885,50	2.994.521	51.866,96	784,35	1,51%

Table 30 (cont'd)

	Year	GDP (TL)	Population	Per Capita GDP (TL)	Per Capita Exp. (TL)	Per Capita Exp. / Per Capita GDP
Denizli	2014	24.055.630.878,42	978.700	24.579,17	496,50	2,02%
	2015	26.462.081.326,83	993.442	26.636,77	462,73	1,74%
	2016	30.185.494.273,97	1.005.687	30.014,80	645,31	2,15%
	2017	36.253.619.237,46	1.018.735	35.586,90	841,13	2,36%
	2018	44.123.218.026,57	1.027.782	42.930,52	1.085,95	2,53%
Diyarbakır	2014	20.751.651.259,82	1.635.048	12.691,77	191,32	1,51%
	2015	23.534.372.219,13	1.654.196	14.227,08	304,00	2,14%
	2016	26.305.463.838,21	1.673.119	15.722,41	308,31	1,96%
	2017	30.124.230.723,89	1.699.901	17.721,17	399,15	2,25%
	2018	34.916.982.763,31	1.732.396	20.155,31	505,86	2,51%
Erzurum	2014	11.813.488.763,97	763.320	15.476,46	344,62	2,23%
	2015	13.333.638.541,64	762.321	17.490,85	796,61	4,55%
	2016	15.110.154.749,26	762.021	19.829,05	1.153,49	5,82%
	2017	17.597.636.536,07	760.476	23.140,29	1.478,28	6,39%
	2018	20.583.277.241,83	767.848	26.806,45	1.497,40	5,59%
Eskişehir	2014	23.232.720.370,43	812.320	28.600,45	449,55	1,57%
	2015	26.293.308.635,48	826.716	31.804,52	498,55	1,57%
	2016	29.425.534.886,02	844.842	34.829,63	492,87	1,42%
	2017	34.573.032.765,35	860.620	40.172,24	515,60	1,28%
	2018	41.530.629.912,57	871.187	47.671,32	957,77	2,01%
Gaziantep	2014	35.077.011.920,12	1.889.466	18.564,51	357,17	1,92%
	2015	41.519.647.532,47	1.931.836	21.492,33	468,10	2,18%
	2016	46.461.539.698,24	1.974.244	23.533,84	657,39	2,79%
	2017	55.552.833.384,60	2.005.515	27.700,03	658,01	2,38%
	2018	68.300.915.196,00	2.028.563	33.669,61	703,06	2,09%
Hatay	2014	25.243.821.752,45	1.519.836	16.609,57	81,40	0,49%
	2015	28.992.347.328,35	1.533.507	18.905,91	312,23	1,65%
	2016	33.067.674.589,62	1.555.165	21.263,13	488,37	2,30%
	2017	40.527.909.567,72	1.575.226	25.728,31	521,05	2,03%
	2018	49.406.412.029,29	1.609.856	30.689,96	605,48	1,97%
Mersin	2014	36.419.349.453,38	1.727.255	21.085,10	298,63	1,42%
	2015	41.891.412.296,79	1.745.221	24.003,50	578,83	2,41%
	2016	47.281.412.387,65	1.773.852	26.654,65	641,33	2,41%
	2017	55.868.587.229,64	1.793.931	31.143,11	777,35	2,50%
	2018	66.363.670.486,27	1.814.468	36.574,73	1.026,20	2,81%

Table 30 (cont'd)

	Year	GDP (TL)	Population	Per Capita GDP (TL)	Per Capita Exp. (TL)	Per Capita Exp. / Per Capita GDP
İstanbul	2014	622.761.611.476,91	14.377.018	43.316,47	868,97	2,01%
	2015	722.567.039.574,37	14.657.434	49.296,97	762,89	1,55%
	2016	809.206.841.826,86	14.804.116	54.660,94	1.017,85	1,86%
	2017	972.491.829.333,14	15.029.231	64.706,69	1.299,95	2,01%
	2018	1.155.254.284.616,92	15.067.724	76.670,79	1.469,90	1,92%
İzmir	2014	127.429.459.080,16	4.133.072	30.831,66	579,27	1,88%
	2015	141.865.413.027,41	4.168.415	34.033,42	787,90	2,32%
	2016	158.679.974.366,97	4.223.545	37.570,33	949,16	2,53%
	2017	191.756.128.145,89	4.279.677	44.806,22	1.079,36	2,41%
	2018	233.514.795.720,70	4.320.519	54.047,86	1.175,14	2,17%
Kayseri	2014	30.273.399.748,29	1.322.376	22.893,19	232,31	1,01%
	2015	33.958.097.438,64	1.341.056	25.321,91	451,48	1,78%
	2016	38.051.098.115,20	1.358.980	27.999,75	500,29	1,79%
	2017	45.145.221.684,97	1.376.722	32.791,82	732,45	2,23%
	2018	52.225.220.405,91	1.389.680	37.580,75	721,23	1,92%
Kocaeli	2014	73.963.086.331,50	1.722.795	42.932,03	696,88	1,62%
	2015	85.480.669.805,80	1.780.055	48.021,36	729,57	1,52%
	2016	96.168.841.524,18	1.830.772	52.529,12	794,44	1,51%
	2017	120.367.105.947,43	1.883.270	63.913,89	1.231,17	1,93%
	2018	150.172.129.641,70	1.906.391	78.773,00	1.461,61	1,86%
Konya	2014	43.933.757.198,36	2.108.808	20.833,46	619,46	2,97%
	2015	50.148.816.036,92	2.130.544	23.538,03	718,17	3,05%
	2016	55.703.817.314,22	2.161.303	25.773,26	712,43	2,76%
	2017	65.928.535.658,59	2.180.149	30.240,38	722,29	2,39%
	2018	78.770.776.746,48	2.205.609	35.713,84	896,38	2,51%
Malatya	2014	11.649.179.315,79	769.544	15.137,77	397,45	2,63%
	2015	13.812.526.080,83	772.904	17.870,95	509,94	2,85%
	2016	15.262.463.810,73	781.305	19.534,58	627,21	3,21%
	2017	17.566.779.083,90	786.676	22.330,39	620,11	2,78%
	2018	20.084.576.995,65	797.036	25.199,08	724,83	2,88%
Manisa	2014	33.137.758.929,43	1.367.905	24.225,19	235,82	0,97%
	2015	37.556.721.468,28	1.380.366	27.207,80	457,35	1,68%
	2016	42.134.823.807,23	1.396.945	30.162,12	498,33	1,65%
	2017	50.107.515.158,34	1.413.041	35.460,77	845,90	2,39%
	2018	63.435.912.164,13	1.429.643	44.371,86	926,20	2,09%

Table 30 (cont'd)

	Year	GDP (TL)	Population	Per Capita GDP (TL)	Per Capita Exp. (TL)	Per Capita Exp. / Per Capita GDP
Kahramanmaraş	2014	17.063.050.051,68	1.089.038	15.668,00	284,59	1,82%
	2015	19.576.464.647,89	1.096.610	17.851,80	363,89	2,04%
	2016	21.599.981.076,35	1.112.634	19.413,37	488,36	2,52%
	2017	25.661.874.884,26	1.127.623	22.757,50	701,08	3,08%
	2018	30.821.666.806,43	1.144.851	26.921,99	801,41	2,98%
Mardin	2014	10.420.739.037,70	788.996	13.207,59	79,93	0,61%
	2015	12.097.120.580,77	796.591	15.186,11	207,05	1,36%
	2016	13.279.195.205,03	796.237	16.677,44	314,92	1,89%
	2017	15.732.547.002,76	809.719	19.429,64	447,02	2,30%
	2018	18.937.268.156,60	829.195	22.838,14	544,91	2,39%
Muğla	2014	23.829.846.476,47	894.509	26.640,14	145,00	0,54%
	2015	27.021.948.101,85	908.877	29.731,14	313,93	1,06%
	2016	29.338.300.997,49	923.773	31.759,21	589,52	1,86%
	2017	34.949.815.085,77	938.751	37.230,12	537,18	1,44%
	2018	42.503.786.772,42	967.487	43.932,15	567,22	1,29%
Ordu	2014	10.608.680.154,29	724.268	14.647,45	190,49	1,30%
	2015	13.998.147.897,05	728.949	19.203,19	445,05	2,32%
	2016	13.635.902.669,98	750.588	18.166,96	567,85	3,13%
	2017	16.658.802.295,62	742.341	22.440,90	706,29	3,15%
	2018	19.696.406.393,74	771.932	25.515,73	842,23	3,30%
Sakarya	2014	22.533.411.071,95	932.706	24.159,18	255,06	1,06%
	2015	26.408.292.155,72	953.181	27.705,43	312,68	1,13%
	2016	29.427.768.330,33	976.948	30.122,14	412,72	1,37%
	2017	35.698.817.380,50	990.214	36.051,62	465,59	1,29%
	2018	43.561.529.471,25	1.010.700	43.100,36	556,19	1,29%
Samsun	2014	24.335.057.647,59	1.269.989	19.161,63	304,82	1,59%
	2015	28.081.837.756,35	1.279.884	21.940,92	436,32	1,99%
	2016	30.681.173.107,44	1.295.927	23.675,08	583,21	2,46%
	2017	35.585.341.329,38	1.312.990	27.102,52	558,82	2,06%
	2018	41.019.356.834,88	1.335.716	30.709,64	605,86	1,97%
Tekirdağ	2014	29.620.420.522,50	906.732	32.667,23	147,71	0,45%
	2015	33.585.052.414,32	937.910	35.808,40	492,53	1,38%
	2016	38.295.121.769,04	972.875	39.362,84	574,81	1,46%
	2017	47.320.168.263,06	1.005.463	47.063,06	648,34	1,38%
	2018	58.299.792.292,07	1.029.927	56.605,75	766,31	1,35%

Table 30 (cont'd)

	Year	GDP (TL)	Population	Per Capita GDP (TL)	Per Capita Exp. (TL)	Per Capita Exp. / Per Capita GDP
Trabzon	2014	16.830.898.427,07	766.782	21.950,04	278,80	1,27%
	2015	19.141.893.700,38	768.417	24.910,81	350,44	1,41%
	2016	21.071.519.060,31	779.379	27.036,29	525,99	1,95%
	2017	24.798.745.461,17	786.326	31.537,49	484,79	1,54%
	2018	28.767.192.028,74	807.903	35.607,24	578,28	1,62%
Şanlıurfa	2014	17.824.504.714,90	1.845.667	9.657,49	186,36	1,93%
	2015	21.037.000.610,33	1.892.320	11.117,04	286,48	2,58%
	2016	23.306.681.729,14	1.940.627	12.009,87	348,99	2,91%
	2017	27.697.390.188,65	1.985.753	13.948,05	546,13	3,92%
	2018	32.561.955.497,27	2.035.809	15.994,60	565,47	3,54%
Van	2014	10.684.919.215,14	1.085.542	9.842,93	147,70	1,50%
	2015	11.507.236.128,60	1.096.397	10.495,50	428,83	4,09%
	2016	13.594.625.272,08	1.100.190	12.356,62	411,17	3,33%
	2017	15.479.982.082,36	1.106.891	13.985,10	563,79	4,03%
	2018	17.921.319.602,79	1.123.784	15.947,30	602,96	3,78%

Source: Compiled from the Annual Reports of Metropolitan Municipalities, TCA Reports and TURKSTAT data of 2014, 2015, 2016, 2017 and 2018.

In the table above, per capita expenditure and GDP per capita for 2014 - 2018 were compared for each metropolitan municipality. As can be seen from the table, the share of metropolitan municipal expenditures per capita in the GDP per capita varies each year and for each province. In some years and in some municipalities, while this rate drops below one, that is, the amount of metropolitan municipal expenditures per capita is quite low, in some years and in some provinces, this rate can be 4 percent and above. Those indicated in red in the table indicate the year with the highest rate throughout the period. Therefore, 2017 is the year in which the ratio of per capita expenditure to GDP per capita is highest in the provinces. This rate was the highest in 12 provinces in 2017.

5.3. Analysis by Year

It is possible to talk about an increase in real terms in the analyzed period when the amount of expenditures realized by the metropolitan municipalities in 2014-2018 period compared to the previous period.

Table 31 Metr. Mun. Exp. Share in Local Government Expenditures

	Metropolitan Municipality Expenditure	Local Government Expenditure	Metr. Mun. Exp. / Local Gov. Exp.
2009	13.662.594.000,00	48.420.648.000,00	28,22%
2010	13.836.250.000,00	52.226.305.000,00	26,49%
2011	15.570.973.000,00	61.011.336.000,00	25,52%
2012	16.837.380.000,00	69.298.699.000,00	24,30%
2013	22.681.953.000,00	87.589.594.000,00	25,90%
2014	30.514.581.099,24	84.172.983.000,00	36,25%
2015	35.335.635.928,30	99.659.563.000,00	35,46%
2016	45.618.964.251,54	121.184.088.000,00	37,64%
2017	56.764.435.881,26	151.262.912.000,00	37,53%
2018	65.110.162.088,86	183.658.007.000,00	35,45%

Source: Compiled from the Annual Reports of Metropolitan Municipalities, TCA Reports and the Activity Reports of the General Directorate of Local Governments data of 2009 - 2018.

As can be seen from the table, there is an increase in the share of expenditure amounts of the metropolitan municipalities in all other local government expenditures, which are increasing in number with the law numbered 6360. The share of expenditure amounts of metropolitan municipalities, which was around 25% before 2014 and has decreased continuously, increased to 35-36% after 2014. In the emergence of this situation, the increase in the number of metropolitan municipalities and the decrease in the number of other local governments were effective. In this case, the local government system in Turkey shows that there is a trend towards metropolitan municipality system. In addition, the year in which metropolitan municipal expenditures have the highest share in local government expenditures is 2017.

