Metropolitics:
The Political Economy of Istanbul's Rail Infrastructure

Alp Kanzık

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Approvals

"Metropolitics: The Political Economy of Istanbul's Rail Infrastructure," a dissertation prepared by Alp Kanzık in partial fulfillment of the requirements for the degree of Doctor of Philosophy from the Atatürk Institute for Modern Turkish History at Boğaziçi University, has been approved on 19 October 2022 by:

DISSERTATION ADVISOR

Associate Professor Berna Yazıcı Tepeyurt _____
Atatürk Institute for Modern Turkish History
Boğaziçi University

COMMITTEE MEMBERS

Associate Professor Z. Umut Türem _____
Atatürk Institute for Modern Turkish History
Boğaziçi University

Associate Professor Cenk Özbay _____
Cultural Studies
Sabancı University

Associate Professor Ahmet Bekmen _____
Department of Political Science
Istanbul University

Assistant Professor Sinan Erensü _____
Sociology
Boğaziçi University

Declaration of Originality

The intellectual content of this dissertation, which has been written by me and for which I take full responsibility, is my own, original work, and it has not been previously or concurrently submitted elsewhere for any other examination or degree of higher education. The sources of all paraphrased and quoted materials, concepts, and ideas are fully cited, and the admissible contributions and assistance of others with respect to the conception of the work as well as to linguistic expression are explicitly acknowledged herein.

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Abstract

Metropolitics: The Political Economy of Istanbul's Rail Infrastructure

Alp Kanzık, Doctoral Candidate at the Atatürk Institute
for Modern Turkish History at Boğaziçi University, 2022

Associate Professor Berna Yazıcı Tepeyurt, Dissertation Advisor

This dissertation narrates the historical trajectory of Istanbul's urban rail infrastructure to trace the transformation of state-business relations and urban politics under late Turkish capitalism. Urban rail transit infrastructure, despite being an aspiring political vision throughout late Ottoman and Republican history, would only be realized after the introduction of neoliberal reforms and a novel legal-institutional environment following the 1980 coup d'état. However, this vision would be partially realized throughout the first two decades of Turkish neoliberalism. Only after the financial and political opportunities and reconfigurations during the AKP era and following the 2008-2009 crisis, a pervasive infrastructural transformation would take hold. This dissertation, building upon mainly media archives, legal documents, urban plans, infrastructure contracts, market research databases and interviews, is preoccupied with the political purposes and meanings that urban rail infrastructure was imbued with throughout the four decades of Turkish neoliberalism. The dissertation, with a sensitivity towards continuities and ruptures between each political era, posits that that the historical and contemporary significance of urban rail projects within late Turkish politics lies in its controversial utilization in the service of patronal ties and its endowment with an ambivalent urban vision, torn between urban populism and global city aspirations. The dissertation concludes that this neoliberal transformation of urban rail infrastructure, rather than being decisively marked by coherence, turns out to be ridden with contradictions, shortcomings and political tensions, which helps one to posit a "revisionist" take on the academic threads of neoliberalism and economic reforms.

100.000 words

Özet

Metropolitika: İstanbul'un Raylı Altyapısının Politik Ekonomisi

Alp Kanzık, Doktora Adayı, 2022
Boğaziçi Üniversitesi Atatürk İlkeleri ve İnkılap Tarihi Enstitüsü

Doçent Berna Yazıcı Tepeyurt, Tez Danışmanı

Bu tez, İstanbul'un kentsel raylı ulaşım altyapısının tarihsel güzergahını temel alarak, yeni Türkiye kapitalizminde devlet-iş dünyası ilişkileri ve kent siyasetinin dönüşümünü anlatmaktadır. Kentsel raylı ulaşım altyapısının gerçekleşmesi, geç Osmanlı ve Cumhuriyet tarihinin vazgeçilmez bir siyasi vaadi olmasına rağmen, ancak 1980 darbesinden sonra uygulunan neoliberal reformlar ve yeni bir yasal-kurumsal ortam sayesinde mümkün olacaktı; lakin raylı sisteme dönük bu ilgi Türkiye neoliberalizminin ilk yirmi yılında sınırlı bir şekilde gerçekleşecekti. Ancak AKP dönemindeki ve, özellikle, 2008-2009 krizini takip eden finansal ve politik fırsatlar ve yeniden düzenlemeler sonrasında yaygın bir altyapısal dönüşümden bahsetmek mümkün olacaktı. Bu tez, ağırlıklı olarak medya arşivleri, resmi dokümanlar, şehir planları, altyapı sözleşmeleri, pazar araştırma veritabanları ve mülakatlara dayanarak, Türkiye neoliberalizminin kırk yılı boyunca İstanbul'un raylı ulaşım altyapısına atfedilen politik amaçlarla ve anlamlarla ilgilenmektedir. Tez, farklı siyasi dönemler arasındaki süreklilik ve kopuşlara hassasiyet göstererek, kentsel raylı projelerin geç Türkiye siyasetindeki tarihsel ve güncel öneminin iki temel işlevde yattığını öne sürer. Bu projeler, her devirde tartışmalı bir şekilde patronaj ağlarına hizmet için kullanılmakta ve kentsel popülizm ile küresel kent hedefleri arasında gidip gelen kararsız bir kent vizyonuyla donatılmaktadır. Tez, kentsel ray altyapısının neoliberal dönüşümünün, tutarlılıktan ziyade, çelişkiler, yetersizlikler ve gerilimlerle bezeli olduğunu tespit ederek neoliberalizm ve ekonomik reform literatürlerine "revizyonist" bir katkıda bulunmaktadır.

100.000 kelime

Curriculum Vitæ

ALP KANZIK

Born March 18, 1985
in Istanbul, Turkey

EDUCATION

Ph.D.	Atatürk Institute for Modern Turkish History Boğaziçi University 2022
M.A.	Atatürk Institute for Modern Turkish History Boğaziçi University 2010
B.A.	Sociology Koç University 2008

PROFESSIONAL EMPLOYMENT

- Researcher at Loupe Istanbul (2019-…)

GRANTS AND FELLOWSHIPS

- TUBITAK Domestic PhD Scholarship (2011-2014)

CONFERENCE PARTICIPATION

- ”Law, Uncertainties and Urban Policy: The Curious Case of Istanbul’s Urban Rail Transit,” *Law & Politics in Turkey: Reform, Authority and Emergency*, Buffett Institute for Global Studies at Northwestern University, 26-28 October 2017

TEACHING EXPERIENCE

- Instructor at Özyeğin University, Department of Humanities and Social Sciences (2019-2022)
  HIST 201 - Modern Türkiye Tarihi I
  HIST 202 - Modern Türkiye Tarihi II

- Lecturer at Boğaziçi University, Atatürk Institute for Modern Turkish History (2012-2017)
  Courses Taught:
  HTR 311 - History of the Turkish Republic I
  HTR 312 - History of the Turkish Republic II

RESEARCH EXPERIENCE

- Research Assistant at Boğaziçi University, Atatürk Institute for Modern Turkish History (2012-2017)

LANGUAGES

- Turkish - Native Speaker
- English - Fluent
- Arabic (Levantine) - Intermediate
- French - Beginnner

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Abbreviations and Acronyms

AKP	Adalet ve Kalkınma Partisi (Justice and Development Party)
ANAP	Anavatan Partisi (Motherland Party)
BİT	Belediye İktisadi Teşekkülleri (Municipal Enterprises)
CHP	Cumhuriyet Halk Partisi (Republican People's Party)
DGM	Devlet Güvenlik Mahkemeleri (State Security Courts)
DPT	Devlet Planlama Teşkilatı (State Planning Organization)
DYP	Doğru Yol Partisi (True Path Party)
ENR	Engineering News Record
İETT	İstanbul Elektrik Tramvay ve Tünel (Istanbul Electricity, Tramway and Tunnel)
İMP	İstanbul Metropolitan Planlama ve Tasarım Merkezi (Istanbul Metropolitan Planning and Urban Design Center)
İNTES	Türkiye İnşaat Sanayicileri İşveren Sendikası (The Turkish Employers' Association of Construction Industries)
İTÜ	İstanbul Teknik Üniversitesi (Istanbul Technical University)
MHP	Milliyetçi Hareket Partisi (Nationalist Action Party)
MSP	Millî Selamet Partisi (National Salvation Party)
MÜSİAD	Müstakil Sanayici ve İşadamları Derneği (Independent Industrialists' and Businessmen's Association)
RP	Refah Partisi (Welfare Party)
SHP	Sosyaldemokrat Halkçı Parti (Social Democratic Populist Party)
TBM	Tunnel Boring Machine
TİSK	Türkiye İşveren Sendikaları Konfederasyonu (The Turkish Confederation of Employer Associations)
TMMOB	Türk Mühendis ve Mimar Odaları Birliği (The Union of Chambers of Turkish Engineers and Architects)
TÜSİAD	Türk Sanayicileri ve İş İnsanları Derneği (The Turkish Industry and Business Association)

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NOTE: The in-house editor of the Atatürk Institute has made detailed recommendations with regard to the format, grammar, spelling, usage, syntax, and style of this dissertation.

1

Introduction

This dissertation narrates the historical trajectory of an infrastructural artefact, Istanbul's urban rail network to comment upon the experience of late Turkish neoliberalism. Late Turkish neoliberalism has been marked by an unprecedented, ceaseless construction and destruction, the academic consensus posits (and an ordinary observer of Istanbul or Turkish politics would, quite likely, agree). This transformation not only pertains to the cityscape of Istanbul or infrastructure as such but also to the legal-institutional domain and business realm. This dissertation traces the manifestations of this transformation upon politics, institutions, state-business relations and urban policy.

A modest assumption lurked behind this endeavor. As everything was subject to a thorough politicization throughout the course of late Turkish political history, a historical and political baggage should, too, lie under seemingly apolitical infrastructural artefacts, such as the metro network. Among exigent political battles and upheavals, urban rail was, perhaps, deemed too mundane to be granted academic or political significance. Was it possible to present a political story of new Turkish capitalism through the parallel, politicized history of a quotidian infrastructural artefact? This dissertation hopes to have answered this question in affirmative.

To narrate such a politically minded history, this dissertation critically engages with the interrelated literatures of new (Turkish) capitalism, neoliberalism/neoliberalization and economic reforms. Namely, this dissertation is preoccupied with how Istanbul's urban rail network bears the

mark of unceasing institutional and economic reforms, of novel state-business relations, of an ambivalent urban vision throughout the tumultuous, forty-year experience of Turkish neoliberalism. Istanbul's urban rail network, throughout this narration, manifests the contradictions, shortcomings and political tensions within new Turkish capitalism, which helps one to posit a "revisionist" take on the academic threads in question.

The remainder of this introductory chapter, after presenting the dissertation's main questions and deliberating upon the relevance of urban rail transit within the Turkish context, poses the dissertation's primary historical and contemporary engagement, viz. the "novelty" of new capitalism. Then, how Istanbul's urban rail infrastructure manifests the peculiarities of late Turkish capitalism will be delineated for the purpose of providing a summary of the main arguments of the dissertation. Lastly, a note on the dissertation's sources and limitations along with the general outline of the dissertation will follow.

§ 1.1 Questions

Motivated by the desire to present a political history of such an "apolitical" artefact and within the theoretical confines of three overlapping academic fields, namely the literatures on new (Turkish) capitalism, neoliberalization/neoliberalism and economic reforms, the dissertation herein was conjured out of a curiosity with regard to the following questions. The first set related to the constitution of the realm of urban rail policy and the role of the state. Urban rail projects in the form of metro networks, an eternal political promise throughout the Republican history, were realized only after the neoliberal framework, haphazardly introduced after the 1980 coup d'état. What was the role of the state in the transformation of infrastructure into a politically and financially lucrative field after 1980? Who shapes urban infrastructural politics? Has "neoliberalism", indeed, brought the expected retrenchment of the state and strengthening of the local?

The second group of questions pertained to the role of capital. Internationally sanctioned reforms after the 2001 Turkish economic crisis stated the aim to eliminate "corrupt" business practices and actors, which

were deemed among the primary reasons of the collapse. To what extent was the attempt to depoliticize the field of public procurement, to divorce the field of business from political interventions successful? How have the trajectories of business actors involved with urban rail infrastructure before the advent of the AKP (Adalet ve Kalkınma Partisi) and during the following two decades differed? What does the proliferation of new state-business networks through the utilization of infrastructure during the AKP era tell one about late Turkish politics?

The third set of questions was related to the political rifts which urban infrastructure has unearthed. Urban investment projects have, historically, suffered from an eternal rift between the overpowered center and the feeble local. How was this rift played out within the realm of urban infrastructure after the onset of neoliberal politics? How was this discrepancy of political power overcome after the shift in political power, i.e. the gradual takeover of significant institutions and the state mechanism by the AKP government, especially following the 2008-2009 crisis? Was it overcome, indeed? How has this rift resurfaced during the reign of the CHP (Cumhuriyet Halk Partisi) municipality after 2019?

The last set of questions aimed to scrutinize the neoliberal character of urban infrastructure and politics itself. During the forty-year course of Turkish neoliberalism, urban infrastructure was to be imbued with an excess of functions and meanings by a plethora of political actors, to be torn between global city aspirations and urban populist impulses. Does a clear-cut urban rail vision for Istanbul exist, indeed? Has Istanbul's infrastructural politics really served a global city logic and, hence, the impulses of capital per se? To what extent did urban infrastructural decisions mirror the AKP's global city aspirations and populist politics? What role did non-state actors, from experts to business groups, play in the shaping of urban infrastructure decisions? The answers to these questions were to be found in tracing the historical trajectory of Istanbul's urban rail transit through a theoretical engagement with the aforementioned three academic threads and through a historically minded focus on certain institutions, which the following chapter will elaborate upon.

§ 1.2 The Relevance of Urban Rail Infrastructure and a Compact History

What renders Istanbul's urban rail infrastructure relevant, whether in historical or contemporary terms? The (re-)introduction of urban rail infrastructure is a product of the legal-institutional environment provided by post-1980 coup measures. However, the gradual proliferation of metro networks has not merely coincided with the course of Turkish neoliberalism. It has also suffered from (and refracted) its peculiarities. Echoing other fields of neoliberal policy-making, the significance of urban rail projects within late Turkish capitalism or Istanbul's transformation would lie in a) its controversial utilization in the service of patronal ties and b) its ambivalent endowment or framing with a political mission, i.e. an urban populist discourse, which was tinged with a global city logic. These two dynamics, that were already visible throughout the early experience of Turkish neoliberalism, will be quite palpable within the AKP era. The implications of these continuities (and ruptures) for late Turkish politics are among the dissertation's concerns.

Patronage or nepotism has been one of the most utilized themes within studies of late Turkish political economy. To certain observers, municipalities were at the center of the controversial transfer of urban rent during the era. In a similar vein, the dissertation, in its early ramblings, assumed that technologically less intensive urban rail projects (compared to mega-projects, for instance) could provide myriad opportunities for the unfettered municipal exercise of nepotism. Despite not being gargantuan projects, urban rail systems were, still, quite costly and dependent upon huge international loans. Not only urban rail projects seemed to be costly, possibly oversold or subject to unchecked discretion but they also unceasingly generated basic needs with regard to maintenance or cleaning, for instance. Could urban rail projects be, then, lucrative technical responsibilities that are solely overtaken by national and, presumably, politically affiliated actors, who did not have to possess much experience in the first place, as much of the literature claimed? These assumptions, only to a certain extent, turned out to be true – the

presumption of unfettered nepotism was to be revised throughout the research phase of the dissertation.

The latter theme, namely urban populism, pertains to the endowment of urban rail with a political mission as such, which should be quite apparent to a denizen of Istanbul. A mere look at the billboards soaring above or screens pulsating in slick metro wagons would, immediately, identify political bravado generated over past and ongoing infrastructural accomplishments of the municipality or state. Even, a perfunctory skim through a daily newspaper or one's Twitter feed manifests the political tug-of-war between different actors over infrastructural projects. Infrastructure is, indeed, imbued with myriad political meanings and functions as it does not cease to generate political controversies. These were the preliminary motivations that led to the questions proposed above.

1.2.1 *The Historical Backdrop*

Urban rail infrastructure is not, merely, a contemporary obsession but also a historical one. Delving into the history of rail infrastructure, one discovers that the idea of rail infrastructure is not, in fact, new but had been a vision since late Ottoman and early Republican times. Except a relatively short period during the 1950s which cherished a highway-based model of urban development and which witnessed the disappearance of urban rail from the urban milieu, urban rail transit (in the form of metro lines) turned out to be a constant political or electoral promise. Despite its practical and political significance being unequivocally admitted by political actors, its realization in the form of metro lines would, however, be possible after a new economic and political environment, introduced by the 1980 coup d'état.

However, urban rail's daily significance vis-à-vis road transport would, always, remain negligible, even during the AKP's reign, which was suggested to have witnessed an urban rail breakthrough. After all, for the last seven decades, the city has been struck with a road-based urban development, which the Demokrat Parti (Democratic Party) had initiated in the 1950s. This tendency was to be exacerbated in the 1960s, which would witness a clear decline in the weight of public transit while micro-forms of transit (such as

*dolmuş*es and minibuses) would be the most popular form of transit.[1] A clear rise in the number of private vehicles would be visible during this decade as well. As motorization ensued and the development of sea transport came to a halt, the construction of a continental bridge was to become a pressing agenda in the late 1960s. This international bridge (to be known as the Bosphorus Bridge / Boğaziçi Köprüsü), which would encourage the use of private cars as its construction coincided with increasing dominance of car assemblage industry[2], would be a reality in 1973.

Thus, before the 1980 coup d'état, this dissertation's departure point, highway transport was the unrivalled mode of transport – and still is. The 1980s, too, would inherit the historical infatuation with road transport. During the decade, public buses were to be extended and popularized further while significant highway projects were implemented or designed. Meanwhile, as the maximum capacity of the Bosphorus Bridge was reached, the construction of a second bridge was realized in 1988. At the same time, however, an urban rail vision was simmering.

Starting from Bedrettin Dalan (1984-1989), Istanbul's first mayor after the coup, and slightly stalled during the succeeding mayors Nurettin Sözen (1989-1994) and Recep Tayyip Erdoğan (1994-1998), Istanbul would be at the center of the neoliberal transformation. At the center of this transformation would lie an infrastructural aspiration. Through sweeping legal reforms (within the field of public procurement or municipal administration, for instance), the urban landscape would be acutely transformed, as visible through the proliferation of high-rise buildings or renovation projects or mobile/immobile infrastructure (which mostly took the form of throughways, underpasses and overpasses).[3] Even though this heyday would not last long during the 1980s and 1990s, Istanbul would be teeming with investment projects to be realized by big capital, presented as part and parcel of the global city

1 İlhan Tekeli, *İstanbul ve Ankara İçin Kent İçi Ulaşım Tarihi Yazıları* (İstanbul: Tarih Vakfı Yurt Yayınları, 2009), 61 and 63.

2 Ibid, 68.

3 Çağlar Keyder and Ayşe Öncü, "Globalization of a Third-World Metropolis: Istanbul in the 1980's," *Review (Fernand Braudel Center)* 17, no. 3 (1994): 409.

rhetoric.[4] Despite the increasingly mobile character of the city (with its continuously moving and growing population and its uncertain aspirations to become a global city), the immobility of Istanbul was to remain as a fixed problem.

1.2.2 *The Discovery of Urban Rail and the AKP's "Infrastructural Turn"*

As a possible solution to the eternal problem of immobility, the provision of rail-based solutions, quite belatedly, came to the fore in the late 1980s. It was not until 1988 that a local administration, İstanbul Ulaşım A.Ş. was founded with the aim of operating metros, trams and funiculars.[5] This organization would operate the first "light metro" line, initiated in 1989. It would take slightly more than a decade for the second line to be realized. These metro lines and their extensions initiated during the 1990s, albeit small projects compared to their global counterparts, would possess a significant presence within the era's political and public discourse, notwithstanding the emerging networks of nepotism. Despite their total length pertaining to slightly less than 30 km during the first two decades of Turkish neoliberalism, Istanbul's urban rail projects would refract the nascent state-business networks, political rifts and peculiarities of urban policy-making and neoliberal politics, whether as visible through the demise of the political parties, eruption of corruption scandals, political investigations or parliamentary debates.

Historically, the implementation of urban infrastructure projects had been hindered by a fragmentation of the political realm and bureaucracy, refracting political strife within and among political entities. During the ANAP's reign (Anavatan Partisi / the Motherland Party) between 1983-1989, these political rifts seemed to be neutralized for a short while, allowing the conjuring and realization of urban infrastructure projects. With the ANAP's demise in the late 1980s and the succeeding governments in the 1990s, this

4 Tuna Kuyucu and Özlem Ünsal, "'Urban Transformation' as State-Led Property Transfer: An Analysis of Two Cases of Urban Renewal in Istanbul," *Urban Studies* 47, no. 7 (June 2010): 1484.

5 Efsun Ekenyazıcı Güney, "A Study on the Effect of Transportation Systems to the Evolution of the City Image - The Case of Istanbul," *Megaron* 7, no. 1 (2012): 102.

historical fragmentation would come back with a vengeance, politicizing the projects in question further.

The take-off of urban infrastructure projects throughout the first two decades of Turkish neoliberalism would, thus, be limited. Indeed, certain urban rail projects, the most popular one being the Marmaray, would be conceived during the late 1990s. Their completion would, however, take years while many governments would be formed and dismantled in the meanwhile. With the onset of the AKP government in 2002, however, a new picture would emerge.

The proclaimed urban rail breakthrough during the AKP era was to follow thorough legal changes, implemented after the 2001 crisis and subject to unceasing interventions throughout the following two decades. The field of public procurement and municipal administration, along with the party's gradual takeover of the center, would render the field of urban infrastructure more lucrative and susceptible to political interventions, especially during the party's second decade.

It would, however, take some time for the AKP's urban rail projects to gather speed. The AKP's first decade would witness the introduction of a single metro line and six extensions. The decade would be marked by two other projects. By mid-2007, the construction of the Marmaray and a form of bus rapid transit named the Metrobus (which were technically conceived during, respectively, the late 1990s and 2000s) were already initiated. The latter would start operating by the same year while the former would be finalized in 2019.

The AKP's urban rail vision, the murkiness of which is one of the themes of this dissertation, would set off in the 2010s, following sweeping legal and political interventions, which were exacerbated after the 2008-2009 crisis, along with the financial opportunities provided by the post-crisis environment. After 2012, thirteen different urban rail lines and six extensions would be contracted (see table 5.1 for the complete list). While the municipality was the main actor behind these projects until 2012, the Ministry of Transport, Maritime Affairs and Communications (in its different names), gradually, would be more visible within the realm of urban transit, either

through gargantuan projects commissioned by itself (such as the Istanbul Airport metro) or many municipal projects it was to overtake.

Despite the political functions that urban rail was endowed with and its unceasing lucrativeness, its weight within Istanbul's transit choices would increase slowly. Struggles over the definition of a metro line have, always, refracted political controversies and mutual slander (especially during the first two decades of Turkish neoliberalism), as this dissertation shows. According to a less formal definition of urban rail[6], the length of Istanbul's metro network increased from 39 kilometers in 2002 to 172 kilometers in 2020[7] (see figure 1.1 for Istanbul's current urban rail map). In the meanwhile, the number of annual urban rail passengers (704 million) turned out to be more than fivefold the number of passengers in 2002, the year the AKP came to power (see Appendix B for passenger statistics).[8]

6 Calculations by the former AKP municipality and state stick to a less strict definition of urban rail, which includes trams and "light metro" (which, in fact, possesses the technical credentials of a tram and metro at the same time). This dissertation was conjured out of an interest in any form of urban rail infrastructure (preferably sponsored by the municipality), regardless of the labels utilized by the political actors in conflict as long as these artefacts reflected political controversies.

7 If one applies the formal, strict definition of a metro line, the numbers are respectively 8 and 131 kilometers. See Metro İstanbul, *Faaliyet Raporu 2020*, accessed December 20, 2021, https://www.metro.istanbul/Content/assets/uploaded/faaliyet_raporu_2020_kars%C4%B1l%C4%B1kl%C4%B1_d%C3%BCs%C3%BCk01.pdf .

8 Ibid.

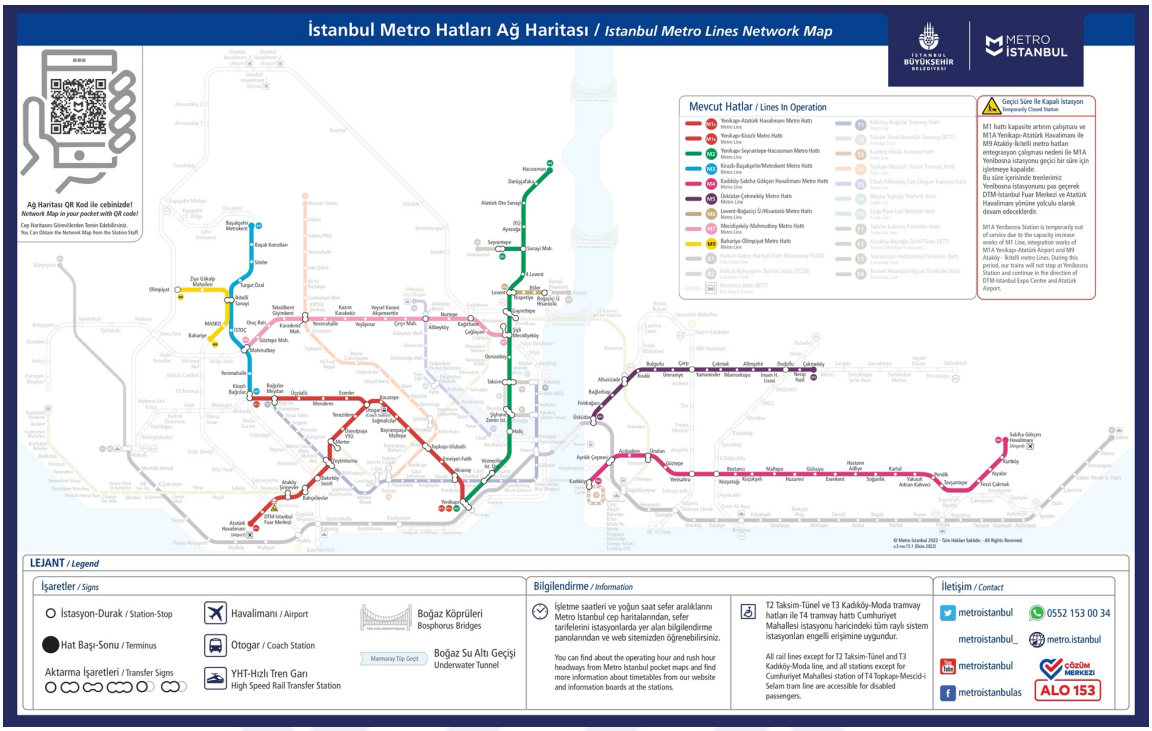


Figure 1.1 Istanbul's urban rail map (October 2022). SOURCE: Metro İstanbul, *İstanbul Metro Ağları Haritası*, accessed November 7, 2022, https://www.metro.istanbul/YolcuHizmetleri/AgHaritalari .

By 2019, despite the constant increase in the number of urban rail passengers, urban rail would occupy only 18.6% of all transit modes, corresponding to 2.8 million passengers. Meanwhile, road transport would pertain to %77.1 of all daily passengers in Istanbul, corresponding to 11.5 million passengers. The remaining 4.3% would depict the decreasing role of sea transport.[9]

The objective of the CHP municipality which came to power in 2019 was stated to be raising the length of Istanbul's metro network to 622 kilometers

9 "İstanbul'da Toplu Ulaşım," *İETT*, accessed March 20, 2022, https://www.iett.istanbul/tr/main/pages/istanbulda-toplu-ulasim/95 and İstanbul Planlama Ajansı. *İstanbul Kentsel Analiz Raporu*, accessed March 20, 2022, https://vizyon2050.istanbul/upload/content/202093_185264.pdf?bclid=IwAR3F3M6kV3W4IwxwDVTOHh12PR1XCBY_BzCKwRn_hNDYPpz10fgCj8k268E&fbclid=IwAR1m4H1U-qbfEXpnt1cPT-WAQp298SyB6PYF1Il7l1KRKoE_AUju-kNqz_MU .

by the year 2029.[10] However, by early 2022, the ongoing metro construction pertained to slightly more than 60 kilometers (see Appendix A or the faded routes in figure 1.1 for the projects in construction).[11] Compared to other metropolises, Istanbul, visibly, fares behind in terms of annual ridership.[12] According to World Metro Database, in 2017, Istanbul ranked the 38th among 212 other cities, in terms of metro length.[13] Meanwhile, other Turkish cities turn out to be less impressive. By early 2022, thirteen Turkish cities were utilizing a form of urban rail or another while only four had proper metro networks.[14] Ankara, despite having initiated the first urban rail line in Turkey, lags behind Istanbul, with its 64 kilometer line. Meanwhile, Bursa's rail network (28.8 kilometers) has been gradually expanding as Izmir's network barely exceeds 20 kilometers.[15]

1.2.3 *Urban Transit Policy as a Mess (and a Disclaimer)*

This sluggish development will be accompanied by an organizational disorder and ambivalent urban vision. Rather than being a clear-cut field in which responsibilities of every actor are visible demarcated and in which a clear vision for urban development exists, urban transit policy could be, thus, likened to a mess. This "messy" character, in fact, serves its unfettered, versatile political utilization.

This ambivalence is manifest when one takes the visions of different institutions into account. Istanbul's urban rail projects turn out to defy municipal or development plans while these plans and the institutions that have

10 "İstanbul'da 2029 Hedefi: 622.15 Kilometre Raylı Sistem Ağı!," *Emlakkulisi*, February 7, 2021.

11 "Projeler - Metro Hatları," *Metro İstanbul*, accessed March 20, 2022, https://www.metro.istanbul/Hatlarimiz/ProjeHalindekiHatlarTumu?projeInsaat=0 .

12 UCLG-MEWA-UITP, *Urban Mobility Report 2020*, accessed March 20, 2022, http://uclg-mewa.org/uploads/file/921e80d14cd24d8a8db14e7c757376d6/UITP_UCLG-MEWA_Urban_Mobility_%20Report_2020.pdf .

13 "World Metro Database," *Metrobits*, accessed March 20, 2022, http://mic-ro.com/metro/table.html .

14 "Türkiye'de Kentiçi Raylı Sistemler," *Rail Turkey Tr*, accessed March 20, 2022, https://tr.railturkey.org/kentici-rayli-sistemler/ .

15 UCLG-MEWA-UITP, *Urban Mobility Report 2020*.

produced them are not congruent in the first place. While an urban rail-oriented development was stressed in municipal plans and statements, development plans, for instance, would stress the primacy of "bus, metrobus and the like". Only when these were not inadequate, the urban rail alternatives, which were to be connected to main rail lines, bus terminals and airports, would be in question, the development plans posited.[16] The functions of these projects, which would be shaped by arbitrary political interventions rather than urban plans, would not be clear, either. Were these transit projects constructed mainly for the sake of mega-events and tourism in line with the global city fad or for increasing the mobility of its residents? The answer to this question would remain vague.[17]

The Istanbul case would also defy the "neoliberal" vision of rail-based urban development, as identified by certain observers within the Global North context (to be discussed in the following chapter). In fact, even a perfunctory look at the urban transit projects of Istanbul would, still, recognize the primacy of road transport. Most of the mega-projects during the era seemed to be serving the highway network. The Northern Highway and the Third International Bridge (both of which cost 4.5 billion TRY), along with the Kanal İstanbul in progress, were part and parcel of this tendency. An attempt at creating a city-region out of Istanbul was in question, which would quicken the rent-generating urbanization of the city's northern regions.[18] These projects would be seen as examples of the AKP's "politics of serving".[19] Besides these northern-bound projects (and the Third Airport whose contract

16 T.C. Kalkınma Bakanlığı, *Onuncu Kalkınma Planı, 2014-2018.* (T.C. Kalkınma Bakanlığı: Ankara, 2013), article 985 and Türkiye Cumhuriyeti Cumhurbaşkanlığı Strateji ve Bütçe Başkanlığı. *On Birinci Kalkınma Planı, 2019-2023* (Türkiye Cumhuriyeti Cumhurbaşkanlığı Strateji ve Bütçe Başkanlığı: Ankara, 2019), article 702.

17 Cenk Özbay, "Yirmi Milyonluk Turizm Başkenti: İstanbul'da Hareketliliklerin Politik Ekonomisi," in *Yeni İstanbul Çalışmaları: Sınırlar, Mücadeleler, Açılımlar*, ed. Ayfer Bartu Candan and Cenk Özbay (Metis Yayınları: İstanbul, 2015), 189.

18 Ibid, 191.

19 Hande Paker, "The Politics of Serving' and Neoliberal Developmentalism: The Megaprojects of the AKP as Tools of Hegemony Building," in *Neoliberal Turkey and Its Discontents: Economic Policy and the Environment under Erdoğan*, ed. Fikret Adaman, Bengi Akbulut and Murat Arsel (I. B. Tauris: New York, 2017), 103-119.

value amounted to more than 22 billion euros), the city was turned upside down with mega-tunnels and other highway projects, including the completed Eurasia Tunnel (which connects the two continents) and the planned Three Multi-Story Istanbul Tunnel.

Even though the metro network would be increasingly a significant part of the urban transformation during the AKP era, it could not rival the decades-long domination of road transport – yet. The real "neoliberal" success of Istanbul's metro network was not, thus, to be found in the (comparatively limited) proliferation of the metro lines or in a loyalty to the global city logic. Despite its comparatively less statistical visibility, urban rail's success should be looked for in its unceasing generation of urban rent, of new networks between the state, municipalities and business groups along with its political valorization.

§ 1.3 The Academic Neglect of Urban Rail Infrastructure

This dissertation is, indeed, about urban rail transit per se but, strangely, it is not preoccupied with transportation conundrums of the city or how these projects could relieve urban problems. The writer of this dissertation lacks the experiential and technical credentials for such an endeavor. Rather, this dissertation utilizes the case of urban rail transit to comment upon late Turkish capitalism, which has not been narrated with such a backdrop of infrastructural politics.

Urban rail infrastructure has, despite its historical and contemporary relevance, been largely neglected by social sciences. Identifying this peculiar academic repose within studies of urban transformation or policy-making is not, however, to underestimate the significance of numerically low but academically illuminating studies of Istanbul's urban transit or mobility. A lot of this bulk has taken the form of reports or been commissioned by business associations to solve transit exigencies of the city.[20] Various aspects of the

20 Orhan Demir and Haluk Gerçek, *Urban Mobility in Istanbul: Final Report* (Marseille: Plan Bleu, 2008); Sylvain Houpin, *Urban Mobility and Sustainable Development in the Mediterranean: Regional Diagnostic Outlook* (Marseille: Plan Bleu, 2010); Sedat Murat and Levent

transit infrastructure of Istanbul have been investigated in certain universities in Istanbul (Civil Engineering departments of the Istanbul Technical University / İTÜ and Boğaziçi University, along with the Transportation Management department of Bahçeşehir University taking the lead). Meanwhile, a lesser amount of historical accounts[21] of urban transit exists.

The neglect of the realm of urban rail infrastructure by social sciences is, in fact, not limited to Turkey. Until the onset of the two academic threads, viz. the politics of infrastructure and of mobility (which this dissertation, despite not being primarily engaged with, is inspired by), the realm of infrastructure has been mostly reserved for engineers or architects.

The politicization of infrastructure owes to Susan Leigh Star's call to study "boring things".[22] This critical turn has aimed to provide this "technical", "unexciting", "apolitical" domain a political narrative and an agency. Infrastructures (which might be envisioned not only as rail lines, pipes and wires but also as complex information systems or, even, telephone books)[23], were not merely technical entities but turned out to be "thoroughly political constructions which tend to embody 'congealed social interests'"[24] and which were intricately endowed with essential aspects of aesthetics, change, distributional justice and planning power.[25] Urban milieu turned out to the

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Şahin, *Dünden Bugüne İstanbul'da Ulaşım* (İstanbul: İstanbul Ticaret Odası Yayınları, 2010); Akif Keçeli, "Social Exclusion and Transportation: Planning for Accessibility," *International Journal of Research In Social Sciences,* no. 2 (2013): 127-137 and Eda Beyazıt, "Are Wider Economic Impacts of Transport Infrastructures Always Beneficial? Impacts of the Istanbul Metro on the Generation of Spatio-economic Inequalities," *Journal of Transport Geography* 45 (2015): 12-23.

21 Ekenyazıcı Güney, "A Study on the Effect of Transportation Systems"; İlhan Tekeli, *İstanbul ve Ankara İçin Kent İçi Ulaşım Tarihi Yazıları*; İlhan Tekeli, "Yüzelli Yılda Toplu Ulaşım," *İstanbul*, no. 2 (1992): 18-27 and James Ryan, "Technology, Modernity, and the State: Approaches to the History of Transit in Istanbul," *Mobility in History* 6, no. 1 (2015): 113-119.

22 Susan Leigh Star, "The Ethnography of Infrastructure," *American Behavioral Scientist* 43, no. 3 (1999): 377-391.

23 Ibid, 379-380.

24 Stephen Graham, "When Infrastructures Fail," in *Disrupted Cities: When Infrastructure Fails*, ed. Stephen Graham (Routledge: New York, 2010), 13.

25 Leigh Star, 379.

context in which the politicization of infrastructure took hold.[26] After all, the infrastructural breakdown that has marked the cities of the Global North led to this soaring interest in infrastructure, it was claimed.[27]

In a similar vein, a distinct yet related academic thread, i.e. the mobilities paradigm criticized the "a-mobile" character of social science, which ignored the role of movements in the constitution of society and culture.[28] Thus, the mobility turn came to emphasize "the importance of flows, networks, connections, movements, performances, processes of deterritorialization and reterritorialization, transnational organizations, immobile infrastructures, and even immobile groups."[29] This logic of flow, speed and connectivity was suggested to be part and parcel of the new capitalist logic, which denoted that "mobile infrastructures must be pursued in order to attract increasingly mobile capital into the built environment, to catalyze urban rent production, and to increase territorial competition and economic growth."[30]

In the light of these two academic threads, the metro mechanism has been treated as a discipline[31] or an inclusion/exclusion[32] mechanism, as a conveyor of state-generated idioms of modernity and nationalism[33], as a source of

26 Colin McFarlane and Jonathan Rutherford, "Political Infrastructures: Governing and Experiencing the Fabric of the City," *International Journal of Urban and Regional Research* 31, no. 2 (2008): 364.

27 Cymene Howe et al., "Paradoxical Infrastructures: Ruins, Retrofit, and Risk," *Science, Technology, & Human Values* 41, no. 3 (2016): 4.

28 Mimi Sheller and John Urry, "The New Mobilities Paradigm," *Environment and Planning A: Economy and Space* 38, no. 2 (2006): 208.

29 Philip Vannini, "Mobile Cultures: From the Sociology of Transportation to the Study of Mobilities," *Sociology Compass* 4, no. 2 (2010): 114.

30 Theresa Enright, "Contesting the Networked Metropolis: The Grand Paris Regime of Metromobility," in *Transport, Mobility, and the Production of Urban Space*, ed. Julie Cidell and David Prytherch (Routledge: New York, 2015), 173.

31 Sebastian Ureta, "Waiting for the Barbarians: Disciplinary Devices on Metro de Santiago," *Organization* 20, no. 4 (2013): 1-19.

32 Amina Nolte, "Political Infrastructure and the Politics of Infrastructure," *City* 20, no. 3 (2016): 441-454.

33 Amina Nolte and Haim Yacobi, "Politics, Infrastructure and Representation: The Case of Jerusalem's Light Rail," *Cities* 43 (2015): 28-36; Anru Lee, "Subways as a Space of Cultural Intimacy: The Mass Rapid Transit System in Taipei, Taiwan," *The China Journal*, no. 58

urban sprawl and development/regeneration[34], as a "mythical" embodiment of speed or efficiency[35] or as a material embodiment of "political rupture, shifting ideologies and new priorities."[36]

While the mobilities paradigm has not really been in vogue with regard to the Turkish case despite a few contemporary analyses that utilizes or is informed by the paradigm[37], interest in the politics of infrastructure of Turkey has lately been on the rise (along with an interest in the related literatures of political ecologies and mega-projects). Whether involving the politics of

(2007): 31-55; Theresa Erin Enright, "Mass Transportation in the Neoliberal City: The Mobilizing Myths of the Grand Paris Express," *Environment and Planning A: Economy and Space* 45, no. 4 (2013): 797-813; Matti Siemiatycki, "Message in a Metro: Building Urban Rail Infrastructure and Image in Delhi, India," *International Journal of Urban and Regional Research* 30, no. 2 (2006): 277-292 and Tristan R. Grunow, "Trains, Modernity and State Formation in Meiji Japan," in *Trains, Culture, and Mobility: Riding the Rails*, ed. Benjamin Fraser and Steven D. Spalding (Lexington Books: Plymouth, 2012), 203-222.

34 Kristian Olesen, "Infrastructure Imaginaries: The Politics of Light Rail Projects in the Age of Neoliberalism," *Urban Studies* 57, no. 9 (2020): 1811-1826 and Theresa Erin Enright, "Mass Transportation in the Neoliberal City."

35 Jonathan E. D. Richmond, "The Mythical Conception of Rail Transit in Los Angeles," *Journal of Architectural and Planning Research* 15, no. 4 (1998): 294-320 and Colin Divall and Hiroki Shin, "Cultures of Speed and Conservative Modernity: Representations of Speed in Britain's Railway Marketing," in *Trains, Culture, and Mobility: Riding the Rails*, ed. Benjamin Fraser and Steven D. Spalding (Lexington Books: Plymouth, 2012), 11-29.

36 Biruk Terrefe, "Urban Layers of Political Rupture: The 'New' Politics of Addis Ababa's Megaprojects," *Journal of Eastern African Studies* 14, no. 3 (2020): 375-395.

37 Berna Yazıcı, "Towards an Anthropology of Traffic: A Ride Through Class Hierarchies on Istanbul's Roadways," *Ethnos: Journal of Anthropology* 78, no. 4 (2013): 515-542; Cenk Özbay, "Yirmi Milyonluk Turizm Başkenti" and Yağmur Nuhrat, "Moralities in Mobility: Negotiating Moral Subjectivities in Istanbul's Traffic," *Mobilities* 15, no. 3 (2020): 325-340.

energy[38], environmental transformation[39], mega-projects[40] or water infrastructure projects[41], illuminating attempts to investigate different aspects of the infrastructural transformation during the AKP era are becoming more prevalent.

This dissertation, despite being inspired from these two academic threads, will not be preoccupied with them in particular. Such a preoccupation would, possibly, warrant different questions along with a more ethnography-minded endeavor. Rather, this dissertation narrates the trajectory of this previously ignored, technical realm "as an account on the ambivalences, twists and turns of neoliberalization and … [urban transit's] role in the escalation and resolution of those ambivalences, twists and turns."[42] Hence, the main theoretical preoccupation and engagement of this dissertation, which hopes to position itself within the category of historical political economy, lies elsewhere: the literature on new capitalism and neoliberalism/neoliberalization.

38 Sinan Erensü, "Fragile Energy: Power, Nature, and the Politics of Infrastructure in the 'New Turkey'," PhD diss., (University of Minnesota, 2016) and Bilge Fırat, "Integrative Currents? Electrifying the Turkey-EU Relations in Times of Blackout" in *Energy, Resource Extraction and Society: Impacts and Contested Futures*, ed. Anna Szolucha (Routledge: London, 2020), 177-190.

39 Caterina Scaramelli, "The Delta is Dead: Moral Ecologies of Infrastructure in Turkey," *Cultural Anthropology* 34, no. 3 (2019): 388–416.

40 Hande Paker, "'The Politics of Serving' and Neoliberal Developmentalism"; Rolien Hoyng and Murat Es, "Material Politics Facing Post-Truth: Speculation, Infrastructure, and Ecology in Turkey," *Antipode* 52, no. 4 (2020): 1-20; Evinç Doğan and Aleksandra Stupar, "The Limits of Growth: A Case Study of Three Mega-Projects in Istanbul," *Cities* 60 (2017): 281-288 and Cihan Tuğal, "Politicized Megaprojects and Public Sector Interventions: Mass Consent Under Neoliberal Statism," *Critical Sociology*, April 2022, https://doi.org/10.1177/08969205221086284 .

41 Mine Islar and Chad Boda, "Political Ecology of Inter-Basin Water Transfers in Turkish Water Governance," *Ecology and Society* 19, no. 4 (2014).

42 Sinan Erensü, "Powering Neoliberalization: Energy and Politics in the Making of a New Turkey," *Energy Research & Social Science* 41 (2018): 156.

§ 1.4 Defining New Capitalism

The terms new capitalism or late capitalism, interchangeably used throughout this dissertation, pertain to sweeping global changes initiated during the 1970s[43], commonly known as neoliberal reforms. Certain characteristics and processes have defined the course of new/late capitalism despite being marked by heterogeneity over time and geographies.

The origins of the neoliberal creed are "traced to the postwar writings of Friedrich Hayek and Milton Friedman" while it "gained widespread prominence during the late 1970s and early 1980s as a strategic political response to the sustained global recession of the preceding decade."[44] The textbook definition of neoliberalism presented "an economic and political orthodoxy marked by commitments to policies of free trade, privatization, deregulation, and welfare state retrenchment."[45] Marketization and competition were the buzzwords of this new religion.

What was particularly new about this form of capitalism was the increasing grip of the global transformation upon national commercial interests and the resultant political and cultural manifestations, according to Ayşe Buğra and Osman Savaşkan.[46] This process resulted in the introduction of the market within areas or policy domains that were untouched during the national-developmentalist era. National policy choices were highly limited under this globally imposed set of neoliberal reforms, it was claimed.

The transformation was not merely manifested within the realm of the market. A new sharing of responsibilities between states and non-governmental organizations also marked the political realm. The state was not the single political actor within this configuration as non-state entities such as business associations increased their significance within politics,

43 Ayşe Buğra and Osman Savaşkan, *New Capitalism in Turkey: The Relationship between Politics, Religion and Business* (Edward Elgar: Cheltenham, 2014), 1.

44 Neil Brenner and Nik Theodore, "Cities and the Geographies of Actually Existing Neoliberalism," *Antipode* 34, no. 3 (2002): 350.

45 Kim England and Kevin Ward, "Introduction: Reading Neoliberalization" in *Neoliberalization: States, Networks, Peoples*, ed. Kim England and Kevin Ward (Blackwell Publishing: Malden, 2007), 3.

46 Buğra and Savaşkan, 1.

transforming into indispensable actors.[47] This thorough economic transformation resulted in the emergence of a new political realm, which was, at times, marked by the increasing weight of religious idioms and references. Religion appeared as a form of network resource, overriding sectoral, scalar and regional differences while building a common ground of trust and solidarity.[48] It became constitutive of new networks, it was posited.

The outcomes of neoliberal reforms, however, turned out to be context-specific. After all, new/late capitalism turned out to be a politically constructed process, defined by the peculiar interaction between globally sanctioned reforms and interventions of the national state, which, in certain contexts, utilized religious ties and idioms for its political purposes. This was the framework of new/late capitalism within which Buğra and Savaşkan analyzed the Turkish experience, viz. the post-1980 economic reforms and state-business relations during the AKP era.

1.4.1 *Periodizing the Turkish Neoliberal Experience*

Despite slightly differing takes on periodization, certain milestones mark the post-1980 reforms, which the following chapter elaborates on. This periodization also overlaps with the assembling of the dissertation's chapters. The departure point for new Turkish capitalism (and this dissertation) is known to be the September 12, 1980 coup d'état, which initiated the implementation of the neoliberal reforms, also known as the January 1980 or January 24 decisions.[49] This neoliberal package, which was realized after the violent suppression of the political environment by the putschists, aimed to "improve the balance of payments, to combat inflation and to create an export-orientated free market economy"[50], along with the curtailing of social rights and subsidies.

The experience of early Turkish neoliberalism was, however, to be marked by conflict and crisis. According to Şenses, only after the end of the military

47 Ibid, 1.

48 Ibid, 15-16.

49 Erik J. Zürcher, *Turkey: A Modern History* (I.B. Tauris: London, 2005), 306.

50 Ibid, 307.

rule in 1983, could this programme gain momentum.[51] Still, its success during the decade was to be limited according to Pamuk, especially with regard to areas such as privatization.[52] These policies introduced during the first years of Turkish neoliberalism would be marked by the lack of stabilization, rendering the system prone to crises. Budget deficits and loss of financial discipline, along with other setbacks, "increased the fragility and vulnerability of the economy to external as well domestic shocks," Pamuk was to claim.[53]

Pamuk treats 1987 as a milestone in the gradual downfall of early Turkish neoliberalism, as the beginning of a new sub-period. For other observers such as Zürcher, Şenses, Boratav and Yalman[54], the year 1989 was a watershed. Zürcher suggests that with a serious drought, "an increase in interest rates…, cutbacks in government investment and a high exchange rate for the Turkish lira,"[55] the growth of the Turkish economy was to halt during the year in question.

Şenses highlights the significance of the decision to liberalize the capital accounts, implemented in the year in question[56], which would serve the opening of economy to financial globalization.[57] Given the lack of a suitable, regulatory legal framework, this particular decision was to be one of the main factors behind the financial crises throughout the second decade of Turkish

51 Fikret Şenses, "An Assessment of the Pattern of Turkish Manufactured Export Growth in the 1980s and its Prospects," in *The Political Economy of Turkey: Debt, Adjustment and Sustainability*, ed. Tosun Arıcanlı and Dani Rodrik (Palgrave MacMillan: London, 1990), 69.

52 Şevket Pamuk, "Editor's Introduction: Turkey's Experience with Neoliberal Policies and Globalization since 1980," *New Perspectives on Turkey,* no. 47 (2012): 6.

53 Ibid, 6.

54 Galip Yalman, "The Neoliberal Transformation of State and Market in Turkey: An Overview of Financial Developments from 1980 to 2000," in *The Political Economy of Financial Transformation in Turkey*, ed. Galip L. Yalman, Thomas Marois and Ali Rıza Güngen (Routledge: New York, 2019), 62.

55 Zürcher, 311.

56 Fikret Şenses, "Turkey's Experience with Neoliberal Policies since 1980 in Retrospect and Prospect" in *The Making of Neoliberal Turkey*, ed. Cenk Özbay et al. (Ashgate Publishing: Surrey, 2016), 17.

57 Pamuk, 9.

neoliberalism.[58] The year 1989 was, also for Boratav, a turning point but for an additional reason. Boratav posits that 1989 marked the turn to a form of uncertain populism, which would be present until 1997.[59] This uncertain populism, as a result of the rising public discontent, was to be marked by the rise in wages and subsidies. The same year also marked the end of the ANAP's Istanbul mayor Bedrettin Dalan's reign (as narrated in Chapter 3) and the operation of Istanbul's first urban rail project.

The "second sub-period 1987-2001 [of Turkish neoliberalism] was characterized by a great deal of political and economic instability," according to Pamuk.[60] Thus, this sub-period, whether one initiates it in 1987 or 1989, was marked by the entrenchment of the hold of global financial institutions upon the Turkish economy, along with successive coalitions and political turmoil. Domestic policy-making during the era was to be weakened as the hold of the IMF, World Bank and, after the mid-1990s, European Union was strengthened, Şenses posited.[61] According to Boratav, certain "structural adjustment" policies dictated by international financial organizations would mark the Turkish economy, starting from 1998 and throughout the AKP's first period. This second sub-period was also to witness the introduction of Istanbul's first "real" metro line, among sweeping political turmoil, as Chapter 4 portrays.

The end of the early Turkish neoliberal experience, heralded by the financial and political crises of the decade, was finally declared by the 2001 crisis. Measures after the crisis aimed to undo this early experience, which was suggested to be marked by the lack of legal regulation and standardization along with legal arbitrariness, deregulation, overspending and corruption. Thus, the third sub-period in the Turkish course of neoliberal reforms was to be marked by a novel regulatory program, the introduction of which coincided with the entrance of the AKP into Turkish politics[62], an offshoot of the political

58 Şenses, "Turkey's Experience with Neoliberal Policies," 17.

59 Korkut Boratav, *Türkiye İktisat Tarihi 1908-2009* (İmge Kitabevi: Ankara, 2011), 175.

60 Pamuk, 6.

61 Şenses, 17.

62 Pamuk, 6.

Islamist movement which was shattered throughout the February 28 period.[63] This structural adjustment program was marked by the stress upon the establishment of independent regulatory institutions and agencies, along with a focus on macroeconomic stability.[64] This new era cherished legal regulation, standardization of public procurement procedures, the end to corruption and the separation of the economic from the political through certain institutions and laws. How these new measures were introduced and subverted with regard to the field of public procurement during the AKP era is the concern of Chapter 5 while the emergence of a new business environment as a result of these political interventions will be portrayed in Chapter 6.

Periodizing the AKP period has, on the other hand, been quite controversial. For certain observers, a "contradiction" between the early and late AKP era has been present, as the early era was marked by the party-government's closer relations with global financial institutions and the EU, along with tendencies towards liberalization and democratization.[65] The latter phase of the AKP rule would undo these tendencies, according to these and other observers, as portrayed below and in the following chapter.

Öniş, for instance, divides the AKP reign (from 2002 to 2015) into three distinct phases. The first was a form of "golden age", marked by "significant progress in the economy, the democratic order, and foreign policy, all under the strong influence of the EU accession process."[66] However, after 2007, the AKP reign would be marked by a tendency towards deregulation, financial and legal arbitrariness, politicization of the economy, along with political rifts within and among different actors and political violence. The second phase,

63 Cihan Tuğal, *Passive Revolution: Absorbing the Islamic Challenge to Capitalism* (Stanford University Press: Stanford, 2009), 46-51.

64 Pamuk, 6.

65 E. Fuat Keyman and Berrin Koyuncu, "Globalization, Alternative Modernities and the Political Economy of Turkey," *Review of International Political Economy* 12, no. 1 (2005): 105-128; Çağlar Keyder, "The Turkish Bell Jar," *New Left Review* 28 (July/August 2004): 65-84 and Şebnem Gümüşçü and Deniz Sert, "The Power of the Devout Bourgeoisie: The Case of the Justice and Development Party in Turkey," *Middle Eastern Studies* 45, no. 6 (2009): 953-968.

66 Ziya Öniş, "Turkey's Two Elections: The AKP Comes Back," *Journal of Democracy* 27, no. 2 (2016): 142.

between 2007 and 2011, was, hence, marked by the consolidation of power by the AKP, slowing of economic and political reforms, the EU process coming to a halt, according to Öniş.[67] The third phase, starting after the June 2011 election, was seen as the reverse of the first phase – it was marked by the slowing of economic growth and by "serious democratic backsliding," especially visible in the realm of law.[68]

For some, how this transformation unfolded itself was a source of contention. Özden, Akça and Bekmen, for instance, implied the difficulty of identifying a key moment:

> [I]t is difficult to separate the two phases by defining a key moment since … various factors resulted in a gradual but radical shift within the AKP era … [including] the global economic crisis of 2007–2008, the Gezi Revolt in 2013, protracted struggles among various intra-state actors that entered a new phase at the end of 2013, the complex conditions of the conflicts in the Middle East and the trajectory of the Kurdish question after 2010.[69]

With the crisis and "the end of Turkey's EU prospects … the AKP's move towards relentless centrism and authoritarian rule gained momentum," it was suggested by Kuyucu.[70] Bedirhanoğlu linked the rise of authoritarianism to the integration into the global credit market while stressing the continuities between these seemingly distinct eras.[71] Looking for "turning points" might,

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67 Ibid, 142.

68 Ibid, 143.

69 Barış Alp Özden, İsmet Akça and Ahmet Bekmen, "Antinomies of Authoritarian Neoliberalism in Turkey: The Justice and Development Party Era," in *States of Discipline: Authoritarian Neoliberalism and the Contested Reproduction of Capitalist Order*, ed. Cemal Burak Tansel (Rowman & Littlefield International Ltd: London, 2017), 192.

70 Tuna Kuyucu, "Two Crises, Two Trajectories: The Impact of the 2001 and 2008 Economic Crises on Urban Governance in Turkey," in *Neoliberal Turkey and Its Discontents: Economic Policy and the Environment under Erdoğan*, ed. Fikret Adaman, Bengi Akbulut and Murat Arsel (I. B. Tauris: New York, 2017), 49.

71 Pınar Bedirhanoğlu, "Global Class Constitutions of the AKP's 'Authoritarian Turn' by Neoliberal Financialization," in *Regime Change in Turkey: Neoliberal Authoritarianism, Islamism and Hegemony*, ed. Errol Babacan et al. (Routledge: New York, 2021), 68-84.

indeed, be a fallacy[72] as the "AKP rule has carried an element of authoritarianism all along, the intensity of which continues to increase exponentially," Adaman and Akbulut postulated.[73]

The treatment of the AKP era as the unfolding of two contradictory sub-periods is suggested to suffer from certain caveats, which the dissertation aims to tackle with throughout the following chapters. After all, this dissertation agrees that, rather than suggesting the existence of "two competing, temporally bound images of [the AKP]", the era should be analyzed through "placing the two periods in a continuum whereby the 'authoritarian' practices of the later AKP rule can be retraced to – and properly understood in – the context of its earlier 'democratic' incarnation."[74]

Utilizing the history of urban rail as a gateway to understanding Turkish neoliberalism provides a critical take upon this common periodization as it manifests the persistence of certain political practices or patterns within the course of late Turkish neoliberalism. It, furthermore, unearths the intricate relations between reforms and political interventions, which were expected to be mutually exclusive within the parlance of international reforms. While Chapter 5 and 6 portrays the resilience of "old" practices of political intervention and business-making along with the emergence of a fragmented business environment throughout the last two decades of Turkish neoliberalism, Chapter 7 investigates the politically ambivalent valorization of urban rail, tracing the manifestations of urban populism and global city visions (two tendencies introduced within the first two decades of Turkish neoliberalism, as shown in Chapter 3 and 4).

72 Sinan Erensü and Ayça Alemdaroğlu, "Dialectics of Reform and Repression: Unpacking Turkey's Authoritarian 'Turn'," *Review of Middle East Studies* 52, no. 1 (2018): 19.

73 Fikret Adaman and Bengi Akbulut, "Erdoğan's Three-Pillared Neoliberalism: Authoritarianism, Populism and Developmentalism," *Geoforum* 124, no. 3 (2020): 3.

74 Cemal Burak Tansel, "Authoritarian Neoliberalism and Democratic Backsliding in Turkey: Beyond the Narratives of Progress," *South European Society and Politics* 23, no. 2 (2018): 198.

§ 1.5 The Political Journey of Istanbul's Urban Rail as a Gateway to Understanding Late Turkish Capitalism

The trajectory of Istanbul's urban rail infrastructure was to coincide with the four-decade long and ongoing history of Turkish neoliberalism. Istanbul's first large urban rail project, conceived in 1983 and completed in 1989, was a product of the legal-institutional environment that the early Turkish neoliberal experience introduced: a new municipal law, a new procurement law and a new mayor figure. Along with macro-level financial adjustments, urban infrastructure was rendered politically and financially lucrative. Thus, under the state-led introduction of a neoliberal institutional framework, the decades-long vision of urban rail transit was to be realized.

The saga of Istanbul's urban rail is bounded with the novelties, peculiarities and controversies of this neoliberal framework. Utilizing the politically charged history of urban rail as a background for the Turkish neoliberal experience provides an opportunity to trace myriad actors and institutions in flux and to challenge certain assumptions with regard to new Turkish capitalism. It provides an opportunity to unearth the sources of state-business relations during the AKP era, which, despite its novel manifestations, lie in the experience of early Turkish neoliberalism.

This does not mean that there was not much new in "new capitalism". Indeed, with regard to the reliance on infrastructure and its realization, the extent of visible patronal networks and political interventions, the AKP era outshines the previous eras. What was new was not the discovery of these tendencies of de-institutionalization or political interventions. What was new was the extent of de-institutionalization and political interventions, along with unprecedented centralization of state power despite political rifts within and among actors.

The trajectory of urban rail transit manifests these continuities, ruptures, novelties and legacies with regard to four main themes: political intervention into the legal field, patronage and its limits, power fragmentation and ambivalent urbanism. The itinerary of Turkish neoliberalism, from the start, was laden with a tendency towards extra-legal interventions into certain legal-institutional domains. In a similar vein, the AKP reign has been replete with

controversies with regard to extra-legal interventions into the field of public procurement, which were suggested to serve a patronal network. The party, however, did not initiate legally controversial practices within the business environment and urban policy-making but merely precipitated it. Political and institutional interventions for the sake of forming patronal relations were not inventions of the last two decades, as the early experience of Turkish neoliberalism was defined by such tendencies.

Secondly, these interventions have resulted in the emergence of politically affiliated, distinct business networks during each era. By mid-1980s, urban rail and infrastructure had already transformed into a lucrative sector, implicated with controversial connections between political figures and business groups. These suspicious relations were to persist into the 1990s, which witnessed the introduction of new political actors, unceasingly producing scandals and controversies.

Neoliberal reforms after the 2001 crisis expected the disappearance of old business groups, which benefitted from the legally suspicious environment of the first two decades. However, during the AKP era, these networks would not really be wiped out but, rather, would return in disguised forms. During the era, especially during its second decade (replete with financial and political opportunities provided by the aftermath of the 2008-2009 crisis), the field of urban infrastructure was to provide unprecedented opportunities for both politically affiliated business groups and a part of the "old" business actors. Tracing the actors and controversies with regard to urban rail transit within each political era helps one to discern the contested and uncertain outcomes of neoliberal reforms.

This fragmented business environment or the co-existence of different business actors manifests the technical peculiarities arising from the realm of infrastructure, mostly underestimated by depictions of nepotism during the era which implied that patronal networks were enough to realize urban infrastructural projects. These accounts have dismissed the determining role of certain constraining factors (technology, experience and internationally bound legal requirements, for instance) and how these factors have shaped the exercise of nepotism within the infrastructural realm.

In other words, the construction of urban transit technology is not simply dependent upon the provision of necessary legal advantages or favours, as they turn out to be complex, technology-intensive projects, which are dependent upon international technics, connections and, for sure, credit. A certain expertise turns out to be mandatory for the construction of urban rail projects, which renders the sectors shared by a handful of large contractors, smaller firms or subcontractors, which do not always turn out to be necessarily crony by definition.

Third, the political journey of Istanbul's urban rail unearths how the historical rift between the center and the local was played out and transformed. A significant part of early Turkish neoliberalism and of the AKP's early reign was marked by institutional and bureaucratic discrepancies and foot-dragging, which, in fact, were visible through the controversies with regard to certain urban rail projects (whose numbers were to be limited until the advent of the AKP). This fragmentation of power was to be overcome by the party's gradual takeover of significant institutions and the state mechanism, the tendencies of which were already visible by the early 2000s. By the late 2000s, this "resolution" would result in the swift introduction of new urban infrastructure projects. However, with the emergence of inner political rifts and, especially, with the transfer of the municipality to the opposition in 2019, the old theme of discrepancy would come to the fore, again. Thus, despite the overarching shadow of state and political interventions over urban transit policy-making, this field was not built upon a consensus but was marked by conflicts and rifts, either within or between political entities and institutions. Neoliberal urbanism and urban transit policy-making, rather than being marked by coherence, was to be marked by hybridity and contradiction.

Fourthly, urban rail's trajectory helps one to trace the ambivalent urban vision towards Istanbul, present throughout these four decades. Whether these projects tend towards urban populism or global city logic has, always, remained unclear. The ambivalent, fragmented character of Turkish neoliberal urbanism is manifested through tracing Istanbul's infrastructural politics, along with the meanings and functions it was imbued with. There was, never, a clear-cut urban vision for "the neoliberal Istanbul" and its urban

rail transit network, it turned out. The AKP's urban infrastructure politics, on a discursive level, betrayed a strong urban populist vein (marked by anti-elitism, national developmentalism and anti-pluralism), which overruled global city aspirations. Urban rail projects were politically packaged and presented as monuments of service to the urban poor, rather than as eye candy for neoliberal agents. In practical terms, the design of urban rail routes hinted a preferential treatment towards urban periphery (whether these projects will predominantly serve urban poor or global city impulses in the long run is, surely, a question that needs to be investigated through meticulous and longitudinal studies). Furthermore, the fate of urban rail projects and urban planning mechanisms manifested the consistent exclusion of certain actors. After all, to the chagrin of the experts and civil society organizations, these fields were unceasingly subjected to piecemeal and arbitrary interventions by a handful of political figures, which rendered the neoliberal urban project incoherent and haphazard. Perhaps, the dissertation negates itself herein: was there an urban rail policy of Istanbul in the first place?

§ 1.6 Contextualizing the Peculiarities: A Comparative Perspective

A pronounced stress on peculiarities runs the risk of suggesting a "Turkish exception" whereas these peculiarities are not merely arising from national configurations at all. As Gökarıksel and Türem note (with regard to the rise of authoritarian regimes), a national focus falls into the trap of "methodological nationalism", producing an exceptional image of Turkey. However, "not only are many of the legal, political, and economic conditions of the exception internationally produced, but many countries both in the so-called advanced capitalist 'core' and the 'peripheries' are currently experiencing a new wave of right-wing authoritarian movements and governments."[75] A similar suggestion could be made regarding the course of late Turkish capitalism as seen through this narration of urban rail infrastructure.

75 Saygun Gökarıksel and Z. Umut Türem, "The Banality of Exception?: Law and Politics in 'Post-Coup' Turkey," *South Atlantic Quarterly* 118, no. 1 (2019): 183.

The dissertation, with its sensitivity towards certain peculiarities that challenge basic assumptions put forward by the aforementioned academic threads, strives to be wary of the global relevance of the Turkish experience of neoliberalism. With all its idiosyncrasies, the trajectory of Istanbul's urban rail infrastructure could be situated among larger global tendencies and processes, whether this entails the national mediation of economic reforms, entanglement with global capital flows or political administration of urban rail projects.

1.6.1 *Nationally Mediated Neoliberal Reforms*

Much has been written on the context-specific and politically constructed outcomes of neoliberal reforms or "neoliberalization" as such, as theoretically delineated in Chapter 2. The course of neoliberal reform waves in Turkey testifies to this point: these reforms, rather than globally trickling down to result in homogeneous outcomes, were "nationally mediated". Each reform wave introduced a novel legal-institutional environment ripe for the proliferation of infrastructure projects. However, as empirically depicted through post-1980 reforms (Chapter 3 and 4) and reforms following the 2001 crisis (Chapter 5 and 6), these globally sanctioned reforms were, within certain limits, nationally tweaked to serve certain political purposes. This politicization, rather than the presumed existence of a separation between "politics" and "economy", is a globally pervasive "peculiarity", as the next chapter argues more meticulously.

1.6.2 *Crisis as Opportunity*

The global embeddedness of Istanbul's infrastructural realm is also visible through its entanglement with capital flows, especially after the 2008-2009 crisis. The crisis has played a significant (albeit not exclusive) role in the establishment of a politically exigent administrative mode, as seen through the course of public procurement and municipal reforms (Chapter 5). The crisis turned out to be the catalyzer of the AKP's increasing grip over the realm of

politics and finance, notwithstanding political repression according to some observers.[76] Furthermore, it rendered urban rail projects financially viable.

With the crisis, an adherence to the neoliberal policy marked by "stability" was lost, it was claimed[77] while political control was to be increasingly centralized.[78] A recentralization, visible through frequent utilization of ad hoc measures (à la Özal), was in question.[79] Kuyucu depicts the "recentralization" of power after the global financial collapse as follows:

> [W]ith the collapse of global financial markets and the subsequent slowing down of the Turkish economy, the AKP government overturned most macroeconomic and administrative reforms of the previous era and embarked on an authoritarian economic and political programme that dramatically re-centralized urban policy making as well as macroeconomic management.[80]

The end of the European Union membership prospects after 2008 did not help, either. Thus, while the post-2001 attempts aimed to introduce decentralization and the empowerment of the local, the post-2008 measures reversed the course definitely, resulting in more centralization, especially with regard to renewal, transportation and infrastructure projects.[81]

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76 Zülküf Aydın, "Global Crisis, Turkey and the Regulation of Economic Crisis," *Capital & Class* 37, no. 1 (2012): 104 and Pınar E. Dönmez and Eva J. Zemandl, "Crisis of Capitalism and (De-)Politicisation of Monetary Policymaking: Reflections from Hungary and Turkey," *New Political Economy* 24, no. 1 (2019): 126.

77 Galip L. Yalman, Thomas Marois and Ali Rıza Güngen, "Introduction: Debating Financial Transformation in Turkey," in *The Political Economy of Financial Transformation in Turkey*, ed. Galip L. Yalman, Thomas Marois and Ali Rıza Güngen (Routledge: London, 2018), 1-2.

78 Aydın, 100.

79 Ahmet Bekmen, "State and Capital in Turkey During the Neoliberal Era," in *Turkey Reframed: Constituting Neoliberal Hegemony*, ed. İsmet Akça, Ahmet Bekmen and Barış Alp Özden (Pluto Press: London, 2014), 68.

80 Kuyucu, "Two Crises, Two Trajectories," 45.

81 Ibid, 48.

The immediate effect of the crisis upon the Turkish economy was the rapid capital outflow from Turkey.[82] With the "the stabilization of the global financial market conditions and the policy-driven sharp reductions in interest rates in advanced economies," however, capital inflows into the country would exceed previous levels.[83] After all, global investors, it was claimed, were "seeking to diversify away from Western nations that were at the epicenter of the financial crisis,"[84] which rendered Turkey attractive in terms of investments.

Meanwhile, the Turkish policy makers were quick to liberalize certain regulations, especially with regard to borrowing. The main motivation herein was suggested to be "[benefiting] from positive international financial conditions and [the provision of] a breathing space to non-financial corporations."[85] Thus, it was "becoming easier to obtain cheap USD loans."[86] By 2011, two Central Bank members were suggesting that profitability of Turkish banks was on the rise since the crisis and that "Turkey [was] one of the few countries whose credit rating has improved significantly during the crisis."[87]

The party-government's stance was far from coherent. These measures, in fact, went hand in hand with a populist rhetoric. Özden, Akça and Bekmen suggest that the "global economic crisis … considerably changed and transformed relations within the power bloc, and between the AKP and each capital faction composing the power bloc."[88] The AKP's populist stance, which turned out to be the postponement of the IMF programme "as a sign

82 Ümit Akçay and Ali Rıza Güngen, "The Making of Turkey's 2018-2019 Economic Crisis," *IPE Working Papers 120/2019, Berlin School of Economics and Law* (2019): 10.

83 Dani Rodrik, "The Turkish Economy after the Global Financial Crisis," *Ekonomi-tek - International Economics Journal, Turkish Economic Association* 1, no. 1 (2012): 45.

84 Jesse Colombo, "Why The Worst Is Still Ahead For Turkey's Bubble Economy," *Forbes*, March 5, 2014.

85 Akçay and Güngen, 9.

86 Ibid, 9.

87 Mehmet Yörükoglu and Hakan Atasoy, "The Effects of the Global Financial Crisis on the Turkish Financial Sector," in *The Global Crisis and Financial Intermediation in Emerging Market Economies Vol. 54*, ed. Bank for International Settlements (Bank For International Settlements: 2011), 388.

88 Özden, Akça and Bekmen, "Antinomies of Authoritarian Neoliberalism in Turkey," 200.

of national autonomy and economic strength"[89], prioritized the interests of "capital groups that are more dependent on perpetual expansion of domestic demand vis-à-vis big financial capital"[90], as clearly visible in the field of construction and housing.[91] Meanwhile, as the government decided to loosen its public spending regime, which displeased not only the big bourgeoisie but also international capital, the AKP's hegemonic appeal started to dissipate, thus rendering the party-government more reliant on authoritarianism.[92]

The surge in urban rail projects took place within such a context. Especially after the gradual recovery of the global market, the Turkish infrastructure realm was rendered financially more attractive and viable. Thereby, financial assistance by international financial organizations was to pour into the municipality (as seen in table 1.1) and this assistance, almost exclusively, pertained to urban rail projects.

89 Ziya Öniş and Ali Burak Güven, "Global Crisis, National Responses: The Political Economy of Turkish Exceptionalism," *New Political Economy* 16, no. 5 (2011): 603.

90 Özden, Akça and Bekmen, 200.

91 Ibid, 201.

92 Ibid, 201.

Table 1.1 The influx of foreign credit into municipal projects (2006-2019)

Date	Title of the Project	Amount	Financer
2006	Taksim-Yenikapı Metro	210,000,000 $	Standart Charter Bank - Kexim - Deutsche Bank
2006-2007	Procurement of Disaster Response and Firefighting Equipment	94,000,000 $	[no info]
2007	Procurement of 68 Wagons	78,132,000 €	Calyon - Société Générale
2008	4. Levent-Ayazağa and Üsküdar-Ümraniye Metro	720,000,000 $	European Investment Bank
2008	4. Levent-Ayazağa-Hacıosman Metro	168,636,000 $	Agence Française de Développement
2008	Financing of Infrastructural Investments	322,100,000 $	World Bank
2008	Kadıköy-Kartal Metro	1,090,512,800 $	13 international banks led by Fortis and Calyon
2010	Haliç Metro Bridge	149,786,494 €	WestLB
2010	Procurement of 120 Metro Vehicles	148,614,761 €	BNP Paribas Fortis
2011	Kartal-Kaynarca Metro	242,743,818 €	WestLB
2012	Procurement of 24 Metro Vehicles	24,617,090 €	Natixis
2012	Üsküdar-Ümraniye-Çekmeköy Metro	92,282,668 €	ING-KFW-UniCredit
2013	Taksim-Yenikapı Metro and Procurement of 92 Vehicles	57,664,600 $	Agence Française de Développement
2015	Procurement of 126 Vehicles	133,899,748 €	BNP Paribas
2015	Procurement of 68 Vehicles	83,158,165 €	Société Générale
2015	Mecidiyeköy-Mahmutbey Metro	295,000,000 €	European Investment Bank
2016	Kabataş-Mecidiyeköy-Mahmutbey Metro	369,000,000 €	IFC and Intesa Sanpaolo
2016	Ataköy-İkitelli Metro	250,000,000 €	European Investment Bank
2017	Ataköy-İkitelli Metro	338,272,200 €	International Bank for Reconstruction and Development
2018	Üsküdar-Ümraniye-Çekmeköy Metro	112,721,047 €	Deutsche Bank
2019	Procurement of 120 Metro Vehicles	100,088,780	Société Générale
2019	Ümraniye-Ataşehir-Göztepe Metro	175,000,000 €	International Bank for Reconstruction and Development and BSTDB

SOURCE: *İBB Annual Reports (2007-2020)*, accessed October 9, 2022, http://www.sp.gov.tr/tr/stratejik-plan/kurum/354/Istanbul+Buyuksehir+Belediyesi .

Throughout the crisis, the party-government had consolidated a certain level of political power to overtake these projects without further ado. The crisis exacerbated the possibility and state capacity to rely upon discretionary practices further, a tendency that was already visible during the early experience of Turkish neoliberalism and AKP's first era as the dissertation argues.

1.6.3 *Political Administration of Urban Rail*

The third "globally relevant" peculiarity pertains to the political administration of urban rail projects. Istanbul's urban rail projects, despite originally being municipal endeavours, have been historically marked by an organizational chaos. This confusion of authority, however, turns out not to be a peculiarity at all. It has, after all, been part and parcel of the infrastructural experience, encountered mostly within the Global South contexts and, to an extent, the Global North. Istanbul's unique confluence of municipal and state involvement in urban rail projects resembles diverse global contexts.

The first urban rail lines in world history was marked by the dominance of "private developers [who] played a significant role in the financing and

development of the [projects]"[93], as seen through the cases of New York and London in late 19th and early 20th centuries. These rail projects were to be subject to a nationalization wave throughout the 20th century.[94] With the waves of deregulation and decentralization[95], along with the looming transit crisis, however, a trend toward public-private partnerships (PPPs) and privatization emerged throughout the last two decades of the 20th century.

This shift towards the commercialization of urban rail operation and management turned out to be quite restrained, however. The public ownership model, still, forms the dominant tendency within contemporary European and North American contexts, which are marked by the "devolution of control, management, planning and finance of public transport from central (national) government levels to state (provincial) and local (municipal) government levels"[96] while the extent of private involvement turns out to be limited.[97] "The wave of privatization that has swept the infrastructure, utilities, and transportation sectors in the past three decades appears to have found fewer converts in the urban rail transit sectors of the developed world" as "expensive construction, operating and maintenance costs, […] the need for direct and/or indirect public subsidies … and the complexities of forming and sustaining coalitions and partnerships necessary in rail transit privatization" provide obstacles, it was suggested.[98]

As Pojani and Stead claim, "although transportation planning and management may, in theory, be devolved at the local level, municipalities lack the

93 Rohit Sharma and Peter Newman, "Urban Rail and Sustainable Development: Key Lessons from Hong Kong, New York, London and India for Emerging Cities," *Transportation Research Procedia* 26 (2017): 93.

94 Priyanka Jain, Sharon Cullinane and Kevin Cullinane, "The Impact of Governance Development Models on Urban Rail Efficiency," *Transportation Research Part A* 42 (2008): 1244.

95 Ibid, 1238.

96 John Pucher and Christian Lefèvre, *The Urban Transport Crisis in Europe and North America* (Macmillian: London, 1996), 38.

97 Ibid, 36.

98 Sock-Yong Phang, "Public-Private Partnerships in Urban Rail Transit: Recent International Experience" in *Handbook of Transportation Policy and Administration*, ed. Jeremy F. Plant (Routledge: New York, 2007), 505.

budget to fulfil their transport-related responsibilities."[99] Thus, higher levels of governments enter the scene, equipping municipalities with financial assistance (also seen in the Turkish case). However, in most European contexts (with the exception of the Netherlands), the central governments' role was limited to a substantial contribution to public transport finance, having little organizational control. Thus, organizational dissonance reigned in developed countries, according to the World Bank.[100] The piecemeal, fragmented and messy character of urban rail projects was a universality.

The Global South was, on the other hand, marked by a more pronounced state involvement, as municipal administrations were weak and the private corporations' role has been limited. "Pure private finance of new urban rail projects has not yet been successful in any case in a developing country," it is claimed.[101] This state involvement did not lead to an effective coordination at all: "Around the world, especially in the Global South, very few examples can be found where the responsibilities for urban transport governance are coordinated effectively."[102] Hence, what rules the cityscape of the Global South turns out to be weak administrative arrangements with limited planning capacities, resulting in institutional fragmentation, seen in diverse environments from India to South Africa or to Turkey.[103]

Privatization attempts, as solutions to the financing conundrums, turned out to be more popular in Asian and South American contexts[104], albeit with limited results.[105] Still, even in certain contexts such as Korea and China

99 Dorina Pojani and Dominic Stead, "Policy Design for Sustainable Urban Transport in the Global South," *Policy Design and Practice* 1, no. 2 (2018): 91.

100 The World Bank, *Cities on the Move: A World Bank Urban Transport Strategy Review* (The World Bank: Washington, D.C., 2002), 155.

101 Ken Gwilliam, "Urban Transport in Developing Countries," *Transport Reviews: A Transnational Transdisciplinary Journal* 23, no. 2 (2003): 203.

102 Pojani and Stead, 91.

103 For a general profile of urban transport under developing economies and case studies, see *The Urban Transport Crisis in Emerging Economies*, ed. Dorina Pojani and Dominic Stead (Springer: Cham, 2017).

104 Jain, Cullinane and Cullinane, 1241 and Sock-Yong Phang, "Urban Rail Transit PPPs: Survey and Risk Assessment of Recent Strategies," *Transport Policy* 14, no. 3 (2007): 214-231.

105 David Bray and Philip Sayeg, "Private Sector Involvement in Urban Rail: Experience and Lessons from South East Asia," *Research in Transportation Economics* 39 (2003): 191-201.

(which made use of the PPP model[106]), the urban rail operators turned out to be public corporations controlled by the municipal governments as opposed to joint ventures and, hence, resembling the Global North tendency.[107] In certain cases (such as the Delhi metro) where nationally conjured and planned urban rail projects were realized through local governments, the power of local governments was challenged by the central government's involvement over the projects, arising in political strife.[108]

Istanbul's urban rail transit projects (excluding state-owned rail systems such as the Marmaray project and the Istanbul Airport metro) have, in the meanwhile, remained municipal endeavours, resisting privatization attempts or PPPs, as opposed to other areas of urban transport (such as bridges and sea transport). However, as seen in Chapter 5, the state was increasingly to be involved with the construction and financing of the projects (if not with their management). Thus, the Istanbul case tends towards the Global North contexts where the privatization of urban rail transit has been resisted and municipalities hold a significant role in the operation of projects and, to a certain extent, resembles certain Global South cases, where the involvement of central governments (or political figures) overrule the municipal exercise of authority over infrastructure projects.

§ 1.7 Limitations and Sources

The joy in this academic endeavor lies in utilizing a seemingly quotidian and trivial artefact to comment upon the academic threads in question. However, this raises some concerns. The first limitation is of comparison. As suggested above, urban rail is, only gradually, increasing its weight within the daily mobilities of Istanbul's denizens despite the visible political functions it serves. Furthermore, these peculiarities that urban rail manifests might be

106 Martin de Jong et al., "Introducing Public–Private Partnerships for Metropolitan Subways in China: What is the Evidence?," *Journal of Transport Geography* 18 (2010): 301-313.

107 The World Bank, *The Urban Rail Development Handbook*, ed. Daniel Pulido, Georges Darido, Ramon Munoz-Raskin and Joanna Moody (International Bank for Reconstruction and Development and The World Bank: Washington D.C., 2018), 470.

108 Anupama Mann and Tridib Banerjee, "Institutions and Megaprojects: The Case of Delhi Metro Rail," *Environment and Urbanization ASIA* 2, no. 1 (2011): 82.

arising from merely "sectoral" differences, i.e. they could be limited to the realm of urban rail infrastructure. For instance, does highway construction, quite likely an obvious and effortless source of cronyism, possess similar dynamics with urban rail transit? Whether other areas of urban infrastructure would confirm the assumptions of this dissertation is a curiosity.

The second limitation is with regard to the method and resources. This dissertation concerns itself with extracting a historical and contemporary overview of the urban rail realm. Given the opacity of networks in question and the concentration of decision-making processes in the hands of a few, an in situ analysis (for instance, an analysis of the worksite and workers, of the related ministries and municipal units, of the procurement processes or of business actors in question) might, indeed, unearth other dynamics and actors. Hence, this dissertation should be seen as an introductory venture at providing a historically minded political economy of the hitherto unstudied realm of urban rail, which does not aim to manifest all of the possible intricate networks and dynamics circling the realm. Furthermore, empirical investigations of individual urban rail routes might unearth how these projects touch upon the daily lives of urban poor and/or how they develop central business districts and touristic hubs. In other words, whether the AKP's political valorization of urban rail, practically, serves urban populist or global city impulses needs to be carefully investigated through longitudinal studies.

Each chapter relies upon different sources. The historical backdrop of urban transit during the 1980s and 1990s (respectively, Chapter 3 and 4) was constructed out of media archives[109], the official newspaper Resmi Gazete archives (1983-2019), government and municipal plans (from environmental plans to five-year development plans or annual municipal plans), parliamentary and putschist councils' minutes, parliamentary questions (and their responses). The chapter on the fate of public procurement (Chapter 5), mainly, builds upon media archives and a bulk of legal material, including the Court of Accounts (Sayıştay) reports, decisions by the Council of State (Danıştay),

109 The mainstream national newspaper archives used for the dissertation are as follows: Milliyet (1950-2017), Cumhuriyet (1980-2000), Hürriyet (1990-2000) and Millî Gazete (1995-1999). Furthermore, along with media databases and related business magazines, popular magazines such as Nokta (1982-1990) and Tempo (1988-1993) were also investigated.

the Public Procurement Authority (Kamu İhale Kurumu) and the Council of Ministers (Bakanlar Kurulu), along with decrees, tenders, contracts and public debates concerning the legal transformation in question. The depiction of business actors involved in urban rail infrastructure (Chapter 6) is in the manner of business intelligence research, which the writer of the dissertation has been professionally engaged with. Namely, the chapter utilizes business and industry magazines, tenders, contracts, company reports, market research and business organization databases, memoirs of businessmen, interviews and decisions by the aforementioned institutions along with the decisions by the Competition Board (Rekabet Kurulu) to trace the political and economic trajectories of these business actors.[110] Urban populism as manifested through urban rail is the concern of Chapter 7, which builds upon 34 hours of footage of inaugurations, speeches and statements of higher echelon political actors along with election materials, maps, NGO and chamber reports, development and urban master plans and interviews.

§ 1.8 Dissertation Outline

This dissertation follows a semi-chronological pattern. The first two chapters, respectively, tackle with the first decade of Turkish neoliberalism (1980-89) and the long 1990s (1989-2001). The remaining chapters involving the AKP era (2002-2021) are, however, organized thematically, respectively under the

110 The first interview took place with Haluk Gerçek, an urban planner and academic who was involved with the AKP municipality's first urban plan attempts, along with various urban transit projects for more than three decades. The second was with Pelin Alpkökin, an Istanbul Technical University academic specializing in urban rail projects. Alpkökin was to be the president of the municipal institution responsible for the city's urban rail systems throughout the CHP's reign. The third interview was with a business research consultant, whose insights and research material influenced the depiction of the business environment and actors in Chapter 6. While the former two interviews helped to make sense of the technical and legal details of the realm, the latter, relying upon previous research and interviews with business and state actors (along with years of experience), presented a historical and contemporary view of the realm in question, with regard to political connections in flux and the growth of the business actors.

themes of post-2001 reforms (concerning public procurement and municipal administration reforms), business networks and urban populism.

The first two chapters (Chapter 3 and 4) focus upon the narration of the era in question through controversies with regard to two distinct urban rail projects. The first two decades of Turkish neoliberalism witnessed the introduction of two urban rail projects, the political trajectories of which are meticulously presented. However, the latter chapters (Chapter 5-7) do not provide a thorough profile and history of each urban rail infrastructure project as the number of urban rail projects has soared during the AKP reign. These chapters treat urban rail projects in the light of general legal-institutional patterns.