Table 32 Metr. Mun. Exp. Share in General Government Expenditures

	Metropolitan Municipality Expenditure	General Government Expenditure	Fiscal Decentralization Rate
2009	13.662.594.000,00	381.969.627.048,05	3,58%
2010	13.836.250.000,00	422.733.848.828,40	3,27%
2011	15.570.973.000,00	477.069.973.581,30	3,26%
2012	16.837.380.000,00	550.393.641.649,20	3,06%
2013	22.681.953.000,00	637.021.133.119,21	3,56%
2014	30.514.581.099,24	701.867.301.527,03	4,35%
2015	35.335.635.928,30	801.531.823.877,63	4,41%
2016	45.618.964.251,54	940.468.895.006,91	4,85%
2017	56.764.435.881,26	1.085.492.937.485,82	5,23%
2018	65.110.162.088,86	1.312.629.468.441,29	4,96%

Source: Compiled from the Annual Reports of Metropolitan Municipalities, TCA Reports and the Activity Reports of the General Directorate of Local Governments and Strategy and Budget Directorate data of 2009 - 2018.

A similar picture emerges when the share of metropolitan municipalities expenditures in general government expenditures is analyzed. While the share of metropolitan municipalities in general government expenditures was around 3-3.5% in 2009-2013 period, this ratio was 4.5-5% in 2014-2018 period after the law numbered 6360. This shows that fiscal decentralization has been higher after 2014 compared to the previous period.

CHAPTER 6

FINANCIAL DECENTRALIZATION ANALYSIS ON BASIS OF SELECTED METROPOLITAN DISTRICT MUNICIPALITIES IN SAMSUN

6.1. Quantitative Analysis

6.1.1 Metropolitan Municipality Level

The history of Samsun Metropolitan Municipality, whose jurisdiction is the provincial borders of Samsun, dates back to quite old times. Samsun Şehremaneti, which was established with Kanun-i Esasi as a result of the westernization movements of the Ottoman Empire, was governed by the mayors appointed from the center until 1893. As of this date, mayors came to power by election.

The municipality, which continued to exist after the proclamation of the Republic, became a metropolitan municipality with the decree number 504, which was adopted on 2 September 1993. In short, the metropolitan municipality application existed in Samsun before the law numbered 6360.

As a port city, Samsun is also in a key position for the commercial and cultural relations of the country with other countries on the black sea. At the same time, due to the favorable geographical conditions, it also served as a crossroad for the transportation of provinces in the black sea region to other regions of the country. In this respect, Samsun province, which is also a metropolitan city, has diversity and intensity of practices at the point of municipal management.

The revenues of the metropolitan municipality, whose borders expanded to the provincial borders with the law numbered 6360, increased every year.

Table 33 Samsun Metr. Mun. Revenue

	Samsun Metr. Mun. Revenue	Samsun WASA Revenue	Total Revenue	Population	Samsun Per Capita Revenue (Metr. Mun. + WASA)
2014	327.799.263,51 ₺	182.847.672,68 ₺	510.646.936,19 ₺	1.269.989	402,08 ₺
2015	481.661.482,38 ₺	218.428.114,75 ₺	700.089.597,13 ₺	1.279.884	546,99 ₺
2016	541.895.291,84 ₺	322.137.433,58 ₺	864.032.725,42 ₺	1.295.927	666,72 ₺
2017	640.553.387,63 ₺	317.773.541,93 ₺	958.326.929,56 ₺	1.312.990	729,88 ₺
2018	714.888.286,44 ₺	328.361.853,98 ₺	1.043.250.140,42 ₺	1.335.716	781,04 ₺

Source: Compiled from the Annual Reports of Samsun Metropolitan Municipality

As can be seen from the table, the revenues of Samsun Metropolitan Municipality in the 2014-2018 period have increased more than twice from the beginning of the period to the end of the period. In Samsun, where population growth is limited, the most important reason for the increase in metropolitan municipal revenues is the inflationary effect.

Table 34 Samsun Metr. Mun. Expenditure

	Samsun Metr. Mun. Expenditure	Samsun WASA Expenditure	Total Expenditure	Population	Samsun Per Capita Exp. (Metr. Mun + WASA)
2014	387.121.342,17 ₺	265.276.759,96 ₺	652.398.102,13 ₺	1.269.989	513,70 ₺
2015	558.442.115,06 ₺	257.933.803,45 ₺	816.375.918,51 ₺	1.279.884	637,85 ₺
2016	755.798.001,32 ₺	314.245.531,65 ₺	1.070.043.532,97 ₺	1.295.927	825,70 ₺
2017	733.727.195,05 ₺	311.079.153,30 ₺	1.044.806.348,35 ₺	1.312.990	795,75 ₺
2018	809.259.425,43 ₺	400.175.087,97 ₺	1.209.434.513,40 ₺	1.335.716	905,46 ₺

Source: Compiled from the Annual Reports of Samsun Metropolitan Municipality

Just like its revenues, Samsun Metropolitan Municipality's expenditures increased more than two times in the period of 2014-2018, and the most important reason for the increase in both total expenditure and per capita expenditure was the inflationary effect.

Table 35 Samsun Metr. Mun. Revenues and Expenditure

	Samsun Per Capita GDP	Samsun Per Capita Exp. (Metr. Mun. + WASA)	Samsun Per Capita Revenue (Metr. Mun.+WASA)	Per Cap. Exp./Per Capita GDP	Per Capita Rev./Per Capita GDP
2014	19.224	513,70	402,08	2,67%	2,09%
2015	22.026	637,85	546,99	2,90%	2,48%
2016	23.823	825,69	666,72	3,47%	2,80%
2017	27.280	795,74	729,88	2,92%	2,68%
2018	30.973	905,45	781,04	2,92%	2,52%

Source: Compiled from the Annual Reports of Samsun Metropolitan Municipalities and TURKSTAT data of 2014, 2015, 2016, 2017 and 2018.

According to the above table showing the ratio of Samsun Metropolitan Municipality expenditures and revenues to GDP per capita in Samsun, expenditures were between 2.5% - 3%, and revenues were between 2% - 2.5%. It is observed that the share of the current increase in expenditures and revenue amounts within the GDP did not change during the period. Therefore, it is obvious that the increase in the expenditures and revenues of the metropolitan municipality is due to inflationary reasons.

6.1.2 District Municipalities Level

In Turkey, district municipalities are also included in the metropolitan municipality system. District municipalities fulfill their duties and responsibilities within the district boundaries. District municipalities that do not have a hierarchical relationship with metropolitan municipalities also have separate legal entities and therefore their own budgets. Both the share they receive from the center and their expenditures with their own revenues are important in the analysis of fiscal decentralization.

6.1.2.1. İlkadım Municipality

İlkadım is the oldest and most populated central district of Samsun with the most intense commercial relations. The borders of İlkadım Municipality have expanded to the district boundaries after Law No. 6360 and the area under its responsibility has expanded. The expenditures and revenues of İlkadım Municipality, which has a different administration in terms of political party from the previous period in the period of 2014-2018, are given in the table below.

Table 36 İlkadım Mun. Revenue and Expenditure

	İlkadım Mun. Expenditure	İlkadım Mun. Revenue	Population	İlkadım Per Capita Exp.	İlkadım Per Capita Rev.
2014	87.617.903,00	82.655.254,00	317.085	276,32	260,67
2015	107.914.367,49	99.705.268,00	321.714	335,44	309,92
2016	135.751.852,94	116.532.789,07	325.666	416,84	357,83
2017	166.979.218,42	132.132.025,65	333.218	501,11	396,53
2018	218.238.173,39	152.093.576,48	332.230	656,89	457,80

Source: Compiled from the Annual Reports of İlkadım Municipality

As can be seen from the table, the amount between the revenues and expenditures of İlkadım Municipality shows an increasingly increasing characteristic towards the end of the period. It is clear that the rise in population is insufficient to explain the increase in expenditures. It is considered that such increases in the expenditures of municipalities in old settlements such as İlkadım are due to the financing of populist policies.

Table 37 İlkadım Mun. Per Capita Revenue and Expenditure

	İlkadım Per Capita Exp. (Metr. Mun+WASA+Distr. Mun.)	İlkadım Per Capita Rev. (Metr. Mun+WASA+Distr. Mun.)
2014	790,03	662,76
2015	973,29	856,91
2016	1.242,54	1.024,56
2017	1.296,86	1.126,41
2018	1.562,35	1.238,84

Source: Compiled from the Annual Reports of İlkadım Municipality

In the table above, the amount of local government services per capita in İlkadım district is given in terms of income and expenditure. Accordingly, the per capita value of services provided by Samsun Metropolitan Municipality, water and sewerage administration which is an affiliate of the metropolitan municipality and İlkadım Municipality which is a district municipality can be seen in the table.

Therefore, while 790.03 TL was spent per capita by all local governments in İlkadım in 2014, this figure doubled and reached 1.562.35 TL in 2018.

Similarly, the per capita income of all local governments in the period 2014-2018 was 662.76 TL in 2014, while this figure doubled in 2018 and reached 1.238.84 TL.

6.1.2.2. Atakum Municipality

Atakum, on the one hand, is the central district of Samsun and on the other hand it is a tourism city with a 25 km long coastline. It has the second largest population. The borders of Atakum Municipality have expanded to the district boundaries after Law No. 6360 and the area under its responsibility has expanded. The expenditures and revenues of Atakum Municipality, which has a different administration in terms of political party from the previous period in the period of 2014-2018, are given in the table below.

Table 38 Atakum Mun. Revenue and Expenditure

	Atakum Mun. Expenditure	Atakum Mun. Revenue	Population	Atakum Per Capita Exp.	Atakum Per Capita Rev.
2014	55.290.338,48	48.406.487,34	158.031	349,87	306,31
2015	66.280.850,30 ₺	90.347.720,00 ₺	169.809	390,33 ₺	532,05 ₺
2016	99.559.640,00 ₺	69.692.523,57 ₺	181.302	549,14 ₺	384,40 ₺
2017	133.408.893,40 ₺	103.715.979,32 ₺	192.953	691,41 ₺	537,52 ₺
2018	169.133.446,22 ₺	121.379.068,08 ₺	202.618	834,74 ₺	599,05 ₺

Source: Compiled from the Annual Reports of Atakum Municipality

As can be seen from the table, the amount between the revenues and expenditures of Atakum Municipality shows an increasingly increasing characteristic towards the end of the period. There is a very high increase in the population. It is evaluated that this situation is caused by the creating of new residential areas especially in Atakum and the fact that the people of Samsun who came to reside in the periphery of the city from the city center preferred Atakum. The fact that Atakum became a center of attraction and rapidly opened to settlement and attracted a high population can be explained by the fact that it is a touristic city located on the coastline and new job opportunities.

Therefore, it is possible to explain a part of the increase in the income and expenditures of Atakum Municipality with the population increase.

Table 39 Atakum Mun. Per Capita Revenue and Expenditure

	Atakum Per Capita Exp. (Metr. Mun+WASA+Distr. Mun.)	Atakum Per Capita Rev. (Metr. Mun+WASA+Distr. Mun.)
2014	863,57	708,40
2015	1.028,18	1.079,05
2016	1.374,83	1.051,13
2017	1.487,15	1.267,40
2018	1.740,20	1.380,10

Source: Compiled from the Annual Reports of Atakum Municipality

In the table above, the amount of local government services per capita in Atakum district is given in terms of income and expenditure. Accordingly, the per capita value of services provided by Samsun Metropolitan Municipality, water and sewerage administration which is an affiliate of the metropolitan municipality and Atakum Municipality which is a district municipality can be seen in the table.

Therefore, while 863.57 TL was spent per capita by all local governments in Atakum in 2014, this figure doubled in 2018 and reached 1.740.20 TL.

Similarly, the per capita income of all local governments in the period of 2014-2018 was 708.40 TL in 2014, while this figure doubled and reached 1.380.10 TL in 2018.

6.1.2.3. Terme Municipality

Terme is one of the districts of Samsun far from the center. It has a rural structure with intense agricultural production. The borders of Terme Municipality have expanded to the district boundaries after the Law No. 6360 and the area under its responsibility has expanded. In the summer months every year, agricultural workers migrate to the district for a short time. Although this situation increases the population of the district in certain periods of the year, this increase is not taken into account when calculating the shares allocated from the central government.

Table 40 Terme Mun. Revenue and Expenditure

	Terme Mun. Expenditure	Terme Mun. Revenue	Population	Terme Per Capita Exp.	Terme Per Capita Rev.
2014	11.373.485,64 ₺	16.458.682,31 ₺	72.599	156,66 ₺	226,71 ₺
2015	15.710.147,85 ₺	19.394.387,33 ₺	71.910	218,47 ₺	269,70 ₺
2016	26.751.475,49 ₺	23.649.545,68 ₺	71.577	373,74 ₺	330,41 ₺
2017	31.592.819,72 ₺	29.206.665,59 ₺	71.196	443,74 ₺	410,23 ₺
2018	44.226.655,06 ₺	41.783.607,39 ₺	72.354	611,25 ₺	577,49 ₺

Source: Compiled from the Annual Reports of Terme Municipality

As can be seen from the table, the revenues and expenditures of Terme Municipality increase towards the end of the period and show an increasingly increasing characteristic. It is clear that the rise in population is insufficient to explain the increase in expenditures. It is considered that such increases in the expenditures of municipalities in settlements such as Terme, which have rural characteristics and where agricultural activities are intense, are caused by the financing of populist policies and inflationary reasons.

Table 41 Terme Mun. Per Capita Revenue and Expenditure

	Terme Per Capita Exp. (Metr. Mun+WASA+Distr. Mun.)	Terme Per Capita Rev. (Metr. Mun+WASA+Distr. Mun.)
2014	670,37 ₺	628,79 ₺
2015	856,32 ₺	816,70 ₺
2016	1.199,44 ₺	997,14 ₺
2017	1.239,49 ₺	1.140,11 ₺
2018	1.516,71 ₺	1.358,53 ₺

Source: Compiled from the Annual Reports of Terme Municipality

In the table above, the amount of local government services per capita in Terme district is given in terms of income and expenditure. Accordingly, the per capita value of services provided by Samsun Metropolitan Municipality, water and sewerage administration which is an affiliate of the metropolitan municipality and Terme Municipality which is a district municipality can be seen in the table.