The saga of urban rail infrastructure starts after the 1980 coup d'état. Chapter 3 is involved with this period and the controversial history of Istanbul's first urban rail project. Even though urban infrastructure and particularly a metro network was one of the eternal agendas of late Ottoman and Republican history, the transformation of infrastructure into a politically and economically lucrative realm was possible after 1980. During the 1980s, under the patrimonial personages of the Istanbul mayor Bedrettin Dalan and the Prime Minister/President Turgut Özal and with thorough legal and institutional changes (such as the State Procurement Law and Metropolitan Law), urban infrastructure became constitutive of new networks among political actors and business groups. Favors from the bureaucracy, which were sources of corruption and controversy during the national-developmentalist era, gave way to discretion and political interventions exercised by the figures of higher political echelon. This new business environment was opaque and insensitive to legal formalities and, thus, was strewn with claims of corruption and political drama. Istanbul's first urban rail project, a light rail project which was to be known as the M1 project, was to be conceived within such an environment. The M1, which started its operation in 1989, was to render the political tensions within and among different institutions and the governing ANAP visible.

During the 1990s, conflicts over urban infrastructure and between different actors became even more heated. Chapter 4 portrays how the 1990s witnessed the proliferation of municipality-owned enterprises and the

implementation of new projects under an uncertain global city vision and urban populism. With the rise of a political Islamist party to Istanbul's municipality and its controversial interventions in tenders (as the saga of the M2 project shows), a new patronage network was about to emerge. However, as the major political crisis of the late 1990s, known as the February 28 Period (*28 Şubat Süreci*) gained momentum, the rise of this new network was to be halted.

The political and economic turmoil of the 1990s was to culminate in an economic crisis in 2001. Under the aegis of international financial organizations, a period of regulatory reforms was to be initiated as a way out of the crisis. This new era voiced the need for a de-politicized business environment, the end to suspicious legal practices and business-making. The internationally sanctioned legal framework of new public procurement, enacted in 2002, was part and parcel of this attempt at introducing standardization and transparency along with the de-politicization of the business environment.

This period was not to last long. As the AKP gradually gained more political and municipal control, this wave of regulatory reforms was challenged by the increasing politicization of the business environment, which was to be marked by legal discretion. Chapter 5 aims to depict this era of contested legal transformation and how this transformation was lived out in the field of urban rail infrastructure.

As a result of unceasing political interventions into the field of public procurement, a fragmented business environment would emerge. The reforms after 2001 aimed to eliminate old business practices and actors. However, not only politically affiliated business actors took flight during the following era, but also some of the old actors, to differing extents, adapted to the novel lucrative business environment. The emergence of this fragmented business environment is the subject of Chapter 6.

Besides creating a new patronal network out of urban rail infrastructure, urban rail projects were utilized as political weapons, being imbued with myriad meanings. This is the concern of Chapter 7, which traces these tendencies through the endowment of urban infrastructure with an urban populist logic. The AKP was to transfer the main tropes of populism (such as anti-elitism,

anti-pluralism and a preference for urban periphery) onto the realm of urban rail infrastructure. This was not merely traceable through the valorization of urban infrastructure but also through the fate of the urban planning realm, which was to be purged from actors that could hinder the arbitrary decision-making processes. Lastly, the conclusion, besides reiterating the main arguments of the dissertation, puts forward certain implications of these discoveries with regard to the course of politics during late Turkish neoliberalism.

2

Derailing New Turkish Capitalism: A Theoretical Engagement

The dissertation's main concerns crosscut many academic fields, thus, necessitating the clarification of what is theoretically at stake. The introductory chapter aimed to present urban rail's historical and contemporary relevance while clarifying the questions that the dissertation was and was not interested in. This chapter elaborates upon the three interrelated academic threads and the particular approach, via which the dissertation responds to these questions. While these three academic threads pertain to new (Turkish) capitalism or late Turkish political economy, neoliberalism/neoliberalization and economic reforms, the historically minded approach to tackle with these questions and academic threads will be presented under the label of historical institutionalism.

Despite being seemingly distinct fields, these three academic threads converge on their handiness for tackling with basic questions and themes that the historical trajectory of urban rail manifest with regard to late Turkish neoliberalism: a) the question of the neoliberal state, b) regulatory reforms and their limits, c) patronage or networks of nepotism and d) urban populist and global city impulses. Utilizing the academic literature and historical approach in question helps one not only to trace the palpable transformation of actors and legal-institutional fields but also to theoretically situate the

peculiar character of Turkish neoliberalism among "actually existing neoliberalisms."

After all, a historical and temporal sensitivity towards the divergent outcomes of global neoliberal reforms (rather than presuming the existence of monolithic outcomes of these reforms) might help one to grasp how the interaction of the "old" and the "new" results in unprecedented configurations and might provide an opportunity to trace the ruptures and transformations within the neoliberal project. Thus, the dissertation, could be seen as an empirical response to Yazıcı's call to contextualize and investigate the experience of Turkish neoliberalism through a sensitivity towards the interactions between historically inherited institutions, policy regimes, regulatory practices and political struggles.[1]

"Peculiarity" is, perhaps, the buzzword of this dissertation. However, it is a word fraught with perils, as the introduction proposed. Could the Turkish case, after all, be a total anomaly? Engaging the Turkish case in a dialogue with these critical academic threads helps one to avoid the perils that the word entails. Thus, in order not to fall into the trap of exceptionalism while being aware of the politically constructed and context-dependent character of the neoliberal transformation in question, this chapter aims to present how these basic themes were addressed with regard to the Turkish case, through a critical theoretical engagement with these academic threads.

To start with, the question of the state has been among the most addressed questions within both neoliberal theory and the Turkish political economy literature. A prevalent expectation of classical neoliberalism was the retreat of the state, an assumption to be quickly outdated and ditched. Meanwhile, one of the Turkish political economy literature's main concerns has, always, been the role of the Turkish state, both within the historical development of the national bourgeoisie and throughout the neoliberal transformation. Throughout the course of neoliberal reforms after 1980 or post-2001 crisis attempts, did the role of the Turkish state diminish while the local administrations gained a political leverage, as expected by the outdated neoliberal dictum, for instance?

1 Berna Yazıcı, "Güncel Sosyal Bilim Analizinin Sihirli Anahtarı: "Neoliberalizm"?," *Toplum ve Bilim* 128 (2013): 27-28.

A similar "de-politicization" was expected to be the end result of specific neoliberal reconfigurations, especially with regard to the field of public procurement. Regulatory reforms, it was suggested, were to divorce the field of economy from politics and political interventions, as the logic of "good governance" entailed. This was also the stated aim of post-2001 crisis regulatory reforms in Turkey, which aspired to introduce, among other measures, certain independent regulatory mechanisms. The aim was claimed to be the annihilation of the old practices of cronyism and patronage, that have taken their tolls on the economy, as visible through the crises during the 1990s.

An analysis of the transformation of patronal networks during the AKP era, however, manifests the limits of such regulatory attempts. During the era, a new form of state-business relations along with a new network of nepotism was to emerge. Academic or journalistic investigations of the era have, generally, focused upon the rise of politically affiliated business groups. However, regulatory reforms and their consequent deregulation through political interventions during the AKP era did not, really, manage to wipe out the former actors and practices. A resilience was visible as seen in the fragmentation of the business environment, which hints at the limits of regulatory reforms and of the practice of patronage.

Patronage was suggested to be one of the two main pillars of the AKP reign. The other, viz. populism was a politically charged and controversial concept. Populism, in general contours, was divided between two main definitions that were treated as exclusive: populism as economic redistribution or as a form of political governance. Urban rail, it turned out, manifested the co-existence of both. The endowment of urban rail with urban populist functions was not, however, bereft of ambivalence. Istanbul and its urban rail oscillated between urban populist concerns and global city impulses, albeit with a certain discursive preference for the former. A typical narration of neoliberal urban transformations would, however, expect the triumph of global city impulses, which were propagated by the neoliberal state and capital groups and which would mark themselves upon urban infrastructure projects. The narration of Istanbul's marketization as a global city herein would be a story of failure and ambivalence, as visible through the

political valorization of infrastructure, route designs and the fate of urban planning. These are the themes that this chapter introduces and this dissertation wishes to resolve throughout its course. First, however, some words on the dissertation's approach, namely historical institutionalism.

§ 2.1 A Historically Informed Approach towards Institutions

In line with *New Capitalism in Turkey*'s claim that a societal analysis warrants a historically minded perspective[2], this dissertation aims to trace the forty-year old course of Turkish neoliberalism through a special interest in institutions. This historically minded interest in institutions, known as historical institutionalism, claims to portray how political actors behave under the historically inherited, institutional limits, which are subject to changes by these actors themselves.

The convenience of such an approach lies in its insistence upon history and a nuanced take on the eternal question of the agency-structure dynamic. Historical institutionalism, in other words, is a manner of tracing the historical transformation of certain institutions, without overemphasizing the role of actors/agents and, at the same time, without suggesting the existence of a solely structurally determined outcome.

Historical institutionalism, refraining from being labeled as a method and rather presented as an approach[3], is based upon the premise that "institutions constrain and refract politics but they are never the sole 'cause' of outcomes."[4] Within this vein, institutions are granted pivotal roles in the shaping of actors' behaviour and outcomes[5] that are subject to changes by the institutionally

2 Buğra and Savaşkan, 5.

3 Sven Steinmo, "Historical Institutionalism," in *Approaches and Methodologies in the Social Sciences: A Pluralist Perspective*, ed. Donatella Della Porta and Michael Keating (Cambridge University Press: Cambridge, 2008), 118.

4 Kathleen Thelen and Sven Steinmo, "Historical Institutionalism in Comparative Politics," in *Structuring Politics: Historical Institutionalism in Comparative Analysis*, ed. Sven Steinmo, Kathleen Thelen and Frank Longstreth (Cambridge University Press: Cambridge, 1992), 3.

5 Steinmo, 118.

constrained actors themselves.[6] Hence, the avoidance of both structural determinism and an overemphasis on agency provides a portrayal of "relationships and interactions among a variety of variables … [that] reflects the complexity of real political situations,"[7] it is suggested.

Historical institutionalism claims to situate variables (whether certain political outcomes, attitudes or urban rail politics for that matter) in certain contexts (whether social, political, economic or cultural). This provides a temporal dimension which helps one to avoid treating politics as "fundamentally the same irrespective of time, place or context."[8] This temporal approach, suggested to be sensitive to path dependency and historical contingency, deepens and enriches an "understanding of the historical moment and the actors within it" while offering "more accurate explanations for the specific events ... than [were] they treated their variables outside the temporal dimension,"[9] it is proposed.

What are these institutions in the first place? Historical institutionalism claims to be interested in a range of "state and societal institutions that shape how political actors define their interests and that structure their relations of power to other groups."[10] These institutions might be defined as formal and informal rules and procedures, policies, party systems, trade unions or electoral competition.[11] These "intermediate-level institutions ... mediate the effects of macro-level socioeconomic structures like class,"[12] it is posited. Institutions, conflicts over which "lay bare interests and power relations"[13], are subject to variable manifestations of change, whether triggered by crises and breakdowns or by piecemeal attempts. In different words, these institutions refract political battles, repercussions and crises.

The historical institutionalist approach, thus, provides a dynamic framework that takes the interplay and interdependence of various variables

6 Ibid, 136.
7 Thelen and Steinmo, 13.
8 Steinmo, 127.
9 Ibid, 127.
10 Thelen and Steinmo, 2.
11 Ibid, 2.
12 Ibid, 11.
13 Ibid, 27.

(the state, municipality, business and internationally sanctioned reforms, for instance) into account. Despite these theoretical aspirations, the historical institutionalist approach was claimed to suffer from an "imprecise and unbalanced view of the structure-agency issue, with HI's socio-political agency as being apparently and solely determined by the path-dependent and historically embedded institutions as structures."[14]

The narration of the political transformation in the following chapters hopes to be loyal to a more balanced take on the structure-agency dichotomy – hence the simultaneous stress upon agencies and constraints. After all, "local actors interpret and, in turn, shape neoliberal policies in accordance with their own circumstances, rather than adopting policy templates directly through the global transmissions of an omnipresent neoliberal agency comprising international institutions, think tanks and intellectuals,"[15] as New Capitalism in Turkey was claimed to be suggesting.

New Capitalism in Turkey, engaged with a historically institutionalist approach, portrays the current outcomes of such a political battle throughout the AKP era. The interplay of national and international dynamics, including the inherited historical-institutional baggage and the opportunities and constraints resulting from the international business environment, is given a special emphasis.[16]

In a similar vein, the narration of Istanbul's urban rail transit herein turns out to be a story of institutions (whether in the form of neoliberal reforms as such, public procurement and municipal laws, decrees or planning institutions) and of how these institutions have refracted political conflicts and interests. "Politics" occupies the center of this narration, implying the "agency" of political actors in the reconfiguration of the business realm and shaping of urban infrastructural politics, albeit under specific historical, institutional and technical constraints. Thus, the saga of urban rail

14 Salvador Santino F. Regilme Jr., "Bringing the Global Political Economy Back In: Neoliberalism, Globalization, and Democratic Consolidation," *International Studies Perspectives* 15 (2014): 286.

15 Cemal Burak Tansel, "The Politics of Contemporary Capitalism in Turkey (and the Politics of its Interlocutors)," *Development and Change* 47, no. 3 (2015): 574.

16 Buğra and Savaşkan, 5.

infrastructure below is not merely of state power or "political agency" but also of its limitations.

Tracing the political transformation of these institutions through urban rail transit unearths the nodes of continuity between early neoliberal years, i.e. the ANAP years (Chapter 3), the tumultuous 1990s (Chapter 4) and the AKP's reign (Chapter 5-7). This is not only a story of continuities but also of overarching changes. In other words, this story is also a story of de-institutionalization, i.e. of how these institutions are, to a large extent, rendered obsolete by the political actors and their interventions – a favorite theme of late Turkish political economy.

§ 2.2 New Turkish Capitalism: A Review of Late Turkish Political Economy

The 1980 coup d'état, putting a violent end to the financial and political crises of the previous decade, introduced the neoliberal legal-institutional framework that would mark the following decades and that lurks behind the infrastructural projects narrated herein.

The literature on the Turkish neoliberal experience is diverse and overwhelming, as visible through the myriad labels that have been conjured up to comprehend the AKP reign. The literature, in general, presumes a distinction between early Turkish neoliberalism and the AKP reign and between the early and late AKP era, as posited in the introduction. While the buzzword of the analyses of the early AKP era was suggested to be democratization[17], analyses of late era identified a shift, which, for some, had been in the making for a long time. A politically consolidated party-state was emerging or already present (with the intrusion of the party-state into almost every field of knowledge[18]), a significant share of the academic literature

17 İmren Borsuk et al., "Consolidating and Contesting Authoritarian Neoliberalism in Turkey: Towards a Framework," in *Authoritarian Neoliberalism and Resistance in Turkey*, ed. İmren Borsuk et al. (Palgrave Macmillan: Singapore, 2022), 21.

18 Cenk Özbay et al., "The Making of Neoliberal Turkey: An Introduction," in *The Making of Neoliberal Turkey*, ed. Cenk Özbay et al. (Ashgate Publishing: Surrey, 2016), 7.

suggested despite the abundance of distinct yet overlapping labels utilized to understand the era. By 2018, Tansel was suggesting that "while there is no agreement on the exact typology to account for the transformation of the political regime in Turkey, there is an emergent consensus that AKP's recent years have been defined by an explicit authoritarian shift."[19]

This form of political rule, named authoritarian neoliberalism by some observers, was marked by the operation of five main mechanisms: "(1) executive centralisation, (2) autocratic legalism, (3) cronyism, (4) violence-fuelled rentier accumulation as well as (5) criminalisation and stigmatization."[20] The decision-making processes herein are closed to popular and public pressures and auditing while serving, albeit not exclusively, the protection of capital accumulation. Coercion and state mechanisms are utilized herein to marginalize opposition, it was claimed.[21]

The late AKP era has been investigated not only as an example of authoritarian neoliberalism[22] but also through (often overlapping) labels such as authoritarian consolidation[23], authoritarian populism[24] or neoliberal hegemony.[25] Some have focused upon the survival of the electoral mechanisms, thus, situating the era among competitive and/or populist

19 Tansel, "Authoritarian Neoliberalism and Democratic Backsliding in Turkey," 2.

20 Borsuk et al., 19.

21 Cemal Burak Tansel, "Authoritarian Neoliberalism: Towards a New Research Agenda," in *States of Discipline: Authoritarian Neoliberalism and the Contested Reproduction of Capitalist Order*, ed. Cemal Burak Tansel (Rowman & Littlefield International Ltd: London, 2017), 3.

22 Ibid; Tansel, "Authoritarian Neoliberalism: Towards a New Research Agenda" and Görkem Altınörs and Ümit Akçay, "Authoritarian Neoliberalism, Crisis, and Consolidation: The Political Economy of Regime Change in Turkey," *Globalizations* (January 2022).

23 Ümit Akçay, "Authoritarian Consolidation Dynamics in Turkey," *Contemporary Politics* 27, no. 1 (2021): 79-104.

24 Mehmet Baki Deniz, "Who Rules Turkey Between 1980 and 2008? Business Power and the Rise of Authoritarian Populism," PhD diss., (State University of New York at Binghamton, 2019).

25 İsmet Akça, Ahmet Bekmen and Barış Alp Özden, "Introduction," in *Turkey Reframed: Constituting Neoliberal Hegemony*, ed. İsmet Akça, Ahmet Bekmen and Barış Alp Özden (Pluto Press: London, 2014), 1-10.

authoritarian regimes.[26] The regime has also been labelled as neoliberal populism[27], neoliberal statism[28], neoliberal developmentalism[29] and post-neoliberalism.[30] Others have proposed a mixture of some of these elements (for instance, "authoritarian populism, neoliberal developmentalism, and extractivism"[31] or a three-pillared model comprising "authoritarianism, populism and developmentalism"[32]).

These different stances and labels share certain tropes, such as the politically consolidated party-state and neoliberal policies supplemented by authoritarian-populist politics (which does not really eliminate competition as such). However, a clear divergence on the neoliberal tone of the latest episode of the AKP reign has emerged: is this a novel level of neoliberalism, i.e. post-neoliberalism as a more centralized, authoritarian and nationalist form of politics or is it the triumph of authoritarian populist rule over neoliberal impulses, of an irrational crony capitalist model unbounded by rules and regulations?[33]

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26 Yunus Sözen, "Competition in a Populist Authoritarian Regime: The June 2018 Dual Elections in Turkey," *South European Society and Politics* 24, no. 3 (2019): 287-315; Antonino Castaldo, "Populism and Competitive Authoritarianism in Turkey," *Southeast European and Black Sea Studies* 18, no. 4 (2018): 467-487 and Berk Esen and Şebnem Gümüşçü, "Rising Competitive Authoritarianism in Turkey," *Third World Quarterly* 37, no. 9 (2016): 1581-1606.

27 Cemil Boyraz, "Neoliberal Populism and Governmentality in Turkey: The Foundation of Communication Centers during the AKP Era," *Philosophy and Social Criticism* 44, no. 4 (2018): 437-462 and Seda Demiralp, "Making Winners: Urban Transformation and Neoliberal Populism in Turkey," *Middle East Journal* 72, no. 1 (2018): 89-108.

28 Tuğal, "Politicized Megaprojects and Public Sector Interventions."

29 Şefika Kumral, "Globalization, Crisis and Right-wing Populists in the Global South: The Cases of India and Turkey," *Globalizations*, February 2022, https://doi.org/10.1080/14747731.2021.2025294 .

30 Erensü, "Powering Neoliberalization."

31 Fikret Adaman, Murat Arsel and Bengi Akbulut, "Neoliberal Developmentalism, Authoritarian Populism, and Extractivism in the Countryside: The Soma Mining Disaster in Turkey," *The Journal of Peasant Studies* 46, no. 3 (2019): 514-536.

32 Adaman and Akbulut, "Erdoğan's Three-Pillared Neoliberalism."

33 "SosyoPolitik: Türkiye'de Neoliberalizm Tartışmaları - Konuklar: Berk Esen ve Sinan Erensü," *YouTube*, November 1, 2020, accessed March 21, 2022, https://www.youtube.com/watch?v=OYdaP86HM5Y .

The resolution of the question of the regime's nature transcends the aims and concerns of this dissertation. The realm of urban rail policy is, perhaps, too specific for confidently resolving this exigent question. Still, the dissertation, with its calculated reticence, admits the co-existence of different political elements within the AKP rule. The late historical and political context of urban rail, a realm of political hodgepodge, is, simultaneously, marked by neoliberal policies as such, urban populism, authoritarian interventions and developmentalist visions.

This evolving academic field, despite the different takes upon the mode of the AKP governance, engages with the aforementioned four main themes of this dissertation (among others), i.e. the neoliberal state, regulatory reforms, patronage and urban populism/global cityism. As this dissertation argues by building upon this diverse literature on late Turkish political economy, infrastructure during the neoliberal era pertains to a lucrative realm, the legal boundaries of which are constantly reconfigured by *political interventions* (enacted by the party-state-municipality) to serve *patronal networks* (which *regulatory reforms* had tried to neutralize in the first place) while, at the same time, being imbued with *an ambivalent urban vision*.

2.2.1 *The Neoliberal State*

State tutelage over the development of the Turkish bourgeoisie has been one of the most common tropes within the literature on the Turkish political economy. Çağlar Keyder, in his *State and Class in Turkey: A Study in Capitalist Development,* posits that "it was either bureaucracy or groups within the bourgeoisie who, through their conflict, defined the parameters of state policies, administrative policies and the political regime."[34] As a result of the destruction and expulsion of the non-Muslim bourgeoisie during and after the First World War, the weight of leading the socio-economic transformation fell upon the "bureaucratic party" – it had to compensate for the lost bourgeoisie. This rendered the early development of the

34 Çağlar Keyder, *State and Class in Turkey: A Study in Capitalist Development* (Verso: London, 1987), 4.

Turkish/Muslim bourgeoisie dependent upon the political interventions of the state, Keyder argues.

Ayşe Buğra, in *State and Business in Modern Turkey*, published in mid-1990s, traced the outcomes of unceasing political interventions upon the business environment. The Turkish business environment was historically struck with two kinds of uncertainties, Buğra suggested. One of these pertained to the uncertain boundaries of state intervention while the other referred to the impossibility of having sufficient information about the constantly changing economic policies.[35] As ruling governments tended to centralize state power and control bureaucracy through law, the resulting picture was the constant reconfiguration of law for the sake of government politics[36] and an impeded accumulation regime.[37]

These uncertainties had historically made business groups dependent upon the state. With the decisive inclusion of Turkey into the global economy, the uncertainty with regard to the course of the economic policies disappeared, it was claimed.[38] However, this did not eradicate the dependence upon the state/government. Almost two decades later, Buğra, with Savaşkan, would trace the role of politics in shaping the course of late Turkish capitalism and the reconfiguration of economic actors and interests throughout the AKP era in *New Capitalism in Turkey: The Relationship between Politics, Religion and Business.* With a similar sensitivity towards the role of politics in the moulding of institutions within which capitalist relations are realized[39] and with a more pronounced emphasis on the state as the enabler of accumulation (rather than a barrier to, which *State and Business in Modern Turkey* implied[40]), *New Capitalism in Turkey* manifests the intricate, symbiotic relations between the party-government and business environment.[41]

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35 Ayşe Buğra, *State and Business in Modern Turkey. A Comparative Study* (State University of New York Press: New York, 1994), 23.

36 Ibid, 24.

37 Tansel, "The Politics of Contemporary Capitalism in Turkey," 575.

38 Buğra and Savaşkan, 18.

39 Ibid, 5.

40 Tansel, 575.

41 Buğra and Savaşkan, 12.

With the onset of the AKP regime, the business environment turned out to be quite polarized*, New Capitalism in Turkey* argues. Established business organizations such as TÜSİAD (Türk Sanayicileri ve İş İnsanları Derneği / Turkish Industry and Business Association) found themselves in a tense relationship with the state, who increasingly favoured new business associations, namely MÜSİAD (Müstakil Sanayici ve İşadamları Derneği / Independent Industrialists' and Businessmen's Association), Askon (Anadolu Aslanları İş Adamları Derneği / Anatolian Lions Businessmen Association) and Tuskon (Türkiye İşadamları ve Sanayiciler Konfederasyonu / Turkish Confederation of Businessmen and Industrialists), which treated religion as a unifying force.[42] Thus, what differentiated this period from the former ones was the utilization of religion as a unifying force defining the organizational discourse and strategies of these business associations. Rather than the existence of an inherently Islamic belief or institutional system, one witnesses political actors which have adapted to the transformed conditions and benefited from the arising opportunities, *New Capitalism in Turkey* posits.[43]

The depiction of the Turkish state as a defining actor (if not the only one) would also be witnessed within other historical and contemporary analyses, which intended to portray the role of the Turkish state in the commodification of certain sectors, from housing to hydroelectricity. Through executive centralization, a "domination of central decision-making bodies over residents, regulatory bodies and other stakeholders" was achieved in the field of housing, Tansel was to claim, for instance.[44] Doğru's analysis of the TOKİ administration, too, would testify to such a point – the executively centralized, authoritarian Turkish state was to lead the transformation and development of the housing market.[45] TOKİ, after all, lay "the foundation of

42 Ibid, 13.

43 Ibid, 14.

44 Cemal Burak Tansel, "Reproducing Authoritarian Neoliberalism in Turkey: Urban Governance and State Restructuring in the Shadow of Executive Centralization," *Globalizations* 16, no. 3 (2018): 321.

45 Havva Ezgi Doğru, *Çılgın Projelerin Ötesinde: TOKİ, Devlet ve Sermaye* (İletişim Yayınları: İstanbul, 2021). For a similar conclusion, see Duygun Ruben, "Neoliberalization of Social Housing in Turkey: The Case of Kayaşehir," PhD diss., (Boğaziçi University, 2019).

a specific housing sector … that allowed for both the private accumulation of capital in the sector and the building of political networks of power."[46] Meanwhile, Ocaklı, through the case of hydroelectrics and housing, highlighted "the state's active involvement in the economy through public-private business ventures [that] can better be understood as a means to generate capital accumulation in the private sector through patronage relations while fulfilling programmatic promises."[47] Erensü, similarly, portrayed the "recent revival of heavy-handed state involvement in the energy field [that] is not limited to the authoritarian handling of land-use disputes and violent suppression of local resistance" but also is a form of exerting its authority within the market.[48] Üçer, analysing the transformation of the Turkish telecommunications sector with a sensitivity towards the role of international financial markets, argued that private investments were politically mediated in order to minimize friction.[49] After all, "[a]s the former institutional base stepped back and novel regulatory base failed to substitute"[50] this institutional vacuum, governments' political initiative became indispensable to guarantee the flow of capital.

2.2.2 *Regulatory Reforms*

The regulatory reforms after the 2001 crisis had, in fact, stated the aim to undo these political interventions. The post-2001 reforms and subsequent political interventions would render the rift within the Turkish bourgeoisie more apparent (as suggested by Buğra and Savaşkan and as narrated in the following sub-section).

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46 Havva Ezgi Doğru, "The 'Benevolent Hand' of the Turkish State: The Turkish Mass Housing Administration, State Restructuring, and Capital Accumulation in Turkey," PhD diss., (York University, 2016), 249.

47 Feryaz Ocaklı, "Reconfiguring State-Business Relations in Turkey: Housing and Hydroelectric Energy Sectors in Comparative Perspective," *Journal of Balkan and Near Eastern Studies* 20, no. 4 (2017): 384.

48 Erensü, "Powering Neoliberalization," 154.

49 Sırrı Emrah Üçer, "Alo Kapitalizm: Turkish Telecommunications Policy in the Context of an Outward-Oriented Development Strategy," PhD diss., (Boğaziçi University, 2018), 252.

50 Ibid, 10.

The outcomes of these political interventions into the field of procurement are investigated in Esra Çeviker Gürakar's *Politics of Favoritism in Public Procurement in Turkey: Reconfigurations of Dependency Networks in the AKP Era*.[51] This dissertation not only borrows a certain method from Çeviker Gürakar's work to trace political connections through public procurement (see Chapter 6) but also critically builds upon its historical narration of institutional transformations (i.e. the erection of new standardizing institutions such as Public Procurement Authority and its consequent de-institutionalization).

Political interventions and extra-legal tendencies were not, however, novelties of the AKP era. The exercise of state discretion and legal opacity, which would serve patrimonial networks, were already visible within the field of urban infrastructure by the late 1980s despite the limited number of infrastructure projects (Chapter 3). During the 1990s, which would witness the fall of the SHP (Sosyaldemokrat Halkçı Parti / Social Democratic Populist Party) and the rise of the RP (Refah Partisi / Welfare Party), these tendencies, which would be deemed among the reasons of the 2001 collapse, would be lived out through pressing political crises (Chapter 4).

The first twenty years of Turkish neoliberalism were to be marked by the existence of a failed legal and institutional environment, which was far from the separation of the economic and the political, the vocalized aim of regulatory reforms. This crisis was, in fact, long in the making. For Boratav, by 1998, the hold of the IMF and World Bank within the national decision-making processes were already becoming entrenched to overcome the pending crisis. The domination of these financial institutions would continue after the 2001 crisis and throughout the late 2000s, Boratav would claim.[52]

The escape from this faulty legal environment and the resultant crisis would be suggested to be a separation between economy and politics, according to global financial organizations and technocrats.[53] The de-politicization of the economic sphere through the erection of certain

51 Esra Çeviker Gürakar, *Politics of Favoritism in Public Procurement in Turkey: Reconfigurations of Dependency Networks in the AKP Era* (Palgrave Macmillan: New York, 2016).

52 Boratav, *Türkiye İktisat Tarihi*, 203.

53 Buğra and Savaşkan, 76.

regulatory bodies, institutions and legal frameworks was among the primary objects of post-2001 crisis regulatory attempts. These reforms and institutions, whether it be the Regulatory Board or Public Procurement Law, would state the intention to undo the corrupt business environment that was created during early Turkish neoliberalism.

The 2001 reforms, thus, cherished a "good governance" logic with a focus on reducing legal arbitrariness and submitting state-business practices to an autonomous bureaucracy, Çeviker Gürakar claims.[54] This new Procurement Law would be the epitome of these practices and attempts to implement a non-politicized and standardized procurement regime, coinciding with the attempts to transform the realm of municipal administration. However, this reform period, narrated in this dissertation throughout the Public Procurement Law (Chapter 5), was to be short-lived.

The new procurement regime was to be gradually rendered ineffective throughout the two decades of AKP rule, which would set off "a series of conflicts among different sections of capital, and within the state,"[55] according to Ercan and Oğuz. The re-politicization of the public procurement environment would lead to more discretion, more legally dubious practices as visible through urban rail projects, which were eventually shrouded around unceasing controversies and opacity, reminiscent of the first two controversial decades of Turkish neoliberalism.

The impossibility of the separation of the economic and the political is a fruitful source of theoretical debate[56] – the narration herein hopes to manifest the intertwining of the two realms and the political construction of the economic realm. The trajectory of Turkish neoliberalism would, in fact,

54 Çeviker Gürakar, 3.

55 Fuat Ercan and Şebnem Oğuz, "Rescaling as a Class Relationship and Process: The Case of Public Procurement Law in Turkey," *Political Geography* 25, no. 6 (2006): 648.

56 For a critical discussion of this presumed separation over Karl Polanyi and developmentalist economics, see Ayşe Buğra, "Two Lives of Developmentalism: A Polanyian View from Turkey," *International Development Policy: Revue Internationale de Politique de Développement* 8 (2017): 61-80. For an investigation that proposes the Turkish case as a negation of this separation, see Cemal Burak Tansel, "Authoritarian Neoliberalism and Democratic Backsliding in Turkey." *South European Society and Politics* 23, no. 2 (2018): 197-217.

portray how globally sanctioned regulatory or neoliberal reforms would not simply "trickle down" and result in the aforementioned expected outcomes but would be subject to constant negotiations and interventions by national actors. The AKP, under the internationally sanctioned framework of economic reforms and under the inherited historical-institutional constraints, would aim to shape the outcomes of the reforms through unceasing political interventions. These interventions within the field of public procurement would serve the rise of a specific business network during the AKP era.

2.2.3 *Patronage*

Patronage or nepotism, practices which the regulatory reforms after the 2001 crisis aimed to eliminate, was suggested to return in disguised forms during the AKP era. New intervention mechanisms, which were to extend the practice of discretion as seen through municipal and state contracts (see Chapter 5 for these mechanisms that tarnished urban rail projects), were utilized to uphold a certain business network, which entered the scene through the rise of the RP in mid-1990s. These intervention mechanisms, which this network had called for, were at odds with the established bourgeoisie's demands for minimizing political intervention within the realm of business (i.e. with their support for the regulatory reforms), Buğra and Savaşkan suggested.[57]

The rift within the Turkish bourgeoisie has been marked by the rise of a certain business clique, which were originally located in new industrial centers in Anatolia. These new actors, fitting into the category of small-to-medium firms and controversially labeled by some as "the Anatolian Tigers"[58], were mostly "family enterprises employing few professional managers."[59] They had "began production in the low technology and labor intensive industries, in textiles and clothing, food processing, metal industries, wood products, furniture and chemicals,"[60] Pamuk claims. These

57 Buğra and Savaşkan, 19.

58 Şevket Pamuk, "Globalization, Industrialization and Changing Politics in Turkey," *New Perspectives on Turkey*, no. 38 (2008): 268.

59 Ibid, 269.

60 Ibid, 270.

actors, mostly founded after 1980, were members of MÜSİAD[61], a conservative business organization formed in 1990, whose rise was to halt after 1998 "because of the fall of the Refah Party government and the Asian crisis."[62] These companies affiliated with MÜSİAD were suggested to be the backbone of political Islam. Some of these members of MÜSİAD would go beyond the label of the Anatolian Tigers or category of small-to-medium enterprises, diversifying into new sectors[63] and turning into large capital holdings, it was claimed.[64]

How political interventions have created and sustained patronal networks that served these new actors, even though it has mostly attracted journalistic attention[65], has been the subject of studies such as Savaşkan's *State Rescaling and the Dynamics of Government-Business Relations in Two Turkish Cities* (along with the co-authored *New Capitalism in Turkey*) and Çeviker Gürakar's *Politics of Favoritism.* These studies, as attempts to trace business networks in concrete terms, stand out among the already limited bulk of related literature. This dissertation aims to follow this lead, tracing the transformation of business networks through the realm of public procurement.

Savaşkan, in *State Rescaling and the Dynamics of Government-Business Relations*, traces the upholding of these networks through local administrations and infrastructure contracts, which have been subject to increasingly discretionary measures.[66] In a similar vein, Çeviker Gürakar and Bircan's analysis of 49355 public procurement contracts highlights the

61 Özgür Öztürk, "The Islamist Big Bourgeoisie in Turkey," in *The Neoliberal Landscape and the Rise of Islamist Capital in Turkey*, ed. Neşecan Balkan, Erol Balkan, and Ahmet Öncü (Berghahn Books: New York, 2015), 134.

62 Ibid, 134.

63 Ibid, 134.

64 Kurtar Tanyılmaz, "The Deep Fracture of Big Bourgeoisie of Turkey," in *The Neoliberal Landscape and the Rise of Islamist Capital in Turkey*, ed. Neşecan Balkan, Erol Balkan, and Ahmet Öncü (Berghahn Books: New York, 2015), 105.

65 For instance, see Çiğdem Toker, *Kamu İhalelerinde Olağan İşler* (Tekin Yayınevi: İstanbul, 2019).

66 Osman Savaşkan, "State Rescaling and the Dynamics of Government-Business Relations in Two Turkish Cities," PhD diss., (Boğaziçi University, 2014), 18.

domination of politically affiliated firms within higher value contracts.[67] The field of public procurement has been subject to extensive discretion and flexibility, which manifested the rise of certain business actors, they propose.

Özcan and Gündüz's statistical analysis of industry rankings in Turkey manifests a similar connection between business performance and political connection.[68] Firm values are enhanced by the existence of political connections:

> [N]umerous findings suggest that individual ties to key political figures and connections matter more and have greater influence on firm value when power is concentrated in the hands of a few people or a small number of business groups, but much less when it is dispersed through various democratic structures that contain checks and balances.[69]

However, "[t]he phenomenal performance of politically connected firms did not lead to a substantial weakening of old business groups," they reckon with regard to the Turkish case.[70] Elsewhere, Özcan and Gündüz, focusing upon energy utility privatizations, suggest that "the AKP adapted the Washington consensus principles to reshape industry structures and nurture a new breed of politically connected businesses in gas and electricity distribution networks between 2003 and 2013."[71] To reach this goal, "the AKP government manipulated regulatory institutions, suppressed the media and advocacy groups and immobilised the judicial process in response to allegations of misconduct," they posit.[72]

For certain observers, patronage was inseparable from urban populist impulses. Ocaklı, through the sectors of energy and housing, suggests that

67 Çeviker Gürakar, 84.

68 Gül Berna Özcan and Umut Gündüz, "Political Connectedness and Business Performance: Evidence from Turkish Industry Rankings," *Business and Politics* 17, no. 1 (2015), 66.

69 Ibid, 47.

70 Ibid, 67.

71 Gül Berna Özcan and Umut Gündüz, "Energy Privatisations, Business-politics Connections and Governance under Political Islam," *Environment and Planning C: Government and Policy* 33 (2015): 1715.

72 Ibid, 1715.

these sectors, too, have been marked by patronal networks. The construction of TOKİ projects and hydroelectric power plants was realized by "public-private business ventures [that] serve not only the narrow interests of politicians and business elites, but also, to a certain extent, the interests of a wider public that benefits from the outcomes of such arrangements," Ocaklı concludes.[73] In a similar vein, Dorlach and Savaşkan deem the restructuring of the economy and welfare state in Turkey after the 2001 crisis to be under three main factors: "electoral politics, state-business relations, and international context." The satisfaction of the AKP's constituency's demands have served the AKP's electoral success while loyal business groups have been nourished through certain policy mechanisms – all of these under a tendency which increasingly distanced itself from the EU and the neoliberal west.[74]

Dorlach, through the pharmaceutical policies of the AKP, posits that "the economic and social policy making of the AKP government appears to be driven largely by the interests of its two major constituencies: the party's lower-class electorate and the emerging group of conservative business-people known as 'Anatolian capital'."[75] Demiralp, similarly, highlights the co-existence of neoliberal and urban populist impulses within the city's transformation as "the AKP government was able to strike a bargain with political allies, including both capitalist elites and low-income constituencies, and to secure their support as it came to dominate politics."[76] The following sub-section elaborates upon this co-existence further.

Studies upon patronage during the late Turkish political history share a legitimate focus upon the rise of politically affiliated business actors. However, while most of these suspicious business actors are taken as "eternal cronies", their historical transformation into affiliated actors or the adaptation capacities of "old", established groups are not given much credit. This focus, furthermore, overlooks how neoliberalism as such is a project of

73 Ocaklı, "Reconfiguring State-Business Relations in Turkey," 12.

74 Tim Dorlach and Osman Savaşkan, "The Political Economy of Economic and Social Policy in Contemporary Turkey: An Introduction to the Special Issue," *Journal of Balkan and Near Eastern Studies* 20, no. 4 (2017): 4.

75 Tim Dorlach, "The AKP between Populism and Neoliberalism: Lessons from Pharmaceutical Policy," *New Perspectives on Turkey* 55 (2016): 80.

76 Demiralp, "Making Winners," 94.

not only upholding the politically affiliated business actors but also satisfying different interests and factions of the bourgeoisie.

Thus, this dissertation agrees with Özden, Akça and Bekmen's depiction of the first years of the AKP rule as a form of expansive hegemony, which was marked by "a neoliberal economic policy capable of reconciling the interests of different capital sections."[77] From the late 2000s, a gradual shift to a form of limited hegemony would be in question, which would polarize the political realm through a highly Islamist and exclusionary political strategy, they would reckon.[78] However, as shown in Chapter 6, a resilience of established contractors would be present within the realm of urban rail even during the late AKP period - a strange dependency that is explicable through the particular requirements of urban rail construction.

2.2.4 *An Ambivalent Urban Vision: Between Global City and Urban Populist Visions*

Despite different theoretical frameworks or methodologies, what was common among these analyses of late Turkish political economy was the suggestion that the AKP's political strategy both served patronal networks and satisfied populist concerns, as depicted above. For Özden, Akça and Bekmen, the AKP's expansive hegemony not only satisfied the different fractions of capital but it also pertained to "(2) a populist social policy targeting the incorporation of new sections of the working class and urban poor; and (3) a political reformism aimed at enhancing the sphere of civil rule vis-à-vis the military-controlled tutelary regime."[79] Similarly, to Ocaklı, different collaborations between the state and the private actors shared two political functions: "resource generation for the party's populist policies (programmatic dimension), and capital accumulation for construction companies (patronage dimension)."[80]

Istanbul lay at the center of the neoliberal transformation, the outcomes of which turned out to be perplexing. Istanbul's infrastructural

77 Özden, Akça and Bekmen, "Antinomies of Authoritarian Neoliberalism in Turkey," 192.

78 Ibid, 192.

79 Ibid, 192.

80 Ocaklı, "Reconfiguring State-Business Relations in Turkey," 2.

transformation, from the start, was to perform these two functions. This programmatic dimension was, however, never clear as the exercise of urban populist impulses were entwined with global city concerns. Were these projects manifestations of urban populism or global city visions? The answer to this question was never clear.

By 1994, Çağlar Keyder and Ayşe Öncü were noting that "the dynamics of Istanbul's rapid and dramatic transformation during the post-1983 period can be best understood in terms of an interaction between forces and pressures for internationalization on the one hand and the dilemmas of an elected government attempting to reconcile them with the vagaries of populist policies."[81] While clientelism and patronage were the dominant modes of urban politics until the 1980s, the need for urban infrastructural investments for global repositioning became more pronounced afterwards as a result of increasing global integration and the transformation of municipal administration, which resulted in the emergence of the powerful figure of metropolitan mayor.[82] Thus, by the middle of 1990s, a dilemma surfaced: the mayor could not merely rely on the delivery of services to new migrants but had to "respond to demands from powerful economic groups, professionals, and other voices in the increasingly vocal urban middle class."[83]

However, throughout the 1990s, rather than a clear-cut dichotomy of competing visions, one witnessed shifts between the global and the local, as Bezmez suggested.[84] After coming to power in 1994, the RP municipality's early discourse of "Istanbul's reconquest" stated the aim to Islamize the urban space. However, throughout the course of the RP reign, a total rejection of the global city logic would not be at hand. [85] After all, as Bora claimed, the rise of

81 Keyder and Öncü, "Globalization of a Third-World Metropolis: Istanbul in the 1980's," 399.

82 Ibid, 417.

83 Ibid, 417.

84 Dikmen Bezmez, "The Politics of Urban Regeneration: The Case of the Golden Horn, Istanbul," PhD diss., (The State University of New York at Binghamton University, 2008), 91.

85 Ibid, 92-93.

the pro-Islamic bourgeoisie made it difficult for the RP to totally reject the exigencies of the global city project.[86]

This ambivalence would persist into the AKP era. On the level of political discourse, a preference for serving the urban poor, coupled with an anti-elitist conservative political vision, would shadow the global city tendencies that were becoming visible in the 2000s. Throughout the 2010s, the political packaging of urban rail would manifest the uncanny predominance of an urban populist stance, crystallized by the discourse of service (*hizmet*) to the people. Thus, a clear-cut attitude towards marketing Istanbul as a global city, in line with the tenets of the literature as presented below, was not present. Rather than being advocated by an urban growth coalition composed of businessmen and investors, global city sentiments were to be subsumed into the overarching political discourse of serving the people.

2.2.4.1 Global City Aspirations

The internationalization of the financial industry, according to Sassen, accorded new strategic roles to major cities while resulting in the proliferation of smaller financial markets. These major cities have transformed into "highly concentrated command points in the organization of the world economy"[87], into transnational centers of control and coordination. This transformation entailed a neoliberal urban competition and infrastructure was an exigent part of this competition (as the next section portrays).