Therefore, while 670.37 TL was spent per capita by all local governments in Terme in 2014, this figure increased more than twice in 2018 and reached 1.516.71 TL.

Similarly, the per capita income of all local governments in the period of 2014-2018 was 628.79 TL in 2014, while this figure doubled to 1,358.53 TL in 2018.

6.1.3. Conclusion

The quantitative analysis made for Samsun Metropolitan Municipality and 3 selected metropolitan district municipalities revealed the unpredictable results of the metropolitan municipality system.

First of all, the revenue and expenditure amounts of Samsun Metropolitan Municipality have never been equal, and the expenditures have been realized above the revenues throughout the period. In addition, there was no real increase in expenditures and revenues during the period, as well as per capita expenditure and revenue amounts were absorbed by inflation.

Table 42 Per Capita Revenues and Expenditures of 3 District Municipalities

	İlkadım (Metr. Mun+WASA+Dstr.Mun)		Atakum (Metr. Mun+WASA+Dstr.Mun)		Terme (Metr. Mun+WASA+Dstr.Mun)	
	Revenue	Expenditure	Revenue	Expenditure	Revenue	Expenditure
2014	662,76 ₺	790,01 ₺	708,40 ₺	863,57 ₺	628,79 ₺	670,37 ₺
2015	856,91 ₺	973,29 ₺	1.079,05 ₺	1.028,18 ₺	816,70 ₺	856,32 ₺
2016	1.024,56 ₺	1.242,54 ₺	1.051,13 ₺	1.374,83 ₺	997,14 ₺	1.199,44 ₺
2017	1.126,41 ₺	1.296,86 ₺	1.267,40 ₺	1.487,15 ₺	1.140,11 ₺	1.239,49 ₺
2018	1.238,84 ₺	1.562,35 ₺	1.380,10 ₺	1.740,20 ₺	1.358,53 ₺	1.516,71 ₺

Source: Compiled from the Annual Reports of İlkadım, Atakum and Terme Municipalities

In the table above, the per capita revenue and expenditures of metropolitan municipality, water and sewerage administration and district municipality in İlkadım, Atakum and Terme districts are given. According to the table, the district with the

highest revenue and expenditure per capita is Atakum, while the district with the lowest revenue and expenditure is Terme.

One of the contradictions of the “neoliberal” metropolitan municipal system is seen in this table. In particular, the population and area criteria brought by the share distribution system are evaluated to increase the differences between regional development levels. Atakum, which is a relatively developed and prosperous district, has more revenue and can spend more. However, Terme, which has rural characteristics among the 3 districts studied, has the lowest revenue and therefore the least expenditure capacity.

Thus, it has been confirmed that neoliberalism is only concerned with the reproduction of capital and uses local governments as a tool within this scope, but not with distributional relations.

6.2. Qualitative Analysis

In addition to the analysis made by examining the expenditures and revenues of local governments specific to Samsun, an interview was conducted to measure the approaches of local governments to the subject. It is aimed that the people to be interviewed are senior managers as much as possible. As a result, meetings were held with the mayors of the three district municipalities whose financial examination was conducted.

It was aimed to meet with Samsun Metropolitan Municipality officials, but the meeting could not be held due to both Covid-19 measures and the availability of senior managers.

The interviews are mainly shaped around the following topics:

- General Problems Regarding Current Administrative and Financial Structure,
- Income and Resources Transferred from Central Administration to Local Administrations (Current Situation and Problems Regarding Income and Resource Sharing, Alternative Model and Solution Proposals),

- Own Revenues of Municipalities (Analysis of Current Situation, Problems Arising from Legislation and Implementation Regarding the Assessment, Accrual and Collection of Own Revenues; Alternative Models for Increasing Own Revenues and Solution Proposals),
- Strengthening the Financial Capacities of Municipalities (Strong and Needed Aspects of the Existing Financial Legislation and Model; Opinions and Suggestions on Alternative Organization and Operation to Reduce the Expenses of Municipalities and Increase Income)

In this section, the answers given by the mayors to the questions asked during the interview and finally the inferences made from these answers are included.

6.2.1. Interviews

1) In general, does the metropolitan municipality system work effectively and efficiently in Samsun?

Mayor of İlkadım (GP)

Before the change in 2014, that is during 2009-2014, I was the district mayor. I lost the election in 2014, I won it again in 2019. Since I lived both periods, I can observe the difference exactly.

First of all, there is a logical error here. Why were metropolitan cities established? Why were district municipalities created? It is necessary to look at this first. With the conviction that it is difficult to carry out a whole from one hand, this idea emerged so that we could break it down, manage it more easily, have more space in a narrow space, and have one-to-one contact with people. So that was the main goal, there is a deviation from this goal. Law No. 5216 created a completely opposite situation to this main goal. We started to form little states. Now, the metropolitan mayor has to provide services to the village on the mountain of Vezirköprü. Therefore, in practice, the point we have reached in terms of functionality is very different or even completely opposite from what was originally intended.

Mayor of Atakum (RPP)

Decentralizing services and promoting local development and strengthening local democracy is the right attitude. This can be considered for the pre-6360 system as well as for the current system. However, there are defects in the current situation. There are organizational deficiencies. With the same law, I encourage animal husbandry on the one hand and prohibit feeding chickens on the other. The law is the same law.

Mukhtars have very serious complaints. They can no longer do many things that they used to do. They say that if so, the municipalities appoint an official, they can do the things we do.

I think the system is correct, but it has shortcomings. You know, being a mukhtar comes from autonomy. It is also very old in our country. Organized to seek rights. In other words, the concept of mukhtar includes independence, autonomy and locality. We've taken this away a little bit. In Atakum, we try to organize it in order to remind our culture of solidarity that exists in order to establish neighborhood law to the extent permitted by law. We are trying to establish good relations with the district governor of the central government and the governor. Should all of these be regulated by law? May not be necessary, general definitions can be made.

Mayor of Terme (JDP)

I don't think it works effectively. Some things are just sitting. It is a new system and it is natural to have disruptions. The important thing is to identify these deficient aspects well.

In rural districts like us, our municipality becomes the first addressee of the citizen on all matters. It does not persuade him/her to say that "this is under the responsibility of the metropolitan municipality" even in matters that belong to the metropolitan municipality. Our effort in this matter is at the point of conveying the demands to the metropolitan city.

The metropolitan municipality is just showing itself at the point of serving rural areas outside the center.

2) Is there an area that you think would be more beneficial if the Metropolitan Municipality Law No.5216 or Municipality Law No.5393 was amended?

Mayor of İlkadım (GP)

In connection with these, there are actually problems with zoning. Such a system has been established that encourages people to illegal construction. The man will erect a building or build a house, but he has a low income, let's see there is an infrastructure cost, there is a fee, there is a project cost, etc., he makes a lot of expenses before he starts building a house. The man says what should I do with it, the politician will come one day, enact amnesty law, and I will go and put the shanty house there. Now we are trying to demolish the same places. So we are the ones who invented this. Now we say that we cannot live here, let's build more correct houses instead of demolishing them.

After I was selected, we said that if we draw the project as the municipality, let's determine the type project, let's give it free of charge to those who want to erect a building. The man says so much the better! If necessary, let's help with the foundation of building. As long as there is no illegal business. But they told us that you cannot do it, you cannot be a project author. In other words, the municipality cannot employ its own engineer, salaried engineer and architect, but it can get it done from outside with money. We are faced with such a contradiction, and this is still the case.

Mayor of Atakum (RPP)

If a change is to be made, it must first be done by asking the municipalities. In other words, we should not bring about a change made by a ministry, by an institution secretly. The application includes district municipalities, metropolitan municipalities, and mukhtars.

For example, neighborhood law in local governments. There are a lot of things in the concept of neighborhood law. It has a sense of governance. Governance is a multidimensional concept in itself. Should a law be passed for this now? Some of our habits need to change.

It is necessary to hand over agriculture to local governments once. It is necessary to establish an organic link between the provincial directorate of agriculture and the ministry of agriculture and local governments. Local organizations of the Ministry of Agriculture are not enough. Production cannot be made only with the understanding of a government official. Old SEEs emerged with this understanding.

This pandemic has shown us that without agriculture, there is no development. In countries like ours, the engine of development is agriculture.

For example, I would like to put forward a municipality approach, local administration perspective. I am expected to recruit a staff from the mentality retired civil servants who have worked in the municipality for 30 years so far. This is not a correct understanding. The law should tell to the mayor of the municipality with a population of 200-300 thousand that “You can come with the staff that you can get from wherever you want”. It can be said that they will not obtain the rights arising from the law numbered 657. These make the things easier.

For example, there used to be a village service directorate. There was the ministry of rural affairs. In the new system, duties related to these are left to the initiative of the mayor. Before we win the election, there was no rural services directorate in this municipality. There are 40 thousand university students in Atakum, this is the university city, there was no youth and sports directorate before us. These should not be left to the understanding of the mayor. It is better if the municipalities, the local governments should do this kind of services, but they should be obligatory.

Mayor of Terme (JDP)

In rural areas like us, the biggest problem is roads and water. There is a rule that the roads of 15 meters or more belong to the metropolitan and others belong to the district municipalities. We have a road network of over 1500 km in Terme, but the road that the metropolitan authorized by itself is 250-300 km long. Our budget is certain; our income is certain. As in the past, the demand for the road is not at the level of “it is what it is”, everyone wants asphalt or concrete. A solution like this can be found, let whatever resource allocated to us about the roads be transferred to the metropolitan city, and all the responsibilities regarding the roads belong to the metropolitan city.

In addition, the needs of the municipalities should also be determined. First, basic services must be completed so that others can be spent as well. But leaning towards the visible side of the business without meeting the basic needs causes inefficient use of resources.

Just as the municipality of Terme is looking at the economic situation when asking for debt, likewise, if the city's zoning plan is not made, if the infrastructure is missing, the permanent problems are not overcome, other things should not be allowed.

3) Is there any incompatibility between the Metropolitan Municipality and your municipality? If yes, in which area is it most experienced?

Mayor of İlkadım (GP)

There is a problem in terms of resource distribution. The metropolitan municipality says that this much of the tax revenues obtained throughout the province is yours, but if I can collect it. If I can't get it, I won't give it. There is also a glitch here. Now my worker, my officer will get a salary, but metropolitan municipality says that if I can collect it, I will give it. This situation prevents us from planning by seeing ahead. A 5-year strategic plan is being made, but obviously on paper. In practice, such a planning should only be done by seeing the financial statements. We cannot see such a thing. Because if there is money, okay but if there is no money, they won't give any. There is such an unstable situation. Then, what will we plan according to when we cannot see ahead? There is no such antique-order planning in municipalities abroad.

The main source of income for district municipalities is now property tax, sanitation tax and infrastructure fee which are not actually resources because they are money given to provide infrastructure services, so it is not something that should be considered very much, if the service is not provided, money cannot be received. There are also problems here, the zoning plan has been passed in the middle of the field, the citizen has erected a building, he says bring me the road. There are enormous differences between the money that needs to be spent making the road there and the money given to us for the same work. Here, the Ministry should take measures, make sure that the infrastructure is completed before the development plan passes. It is like this in abroad, but we first turn a blind eye to the illegal structure and then we forgive.

We experience this very much in the members of the council. That is why he sometimes says no to the right job. Sometimes it even happens that the councilor who says yes in the district council says no in the metropolitan council. When we ask why, he says the metropolitan mayor wants us to say that way, what to do.

Mayor of Atakum (RPP)

There are also those arising from legislation and also from implementation. There are also different political differences between the lower municipality and the upper municipality, but we can solve it, it is up to the skill of our management understanding. But we cannot solve the law-related ones. For example, Atakum has a population of 200,000 but its actual population is at least twice as high while much more on weekends. There must be a difference between the legislation of a district with a population of 10 thousand and our legislation.

For example, this is a coastal city. We have 25 km of beach. Everything from the cleanliness of the beach belongs to the metropolitan municipality. People get up in the morning, they see a garbage there while walking, they take it from WhatsApp, and says the Mayor of Atakum is sleeping. Will I say this authority belongs to metropolitan municipality to everyone one by one now? We said we would sign a protocol with the metropolitan municipality regarding this issue, we said that we should take both the authority and the necessary resources from the metropolitan municipality, but it was said that the law will be passed, and stays on table.

Streets or avenues have been shared with the metropolitan city with certain criteria to provide cleaning services, but in practice this is not the case, again we do every job.

Even the advertising signs here are under the authority of the metropolitan municipality. If the metropolitan allows me, I can hang the municipal activity here on that advertisement sign. Otherwise, we cannot hang. This should not be allowed. It is necessary to deliver this city to the municipality of this city. The metropolitan municipality should do the works that require intense power such as infrastructure services, big roads, asphalt or sewerage. What does the budget of the metropolitan municipality consist of? It consists of the taxes of the district. The sub-municipality also gets a share from the taxes of this district, and the metropolitan city also gets a share. The resource transferred from Atakum district to the metropolitan municipality is 45-50 million TL. The metropolitan municipality has not made an investment of 5 million for 2 years. This is an unfair thing. It is necessary to solve this with legislation. Yes, we should be able to solve this with the understanding of local government, but our country's local government culture is a little far from this process. Therefore,

regulations to be made with legislation are very important. Responsibilities should be given to the sub-municipality, the metropolitan municipality should be given supervision and coordination authority. For example, a road is being built, the road does not only end at the border of our district, it continues to the neighboring district. It is the metropolitan municipality that will do the coordination planning there, right. But local services, like cleaning and daily use, should be the responsibility of the sub-municipality.

For example, a regulation is about solid waste. We calculated the book and sent it to the metropolitan council. The metropolitan municipality will decide here. The regulation says "Can take". If not, what will it be? I spend more than a third of my budget on cleaning services. 300 employees work in cleaning services. A monthly payment of almost 900 thousand - 1 million TL is made. In return, the income collected from the environmental cleaning tax is around 200-250 thousand TL per month. Yet what does the regulation say? According to the polluter pays principle, the expenses for cleaning services are paid by the citizens who benefit from the cleaning services. Quite obvious. There is a law, there is a regulation, but no implementation. The regulation left the application to the will of the metropolitan, to the water bills. It was thought to be easy in collection, but there is a problem in implementation.

4) Is the income of your district municipality proportional to the authority, duty and responsibility required by the metropolitan municipality system?

Mayor of Atakum (RPP)

Atakum municipality has a fixed property tax income, environmental cleaning tax income and advertising income. But this municipality is a 30-year-old municipality, and let's see, we don't know the number of buildings in this city. We do not know the number of elevators in this city. There are transformer towers in the most beautiful parts of the city, which is an ugly sight, but no one knows whether it is necessary to get the rent and income for these transformers. So there is a lot of space around here. For this, it is necessary to authorize the municipal councils a little.

Mayor of Terme (JDP)

Considering both the share we receive from the central administration and our own revenues, if we do not have debt, we will solve all our problems in our district without any trouble. If we do not have debt, our income is sufficient, we will turn it on ourselves.

Still, the share distribution system must change. It should not be an assessment based solely on population. Much different criteria should be introduced for rural areas.

5) Is the use of municipal resources a technical issue or is it within the initiative of the municipal administration?

Mayor of İlkadım (GP)

It is up to the municipal council to prepare a budget. Planning is in progress. There is a similar method here just like in the Turkish Grand National Assembly. We are preparing for this sources to this work and this sources to this work etc. Here, the initiative is of course in the municipality council with the mayor. But the problem is, there is no legal problem, the main questioning segment here should be the public. Now I see this gradually, I see it in our district, the public is gradually increasing their ability to question. Here, a structure that will follow this and ensure the control of the people should be formed. Things need to be done to make it easier for the public to question. We are gradually getting to that point, but we are not exactly at the desired level.

Let me give an example, I handed over the municipality to the mayor of the ruling party in 2014, I got it back in 2019. There is an abnormal difference between the numbers I have submitted and those I have received. Okay, the municipality can borrow, produce services, do something. But you expect it to do something in return. We do not have a municipal council majority at the moment. But there was the mayor of the previous period, and decisions made by the municipal council for enormous amount of credit from this and that bank. For what? For current expenditure. Such a thing should not happen. The public has no knowledge, they cannot question it, the members of the municipal council are unaware of the world, and if there is, they cannot speak out because if they say no, they cannot come there again. The people will be in

a position to question, which will undermine the authority that creates problems here. We have achieved this here. We were proud.

We were elected in March 2019. The money spent in the first three months of 2019 is incredible. We vote the budget for 2019, the first three months are not our period. There is also such an oddity. We vote for the money we did not spend. Budgeting during election periods should also differ from the regular period.

Mayor of Atakum (RPP)

The municipality has very limited powers in this regard. The main thing here is to keep open the areas where municipalities can grow their own money and generate their own revenues.

For example, there are GSM operators and base stations. Before 2009, a law on base stations was enacted, a law was enacted so that they would not obtain a license, and that they could install them wherever they wanted, canceled by the constitutional court. Despite this, they have worked in harmony with the municipalities until now. Now we have been elected, it has been the subject of many lawsuits. In this period, these GSM companies were the only ones who made profit during the pandemic. None of them are ours, all of them are foreign capital. Now a law has come out, they will not pay a penalty, they will not get a license, you will apply it to Law No:3194, but as follows: Within 1 year, each company will inform you where their base stations are, you will request these and these documents from them within 2 years, they will give you these and these documents within 2 years, and then you will give them a license. Is this your job? Why are you interfering with our business?

Mayor of Terme (JDP)

For rural municipalities like us, it is not possible to think of doing anything extra except current expenditures. But if you have a municipal council majority, for example, you can use populists as you wish, but doing so will sweep the problems under the carpet.

The resources used by the municipalities should also be strictly controlled. It is necessary to look at the finest detail, not only with a mathematical audit, not only with the audit of the TCA.

I do not think that this situation can be solved only with money. We need structural changes. The fate of a city is too important to be left alone to the mayor. The mayor has to be obliged to something, have to be convicted to do something.

Democracy does not mean you cannot impose an obligation. Rules such as spending limits should be imposed on the mayor. Of course, we face voters every five years, the voters test us, but upper limits must be set for spending.

6) Do you need external borrowing opportunities?

Mayor of İlkadım (GP)

No. We did not borrow any foreign debt. Treasury guarantees are also required; it is a troublesome process. You should also know the intention of the other party; nobody will lend money for good. Personally, I don't look positively.

Mayor of Atakum (RPP)

No, we did not use foreign borrowing.

Mayor of Terme (JDP)

No, we do not have foreign debt.

7) Do you carry out joint projects with international organizations?

Mayor of İlkadım (GP)

No, we don't.

Mayor of Atakum (RPP)

We have a couple of studies, but they are not effective. There are problems arising from personnel.

Mayor of Terme (JDP)

No, we don't.

8) What do you think about the amendment (rural neighborhood) brought by Additional Article 3 added to Law No. 5216? Was there a need for this innovation specific to your district?

Mayor of İlkadım (GP)

There are 10 settlements in İlkadım that used to be villages and later turned into neighborhoods. Since all of those 10 villages are not very far from the center, they cannot be called a village in the full sense. Therefore, it didn't affect us much.

Mayor of Atakum (RPP)

They authorized the municipal councils to separate them, so we separated them. But there are gaps again. In other words, will the headman of the rural neighborhood be different, will it have legal entities, will the job definition of the municipality change between rural and other neighborhoods. There are openings about these issues and we need to define them.

Mayor of Terme (JDP)

The concept of rural neighborhood does not bring us any economic benefit. For example, there is an innovation there that cemeteries are transferred to the district municipality. But we already have almost all of the maintenance and cleaning of the cemeteries. But, when you look at it, the owner is metropolitan. Abundance is in the metropolitan municipality; we have the trouble.

9) What are the areas that you consider disadvantageous / advantageous as a metropolitan district municipality close to the city center? Among the services of the metropolitan municipality, do you think your municipality has a negative / positive externality?

Mayor of İlkadım (GP)

I do not think it creates an advantage. This is the central district, when you say the central district, this is a place established before the metropolitan city. After all, the place we call old Samsun was a place within the area under our jurisdiction, but with smaller borders.

If you are asking in terms of accessibility or dialogue, this depends entirely on human relations and bilateral relations. So even if you are right beside metropolitan municipality, it does not have an advantage if your relationship is not good. If your relations are good, then you will get the results. The advantage of being a central district is different. Many things have been done. In this sense, there isn't much left to make you dependent on the metropolitan municipality.

10) Does it provide an advantage / disadvantage to be from the same / different political party with the metropolitan municipality? If the metropolitan municipality was from the same political party / different political party from you, would the metropolitan municipal system work more inefficiently / efficiently?

Mayor of İlkadım (GP)

There are administrative problems. It looks like it works well on paper, but in practice it never happens. We have many projects waiting in the metropolitan municipality. Everything is available, everything is proper but it is not allowed. Because we are from another party, there is no other reason.

But most of the time, it doesn't matter whether the political party is the same or different. It is actually a matter of interpersonal human relations. There are many examples where the metropolitan and the district cannot agree, even if they are from the same party.

The man says, "Let the district municipalities depend on me". The metropolitan municipality can lock the zoning in the district if it wishes. It should not have such broad authority. Okay, the metropolitan has to approach to a large extent in planning, but despite everything, when it is said that what I say is ok, then why are we here, then why does the people choose us as the mayor?

That's why the powers need to be distributed in a balanced way. Otherwise, the district municipality is forced to get along with the metropolitan municipality, if it does not make a living, it can make various obstacles. If the metropolitan and the district are from the same party, especially if they are the same political party with the central government, the advantage is great. Lots of things are getting much faster and easier.

Mayor of Atakum (RPP)

When you are from a different party, there is an understanding that I will block it, because they are not from my party. Even if he is from the same party, this time if he is become a little successful, he will become a parliamentary and must block his way even now. The important thing here is intention. If you say that my intention is to serve people of Samsun, make them happy, then you will not look at the party of the Mayor of Atakum. You will look at his dreams and his urban projects.

Mayor of Terme (JDP)

Even if we were from a different party, I do not think it would be a problem. Now, we are from the same party, we can tell our troubles more actively. I think this is an advantage. You do not feel foreign. We can express ourselves comfortably.

There is no difference in transferring resources, whether from the same party or from a different party.

11) Your district is a district where agricultural production / tourism / commercial relations are intense. This situation causes a significant population density of people who do not reside in your district but come to work / visit from other districts or provinces. Does this increase the demand for municipal services? Is there an income inequality between other district municipalities and your municipality arising from this issue? How do you think a solution can be found in this situation?

Mayor of Atakum (RPP)

This is a common problem for district municipalities in all tourism regions. Income is based on residence, but the population you serve is 10 times the size of residence. Especially in summer, the revenues of these municipalities should be supported from the central budget. Other models can also be created. Or the stakeholders of tourism should be shared with the expenses of the local government in that city. Because they are the winners from tourism. Additional taxes may be imposed on these for these periods. There may be solidarity taxes, contribution to tourism. If these stakeholders work in harmony with local governments, their earnings will be higher in the next year.

Because they will have recognition, those who come to that city will leave satisfied, they will have municipal service.

For example, there is a magnificent place near Ayancık, by the sea, in the middle of the green with its clean air. An English teacher and a German teacher set up a bungalow house there 20-25 years ago, they run it. An American family discovered it all the way back when the radar in Sinop was working. They still come there every summer. We have such places and it is the duty of local governments to protect these beauties. Therefore, it is necessary to strengthen local governments, the central government should assume the task of organization among local governments.

Mayor of Terme (JDP)

The population of Terme was 73 thousand, and despite the pandemic this year, our population increased to 140 thousand during the summer season. From time to time we couldn't even catch up with garbage. The number of personnel is the same, but the service network is expanding. Also, those who come from abroad can see your city only then, and we have such a responsibility.

12) What can you say about municipal debt management?

Mayor of İlkadım (GP)

There is a serious debt burden that was transferred to us from the previous period. This situation limits the municipality considerably. Because the resources are fixed and the debt repayment is fixed. Also, private banks, for example, follow such a path: The bank is coming and seizes the ILBANK share. The bank has secured itself that way. Or they take over the electricity consumption tax. Therefore, it blocks the municipality's income sources.

Mayor of Atakum (RPP)

There are serious problems in the municipality's income. They exposed these troubles by borrowing. The debt model is not a good one. There will be neither growth nor development with borrowing. Borrowing is a model that pulls both the economy and

the country down. Borrowing must be sustainable. Increasing the borrowing limit saves the mayor that day.

Especially in this period, the service area and service network of local governments increased. Therefore, a complete ban on borrowing would not be a solution. Municipalities have borrowed up to several budgets. They say produce resources or something. Okay, where will it be produced from? The population of Atakum is 200 thousand but it was planned according to a population of 700 thousand and all the lands were sold. Municipalities have never paid their debts to the public until now, and they are accumulating. There was restructuring, they sold the land and paid what they had, then continued again.

Mayor of Terme (JDP)

District municipalities are completely immersed in debt. SSI debts, tax debts, other debts... On the other hand, loans were taken, loans were given to municipalities continuously, municipalities used the continuously given loans ineffectively.

Now the new configuration is out. But the debt has reached such a level that we cannot even restructure it.

We also owe ILBANK. The payment is automatically deducted.

When the municipality wants to borrow money, it has to get approval from the Ministry. But the Ministry cannot see my debt to the market. Ministry knows SSI, knows the Tresuary, but because Ministry does not know the debt to the banks, whenever the municipality asks for a loan, the Ministry gives it. It shouldn't be like that.

In addition, before the elections, as soon as it becomes clear that the current mayor will not be a candidate, it is necessary to end all spending authority except for routine and urgent works. It doesn't matter what the party is. It's very clear here. Because all the work done from that moment on is done with an effort to leave debris to the next period.

6.2.2. Other Topics Discussed in Interviews

In the interviews, in addition to the answers given above, the suggestions as solutions are listed below:

- In terms of income sharing, issues such as the use of the built-in area criteria, the length of the coast / road, the state of the land should be taken into account in addition to the area.
- Differentiation of distribution criteria according to day and night population.
- Providing additional-sufficient resources to municipalities hosting refugees and immigrants
- For large enterprises and factories that do their business in the town and pay the tax in metropolitan cities because the center is in the metropolitan cities, the principle of "the place where the business is done, not the place where the legal center is located" should be included in the Law.
- Expense-increasing (new) duties or income-reducing exemptions-exceptions given to municipalities as a result of the legislation issued by the central government should be reviewed, and resources and facilities (proportional to the costs of the services carried out) should be provided to local governments in relation to these.
- Works such as road, bridge and school repairs and renovations that should be done by the central administration are also carried out by the municipalities. It should be ensured that the costs spent for these transactions are paid to the municipalities, at least deducted from the tax base by the municipalities.
- Tax amnesty practices lead to tax avoidance. For this reason, amnesty applications should be applied in exceptional cases and should not be applied frequently.
- Execution proceedings are suspended for political reasons. It is possible and necessary to increase the realization rates of municipal revenues.
- Making subcontractors civil servants creates an additional financial burden. The subcontractor arrangement put a huge burden on the municipalities.

- Municipalities should determine the tax rates themselves, paying attention to the lower and upper limits of the taxes. It could be argued that this would be more appropriate for local autonomy. The Constitutional Court has a positive opinion on this situation. The central administration should make a regulation on this issue.
- 10% share of cultural and natural assets allocated from property tax should remain in the municipality.
- The mine share given to YIKOB should be given back to the municipalities. Development Agency should not be given a share.
- There are problems regarding the collection of advertising tax. The advocacy that international companies are exempt from advertising tax, but that their companies under these companies are exempt, reduces the collection.
- Municipalities do not have any income items related to renewable energy.
- It is suggested that treasury lands be given to municipalities free of charge to be used in public service.