A certain bulk of Istanbul studies has highlighted the increasing commercialization and globalization of the city as part of this neoliberal competition. Throughout the 1980s, the city was being marketized to global forces as one of the "showcases of the new era of internationalism"[88], it was posited by Keyder and Öncü. In a similar vein, the municipality's campaign of urban transformation throughout the early AKP era was defined as a way of

86 Tanıl Bora, "Istanbul of the Conqueror: The 'Alternative Global City' Dreams of Political Islam," in *Istanbul: Between the Global and the Local*, ed. Çağlar Keyder (Maryland: Rowman & Littlefield Publishers, 1999), 55-56.

87 Saskia Sassen, *The Global City: New York, London, Tokyo* (Princeton University Press: Princeton, 1991), 3-5.

88 Keyder and Öncü, 400.

"marketing the spaces of Istanbul for foreign investment."[89] This campaign or, rather, marketization saw squatter areas as eyesores, to be eliminated for the sake of improving the city's global future, Karaman claims.

Turkey was in line with the universal trend, according to Yalçıntan et al: urban development equals the commodification of urban assets, as visible through urban plans, projects and infrastructure investments.[90] Kanal İstanbul, urban transformation projects, mega transportation projects aim to render the city more investible and accessible, as part of the campaign of branding the city to ensure the flow of investments.[91]

Aksoy suggests that the AKP period between 2002 and 2011 was marked by the aspiration of elevating Istanbul's position within the global markets with a blunt focus on economic growth. Istanbul, from its transportation infrastructure to centers of global consumption and recreation, was to be turned into a global brandscape.[92] This was, in a way, a clear break from "informal globalization" à la Keyder and Öncü's depiction of the 1980s and 1990s. In other words, the state appeared as the hell-bent actor aimed at unleashing the urban potential and serving this potential to the hands of the capital. Albeit very neoliberal in its classical definition, the AKP-led neoliberalism denoted not the withering away of the state but a "total" transformation in which the state acted as a regulator while a rampant commodification is at hand, Aksoy adds.[93]

The post-2011 era, however, would be tarnished with an authoritarian social/environmental engineering, with cultural identity projections, a neo-Ottomanism, Aksoy would suggest. As the successive AKP governments become confident and overpowered, recognizing no legal bounds and

89 Ozan Karaman, "Urban Pulse - (RE)Making Space for Globalization in Istanbul," *Urban Geography* 29, no. 6 (2008): 518.

90 Murat Cemal Yalçıntan et al., "İstanbul Dönüşüm Coğrafyası," in *Yeni İstanbul Çalışmaları: Sınırlar, Mücadeleler, Açılımlar*, ed. Ayfer Bartu Candan and Cenk Özbay (Metis Yayınları: İstanbul, 2014), 52-53.

91 Ibid, 54-55.

92 Asu Aksoy, "İstanbul'un Neoliberalizmle İmtihanı," in *Yeni İstanbul Çalışmaları: Sınırlar, Mücadeleler, Açılımlar*, ed. Ayfer Bartu Candan and Cenk Özbay (Metis Yayınları: İstanbul, 2014), 28.

93 Ibid, 30.

rejecting negotiation of any kind, Istanbul was increasingly to turn into a scene of cultural identity projections.[94] By early mid-2010s, Keyder was suggesting that Istanbul was beyond the label of global city, pertaining to the definition of a city-region. After all, the city, as the center of economic and cultural flows, was commanding the global integration of the whole region.[95]

This attitude towards the global, rather than being clear-cut and consistent, was suggested to be more reluctant by certain observers.[96] Istanbul was deemed a European cultural capital, an Islamic city, brand city and center of attraction for petrodollars at the same time.[97] These different agendas were, erroneously, deemed part of a presumed homogeneous globalization rhetoric, according to Şentürk.[98] However, not so many have pointed out the uncertain character of Istanbul's neoliberal urbanism. Bezmez's investigation of the Golden Horn, presenting a local example of the failure of marketization of Istanbul, was among such rare examples. Bezmez portrayed the limits of urban entrepreneurialism, as visible through ambivalent urban visions, top-down modes of urban governance and the limits of private sector involvement.[99]

2.2.4.2 The Triumph of Urban Populist Impulses

The AKP's second decade would be, particularly, marked by this uncertain urbanism. An investigation of urban rail during the era, rather than reflecting a clear-cut dichotomy between urban populist impulses and a self-assured

94 Ibid, 39.

95 Çağlar Keyder, "Sunuş," in *Yeni İstanbul Çalışmaları: Sınırlar, Mücadeleler, Açılımlar*, ed. Ayfer Bartu Candan and Cenk Özbay (Metis Yayınları: İstanbul, 2014), 129.

96 Yıldırım Şentürk, "İstanbul, Kent Çalışmaları ve Unutulan Emek," in *Yeni İstanbul Çalışmaları: Sınırlar, Mücadeleler, Açılımlar*, ed. Ayfer Bartu Candan and Cenk Özbay (Metis Yayınları: İstanbul, 2014), 137-138.

97 Cenk Özbay and Ayfer Bartu Candan, "Yeni İstanbul Çalışmaları: Yersiz, Havasız, Mülksüz Kent," in *Yeni İstanbul Çalışmaları: Sınırlar, Mücadeleler, Açılımlar*, ed. Ayfer Bartu Candan and Cenk Özbay (Metis Yayınları: İstanbul, 2014), 12-13.

98 Şentürk, 138.

99 Dikmen Bezmez, "The Politics of Urban Waterfront Regeneration: The Case of Haliç (the Golden Horn), Istanbul," *International Journal of Urban and Regional Research* 32, no. 4 (2008): 836.

global city prospect, would manifest the entwining of these impulses, albeit with a certain discursive preference for the former.

Urban populism is defined as "the process of establishing political legitimacy on the basis of popular mobilisation supported by and aimed at the delivery of land, housing, and public services" – a process, although not new, whose significance has been enhanced by the rhythm of urbanization.[100] The political packaging of Istanbul's urban rail during the era refracts the general tendencies attributed to populist rule (discussed below), as exercised within the urban milieu.

Populist tendencies within the Turkish context were discovered neither during the AKP era nor after the onset of neoliberalism or Dalan's reign in the 1980s. The discovery of urban populism was, however, attributed to the ANAP by Keyder and Öncü.[101] Throughout the AKP era, populism was "no longer defined in the production relations through wage policies, but relocated to the social reproduction sphere, whereby the destructive consequences of neoliberal policies were alleviated through social assistance programs, addressing specific areas such as health, education and so forth."[102]

Populism during late Turkish neoliberalism has been tackled with through two exclusive definitions.[103] The first one was defined through political power and domination while the latter mainly pertained to economic redistribution. It has been claimed that a minimal definition of populism, building upon Barr[104] and Mudde's[105] analyses, possesses the following characteristics:

> "a Manichean outlook of politics as a struggle of 'the people' against the 'power elite' where the populist leader represents 'the people' and

100 Manuel Castells, *The City and the Grassroots: A Cross-Cultural Theory of Urban Social Movements* (Edward Arnold: London, 1983), 175.

101 Keyder and Öncü, 400.

102 Umut Bozkurt, "Neoliberalism with a Human Face: Making Sense of the Justice and Development Party's Neoliberal Populism in Turkey," *Science and Society* 77, no. 3 (2013): 378.

103 Dorlach, "The AKP between Populism and Neoliberalism," 58.

104 Robert R. Barr, "Populists, Outsiders and Anti-Establishment Politics," *Party Politics 1*5, no. 1 (2009): 15-29.

105 Cas Mudde, *Populist Radical Right Parties in Europe* (Cambridge University Press: Cambridge, 2007).

> an emphasis on the centrality of 'people's will' in politics, with an accompanying disdain for institutions of horizontal accountability and a preference for direct, plebiscitarian linkages between the leader and citizens."[106]

Similarly, another of the most popular, contemporary interpretations of populism, by Müller, suggests that populist movements have such common characteristics: criticism of the elites, anti-plurality and a form of exclusionary politics.[107] These movements pit the "people against elites who are deemed corrupt or in some other way morally inferior."[108] Secondly, they claim that they can, and only they can, represent the people. Thirdly, they will go to the ends of the earth to keep the "non-people", the designated enemies out of the political apparatus.[109]

Besides these common characteristics, governance by populists is marked by three features, Müller suggests: "attempts to hijack the state apparatus, corruption and 'mass clientelism' (trading material benefits or bureaucratic favors for political support by citizens who become the populists' 'clients'), and efforts systematically to suppress civil society."[110] In other words, populists bring the state under the party's control, create a patronage network and harass "civil society", which erodes their claim to the ultimate representation of the people.[111]

These definitions, however, stick to a rather limited definition of politics, which focuses upon the basic democratic institutions and the unceasing encroachment of them. Even though mass clientelism forms a part of the definition as "the exchange of material and immaterial favors by elites for mass political support," these favors are left undefined or are defined as crude material benefits, such as "reward[ing] their clientele for turning up at the

106 S. Erdem Aytaç and Ezgi Elçi, "Populism in Turkey," in *Populism Around the World: A Comparative Perspective,* ed. Daniel Stockemer (Springer: Cham, 2019), 97.

107 Jan Werner Müller, *What is Populism?* (University of Pennsylvania Press: Philadelphia, 2016), 2-3.

108 Ibid, 20.

109 Ibid, 3.

110 Ibid, 4.

111 Ibid, 44-48.

voting booths."[112] Thus, analyses of populism have, largely, missed the role of infrastructure in the generation of public consent and political hegemony. The intricate policies of redistribution, as engrained within the "substantive/economic meaning" of populism,[113] are mostly disregarded in favor of a politics-oriented focus, which "conceptualizes populism as a specific way of competing for and exercising political power" and "situates populism in the sphere of domination, not distribution."[114]

In line with this formal/political definition of populism, neoliberal populism has been defined "as neoliberal policies introduced with the help of populist politics."[115] Thus, these analyses treat neoliberal impulses as a given within the exercise of populism. Akçay, for instance, claims that "the key to the AKP's success in remaining in power for the last sixteen years is a result of the particular neoliberal economic policy it followed, which atomizes the working class while also securing its partial consent through a limited welfare regime."[116]

In compliance with the strictly political definition of populism[117], populism during the AKP era has been tackled with a focus upon rising authoritarianism, anti-constitutionalism, damages to democracy and the presence of a one-man-rule.[118] The redistributive aspects of the AKP's urban populism was, on the other hand, tackled with a focus on social security

112 Ibid, 46.

113 Dorlach, 57.

114 Kurt Weyland, "Clarifying a Contested Concept: Populism in the Study of Latin American Politics," *Comparative Politics* 34, no. 1 (2001): 11.

115 Dorlach, 57.

116 Ümit Akçay, "Neoliberal Populism in Turkey and Its Crisis", *Working Paper, Hochschule für Wirtschaft und Recht Berlin*, accessed December 20, 2021, https://www.ipe-berlin.org/fileadmin/institut-ipe/Dokumente/Working_Papers/IPE_WP_100.pdf .

117 S. Erdem Aytaç and Ziya Öniş, "Varieties of Populism in a Changing Global Context: The Divergent Paths of Erdoğan and Kirchnerismo," *Comparative Politics* 47, no. 1 (2014): 43.

118 Aytaç and Elçi, "Populism in Turkey," 100.

system and charity[119], health[120], urban transformation and housing[121] along with communication centers.[122]

Within these two different threads of populism, urban rail infrastructure was not granted a visible role, if not totally ignored. In fact, from route choices to the conjuring of Istanbul's urban plans, Istanbul's urban rail turned out to reify the different manifestations of urban populist rule, whether in the form of arbitrary political rule or an anti-elitist discourse. This dissertation, especially throughout Chapter 7, stays loyal to a stance that critically takes both the formal/political and substantive/economic meanings of populism into account, as urban rail infrastructure turns out to refract both political domination and economic redistribution, notwithstanding the lurking existence of a reluctant global city logic.

§ 2.3 Critical Neoliberal Studies and the Challenge of the Turkish Experience

This dissertation investigates these themes by recoursing to two other academic threads. The first of these two interrelated theoretical engagements pertains to the literature on neoliberalism/neoliberalization, which is utilized herein to situate the Turkish case within the global experience of neoliberalism (in order not to valorize the Turkish experience as overly peculiar) and to engage with the question of the neoliberal state, the role of capital and shaping of urban politics. The critical thread on neoliberalism/neoliberalization, particularly the "already existing neoliberalisms" thread helps one to conceptualize neoliberalism as an ongoing political-institutional project with different manifestations in different contexts.

119 Umut Bozkurt, "Neoliberalism with a Human Face," 384 and Simten Coşar and Metin Yeğenoğlu, "The Neoliberal Restructuring of Turkey's Social Security System," *Monthly Review* 60, no. 11 (2009): 36-49.

120 Ayşecan Kartal, "Debating Turkish Health Reform," PhD diss., (Boğaziçi University, 2019).

121 Demiralp, "Making Winners" and Ruben, "Neoliberalization of Social Housing in Turkey".

122 Boyraz, "Neoliberal Populism and Governmentality in Turkey".

Historical institutionalism, which this dissertation aims to utilize as a historical approach, points out how to trace the transformation in question: through institutions. The critical neoliberalism literature, on the other hand, helps one to theoretically situate the politically constructed, contextually dependent and ongoing character of Turkish neoliberalism, albeit with certain caveats.

2.3.1 *The Neoliberal Orthodoxy and Its Critics*

The neoliberal creed, as described in the introduction, was marked by "commitments to policies of free trade, privatization, deregulation, and welfare state retrenchment"[123] along with marketization and competition. Within this textbook definition of neoliberalism, the state vanished to a large extent, leaving way to the rule of the market and strengthening of local politics. The neoliberal orthodoxy was deemed as a universal recipe as it was expected that "identical results will follow the imposition of market-oriented reforms."[124]

This was, in fact, the global recipe that the Turkish state was one of the first to perform during the 1980s. The buzzwords were the same: marketization, competition, deregulation, free trade, welfare retrenchment. Similarly, as suggested by Şenses[125], the disappearance of the state was expected, leaving way to the domination of global financial institutions. However, this did not really turn out to be the case in Turkey or elsewhere. Thus, critics of the neoliberal orthodoxy were not late in pointing out the politically constructed, contextually dependent and ongoing character of neoliberalism, which this dissertation builds upon. First of all, the neoliberal creed, it was argued, represented "states and markets as if they were diametrically opposed principles of social organization," ignoring the

123 Kevin Ward and Kim England, "Introduction: Reading Neoliberalism," in *Neoliberalization: States, Networks, Peoples*, ed. Kim England and Kevin Ward (Blackwell Publishing: Oxford, 2007), 3.

124 Jamie Peck, Nik Theodore and Neil Brenner, "Neoliberal Urbanism: Models, Moments, Mutations," *SAIS Review of International Affairs* 29, no. 1 (2009): 53.

125 Şenses, "Turkey's Experience with Neoliberal Policies," 18.

political constructed character of economic relations.[126] Indeed, not so long after the first neoliberal experiments, the revisionist neoliberal thread, known as the post-Washington Consensus, was to bring the state back in. The inner critics of neoliberal policies were, now, suggesting that "[m]arkets require a legal and regulatory framework that only governments can provide – appropriate legal and financial institutions and regulations ensuring sound financial and banking regulations, establishing oversight bodies and regulatory agencies,"[127] hence disseminating the concept of governance.

Thus in 2008, Kingfisher and Maskovsky were positing that while "earlier descriptions of neoliberalism emphasized the withdrawal of the state from its role in regulating markets …the contemporary consensus is that this 'retreat of the state' argument is inaccurate, and that descriptions of neoliberalism should instead emphasize critical shifts in the ways that governments intervene in markets."[128] Rather than retreating[129], the state was strategically adopting privatization and other neoliberal strategies for the sake of urban accumulation, it was argued.[130]

Similarly, as suggested in the preceding section, the state actors or political interventions were what defined the outcomes of neoliberal policies in the Turkish case – not capital per se, at least not in a direct manner. Certain institutional and legal domains, such as municipal administration or public procurement in the case of infrastructure, were constantly reconfigured through the political interventions of the state/government. Urban accumulation and the realization of infrastructural projects, still, depended upon the state, which remained either as a setback or catalyzer. Even "local empowerment" attempts during the early 2000s were to be marked by the

126 Brenner and Theodore, "Cities and the Geographies of 'Actually Existing Neoliberalism'," 353.

127 Carlos Santiso, "Good Governance and Aid Effectiveness: The World Bank and Conditionality," *Georgetown Public Policy Review* 7, no. 1 (2001): 16.

128 Catherine Kingfisher and Jeff Maskovsky, "Introduction: The Limits of Neoliberalism," *Critique of Anthropology* 28, no. 2 (June 2008): 117.

129 Susan Strange, *The Retreat of the State: The Diffusion of Power in the World Economy* (Cambridge University Press: Cambridge, 1996).

130 Kingfisher and Maskovsky, 123.

increasing role of the center, which was to be gradually overtaken by the AKP throughout the two decades.

The second trope within critical studies of neoliberalism/neoliberalization was in the spirit of historical institutionalism: contextual dependence or variegation. The critics of orthodox neoliberalism and the varieties of capitalism school (VoC) claimed that state regulation evolved "in conjunction with contextually specific political-economic circumstances and socio-political struggles."[131] Neoliberalism was not homogeneous but "variegated in character"[132] as manifested through the role of state, capital and regulation under different contexts despite the existence of generic features.

The VoC school, however, posited a bipolar vision of capitalist transformation[133], limiting its analysis to a group of advanced countries, it was claimed.[134] This school, which claimed to trace systemic continuities and transformations, seemed like providing a dynamic, historical framework while, in the last instance, providing a static analysis. After all, it lacked an analysis of interests, power relations and ideas – tenets that a historical institutionalist attempt could provide.[135]

The last objection of critical neoliberal studies pertained to the presumed "completeness" of the neoliberal project. Neoliberalism turned out to be a process, always in flux. It was suggested that neoliberalism did not merely manifest itself in ideological formations or regulatory frameworks but was a "historically specific, ongoing, and internally contradictory process of market-driven sociospatial transformation."[136] It was never complete or unequivocal.

Thus, the critiques of neoliberalism suggested a dynamism and a process, which was lacking in the VoC thread and which was blinking at historical institutionalism. Hence, the term neoliberalization was conjured, which posited the ongoing, contested character of neoliberal experience. After all,

131 Brenner and Theodore, 9.

132 Jamie Peck and Adam Tickell, "Neoliberalizing Space," *Antipode* 34, no. 3 (2002): 387.

133 Jamie Peck and Nik Theodore, "Variegated Capitalism," *Progress in Human Geography* 31, no. 6 (2007): 761.

134 Ibid, 766.

135 Buğra and Savaşkan, 5.

136 Brenner and Theodore, 353.

"regulatory landscapes are continually made and remade through this intense, politically contested interaction between *inherited* institutional forms and policy frameworks and *emergent* strategies of state spatial regulation,"[137] it was suggested by Brenner and Theodore. In a similar vein, they offered the concept of "actually existing neoliberalisms" to transcend the inquiries of neoliberalism beyond merely political-ideological genealogies towards "into [the neoliberalization processes'] multifarious institutional forms, their developmental tendencies, their diverse sociopolitical effects, and their multiple contradictions."[138]

The "actually existing" Turkish neoliberal experience challenges certain assumptions about neoliberalism, whether mainstream or critical. This is what this dissertation repeatedly alludes to as "the peculiarities of Turkish neoliberalism," whether with regard to the role of capital within neoliberal urbanism, the ambivalent global city logic or exclusion of the experts. The outcomes of Turkish neoliberal politics or hybrid urbanism were not, indeed, totally original or specific. However, these peculiarities shed light upon certain points of divergence from the globally excepted outcomes of neoliberal policies.

The actually existing Turkish neoliberalism herein is presented as a constant making and remaking of neoliberal and urban politics, which turned out to be more ambivalent than being unequivocal, in line with the critical neoliberal literature. The institutional history of late Turkish capitalism is claimed to be swaying between regulation (the presumed depoliticization of the economic realm) and deregulation (the politicization of the economic realm) whereas the AKP era was known for its tendency towards the latter. However, even if a novel form of state-business relations was the case during the AKP reign, an "institutional inheritance" lurked behind the era. The sources of these tendencies, whether be extra-legality or patronage, were to be found in the 1980s – an inheritance that both historical institutionalists and critical neoliberal theorists would be glad to see.

137 Ibid, 356.

138 Ibid, 353.

2.3.2 *The Emergence of Cities as Neoliberal Spaces and the Challenge Istanbul Poses*

Actually existing neoliberalisms were suggested to not only dismantle existing configurations but also create new ones. This process, known as creative destruction, both manifested the inheritance of certain conditions (path-dependency so to speak) and the emergence of new layerings.[139] In a fashion not far from historically institutionalism, a sensitivity to both limits and possibilities, institutions and agencies, path dependency and contingency was present within this critical thread of neoliberalism/neoliberalization.

The arenas for this creatively destructive process were cities. After all, cities comprised "the basic neoliberal imperative of mobilizing economic space ... as a purified arena for capitalist growth, commodification, and market discipline"[140] while having transformed into "nodal point(s) of access and control at the intersection of emergent cross-regional networks."[141] The internationalization of the financial industry granted new strategic roles to major cities (which became significant command points in the world economy) while smaller financial markets proliferated.[142] This neoliberal impulse "remained the dominant political project for municipal governments throughout the world economy"[143] as visible through the increasing relevance of cities to the production and reproduction of neoliberalism.[144] However, this new global reconfiguration was not bereft of crisis and infrastructural investments in particular were presented as solutions to these crises. These "spatial fixes", as Harvey posits, pertained to "geographical expansions and restructurings as a temporary solution to crises ... in terms of the overaccumulation of capital."[145]

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139 Ibid, 366.

140 Ibid, 374.

141 Keyder and Öncü, 384.

142 Sassen, *The Global City: New York, London, Tokyo*, 3-5.

143 Brenner and Theodore, 374.

144 Peck, Theodore and Brenner, 49.

145 David Harvey, *Limits to Capital* (Verso: London, 2006), xviii.

Transportation is deemed among a solution to these crises, as a facilitator of growth in surplus value.[146] However, at the same time, transportation is suggested to represent "'sunk capital' that is locked to a specific place and use."[147] Thus, as this configuration does not allow for the circulation of capital, "capitalists generally prefer to shift the burden for construction of the infrastructure to the state … through a 'second circuit' of capital via a public sector"[148] which turns out to be "willing to finance and guarantee long-term, large-scale projects with respect to the creation of the built environment," Harvey suggests through Marx.[149]

The increasing relevance of urban investments and infrastructure is not merely related to the circuit of capital as such. It is also part and parcel of the neoliberal competition of global cities. Peck, borrowing from Harvey, claims that "reproduction of cultural spectacles, enterprise zones, waterfront developments, and privatized forms of local governance is not simply an aggregate outcome of spontaneous local pressures, but reflects the powerful disciplinary effects of interurban competition."[150] This neoliberal logic of "growth first" dismisses social-welfarist arrangement as "anticompetitive costs" while issues of redistribution and social investment were deemed antithetical to economic development, it was suggested.[151]

The transnational character of mobile capital has forced cities into rivalries to secure jobs and investments, Lee claims.[152] Urban development projects, aiming at improving infrastructures and renewing city landscapes, have emanated from such a concern: competition in the global economy. Within this competitive global city logic, "[p]ublic transportation policy [was] ... deployed by entrepreneurial governments to create place-based

146 Ibid, 189.

147 Ibid, 189.

148 Michael Minn, "The Political Economy of High Speed Rail in the United States," *Mobilities* 8, no. 2 (2013): 189-190.

149 David Harvey, "The Urban Process under Capitalism: A Framework for Analysis," *International Journal of Urban and Regional Research* 2, no. 1-3 (1978): 107.

150 Peck and Tickell, 393.

151 Ibid, 394.

152 Lee, "Subways as a Space of Cultural Intimacy," 127-128.

competitive advantages for global capital,"[153] Farmer claims. These "strategic infrastructure investments and the implementation of neoliberal policy frameworks often prioritize the interests of global capital, privileges economic citizens and the integration of local needs into the global economy," it was argued.[154] Urban transit, thus, turned out to be serving basic neoliberal impulses: the attraction of capital into the built environment, urban rent production and territorial competition. An urban rail-oriented urban development model such as the Grand Paris Express, christened as "metromobility" by Enright, epitomized such an attempt. This urban development model was a fad of neoliberal urban mobility and connectivity, as it served capital as such and excluded certain disadvantaged populations.[155] Investigations of urban rail in certain contexts, some of which were noted in the introduction, have, similarly, focused upon the allure of neoliberal urban development or neoliberal modernity.[156]

Behind the implementation of this model lay a coalition or growth machine, it was suggested.[157] Growth machines, as coalitions of business groups and entrepreneurial government elites, aim to maximize the urban assets, it was posited.[158] These mechanisms heralded the introduction of

153 Stephanie Farmer, "Uneven Public Transportation Development in Neoliberalizing Chicago, USA," *Environment and Planning A* 43 (2011): 1156.

154 Jean-Paul D. Addie, "Metropolitics in Motion: The Dynamics of Transportation and State Reterritorialization in the Chicago and Toronto City-Regions," *Urban Geography* 34, no. 2 (2013): 195.

155 Enright, "Contesting the Networked Metropolis," 175.

156 Fiona Ferbrache and Richard D. Knowles, "City Boosterism and Place-making with Light Rail Transit: A Critical Review of Light Rail Impacts on City Image and Quality," *Geoforum* 80 (2017): 103-113; Christopher D. Higgins and Pavlos S. Kanaroglou, "Infrastructure or Attraction? Image-led Planning and the Intangible Objectives of Rapid Transit Projects," *Journal of Planning Literature* 31, no. 4 (2016): 452-462; Gregg Culver, "Mobility and the Making of the Neoliberal "Creative City": The Streetcar as a Creative City Project?," *Journal of Transport Geography* 58 (2017): 22-30; Lee, "Subways as a Space of Cultural Intimacy"; Enright, "Mass Transportation in the Neoliberal City" and Olesen, "Infrastructure Imaginaries."

157 Harvey Molotch, "The City as a Growth Machine: Toward a Political Economy of Place," *American Journal of Sociology* 82, no. 2 (1976): 309-332.

158 Paul T. Knudson, "Coalition Formation and Metropolitan Contention: An Analysis of the

neoliberal urban politics. Others, however, have suggested the decline of growth machines since the 1970s.[159] Furthermore, urban politics was suggested to be marked by invisible dynamics. After all, through certain institutions and interventions, infrastructure was, at times, "to be developed through the 'back door' of established democratic processes,"[160] suggesting a politics of circumvention. Thus, urban politics and neoliberal planning, rather than being defined by clear-cut coalitions, was to be marked by hybridity, exacerbated by unceasing political interventions.[161]

Urban politics during the forty-years of Turkish neoliberalism, it turns out, partly fits into such a picture. Indeed, there was always a tendency towards "marketing Istanbul", towards serving global city impulses. On the other hand, however, political whims or urban populist concerns dominated infrastructural projects – not urban growth coalitions or global city impulses per se. These urban populist sentiments did not turn out to be "social welfarist arrangements", either. They were marketized as part of the AKP's quite central populist discourse of serving the people. In practical terms, it served the periphery to a great extent. New routes, rather than connecting the touristy or middle/upper-middle class central nodes to each other, turned out to be mainly connecting peripheral areas within the urban network.

Thus, rather than merely serving the interests of national or global capital or global city impulses as such, urban rail infrastructure was, to a great extent, utilized for satisfying urban populist concerns. Similarly, urban policies during the AKP era were not shaped by the demands of a vocal, pro-global city bourgeoisie but rather was the result of increasingly arbitrary political decisions of a limited group of actors, from the mayor to the Prime Minister/President. Within this limited political matrix of decision-making,

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Politics of Light-Rail Transit in the Twin Cities of Minnesota," *City & Community* 8, no. 2 (2009): 180.

159 Alan Altshuler and David Luberoff, *Mega-Projects. The Changing Politics of Urban Public Investment* (Brookings Institution Press: Washington, DC, 2003), 5-6.

160 L. Owen Kirkpatrick and Michael Peter Smith, "The Infrastructural Limits to Growth: Rethinking the Urban Growth Machine in Times of Fiscal Crisis," *International Journal of Urban and Regional Research* 35, no. 3 (2011): 482.

161 Pauline M. McGuirk, "Neoliberalist Planning? Re-thinking and Re-casting Sydney's Metropolitan Planning," *Geographical Research* 43, no. 1 (2005): 59.

there was not much room for the bourgeoisie, let alone the non-political actors, viz. the experts or civil society.

In other words, the story of Istanbul's transformation through a history of its metro network is, in a way, a story of failure, hybridity and ambivalence embedded in the neoliberal project. The city, unlike its developed counterparts, did not aspire to become a metromobile one. Even with new routes, the weight of urban rail within daily commutes remained negligible compared to other metropolitan cities, as posited in the introduction. Plans to create a globally competitive Istanbul did not really linger for long, even though the discourse of global city always lurked behind. Rather than long term plans or demands of a city coalition (such as a civil coalition of bourgeoisie, civil society organizations and denizens), arbitrary political decisions determined the infrastructural course of the city.

Thus, the real "neoliberal" success of Istanbul's metro network did not really arise from its loyalty to the global city logic. Rather, it should be looked for in the unceasing generation of urban rent and the emerging new networks between the state, municipalities and business groups. This brings one to this dissertation's third and last theoretical engagement, i.e. the literature on economic reforms and business networks.

§ 2.4 Economic Reforms, Networks and Their Limits

The critical thread on neoliberalism/neoliberalization, its theoretical contributions aside, possesses an exclusive interest in geographical and spatial transformations, which is beyond the scope of this dissertation. Nevertheless, it helps one to theoretically tackle with the question of the Turkish neoliberal state and urbanism, along with providing a sensitivity towards the incomplete and ongoing character of the neoliberal project. However, in itself, it does not help one to concretely trace the politically constructed, contested and hybrid character of Turkish neoliberalism or neoliberal urbanism. How does one unearth the intricate transformation of the Turkish state and business realm through urban rail transit?

The literature on economic reforms and networks proves their utility herein. As suggested through the literature on late Turkish political economy,

the story of Turkish neoliberalism is one of economic reforms, of regulatory and deregulatory attempts. As the Turkish reform package after 2001 would also claim, economic reforms and regulatory processes assume that "economic policy reform would (appropriately) disrupt and destabilize existing political coalitions and displace the privileged economic actors that circulated within them."[162] This thread argues that liberalization depoliticizes allocation of resources, "causing those who benefited from privileged economic positions to become losers in the more competitive environments created by economic reform."[163] The success of these reforms is, hence, defined by the elimination of previous privileged economic networks and corrupt practices. Cronyism, patronage and rent seeking are expected to be replaced by transparency, accountability and property rights through meticulous reforms.[164]

These expectations have not only seeped into international financial institutions but dominated the academic literature as well. According to Heydemann, "the idea that economic reform represents the replacement of political logics by economic logics as the basis for policy making was a touchstone of comparative political economy for much of the 1980s and well into the 1990s."[165] In a similar vein with the Washington Consensus, the first wave of economic reform school would be imbued with the expectation that state intervention will disappear and the markets will rule. This view was to be replaced by the second generation's more delicate stance towards the relationship between the state and reforms.[166] Within the thread of second-generation research, the state was, indeed, constitutive of reforms, which were to implement market-based institutions. State and institutions, now, mattered, albeit within a neoliberal logic and function.

The envisioning of markets as political constructions was the work of the third wave. Here, too, institutions mattered and they were claimed to affect

162 Steven Heydemann, "Introduction," in *Networks of Privilege in the Middle East: The Politics of Economic Reform Revisited*, ed. Steven Heydemann (Palgrave Macmillan: New York, 2004), 7.

163 Ibid, 7.

164 Ibid, 7.

165 Ibid, 8.

166 Ibid, 17.

politics, consequences of distribution and renegotiation of economic policies.[167] Reform was not merely an internationally imposed process of regulation or deregulation but "a negotiated process of reregulation that is shaped by the interaction of political and economic interests, including, notably, the interest of incumbents in remaining in power."[168] In short, reforms were inherently political, not neoliberal recipes per se.

The problem with the third wave was, however, the conceptualization of actors with fixed interests. Hence, Heydemann et al, building upon the third generation of research, introduces an intricate sensitivity to "how such actors and the networks through which they often mobilize politically both shape economic reforms and how shifts in economic policy, in turn, reshape the organization of rent-seeking opportunities that they wish to exploit"[169] – the balanced take on structure-agency that this dissertation hopes to keep in mind through a critical allegiance to historical institutionalism.

Within this endeavor, networks were the buzzword. Defined as "a regular set of contacts of similar social connections among individuals or groups," a network was suggested to provide "an alternative way to conceptualize how we think about actors, agency, causality, and the nature of economic reform as a *social process.*"[170] The notion of networks, it is suggested, helps one to understand the unexpected positions of actors, who do not possess fixed characteristics but changing interests – an assumption which historical institutionalists would cherish. Furthermore, reforms are regarded as constitutive of new networks and political configurations, at times blurring the boundaries between public and private.[171]

The messy policy environments are, then, results of such crosscutting networks, of such fragmentation of actors unbounded within fixed categories and imbued with other identifications, whether religious, ethnic or in any other form. Networks herein might denote family affiliations, ethnicities,

167 Ibid, 18.
168 Ibid, 18.
169 Ibid, 6.
170 Ibid, 13.
171 Ibid, 12.

professional and religious associations.[172] The question, however, arises: how to identify and trace these networks? Where to find them?

Heydemann proposes that there is no single way to trace networks. Indeed, an analysis of networks might denote "techniques that use detailed inductive data to locate the positions of individuals within social networks and produce spatial maps of network forms as the starting point for understanding how variation in network forms affect outcomes" or a micro-modelling or a method in-between.[173] In other words, a methodological pluralism is present. These networks are to be found in a certain policy domain (which pertains to fiscal policy for Heydemann), which "encompasses a diversity of controversial policy matters and numerous claimant groups and public authorities, each seeking in varying degrees to influence the ultimate decisions about matters of importance to them and to their constituencies."[174]

With regard to the concerns of this dissertation, the business actors that have risen or been displaced due to economic reforms and political interventions are to be found in the realm of public procurement. In a similar vein with Çeviker Gürakar's *Politics of Favoritism* (which was introduced above), this dissertation is, too, involved with the realm of public procurement to depict a necessarily incomplete but hopefully adequate picture of the business actors in question and their stakes within the lucrative realm of infrastructure. The dissertation utilizes a similar method, building upon municipal and state contracts while tracing the affiliations of these actors, whether political, religious, professional, origin-wise or a combination of these. Furthermore, rather than seeing the main actors in urban rail procurement as eternal cronies, this dissertation aims to present their trajectory before and during the AKP era with a sensitivity towards their "becoming"s and business strategies.

172 Ibid, 24.

173 Ibid, 27.

174 David Knoke, Franz Urban Pappi and Jeffrey Broadbent, "Policy-making in the Organizational State," *Comparing Policy Networks: Labor Politics in the U.S., Germany, and Japan* (Cambridge University Press: Cambridge, 1996), 9.

The resulting depiction of the business environment is one of fragmentation. Contrary to the expectations of business reforms after the 2001 crisis, the old, suspicious coalitions between politicians and business would not be wiped out but, rather, would return in disguised forms. Meanwhile, the re-politicization of the business environment during the AKP era, indeed, will serve the rise of politically affiliated business groups, as unequivocally noted by observers of contemporary Turkey (Chapter 6).

In line with the suggestions of the literature on economic reforms and networks, the realm of urban infrastructure would not be dominated by merely politically affiliated business groups. Political economy analyses of the AKP era have, generally, overlooked how certain established or non-affiliated actors survived throughout the era. An analysis of economic networks through urban rail work manifests the co-existence of these actors of different origins and degrees of political affiliation. In different words, the emergence of legally arbitrary business practices during the era would also provide opportunities for certain established contractors or businesses, some of which would align themselves with the government in one way or another.

Thus, this dissertation argues, the realm of urban infrastructure continued to be a large, lucrative pie, which was, in a way, dependent upon the presence of the established contractors or businesses. Thus, this dissertation, through utilizing the literature of economic networks, both aims to portray the co-existence in question and hopes to lay bare the limits of cronyism and state capacity, which are explicated through certain constraints arising from the nature of the realm of infrastructure.

§ 2.5 Conclusion and a Note on the Dissertation's Possible Theoretical Contributions

This chapter has tried to be aware of a quandary that haunts this dissertation: the Turkish case is, indeed, peculiar but how peculiar is it, really? The introductory chapter offered to contextualize the peculiarities of Turkish neoliberalism within certain global processes or political trends. This chapter, to avoid a "Turkish exceptionalism", aimed to theoretically position the analyses of late Turkish political economy in a dialogue with the related literatures on

neoliberalisms and economic reforms that help one explain (or, at times, that fails to explain) the Turkish case.

Where do the contributions of this dissertation lie, with regard to these distinct yet related academic threads? Despite the risk of too much repetition, a quick reiteration of the peculiarities of urban rail, as posited in the introduction, might help. Critical neoliberal theories prove useful while tackling with the question of politics and state, providing the opportunity to manifest the political construction of the economic. With the help of critical neoliberal theorists and a historically institutionalist approach, one could trace the continuities and ruptures between supposedly distinct eras of the Turkish neoliberal trajectory, especially with regard to the persistence of political interventions and patronal networks. This might help one to avoid overemphasizing the novelty of the AKP period, which is marked by continuities as it is marked by ruptures and novelties.

Secondly, tracing the transformation of the networks of nepotism manifests the limits of economic reforms, a conclusion that the critical investigations of these reforms have already arrived at. Investigations of the two decades of the AKP rule, however, have, almost exclusively, focused upon a particular set of capitalists, which was marked by visible political affiliation to the ruling party-government. This dissertation hopes to present a more nuanced view of the business actors involved within urban rail projects. Rather than being marked by exclusivity, the business realm is to be marked by co-existence of the old and new, it will be claimed. This peculiarity manifests the limits of nepotism, which has been presented as an overpowered impulse in the academic threads presented herein.

Thirdly, the realm of urban policymaking would not be marked by a typical mode of neoliberal governance, which suggested the power of the local. In fact, the story narrated herein would be a story of the triumph of the center over the local. Within this story, rather than a capitalist or growth machine-led neoliberal transformation (as certain critical neoliberal theorists would argue), one would witness the determining role of politics (with a big P), as suggested above.

A similar peculiarity would be visible in the unsound neoliberal urbanism that has marked Istanbul. Was this urban transformation (which, among

others, harbored the urban rail vision that this dissertation is interested in) a capitalist-led attempt at marketing Istanbul as a global city, as the literature of neoliberal urbanism would claim? Rather, it will be posited, urban populist concerns nourished by certain political figures have determined the course of neoliberal urbanism in a manner that was not always neoliberal. The historical sources of these peculiarities are to be found within the experience of early Turkish neoliberalism, the course of which is narrated in the following two chapters.

3

Early Turkish Neoliberalism and the (Re-)Discovery of Urban Rail (1980-1989)

The city's first large urban rail project (to be known as the M1 light metro) was to be a product of the early neoliberal experience. It would, albeit in a primitive and limited manner, refract the peculiarities of Turkish neoliberalism, which would culminate in the AKP's two decades.

The idea of urban rail transit as a remedy for the city's pressing problems was not, in fact, a product of the early neoliberal era. What was new during the era, however, was the partial realization of this idea and the utilization of infrastructure for concrete political ambitions. The realization of urban rail projects during the first two decades of Turkish neoliberalism succeeded the introduction of legislative and institutional configurations that not only pertained to economic policy as such and distribution of political power but also municipal reform and public procurement law. The result was not only the introduction of an investment-oriented "open" market but also a novel political mode, marked by executive centralization and the presence of patrimonial networks controversially woven by entrenched political figures, such as prime ministers and mayors.

This chapter deals with these thorough transformations through the M1 project, which was initiated in 1985 by Istanbul's first elected mayor after the 1980 coup, Bedrettin Dalan and which was to start operating in 1989 among

a full-fledged political battle from all fronts. The chapter functions as an introduction to certain themes of the dissertation, which are to be investigated further throughout the AKP era. The first of these themes pertains to the formation of patrimonial relations as a result of institutional and legislative changes in question. Whether through neoliberal economic policies as such, municipal reforms or the State Procurement Law, these configurations, with the help of executive centralization and merely personalized politics, were, seemingly, to surpass the eternal institutional inertia that marked the previous decades. It would introduce a new form of rent distribution as rent distribution was not, now, merely practiced through the hands of the bureaucracy but of the figures of higher political echelon. Patrimonial and/or familial relationships with these powerful municipal and state figures would lurk behind infrastructure projects. Corruption was not, indeed, new to the realm of Turkish politics. However, the existence of higher financial stakes within the field of infrastructure and this new mode of patrimonialism (which relied upon persons and which was not bereft of inner conflicts) differentiated this period from the national-developmentalist era.

The second theme that lurks behind this chapter concerns the legal framework of these rent distribution mechanisms, i.e. how these patrimonial networks were upheld through extra-legal interventions into the realm of public procurement. During the decade, procurement contracts became the means of distributing the (for the time being, comparatively limited) urban rent. Public procurement, which was to be subject to a reform after the 1980 coup, would suffer from dubious legal practices. In other words, the utilization of urban rail transit projects as patronal mechanisms turned out to be dependent upon a flexible interpretation of legal norms along with an unprecedented exercise of discretion. Recurring practices of legal arbitrariness rendered the field non-transparent further and, hence, subject to public controversies. Hence, a seemingly mundane infrastructural project such as the M1 would be surrounded with such unceasing scandals, investigations, corruption accusations from all fronts and for years to come.

This narration also manifests the inner rifts and conflicts within and between different political entities (the ANAP, SHP, Istanbul municipality or certain state institutions) that marked the decade. Early Turkish

neoliberalism, rather than being a coherent political project, was marked by incoherencies, inconsistencies and political struggle. Through this narration, the chapter hopes to hint at not only the politically constructed character of early Turkish neoliberalism but also the historical and institutional sources of infrastructural politics and state-municipality-business relations during the AKP era.

The chapter starts with providing a compact history on the eternal debate of urban transit within Turkish politics and public opinion to portray the institutional inertia present before the 1980s. Then, focusing upon urban politics and the debates on urban transit during the military dictatorship, it moves on to provide the general political and economic background behind the neoliberal transformation during these three years. This is to be followed by a narration on how legal changes transformed urban investment into a source of unprecedented and unchecked urban rent and how the eternal bottleneck of urban authority was solved to a great extent. Then, it traces the rise and fall of Istanbul's first municipal mayor after the 1980 coup, the ANAP's Bedrettin Dalan through his controversial urban rail project.

§ 3.1 The Eternal Question of Urban Rail Transit: A Short History of Institutional Discrepancy

The idea of urban rail infrastructure as a solution to Istanbul's traffic conundrum was neither new nor limited to modern Turkey. However, urban rail transit as a seemingly feasible solution to the uncontrolled tendencies of urban development was to become an increasingly more popular item of debate during the late 1960s, particularly with regard to the cases of Istanbul and Ankara. During the 1970s, the provision of transit infrastructure was a constant electoral promise, shared by all political actors. In the case of Ankara, it was on the brink of becoming a tangible reality just before the 1980 coup. Despite being an almost universally shared agenda throughout the Republican history, the implementation of the project was not possible due to institutional and political discrepancies and rivalries, blurring of institutional responsibilities and mere dire straits.