6.3. Conclusion

As a local government model, it is seen that the metropolitan municipality system has been internalized not only in the three largest provinces of the country which are Istanbul, Ankara and Izmir, but also in provinces such as Samsun, which are located on the periphery of the Anatolia. It is accepted that this situation creates a positive result in terms of the understanding of local administration and the perception of democracy in connection with this.

The fact that the areas that are thought to be deficient in the current system are clearly voiced by the mayors of the opposition and the ruling party, which is an indication that the problems in these areas are accepted by everyone and there is a unity in the need for changes in these areas.

The underlying deficiencies are the inadequacy of the legislation and the opposites of legislation and implementation. This situation is an indication that while the understanding of local administration has been internalized at this level, the written

rules are not formulated in depth enough and local governments are being designed with a total understanding.

In this context, it can be said that the most mentioned deficiency is that all local government units are set up with a few laws. It is frequently stated that attempting to manage cities, which have great geographic, economic, social and cultural differences from each other, with a single law leads to inefficiency and inefficiency.

It is a frequently said negativity that metropolitan municipalities are given exaggerated powers compared to district municipalities and this situation is not compatible with localization. It is stated that although metropolitan municipalities have all kinds of facilities with their huge budgets, district municipalities do not have similar opportunities and this situation causes disruptions in service provision. It is said that this situation stems from the legislation and the district municipalities do not have sufficient flexibility. As a result, it is concluded that district municipalities are at a disadvantage against metropolitan municipalities (even if they are from the same political party) and that the hierarchical relationship that is not included in the law occurs spontaneously in practice.

During the interviews, it is stated that if there is a comprehensive or partial amendment to the local government legislation, it should be done in consultation with local government units. At this point, it can be said that the unilateral practices of the central administration created a discontent at the local level.

It has been stated that the lack of solution in the issues with congestion harmed the district municipalities. District mayors, one of the important actors of local politics, say that even if the responsibility is in the metropolitan municipalities in the problematic areas, it is the district municipality and the city people hold themselves responsible. District municipalities have sometimes stated that they perform services that are not under their responsibility, as a result of reactions. The solution proposals presented in the negotiations against this situation converge at the point of transferring the authority and the income sources in parallel with the authority to the district municipalities.

It can be said that district municipalities close to the center demand more autonomy and flexibility than rural district municipalities. This situation is considered to stem from the economic development difference. Rural district municipalities, which have problems even in the performance of basic municipal services for financial reasons, demand that the prioritization of the services to be provided by the municipalities by the central government and making this order becomes a written rule, while the central district municipalities do not have such a request. Because many infrastructure problems have already been solved in central districts, there is no need for any priority order, and even if they have financial problems, they oppose the tutelage of the central government regarding the services to be provided. This situation is another indication of the need for an in-depth legislative structure.

It has been stated that the political differences between the metropolitan municipality and the district municipalities do not cause too many problems in practice. It was stated in all the interviews that bilateral relations are more important and political differences are more superficial. Although this situation is thought to be positive at first glance, it is considered that it has a great potential to create problems in terms of institutionalism. It is believed that the city administration should not depend on the quality of bilateral relations between municipal administrators.

In all the interviews, it was emphasized that the revenues were insufficient and not proportional to their duties and responsibilities. It has been said that the criteria in the share distribution system should be differentiated in line with the needs of rural and central district municipalities. In addition, the central district municipalities requested flexibility regarding the diversification of income sources, and at this point, authorization of the municipal councils was requested.

It was stated that district municipalities do not have any problems in terms of using resources. However, there is an intense demand for control by both the opposition and the ruling party municipalities. It has often been stated that the audits of a few months before and after the elections should be conducted not only in the form of legality but also in the form of appropriateness, taking into account the expenditures. This situation is considered to include not only local government legislation but also regulations in other fields.

The mayors who were interviewed stated that they do not use foreign resources and they do not carry out joint projects with international organizations. This situation is considered to be extremely negative due to the lack of information in accessing the projects carried out with international organizations and the financial resources.

The comments made about the latest amendment in the local government legislation are in the form of no effect by the central district municipalities, and no benefit by the rural district municipality. This situation shows that the marginal benefit of legal regulations is very low.

The problems and inequalities created by the fact that the district municipalities take a share according to the resident population but provide services to much more than the resident population were expressed intensely. At this point, the share distribution system, which is determined according to the needs and differentiated periodically, is one of the proposed solutions. In addition, it was another suggestion that companies operating in that district and having a positive externality should contribute to the municipal budget.

It was stated that the resources are insufficient due to the increase in service areas of the municipalities day by day. It was stated that this situation caused an aggressive borrowing. It has been said that the difficulties in repayment due to borrowing are a major obstacle for the municipalities. In addition, it was stated by the mayors of both the opposition and the ruling party that those who decide to borrow and those who have to repay are not the same administrations and that is a very crippled and unfair practice. It was stated that it was wrong for the central administration to allow the municipalities to borrow without considering their debts to private banks. It was stated that borrowings made in this way have a high probability of causing corruption. This situation shows that in-depth legal regulations specific to municipalities should be made regarding borrowing.

During the meetings, questions were asked by taking into account the financial information of the municipalities, and especially their opinions about the share distribution system were taken. All 3 mayors stated that the variables in the share distribution system should be further deepened and rearranged with a more equitable approach.

The municipality where the criticisms expressed on financial matters were most concentrated was Terme. It is considered that the criticism of the Mayor of Terme is very important, with both the distortions in the share distribution system and his views on the lack of financial autonomy of the municipalities. It is evaluated that this situation is parallel to the table that emerges when the financial information of 3 municipalities are compared.

It is normal that the views expressed by İlkadım and Atakum Mayors are parallel to their membership of the opposition party and their opposition point of view. Although their criticism of the existing system is not solely due to their membership in the opposition party, it is understandable that their approach is different from the central government. However, the opinions and suggestions of the Mayor of Terme, who is a member of the same political party with the central government, show that the disruptions in the metropolitan municipal system cannot be ignored.

The thoughts expressed by the Mayor of Terme, especially with his views on the share distribution system and the sharing of powers, show that the metropolitan municipal system is far from reducing the differences between regions. In this respect, it has once again emerged as a result of financial analysis that neoliberalism is not interested in distributional relations, but uses local governments as a tool in the reproduction of capital.

CHAPTER 7

CONCLUSION

Although the history of states is much older, local governments are relatively new institutions. From this point of view, it can be said that the theoretical debates on local governments spread over a wide range and do not have a certain standard.

In order to protect the interests of the bourgeois class and to ensure the reproduction of capital, the state mechanism's 'duty' that remove the obstacles to capital had to be reinterpreted in terms of security, justice and diplomacy, which have been assigned to it throughout history.

The answers given to questions such as where, to whom, when and how the state should intervene as a result of different needs emerged in different periods have revealed different interpretations in the conceptual framework of liberalism. Despite the obvious difference between the reflex shown to the 'small state' need after the industrial revolution and the reflex shown to the needs after the two world wars, the scope has never changed and the continuity of capitalist production and consumption relations has always existed.

All the economic, social and political debates have been made within this framework, as the industrial revolution and subsequent strengthening of capitalism, which has become a dominant hegemonic idea, has gained a global acceptance in the last century by further strengthening this hegemony, in the form of neo-liberalism in which rule-free practice is adopted as a rule. With the assumption that the end of history has come and that liberalism is the most rational ideology for human beings, the reference point in the study of all production and consumption relations after 1980 has been liberalism and neoliberalism as the concept that it has evolved recently. At this point, the position of European states, which are at the center of all major wars, revolutions and

developments globally, has enabled all other states to react similarly. It has been led by the European states and the USA, despite the fact that after the Second World War, the public interventions increased so that the capital could reproduce itself, and with the aim of removing the obstacles before the capital after 1980, the state has failed to do so with the understanding of 'shrinkage' outside the main areas.

In the field of public finance, which examines the economic and financial relations of the state, different understandings came to the fore in different periods. In the post-World War II period, increasing the public expenditures with the 'benevolent' state understanding and the state's intervention in the economy have reappeared the 'Paternalist State'. During the Cold War period, with the need to protect the bourgeois class in the face of the "danger of socialism", the protectionist state showed itself in every economic, social, cultural and political field. The understanding of local governments, which have more "derivative" duties, and strong central governments have prevailed.

However, with the lifting of the iron curtain, the need for unlimited mobility of capital emerged and this situation required the state to redefine its position. With the argument of democratization and enhancement of liberties, strong central administrations have ceased to be ideal and it has been argued that it is a necessity for the state to shrink and delegate its duties, powers and responsibilities to local administrations which are claimed to be 'more democratic and libertarian'. Therefore, with the understanding of reducing the intervention of the state by reducing spending in the field of public finance, it is envisaged to transfer powers and responsibilities from central administrations to local governments, which are expected to be more compatible with the private sector.

The history of local government in Turkey, showed parallels with nearly 150 years of struggle for democratization and the emergence of democratic institutions. In this sense, it can be said that Turkey's local government development is monitoring the development of local governments in Europe. Especially considering that a significant part of the European Union legislation concerns local governments, reforms for local governments have come to the fore in the last years of the membership process.

Turkey's neo-liberal policies that ensure full compliance with the period after 1980 (and in particular with the 2000 post-reform) central administration of local governments across the state has changed considerably. With the Municipality Law numbered 5393 and the Metropolitan Municipality Law numbered 5216, it was tried to weaken the central administration, which is expected by neo-liberalism, by strengthening the position of mayors against the governor and district governor, which is the local extension of the central administration.

In this thesis, it is tried to be measured how much the position of local governments in the face of the central administration has increased financially as claimed. As a result of the study, it was understood that the financial resources of local governments were not strengthened as much as was suggested independently from the political and administrative perspective. The fact that the diversity of financial resources is low and their dependency on the central administration is high has been evaluated by examining the financial statements and legal regulations. It can be said that this situation leads to limited political mobility and flexibility of local governments.

Therefore, it is seen that a two-way contradiction emerged in the last case.

Firstly, adapting to neo-liberal policies with the discourse of democratization and freedoms after 1980 has shown itself as the main goal. The discussion of how democracy and freedoms fit with neo-liberalism has been ignored. This situation revealed a distorted situation such as 'elimination of democratic institutions one by one for democratization' during the neo-liberalization period. In particular, with the support of post-modernism, which sees modernism as "the whole of outsourced projects", the elimination of all values advocated by modernism together with its institutions has been the sole aim of all governments after 1980.

The second contradiction in connection with the first is that local governments do not have the financial resources to support the duties and powers transferred from the central administration, with the disappearance of the institutional and intellectual infrastructure that will defend them against the central administration. This situation did not reduce the dependencies of local governments to central government as much as in European countries and OECD countries. As a result, a local government structure, which is financially dependent on the central administration, has emerged.

As a result of this intense dependence on the central government, the central government, which regulates the administrative and financial structures of local governments, has been able to establish a system that can easily implement its policies locally through metropolitan municipalities. It can be said that the metropolitan municipalities have become a powerhouse locally as a result of both the increase in their shares from the center and the strengthening of their positions against the central administration.

It is seen that there is no significant increase in the revenues of local governments as foreseen during the studies of the Law No. 6360. Although the per capita income of metropolitan municipalities was 503.39 TL in 2014, it increased to 858.22 TL in 2018, but this increase was absorbed by inflation.

From an income perspective, the fiscal decentralization rate was between 3% and 3.5% in the pre-Law No. 6360 period, while it was between 4.4% and 4.8% in the period after the Law No. 6360. This change shows us that the reforms carried out in the field of local governments are far from providing financial decentralization.

The most distinctive feature of the period after 2014 is the innovation realized in the metropolitan municipality system. In this way, it was expected that the efficiency and productivity of local governments would increase. However, at this point, metropolitan municipalities have strengthened against other local government units. While the share of the revenues of metropolitan municipalities in the revenues of all local government units in the period before 2014 was around 24% - 26%, this rate increased to 34% in the post-2014 period. This situation shows that both the own revenues of the metropolitan municipalities and the shares they receive from the center increased relative to other local government units.

This situation, which causes metropolitan municipalities to gain strength against district municipalities, has revealed the problem of "local centralization". The problem of hierarchy, which is absent in both legal regulations and theory, has emerged in practice.

The situation of district municipalities has weakened much compared to the pre-2014 period, both due to the relative decrease in income and the transfer of many duties and responsibilities to metropolitan municipalities compared to the period before 2014.

While legal studies are carried out by the central government, they are expected to work with local governments that are law enforcement. It can be said that the close relationship between the political power in the central government and the metropolitan municipalities of the same political party during the reform studies carried out on local governments reinforces this situation. In short, because district municipalities' mayors of metropolitan municipalities are member of opposition parties and metropolitan municipalities' mayors are from the same political party of central government, this has led to the emergence of a distorted situation that strengthens the position of metropolitan municipalities vis-à-vis district municipalities.

This situation produced a grave picture for the district municipalities. The implementation of political decisions has become impossible for these administrations, whose jurisdiction has been considerably shortened and their financial resources are too weak to be compared with metropolitan municipalities. In particular, the district municipalities that are under the administration of a political party different from the central administration and the metropolitan municipality have been weak in every sense. Aside from the fact that what can be done within the framework of the legislation is very limited, it has become difficult to reach sufficient resources to perform even routine tasks.

When metropolitan municipalities and metropolitan district municipalities are evaluated together, two dead ends occur.

Firstly, the cost of providing services by metropolitan municipalities, whose jurisdiction is provincial administrative boundaries, to district municipalities with jurisdiction administrative boundaries is different in each metropolitan area and district. While the more centrally located district municipalities may benefit from the duties performed by the metropolitan municipalities, the district municipalities far from the center and more 'provincial' could not have the same privilege. This situation has made a difference in terms of service quality among the district municipalities that

have the same mutual relationship with the metropolitan municipalities and the same duties and powers with the other district municipalities. Disadvantaged district municipalities far from the center continued to emigrate by getting even weaker against the district municipalities located close to the center and where metropolitan municipalities are more easily accessible.

The second is that the population provided services by the metropolitan district municipalities, whose jurisdiction is the city center, is more than the residents. District municipalities in metropolitan centers, where commercial, economic, social and cultural activities are intense, are forced to serve those coming from outside the district, although they are voted only by residents. The financial resources of these district municipalities, where the distance between the day and night numbers of the district population is quite clear, are not sufficient. There are two reasons for this situation: First, the shares received from the center depend on the population criterion and the residence criterion is taken as the basis when calculating the population. Therefore, since the rate of residence in these places is quite low where economic activities are intensive, the shares received from the central administration by population criterion are not sufficient. Because, due to the nature of municipal services, the services that provided must be directed not only to those who reside there, but to everyone physically present. Secondly, the own revenues of the district municipalities are mostly obtained from the residents of the district. This situation also creates a disadvantage due to the fact that the population which is the source of income of the district municipalities and the population served by the district municipalities are in different numbers.

Samsun province has been chosen as a case study for this thesis. One of the reasons for this is that the metropolitan municipality administration is a member of the same ruling party with the central government before and after Law No. 6360. Therefore, it is aimed to compare the results with the aims of the mentality that established the current metropolitan municipality system.

One of the current ruling party's and its leader's hallmark sign in Turkey is an attempt to win votes over the "mega projects" which also are exposed to all parties fairly harsh criticism outside of itself. Although the success of propaganda over large infrastructure

projects and high-cost constructions is not the subject of this thesis, it is considered that the transformation in Samsun is striking in terms of understanding how much that policy plays a role in determining voting preferences.

Samsun previously had a politically social democratic municipal administration. During the 1999 local elections, victory of center-right party that was part of the central government with the promise of building an airport in Samsun was a small rehearsal practice of using “Mega Projects” to win the election which had been used after 2000s across the country. In this sense, Samsun voters have similar voting preferences with the country. It is considered that the differentiation of preferences in District Municipalities in the 2019 local elections has a meaning at the point of local administrations.

Similarly, another reason is that although the metropolitan municipality in Samsun is from the same party with the ruling party in the central government, the distribution of political parties at the level of district municipalities varies considerably. In this way, understanding of different political approaches at the level of local governments has been tried to be measured financially.

Although the inferences made from the field studies carried out have been stated in the previous chapters, the similarities of the problems expressed by the mayors at the level of district municipalities are quite clear. This situation is welcomed in terms of showing that if a reform is desired to be carried out in the upcoming period regarding local governments, we actually have enough data and it is obvious what the problems to be solved, even if there are too many.

The fact that borrowing has become the norm in district municipalities has emerged as the most important problem. It is striking that local governments, which are subject to as much control and supervision as possible by the central government in many other areas, are freer to borrow than any other issue. It is concluded that the elimination of the debt crisis, which is the most important problem to be solved, will not be possible even if the debts are completely erased in the "imaginary future", and municipalities will go into debt again unless revenues and especially own revenues are increased.

One of the most important structural problems is the problem of expenditures made during election periods, which is indirectly related to borrowing. The pre-election expenditures that are not related to routine services are in compliance with the written-law but not in accordance with the unwritten-law. At the same time, ethical dilemmas are faced if the administration that prepares the budget for the year in which the elections are held is different from the management that made the expenditures. During the municipality management, which is expected to cover a limited period, a significant portion of the limited period is spent by implementing the decisions of the previous period. Similarly, it has been determined that the financial problems created by the "mayor who will not be elected" or "the mayor who cannot be elected" do not discriminate between the municipality and the political party.

Therefore, high debt amounts and financial dependence on the central government in local governments have been accepted as the norm and policy production starts from this point. Based on this, it is possible to say that in the current situation, local governments do not have any other action than making an effort to fulfill their routine duties.

At this point, it was determined that the metropolitan municipality system, which was put into practice in 2014, in the first period of its implementation, it was as far away as possible from the principles expressed by the political power and concretized with European Union standards while the system was setting up, and even moved in the opposite direction. It is considered that the analysis made in the field of fiscal decentralization will play an important role in solving the structural problems that cause such a situation to occur.

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C. TURKISH SUMMARY / TRKE ZET

BLM 1

1980'den sonra, kreselleşmenin eşlik ettięi neoliberal politikalar, hayatın neredeyse tm ynlerine hakim olarak tm dnyada rakipsiz hale geldi. zellikle, merkezi ynetimlerin gçl olduęu lkelerde, piyasa başarısızlıęından ok “devletin başarısızlıęı” neo-liberal reformlara zemin saęlamada stnlk kazandı.

Gelişmekte olan bir lke olarak Trkiye bu tr tartışmaların ve politika deęişikliklerinin dışında deęildi. 24 Ocak kararlarında olduęu gibi ekonomide ve 12 Eyll darbesinde olduęu gibi siyasal hayatta da sert tedbirler sayesinde "piyasaların ve ekonominin liberalleşmesi" gerekleşti. Szde neoliberal reformun nemli zelliklerinden biri, yerel ynetimlerin artan gcnn, hem ekonominin liberalleşmesi hem de sosyal ve siyasal hayatın demokratikleşmesi ve Trkiye'de zgrlklerin genişlemesinin anahtar mekanizmalarından biri olarak gsterilmesiydi.

Merkezi ynetimin yetki ve sorumluluklarının hem baęımsız idari makamlara hem de mahalli idarelere devri kapsamında yapısal reform alışmaları yapılmış, kamu ynetiminin yapısı neoliberalizm ekseninde yeniden dzenlenmiştir. Bu noktada hem 5393 sayılı Belediye Kanunu hem de 5216 sayılı Bykşehir Belediyesi Kanunu'nun yerel ynetimlere nemli yetki ve sorumluluklar verdięi sylenebilir. Bu alışmalar neticesinde, merkezi hkmetin yerel yansıması olan vali ve kaymakamın yetkileri nemli lde azaltılmış ve sembolik hale gelmiştir.

Her alanda uygulanmaya alışılan neo-liberal politikalara paralel olarak, yerelleşmenin zgrleşmenin nemli bir işareti haline gelmesiyle merkez-yerel ilişkisinin toplumun demokratikleşmesinde bir gsterge olarak gsterilmeye alışıldığı sylenebilir.

2000'li yılların başında hızlanan Avrupa Birlięi yelik srecinin abalarına paralel olarak yrtlen yerelleşme alışmaları, aęırlıklı olarak demokratikleşme, ynetişim ve siyasal katılım erevesinde yrtlmştr. Gçl merkezi ynetim tarafından yerel ynetimlere yetki ve sorumluluk devri Trkiye'de reformun nemli bir boyutu olarak grlmştr.

BÖLÜM 2

Neoliberal politikalar, küresel olarak kârlılığı ve sermayenin serbest dolaşımını artırmayı hedefler. 1980 sonrası dönem, neoliberal politika çerçevesinin teorik ve pratik çelişkilerine rağmen ayakta kaldığını göstermiştir. Sınırlı devlet ve serbest piyasa gibi teorik olarak belirtilen ilkeler hiçbir zaman uygulanmamış olsa da neoliberalizmin sosyal alanda kabul görmesinin nedeni katılım, şeffaflık ve yerelleşme gibi kavramların sürekli vurgulanmasıdır.

Küreselleşme kısaca, dünya piyasaları ile birlikte hareket eden ve sermaye birikimi amacıyla tüm ekonomik süreçleri belirleyen ulusal ekonomiler olarak tanımlanabilir.

Kapitalizmin doğuşundan bu yana geçen tarihsel süreçte, aslında bir dünya sistemi olduğu ve sermayenin birikim sürecinin ulus-devletlerden bağımsız bir oluşum sergilediği bilinmektedir.

1970'lerde Keynesyen politikaların yaşadığı ikilem, sermayeyi desteklemeyi amaçlayan neoliberal politikaların ortaya çıkmasına neden oldu. Bu politikaların önceki dönemden farklılaştığı nokta sadece refah devleti uygulamalarının terk edilmesi değil, aynı zamanda sermaye birikim süreçlerinin coğrafyasındaki değişimdir. Küreselleşme, üretimin örgütlenmesinde ve sermayenin serbest dolaşımında giderek daha güçlü bir kavram haline gelmiştir.

Az gelişmiş ülkelerde IMF, Dünya Bankası ve benzeri kurumların etkisinin artması, devlet yapılarının dönüşümüne yol açmıştır. Bu anlamda, yerel yönetimlerin emeğin yeniden üretimindeki rolü yerini ekonomik kalkınmaya odaklanan politikalara bırakmıştır.

Son olarak, bu dönüşüm sürecinde yerel birimlerin sadece ulusal değil küresel ölçekte rekabet edeceği ve yerelin küresel kent sisteminin bir parçası olacağı öngörülmektedir.

Neoliberalizm, 1920'lerin sonundaki krizle baş edebilmek için liberalizmin Keynesçi dönüşümünden kaynaklanan devasa devlet organizmasını küçültmeyi amaçlasa da, kamu harcamalarındaki artış ve dolayısıyla devletin genişlemesi 1980'lerden sonra bile devam etmiştir.

Kurumsal yapılanma, devletin önemli bir boyutudur. Devlet, sınıflar arasındaki siyasi dengelerin benzersiz bir ifadesidir. Devletin iç organizasyonunda sınıf içi bölünmeler, çelişkiler ve farklılaşmalar kaçınılmazdır. Merkezi ve yerel yönetimler arasındaki çelişkiler, merkezi düzeyde örgütlenmiş çıkar grupları ile yerel düzeyde örgütlenmiş çıkar grupları arasındaki çelişkilerin ifadesidir.

Kapitalist devlette sabit bir hükümet biçimi olmamasına rağmen, bazen ekonomik ve sosyal hayatta merkezi yönetim ön plana, bazen de yerel yönetimler ön plana çıkmaktadır. Marx'a göre, her bir üretim tarzı, yasal ilişkilerini ve yönetim biçimlerini ortaya çıkarır. Ulusal ölçek gibi yerel ölçek de kendi içinde eşitsizlikleri barındırmaktadır. Yerel düzeydeki sermaye grupları, güç yerele devredildiğinde çoğunlukla faydalanıcıdır. Bu, daha önce zayıf olan bölümleri daha da zayıflatabilir.

Merkezileşme ve yerelleşmeye karşı muhalefet, ülkelerin gelişmişlik düzeyine göre değişebilir. Gelişmiş ülkelerde rıza yoluyla meşruiyet elde etmeye yönelik güvenlik hizmetleri ve eğitim ve benzeri hizmetler yerel yönetimlerin görev ve yetkileri arasındadır. Bu ülkelerde sosyal kontrol fonksiyonunun yerele devredildiği söylenebilir. Ancak, az gelişmiş ülkelerde, bu işlevler merkezi hükümetin elindedir ve merkezin yerele doğrudan uzantıları yoluyla yürütülür.

Benzer bir mesele, emeğin yeniden üretimi için de geçerlidir. İkinci Dünya Savaşı'ndan sonra kentsel gelişimin merkezinde yer alan işgücünün yeniden üretim süreci, gelişmiş ülkelerde refah devleti tarafından yürütülürken, daha az gelişmiş ülkelerde bu büyük ölçüde yerel toplulukların kendilerine kalmıştır.

Egemen söylem çerçevesinde yerel yönetimleri çekici kılan şey, yerel yönetimlerin katılıma merkezi hükümetten daha açık olduğu ve bu söylemde yerellik ve demokrasinin neredeyse özdeş olduğu varsayımdır.

Yerel yönetimler, merkezden dayatılan politikalara aracı olarak yerel düzeyde merkezin temsilcisi olarak hareket ederken, bir yandan da yerel güçlerin kendi çıkarlarını savundukları bir araç haline gelirler.

İkinci Dünya Savaşı'ndan 1970'lere kadar merkezi hükümetin finansal işlevlerinin yerelleştirilmesine yönelik çalışmalar Musgrave, Tiebout, Oates, Buchanan, Olson ve Hayek gibi teorisyenler tarafından yürütülmüş ve Birinci Nesil Teoriler olarak

kategorize edilmiştir. Birinci Nesil Kuramcılar, kamu yöneticilerinin sosyal refahı sağlamayı amaçlayan iyiliksever maksimistler olduğunu kabul eder.

Keynesçi politikalar, 1970'lerin mali krizi ile terk edilmiştir. İkinci nesil teorisyenler, politikacıların devleti kendi çıkarları doğrultusunda yönetmelerini önermişlerdir.

İkinci Nesil Teorisyenler, “iyiliksever” devlet varsayımını reddetmiş ve devletin “politik” doğasına dayalı olarak farklı bir mali yerelleşme kapsamı önermişlerdir. Bu noktada artık devletin halkın ortak çıkarlarını koruyan bir yapı olduğu varsayımı terk edilmiştir.

Neoliberalizmin temel argümanı olan “küçük devlet”, ekonomik ve sosyal alanlarda alınan kararların özel sektöre ve bireylere bırakılması gerektiğini öngörür. Devlet müdahalelerini azalttıkça, ekonomi daha rekabetçi ve verimli hale gelecektir.

Liberalizm, devlet ile toplum arasında yapay bir duvar oluşturarak, birincisini merkezi hükümetle, diğerini yerel yönetimle özdeşleştirmiş ve merkez ile yerel arasında bir karşıtlık yaratmıştır. Bununla birlikte, liberal tez yerel yönetim ile demokrasi arasındaki doğru oranı kurar ve siyaset ve idare alanındaki çalışmalar, yerelleşme ve demokrasinin doğru orantılı olarak arttığını vurgular. Ancak siyasi sistem demokratik olmadığında yerel yönetimler ile demokrasi arasındaki ilişkiden bahsetmek mümkün değildir.

Türkiye’de, kanun kapsamında yerel yönetimler görev, yetki ve mali kaynaklar açısından eşit olsalar da uygulamada bu doğru değildir. Ayrıca, 1980'den sonra önemli değişiklikler geçiren liberalizm, yerel yönetimleri merkezi hükümet politikalarını uygulayarak ve küresel kapitalist sisteme uyumu hızlandırarak sermaye hareketliliği için bir araç olarak görmeye başlamıştır.