The origins of the idea of urban rail transit could be, in fact, traced to the late Ottoman era, which, due to the lack of wide roads that made the operation of cars difficult throughout the city, had nourished an interest in urban rail and sea transport.[1] By the late 1880s, this interest was materialized in the form of the Tunnel line[2], suburban railways and establishment of the steamboat operation firm, Şirket-i Hayriye. By 1908, this interest, born out of necessity, had led to preliminary studies upon the construction of an underground line between the city's busiest districts. This first unfruitful study of the late Hamidian era was to be followed by a thorough study in 1912.[3]

Throughout the Republican history, this interest would persist and produce countless declarations, feasibility reports, debates, offers, tenders, forums and articles – all in vain until the 1980s. Almost all of the governments, Istanbul municipalities, mayors or politicians (civilian or not), however, seemed to be theoretically endorsing the idea of a metro project.

In 1934, the Republican era's famous commissioned urbanist Henri Prost was to propose the metro network as "the most effective and most rapid solution for transportation and traffic congestion across the streets and avenues of the city."[4] The stance towards urban rail during the 1950s was, however, to be ambivalent. Despite the visible interest of the municipality, the Ministry of Works and the Prime Minister[5] during the decade, a concrete step towards the construction of the metro network, which was seen both a solution to the impending transit crisis and a possible shelter in case of air raids[6], was not taken during this era. By the late 1950s, the American-sponsored highway-based development model seemed to have marked itself

1 Güngör Evren, "İstanbul Ulaştırmasının Dünü, Bugünü," *TMH - Türkiye Mühendislik Haberleri*, no. 413 (2001): 19.

2 This funicular line between two "core" districts, namely Beyoğlu and Karaköy is presented as one of the first metro lines in the world history. See "Tünel Kronolojisi", *Tünel*, accessed Dec. 10, 2021, https://tunel.iett.istanbul/tr/tunel/pages/tunel-kronolojisi/566 .

3 Evren, 20.

4 F. Cana Bilsel, "Urban Transportation and the Metro Project," in *İmparatorluk Başkentinden Cumhuriyet'in Modern Kentine: Henri Prost'un İstanbul Planlaması (1936-1951)*, ed. F. Cana Bilsel and Pierre Pinon (İstanbul: İstanbul Araştırmaları Enstitüstü, 2010), 338.

5 "Metro İnşaatı 4 Yılda Tamamlanabilecek," *Milliyet*, December 23, 1956.

6 "Metro İnşası," *Milliyet*, November 22, 1952.

upon urban policy[7], visible through the disappearance of urban rail modes and the introduction of trolleybuses that replaced them – a transformation symbolic of the decade.[8] Thus, the popular idea of a metro line was to be legally abandoned on the grounds that "while construction [was] going on within the urban areas, such an attempt [would not be] not suitable."[9] The project had to wait for new roads and trolleybuses, the authorities argued.

The post-1960 coup era would dismiss this dismissal of urban rail. The Minister of Construction and Housing Fahrettin Kerim Gökay, who was also the city's former governor, would indict the former politicians by stating that "some 'smart' persons have suggested that we do not need the metro as we are constructing wide roads."[10] However, despite the pouring of international offers, the metro agenda would not go beyond merely being a shared public interest of the İETT (the İstanbul Elektrik Tramvay ve Tünel, the organization responsible for trams, the Tunnel and, later, public buses within the city), State Railways, mayors and professional organizations during the decade.

From the late 1960s, as the city's infrastructural limits were being manifest and as a public opinion comprised of chambers and similar organizations was being formed, two alternatives to relieve the congestion problem were constantly juxtaposed and publicly debated: a suspension bridge versus a metro network.[11] The congestion problem of Istanbul was as exigent as, say, the Cyprus crisis during the era.

Throughout the 1970s, the construction of the metro was sought after by the municipality and most of the governments. Meanwhile, since the 1950s, an international interest in Istanbul's urban transit had been present and this

7 For the role of highways within the American-sponsored development model after the Second World War, see Begüm Adalet, *Hotels and Highways: The Construction of Modernization Theory in Cold War Turkey* (Stanford: Stanford University Press, 2018).

8 The replacement of rail by motorcars throughout the city was initiated in 1957. By 1966, no rail mode was operating in Istanbul. Murat and Şahin, *Dünden Bugüne İstanbul'da Ulaşım,* 216.

9 "Metro İnşaatından Şimdilik Vazgeçildi," *Milliyet*, October 9, 1958.

10 "Gökay 'Boğaz Köprüsü, Metro Yapılacak' Dedi," *Milliyet*, January 22, 1963.

11 "Üç Muhalefet Partisi de Boğaz Köprüsünü Lüks Buldu," *Milliyet*, February 23, 1968.

interest was nourished through diplomatic visits during the 1970s.[12] Not only the CHP-controlled Istanbul municipalities but also right-wing politicians were quite keen on the idea of a bridge while not vocally dismissing the urban rail agenda.[13] Meanwhile, the Chamber of Civil Engineers (İnşaat Mühendisleri Odası) and the Chamber of Architects (Mimarlar Odası) continuously and exclusively endorsed the necessity of a metro network while deeming the envisioned suspension bridge out-of-fashion and, later, part and parcel of an imperialist policy.[14]

By mid-1970s, with the internationally dependent highway and bus solutions turning out costly because of the OPEC crisis, the interest in urban rail had soared, albeit in the form of light rail[15] as proposed by the Minister of Construction and Housing. The municipality was, still, insistent upon a "real" metro but a clash between the eager yet financially defunct municipality and the government portrayed the incapacities of both parties.[16] The Prime Minister Demirel would ignore the municipality's demands, claiming that the government was not in any position to provide money to anyone as there was no money to give.[17]

To the Istanbul's CHP mayor İsvan, the problem lied in the tutelage of Ankara over the city, as the title of his narration (*Istanbul under the Shadow of the Capital*)[18], published in 2002, implied. Municipal organizations were rendered totally inefficient, both financially and politically, İsvan claimed.[19] It did not, even, have the means to employ enough urban planners. It could not make decisions, appoint new personnel or envision plans on its own. It could

12 For French and Russian interest in question, see Abdi İpekçi's interview with Istanbul's then-mayor Fahri Atabey, "Metro Gerekli mi," *Milliyet*, February 21, 1972.

13 "Güner: İstanbul'dan 22 Milletvekili Bekliyoruz," *Milliyet*, April 22, 1977.

14 "Mühendis ve Mimar Odalarının Önerisi: Karayolu Taşımacılığı Yerine Deniz ve Tren Taşımacılığı İsteniyor," *Milliyet*, September 4, 1976.

15 "İmar Bakanı: Tramvay Şehirlerde Çalıştırılmalı," *Milliyet*, January 8, 1975.

16 "İsvan: Hükümet Para Versin, Metroya Hemen Başlayalım," *Milliyet,* May 7, 1975.

17 "Başbakan: Devletin 98 Milyon Geliri 140 Milyon Gideri Var," *Milliyet*, October 20, 1975.

18 Ahmet İsvan, *Başkent Gölgesinde Istanbul* (İstanbul: Türkiye İş Bankası Kültür Yayınları, 2011).

19 "Demirel'in İstanbul'la ilgili Projeleri üzerine Ahmet İsvan'ın Görüşleri," *Milliyet*, September 8, 1976.

not provide services or invest. It could not even pay its own salaries. The relegation of all authority to the municipality was, basically, his suggested solution to the municipal crises of the decade.

The second half of the 1970's will be marked with this discrepancy, which became increasingly visible along with the aggravation of economic and political crises and an infrastructural breakdown in the form of electricity cuts.[20] The succeeding mayor of Istanbul, again of the CHP, Aytekin Kotil, would continue to endorse the metro project by juxtaposing it with the second suspension bridge solution, while highlighting the financial and organizational setbacks the municipality was faced with.[21]

Still, no political figure or institution seemed to be visibly against the idea of a metro. By the middle of 1978, a bill of law, co-written by one CHP and two MSP (Millî Selamet Partisi / National Salvation Party) MPs, was presented to the parliament to conjure a solution to the financing of the project.[22] Even the municipal council members of the AP (Adalet Partisi / Justice Party), which was known to be a follower of the highway-based development introduced in the 1950s, were endorsing the idea while endorsing more highways, underpasses and overpasses.[23]

This universally shared idea of a transit solution was, now, expressed by a plethora of actors, in different forms: an integrated urban rail network (an early form of the Marmaray line which combines metro networks with a tunnel and suburban lines)[24] or a special lane for buses (an early form of the Metrobus mechanism) which was to start its partial operation in 1979 or mere light rail infrastructure.[25]

Just before the September 12 coup d'état, however, not Istanbul's but Ankara's urban rail project became a national agenda as a state council,

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20 "Kotil: Elektrik Kısıntısı 3 Saate Çıkarılmalı," *Milliyet*, December 3, 1978.

21 "2. Köprünün Proje İhalesi Bugün Yapılacak," *Milliyet*, January 5, 1978.

22 "Kastamonu Milletvekili Sabri Tığlı ve İstanbul Milletvekili Fehmi Cumalıoğlu ile Abdullah Tomba'nın İstanbul'da Metro İnşasının ve İşletmesinin Finansmanına İlişkin Kanun Teklifi. (2/216*)," Millet Meclisi Tutanak Dergisi*, 18th session, July 14, 1977.

23 "Halk Otobüslerine Çalışma Ruhsatı Verilmesi İstendi," *Milliyet,* January 4, 1979.

24 "Elçi: Yenikapı-Söğütlüçeşme arasında Tüp-Demiryolu Yapılacak," *Milliyet*, January 28, 1979.

25 "Kotil: Tercihli Yol 1979 Başında," *Milliyet*, December 15, 1978.

composed of ministries and the State Planning Organization (Devlet Planlama Teşkilatı / DPT), rejected the Ankara Municipality's project.[26] Tired of waiting for approval from the government, the Ankara Municipality initiated the unapproved construction of the metro on September 10 with the participation of the CHP leader Bülent Ecevit and Istanbul's mayor Kotil.[27] This was the environment of institutional inertia, political tension and infrastructural breakdown which witnessed the onset of the military coup of 1980.

§ 3.2 The Military Rule (1980-1983) and a Public Transit Debate

The economic and legal reforms initiated after the 1980 coup vocally aimed to undo this cacophony. The main contours of the legal and political environment of the era, which would mark the infrastructure projects throughout the following two decades, were to be delineated through these reforms.

The 1980 coup d'état was to be followed by a three-year military rule, during which putschists were keen on both larger political and financial reconfigurations and the organization of daily life and urban space. Not only national security or new economic measures were among the primary concerns of the junta but also the military tried to tackle every single urban conundrum, ranging from Istanbul's traffic to the problems regarding urban waste.

The putschists claimed that "previous political, economic and legal arrangements had been responsible for and had inevitably led to the crisis and made it incumbent on the military to intervene."[28] Two weeks after the coup d'état, an exhaustive government programme particularly stressed the inherent administrative defects and the will to reorganize the realm of Turkish public administration, besides the exigent need for the

26 "Ankara Belediyesinin Metro Projesi Reddedildi," *Milliyet*, August 11, 1980.

27 "Ankara Metrosunun Temeli Törenle Atıldı," *Milliyet,* September 10, 1980.

28 Keyder, *State and Class in Turkey*, 224.

"establishment of security and peace."[29] The disintegration of the state and nation, besides being caused by larger economic and social problems (inflation, security, anti-secularism and anti-nationalism), was also claimed to be exacerbated by increasing population and unhealthy urbanization.

The programme stipulated that "the structure of Turkish administration has become outdated and fallen behind economic and social developments."[30] As a result of this defective system, inefficiency, the detrimental prevalence of over-centralization and an imbalance between tasks, authorities and responsibilities prevailed. Thus, no municipal or local mechanism could handle the exigent problems at the moment. To ease the provision of urban services and avoid corruption and bureaucracy, the civilian and local administrations had to be endowed with further financial, economic and technical authorities, the programme argued.

Besides stating the will to transform the realm of administration, the programme offered a thorough list of concrete suggestions with regard to infrastructure, transport and logistics. These suggestions sounded like from the previous decade as a national-developmentalist logic was maintained with a particular focus on the utilization of self-resources and industrialization.[31] The ambivalent global city vision that would mark the following decades was not on the horizon. Within this logic, the need for transport infrastructures occupied a central role. A new railroad network and the provision of public transit were deemed exigencies along with new highways and the improvement of sea transport.[32] These needs warranted another, larger reconfiguration, viz. the need to reorganize the relevant legislature, including the traffic law and a new tender law (to standardize the bidding processes). The legal reforms between 1980-1983, which envisioned and gradually implemented a sovereign municipal authority and new procurement environment, were devised within this logic.

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29 "Hükümet Programı," *Milli Güvenlik Konseyi Tutanak Dergisi,* 4th session, September 27, 1980, 84.

30 Ibid, 84.

31 Ibid, 86.

32 Ibid, 89.

3.2.1 *The Putschists' Interest in the Metro Agenda*

As these legal reforms were being prepared, the "civil affairs" regarding Istanbul were regulated through meetings spearheaded by the army and through the army-appointed municipality. A regularly convening mechanism named The Coordination of Martial Law Civil Affairs (Sıkıyönetim Sivil İşler Koordinasyonu), inter alia, tackled urban problems and offered municipal solutions and reconfigurations. From the introduction of new "special lanes"[33] to the relocation of factories[34], these meetings delineated the contours of urban service provision under the authority of the Martial Law Command (Sıkıyönetim Komutanlığı).

The traffic crisis formed a significant agenda within these military-led meetings. By late 1981, the putschists had already begun to discuss the construction of a metro network in Istanbul, echoing their civilian antecedents. The governor, Nevzat Ayaz, expected radical improvements with regard to the metro project in 1982 while the Master Plan Bureau of Larger Istanbul (Büyük İstanbul Nazım Plan Bürosu)[35] suggested a metro network, as part and parcel of an intercontinental submerged rail line.[36]

The Prime Minister himself was vocally adamant about a metro project[37] while a technical commission, formed by the governor Ayaz, after evaluating all the previous feasibility plans, decided upon the route (which overlapped with the Master Plan Bureau's previous suggestions) and offered the formation of a governmentally appointed institution to work upon the project and the obtaining of credit.[38] By late 1982, the Prime Minister's Office was suggested to have ordered the Ministry of Works (Bayındırlık Bakanlığı), who

33 "İstanbul'da Yeni 'Tercihli Otobüs Yolları' Yapılacak," *Milliyet*, December 9, 1981.

34 "İstanbul'daki 3 Çimento Fabrikasının Yeri Değiştirilecek," *Milliyet,* March 17, 1982.

35 This bureau was a progeny of the military tutelage after the 1960 coup and legally operated independent of the municipality until it was dismantled by the 1984 Metropolitan Law. See İstanbul Büyükşehir Belediyesi İmar ve Şehircilik Daire Başkanlığı Şehir Planlama Müdürlüğü, *1/100.000 Ölçekli İstanbul Çevre Düzeni Planı Raporu* (İstanbul Büyükşehir Belediyesi: İstanbul, 2009), 84.

36 "Metro," *Milliyet*, December 31, 1981. The planned routes were to overlap with the future M2 and Marmaray lines.

37 "Ulusu: İstanbul Metrosu Yapılacak," *Milliyet*, March 30, 1982.

38 "Metro için Bugün 80 Milyar Gerekiyor," *Cumhuriyet*, July 22, 1982.

was already in contact with the British government, to build the project.[39] The metro idea was becoming a tangible reality for the umpteenth time.

Meanwhile, the putschist government, while banning all political discussions, did not have any qualms with allowing public discussions of Istanbul's pressing problems. The First Istanbul Symposium (1. İstanbul Sempozyumu), organized by a thinktank named the SİSAV (Siyasi ve Sosyal Araştırmalar Vakfı / the Foundation of Political and Social Research), was among such public events.[40] The SİSAV's symposium,[41] which included the governorship, ministers and academics among its participants, focused on the alarming population dynamics of Istanbul, urban tourism potential and, of course, the traffic conundrum. Given the population and housing problems of the city, a "special legal status" should be accorded to the city, it was suggested by the participant administrators and academics. The need for central organization of urban transit was, particularly, stressed by the participants as well, along with the metro suggestion. In the light of the putschists' evaluations on administrative defects, the symposium heralded the new Metropolitan Law. [42] The same concerns and solutions were to be reiterated a year later by similar figures, during the governorship's Istanbul symposium.[43]

3.2.2 *The Eternal Bottleneck of Urban Authority Remains*

The full-fledged military dictatorship, while stressing the need to solve urban problems and to implement this seemingly universally agreed transit solution,

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39 "İstanbul'un Metro Projesi İhaleye Hazır," *Milliyet*, December 22, 1982.

40 The SİSAV was originally devised as a part of the DPT. However, due to a disagreement between potential members, it was established as an independent thinktank by an Istanbul University academic and vocally supported by certain businessmen. Its independence, however, was on paper as it acted in line with official interests and as an international representative of the country vis-à-vis Europe during the military rule. See Semra Cerit Mazlum, *Sivil Toplum ve Dış Politika: Yeni Sorunlar, Yeni Aktörler* (Bağlam Yayınları: İstanbul, 2006), 164.

41 Siyasi ve Sosyal Araştırmalar Vakfı, *İstanbul Sempozyumu, 20-21 Kasım 1981* (Siyasi ve Sosyal Araştırmalar Vakfı: İstanbul, 1981).

42 Ibid, 63.

43 İstanbul Valiliği, *1. İstanbul Sempozyumu - 28 Mayıs 1982* (İstanbul Valiliği: İstanbul, 1982).

could not overcome the institutional tug of war between different institutions and actors. This was despite possessing enormous coercive power and putting think-tanks and academics into its service. By the middle of the putschists' second year, the DPT was vocally against the project, which was endorsed by, basically, everyone else.[44]

Kemal Kutlu, who was perhaps the most eminent academic authority figure involved in municipal transit projects during the military reign and the rest of the decade[45], pointed out the roots of this institutional discrepancy as follows:

> As the [metro] issue exceeds the responsibilities of the municipality, the government has been called upon for years. The government, in turn, consults the Planning while reports are written and commissions and committees are formed. Nothing comes out of these attempts.[46]

By late 1982, despite the abundance of actors and talk, no institution was interested in owning the metro agenda, which was, now, supported by the DPT. The financial responsibilities were, however, deemed too high. The DPT offered the municipality to overtake the project – a suggestion which the municipality was not happy with[47], given its limited financial resources. Meanwhile, the mayor, cognizant of the resources needed, was interested in using governmental resources, a central funding supposedly reserved for urban transit projects.[48]

However, within a few months, this disinterest will be replaced by a competition among institutions over the project. By 1983, the General

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44 "DPT, İstanbul Metrosu Yapımına Karşı Çıktı," *Milliyet,* May 5, 1982.

45 By the time, professor Kutlu, heading the Istanbul Technical University's Transit and Traffic Department, was involved in signalisation projects for the municipality. Kutlu, one of the co-writers of the TÜSİAD's Traffic Report in 1987, was a consistent advocate of the metro solution for Istanbul, in which the execution of a new road network was suggested to be necessarily limited because of expropriation costs and historical peculiarities of the city. "Ayda 450 Milyon Liralık Benzin Tasarrufu Sağlanacak: İstanbul Trafiğini Bilgisayarlar Yönetecek," *Milliyet*, December 23, 1982.

46 "Metro için Bugün 80 Milyar Gerekiyor," *Cumhuriyet*, July 22, 1982.

47 "DPT Görüş Değiştirince İstanbul Metro Projesi Askıya Alındı," *Milliyet*, June 17, 1982.

48 "Boğaz'da 2. Köprünün Yeri Saptanıyor," *Cumhuriyet*, July 29, 1982.

Directorate of Highways (Karayolları Genel Müdürlüğü) and General Directorate of Railways (Devlet Demiryolları Genel Müdürlüğü) turned out to be in a harsh competition to overtake the project. The Ministry of Works, after the Prime Minister Ulusu's authorization of the ministry with the metro project, had asked both directorates for preliminary information regarding a possible tender. However, both seemed to be accusing the other of having insufficient technical expertise. The Directorate of Highways claimed that the Railways had been responsible for construction in the open fields and that they, themselves, possessed the necessary technical expertise and machine park. This uncanny rift between the two institutions would, in fact, result in the postponing of the tender.[49] What could explain this sudden surge in institutional interest?

§ 3.3 The Discovery of "Public Investment" and the Formation of a New Legal Environment

This fervor is explicable by the gradual creation of a new legal-institutional environment, which rendered public investment increasingly attractive while resolving the bottleneck of authority through granting extraordinary powers to certain actors. By 1983, Özal's economic policies, municipal reforms and the implementation of a new procurement law had started to transform urban infrastructure into a market replete with financial opportunities.

The reconfiguration of the economic realm, initiated by Özal, aimed to revitalize foreign trade and investment. Two pillars of this post-coup growth were, indeed, public investment and export encouragement. After all, "the government's basic aim was to end the autarchic and interventionist nature of previous development policy, by opening up the economy to market forces, both domestic and international."[50] Infrastructure was a significant token of this "open" policy.

In practice, however, the neoliberal decade was quite unstable in terms of its outcomes. Şenses suggests that between late 1983 and 1987 there was an

49 "Karayolları ve Demiryolları Birbirine Düşünce: İstanbul Metrosunun İhalesi Askıya Alındı," *Milliyet*, February 23, 1983.

50 William Hale, *Turkish Politics and the Military* (Routledge: London, 1993), 254.

"emphasis on growth fueled largely by a public sector investment boom in infrastructure and the abandonment during this phase of fiscal restraint and thereby the stabilization objective."[51] This era would be quite short-lived as by late 1987, slow growth and inflation would start to kick in. What was more or less stable would be, however, the transformation of local governments into financially and politically powerful entities during the decade. Likewise, their involvement in public investment was to increase steeply while the weight of central government did not change dramatically (figure 3.1).

	1979	*1982*	*1985*	*1986*	*1987**
C. *Public Investment*					
1. Central government budget	33.6	39.3	32.3	30.3	31.0
2. Local government	3.8	4.7	9.6	14.3	18.5
3. State economic enterprises (non-financial)	60.0	54.1	50.8	45.8	41.6
4. State economic enterprises (financial)	0.2	0.3	0.4	0.3	0.4
5. Revolving fund agencies	2.4	1.6	1.4	1.8	2.2
6. Extrabudgetary funds	–	–	5.5	7.5	6.3
7. Total	100.0	100.0	100.0	100.0	100.0

Figure 3.1 Public investment during the 1980s. SOURCE: Merih Celasun, "Fiscal Aspects of Adjustment in the 1980s," in *The Political Economy of Turkey: Debt, Adjustment and Sustainability*, ed. Tosun Arıcanlı and Dani Rodrik (Palgrave MacMillan: London, 1990), 51.

The increasing significance of public investments could also be traced through the rise of public deficit, which rose to 5% by the end of the 1980s from a 1.8% in 1981.[52] Meanwhile, the priorities of investment, too, changed as "in the 1980s, the public sector kept out of manufacturing and shifted its investment to infrastructure".[53] Although no specific data on urban transport

51 Fikret Şenses, "Turkey's Stabilization and Structural Adjustment Program in Retrospect and Prospect," *The Developing Economies* 29, no. 3 (1991): 217.

52 Buğra and Savaşkan, 51.

53 Yılmaz Akyüz, "Financial System and Policies in Turkey in the 1980s," in *The Political*

exists, the rapid growth of transport and communications is duly noted (figure 3.2).

	Public Investment (%)	
	1980	*1985*
Agriculture	7.1	6.6
Manufacturing	28.8	12.0
Energy and mining	32.1	32.5
Transport and communications	18.1	29.8
Other services	13.9	19.1
Total	100.0	100.0

SOURCE State Planning Organization.

Figure 3.2 Changing priorities of investment. SOURCE: Celasun, 52.

The increasing significance of transportation investment during the decade was also easily traceable through the periodical development plans despite the lack of urban transport as a distinct category. The IV. Development Plan (1979-1983), which could not really be implemented, had aimed for the "final projects and constructions of the Ankara and Istanbul metro or light metro lines, whose material, equipment and engineering services are to be provided from within" along with more buses and special roadways.[54] For the period compassing the V. Plan (1985-1989), the first development plan after the 1980 coup, transportation would be the second most invested sector, following manufacturing. By 1988, according to the following development plan (1990-1994), transportation and communications had taken the lead.[55]

3.3.1 *International Interest*

The surge in infrastructural investment coincided with the translation of international interest in Turkey into credit. The M1, which was to be financed

Economy of Turkey: Debt, Adjustment and Sustainability, ed. Tosun Arıcanlı and Dani Rodrik (Palgrave MacMillan: London, 1990), 115.

54 T.C. Başbakanlık Devlet Planlama Teşkilatı, *Dördüncü Beş Yıllık Kalkınma Planı (1979-1983)* (T.C. Başbakanlık Devlet Planlama Teşkilatı: Ankara, 1979), 296.

55 T.C. Başbakanlık Devlet Planlama Teşkilatı, *Altıncı Beş Yıllık Kalkınma Planı (1990-1994)* (T.C. Başbakanlık Devlet Planlama Teşkilatı: Ankara, 1989), 12.

by the Swedish state, would be such an example. Already by late 1983, financial interest upon the metro project was adamant. Japanese, British, Italian and Russian firms turned out to be among the suitors for the metro project, whose numbers were to increase throughout the decade.[56]

Foreign interest in Istanbul's infrastructure projects was not, indeed, new. What was new was that the seemingly universal support from state institutions. Meanwhile, international financial organizations such as the IMF and World Bank, which emphasized the role of urban transportation and infrastructure in developing countries throughout the 1970s and 1980s, were quite keen on portraying Turkey as an investable country. Boratav attributes this keen interest in Turkey to the putschists and Özal's pro-American stance and to these organizations' need for a "model country" which validated their economic recipes.[57]

Özal was to compare these new conditions of credit-seeking to the late 1970s, as follows:

> In 1978-79, the Prime Minister Ecevit would travel to Scandinavian countries, to Norway, to Sweden and would demand credit. The country was in dire straits. They would give a credit of 50-60 million dollars. Today, from Sweden, not the government but the Istanbul Municipality acquired a 300 million credit for the construction of fast tram. Municipalities, thanks to the ANAP, are like rich merchants these days. The problems are being solved this way.[58]

The influx of foreign investment and credits, however, would be quite limited. In fact, "foreign investment did not even approach the expectations of policy-makers despite an impressive opening up of the economy."[59] This reluctance was explained by "a variety of factors like high interest rates, real exchange rate depreciation, domestic inflation, and volatility of economic policies."[60]

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56 "İstanbul ve Ankara'da 4 Ülke Metro Yapmak İstiyor," *Milliyet*, December 10, 1983.

57 Boratav, *Türkiye İktisat Tarihi,* 161.

58 "Özal Gürledi," *Milliyet*, April 26, 1986.

59 Tosun Arıcanlı, "The Political Economy of Turkey's External Debt: The Bearing of Exogenous Factors," in *The Political Economy of Turkey: Debt, Adjustment and Sustainability*, ed. Tosun Arıcanlı and Dani Rodrik (Palgrave MacMillan: London, 1990), 246.

60 Şenses, "An Assessment of the Pattern of Turkish Manufactured Export Growth," 71.

Still, during this transitional period, infrastructural projects became a lucrative (albeit comparatively limited when the AKP decades are in question) item for a variety of political actors, along with national and international contractors.

3.3.2 *A New Procurement Law*

Along with post-coup economic measures, which witnessed an interest in urban infrastructure and an influx of international credit, two other legal reconfigurations rendered the realm of infrastructural investment financially and politically attractive. The first reconfiguration involved a new procurement law (State Procurement Law)[61] while the latter pertained to the Metropolitan Municipality Law.

The Government Programme had deemed the former procurement model to be falling behind the pressing financial needs as follows:

> One of the prerequisites of planned development is punctuality and this punctuality depends on the accuracy of the forecasts devised within legal boundaries. Irrespective of the economic resources, punctuality in question is not possible under a legal framework which limits the utilization of these resources and causes redundant intermissions.[62]

A "no surprises" policy, which would supposedly retain the trust in Turkish markets, was the aim. Hence, the new procurement law was designed to be more punctual/efficient and less bureaucratic while attracting contractors through certain incentives and exemptions, according to the Minister of Works.[63] It was suggested to replace the former, abuse-prone procurement model.

The law, however, was to remain open to abuses and discretion. Transparency was sacrificed for efficiency and punctuality, it was alleged. The law, for instance, provided a non-centralized procurement environment as different

61 "Devlet İhale Kanunu," *Resmi Gazete*, no. 18161, September 10, 1983.

62 "Hükümet Programı," *Milli Güvenlik Konseyi Tutanak Dergisi,* 4th session, September 27, 1980, 84.

63 "Devlet İhale Kanunu Danışma Meclisi'nde Görüşülmeye Başlandı," *Milliyet*, July 29, 1983.

procuring entities were to be involved with the procurement of certain needs. A central overseeing mechanism was not present, either.[64] Furthermore, the law's scope was limited, "covering only the municipalities, special provincial administrations, and public institutions included in the general budget and annexed budget."[65] Certain public agencies were exempted, as they could possess special procurement regulations with the Council of Ministers' approval. It, furthermore, excluded "procurement financed by international agreements, including those with the World Bank."[66]

The choice of bidding methods, too, raised suspicions. The law emphasized the significance of the procurement of public works while confining the railway and highway projects to the discretionary bidding methods, such as the negotiated method. Within this procedure, "procuring entities could negotiate freely with all invited bidders without being bounded by written rules."[67] Meanwhile, urban transport and public works projects (along with other categories such as defenses and water supply) could be subject to the restricted closed-bidding procedures. Within this method, the procuring entity had the authority to invite three firms to the bidding procedure and choose among these three.[68] The law also proscribed the fragmentation of the responsibilities that the tenders have stipulated, hence precluding the division of the large tenders into minor parts. Henceforth, the number of contractors involved was to be limited along with the distribution of rent to different parties.

The announcement procedures, too, were suggested to hinder competition and transparency.[69] The law, in fact, aimed to detail the announcement procedures, the lack of which were defined as creating unnecessary delays on behalf of the cabinet. However, announcements were not deemed mandatory as "advertising procedures varied depending on the

64 Çeviker Gürakar, 30.

65 Ibid, 30.

66 The World Bank, *Turkey: Final Country Procurement Assessment Report, Volume* 1 (The World Bank: Washington D.C., 2001), 1.

67 Çeviker Gürakar, 38.

68 Ibid, 36.

69 Kamu İhale Kurumu, *Kamu Alımlarında Saydamlık ve Verimlilik Sempozyumu, 27-28 Mayıs 2004* (Kamu İhale Kurumu: İstanbul, 2004*)*, 54.

value of the contract."[70] The ten-day announcement period was also claimed to be very short to inform the firms, raising suspicions of pre-mediation.[71]

The new procurement environment was not really open to the participation of foreign bidders.[72] A regulation in 1984[73] stipulated that it was up to the procuring entities to invite foreign bidders. Thus, in practice, when foreign actors were in question, the restricted closed-bidding procedures was being applied. Furthermore, a decision by the cabinet[74] was to introduce a 15% preference towards local firms during the bidding processes.

These flexible practices, which the Procurement Law gave way to, were condoned by a Constitutional Court (Anayasa Mahkemesi) decision in 1985, which claimed that the state was not constitutionally obliged to perform the duties related to the Procurement Law. After all, the state, which needed to intervene in the economic realm, was forced to be flexible in certain instances.[75]

Hence, despite the rhetoric of standardization and competition, the procurement environment, from the start, was endowed with a legal opacity and a preferential and discretionary treatment towards national business groups. Thus, any state-municipality-business relation was to be under suspicion by default during the following two decades. While patronage during the national-developmentalist era depended upon forming connections with the traditional public administration institutions (such as the DPT), during this era "personal connections of businessmen with ministers gradually became the determining factor in access to the 'spoils' emanating from the government."[76] The higher echelon state and municipal

70 Çeviker Gürakar, 31.

71 Kamu İhale Kurumu, 54.

72 Ercan and Oğuz, "Rescaling as a Class Relationship and Process," 648.

73 "2886 Sayılı Devlet İhale Kanunu'nun 22 nci Maddesi Uyarınca Yabancı Ülkelerde Yapılacak İlânlarla İlgili Yönetmelik," *Resmi Gazete*, no. 18293, January 26, 1984.

74 "2886 Sayılı Kanun Kapsamına Giren Kamu Kurum ve Kuruluşlarının Açacağı Uluslararası İhalelere İlişkin Genel Esaslar," *Resmi Gazete*, no. 18721, April 10, 1985.

75 "Anayasa Mahkemesi Kararı," *Resmi Gazete*, no. 18793, June 26, 1985.

76 Korkut Boratav, Oktar Türel, and Erinç Yeldan, "Dilemmas of Structural Adjustment and Environmental Policies Under Instability: Post-1980 Turkey," *World Development* 24, no. 2 (February 1996): 378.

actors, too, were constantly implicated in such relations. This thorough legal transformation and the new model of business-making, which was to create a lot of controversy during the following twenty years and which would be deemed as one of the reasons for the financial collapse in 2001, went hand in hand with the entrance of the municipality into the scene as a financially and politically authorized mechanism that could reap and distribute the benefits of infrastructure investments.

3.3.3 *A New Municipal Law*

The popular depiction of a pre-1980 municipality was one of disaster. They could barely collect rubbish and distribute water, an ANAP MP would claim, later on.[77] Bereft of financial powers, mayors had to plead for money from the prime minister, it was claimed. As this money merely sufficed for the wages of municipal workers and civil servants, not even daily services could be provided, let alone new roads, metros, children parks or bus lines, the MP was to suggest.

The putschists were aware of this incapacity. The municipal crisis of the 1970s (the fact that even the basic services were not able to be realized) was thought to be a result of lack of coordination between different municipal mechanisms. This inefficient municipal mechanism, shrouded within a legal environment in which responsibilities of different institutions were not clearly delimited, could not have partaken in the construction of any urban project. Hence, the constitution of 1982 had envisioned special legal administrations for larger urban areas,[78] paving the way for the introduction of metropolises in 1984 with the Metropolitan Law.[79]

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77 "Genel Kurul Tutanağı," *Türkiye Büyük Millet Meclisi*, 30th session, November 13, 1995.

78 "1982 Anayasası," *Resmi Gazete*, no. 17683, November 9, 1982, article 127/3.

79 "3030 sayılı Büyükşehir Belediyelerinin Yönetimi Hakkında Kanun Hükmünde Kararnamenin Değiştirilerek Kabulü Hakkında Kanun," *Resmi Gazete*, no. 18453, July 9, 1984. This law, which came into effect through a decree, was thought to be the work of a partnership between Dalan and Özal. See "Genel Kurul Tutanağı 22. Dönem 1. Yasama Yılı 29. Birleşim," *Türkiye Büyük Millet Meclisi*, January 30, 2003 and Atilla Dorsay, *İstanbul'da Devr-i Sözen: Bir Yerel Yönetimin Belge-Romanı* (Dem Yayınları: İstanbul, 1993), 71-72.

The reforms, first of all, granted the municipalities with new financial resources and authorities. The metropolitan municipality was, now, armed with more tax revenues[80] and new financial authorities, including the provision of credits and issuing bonds.[81] In 1981, the municipalities were granted with the 5% of the general budget.[82] This share would rise to 10.3% in 1984, to be downgraded to 9.25% a year later.[83]

Along with these financial measures, the eternal bottleneck of municipal authority was resolved to a large extent when a highly authorized metropolitan municipality and a mayor was conjured up with the Metropolitan Law. The problem of urban plan-making, which was a constant source of tension, would be solved as well. When urban plans were in question, all the previous state development plans had agreed upon the existence of organizational problems, the lack of research and planning capacities and of personnel.[84] A lack of coordination between different institutions and urban plans, such as master plans and transport plans, within the realm of transport[85] was also noted. Indeed, the city's last urban plan was to take 11 years to be finished as its writing was subject to the whims of the constantly changing governments and ministries, it was suggested.[86]

With the enactment of the Planning Law (No. 3194) in 1985, these conundrums seemed to be overcome. Authorities of preparing, approving and implementing urban plans were, now, transferred from the Ministry of

80 "26/05/1981 tarihli ve 2464 sayılı Belediye Gelirleri Kanunu," *Resmi Gazete,* no. 17354, May 29, 1981.

81 "3030 sayılı Büyükşehir Belediyelerinin Yönetimi Hakkında," article 18.

82 "Belediyelere ve İl Özel İdarelerine Genel Bütçe Vergi Gelirlerinden Pay Verilmesi Hakkında Kanun," *Resmi Gazete*, no. 17242, February 5, 1981.

83 "2.2.1981 Tarihli ve 2380 Sayılı Belediyelere ve il Özel İdarelerine Genel Bütçe Vergi Gelirlerinden Pay Verilmesi Hakkında Kanunda Değişiklik Yapılmasına Dair Kanun," *Resmi Gazete,* no. 18402, May 15, 1984.

84 Arzu Yıldız, "Ulaşım ve Trafik Politikalarında 'Planlama' Zorunlu," *Mühendis ve Makina* 49, no. 580 (May 2008): 45.

85 T.C. Başbakanlık Devlet Planlama Teşkilatı*, Beşinci Beş Yıllık Kalkınma Planı (1985-1989)* (T.C. Başbakanlık Devlet Planlama Teşkilatı: Ankara, 1985)*,* 117.

86 "İstanbul'un Sorunları," *Milliyet*, October 31, 1977.

Works to the municipalities.[87] The devolution of planning rights enabled the municipalities to control the urban development and to "attract foreign enterprises and initiate new large-scale projects."[88] Meanwhile, the Infrastructure Coordination Center (Alt Yapı Koordinasyon Merkezi) and Transportation Coordination Center (Ulaşım Koordinasyon Merkezi) were formed under the authority of the mayor.[89]

Thus, during the 1980s, "how central and local governments perceive urban areas has changed radically, as they began to see cities as a source of income and an engine for capital accumulation."[90] These legal changes enabled the appearance of an "entrepreneurial local government acting as a market facilitator" endowed with "the privatization of various municipal services such as transportation, housing, and provision of natural gas."[91] In other words, the new municipal mechanism was not a caterer as such but, rather, a tenderer who facilitated markets by hiring and commissioning business groups for the sake of creating a novel urban environment.

The emergence of municipalities as the main responsible actors for the provision of services and urban transformation, hence, was a product of the era, universally agreed upon by every political actor.[92] These reforms were to shift the scale of politics towards the local as municipalities were, now, significant sources of political power[93] – as visible during the RP's rise. This was the legal-institutional environment within which Bedrettin Dalan, who was "a former businessman who joined the ranks of the Motherland Party just

87 Pelin Alpkökin et al., "Historical Analysis of Economic, Social and Environmental Impacts of the Europe-Asia Crossings in Istanbul," *International Journal of Sustainable Transportation* 10, no. 2 (2016): 69.

88 Ayda Eraydın, "Changing Istanbul City Region Dynamics: Re-regulations to Challenge the Consequences of Uneven Development and Inequality," *European Planning Studies* 19, no. 5 (2011): 821.

89 "Büyük Şehir Belediyeleri Koordinasyon Merkezleri ve Fon Yönetmeliği," *Resmi Gazete*, no. 18726, April 15, 1985.

90 Eraydın, 822.

91 Ayfer Bartu Candan and Biray Kolluoğlu, "Emerging Spaces of Neoliberalism: A Gated Town and a Public Housing Project in İstanbul," *New Perspectives on Turkey* 39 (2008): 12.

92 Sema Erder and Nihal İncioğlu, *Türkiye'de Yerel Politikanın Yükselişi: İstanbul Büyükşehir Belediyesi Örneği, 1984-2004* (İstanbul Bilgi Üniversitesi Yayınları: İstanbul, 2008), 82.

93 Ibid, 87.

before the 1983 elections and remained a politically unknown entity until he actually took office,"[94] was elected the mayor in 1984.

3.3.4 *A New Municipal Mayor and a New Metro Project*

The new tier of district municipalities introduced in the 1980s had shifted the responsibilities of the Metropolitan Municipality, transforming the municipal mayor into an investment-minded entrepreneur, whose responsibilities turned out to be transcending the catering of basic services:

> [T]he metropolitan mayor [could] no longer rely on the traditional mainstay of machine politics, namely, the selective delivery of basic services to the new immigrants, but [was obliged to] respond to demands from powerful economic groups, professionals and other voices in the increasingly urban middle class.[95]

Dalan's municipality was to be the first example of the investment-oriented, entrepreneurial municipal logic, which relied upon contractors for the implementation of urban projects.[96]

As the local elections of 1984 drew near, the unfulfilled metro promise stood as a significant item, along with the typical items of urban service, within the visions of the candidates. The to be-victorious ANAP candidate Bedrettin Dalan posited transit-related improvements and provision of financial resources for the initiation of the metro construction among his primary promises while dismissing the transit solutions of previous municipalities, such as the introduction of new buses and special lanes. [97] After being elected in March 1984, Dalan remained insistent on the significance of a metro project, claiming that he was backed by the Prime Minister Özal and was waiting for the provision of financial opportunities.[98]

Dalan was able to initiate the project in 1984. The project was deemed under the personal authority of Dalan, who would go to Sweden to sign the

94 Keyder and Öncü, "Globalization of a Third-World Metropolis," 408.

95 Ibid, 417.

96 Erder and İncioğlu, 7-8.

97 "Dalan: Ne Pahasına Olursa Olsun, Metro," *Milliyet*, February 13, 1984.

98 "Dalan: Götürdüğüm Her Hizmetin Mutlaka Karşılığını Alacağım," *Milliyet*, April 29, 1984.

contract with a plane provided by the firm (which would be used against Dalan in the following years).[99] From surpassing bureaucratic obstacles to deciding its route, to the architectural design of the cars[100], Dalan, a former engineer experienced in the field of signalization[101], was always present. It was claimed that he was the one who decided to introduce an underground section into the route, which was originally devised as an overground one.[102]

According to later accounts, Dalan would personally recourse to Özal in order to bypass the bureaucratic procedures necessary for the obtainment of the credit.[103] The neutralization of the DPT[104], which was to be the main hinderer when these projects were in question, could be explained henceforth. No discrepancy between Dalan and the DPT would be present until the late 1980s, when Dalan was to enter into a conflict with one of the members of the Özal family, who held a significant authority over the organization.

The project, despite its public portrayal as such and the countless previous studies, would turn out to be not a metro project as such but to be known as a "light rail" project. This confusion with regard to the labelling of the project would be a source of controversy, which would reflect the discretionary political interventions that marked the decade. The controversy, however, would not be merely about its naming.

3.3.5 *Cherishing the Metro*

The construction of this comparatively trivial project (compared to its global counterparts) was pompously presented as a milestone. The project would be

99 "İstanbul Nihayet 'Hızlı Tramvay'a Kavuşuyor: Dalan'ın İtibarı," *Milliyet*, March 9, 1986.

100 "Sn. Ersin Aroğlu'nun İstanbul Metrosu Açılışı Konuşma Metni, 11 Mart 1989," accessed December 14, 2021, https://arioglu.net/Dokumanlar/EskiDosyalar/IstanbulMetrosuAcilisKonusmasi1989.doc .

101 "Bedrettin Dalan Kimdir?," *Hürriyet*, October 31, 2018.