BÖLÜM 3

Ülkelerde merkezi yönetim ile yerel yönetimler arasındaki ilişkiler, bunların idari ve yasal yapıları ile doğrudan ilişkilidir. Geçmişten günümüze, idari yapıları merkezde olan ve yetki ve sorumlulukların yoğunlaşmasıyla sonuçlanan ülkelerin sistemleri ile yerel yönetimlerin etki alanına benzer ve hatta aynı yetki ve sorumluluklara sahip ülkelerin sistemleri birbirlerinden oldukça farklıdır. Bu anlamda, federal eyaletlerin ve

üniter devletlerin yerel yönetim anlayışı çoğu zaman uyuşmaz. Ancak her halükarda belirli bir alandaki halkın yerel ve toplu ihtiyaçlarına yönelik mal ve hizmet sağlayan, 'yerel hizmet' diyebileceğimiz kurum ve kuruluşlar ortaya çıkmış ve tüm ülkelerde uygulanmıştır. Bu hem federal hem de üniter eyaletlerde benzerdir.

Benzer şekilde, "yerel hizmet" anlayışı farklı ülkelerde farklılık gösterebilir. Belli bir bölgedeki insanların yerel ihtiyaçları, o ülkenin tarihi, gelenekleri ve sosyal algısı ile doğrudan ilgilidir. Örneğin, bir ülkede yalnızca yerel yönetimlere çevre temizliği ve ulaşım için yetki ve sorumluluk verilirken, başka bir ülkede yerel yönetimler eğitimden sağlığa, turizme ve kolluk kuvvetlerine kadar geniş bir yelpazede yetki ve sorumluluklara sahip olabilir. Bu farklılıkların ortaya çıkması o ülkenin federal veya üniter yapısıyla ilgili olabilir ancak böyle bir genelleme mümkün değildir. Diğer bir deyişle, üniter bir ülkede, yerel yönetimler çok çeşitli alanlarda hizmet verebilir ve federal devletlerde yerel yönetimler mümkün olduğunca dar olabilir. Bu nedenle yerel yönetimler alanında tüm ülkelere uygulanabilecek bir denklem oluşturmak mümkün değildir. Ancak bu çalışmada, yerelleşmenin finansal boyutu inceleneceğinden, yerel yönetimler tarafından finansal kaynaklar kullanılarak hangi mal ve hizmetlerin üretildiği, yani mal ve hizmetlerin kalitesi göz ardı edilecektir. Odak noktası, yerel ihtiyaçlar için sağlanan hizmetlerin, merkezi hükümetten ayrı bir tüzel kişiliği olan, yerel birimleri yerel sınırlarla bağlı olan yerel yönetimler ve yerel halk tarafından seçilen organlar tarafından sağlanıp sağlanmayacağı üzerinde olacaktır. Bu anlamda, odak noktamız hizmetin ne olduğundan çok yoğunludur.

Yerel yönetimlerin sorumluluklarını yerine getirmek için ihtiyaç duydukları mali kaynakların boyutu, o ülkedeki yerelleşmenin mali boyutunu incelemek için önemlidir. Avrupa Yerel Yönetimler Özerklik Şartına göre, yerel yönetimlerin kullanımına tahsis edilen kaynaklar, anayasa ve kanunların aktardığı görev ve sorumluluklarla orantılı olmalıdır. Ayrıca bu kaynaklar, harcamalardaki artışı izleyebilecek kadar esnek olmalıdır. Mali açıdan yetersiz yerel yönetimler korunmalı ve tahsis edilen kaynaklar mümkün olduğu kadar koşullandırılmamalıdır. Bu bağlamda, yerel yönetimlerin kaynakları, yerel ihtiyaçlara yönelik sunacakları hizmetlerin finansmanı açısından kritiktir. Bu nedenle yerel yönetimler mali kaynaklarına göre hizmet verebilmektedir. Yerel hizmetlerin merkezi yönetim

tarafından değil, yerel yönetimin kendisi tarafından gerçekleştirilmesi, yerelleşmenin en büyük göstergesidir.

AB ülkelerinde merkezi yönetim ve yerel yönetim gelirlerinin (genel devlet gelirleri) GSYİH'ye oranı genellikle % 35-36 civarındadır. Genel devlet gelirleri içinde yerel yönetim gelirlerinin GSYİH'ye oranı % 11-12 civarındadır.

Avrupa Birliği ülkelerinde merkezi yönetim ve yerel yönetim harcamalarının GSYİH'ye oranı genellikle % 48-45 civarındadır. Yerel yönetim harcamalarının GSYİH'ye oranı % 10-11 civarındadır.

Yerel yönetim gelirlerinin genel devlet gelirlerine oranının OECD ortalaması % 12-13 civarındadır. Yerel yönetimler tarafından toplanan vergilerin GSYİH'ye oranı, yerel yönetimlerin merkezi yönetime bağımlılığını göstermesi açısından önemlidir. Ekonomide yerel yönetimler tarafından toplanan vergilerin payı ne kadar yüksekse, mali yerelleşmenin o kadar yüksek olduğu söylenebilir.

Finansal yerelleşmenin ölçümünde en önemli göstergelerden biri olan OECD ülkelerinde yerel yönetimlerin harcamaları incelendiğinde ortalamanın % 21 civarında olduğu görülmektedir. Sorumluluklarla orantılı gelir kaynaklarına ve bu gelirleri harcama yetkisine sahip olmanın yanı sıra, borçlanma yetkisi finansal yerelleşmenin bir başka göstergesidir. Borçlanma otoritesi ülkeden ülkeye değişen bir yapıya sahiptir. Örneğin, bazı ülkeler borçlanmanın sadece yatırım harcamalarını gerçekleştirmesine izin verirken, diğerleri onları daha esnek bırakabilir. Benzer şekilde, bazı ülkelerde dengeli bir bütçe zorunluluğu vardır ve bazı ülkelerde cari harcamaları borçlanma ile karşılamasına izin verilmektedir.

Türkiye'de belediyelerin bugünkü anlamıyla tarihi çok eskilere dayanmasa da, merkeziyetçilik ile yerelleşme arasındaki gerilim her zaman var olmuştur. Bu gerilim, ulus devlet fikrinin ortaya çıktığı Osmanlı İmparatorluğu'nun son döneminden itibaren kendini göstermiştir. Özellikle son 50 yılda hem kalkınma planları hem de diğer üst politika belgeleri bu zıtlığa dayalı politikalar belirlemiştir.

1876 Osmanlı Anayasası (Kanun-u Esasi) ilan edilmeden önce, merkezi hükümetin taşra teşkilatı ve mahalli hizmetlerin görev dağılımı konusunda çeşitli düzenlemeler yapılmıştır. Tanzimat'ın ilanı (Osmanlı Devleti'nde 1839'da yapılan siyasi

reformlar) yerel yönetimlerin resmileştirilmesi Tanzimatçıların merkezi hükümeti güçlendirmek istediğinin bir göstergesidir. 1826 yılında İstanbul'da İhtisap Nazırlığı, vilayetlerde İhtisap Müdürlükleri kurulmuştur. Kadının verdiği hizmetler bu kurumlara aktarılmıştır. Şehremaneti, Kırım Savaşı neticesinde artan göçler nedeniyle İstanbul'da örgütlenmesi ve daha sistematik hale getirilmesi gereken belediye hizmetlerini yürütmek üzere 1854 yılında (Şehremaneti Başkanı merkezi hükümetten atanan Şehremini) kurulmuştur.

1921 anayasasının yerel yönetimlere odaklanan bir sistem sağladığı konusunda fikir birliği vardır. Anayasa'nın 11. maddesi, tüzel kişiliğe ve özerkliğe ve geniş yetki ve sorumluluklara sahip yerel yönetimlerin sağlanmasını öngörmektedir. Hem merkezi hem de yerel yönetimlerin görevlerinin sayılmış olması, merkezi ve yerel yönetimlerin birbirini tamamlayıcı nitelikte olduğu yorumuna yol açmıştır.

1924 Anayasası'nda vilayet sayısı azaltılmış ve ekonomik, sosyal ve siyasi kalkınmaya uygun bir idari yapı hedeflenmiştir. Ancak anayasada ademi merkeziyet kavramı yer almamıştır. Ayrıca 1929 tarihli İl İdare Kanunu ve 1949 İl İdare Kanunu ile merkezileşme pekiştirilmiştir.

1961 Anayasasının 112. Maddesi, idarenin kuruluş ve görevlerinin merkezi idare ve ademi merkeziyetçi idare esaslarına dayandığını belirtir. Bu hüküm ile idarenin merkezi yönetim ve yerel yönetim temelinde şekillendiği söylenebilir. Yerel yönetimlere kamu tüzel kişiliği verilmiştir. Ayrıca, seçilmiş organların kontrolünün yargı yoluyla unvanlarını kazanması ve kaybetmesi yerel yönetimler için önemli bir güvencedir.

1982 Anayasası, ortaya çıkış ruhuna uygun olarak yerel yönetimleri baskı altına alan bir yapı sağlar. Merkezi hükümete yerel yönetimler üzerinde geniş takdir yetkisi verilmiştir. Buna bir örnek, İçişleri Bakanının yerel yönetim organlarını veya bir suç nedeniyle soruşturma veya kovuşturma altında bulunan üyeleri görevden alma yetkisidir. Aynı zamanda yerel yönetimlerin kendi aralarında birlik kurmaları için merkezi yönetimin görüşü zorunluydu.

1982 Anayasası, büyük yerleşim yerleri için kanunla "özel yönetim biçimlerinin" uygulanmasının yolunu açmıştır. Bu "özel" yönetim biçimleri 1984 yılında

büyükşehir belediyeleri olarak 195 sayılı Kanun Hükmünde Kararname ve ardından 3030 sayılı Kanun ile kurulmuştur. Büyükşehir Belediyeleri en son 2004 yılında çıkarılan 5216 sayılı Kanun ile düzenlenmiştir. Büyükşehir belediyeleri, diğer il belediyelerinden farklı bir kategoride değildir. Diğer bir deyişle, anayasada ayrı bir yerel yönetim biçimi olarak düzenlenmemiştir. Farklı bir belediye biçimi olarak tasarlanırlar. Ancak gerek ülkenin en kalabalık kentlerinde kurulması gerekse ekonomik ve ticari ilişkilerin en yoğun olduğu yerlerde hizmet vermesi nedeniyle diğer il belediyelerine nazaran önceliklendirilmişlerdir.

6360 sayılı Kanun, 10 yıldan kısa bir süre önce uygulamaya konan 5216 sayılı Kanuna önemli yenilikler getirmesine rağmen, 5216 sayılı Kanun yürürlükte kalmıştır. 6360 sayılı Kanuna gerek duyulma sebebi kanunun gerekçesinde belirtilmiştir. Kanunun gerekçesi incelendiğinde, büyükşehir belediyelerinin bütüncül bir yaklaşımla ele alınmak istendiği, küreselleşme ve değişen paradigmlar nedeniyle yerel yönetimlerin güçlendirilebileceği ve kamu yönetiminde yeni bir yönetim anlayışına ve etkinliğine sahip olabileceği belirtilmektedir. Ayrıca yerleşmenin gelişmiş ülkelere atıfta bulunarak temel ilke olarak ön plana çıktığı vurgulanmıştır.

BÖLÜM 4

Çok boyutlu bir kavram olan mali yerleşmenin ölçümü için tek bir formül yoktur. Bu kapsamda, gelir ve giderlere dayalı bütçe ölçümleri yaygındır. Bu bölümde, Türkiye'deki büyükşehir belediyelerinin gelirleri ve bu kalemlerin yoğunluğu analizi yapılmıştır.

Türkiye'deki büyükşehir belediyeleri iki aşamalı bir sistemdir. Resmi hiyerarşik sıralaması bulunmayan büyükşehir belediyeleri ve ilçe belediyeleri yerel hizmetleri yerine getirir. Su ve kanalizasyon idareleri de büyükşehir belediyelerinin bağlı idaresi olarak görevlerini ayrı bir tüzel kişilikle yerine getirmektedir.

2014 - 2018 yıllarında büyükşehir belediyelerinin toplam gelirleri her geçen yıl artarken, son yıl hariç artış oranı da artmıştır. Toplam gelirlerin GSYH'ye oranı en yüksek 2017 yılında gerçekleşmiştir. Dönem içinde gözlenen artışın aynı dönemde GSYİH'deki nominal artışa paralel olması, bu durumun enflasyonist etkilerden kaynaklandığını, belediyelerin gelir kalemleri ve kaynakların kalitesinde bir artışa ve

merkezi ynetime bağımlılığın azaldığına dair hiçbir gsterge bulunmamaktadır. Aynı şekilde toplam gelirlerin GSYH'ye oranında da artış olmamıştır. Dolayısıyla bykşehir belediye gelirlerinin ekonomideki payında bir değışiklik olmadığından, cari fiyatlarla toplam gelirlerdeki artışın mali yerelleşme oranında bir artış olduğu anlamına gelmediğı söylenebilir.

2014-2018 yılları arasında genel btçe vergi gelirlerinden bykşehir belediyeleri ile su ve kanalizasyon idarelerine tahsis edilen genel btçeden ayrılan paylarda artış gözlenmiştir. Ayrıca kiři başına düşen pay miktarında da artış olmuştur.

Belediyelerin öz gelirleri oldukça düşüktür. Bykşehir belediyelerinin iştiraki olan su ve kanalizasyon idareleri bile bykşehir belediyesinin öz gelirlerinden daha yüksek öz gelirlere sahiptir.

2015 yılındaki düşüşün ardından dönem içinde bykşehir belediyelerinin öz gelirleri göreceli olarak artmıştır. Bu durum, bykşehir belediyelerine yeni öz gelir kaynakları sağlaması nedeniyle değıl, enflasyonist etkiler nedeniyle belediyelerin ürettikleri mal ve hizmetlerin fiyatlarının artmasından kaynaklanmaktadır.

2017 yılı, seçimlerin yapıldığı ve yeni sistemin ancak yıl ortasından itibaren uygulanabildiğı 2014 yılı dışında, öz gelir tutarının toplam gelire oranının en yüksek olduğu yıl olmuştur.