102 Dalan's aim was to avoid dividing the famous Vatan Street, a boulevard symbolic of the DP years (1950-1960). "Tartışmalar Sürüyor, Metro İlerliyor," *Cumhuriyet*, June 17, 1988.

103 "İstanbul Nereye, Dalan Nereye?," *Cumhuriyet*, March 25, 1989.

104 According to Buğra, the DPT was known for its contribution to the uncertainties in the business environment, functioning as a "politically manipulated agent of ruling governments" and blurring the boundaries between itself and other governmental bodies. Buğra, *State and Business in Modern Turkey*, 159.

inaugurated in June 1986, with the participation of the President, Prime Minister, mayor, governor, 1. Army Commander and a group of ministers. As visible through such an attendance, this quite local and specific project was to be endowed with a national political vibe. This, in a way, heralded the tradition of politically charged inaugurations of urban infrastructures during the AKP era, as noted in Chapter 7.

In a similar vein, this light metro project would be imbued with an abundance of political meanings and functions. A particular vision of modernity was visible within the politicians' statements and the public advertisements of the project (see figure 3.3). The metro was claimed to be a universal symbol of civilization according to the project owners. This monumental structure was suggestive of a new temporality, transforming traffic while the act of waiting or being late was to be a thing of the past. Not only it was fast or efficient but it was an economic and environment-friendly transit solution, made of the best technology, it was claimed.[105]

These visions of modernity, culminating in the AKP era, were to be repeated by the President, Prime Minister and mayor during the inauguration of the construction. The President Kenan Evren praised the significance and cheapness of urban rail projects while the Prime Minister Özal suggested that the project, like other practices of the government, was intended towards the general public and not towards a specific clique. It was also a source of employment, he added.[106]

105 "İstanbul Metroya Merhaba Diyor," *Tan*, March 11, 1989.

106 "Evren, Hafif Metroya Temel Attı," *Milliyet*, June 23, 1986.



Figure 3.3 Cherishing the metro. SOURCE: "Müjdeler İstanbul, Merhaba Metro," *Milliyet*, June 20, 1986.

Even the tendering of the project was to be imbued with a political message. The involvement of Swedish firms and credit in the project was presented by some as a form of "soft power" on Turkey's behalf.[107] Previously a staunch critique of Turkey because of its human rights records, Sweden, upon realizing Turkey's infrastructural potential, backed down, it was argued by some observers.[108]

3.3.6 *The Emergence of a New Business Network*

The construction tender of the project was realized in 1985 through the utilization of the negotiated method, the most discretionary procedure during the era. Out of the fifteen contractors present, mostly notable German, Swedish, Austrian and Italian firms[109], the construction of the project would be granted to the ASEA-Yapı Merkezi consortium.

107 "Dışta Silahımız: Dev Projeler," *Milliyet*, June 23, 1985.

108 "Genel Kurul Tutanağı," *Türkiye Büyük Millet Meclisi*, 4th session, October 8, 1996.

109 "Hızlı Tramvay İhalesi, İsveç'in," *Milliyet*, July 16, 1985.

The Swedish involvement was not merely with regard to construction but also to the provision of credit. The 23.5-kilometer project was to be financed by the Swedish state and to be finished in 2.5 years while the municipality was supposed to pay back the debt with a 2% interest for a thirty-year term. By 1990, after the end of Dalan's successor Sözen's 1.5-year term, more than a third of the municipal sources were claimed to have been paid for this installment of the credit.[110]

This overpriced project would utilize the most competent national and international hands of the construction and engineering sector. The division of labor within the project signified the technological limits of the Turkish engineering sector. The ASEA, founded in 1883,[111] provided what even the current Turkish firms mostly lack: hard technology in the form of electromagnetic equipment and production of vehicles. Meanwhile, the Turkish constituent of the partnership, Yapı Merkezi was responsible for the construction of the metro line involving "all building, civil construction, and track work."[112]

Yapı Merkezi was among the quite small yet significant group of Turkish contractors of the era who were already established through their national and international experience. The contractor was not visibly connected to the ruling party, Dalan or Özal.[113] Yapı Merkezi was a follower of the first generation of Turkish contractors, the STFA being perhaps the most renowned one. The first generation (portrayed further within the next chapter) was marked by their involvement in the construction of ports starting from the 1950s as these projects (such as the Ereğli port construction) were seen as turning points for the rise of Turkish contractors vis-à-vis international actors.[114]

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110 "Sözen, 615 Milyarı Ne Yaptı," *Milliyet*, September 5, 1990.

111 Peter Albexon, "Istanbul: A Successful Turnkey System," *Transportation Research Record*, no. 1361 (1992): 92.

112 Ibid, 92.

113 Eftal Şükrü Batmaz, Kudret Emiroğlu, and Süha Ünsal, *İnşaatçıların Tarihi: Türkiye'de Müteahhitlik Hizmetlerinin Gelişimi ve Türkiye Müteahhitler Birliği* (Tarih Vakfı Yayınları: İstanbul, 2006), 128.

114 Ibid, 113.

Yapı Merkezi counts among the second generation of contractors. The group was primarily formed as a construction firm by an İTÜ graduate in 1965. The founder of the firm was to serve as a CHP MP between 2002 and 2007.[115] Even though its rise succeeded the establishment of classical contractors such as the STFA and ENKA, the firm was to be among the most notable contractors during the decade, as it "has completed a number of major construction projects in Turkey, such as roads and bridges and the restoration of several historic buildings."[116] The contractor was also involved in the terminated Ankara metro project in 1980. By 2011, it was suggested that the firm had been involved in the 65% of national metro and rail projects.[117]

Even though the firm was commissioned by the municipality to construct Turgut Özal's memorial tomb,[118] the firm boasted of "being apolitical."[119] Indeed, allegations of nepotic relations between the contractor and Özal were rare. The contractor was to continue its operations during different municipal reigns and during the AKP era. In fact, it was suggested that the overtaking of the Dubai metro by Yapı Merkezi in 2005 was due to the political support of the Minister of Foreign Relations Abdullah Gül.[120] During the AKP's second decade, however, the firm's weight in national projects would decline, as shown in Chapter 6. In different words, the firm was among the second generation of Turkish contractors which had managed to do business during every political era.

If the construction of ports lay behind the rise of the first generation contractors, for the second, this was the construction of light rail systems.[121] These experiences, of which the M1 project would be the beginning, would enable these national contractors to expand their already existing global

115 After being elected, the founder was to resign from his role in the firm and Turkish Contractors Association (Türkiye Müteahhitler Birliği). Ibid, 192.

116 Albexon, "Istanbul: A Successful Turnkey System," 92.

117 "Focus: Yapı Merkezi," *Forbes* (November 2011).

118 "Özal'ın Mezarının 'Evliya'sını Bulduk," *Hürriyet*, May 19, 2007.

119 "Apolitik Kaldık Biz Kazandık," *Yeni Para*, June 5-11, 2005.

120 "Bakan Gül, Dubai'de CHP'li Vekilin Şirketine 2,5 Milyar Dolarlık İhale Kazandırdı," *Zaman*, May 30, 2005.

121 Batmaz, Emiroğlu and Ünsal, 171.

operations. In other words, the M1 project heralded the expansion of national actors into new areas through the acquirement of new work experiences.

Benefitting from economic opportunities during the era, indeed, depended upon forming "politico-business" networks with certain figures.[122] In this increasingly personal new business environment, a firm like Yapı Merkezi, with such expertise, information and experience, could not merely depend upon forming these connections with the political figures as they were one of the few national candidates in the first place. Still, this did not preclude them being implicated in minor suspicious practices. Hence, the light rail project was to reek of patronage along with a sense of professionalism, as suggested in the next section. The business opportunities during the era were to be shared both by the established firms (whose construction experience made them indispensable) and presumably ANAP cronies.

§ 3.4 Urban Rail Controversies: The Peculiarities of Early Turkish Neoliberalism

Dalan's light metro would be immersed in political controversies, which would refract the peculiarities of early Turkish neoliberalism. The existence of this large batch of controversies would manifest the fragmented character of the Turkish business environment and the gradual disintegration of the political environment of the late 1980s, breeding with conflicts and inner rifts.

Just before the municipal elections of 1989, Dalan was to initiate the M1 line, between two districts that could be regarded as peripheral.[123] Dalan's light metro was to be confronted with criticisms from all fronts. To the discontented opposition (represented mainly by the opposition party SHP and chambers), it reeked of corruption. From its conception to the finalization of the construction, the opposition was content with neither the labelling of the project nor the choice of route. Furthermore, starting from the

122 Diğdem Soyaltın, *Europeanisation, Good Governance and Corruption in the Public Sector: The Case of Turkey* (Routledge: London and New York, 2017), 66.

123 This first line was between Aksaray and Esenler. See Naci Başer and Ergun Gedizlioğlu, "Aksaray-Esenler Hızlı Tramvay İşletmesi Üzerine Bir Değerlendirme," *İstanbul 2. Kent İçi Ulaşım Kongresi* (İnşaat Mühendisleri Odası: İstanbul, 1992), 284.

middle of Dalan's term (around 1986), discontent within the ranks of the ANAP would be more vocal.

Almost every detail with regard to the project would be subject to controversies. The controversies surrounding the project (which, in different forms, would mark the urban rail projects to come) could be summarized under three headings: a) the tendering process, b) urban plans and the choice of route and c) the authorities of the Metropolitan Municipality and municipal mayor along with the alleged, personalized patronage network.

3.4.1 *Tenders and the Ambiguous Nature of the Project*

The first thread of objections to the project focused upon the tendering process and how the ambiguities with regard to the designation of the project gave rise to pervasive corruption. Just before the metro line started to operate and before the local elections of 1989 took place, a parliamentary motion[124] would fuel a debate upon the project. This debate was, in fact, already unleashed by a magazine named Tempo, owned by the Simavi family (who were the owners of the Hürriyet newspaper by the time).[125] An article in the issue, titled "İhtilas Tramvayı" ("A Streetcar named Corruption") and penned by a to-be-prominent journalist named Can Dündar, focused upon controversial procedures regarding the project. The article was angrily dismissed by Dalan himself[126] and, according to Dündar's later account, led to his and the editor's dismissal from the magazine.[127]

The parliamentary motion, commissioned by the opposition party SHP, suggested the opening of a parliamentary inquiry as it accused the project of being illegal and against public good. Even though the motion would be rejected in the last instance, the debate would evolve into a general critique of Dalan and how he, presumably, presented urban rent and areas to the service

124 "İstanbul Milletvekili Yusuf Kenan Sönmez ve 18 Arkadaşının, İstanbul Hafif Raylı Sistem Projesinin Yasalara ve Kamu Yararına Aykırı olarak İhale Edildiği İddialarını Tespit Etmek Amacıyla Meclis Araştırması Açılmasına ilişkin Önergesi (10/26)," *T.B.M.M. Tutanak Dergisi*, 52nd session, January 10, 1989.

125 "İhtilas Tramvayı," *Tempo*, May 22-28, 1988.

126 "Dalan'dan Kotil'e Yine Taş," *Milliyet*, May 24, 1988.

127 "Aktüel ve Tempo'ya Veda Ederken," *Milliyet*, January 4, 2009.

of certain firms.[128] According to these claims, the municipality had abused its legal rights. The authority to construct metro projects or urban rail projects[129] was not relegated to the municipality but to the Ministry of Works by a decision by the Council of Ministers, it was alleged.[130] The SHP's motion claimed that even though the project was tendered as "the construction of a light rail system," it turned out to be a construction of a semi-metro project, thus increasing the determined costs. Furthermore, the project lacked the basic requirements such as having a detailed project, terms of reference (*şartname*) and a route in advance. This subjected the implementation of the project to legal uncertainties. Moreover, while the tender document identified the Turkish law as a reference, the contract overrode the law by identifying an international arbitration board. Yapı Merkezi was, too, implicated with suspicious financial workings as they were suggested to be paid in Swiss francs[131], which the law had proscribed. An unjust tax refund, when these francs were brought back to the country, might be at hand, it was claimed.

A DYP (Doğru Yol Partisi / the True Path Party) MP would support the SHP's contention, claiming that the route in question did not require such an expensive rail system in the first place.[132] Furthermore, the confusion revolving around the definition of the project (which was, in fact, a tram) served political purposes, the MP claimed. Dalan, in fact, had repeatedly contributed to this ambivalence, using the words metro and tram interchangeably. According to the MP, a DPT dispatch suggested that the municipality could not come up with a feasibility plan (when the organization demanded one) and that the necessary ground studies were not taken out. The

128 *T.B.M.M. Tutanak Dergisi*, 52nd session, January 10, 1989, 54.

129 This authority, in fact, changed a lot of hands during the decade. For instance, the parliamentary motion did not mention the Ministry of Transport's authority, which was lifted by an amendment to the Transport Law in 1987. See "Ulaştırma Bakanlığının Teşkilat ve Görevleri Hakkında 182 Sayılı Kanun Hükmünde Kararname ile Bu Kanun Hükmünde Kararnamenin Bazı Hükümlerinin Değiştirilmesi Hakkında 211 Sayılı Kanun Hükmünde Kararnamenin Değiştirilerek Kabulü Hakkında Kanun," *Resmi Gazete*, no. 19434, April 17, 1987.

130 *T.B.M.M. Tutanak Dergisi*, 52nd session, January 10, 1989, 36.

131 *T.B.M.M. Tutanak Dergisi*, 1st session, January 9, 1988, 31.

132 *T.B.M.M. Tutanak Dergisi*, 52nd session, January 10, 1989, 47.

arising problems were being solved by piecemeal measures such as modifying the project and route.

The Minister of Works, as a response to the motion, would accept the existence of a confusion regarding legal authorities, as the implementation of the Metropolitan Law coincided with the authorization of Ministry of Works with urban rail projects. This, however, did not cause a legal problem as a by-law (*kararname)* actually authorized a "steering committee," which was led by the mayor.[133] The minister would also suggest that the non-existence of a specific *şartname* was not warranted as the Procurement Law entailed an encompassing one for all of the contracts. Furthermore, all the decisions and expenditure were approved by the Court of Accounts and the Council of State and were in line with urban plans.

The controversies regarding the project were neither introduced by nor limited to this parliamentary motion. In fact, the Procurement Law, as suggested above, had already paved the way for more discretion. Throughout the decade, the distribution of the carnets (a document of technical competence needed to be involved in construction) was claimed to be dependent upon nepotic relationships as firms could buy or hire carnets from former politicians, ministers, bureaucrats, geologists and agriculturalists.[134] The authority to define who could be a contractor or not was being practiced by a certain clique, including upper echelons of the political establishment.

To add an insult to injury, the Procurement Law gave leverage to invalid projects if they possessed public interest (*devlet yararı*), which was not clearly defined in the law.[135] In other words, if a project did not conform to the basics of the Procurement Law (i.e. technical details, documents needed, costs, announcement period and similar necessities), it could still be procured, depending upon the Ministry of Finance's opinion. A cabinet decision had granted such a public interest halo to Dalan's project, according to an ANAP MP's response to the parliamentary motion.[136] In other words, technically impractical projects were suggested to be legalized through such labels.

133 Ibid, 39.

134 Batmaz, Emiroğlu and Ünsal, 130.

135 "Devlet İhale Kanunu," *Resmi Gazete*, no. 18161, September 10, 1983, article 20.

136 *T.B.M.M. Tutanak Dergisi*, 52nd session, January 10, 1989, 51.

The same parliamentary motion accused the tender as "the incomplete documents and faults within the contracts were hidden through a recourse to legal flexibilities."[137] Indeed, it was not possible to regulate and monitor these procurement processes as the law did not warrant a central procurement agency.[138] This decentralization was suggested to provide flexibility on behalf of the tender commissions with regard to the identification of optimum values and technical details of the project.

Lastly, an ambivalence with regard to the credit and stages of the project was at hand. By March 1989, all of the credit was spent upon one third of the whole project (which pertained to the first stage), necessitating new credit.[139] Thus, the project, which was supposed to be extended, could not be finished in its entirety. Claims of superfluous spending also pertained to the purchase of rail cars (four times the necessary amount)[140] while producing them within the country was a possibility.[141] Even the purchase of ticket printers, which would start working 25 years later as tickets were bought already,[142] was another source of suspicion.

3.4.2 *An Unexpected Choice of Route and a Disregard for Plans*

During this era, public work procurements were claimed to be "prepared in accordance with reelection concerns, rather than the national or regional necessities" as "the politicians prioritized rent creation and distribution to their business constituencies over the macro targets, plan objectives, and the budgetary constraints."[143] In a similar vein, Dalan's disregard for urban plans and his choice of an unexpected route for the project were another source of unceasing controversy.

The opponents claimed that this was not the metro intended within the original plans and previous feasibility studies, which referred to a combined

137 Ibid, 38.

138 Çeviker Gürakar, 9.

139 Başer and Gedizlioğlu, "Aksaray-Esenler Hızlı Tramvay İşletmesi," 285.

140 "Sözen'in 100. Günü," *Milliyet*, 9 July, 1989.

141 "Hızlı Tramvaya Hızlı Vagon," *Milliyet*, February 21, 1986.

142 "Belediye Defterleri Meclis'te," *Milliyet*, April 7, 1990.

143 Çeviker Gürakar, 34.

metro and tunnel project and a totally different route. The project was suggested to override urban planning mechanisms (such as the Master Plan Bureau) and Higher Planning Council's (Yüksek Planlama Kurulu) decisions.[144] This was despite the fact that nine studies were taken out during the decade, most of them merely serving as suggestions for the construction of urban rail systems. After all, the period was marked by the presence of local and foreign expert participation[145] and monetary sources provided by urban rail system producer countries which wanted to introduce their technology to the country.[146]

However, in a similar vein with the early AKP experience (as narrated in Chapter 7), rather than experts or urban plans, politically arbitrary choices of certain figures determined the course of the project. This seemingly random route choice was, in fact, accused of serving populist means. In the original plans, urban rail transit was envisioned as a connector between the central business districts and comparatively affluent residential areas. The 1983 Urban Transport Plan, the major plan which was supposed to have guided the development of transport during the decade, was not applied.[147] The M1 project instead involved a novel route, unmentioned in previous plans.

To Sözen, Istanbul's mayor after Dalan, this route choice was an easy one as it was not built within a residential area.[148] To the president of the Istanbul Chamber of Architects, this deliberate lack of a plan was claimed to be reinforcing land speculation and unjust rent.[149] To Dalan, who was to highlight the project's aspect of social justice, this particular route choice was intended towards the low-income residents.[150] The route, indeed, involved

144 *T.B.M.M. Tutanak Dergisi*, 52nd session, January 10, 1989, 37.

145 Dalan utilized certain faculties for his urban transport projects during the decade. In the case of the M1 project, an interaction between professors from İTÜ and Swedish professors was at hand. See "İstanbul Nereye, Dalan Nereye?," *Cumhuriyet*, March 25, 1989 or "Sn. Ersin Aroğlu'nun İstanbul Metrosu Açılışı Konuşma Metni," 11 Mart 1989.

146 Musa Özalp and Ebru Vesile, "Türkiye'de Kentiçi Ulaşım Planlaması Çalışmalarının Değerlendirilmesi," *ODTÜ Fakültesi Dergisi* 25, no. 2 (2008): 75.

147 Yıldız, "Ulaşım ve Trafik Politikalarında 'Planlama' Zorunlu," 40.

148 "Yolsuzluklar Araştırılıyor," *Milliyet,* April 5, 1989.

149 "Ya Bilgisizlik ya İkiyüzlülük," *Milliyet*, January 27, 1987.

150 "Dalan Metro Konusunda Konuştu: Tantana Yapmayın," *Milliyet*, April 18, 1989.

congested peripheral districts, mainly serving a working-class populace whose living and working conditions were declining by the mid-1980s. Thus, it was endowed with an urban populist aspect while, at the same time, being publicly presented as a source of employment and of social justice and a monumental manifestation of urban modernity.

3.4.3 *Patrimonial Ties*

The most heated controversies would, however, revolve around the person of Dalan and the authorities of the municipality. The project was to turn into a medium over which patrimonial ties during the ANAP era were publicly scrutinized.

The Swedish firm's Turkish representative's close relations with the Özals was to attract a lot of attention. The founder of the representative firm was portrayed by the papers as someone with "close ties to Özal."[151] One of the SHP mayor Sözen's first actions would be to seal the group's founder's constructions, which Dalan had approved through his special authorities. The representative's kneeling before the Prime Minister's wife and his request from her to expand the light metro system all over Istanbul was a source of public scandal as well.[152]

Uğur Mumcu, a prominent journalist of Cumhuriyet, spoke of a substantial donation by the contractors to the notorious foundation founded by the prime minister Özal's wife, the Foundation for the Empowerment and Promotion of Turkish Woman, known as "the Daisies" (Papatyalar).[153] Likewise, the Swedish partner of the construction consortium had donated a helicopter to Dalan himself.[154] This helicopter would be a source of controversy during Sözen's reign, as it would be suggested that the helicopter's ownership was transferred from the municipality to Dalan's own foundation.[155]

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151 "Sözen'den Tüp Geçit Vaadi: Metroya Devam, Metrocuya 'Dur'," *Milliyet*, May 6, 1989.

152 "Koca Adam Semra Hanım'ın Dizi Dibine Neden Çöktü," *Milliyet*, January 16, 1989.

153 "Gözlem," *Cumhuriyet*, February 3, 1989.

154 "Evet, Dalan'a Helikopter Hediye Ettik," *Milliyet*, June 17, 1988.

155 "Helikopter Dosyası," *Milliyet*, April 2, 1990.

If the peculiarities of Turkish neoliberal governance were solidified in the body of the prime minister Özal, Dalan represented municipal neoliberalism in person. Dalan, in fact, would call the ANAP municipal candidates "little Özals" during the 1984 local election.[156] During his five-year reign, Dalan turned out to be a municipal figure with unprecedented powers. Keyder and Öncü defines Dalan's style as "an entrepreneurial style alien to the official mentality, with rapid action preceding bureaucratic paperwork, and little patience for legal procedure."[157] He would embark upon a mission to transform Istanbul into a new metropolis, "armed with the new executive capacity, accorded to the mayoralty and, personal arrogance."[158]

The powerful mayor controlled the formal decision-making process through his municipal cadre while an informal decision-making process with large contractors was suggested to be invisibly at hand.[159] The decisions of the already weak municipal councils depended merely on the authority of the unaccountable mayor. This municipal cadre, furthermore, excluded planners or technocrats for the sake of overriding bureaucracy[160] – a similarity observed in the AKP era.

Dalan's powers were to be increasingly scrutinized during the last two years of his reign. Despite the ambitious infrastructural investments (mostly in the form of underpasses, roadways and clearance operations),[161] the devastating ten-day snowstorm of 1987, which caused urban services to halt, was to prove Dalan's infrastructural policy to be a failure.[162] The snowstorm unleashed a public debate about the organizational powers of the municipality and a more vocal need for a "real" metro. The Chamber of Architects and of Civil Engineers, for instance, would highlight the need for a non-highway-based urban transport system with a focus on metro and sea

156 "Dalan: ANAP İstanbul İlçe Belediye Başkan Adaylarının Hepsi Birer Küçük Özal'dır," *Milliyet*, March 12, 1984.

157 Keyder and Öncü, 408.

158 Ibid, 408.

159 Erder and İncioğlu, xiii.

160 Ibid, 69.

161 Keyder and Öncü, 409.

162 "Dalan Efsanesi Yarım Metre Karda Eridi," *Milliyet*, March 13, 1987.

transport[163], along with Istanbul's governor Nevzat Ayaz,[164] who claimed that the real solution to transport problems and traffic-related deaths, indeed, lay in the metro project.

Among other accusations of corruption and controversial gestures (such as the infamous Süzer Hotel and construction within the Maçka Park),[165] Dalan's activities were now under heavy public scrutiny. From now on, Dalan would increasingly be under an assault from all sides, including his own party. He had gone too far and his demise had begun.

The four metropolitan municipal leaders were publicly suggested to be more authorized than the president Kenan Evren.[166] They had an unchecked authority. The investment and tender decisions were made in councils, where the only elected constituent was the mayor himself. The decisions with regard to the firms were opaque[167] and informal. Members from opposition parties were not included in the decision-making bodies and commissions, either. The motions did not really bind the mayor and the requests to commission investigations could be easily revoked by the mayor. Due to the Municipality Law in effect, the opposition was unable to audit these processes.

A directive,[168] claimed by Dalan to be personally prepared by himself,[169] endowed himself with the notorious authority to modify the decisions taken by councils and district municipalities while approving them (*tadilen tasdik*). Dalan was, indeed, the "supermayor," as depicted in popular magazines (figure 3.4).

163 "Mimar ve İnşaat Mühendislerinin Ortak Görüşü: İstanbul'un Altyapısı Felç," *Milliyet*, July 4, 1987.

164 "Trafik için 250 bin Afiş," *Milliyet*, May 5, 1987.

165 "İmar Planlarında Bizans Oyunları," *Cumhuriyet*, January 16, 1994.

166 "Evren'den Daha Yetkili Başkanlar," *Milliyet*, April 8, 1987.

167 Erder and İncioğlu, 108.

168 "Büyükşehir Belediyelerinin Yönetimi Hakkında 3030 Sayılı Kanunun Uygulanması ile İlgili Yönetmelik," *Resmi Gazete*, no. 18603, December 12, 1984.

169 "5 Yılda İstanbul Nereye, Dalan Nereye?," *Cumhuriyet*, March 25, 1989.

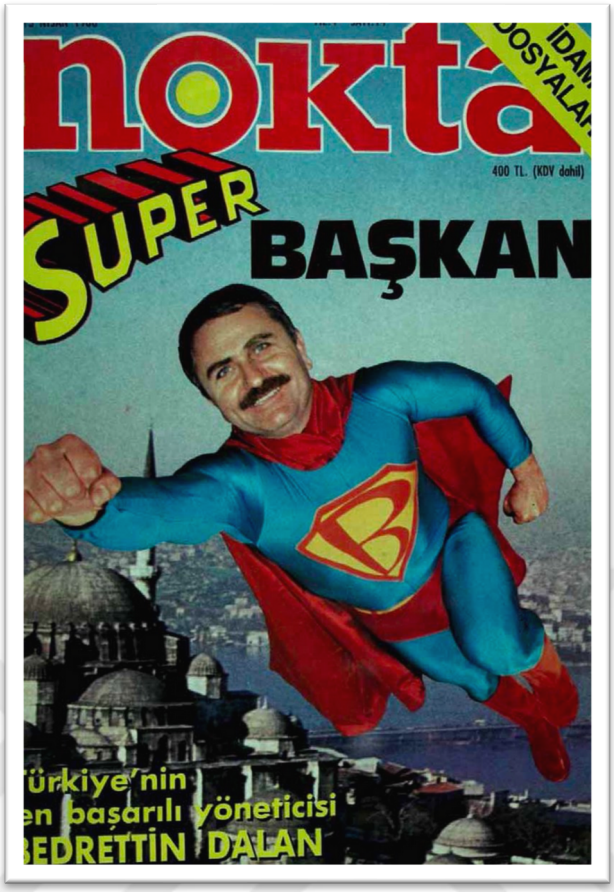


Figure 3.4 The "supermayor." SOURCE: *Nokta*, April 13, 1986.

The distinctive features of Özal's reign had been the centralization of "the decision-making process and the extension of the scope of the prime minister's power in discretionary decision making without the approval of the parliament."[170] The mayor's untethered political autonomy was, in fact, a mirror of the prime minister's disregard for parliamentary approval, which was manifested through the increasing use of decrees (*Kanun Hükmünde Kararname*) and through the creation of extra-budgetary funds that were independent from the parliament's budget. As an all-powerful, non-transparent and plan-defying mayor, Dalan functioned as a municipal Özal. In fact, during the 1989 local elections, Dalan was to boast of this congruence between the party and municipality, suggesting that this harmony (along with

170 Buğra and Savaşkan, 51.

the financial and political authorities of the municipality) could disappear if a non-ANAP party rules the city.[171]

This endowment of metropolitan municipalities and mayors with extraordinary political and economic authorities had, indeed, solved the eternal institutional bottleneck to a great extent and made a thorough urban infrastructural transformation and a steep rise in urban rent possible. Coinciding with the slowing down of the economic boom, this transformation was, however, to generate tensions and conflicts.

Within this dwindling economic environment, "all segments of the business community could not have equal access to the highest echelons of the political layer" and, hence, this process "in the end, created more adversaries than supporters and led to the emergence of a strong sense of uncertainty and dissatisfaction within the bourgeoisie at large during the late 1980s,"[172] which coincided with the proliferation of these controversies narrated above. By the late 1980s, this political network had already started to crumble among inter-party rivalry.

3.4.4 *The Fall of Dalan among Intra-party Conflict*

Erder and İncioğlu suggest that two different cliques during the ANAP's municipal reign existed. The former one aimed to transfer the central resources to local municipalities, as a method of entrenching connections with their constituencies (in line with hometown / *hemşehri* ties). The latter revolved around the personage of Dalan (which was in line with Özal to a certain degree) and aimed to present Istanbul to the global scene, in line with the wishes of pragmatic technocrats. Throughout the years, there was a quarrel between the two, it was suggested.[173] The quarrel, however, was not merely within the municipal mechanism. By early 1989, there was, indeed, tension between Dalan and, basically, everyone else. This, however, did not merely arise from the existence of different urban visions. Before the 1989 local elections, nobody was sure that Dalan would be the ANAP's Istanbul candidate for the second time.

171 Dorsay, *İstanbul'da Devr-i Sözen,* 79-80.

172 Boratav, Türel and Yeldan, "Dilemmas of Structural Adjustment," 378.

173 Erder and İncioğlu, xii-xiii.

Dalan was, now, tense with the three Özals. Throughout his five-year rule, Dalan had functioned within the space provided to him by the Prime Minister Turgut Özal. Dalan's municipal activities were dependent upon maintaining good relations with Özal and "as their relations deteriorated, Dalan's political dominance disappeared."[174] Getting a special approval for the financing of the M1 project depended upon his personal connections with Özal, as suggested above.

Dalan, now, not only had a tension with Turgut Özal but also with his two brothers. Allegedly, Dalan was angry at Korkut Özal, a businessman who was involved in construction and oil sectors and who had formed a family foundation, which was cooperating with Arab-Islamic financial organizations.[175] Dalan claimed to possess a more sensitive secularism from the Korkut Özal clique in the party, which was claimed to be linked to Islamists.[176] After Dalan's dismissal from the party, his emphasis on the connection between the Islamist sects and the state would be more vocal.[177]

Dalan had a rift with the other brother as well, Yusuf Bozkurt Özal which possessed a professional background in the World Bank. Bozkurt Özal was an MP, who served as the Minister of State between 1987-1989 and a powerful figure upon the DPT[178] (as an undersecretary between 1984-1987) and Higher

174 Ekenyazıcı Güney, "A Study on the Effect of Transportation Systems," 101.

175 "Korkut Özal Trilyoner," *Milliyet*, January 11, 1989.

176 "Dalan'ın Hakkı," *Milliye*t, March 18, 1989 and "Dalan'ın Kavgası ANAP İçinde," *Cumhuriyet*, April 20, 1989.

177 "Dalan'dan Bilkent Dersi," *Milliyet,* November 7, 1990. It was suggested that Dalan never got along with the Istanbul branch of the party because of this sectarian connection. See "ANAP'tan Kopmalar," *Nokta*, July 16, 1989.

178 It was suggested that the appointment of Yusuf Bozkurt Özal to the head of the DPT aimed to "stop any etatist initiatives from being launched by traditional elements in their agencies". Thus, what was at hand was "gatekeeping" and guaranteeing the implementation of post-1980 economic policies. Ziya Öniş and Steven B. Webb, "Turkey: Democratization and Adjustment from Above," in *Voting for Reform: Democracy, Political Liberalization, and Economic Adjustment*, ed. Stephen Haggard and Steven Benjamin Webb (Oxford University Press: New York, 1994), 149.

Planning Council.[179] Dalan's tension with Bozkurt Özal would be symptomatic of the ANAP's rupture[180] and its echo in the transit policy.

Among increasing inflation and a halting economy in late 1988, the DPT complained of the conspicuous, foreign-funded municipal projects (metros, bridges, underpasses and overpasses) while taking a definite position against all of these projects.[181] After all, a snowfall was enough to halt daily life in Istanbul, the DPT claimed. This position was, in fact, not a total rejection of urban transport projects but of Dalan per se. Dalan, meanwhile, throughout the second half of his municipal reign (1987-1989), would be increasingly vocal about his disavowal of urban rail transit, claiming that urban transit should be based upon highways.[182] He would cherish the construction of the third bridge as an emergency solution.[183] Claiming whether the existing project is a metro project or not depends upon technical details (i.e. extra wagons and more passengers), he would suggest that the municipality was not able to construct one. After all, it was the responsibility of the state.

Dalan, adamantly, dismissed the DPT's combined tunnel and metro project as an expensive, long-term investment. Dalan's solution was an expression of his stance towards the Ministry of Works, the DPT and Bozkurt Özal, who was a vocal endorser of the metro solution.[184] Dalan's projects bumped into these gatekeepers along with the Ministry of Finance and Customs, which were apparently under the influence of the Bozkurt Özal. Out of an Özal-engineered[185] reconciliation of this rivalry which seemed to be more interpersonal than institutional, a single project would be conjured: the third Bosphorus Bridge and sub-sea metro line, a part of which was to be

179 "Yusuf Bozkurt Özal Vefat Etti," *NTV*, January 9, 2001.

180 By 1990, four different cliques around four different ANAP figures were reported by media. "Yılmazcılar Sahaya İndi," *Nokta*, February 25, 1990.

181 "Yerel Yönetimlerin 1 Trilyonluk Ek Ödenek İsteğini Hükümet Reddetti: Belediyelere Sert Tavır," *Milliyet*, December 28, 1988.

182 "Dalan, Metrodan Neden Vazgeçti?," *Cumhuriyet*, November 2, 1987.

183 "İstanbul'a 2 Metro," *Milliyet*, September 14, 1987.

184 "Bedrettin Dalan ve Yusuf Özal'ın Projeleri Çekişiyor: İstanbul'a 2 Dev Proje," *Milliyet*, September 14, 1987.

185 "Ulaşım Projelerinde Uzlaşma," *Milliyet*, November 4, 1987.

known as the Marmaray line.[186] The M2 project, narrated in the next chapter, would be a part of this gargantuan project as well. Dalan, however, stating that he was busy, would not attend the project's feasibility report meeting, which was organized by the Ministry of Transport and of Works.[187]

By the late 1980s, there were rumors that Dalan was to be an independent candidate and that the ANAP did not really support him.[188] He was, furthermore, distressed by a legal change, the addition of a temporary article which stipulated that the names of the party candidates would be omitted in the ballots while including only the names of the parties.[189] Despite these visible rifts, Dalan was a too powerful figure to be sacked, thus being the ANAP's candidate for the second time.

The ANAP would turn to be the third party in the 1989 local elections. After the electoral failure, Dalan was to meet with the center-right DYP leader Demirel, further fueling the rifts. Almost dismissed from the ANAP but not wanted by the DYP, his demise would gear up.[190] Thus, Dalan's reign, among unceasing controversies with regard to his personage, his municipal attitude and his urban rail project,[191] would come to a close.

§ 3.5 Conclusion

The 1980s, as this chapter aimed to present, unleashed a new mode of state-municipality-business relations which was to mark itself upon decades to come. The emergence of urban investment as a profitable realm became a reality, after a) the transformation of infrastructure projects into profit-generating tenders rendered attractive to international and national capital (mainly through neoliberal economic measures as such and legislative

186 "İstanbul'da Toplu Taşımaya Darbe," *Cumhuriyet*, November 23, 1987.

187 "Dalan: 'Faydalı Her Şeye Varım'," *Milliyet*, June 16, 1988.

188 "'Kim Takar Dalan'ı'," *Milliyet*, March 18, 1989.

189 See the provisional clause 5 in "2972 Sayılı Mahallî İdareler ile Mahalle Muhtarlıkları ve İhtiyar Heyetleri Seçimi Hakkında Kanunun Bazı Maddelerinin Değiştirilmesine Dair Kanun," *Resmi Gazete*, no. 19898, August 13, 1988.

190 "Dalan Kime Düşer?," *Nokta*, July 16, 1989.

191 Controversies with regard to the M1 project will continue until the early 2000s. See "Hızlı Tramvay Mahkemelik," *Hürriyet*, June 14, 2000.

changes such as the Procurement Law) and b) the emergence of financially and politically powerful and non-accountable municipal mechanisms and actors through the Metropolitan Law (and similar legislation).

Through these legal transformations, the first "metro" line of Istanbul was packaged and realized as a large urban infrastructural project, which served the increasingly opaque field of business and policymaking. This way of making business, to be recurrently encountered in the 1990s and during the AKP's municipal reign, was embodied in the patrimonial personage of Özal and Dalan.

Even though the long-lasting conflict between the various factions of the government, state and municipality was mitigated to an extent that the implementation of the M1 project was rendered possible, this harmony did not live long. The controversies and accusations of corruption did not cease. These controversies manifested the existence of a fragmented patronage network (which increasingly depended upon certain figures of higher political ranks), over which political tensions were visible. The neoliberal project in the 1980s, hence, did not pertain to a conflict-free field of policy. The business environment was politicized further through the prominence of extra-legal practices while political fragmentation was, particularly, manifest through the crumbling figure of Dalan during the late 1980s. These tendencies, with different actors, were to continue into the 1990s under an even more heated political environment. The next chapter traces these themes and tendencies introduced in the 1980s, through the political and economic crises of the 1990s.

4

Urban Rail among Political Upheavals: The Long 1990s

The 1980s introduced a defective legal environment, which, through the unfettered exercise of discretion, served the politicization of the business environment, as seen through the unceasing scandals and corruption controversies. These themes or tendencies were to be lived out more passionately during the 1990s with the involvement of new actors. This chapter aims to follow these tendencies throughout the city's first "real metro" line (known as the M2 project), which would take ten years (and three mayors) to be completed.

This era would witness the contentious entrance of the late-bloomer Islamic business actors into the scene, enabled by the transfer of the Istanbul Metropolitan Municipality to the RP in 1994. The rise of the Islamists would culminate in a political crisis in 1997, to be known as the February 28 Period. With the utilization of municipalities as sources of urban rent, urban infrastructure would transform into an even more controversial realm during the era. The M2 project would refract the rise of Islamic patrimonialism, which was practiced through the municipality's utilization of municipal enterprises.

This politicization of infrastructure was, in fact, due to the defective legal-political environment which the putschists had established. The previous

chapter portrayed how the early neoliberal years had aimed to implement a centralized executive and political decision-making process, along with the introduction of powerful political actors. The putschists expected that these measures would avoid the political and institutional fragmentation that had marked the Turkish democratic experience. This reconfiguration, however, presumed a political congruity between actors. When the political consensus among these actors failed, political crises and rivalries would erupt.

By the late 1980s, this failure was visible, as shown through the controversies around the figure of Dalan. The political and institutional crises of the 1990s were, similarly, to result from the same post-coup reconfigurations and miscalculations. The pervasive abuse of the legal framework introduced during the 1980s and unceasing political crises throughout these two decades would result in an economic crisis in 2001. Thus, a thorough legal reconfiguration, to preempt corrupt practices à la the 1990s, would be deemed necessary by international finance organizations. As seen in the next chapter, this attempt at economic reform would coincide with the formation and rise of the AKP.

This chapter, within this political background, continues to trace certain developments or themes introduced above, i.e. the fragmented character of the political milieu and business environment. The uncertain character of neoliberal urbanism during these two decades is also introduced through an investigation of the functions and political packaging of urban rail projects. The chapter, first of all, narrates the political upheavals of the decade through the M2. Respectively, the rise and fall of the social democratic municipal experience (1989-1994) and of the political Islamists (1994-1998) would be depicted. The municipal failure of the SHP experience would give way to the rise of the RP in Istanbul. The municipal and political rise of the Islamist party would be hindered after the political crises during the February 28 Period, which would result in new political clusters and eventually the formation of the AKP. This period would not only halt the rise of the party but also would cast a doubt on the rise of RP-affiliated business groups, to be shown throughout the controversies with regard to the M2.

Secondly, certain business groups, whose trajectories during the AKP era form the main engagement of Chapter 6, are to be introduced within the

chapter, along with a further investigation of the trajectory of first and second-generation contractors during the era. Thirdly, the chapter elaborates further upon one of the main themes of the dissertation: ambivalence (a theme whose manifestations in the AKP era are investigated in Chapter 7). Was infrastructure a work of urban populism or a result of global city sentiments in vogue? Urban infrastructure, from its conception during the Dalan era, would suffer from an unlikely mixture of both. However, this ambivalence did not overlap with the "ideological" positions of the respective municipalities. The Islamist municipality could not really avoid the global city logic while their social democratic predecessors could not flee Dalan's inconsistent urban populism. Was a path-dependency at hand? The neoliberal urban project, it turned out, was riddled with uncertainties and the weight of former political decisions and institutional structures.

§ 4.1 A New Municipal Vision

While Dalan was expanding the route of his "light metro" line in 1989, the Istanbul municipality changed hands. For the following five years, the municipality would be run by Nurettin Sözen of the SHP. During the 1970s, Sözen, a former member of the CHP (which was closed after the 1980 coup d'état), had pursued an academic career in medicine despite being repeatedly offered the party positions of deputyship and mayorship.[1] Turning down the offer to become the SHP's Istanbul head in 1988, Sözen had, finally, succumbed to party pressure and became the Party's candidate for the 1989 local elections.

Upon the SHP's success in the local elections, President Özal would be quite vocal on not supporting municipalities unowned by the ANAP.[2] As the country needed deflation and economic stability, the generous funds provided to the municipalities should be limited, this logic of economic

1 Hatice Kurtuluş and Şükrü Aslan, "Üç Şehir Üç Başkan: Yeni Liberal Dönemde İstanbul, Ankara ve İzmir'de Sosyal Demokrat Belediyecilik Deneyimi (1989-1994)," *İ.Ü. Siyasal Bilgiler Fakültesi Dergisi*, no. 54. (March 2016): 31.

2 "Başbakan Yeni Belediyeleri Hesaptan Silme Hazırlığında: Özal'dan 5 Köstek," *Milliyet*, March 29, 1989.

austerity argued. The DPT and İl Bank's (İller Bankası)[3] financial support to municipalities were to be curtailed while the debts arising from the construction of certain investments, such as the metro and tunnels, were planned to be transferred to the municipalities. This program, in fact, was not new as it was derived from the DPT's suggestions during the Dalan era, which were, however, not applied. This budgetary law, despite being annulled by the Constitutional Court, would continue to be implemented by the İl Bank.[4]

Sözen's five-year term and the following decade would be marked by such economic and political incongruencies. During his first two and a half years, Sözen would claim that none of the municipality's projects, from the metro to buses, was approved by the center.[5] After all, despite being granted new capacities in the 1980s, local administration remained politically and financially dependent upon the center.[6]

Upon being elected, Sözen would, immediately, embark upon a de-Dalanization of the city. Dalan's construction projects, which were claimed to have defied city development plans, were to be halted.[7] Dalan's projects, whether large or small in scale, would be subject to re-evaluations.[8] Figures close to Dalan and Özal were to be subject to municipal investigations, as visible through the sealing of a construction by the businessman involved in Dalan's M1 project.[9]

Sözen's municipality would be also quite suspicious of Dalan's light metro and would disdain it as a source of corruption and superfluous rent generation. Three weeks after the local elections, the operation of the light

3 The İl Bank, despite being subject to many changes since its conception in 1933, functioned as a "development and investment" bank, with the stated objectives of meeting the financial needs of municipalities and other local/provincial authorities and of developing (or helping the development of) infrastructural projects within the boundaries of these administrations. See "About Us: Status and Objective", *İl Bankası*, accessed December 14, 2021, https://www.ilbank.gov.tr/sayfa/tarihce .

4 "Belediye Gelirlerine Kesintiye Devam," *Cumhuriyet*, July 17, 1990.

5 Şükrü Aslan and Hatice Kurtuluş, *İnsana ve Demokrasiye Adanmış Bir Hayat: Nurettin Sözen* (Doğan ve Egmond Yayıncılık: İstanbul, 2014), E-book edition.

6 Erder and İncioğlu, *Türkiye'de Yerel Politikanın Yükselişi*, 27.

7 Kurtuluş and Aslan, "Üç Şehir Üç Başkan," 35.

8 "Dalan'dan Sözen'e Miras Kalan Projeler," *Cumhuriyet,* April 17, 1989.

9 "Metroya Devam, Metrocuya 'Dur'," *Milliyet*, May 6, 1989.

metro was to be partially suspended and be subject to technical tests. A report, commissioned by the chambers and prominent academics, claimed that basic security precautions were not taken and that the necessary tests were not realized.[10] To prevent accidents, the operating hours were to be limited. Furthermore, to rid the project of the aura of Dalan, Sözen would rechristen and re-inaugurate the "superfluous" project[11] as a "fast tram" line. Meanwhile, Dalan's helicopter, a gift from the firm which was involved in the light metro construction, would be publicly scrutinized.[12]

Meanwhile, besides a visit to the President Özal to guarantee the Treasury guarantee (*Hazine garantisi*)[13], Sözen would embark upon diplomatic visits to initiate his "real metro," which pertained to Istanbul's historically designated underground line. In 1990, as Sözen repeatedly paid visits to the then-crumbling USSR, which was vocally involved in foreign investments as a result of the Perestroika reforms, a Turkish-Soviet consortium was expected to overtake the construction of this underground metro line. The consortium to be responsible for the line was expected to consist of the renowned Soviet firm Technoexport and STFA, a famous national contractor group[14] (whose rise is narrated below). Among austerity measures, bureaucracy and problems in the USSR, this consortium would not be possible, Sözen would recollect.[15]

Like its social democratic predecessors in the 1970s (and, in a way, similar to Ekrem İmamoğlu's municipal reign after 2019), Sözen would claim to be politically and financially hindered. A briefing in 1992, from Sözen to the Prime Minister and Deputy Prime Minister, would particularly stress the

10 "Metro Taşımaya Hazır Değil," *Cumhuriyet*, April 17, 1989.

11 The fast tram had resulted in a damage of 4.5 million Turkish liras in 1989 while the municipality sacked 55 personnel and stopped the (unnecessary) production of extra wagons, it was suggested. "Yeni Belediye Yönetimi Bir Yılını Doldurdu…. İstanbullu Ne Umdu, Ne Buldu?," *Cumhuriyet*, March 26, 1990.

12 Nurettin Sözen, *Basın Toplantılarıyla Bir Yıl: 26 Mart 1990-1991* (İstanbul Büyükşehir Belediyesi Basın Danışmanlığı: İstanbul, 1991), 7-18.

13 "Sözen'den Metro Müjdesi," *Cumhuriyet*, July 28, 1990.

14 Nurettin Sözen, *Basın Toplantılarıyla Bir Yıl: 26 Mart 1989-1990* (İstanbul Büyükşehir Belediyesi Basın Danışmanlığı: İstanbul, 1991), 118-119.

15 "Sözen'den Metro Öyküsü," *Hürriyet,* September 15, 2000 and Nurettin Sözen, *Basın Toplantılarıyla Bir Yıl: 26 Mart 1992-1993* (İstanbul Büyükşehir Belediyesi Basın Danışmanlığı: İstanbul, 1993), 42.

municipal need for more financial resources and political authority, given the investments in question.[16] Despite the constitutional dictum that local administrations are to be provided proportional sources of income, the opposition's financial sources (such as consumer taxes and fines or revenues through the postal service) were being curtailed, it was suggested by the opposition MPs.[17]

Despite financial and political setbacks, during his five-year term, Sözen would be keen upon initiating or extending urban rail projects. By the end of his hundredth day, Sözen would claim that the 80% of the municipal budget was reserved for transit projects.[18] By late 1992, 70% of Istanbul's investment plans would consist of transport-related projects, according to the municipality's deputy secretary general.[19] Sözen's era would be marked by modern trams, his municipality's own version of a tram as opposed to Dalan's fast tram[20] while Dalan's planned routes would be dismissed.[21] Meanwhile, Sözen's municipality would extend Dalan's light metro network through a new route towards the city's main bus terminal and to the airport,[22] even though Sözen had repeatedly disregarded Dalan's tram as "an easy route and a waste of money."[23] According to the future vice president of Metro İstanbul, these new routes, unplanned and at odds with the ridership estimation in the relevant studies, cost less than the original route.[24] Lastly, trams within the city's historical center and touristic areas (such as the İstiklal Street) along

16 İstanbul Büyükşehir Belediyesi, *2000'li Yıllara Hazırlanan İstanbul ve Dev Yatırımlar: İstanbul Büyükşehir Belediye Başkanı Prof. Dr. Nurettin Sözen'in Başbakan Süleyman Demirel, Başbakan Yardımcısı ve Devlet Bakanı Erdal İnönü ile Hükümet Üyelerine 18 Ağustos 1992'de Sunduğu Brifing Dosyası* (İstanbul Büyükşehir Belediyesi: İstanbul, 1992).

17 *TBMM Tutanak Dergisi*, 97th session, April 3, 1990, 101.

18 Sözen, *Basın Toplantılarıyla Bir Yıl: 26 Mart 1989-1990*, 31.

19 "İstanbul Dev Şantiye," *Milliyet,* September 3, 1992.

20 "Tarihi Kente Çağdaş Araç: Tramvay," *Önce İnsan,* April 18, 1993.

21 Özge Özgür, "An Analysis of Rail Transit Investments in Turkey: Are Expectations Met?," Master's thesis, (Middle East Technical University, 2009), 62.

22 Ahmet Çivi and Nebahi Kaya, "İstanbul Lrts-Hızlı Tramvay Sistem Otogar-Yeni Bosna Hattı," *İstanbul 2. Kent İçi Ulaşım Kongresi* (İnşaat Mühendisleri Odası: İstanbul, 1992), 261.

23 "Yolsuzluklar Araştırılıyor," *Milliyet*, April 5, 1989.

24 Özgür, 62.

with a cable car project would be among the novelties that Sözen would introduce.[25]

4.1.1 *Dalan under Parliamentary Scrutiny*

Meanwhile, municipal corruption during Dalan's reign would continue to be subject to a thorough debate. Upon a parliamentary motion offered by an ANAP deputy,[26] a commission authorized with investigating corruption within municipalities (Commission for Investigating Municipal Corruption / Belediyelerdeki Yolsuzlukları Araştırma Komisyonu) would be established.

The parliamentary motion was regarded by the SHP as an attempt at whitewashing the ANAP's practices through the ANAP-owned bureaucracy. Nevertheless, it would spark debates upon transparency and the financial impediments towards the SHP municipalities while laying bare the ANAP's gradual demise, which coincided with Dalan's calls to the constitution of a new political party.[27] The opposition claimed that the ANAP's practices had turned everything into tenders, creating opportunities for contractors.[28] Dalan's rail system was such an artifact – this tram system operated in non-residential areas and, despite the low passenger statistics, extra railway cars had already been purchased.

By 1992, twenty cases with regard to Dalan's municipal reign had been legally processed. Most of them were either decided to be non-prosecuted (given the infamous nonsuit decision / *takipsizlik kararı*) or ruled in favor of Dalan.[29] Even the ANAP's future leader Mesut Yılmaz, as part of an anti-corruption campaign in 1993 against Süleyman Demirel's DYP (within which Dalan was, now, an MP), would suggest that the government was oblivious to the attempts to investigate Dalan's fast tram.[30]

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25 Dorsay, *İstanbul'da Devr-i Sözen,* 290.

26 "Ankara Milletvekili Onural Şeref Bozkurt ve 54 Arkadaşının, 25 Mart 1984 Tarihinden Bugüne Kadar Belediyelerde ve İl Genel Meclislerinde Yapıldığı İddia Edilen Kanunsuz, Usulsüz Eylem ve Uygulamaları Tespit Etmek Amacıyla Meclis Araştırması Açılmasına İlişkin Önerge," *T.B.M.M. Tutanak Dergisi*, 97th session, April 3, 1990.

27 "Belediyelere Araştırma," *Milliyet*, April 5, 1990.

28 *TBMM Tutanak Dergisi*, 97th session, April 3, 1990, 101.

29 "Sözen-Dalan Savaşı Dördüncü Yılında," *Cumhuriyet*, December 16, 1992.

30 "Yılmaz'ın Silahı 'Yolsuzluk'," *Milliyet*, March 29, 1993.

Scrutinization of Dalan would not be limited to the parliament. A case, provided by Sözen to the municipal council, would repeat previous criticisms towards Dalan's metro: superfluous costs and payments, overriding/ignoring bureaucratic requirements and permissions from various institutions, flexibility with regard to the length of the project and contract value.[31] In addition, Sözen[32] and an SHP MP[33] would claim that certain documents had been burnt by Dalan's administration.

4.1.2 *"The Real Metro"*

The incongruity between the Metropolitan Municipality and ruling party would revive the tendencies of the 1970s. Institutional fragmentation and political rivalry would, again, mark the day. The 1990s were to be known by "an extreme fragmentation of the political system, with one unstable coalition succeeding another, the tenure of average minister lasting just over one years, and decision-making on economic matters spread over a growing number of ministries and competing political parties."[34] This political fragmentation would mark itself upon the project in question. It would take three years for Sözen to initiate the metro project, publicly presented under the title of "the Yearning of a Hundred Years: Metro" ("Yüzyılın Özlemi: Metro").[35] According to Sözen, obtaining a guarantee from the Ministry of Treasury (Hazine Bakanlığı) was a feat – acquiring the Prime Minister's approval in the form of a signature was another.[36]

The project was initiated during Spring 1992 among such bureaucratic resistance and rampant financial trouble, despite (and due to[37]) the existent DYP-SHP coalition between 1991 and 1993. As shown below, especially

31 "Sözen'den Dalan'a Yolsuzluk Suçlaması," *Cumhuriyet*, December 25, 1991.

32 "Şimdi Söz Sözen'de," *Milliyet*, December 1, 1990.

33 *TBMM Tutanak Dergisi*, 97th session, April 3, 1990, 107.

34 Kemal Derviş, "Returning from the Brink: Turkey's Efforts at Systemic Change and Structural Reform," in *Development Challenges in the 1990s: Leading Policymakers Speak from Experience,* ed. Timothy Besley and Roberto Zagha (Washington, DC: World Bank and Oxford University Press, 2015), 87.

35 "Adım Adım Metro," *Milliyet*, October 15, 1992.

36 "Metroya Kredi İşkencesi," *Milliyet*, April 23, 1994.

37 Aslan and Kurtuluş, *İnsana ve Demokrasiye Adanmış Bir Hayat*.

through the experience of the RP, this form of bureaucratic foot-dragging on behalf of the Treasury, PMs and the Council of Ministers was to be quite typical of the infrastructural policies of the 1990s.

What distinguished the 1990s from previous manifestations of institutional foot-dragging (à la the 1970s, for instance) was the power of these political entities. During Özal's reforms, these entities were politically entrenched and re-politicized to preclude a possible resistance on behalf of "old" bureaucrats.[38] This political entrenchment through the introduction of new cadres within the bureaucracy along with the presence of executive centralization, however, did not help the municipal actors of the decade. To overcome this discord, Sözen's municipality resorted to its own financial means while searching for potential sources of credit. It also conjured up new methods such as dividing the route into two while presenting the projects in three tenders.[39] This method aimed to distribute the project costs to overcome bureaucratic obstacles, as Sözen would recollect years later.[40]

4.1.3 *The First and Second Generation of Turkish Contracting Revisited*

During these two decades, a metro project comprised of a feasibility study and three distinct tenders with regard to construction, electromechnical works and control responsibilities. This division of responsibilities enabled the participation of numerous actors, which seemed uncanny for a comparatively modest infrastructure project (and which the State Procurement Law was, supposedly, to preempt).

The project's designation predated Sözen's reign. In 1985, the preliminary project and the project's feasibility study were granted to an international consortium.[41] The project was envisioned as part of a combined metro and

38 See Öniş and Webb, "Turkey: Democratization and Adjustment from Above", 137 and 148.

39 "Sözen'den Metro Öyküsü," *Hürriyet*, September 15, 2000.

40 "Yargıçtan Geçtim, Erdoğan'a da Tavsiye Ederim," *BirGün*, October 6, 2014.

41 Ahmet Gürsoy, "Transport Demands in Istanbul and New York," in *Underground Space Use: Analysis of the Past and Lessons for the Future, Volume 1: Proceedings of the International World Tunnel Congress and the 31st ITA General Assembly, Istanbul, Turkey, 7-12 May 2005*, ed. Yücel Erdem and Tülin Solak (Balkema: Leiden, 2005), 171.

sub-sea tunnel project. The latter mode and route, to be known as the Marmaray, would take years and more feasibility studies to be initiated. A $400,000 was granted to the feasibility study by the United States International Development Cooperation Agency's Trade Development Programme[42], which deemed transportation vital for the economic development of Turkey. After all, the project in question "could result in $100 million or more in U.S. exports."[43] American involvement was also visible in the composition of the consortium, which comprised of two major American firms, Parson Brinckerhoff International[44] and Kaiser Engineers International[45] and three Turkish firms.

The composition of the Turkish counterpart of the consortium was quite intriguing, which illuminates the nepotic relations during the ANAP era. One of the three Turkish partners, Temel Mühendislik was a part of the STFA (Sezai Türkeş – Feyzi Akkaya) group, which epitomized national-developmentalist Turkish contracting, along with ENKA, Tekfen and GAMA. This first generation of Turkish contractors shared a pattern. Through public infrastructural works (such as energy transmission and telephone lines, dams and highways) and NATO projects (such as oil docks),[46] these contractors, spearheaded by the STFA, signaled the entrance of national contractors into the previously foreign-dominated contracting sector.[47] Through sub-contracting for foreign firms, the STFA and other members of the first

42 "Foreign Assistance and Related Programs Appropriations for 1986: Hearings Before a Subcommittee of the Commitee on Appropriations," *House of Representatives,* Ninety-Ninth Congress, First Session, 759.

43 Ibid, 739.

44 Parsons, among other American and national artefacts, was particularly known for New York's first subway construction. Roger P. Roess and Gene Sansone, *The Wheels That Drove New York: A History of the New York City Transit System* (Springer-Verlag: Berlin, 2013), 162.

45 The other American partner, Kaiser Engineers International, was, involved in global projects, being specialized in different sectors from the construction of dams and tunnels to automobile industry. Mark S. Foster, *Henry J. Kaiser: Builder in the Modern American West* (University of Texas Press: Texas, 1989).

46 Batmaz, Emiroğlu and Ünsal, *İnşaatçıların Tarihi*, 108.

47 Ibid, 163.

generation were to accumulate the necessary expertise.[48] Furthermore, since the 1970s, they would be involved in international projects.

Their relationships with the governments/state during the 1980s were to be variable. ENKA, for instance, was known by close relations to Özal, through their shared interest in foreign markets and through connections between the ANAP and members of the holding. The firm was "encouraged" by Turgut Özal himself to enter into new sectors, which would lead to a huge failure.[49] During the ANAP-led coalition in the late 1990s, the firm would be among the main supporters of the controversial third bridge suggestion.[50]

The STFA's political relations would be less suggestive. Formed in 1938, the firm was devised by two prominent civil engineers, who were, expectedly, graduates of the İTÜ Civil Engineering Department. The partnership had already gained experience in the Ministry of Works' Construction Office (Bayındırlık Bakanlığı İnşaat Dairesi) and in the construction of railway and highway projects during the late single-party era.[51]

By 1972, the firm had already started to carry out international projects in Libya, the United Arab Emirates, Egypt and Iran, being renowned as the first Turkish firm who undertook international construction projects. By 1985, the firm had finished the 230-km part of the second Bosphorus Bridge and Highway Project along with the Galata Bridge. The firm had already pushed the municipality in 1978 for the construction of the metro, a suggestion seemingly evaded by the municipality back then.[52] A progeny of both statism and national-developmentalism, the partnership rose to an unprecedented popularity by the late 1980s.

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48 Ibid, 103.

49 Buğra, *State and Business*, 154-155 and Mustafa Sönmez, *Türkiye'de Holdingler: Kırk Haramiler* (Arkadaş Yayınevi: Ankara, 1992), 223.

50 "3. Köprü 'Gökdelenler Yolu'nda," *Cumhuriyet*, September 9, 1997.

51 For an autobiographical account of the partnership, see one of the founders' memoir Feyzi Akkaya, *Ömrümüzün Kilometre Taşları: STFA'nın Hikayesi* (Cep Kitapları A.ş.: İstanbul, 1989).

52 The then-mayor Kotil claimed that this offer was to be evaluated in Council of Construction Coordination (İmar Koordinasyon Kurulu), stressing the need of a public firm for the construction of this project. "İstanbul Metrosu için Türk Firma Teklif Yaptı," *Milliyet*, December 14, 1978.

Albeit popularly being known as a transparent and dedicated firm, the STFA's Temel Mühendislik was not bereft of allegations of corruption. This was not merely due to the fact that they had been sponsored by the state all along.[53] The legally opaque environment along with the prevalence of personalized politics did not help. It was suggested that the firm was involved in the illegal development along the Bosphorus, initiated upon Dalan's orders.[54] Dalan had the group in mind for the third bridge project, it was claimed.[55] The controversies with regard to the superfluous costs, extensions and credits generated by the construction of the Galata Bridge during the Sözen era tarnished the firm's image, along with further allegations of nepotic involvement within the municipal institutions.[56]

An intimacy between the STFA and DYP leader Demirel was pointed as well.[57] Similar to Yapı Merkezi portrayed in the previous chapter, the STFA was among the pragmatic contractors whose experience, along with the limited capacities of the Turkish contracting sector, made them indispensable actors. Indeed, by the late 1980s, it was claimed that large construction work by national actors within the country and abroad was shared by 10-15 large groups.[58] Only during the AKP era, however, this scene would be transformed, as portrayed in Chapter 6.

Another component of the feasibility consortium, Tunçata Teknik Servisler Bürosu was, too, a by-product of an İTÜ Civil Engineering graduate, one of the founders of the GAMA İnşaat, another renowned Turkish construction mogul that could be deemed part of the first generation Turkish contractors.[59] GAMA's relationship with political powers was more

53 Buğra, *State and Business*, 92.

54 "İmar Planlarında Bizans Oyunları," *Cumhuriyet*, January 16, 1994.

55 Oktay Ekinci, *İstanbul'u Sarsan On Yıl* (Anahtar Kitaplar Yayınevi: İstanbul, 1994), 81 and "STFA'ya Köprü Uyarısı," *Cumhuriyet*, September 25, 1997.

56 "Yeni Köprü 'Para Yiyor'," *Cumhuriyet*, November 12, 1991.

57 Sinan T. Gülhan, "Konuta Hücum: Devlet Müteahhitliğinden Gayrımenkul Geliştiricilerine, Türkiye'de Kentsel Rant ve Bir Meta Olarak Konut Üreticiliği," in *İnşaat Ya Resullah*, ed. Tanıl Bora (İstanbul: İletişim Yayınları, 2016), 37.

58 Sönmez, 34.

59 Batmaz, Emiroğlu and Ünsal, 108.

suggestive. GAMA İnşaat was to build the ANAP's headquarters in 1988-89.[60] Furthermore, it was suggested that the son of the firm's founder owned a public relations company which represented the ANAP government in the United States during the late 1980s.[61] The last Turkish partner, Tümaş Mühendislik Müşavirlik Müteahhitlik, was a public-private partnership, personally initiated in 1969 by Turgut Özal during his DPT years. The firm, 51% of which was privately owned, specialized in technical consultancy works and increasingly participated in lucrative projects since the 1980s, not unlikely due to close ties with the ANAP.[62]

These actors were merely involved within the feasibility study of the project. In the early 1990s, the construction of the project would be tendered as two distinct, simultaneous phases.[63] The first part of the route (between Taksim and Şişli) would be constructed by the ENKA-Doğuş-Koza İnşaat consortium while the second part (between Şişli and Levent) would be relegated to a consortium composed of Tekfen-Nurol-Kiska-GAMA.[64] These consortiums hosted a mix of first (ENKA, Tekfen and GAMA) and second-generation contractors (Doğuş, Koza, Nurol and Kiska).

Among the contractors (hitherto not portrayed herein), Nurol İnşaat's, established in 1966, political pragmatism would be quite intriguing. The group was to rise during the ANAP decade. The group's president, in his memoir, proclaims to have kept his distance from politics, which, it seems, meant that he was basically on good terms with everyone from the right

60 "Anavatan Partisi Genel Merkezi," *GAMA*, accessed December 14, 2021, https://holding.gama.com.tr/tr/projeler/gama-endustri/anavatan-partisi-genel-merkezi/ .

61 "Daldan Dala," *Cumhuriyet,* May 17, 1989.

62 "Uluslararası Birliktelikler," *TÜMAŞ*, accessed December 14, 2021, http://www.tumas.com.tr/SF/uluslararasibirliktelikler/10/ .

63 According to a technical expert, this "piecemeal" method could cause certain problems in the future, particularly a technical incompatibility between these two phases. "Metrolar Nereye Gidiyor?," *Hürriyet*, December 10, 1992.

64 Tekfen was suggested to be the original and only winner of the tender. Upon encountering certain technical problems (along with the lack of foreign credit and other financial problems arising from the municipality), the firm was to invite other firms for the construction phase to share the risk. Still, this extraordinary "suggestion" (a cooperation between the winner and other candidates) would result in certain legal concerns. "Metro Fiyasko," *Hürriyet İstanbul*, November 9, 1992.

spectrum. The firm's president was known for his close friendship with Demirel,[65] even though he claims that, perhaps, the RP leader Necmettin Erbakan contributed to his business life more than others.[66] The president was included within Erbakan's controversial South Asia visits in 1995, during which he stood along a crowded army of businessmen.[67] To complicate the things further, during the late 1990s, the firm was involved in a controversy related to the renovation of the Grand Assembly building through the connection of an ANAP deputy.[68]

Some of these contractors were visibly affiliated with "big bourgeoisie," i.e. with holdings. Doğuş İnşaat was such an example, its umbrella group being involved in finance, media and entertainment. Garanti Koza, for instance, was partially owned by the Koç conglomerate.[69] As seen in the following sub-section, these affiliations would create tensions during the reign of RP municipality.

Unlike Dalan's light metro project's construction and the M2 project's feasibility studies, the construction of the metro line was to be undertaken solely by national contractors. By the early 1990s, the Turkish contractors seemed competent to take out most of the construction work. However, the production of rolling stocks, electromechanical and signal work were procured from without.[70] Indeed, there was a national railway industry but it turned out to be dependent upon foreign capital, given the dearth of investments and the lack of a technological coordination between the rail production institutions, as suggested by an MP in 1998.[71] This dependency or the limits of Turkish technology will continue throughout the AKP's reign, as

65 Nurettin Çarmıklı, *Babama Söz Verdim: Hayatım, Anılarım* (Arkadaş Yayınevi: Ankara, 2006), 263-265.

66 Ibid, 251.

67 *Başbakan Prof. Dr. Necmettin Erbakan'ın Basın Toplantısı, 10-20 Ağustos 1996 Tarihleri Arasında Yapılan İran-Pakistan-Singapur-Malezya-Endonezya Resmi Ziyaretleri* (Başbakanlık Basım Evi: Ankara, 1996), 108.

68 "Meclis İhalesi Usulsüz Çıktı," *Hürriyet*, March 27, 1998.

69 "Hakkımızda," *Garanti Koza*, accessed December 14, 2021, https://www.garantikoza.com/hakkimizda/ .

70 "Genel Kurul Tutanağı," *T.B.M.M. Tutanak Dergisi*, 34th session, December 15, 1996.

71 "Genel Kurul Tutanağı," *Türkiye Büyük Millet Meclisi*, 43rd session, January 15, 1998.

shown in Chapter 6, which would portray the trajectory of urban rail contractors throughout the AKP's two decades.

4.1.4 *The Fall of Sözen among Scandals*

From its initiation, the project was to be marked by suspicions. The discounts involved in the construction project (respectively 5.25% and 6%)[72] rose doubts about the existence of a transparent tendering process. According to observers of corruption à la 1990s[73] and a parliamentary motion from 1996,[74] these numbers, as a general tendency, signified a premediated agreement between the parties.

The mistrust mostly revolved around the designation and control tenders of the project, which were relegated to the Yüksel Proje-IGT (Ingenieur Geotechnik) consortium.[75] According to a municipal report, the municipal employees, who designated and prepared the technical specifications of the tender, were formerly employed by the Turkish firm. Among these employees was one who was linked to the municipality's secretary-general through personal connections. The employee in question, who was suggested to be employed with the special approval of Sözen, did not have any experience in metro projects in the first place, it was claimed. Following the signing of the contract, these employees were claimed to have quit their municipal positions and returned to their positions in the firm, who turned out to be the winner of the tender (the first of which had been subject to a renewal).[76]

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72 Ş. Tarlan Başer, "Yeraltı Faaliyetleri Tarihçesi," in *Ulaşımda Yeraltı Kazıları I. Sempozyumu* (TMMOB Maden Mühendisleri Odası Yayını: İstanbul, 1994), 8.

73 Seçkin Doğaner, "Müteahhitler, Siyaset ve Bürokrasi: Bir Ortaklığın İçyüzü," *Birikim,* no. 114 (1998)*:* 63-67.

74 "İstanbul Milletvekili Halit Dumankaya ve 14 Arkadaşının, Ulaştırma Bakanlığındaki Usulsüzlük ve Yolsuzluk İddialarını Araştırarak Alınması Gereken Tedbirleri Belirlemek Amacıyla Meclis Araştırması Açılmasına İlişkin Önergesi (10/46)," *T.B.M.M. Tutanak Dergisi*, 26th session, March 20, 1996.

75 Nuh Bilgin, Cengiz Kuzu and Şinasi Eskikaya, "Cutting Performance of Jack Hammers and Roadheaders In Istanbul Metro Drivages," in *Proceedings World Tunnel Congress '97. Tunnels for People*, ed. Johann Golser, Walter J. Hinkel and Wulf Schubert (Balkema: Vienna, 1997), 455-460.

76 "Metrodan İstifa," *Milliyet*, December 27, 1992.

Throughout the project, the firm was suggested to overcharge for its personnel through double payrolls while it utilized the prevalent method of increasing the estimated cost (*keşif artışı*), which was not legally possible herein in the first place. Meanwhile, Directorate of Technical Works (Fen İşleri Daire Başkanı), who provided the report in question, was forced to resign.[77] The shadow of corruption, reigning over the project since its conception, would be aggravated by other scandals, the most notorious one being the İSKİ scandal (İstanbul Su ve Kanalizasyon İdaresi / the Istanbul Water and Sewerage Administration) in 1993, which is known for fastening the demise of the social democratic municipal experience.

According to these claims, the manager of the Administration was involved in "corrupt transfers through awarding İSKİ's procurement contracts to front companies."[78] The exemption of the İSKİ from the scope of the State Procurement Law and the non-existence of a central procurement entity (which would oversee the procurement processes) encouraged these suspicious practices. From now on, the SHP municipality was publicly deemed the ultimate evil. It was regarded as a source of unchecked authority, manipulation and corruption. It was to be subject to a parliamentary scrutinization while the attempts to check its authority would be in question. Among heavy suspicions upon municipalities all over the country, the ANAP MPs would, unceasingly, present parliamentary motions to monitor the financial assistance provided to the municipalities.[79]

The main actor of the İSKİ crisis would, upon being purged, charge Sözen with allegations of corruption and forced donation within the metro construction.[80] Sözen would publicly declare the İSKİ scandal as a smearing campaign upon the ongoing metro project.[81] Even though Sözen would be

77 "Metro'yu da Yağmalamışlar," *Tempo*, October 1993, no. 40.

78 Çeviker Gürakar, 30.

79 See *T.B.M.M. Tutanak Dergisi*, 1st session, September 1, 1993.

80 "Doğuş Holding: 'Biz Rüşvet Vermedik'," *Milliyet*, August 18, 1993. For this actor's allegations against Sözen and his comment upon the scandals, see Ergun Göknel, *Anti-Nuring* (İskenderiye Yayınları: İstanbul, 2014).

81 Nurettin Sözen, *Basın Toplantılarıyla Bir Yıl: 26 Mart 1993-31 Aralık 1993* (İstanbul Büyükşehir Belediyesi Basın Danışmanlığı: İstanbul, 1994), 71-72.

legally absolved of any responsibility in the last instance, the İSKİ crisis was to hasten the demise of the SHP municipalities.[82]

By late 1993, among heated debates upon corruption[83] and an economic crisis on the horizon, the construction of the project had almost come to a halt. The unpaid metro workers were close to starting a strike. The obtained credit for the project still awaited approval by the Treasury, which, it was claimed, did not want to revive Sözen's worn-down public image.[84] Meanwhile, the allegations on the SHP-controlled Ankara municipality, the mayor and the Ankara metro project would be even more heated than the controversies around Istanbul.[85] The themes were similar: corruption, suspicious tenders, nepotic networks, superfluous expenses... The Ankara metro project would be subject to many parliamentary motions and investigations[86] throughout the rest of the decade while the legal validity of

82 "Nurettin Sözen'in Başı Dertte: 22 Yıl Sonra Yine İSKİ," *Hürriyet*, August 13, 2016.

83 For a typical parliamentary debate which shows the extent of legally suspicious practices, see *T.B.M.M. Tutanak Dergisi*, 14th session, October 12, 1993.

84 "Sonunda Metro da Durdu," *Milliyet*, November 11, 1993.

85 "Karayalçın'ın Metrosu," *Milliyet*, May 14, 1992.

86 The Ankara metro, too, turned out to be a source of national controversy, as visible through unceasing debates and allegations. For the parliamentary manifestations of the debate, see the following motions and debates arising out of these motions: "Ankara Milletvekili Melih Gökçek'in Ankara Metrosuna ilişkin Sorusu ve İçişleri Bakanı İsmet Sezgin'in Yazılı Cevabı (7/1024)," *T.B.M.M. Tutanak Dergisi,* 103th session, May 16, 1993; "İzmir Milletvekili Veli Aksoy ve 12 Arkadaşının, Ankara Büyükşehir Belediye Başkanlığınca Gerçekleştirilen Batıkent - Kızılay Metro Hattı ve Kızılay İstasyonu İhalelerinde Usulsüzlük Yapıldığı İddialarını Araştırmak Amacıyla Meclis Araştırması Açılmasına İlişkin Önergesi (10/173)," *T.B.M.M. Tutanak Dergisi,* 77th session, March 1, 1994; "İstanbul Milletvekili Bülent Akarcalı'nın, Ankara Metrosu İhalesinde Belediyenin Zarara Uğratıldığı İddialarına ilişkin Sorusu ve İçişleri Bakanı Nahit Menteşe'nin Yazılı Cevabı (7/4050)," *T.B.M.M. Tutanak Dergisi,* 104th session, May 17, 1994; "Kocaeli Milletvekili Şevket Kazan ve 24 Arkadaşının, Ankara Metrosu İnşaatında Yolsuzluk ve Usulsüzlük Yapıldığı İddialarını Araştırmak Amacıyla Anayasanın 98 inci, İçtüzüğün 102 ve 103 üncü Maddeleri Uyarınca bir Meclis Araştırması Açılmasına ilişkin Önergesi (10/185)," *T.B.M.M. Tutanak Dergisi,* 107th session, May 26, 1994; "İstanbul Milletvekili Bülent Akarcalı ve 13 Arkadaşının, Ankara Metrosu İnşaatında Yolsuzluk ve Usulsüzlük Yapıldığı İddialarını Araştırmak Amacıyla Anayasanın 98 inci, İçtüzüğün 102 ve 103 üncü Maddeleri Uyarınca bir Meclis Araştırması Açılmasına ilişkin Önergesi (10/186)," *T.B.M.M. Tutanak Dergisi,* 117th session, May 31,

the tenders and contracts would be subject to suspicions, as seen from the decisions of the Council of State.[87]

Sözen was to lose the local 1994 elections while the Ankara mayor Murat Karayalçın would be absolved of his MP role[88] in 1998, as a result of corruption charges.[89] While the SHP municipality was falling apart, a new municipal and political vision was on the rise.

§ 4.2 The Rise and Fall of the RP

During the campaign for the local elections of 1994, a sensitivity towards the rise of political Islam became one of the SHP's promises. One of the SHP publicities was to cry: "both metro and secularism!" (figure 4.1). The SHP would suffer a setback in the elections, losing the municipality to the RP.

1995 and "İstanbul Milletvekili Bülent Akarcalı'nın, Ankara Metrosu İhalesindeki Yolsuzluk İddialarına İlişkin Sorusu ve İçişleri Bakanı Nahit Mehteşe'nin Yazılı Cevabı (7/6078)," *T.B.M.M. Tutanak Dergisi*, 117th session, May 31, 1995.

87 Decisions by the Council of State on the smart ticket mechanism, tax discounts or the modifications of contracts within the Ankara metro construction process portrayed the legally contentious character of the tenders carried out by the municipality. See "İçtihat Metni," *Danıştay 10. Daire*, decision no. 2059, April 18, 1995; "İçtihat Metni," *Danıştay 11. Daire*, decision no. 3491, September 29, 2000 or "İçtihat Metni," *Danıştay 2. Daire*, decision no. 60, January 19, 1996.

88 "Ağar'a 2. Dokunma," *Hürriyet*, March 6, 1998.

89 "Genel Kurul Tutanağı," *Türkiye Büyük Millet Meclisi,* 77th session, March 1, 1994 and "Genel Kurul Tutanağı," *Türkiye Büyük Millet Meclisi,* 125th session, July 21, 1998.



Figure 4.1 "Metro and secularism". SOURCE: *Milliyet,* February 15, 1994.

The RP was a follower of the line of Millî Nizam Partisi (National Order Party), the first legal Islamist party, which was established by Necmettin Erbakan in 1970 and which was to be closed down and to reemerge several times. The RP's municipal rise after 1994, while increasing its political popularity,[90] would aggravate the already-prevalent sensitivity towards political Islam, which would, three years later, culminate in the February 28 Crisis. This crisis would halt and transform the course of political Islam and affiliated business groups, which were presumed to be upheld through the municipal enterprises during the RP's municipal reign.

4.2.1 *Municipal Enterprises in Vogue*

During the decade, the controversies of corruption and nepotism would revolve around a particular municipal mechanism, namely the Municipal Enterprises (Belediye İktisadi Teşekkülleri / BİT). The BİTs are defined as municipally affiliated private enterprises, established in order to undertake basic infrastructural investments and services, ranging from electricity to urban transport.[91] They are presented as mechanisms of efficiency and of

90 Tuğal, *Passive Revolution*, 6.

91 Çeviker Gürakar, 20-21.

overriding the tutelage of bureaucracy and central administration.[92] Even though these enterprises' budgets were supposed to be independent from the municipalities (unlike the scandal-prone İSKİ in the 1990s), most of these enterprises were owned by the municipalities. Furthermore, their board of directors were appointed by the municipal bodies.

The idea of municipal enterprises was not a product of Turkish neoliberalism. The Municipal Law of 1930, in fact, allowed for the establishment of a primitive form of municipal enterprises.[93] However, the 1980s witnessed their popularization and endowment with a neoliberal logic. Municipal reforms in the 1980s "allowed local authorities to set up companies under their own agency and to shift to these quasi-governmental agencies the entire responsibility of delivering certain public services."[94] The 1984 regulation, particularly, granted the municipalities the right to establish, run or enable other actors to run certain organizations to undertake infrastructural services.[95]

Municipalities have devised many BİTs related to the provision of urban transport, İstanbul Ulaşım / Metro İstanbul being the most relevant one for this study. The İstanbul Ulaşım was established in 1988 as the first urban rail transit line was being initiated. Conceived as a legally responsible entity for the operation and construction of urban rail projects, it was to be renamed as Metro İstanbul in 2016.[96] Gradually, however, the municipal enterprise's responsibilities transcended the operation of urban rail. The maintenance and reparation of rail systems, stations, electronic systems along with the provision of engineering and consultancy services were to be included among the curriculum vitae of this organization.

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92 Tunay Köksal, "Belediye Şirketlerinin Hukuki Rejimi ve Şirketleşme Uygulamaları," *Çağdaş Yerel Yönetimler* 2, no. 5 (1993): 57.

93 "Belediye Kanunu," *Resmi Gazete*, no. 1471, April 14, 1930, article 19/4.

94 Eda Babalık-Sutcliffe, "Urban Rail Operators in Turkey: Organisational Reform in Transit Service Provision and the Impact on Planning, Operation and System Performance," *Journal of Transport Geography* 54 (2015): 2.

95 "Büyükşehir Belediyelerinin Yönetimi Hakkında 3030 Sayılı Kanunun Uygulanması ile İlgili Yönetmelik," *Resmi Gazete*, no. 18603, December 12, 1984.

96 Metro İstanbul, *2016 Faaliyet Raporu ,* accessed December 15, 2021, https://www.metro.istanbul/Content/assets/uploaded/2016%20Faaliyet%20Raporu.pdf .

Even though the BİTs were popularized during the late Dalan era, their scandalization would coincide with the RP's reign. However, these entities, even though gradually popularized and abused during the late 1980s and 1990s, would reach its heyday during the AKP era, as seen in the next chapters. These municipal enterprises would be exempt from the Court of Accounts' investigations.[97]

To regulate the BİTs and avoid such non-transparency (and, quite possibly, hinder the future opposition municipalities), a permission from the DPT to establish a BİT was deemed a prerequisite in 1988. This law was in effect for four years.[98] However, a law, after the rise of RP to municipal power, had linked the establishment of municipal enterprises to a permission from the Council of Ministers.[99] These safety valves, however, were not enough to avoid allegations. The main allegations during the February 28 Period and following years would suggest that the RP municipalities had utilized these enterprises to transfer urban rent to politically affiliated firms. As seen below, the DGM (Devlet Güvenlik Mahkemeleri / State Security Courts) inspectors would perceive this transfer as a "preparation for jihad."

During Dalan's reign, the İĞDAŞ[100] (the municipal gas company) and Halk Ekmek (a municipal company that provides bread for reasonable prices) were the most popular BİTs. During the RP's municipal experience, particularly the BELBİM (the electronic transit ticket organization), SPOR A.Ş. (a municipal company providing sports facilities), İDO (the municipal sea transport company), KİPTAŞ (a municipal housing company reinstated after the RP's rise to municipal power) would be among the enterprises to be publicly scrutinized. The public debate upon the metro and corruption, as seen below, would revolve around a particular tender and a particular firm.

97 Çeviker Gürakar, 21.

98 Köksal, 56.

99 "4046 sayılı Özelleştirme Uygulamaları Hakkında Kanun," *Resmi Gazete*, no. 22124, November 27, 1994.

100 "Belediye Holdingleşti," *Milliyet*, March 3, 1987.

4.2.2 *A Controversial Tender*

After the RP's rise to municipal power, the DYP-SHP coalition would implement a new tax law, which would limit the funds of the municipalities, (supposedly) in order to realize municipal repayments.[101] Meanwhile, the RP municipality would subject the municipal accounts to an investigation while halting the payments. The metro consortium would, as a result, fire 800 workers from the construction site and consequently, the construction of the metro project would, partially, come to a halt.[102]

During the four-year term of Recep Tayyip Erdoğan's municipal mayorship (which was to be marked by politically charged inaugurations of junctions), the need for urban rail projects as the ultimate solution to traffic as in other metropolises would be publicly acknowledged.[103] Plans to construct three urban rail lines would also be advocated in 1997, including an extension of Sözen's extension of the light rail network and a new light rail system on the Anatolian side.[104] Years later, during a parliamentary quarrel with Sözen, Erdoğan would boast of having finished Sözen's bankrupt metro.[105]

Meanwhile, the Marmaray project, if not staunchly advocated, would not be rejected. Plans of the Higher Planning Council and the General Directorate of Highways to construct the third suspension bridge, which was to be approved by the Refahyol coalition (a coalition of the RP and DYP), would be objected by the municipality, among the calls of the chambers for a sub-sea rail tunnel.[106]

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101 "Ekonomik Denge İçin Yeni Vergiler İhdası İle Bazı Vergi Kanunlarında Değişiklik Yapılması Hakkında Kanun Tasarısı ve Plan ve Bütçe Komisyonu Raporu (1/681)," *T.B.M.M. Tutanak Dergisi*, 97th session, April 28, 1994.

102 "Metro İnşaatının Bir Bölümü Durdu," *Milliyet*, April 26, 1994.

103 "Trafiğe Kesin Çözüm; Raylı Sistem," *Millî Gazete*, March 24, 1997 and "Erdoğan Yeni Proje Üretemedi," *Cumhuriyet*, December 3, 1997.

104 "İstanbul'a 199 Proje," *Millî Gazete*, July 27, 1997.

105 *TBMM Tutanak Dergisi*, 43rd Session, December 25, 2006, 776-779.

106 "'İstanbul Gözden Çıkarılmasın'," *Cumhuriyet*, September 4, 1997.

While the extension of the M2 line was to be contracted during the era[107], the Ankara Metropolitan Municipality and its urban rail project Ankaray outshone Erdoğan's Istanbul.[108] The Ankaray, which started to operate three years before Istanbul's M2, was to be presented by Erbakan as part and parcel of "the Great Turkey" vision.

Erdoğan's municipality would re-initiate the suspended M2 project, albeit with controversial revisions. Nowhere this controversy was clearly visible than over the electromechanical tender of the M2 project during the RP's municipal reign. During and after the February 28 Period, this tender was to be a part of the bulk of accusations with regard to the RP-affiliated business network. The electromechanical works relating to the M2 line were subject to three different tenders. The first tender had already been realized during the last months of the SHP municipality in 1994 while the declaration of the results was, seemingly as a gesture, left to the political Islamist municipality, according to the former mayor Sözen.[109] The new municipality in power, however, found the costs determined in the tender high and decided to renew it. The second tender was to be awarded to a consortium, composed of Siemens-Koç (Simko) and Garanti Koza.[110] The contract could not be signed for seven months, however. Certain items in the contract were changed unilaterally, according to the claims of the Siemens representative.[111] The municipality used this delay and the reluctance of these prospective contractors as an excuse to renew for the third time.[112]

The third and last tender would extend the technical responsibilities in question and, hence, the costs. While the contractors of the M1 (Yapı Merkezi and ABB) turned out to be the one with the lowest offer, they were to be

107 "Metro İnşaatının İhalesi Sonuçlandı," *Hürriyet*, August 6, 1998. The winner of the tender would be Yüksel İnşaat, a firm whose experience mainly lay in the construction of ports. One of the founders of the firm was a MHP (Milliyetçi Hareket Partisi / Nationalist Action Party) MP assassinated in 1980. See "Tarihçe," *Yüksel İnşaat*, accessed December 15, 2021, https://www.yuksel.net/tr/hakkimizda/tarihce .