Su ve kanalizasyon idarelerinde öz gelirlerin toplam gelirler içindeki payı oldukça yüksektir. Bu noktada su ve kanalizasyon idarelerinin merkezden bu kadar bağımsız olması, bykşehir belediyelerine bağılı olmaları nedeniyle bykşehir belediyeleri için olumlu bir durumdur.

Trkiye'deki bykşehir belediyelerinin mali yerelleşme durumu gelir perspektifinden incelendiğinde, merkezi ynetime byk oranda bağımlı olduğu görlmektedir. lke nfusunun % 78'i bykşehir belediyeleri sınırları içinde yaşamaktadır. Gelir açısından çok düşük mali yerelleşme oranı, Trkiye'de merkeziyetçi geleneğın çok güçlü olduğunun bir göstergesidir.

6360 sayılı Kanun ve bykşehir belediyelerinin gelir sisteminin uygulanmaya başlandığı 2014 yılından itibaren bykşehir belediye gelirlerinin genel ynetim

gelirleri içindeki payı bir önceki döneme göre artmıştır. 2017 yılı mali yerelleşme oranının en yüksek olduğu yıl olmuştur. Büyükşehir belediye gelirlerindeki nominal artış enflasyonist etkiler yaratsa da, bir önceki döneme oranla artış olduğunu söylemek mümkündür.

Büyükşehir belediyelerinin gelirlerinin yerel yönetim gelirleri içindeki payı yaklaşık % 10 artmıştır. En yüksek olduğu yıl 2017'dir.

Bu durum, Türkiye'deki yerel yönetim sisteminin büyükşehir belediyelerine odaklandığını göstermektedir. Büyükşehir belediyelerinin yerel yönetimler arasında artan önemine paralel olarak, büyükşehir belediyelerinin toplam gelirleri diğer yerel yönetim türlerine göre artmıştır. Artış, büyükşehir belediye sayısının artması ve diğer yerel yönetim türlerinin sayısının ve dolayısıyla toplam gelirlerinin azalması ile açıklanabilir.

30 büyükşehir belediyesi görev, yetki ve sorumlulukları bakımından aynı olmakla birlikte büyüklükleri farklılık göstermektedir. Hem merkezi idareden yapılan transferler hem de öz gelir tahsilatları her ilde farklı miktarlarda gelire yol açmıştır. Bu durum, aynı görev, yetki ve sorumluluklara sahip olan büyükşehir belediyelerinin farklı koşullarda çalışmasına neden olmuştur.

2014-2018 döneminde büyükşehir belediyesi gelirleri il bazında incelendiğinde ise dönem içerisinde nominal bir artış görülebilmektedir.

BÖLÜM 5

Mali yerelleşmenin ölçümünde kullanılan bir diğer değişken ise harcama kalemidir. Merkezi yönetimden ayrı olarak yerel yönetimler tarafından yapılan harcamalar, mali yerelleşme düzeyinin anlaşılmasında önemli bir göstergedir. Tıpkı merkezi hükümet dışında gelir kaynaklarının olması gibi, yerel topluluk tarafından seçilen organlara sahip yerel yönetimlerin harcamaları da ne kadar mali yerelleşme sağlanabileceğini gösterebilir.

Büyükşehir belediyeleri, harcamalarının her yıl sonunda gelecek yıl yapılacağını öngörmektedir. Ancak hem değişen konjonktür hem de enflasyon gibi dış etkenler nedeniyle bu projeksiyonlardan farklı harcamalar meydana gelebilir. Aynı şekilde

harcamaların da gelire dayalı olmasına gerek yoktur. Çoğu zaman gelirlerinin üzerinde harcama yapılmaktadır.

Dönem başından dönem sonuna kadar büyükşehir belediyelerinin toplam harcamaları nominal olarak iki kattan fazla artmıştır. Ancak bu harcama tutarlarının GSYİH içindeki payı artmamıştır. 2016 ve 2017 yıllarında büyükşehir belediyelerinin harcama tutarlarının önceki yıllara göre artış oranı GSYİH artış oranından oldukça yüksek olmakla birlikte, özellikle son yıl GSYİH artış oranının altında kalmaktadır. 2017 yılı, büyükşehir belediye harcamalarının GSYİH içindeki payının en yüksek olduğu yıldır.

Büyükşehir belediyelerinin bulunduğu illerde büyükşehir belediyesinin yaptığı harcamalar o ilde yaşayan kişi sayısı oranlanarak hesaplandığında kişi başına düşen harcama miktarına ulaşılır. Bu miktar üzerinden yapılan değerlendirmeler, harcamaları mekan büyüklüğünden ayırarak ortalama tablonun ne olduğunu göstermektedir.

Dönem boyunca büyükşehir belediye harcamaları nominal olarak sürekli artmaktadır. Benzer şekilde, büyükşehir belediyesi sınırları içinde yaşayan nüfusun da sürekli arttığı görülmektedir. Ancak dönem başından dönem sonuna kadar nüfus artış hızı azalmıştır.

Büyükşehir belediyelerinin toplam harcamalarındaki artış oranı, kişi başı harcamalardaki artış oranlarından yüksektir. Bu da gösteriyor ki, nüfus artış hızında bir düşüş gözlenmekle birlikte, artan nüfusa bağlı olarak kişi başına harcamalardaki artışın toplam harcamalardaki artışı sağlayamadığını göstermektedir.

Görev ve sorumlulukları aynı olan büyükşehir belediyelerinin harcama büyüklükleri birbirinden farklıdır. Bunun nedeni gelir seviyelerinin birbirinden farklı olmasıdır. Aynı zamanda, büyükşehir belediyelerindeki her ilin ekonomik, sosyal ve demografik özellikleri, farklı harcama düzeyleri üzerinde etkili olabilir.

İstanbul, Ankara, İzmir ve Kocaeli büyükşehir belediyeleri, dönem boyunca ortalama kişi başı harcamanın üzerinde harcama yapmıştır. Sayılan bu büyükşehir belediyelerinin ortalamanın üzerinde harcama yapması, ülkenin ekonomik ve ticari faaliyetlerinin en yoğun olduğu iller olması nedeniyle anlaşılır bir durumdur. Bu illerde yerel ihtiyaçlara yönelik belediye hizmetleri de yoğun olmuştur.

Ancak İstanbul, Ankara, İzmir ve Kocaeli ile harcama tutarları da Konya ve Erzurum illerindeki ortalamanın üzerindedir. Bu illerde harcama tutarlarının yüksek olmasının nedeni, gelirlere dahil olan merkezden gönderilen transferlerin diğer illere göre görece daha yüksek olmasıdır. Ayrıca Erzurum, yüzölçümüne göre düşük nüfusu ve sürekli göç veren demografik yapısı nedeniyle, kişi başına harcama miktarları ülkenin en büyük illerinin kişi başı harcamalarından daha yüksektir. Aynı şekilde en büyük yüzölçümüne sahip büyükşehir belediyesi olan Konya'da da şehrin çeperindeki yerlere hizmet vermenin maliyeti diğer illere göre yüksek ve harcama miktarı otomatik olarak yüksektir.

6360 sayılı kanunla sayıları giderek artan diğer tüm yerel yönetim harcamaları içinde büyükşehir belediyelerinin harcama tutarlarının payında artış söz konusudur. 2014 yılından sonra sürekli azalmış, % 35-36'ya yükselmiştir. Bu durumun ortaya çıkmasında büyükşehir belediye sayısının artması ve diğer yerel yönetimlerin sayısının azalması etkili olmuştur. Bu durumda Türkiye'deki yerel yönetim sistemi, büyükşehir belediye sistemine doğru bir eğilim olduğunu göstermektedir. Ayrıca büyükşehir belediye harcamalarının yerel yönetim harcamaları içinde en yüksek paya sahip olduğu yıl 2017'dir.

Büyükşehir belediyeleri harcamalarının genel devlet harcamaları içindeki payı incelendiğinde de benzer bir tablo ortaya çıkmaktadır. Büyükşehir belediyelerinin genel devlet harcamaları içindeki payı 2009-2013 döneminde % 3-3,5 civarında olurken, bu oran 6360 sayılı yasadan sonra 2014-2018 döneminde % 4,5-5 olarak gerçekleşmiştir.

BÖLÜM 6

Samsun, bir liman kenti olarak, ülkenin Karadeniz havzasındaki diğer ülkelerle ticari ve kültürel ilişkilerinde de kilit konumdadır. Aynı zamanda elverişli coğrafi şartlardan dolayı karadeniz bölgesindeki illerin ülkenin diğer bölgelerine ulaşımında için bir kavşak görevi de görmüştür. Bu bakımdan aynı zamanda bir büyükşehir olan Samsun ili, belediye yönetimi noktasında uygulama çeşitliliği ve yoğunluğuna sahiptir.

Samsun Büyükşehir Belediyesi'nin 2014-2018 döneminde gelirleri dönem başından dönem sonuna kadar iki kattan fazla artmıştır. Nüfus artışının sınırlı olduğu Samsun'da büyükşehir belediye gelirlerindeki artışın en önemli nedeni enflasyonist etkidir.

Samsun Büyükşehir Belediyesi'nin gelirleri gibi 2014-2018 döneminde de harcamaları iki kattan fazla artmış, gerek toplam harcama gerekse kişi başı harcamalardaki artışın en önemli nedeni enflasyonist etki olmuştur.

Harcamalar % 2,5 -% 3, gelirler ise % 2 -% 2,5 arasındadır. Harcama ve gelir tutarlarındaki cari artışın GSYİH içindeki payının dönem içinde değişmediği görülmektedir. Dolayısıyla büyükşehir belediyesinin gider ve gelirlerindeki artışın enflasyonist nedenlerden kaynaklandığı açıktır.

Türkiye'de ilçe belediyeleri de büyükşehir belediyesi sistemine dahildir. İlçe belediyeleri, ilçe sınırları içinde görev ve sorumluluklarını yerine getirir. Büyükşehir belediyeleriyle hiyerarşik bir ilişkisi olmayan ilçe belediyelerinin de ayrı tüzel kişilikleri ve dolayısıyla kendi bütçeleri vardır. Mali yerelleşme analizinde hem merkezden aldıkları pay hem öz gelirleri ile harcamalar önem arz etmektedir.

İncelenen 3 ilçe içerisinde kişi başına gelir ve giderin en yüksek olduğu ilçe Atakum, gelir ve giderinin en düşük olduğu ilçe Terme'dir.

“Neoliberal” büyükşehir belediye sisteminin çelişkilerinden biri bu noktada görülmektedir. Özellikle pay dağıtım sisteminin getirdiği nüfus ve alan kriterlerinin, bölgesel gelişmişlik düzeyleri arasındaki farklılıkları arttırdığı değerlendirilmektedir. Nispeten gelişmiş ve müreffeh bir ilçe olan Atakum, daha fazla gelire sahip ve daha fazla harcama yapabilmektedir. Ancak incelenen 3 ilçe arasında kırsal özelliklere sahip olan Terme en düşük gelire ve dolayısıyla en az harcama kapasitesine sahiptir.

BÖLÜM 7

Türkiye'deki yerel yönetim tarihi, yaklaşık 150 yıllık demokratikleşme mücadelesi ve demokratik kurumların ortaya çıkışı ile paralellik göstermiştir. Bu anlamda Türkiye'nin yerel yönetim gelişiminin Avrupa'daki yerel yönetimlerin gelişimini izlediği söylenebilir. Özellikle Avrupa Birliği mevzuatının önemli bir kısmının yerel

yönetimlerle ilgili olduğu düşünüldüğünde, üyelik sürecinde son yıllarda yerel yönetimler için reformlar gündeme gelmiştir.

Türkiye 1980 sonrası dönemde (ve özellikle 2000 sonrası reform dönemi) ülke genelinde merkezi idarenin neo-liberal politikalara tam uyum sağlayan politikalarına yerel yönetimleri de dahil etmiştir. 5393 sayılı Belediye Kanunu ve 5216 sayılı Büyükşehir Belediyesi Kanunu ile belediye başkanlarının yerel uzantısı olan vali ve kaymakam karşısındaki konumu güçlendirilerek neoliberalizmin beklediği merkezi yönetim zayıflatılmaya çalışılması hususu gerçekleştirilmek istenmiştir.

6360 sayılı Kanun çalışmalarında öngörüldüğü şekilde mahalli idare gelirlerinde önemli bir artış olmadığı görülmektedir. Büyükşehir belediyelerinin kişi başı geliri 2014 yılında 503,39 TL iken 2018 yılında 858,22 TL'ye yükselmiştir. Bu artış enflasyon tarafından absorbe edilmiştir.

Gelir açısından bakıldığında, mali yerelleşme oranı 6360 sayılı Kanun öncesi dönemde % 3 ile % 3,5 arasında iken, 6360 sayılı Kanun sonrası dönemde % 4,4 ile % 4,8 arasında gerçekleşmiştir. Bu değişim bize gösteriyor ki yerel yönetimler alanında gerçekleştirilen reformlar, mali yerelleşmeyi sağlamaktan uzaktır.

Büyükşehir belediyelerinin ilçe belediyeleri karşısında güçlenmesine neden olan bu durum, "yerel merkezîyetçilik" sorununu ortaya çıkarmıştır. Hem yasal düzenlemelerde hem de teoride bulunmayan hiyerarşi sorunu pratikte ortaya çıkmıştır.

İlçe belediyelerinin durumu, hem gelirin göreceli olarak azalması hem de 2014 öncesi döneme göre birçok görev ve sorumluluğun büyükşehir belediyelerine devredilmesi nedeniyle 2014 öncesi döneme göre çok zayıflamıştır.

Bu noktada 2014 yılında uygulamaya konulan büyükşehir belediyesi sisteminin ilk uygulama döneminde siyasi iktidarın sistem kurulurken ifade ettiği ilkelerden olabildiğince uzaklaştığı ve hatta ters yönde hareket ettiği tespit edilmiştir. Mali yerelleşme alanında yapılan analizin böyle bir durumun oluşmasına neden olan yapısal sorunların çözümünde önemli rol oynayacağı düşünülmektedir.

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