108 "Büyük Türkiye'nin Başkenti," *Millî Gazete*, February 23, 1997.

109 "Sözen'den Metro Öyküsü," *Hürriyet*, September 15, 2000.

110 "Büyükşehir Belediyesine Dava," *Cumhuriyet*, January 8, 1997.

111 "Metro Tezgahı (2)," *Milliyet*, April 2, 1997.

112 "Metronun Tamamlanması Gecikiyor," *Cumhuriyet*, December 20, 1996.

disqualified.[113] Out of the remaining two nominees, namely the consortium composed of Canadian Bombardier, GAMA and Poyraz İnşaat (a RP-affiliated[114] company) and the consortium composed of the Cegelec-Albayrak-Cengiz Consortium, the latter would sign the contract. The two Turkish partners of this consortium would be involved in architectural work and construction of the stations while Cegelec would be responsible for the provision of technical systems.[115]

4.2.3 *The Rise of a New Business Network*

The victorious consortium would fuel a debate on nepotism. Not only the consortium's offer was not the cheapest offer in the first place[116] but also the Albayrak firm, which was a personnel transport firm without prior electromechanical experience, was a vocal supporter of the RP. The group was, particularly, involved in contracts with the municipal enterprise Spor A.Ş[117], with the construction of KİPTAŞ houses[118] and with the organization of urban waste.[119]

According to their official history, the group's operation started in 1952 in the field of construction, to extend into transport services in 1982 and waste management in 1992.[120] The family also owned the pro-RP Yeni Şafak newspaper, which was to represent the AKP's ideological line.[121] At the same time, a RP MP among the Albayrak brothers was regularly writing editorials for another pro-RP newspaper, Millî Gazete during the decade.

113 "Sözen'den Metro Öyküsü," *Hürriyet*, September 15, 2000.

114 "Bilanço Dönemi," *Milliyet*, March 27, 1997.

115 "Taksim-Şişli 12 Dakika," *Hürriyet*, January 1, 1999.

116 "Sadece Kadrolaşmayı Başardılar," *Cumhuriyet,* March 27, 1997.

117 "Metro, Albayrak İlişkisi," *Milliyet*, August 6, 2001.

118 "Albayraklar Nasıl Zengin Oldu," *Milliyet*, July 20, 2001.

119 "Erdoğan'a Usulsüz İhale Suçlaması," *Cumhuriyet*, November 7, 1997.

120 "Kilometre Taşları: Geçmişten Günümüze Albayrak Grubu," *Albayrak*, accessed December 15, 2021, https://www.albayrak.com.tr/kilometre-taslari/ .

121 Alev Çınar, *Modernity, Islam, and Secularism in Turkey: Bodies, Places and Time* (University of Minnesota Press: Minneapolis, 2005), 21.

Cengiz İnşaat, the other national firm involved in the consortium, was formed in 1987. Cengiz was to be a rising contractor during the AKP period.[122] However, during the 1990s, the firm would refute being affiliated with the RP and claim that it had agreed to form a consortium with the Albayraks "upon a request."[123] It was their first urban rail project as well, as their projects had mostly been highway projects.[124] In fact, during the era, Cengiz was known to be an ANAP-affiliate, with its involvement in the construction of the Black Sea Highway, through its connections to the ANAP leader Mesut Yılmaz.[125]

The procurement of rolling stocks was another source of controversy. The rolling stocks, which were left out of the tender because of delays[126], were decided to be rented from the Ankara municipality, also ruled by the RP. The Ankara municipality had rented its own stocks from the Canadian Bombardier firm[127], which, it was claimed, was represented by a sect-affiliated figure, who was formerly the vice president of the municipal transport organization.[128] This set-up, however, would not work. Nevertheless, the "mafia-politics-business triangle," manifested through the Susurluk accident in 1996, would be replaced by the "sect-politics-business" triangle on the media[129], as exemplified by this case – a common trope to be utilized by the secular establishment during the late 1990s.

The rise of these business figures was, indeed, a novel pattern. Even though the Albayrak İnşaat was established around the same time as the other firms in question (the late 1940s-1950s), it did not share a common history with the first-generation contractors (such as Tekfen, ENKA and GAMA). Furthermore, it lacked the experience and intricate political relations of the second generation. These first and second-generation groups' reach extended beyond municipal work and personnel transport, unlike the Albayraks. If a

122 Buğra and Savaşkan, 92.

123 "Eğitim Sohbeti," *Milliyet*, March 28, 1994.

124 "Kuruluştan Bugüne Cengiz Holding," *Cengiz Holding*, accessed December 15, 2021, http://www.cengizholding.com.tr/hakkimizda/ .

125 "Bayındır Holding Öyküleri," *Hürriyet,* September 30, 2001.

126 "Yalancının Mumu Söner," *Millî Gazete*, January 27, 1997.

127 "Metronun Vagonları Türkiye'de Üretilecek," *Hürriyet*, August 20, 1997.

128 "Bilanço Dönemi," *Milliyet*, March 27, 1997.

129 "Metro'dan Yeni Haber," *Sabah,* March 25, 1997.

common characteristic existed, it was the existence of political support (arising from different sources, to different extents). Both the first- and second-generation contractors were implicated within nepotic networks, whether covert or overt.

These business groups on the rise were mostly represented by the MÜSİAD, the political Islamist nemesis of the TÜSİAD, which represented big business interests.[130] These groups, historically, did not see the state as a "natural ally", it was suggested by observers.[131] According to the MÜSİAD, a preferential treatment was existent. Conservative, small-to-medium business groups were left out from the advantages provided by the state, namely subsidies, credits, public tenders, tax discounts. The "monopolist capitalism" was excluding the Anatolian entrepreneurs, according to the MÜSİAD. These groups were to gain substantial national and international (mostly Asiatic) recognition during the Refahyol coalition (June 1996-1997), particularly during Erbakan's premiership.[132] Increasingly, however, the rise of these business groups generated more attention and tension.

4.2.4 *Bureaucratic Resistance*

The political Islamist municipality and the electromechanical consortium would be confronted by unceasing bureaucratic resistance. Gaining the approval for foreign credit for the electromechnical project from the Court of Accounts would take two months, to be followed by a seven-month waiting period for an approval by the Treasury.[133] The tension was not merely in the form of foot-dragging either. Another tender, involving the engineering and consultancy project of another rail transit project on the Asian side (which was suggested to be not even close to being constructed in the first place), would be cancelled by the Court of Accounts.[134] Furthermore, the General

130 Berna Yılmaz, "Siyasal İslam'dan AKP İktidarına İslamcı Burjuvazi ve Demokrasi: Eleştirel Bir Değerlendirme," in *İktidarın Şiddeti: AKP'li Yıllar, Neoliberalizm ve İslamcı Politikalar*, ed. Simten Coşar and Gamze Yücesan-Özdemir (Metis Yayınları: İstanbul, 2014), 115.

131 Ibid, 104.

132 Adem Dönmez, *25 Yılın Hikayesi* (MÜSİAD Kültür Kitaplığı: İstanbul, 2015), 117.

133 "Metronun Dış Kredi Sözleşmesi Onaylandı," *Cumhuriyet*, October 25, 1997.

134 "Raylı Ulaşım Sisteminin Şaibeli İhalesi İptal Edildi," *Cumhuriyet*, January 31, 1997.

Directorate of Highways abstained from providing the municipality the necessary permission to construct a light rail system.[135] The transfer of the road in question to the municipality would be realized in 2002.[136]

The municipality was not merely on the defensive. Just before the onset of the February 28 Period, the municipality would resort to the Ministry of Interior, remonstrating with previous bidders of the tenders (which included four Koç Holding-related firms), claiming that certain firms violated regulations, hence deserve to be debarred from tenders for one year. The accusations on these bidders were harsh: forgery or attempt to forge documents and the unfulfillment of obligations.[137] Meanwhile, the pro-RP newspapers were quite keen on alleged abuses of law by the Koç group, which included the ongoing construction of Koç University, master plans of which were to be cancelled by the RP minister.[138]

4.2.5 *"Municipal Jihad"*

The corruption debate would run rampant as the pressures on political Islamists geared up in early 1997. This period, known as the February 28 Period, would involve a meticulous inspection and restriction of Islamist politicians and their supporters, including municipal leaders and business figures. Years later, Erdoğan would claim that the February 28 was, in fact, against the MÜSİAD members, the Anatolian business groups.[139] Under the labels of "green capital" (*yeşil sermaye*) and "reactionary capital" (*irticacı sermaye*), these firms were barred from public and privatization tenders, from getting credit from public and private banks, along with being subject to random punishments, Erdoğan would reckon, whose municipal term was to be terminated due to penal sentences in late 1998. Accounts of the municipal

135 "Hızlı Tramvaya Karayolları Freni," *Millî Gazete*, October 6, 1997. This project, which would form the basis for the metro on the Anatolian side, was offered by Sözen as well. See Nurettin Sözen, *Basın Toplantılarıyla Bir Yıl: 26 Mart 1992-1993*, 44.

136 "E-5'e Raylı Sistemi Belediye Yapacak," *Milliyet*, August 21, 2002.

137 "Erdoğan, Koç'u Metrodan İndirdi," *Milliyet*, January 4, 1997.

138 Koç Üniversitesi, *Geleceğe Açılan Bilim Kapısı: Koç Üniversitesi Kuruluş Tarihi* (Koç Üniversitesi: İstanbul, 2002), 132.

139 "'Buradan Suç Duyurusunda Bulunuyorum'," *Cumhuriyet*, April 28, 2012.

enterprises, such as Belbim (the electronic ticket system, which was colloquially known as AKBİL) and the gas company İĞDAŞ were to be seized.[140]

The municipal corruption debate would, for years to come, revolve around certain municipal enterprises and practices, ranging from transport to construction, metro and car parks.[141] It would also indict certain municipal figures and, particularly, the Albayrak family. The Albayraks would be investigated for their involvement in municipality-related tenders and enterprises.[142] Their newspaper, too, would be subject to a police inspection. Upon a campaign named Clean City (Temiz Şehir) initiated by the notorious DGM, the president of the firm and of the newspaper would be arrested.

A media campaign, spearheaded by the media conglomerate Aydın Doğan's newspapers (Milliyet, Hürriyet and Radikal) along with his partner Dinç Bilgin's newspaper (Sabah) would insistently scrutinize the Albayraks and the former mayor Erdoğan. Rahmi Koç, the president of the Koç Holding back then, during a television programme, would suggest that the former mayor owned one billion dollars.[143] The DGM inspectors would claim that the Albayraks had prepared for the rise of the future Prime Minister and served jihad through their municipal tenders.[144] Even as late as 2002, the Court of Cassation (Yargıtay) was preparing to investigate the former and current mayor about municipal enterprises.[145] An investigation of the municipal gas company İĞDAŞ, too, was on the agenda to put a light on RP-related business figures and mayors.[146]

The pro-RP Yeni Şafak would claim that this assault was out of fear of the new movement, spearheaded by Erdoğan.[147] Another pro-RP newspaper Millî Gazete would suggest that the rentiers were disturbed by the just practices of the Refahyol coalition, which prevented them from abusing the law as

140 "Belediyelerin Trilyonları Gözaltında," *Milliyet,* April 28, 1999.

141 "Recep Tayyip Erdoğan 'Yolsuzluk' için İfade Verdi," *Hürriyet*, May 6, 2002.

142 "Albayraklara Mali Gözaltı," *Milliyet*, April 4, 1999.

143 "Koç: Tayyip Bey'in 1 Milyar Doları Varmış," *Hürriyet*, August 5, 2001.

144 "Sen Neymişsin be Tayyip," *Milliyet*, July 30, 2001.

145 "Tayyip'e Soracaklar!," *Milliyet*, March 26, 2002.

146 "'Adil' Sayaç Vurgunu," *Milliyet*, October 20, 2001.

147 "Bitiş Korkusu," *Yeni Şafak*, July 18, 2001.

before.[148] The media conglomerates were apprehensive about the energy power plant tenders, in which they would not be able to act with impunity, the newspaper claimed.[149] By early 2003, the former mayor and municipality would be legally absolved while the accused from the Albayrak family would face a three-month imprisonment and a one-year ban from tenders.[150]

This political crisis would reverberate in the field of urban transit projects. The rail-carrying vehicles ordered by Cegelec, one of the partners of the pro-municipality consortium, were to be stuck in customs, waiting from a document from the Chamber of Commerce (Ticaret Odası).[151] The crisis would aggravate the tensions in the construction yard, already turbulent by the labor-related protest events. Construction, which was mostly completed by then, halted on late October 1999 due to financial problems. This time, the credit acquired from France was approved by the DPT but was rejected by the Treasury.[152]

By 1999, half of the workers, being unpaid, had already left the tunnel construction.[153] The labor rest would continue until late 2000 when the metro was inaugurated.[154] The operation of the metro would be, at last, initiated in 2000, six years after the deadline. However, it did not turn out to be a popular mode of transport due to the fear of earthquakes and power failures.[155] A pop-campaign of songs, concerts and rampant advertisements would be at hand, to popularize the metro. To generate passenger traffic for the metro network, certain minibus routes, to the protest of drivers, were cancelled as well.[156] Meanwhile, the Turkish economy slowly drifted into a new crisis, which would be the beginning of a new political era.

148 "Rantiyecide Arpalık Telaşı," *Millî Gazete*, January 23, 1997.

149 "Saldırı Sebebi İhaleler mi?," *Millî Gazete*, March 15, 1997.

150 "Müfterilere Tokat gibi Cevap," *Yeni Şafak*, January 23, 2003.

151 "Metro Yine Durdu," *Milliyet*, June 26, 1998.

152 "Kredili Kefil Yok: Metro Stop," *Milliyet*, October 31, 1999.

153 "Metroda 'Borç' İstasyonu," *Milliyet*, June 12, 1999.

154 "Metroya Sazlı, Sözlü, Protestolu Açılış," *Milliyet*, September 17, 2000.

155 "Metro Sinek Avlıyor," *Milliyet*, October 10, 2000.

156 "Taksim ve Şişli'de Minibüslere Veda," *Milliyet*, December 22, 2001.

§ 4.3 The Unseemly Marriage of Urban Populism and Global City Sentiments

The latter part of this chapter aims to make sense of the practical functions and political framing of Istanbul's early urban rail policy, through the investigation of urban populist and global city impulses during the first two decades of Turkish neoliberalism. As suggested in the previous chapter, an interaction between internationalization and the implementation of populist policies during this era was identified.[157] The 1980s and 1990s were, thus, to be marked by a strange mix of urban populist and global city sentiments. This ambivalence manifested itself upon the urban transit policy during the first two decades of Turkish neoliberalism.

Given the highly intense political fragmentation during the decade, one would except this fragmentation to be traceable through the "ideological" attitudes towards urban transit projects. In other words, one would except the two dominant takes upon urban transit, namely global city and populist sentiments, to be respectively represented by a "secular" social democratic party and an Islamist one. This did not seem to be the case at all with regard to the 1990s.

The discovery of urban populism is attributed to the onset of the ANAP reign. [158] After all, the ANAP's political reign had developed a special taste for the urban milieu. Before the neoliberal transformation, the typical gesture of populism was, however, satisfying the rural population. While urban populism was being re-invented, metropolitan centers were utilized as "showcases of the new era of internationalism"[159], to be alleviated through urban projects.

Within accounts of global city sentiments and urban populism during the 1980s and 1990s, the relevance of urban transit projects has, however, been ignored. Urban rail transit, throughout the first two decades of the Turkish neoliberal experience, was to oscillate between urban populism and global city visions, manifesting the incoherent character of early Turkish urban

157 Keyder and Öncü, "Globalization of a Third-World Metropolis," 399.

158 Ibid, 399.

159 Ibid, 400.

neoliberalism. This section aims to trace this double movement over the M2 project.

4.3.1 *The Discovery of Urban Populism and the Global City Vision*

The post-1980 coup financial transformation rendered the socioeconomic position of the urban poor more fragile. Statistically, the inequalities of income distribution were becoming more visible. Unemployment rates were rising while wages were declining. Buğra notes that "although the 1980s was a period when Turkey's newly discovered faith in the ability of the self-regulating market system largely precluded demands for state intervention to solve economic and social problems, the need to respond to emerging forms of poverty did not remain unrecognized."[160] Private and public funds, including the controversial extra-budgetary funds, were devised herein. This character of alleviating poverty was novel as populism was not merely limited to the sphere of production through wage policies but also to the sphere of "social reproduction", including areas such as health and education.[161]

To Boratav, municipalities were pivotal mechanisms within the exercise of this "crooked" populism, especially in the transfer of urban rent to poorer segments, mostly in the form of construction permits and solidarity funds. This approach aimed to render masses independent from class consciousness and ready to submit to the ANAP's programme and ideology, Boratav argued. Furthermore, as municipal investments proliferated, employment opportunities increased as well.[162] Besides its redistributive character, neoliberal populism, introduced in the personage of Özal during the 1980s, entailed an autocratic and top-down style of policy implementation while tending to "undermine representative institutions and to personalize politics".[163] Dalan, whose financially powerful and inviolable municipality

160 Ayşe Buğra, "Poverty and Citizenship: An Overview of the Social-Policy Environment in Republican Turkey," *International Journal of Middle East Studies* 39, no. 1 (2007), 46.

161 Bozkurt, "Neoliberalism with a Human Face," 378.

162 Boratav, *Türkiye İktisat Tarihi*, 152-153.

163 Ziya Öniş, "Turgut Özal and His Economic Legacy: Turkish Neo-Liberalism in Critical Perspective," *Middle Eastern Studies* 40, no. 4 (2004): 126.

had a disregard for law, turned out to be the ultimate municipal representative of neoliberal populism per se, as depicted in Chapter 3.

Sözen, as suggested above, would immediately de-Dalanize the city, arguing that his political priorities were not constructing plazas and five-star hotels but providing disadvantaged areas electricity, road and water.[164] Indeed, to observers, the SHP's priority seemed to be the provision of infrastructure, water and electricity to urban poor, rather than urban projects. Project such as the metro were deemed secondary.[165]

Erdoğan's municipal reign, too, would follow a similar pattern. The popularity of the Islamist municipality experience after 1994 is, in fact, attributed to the provision of "more services to urban poor regions and distribut[ion of] free coal, food, and clothes to the poor" along with the curtailment of municipal corruption.[166] However, the RP municipality was not merely about urban poor but it also retained a certain vision of projects and investments towards urban classes in general, as it has been suggested by Erder and İncioğlu.[167]

Like urban populism, the ideal of Istanbul as a global city was, too, a product of the 1980s. The economic transformations, initiated in 1980, aimed to "to enhance the image of the city and to brand it in international markets for tourism, business conference traffic [and] international organizations."[168] However, being halted "under weak governments and populist mayors"[169] during the 1980s, the idea of city as a resource was not really realized during the 1990s, either.

Sözen, in fact, did not totally reject the idea but remained ambivalent towards it. Aiming to satisfy a poor constituency, Sözen's reign was suggested to possess a preferential treatment towards urban populism rather than global

164 "Yıkımlar Dikkat Çekti," *Cumhuriyet*, July 9, 1989.

165 Erder and İncioğlu, 10.

166 Tuğal, 45.

167 Erder and İncioğlu, 15.

168 Zeynep Merey Enlil, "The Neoliberal Agenda and the Changing Urban Form of Istanbul," *International Planning Studies* 16, no. 1 (2011): 15.

169 Çağlar Keyder, "A Brief History of Modern Istanbul," in *The Cambridge History of Turkey Volume 4: Turkey in the Modern World*, ed. Reşat Kasaba (Cambridge University Press: Cambridge, 2008), 521.

city sentiments.[170] Thus, Sözen's reign was to mark a rupture from Dalan's vision of a global city[171], disrupting the slowly emerging partnership between the municipality and national bourgeoisie.[172]

The SHP's global city logic differed from entrepreneurial urbanism as it suggested "democratization and human rights, the preservation of cultural and historical assets, and the need to make sure that 'globalization' benefited the whole city."[173] However, as Bezmez notes, "even during Sözen's tenure, at a time when populism and a reluctant attitude towards the global emerged as the defining characteristics of urban policy-making, there were shifts between the global and the local."[174]

This ambivalence continued during Erdoğan's tenure as mayor. An outright rejection of the global city logic was not practiced during the era. [175] The rise of the pro-Islamic bourgeoisie made it difficult for the RP not to succumb to the impositions of the global city project, it was claimed by Bora.[176] However, a "more liberal, less confrontational political line by endorsing secularist ideals, downplaying Islamism, and giving priority to economic liberalization and development,"[177] which characterized the political Islamist divide after the February 28 Period, was not at hand yet. Different actors within the RP defined urban projects differently, Tuğal posited. Some saw it as a chance to further integration into the world while others suggested that the inclusion of "Muslim energies" within urban redevelopment would serve the competition within world capitalism. After all, "some of these professionals and intellectuals wanted the movement to develop along more bourgeois lines and therefore were more sympathetic to

170 Keyder and Öncü, 415.

171 Bezmez, "The Politics of Urban Waterfront Regeneration," 831.

172 Bezmez, "The Politics of Urban Regeneration," 90.

173 Binnur Öktem, "The Role of Global City Discourses in the Development and Transformation of the Buyukdere-Maslak Axis into the International Business District of Istanbul," *International Planning Studies* 16, no. 1 (2001): 35.

174 Bezmez, "The Politics of Urban Regeneration," 91.

175 Ibid, 92-93.

176 Bora, "Istanbul of the Conqueror," 55-56.

177 Çınar, 176.

the salience of ex-provincial businessmen within the movement."[178] In short, a clear-cut attitude towards global city sentiments (advocated by a well-shaped urban coalition) or urban populism (confidently exercised by a coherent political entity) was not present.

4.3.2 *Uncertain Visions of Urban Rail Transit*

The global city logic, from its onset, has been intricately linked with mobile infrastructure. After all, it is mobile infrastructure that attracts capital into the built environment, generates urban rent production and territorial competition, it was claimed.[179] During the 1990s, however, the global city logic or neoliberal urbanism could not dominate the urban transit milieu of Istanbul. Its empirical manifestations were uncertain, at best.

Dalan's insistence on light metro and its route was claimed to be populist by opponents. Dalan would, himself, suggest that this choice was favoring low-income residents and, practically, this seemed to be the case. Sözen's extensions of the fast tram, too, succumbed to the tendency to serve a poor constituency. On the other hand, the M2 line, along with the fast tram and cable car projects around the city's historical and touristic center, suggested that Sözen could not reject the tourist gaze and the idea of serving the urban core.

The M2 project, in its initiation, was presented as an example of Sözen's commitment to urban service vis-à-vis the "corrupt" light rail system of Dalan. In practice, it was also in line with the visions of the global city ideal, which was vocally espoused by all the candidates in the 1994 elections, except the RP.[180] The project was, presumably, to alleviate the congestion within the central urban areas and serve the marketization of Istanbul as a tourist-friendly, global city.

The succeeding RP successfully tamed the global city logic by holding on to "the idea that the global-city project, in the form of rendering Istanbul an 'Islamic superpower' … could fit well both with the demands of their

178 Tuğal, 50.

179 Enright, "Contesting the Networked Metropolis," 175.

180 Bora, 47.

constituents and with the economic rationale of the time."[181] Hence, the vocally anti-globalization, pro-poor RP municipality did not hesitate to continue the construction of the M2 project. This lack of a rupture within the urban policy realm was not surprising. Sözen and Erdoğan's urban transit decisions were pre-conditioned by previous contracts, networks of debt and bureaucratic entanglements. Furthermore, no political actor had a "radical" vision of transit in mind, that distinguished themselves from their predecessors. What determined the course of transit decisions turned out to be political rivalry and patronal impulses, rather than clear-cut visions of urban development.

4.3.3 *The Failure of the M2*

In practical terms, the M2 project portrayed the limits and failure of the global city logic as its effects turned out to be restrained, with regard to the creation of new business districts, which was deemed part and parcel of this logic. This particular route choice, as opposed to Dalan's peripheral light metro, aimed to increase mobilities among middle-class residential centers, cultural hubs of tourism/entertainment and trade/financial centers.[182] The rise of the areas in question as new central business districts was not, however, new but merely exacerbated by the metro network. By 1985, this area was outperforming the historical core in terms of the number of banks.[183] After all, the city center of Istanbul, which was "oriented towards pedestrians and public transport", proved to be incompatible with private automobiles.[184] Hence, even though the M2 axis in question, being close to the motorways and international bridges, was witnessing a "sectoral transformation especially from industry

181 Bezmez, "The Politics of Urban Waterfront Regeneration," 831.

182 Merey Enlil, 15.

183 Dökmeci and Berköz define Beyoğlu and Eminönü as the "core" while designating the route in question within the "first ring". See Vedia Dökmeci and Lale Berköz "Transformation of Istanbul from a Monocentric to a Polycentric City," *European Planning Studies* 2, no. 2 (1994): 196. These categories will be defined further in Chapter 7.

184 Ibid, 195.

and manufacturing related sectors to service based high-profile businesses," this had already been in the making.[185]

The route of the M2 was historically subject to unceasing government interventions, Taşan-Kok suggests. First of all, the zone was identified as a tourist center by the Council of Ministers. This decision was to be overruled by the court. Then, by the late 1980s, the municipality decided to develop the area in question as a business district. "Thus, developments that had been initiated by private investors influenced the decisions by municipal administrations regarding the development of an important area in the city," Taşan-Kok claims.[186]

Throughout the 1990s, the idea of this axis as a central business district was in vogue. Hence, "the Levent-Maslak axis then became a locus of global functions that could not find suitable office premises in the historic core" as it attracted "businesses by offering good infrastructure, a good location and transport facilities."[187] The expansion of this new central business district predated the M2 line and its expansions. The district housed "mainly national and multinational companies, specializing in banking and financial services, producer and other services, as well as construction firms."[188] Sabancı Center, the business center of a large national conglomerate, was already built in Levent in 1993.[189] This was, among other banks, followed by the İş Bankası Towers, which, after a four-year construction, was finished in 2000.[190] Furthermore, during the late 1990s and early 2000s, a series of metro stops was to be integrated with shopping malls, including the aptly named and controversially built Metro City (suggested to be approved by Erdoğan

185 Beyazıt, "Are Wider Economic Impacts of Transport Infrastructures Always Beneficial?," 21.

186 Tuna Taşan-Kok, "Analysing Path Dependence to Understand Divergence: Investigating Hybrid Neo-liberal Urban Transformation Processes in Turkey," *European Planning Studies* 23, no. 11 (2015): 19.

187 Ibid, 22.

188 Dilek Özdemir, "The Distribution of Foreign Direct Investments in the Service Sector in Istanbul," *Cities* 19, no. 4 (2002): 251.

189 "Tarihçe," *Sabancı*, accessed December 15, 2021, https://www.sabanci.com/tr/tarihce .

190 TMMOB İnşaat Mühendisleri Odası, *50. Yılda 50. Eser* (TMMOB İnşaat Mühendisleri Odası: İstanbul, 2007), 114-118.

despite the Environment Impact Assessment reports and limitations posed by the 1995 Master Plan[191]) and the Cevahir Shopping Mall, which came up as a project during Dalan's last days and which was inaugurated by the mayor Erdoğan and the President Demirel in 1997.[192]

Beyazıt's analysis, empirically, portrays the limits of the business growth vision of the M2 route. With a special focus on the relation between the construction of the metro and the trajectory of business growth, Beyazıt suggests that despite the fact that the M2 project fostered and encouraged capital accumulation and excess investment within a limited area, business growth was, in terms of the numbers of businesses, limited. Contrary to the expectations of a metromobile vision, urban rent production turned out to be slender. It turned out "the Istanbul Metro has had negligible impacts on population, employment and business growth around its stations indicating the fact that the development plans for the Metro corridor and the Metro investment have not been particularly supportive of each other."[193] The evidence for the Metro's role in the development of a new central business district was slight.

Thus, despite the fact that vocally urban-populist municipalities during the 1990s were tempted by the logic of global city imperatives, this logic had its limits, as shown through the M2 and elsewhere.[194] Given the political and organizational fragmentation in question, coupled with the lack of a growth coalition of urban entrepreneurship to spearhead Istanbul's globalization,[195] the outcomes of urban rail transit policy remained modest. The clumsy urbanism of the 1990s, hence, did not really denote coherence, rather refracting the contradictory and hybrid character inherent within the neoliberal project, along with its shortcomings.[196] The "ideological" controversy was not over different visions of urban rail transit, but was over

191 "Gökdelenlerde Kayırma Dönemi," *Cumhuriyet*, December 18, 1997.

192 "Demirel'den Bayram Temeli," *Milliyet*, April 20, 1997.

193 Beyazıt, 21.

194 Bezmez, "The Politics of Urban Regeneration."

195 Çağlar Keyder, "The Setting," in *Istanbul: Between the Global and the Local*, ed. Çağlar Keyder, (Maryland: Rowman & Littlefield Publishers, 1999), 17.

196 Wendy Larner, "Neoliberalism?," *Environment and Planning* 21 (2003): 509.

how these projects were utilized to generate rent for different business constituencies, as this chapter aimed to portray.

§ 4.4 Dawn of a New Era

The 1990s inherited the novelties of the Özal/Dalan era: the emergence of municipalities as lucrative mechanisms, a defective legal environment that gave way to non-transparent practices, the overarching role of the executive power, the existence of a strong municipal figure. Early neoliberalism had instilled the sources of its own crises and that these crises were to be manifest in case of a political incongruity between different political actors, as seen in the 1990s. Thus, controversies over infrastructure were to be lived out more passionately during the 1990s.

Sözen was keen upon a rail-based transit vision – however, his political and financial capacities were limited. Not before long, the eruption of corruption scandals would defame the social democratic municipal experience. Upon the ruins of the SHP municipality, the RP was to rise. This did not merely mean the emergence of a conservative political vision but also the appearance of a new contestant within the business realm. Municipal enterprises, popularized as neoliberal mechanisms during the late Dalan era, became the means to empower the blooming network of conservative businessmen. Urban transit, along with other sources of urban service procurement, was part and parcel of this transfer of urban rent.

This transfer of rent through urban rail projects immediately encountered foot-dragging on behalf of the bureaucracy, which, since Dalan's last months, had returned to the scene in its traditional role, viz. the barrier. The sensitivity towards the Islamists was to transform into a full-fledged assault during the February 28 Period. Whether through extensive media coverage, financial investigations or the exercise of bureaucratic power, the municipality was, now, a target. In the end, the February 28 Period would temporarily stall the rise of the new business network in question and result in a bifurcation within the Islamist political movement. Meanwhile, Istanbul's urban rail transit policy was to suffer from these political upheavals, resulting in unceasing delays and cancellations, along with public controversies.

This political fragmentation did not, however, result in the emergence of competing urban transit visions, the chapter argued. Istanbul's urban transit, from the start, would be marked by the uncanny co-existence of globalist and urban-populist sentiments. However, during the decade, political and municipal actors did not differ with regard to the globalist or populist façades of the existent and ongoing urban rail projects. The "difference" lay in the networks of patronage that urban infrastructure was utilized for.

The extra-legal practices of the first two decades of Turkish neoliberalism, delineated within these two chapters, would culminate in a financial crisis in 2001. The measures taken after the crisis aimed to prevent the recurrence of extra-legal practices and eliminate the patronage networks in question. The internationally sanctioned policy reforms, mainly represented through the new Procurement Law (and coinciding with the calls for reforming local administrations), would intend to instill new concepts such as standardization, transparency and regulation. The constitution of this new regulatory environment would coincide with the rise of an offshoot of the political Islamist movement, namely the AKP. This new party, as seen in the next chapter, would, simultaneously, enact and perforate these reforms through exceptional mechanisms or discretionary tactics. The next chapter aims to portray how urban rail projects of the new millennium would be marked by the emergence of such a new policy environment and its perforation.

5

A New Legal-Institutional Environment and its Discontents: The "Urban Rail Breakthrough"

In 2002, the AKP, established just a year ago, would sweep the Turkish general elections. This breakthrough would be repeated during the 2004 local elections. Thus would begin the AKP's long reign.

The first two decades of Turkish neoliberalism, marked with corruption scandals and legal arbitrariness, were to culminate in a crisis in 2001. The AKP's first years would coincide with post-crisis legal-institutional reforms. These reforms were to have two main pillars with regard to the concerns of this dissertation: the establishment of a new public procurement regime (to be enacted in 2003) and the empowerment of the local administrations. To the international finance organizations, the exit from the 2001 financial collapse would warrant a thorough financial reform. Among other measures, this reform would entail a novel public procurement environment, whose buzzwords were to be standardization, transparency and centralization. The Public Procurement Law (Kamu İhale Kanunu) was to replace the controversial State Procurement Law (Devlet İhale Kanunu) within such a logic.

The rise of the AKP was to coincide with the constitution of this new legal-institutional framework. However, during the following two decades, the field of public procurement was to be unceasingly subject to legal amendments,

that worked against the law's original tendencies. The result of these amendments was suggested to be a murky legal environment, as repeatedly noted by the Court of Accounts, international financial organizations, opposition, media and academic observers.

Thus, the neoliberalization wave during the era would not stick to transparency and accountability, the buzzwords of the regulatory attempts after the 2001 economic crisis, which were warranted by international finance organizations and which were cherished by international business actors interested in the Turkish market, along with a significant segment of the established national bourgeoisie. Rather than the separation of the economic and the political (which the international financial jargon presumed to be possible in the first place), a flexible interpretation and circumvention of law, which served the rise of a particular group of business actors, would be in question.

The second tendency, the empowerment of the local, would also be prone to ambivalence. Armed with a discourse glazed with European Union-inspired concepts and angst towards the hard-headed, secular "establishment", the AKP's rhetoric of local empowerment would, from the outset, aim to realize a municipal realm, financially and politically independent from the center. However, as the center, gradually and controversially, changed hands, the local empowerment maneuvers would be marked by increasing ambivalence as the local's autonomy was increasingly rendered dependent upon the AKP-controlled center. Thus, despite academic literature's expectation that the empowerment of the local might entail the retreat of the state (à la textbook neoliberalism), the case of the AKP's Istanbul, portrayed through urban transit herein, will suggest otherwise.

The AKP's economic and social policy-making, which was to be marked by increasing centralization and personalized politics (themes that were introduced throughout the previous chapters), are claimed to be driven by two main forces: patronage and populism.[1] This chapter investigates the exercise of state discretion during the AKP era, along with the ambivalent empowerment of local administrations. While the following chapter will trace the repercussions of these legal reforms within the business realm and portray

1 Ocaklı, "Reconfiguring State-Business Relations in Turkey," 2.

the trajectory of main business actors, Chapter 7 will investigate the dynamics of urban populism through Istanbul's increasing number of urban rail transit projects.

This dubious legal flexibility with regard to the procurement environment and the peculiar empowerment of the local, which existed along with the increasing lucrativeness of municipal services, were claimed to be the hidden force behind the rise of certain pro-government business groups during the era. The AKP era, in a way, was to perfect what was introduced in the first two chapters: the politicization of the business realm, legal murkiness and usurpation of administrative power by a handful of political actors. The fragmentation within and between political entities, too, would be present even though the eternal institutional fragmentation, from the outset, seemed to be solved in favor of the party-state.

The rest of this dissertation follows a different pattern, in contrast to the composition of first two chapters. Given the number of projects introduced during the era, a chronological narration or a meticulous profile of each urban rail transit project during these two decades would not be provided. Rather, certain controversies, themes and patterns would be portrayed to manifest how the field of urban rail transit was prone to this double movement of reforms and exceptions.

§ 5.1 The AKP Comes to Power

The period known in the Turkish history as the February 28 was to result in a political divide within the political Islamist movement. This military intervention in 1997 was distinct from the previous ones as the military sufficed to give "recommendations" to the coalition government, of which the RP was a part. These secular recommendations, which the RP could not apply in the first place due its electoral base, was to lead to the resignation of the party from the coalition. This was to be followed by the party's closure in 1998 and a ban on its leader Erbakan from politics .[2]

The RP was suggested to house different political outlooks, from conservative and fundamentalist to more moderate lines (of which Erdoğan

2 Tuğal, *Passive Revolution,* 46.

was suggested to be a part during his municipal reign).[3] The succeeding political Islamist party, Fazilet Partisi (Virtue Party), was, too, an amalgamation of these different political outlooks. However, as "[t]he increasingly neoliberal, prodemocratic, and pro-U.S. youth of the" party lost their dominance during a major party congress, a different political organization by these figures would be established in 2001.[4] This organization would be named Adalet and Kalkınma Partisi.

This party, suggested by Yalman as the outcome of the adaptation of political Islam to global neoliberal restructuring[5], was presented as a coalition of center right elements. It lay claim to a political stance, which was not to utilize religion, as its predecessors did. A break with fundamentalism[6] was at hand, the party suggested. Furthermore, an open market-oriented, neoliberal vision was to replace the traditional political Islamist economic vision, namely the vision of "Just Order" ("Adil Düzen") as the AKP "desired to expand the power bloc through the inclusion of provincial merchants and businessmen ... while at the same time strengthening the hand of the neoliberal and internationally oriented sectors who once constituted the subordinate sectors of the bloc."[7] After the electoral victory in late 2002, the party was to establish a one-party government. During its early years, under the devastation of the 2001 economic collapse and along with a plethora of run-of-the-mill Turkish political crises, reform would, perhaps, be the most popular word.

§ 5.2 Reforming the Realm of Public Procurement

Reforming the controversial public procurement regime, which was regulated by the State Procurement Law (between 1983 and 2003), would be among the primary political agendas following the 2001 financial collapse. After the collapse, the subjection of the procurement regime to a regulatory phase

3 Çınar, *Modernity, Islam, and Secularism in Turkey*, 172.

4 Tuğal, 51.

5 Galip Yalman, "AKP İktidarında Söylem ve Siyaset: Neyin Krizi?," in *İktidarın Şiddeti: AKP'li Yıllar, Neoliberalizm ve İslamcı Politikalar*, ed. Simten Coşar and Gamze Yücesan-Özdemir (Metis Yayınları: İstanbul, 2014), 29.

6 Çınar, 13.

7 Tuğal, 51-52.

would be among the internationally sanctioned measures. The new law, entitled Public Procurement Law was to be passed in 2002 and enacted in 2003.[8]

The exit from the 2001 crisis, as identified by the imperatives of the global finance, included the quest to accord the procurement regime with the European Union and World Bank. This attempt was based on the premises of "transparency, accountability, and competitiveness set by the UN Commission on International Trade Law (UNCITRAL Model Law)."[9] These premises warranted the implementation of a standardized procurement environment, more transparency and a de-politicization of the public procurement process. These measures were also part of the European Union pre-extension process.

The Public Procurement Law's preamble parroted these internationally sanctioned keywords. The preamble suggested that the old procurement law was not efficient and parallel with the European and international standards of procurement. The previous law did not compass all of the public institutions, either (as shown in the previous chapter). Furthermore, rather than realistically determined costs, the tenders were built upon estimates. Hence, construction tenders, lacking clear-cut projects, resulted in unexpected costs.[10] Thus, the new law subjected the procurements of the majority of state institutions, including the procurements related to the transport sector, to the law in question, introduced an explicit qualification method and rearranged the threshold values, which were to be encouraging for foreign contractors. Construction projects, now, needed clearly defined projects.

A Public Procurement Authority, an independent regulatory agency, was to be formed, which usurped the authorities of the Ministry of Public Works and Settlements and the Ministry of Finance.[11] Before its establishment, as seen in Chapter 3 and 4, the bids were taken out by each institution, which

8 "Kamu İhale Kanunu," *Resmi Gazete,* no. 24648, January 22, 2002.

9 Çeviker Gürakar, 29.

10 "4734 Sayılı Kamu İhale Kanunu Gerekçesi," *Kamu İhale Kurumu*, accessed December 15, 2021, http://www.ihale.gov.tr/DokumanDownload.aspx?DokumanID=995 .

11 Çeviker Gürakar, 5.

was a scandal-prone, non-auditable configuration, exemplified by the İSKİ scandal. The Public Procurement Authority centralized and standardized the bidding process. Furthermore, it was authorized with responding to complaints and examining allegations from participatory firms.

This system also eliminated the carnet system, in which each bidder had to buy a document which proved their competence. As suggested in Chapter 3, the distribution of these carnets was a source of controversy as it was deemed dependent upon networks of nepotism. Instead of the carnet system, a detailed and standardized prequalification method was identified. Furthermore, publicity requirements for the tenders were increased. The new law required the advertising and publishing of announcements while the tender notice period was extended.

Last but not the least, the new law identified and defined four clear auction methods: open procedure, restricted procedure, negotiated procedure and direct procurement. The World Bank recommended the primacy of the open auctioning method while the law stuck both to the open and restricted procedures.[12] The open method was, as its name suggested, open to any contractor who possessed the necessary credentials and experience. The restricted method pertained to the existence of a pre-qualification procedure, after which a limited number of firms could be invited.[13] When there was a need for high technology and expertise, this method was to be favored, the preamble suggested. Meanwhile, the negotiated method involved a negotiation process between the procuring entity and invited firms. As publication of tender notices was not required, it was suggested to be the most discretionary method.[14] It was to be utilized when there was no offer for an open or restricted tender and when an urgency was in question (such as in the cases of natural disasters or situations in which safety of life and property was to be maintained urgently).

Lastly, the method of direct procurement pertained to small-value purchases, in line with the World Bank suggestions. These purchases were to be exempted from the Procurement Law, being devolved of legal

12 Ibid, 44-45.

13 Ibid, 49.

14 Ibid, 38.

responsibilities such as tender notices and the formation of tender commissions.[15] As suggested below, during the AKP's reign, the non-open procedures would be gradually more common, resulting in unceasing allegations.

5.2.1 *Conflicting Views*

The new public procurement law immediately antagonized various factions of domestic capital and the state, along with professional organizations such as the Union of Chambers of Turkish Engineers and Architects (Türk Mühendis ve Mimar Odaları Birliği / TMMOB), which saw the law as a submission to globalization.[16]

It was claimed that neither the AKP nor the business spheres of Anatolia who had supported the rise of the AKP were content with one of the Procurement Law's main intentions: "the stimulation of foreign investment in an economy fully integrated in the global market."[17] These reforms benefited the big business and international contractors, it was claimed. The AKP did not, however, represent a unified, consistent attitude. For instance, while the party decided to postpone the law and neutralize the Public Procurement Authority, the Minister of State for Economy was keen on involving the Procurement Authority within the debating process.[18] Meanwhile, the Minister of Works and Deputy Prime Minister conflicted each other, the latter claiming that no such postponement was on the agenda.[19] The pro-government media outlets, too, seemed apprehensive not about the new law but about its inefficient implementation[20], voicing doubts over the existence of a competitive environment.

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15 Ibid, 57.

16 "Kamu İhale Yasa Tasarısı, Siyasi İktidarın Küreselleşme Politikalarına Boyun Eğmesidir," *TMMOB Bülteni*, no. 20 (December 2001 – January 2002): 4.

17 Buğra and Savaşkan, *New Capitalism in Turkey*, 80.

18 "Ergezen: İhale Yasası Ertelemesini Savunurum," *Hürriyet*, December 20, 2002.

19 "İhale Yasası da Arap Saçına Döndü," *Hürriyet*, December 20, 2002.

20 "Kamuda İhale Komedisi," *Yeni Şafak*, May 5, 2003. In her *Modernity, Islam, and Secularism in Turkey: Bodies, Places, and Time* dated 2005, Alev Çınar suggested that "the AKP's unofficial newspaper, Yeni Şafak, continues to endorse a liberal-Islamist perspective in

However, three days before the implementation of the law, the AKP leader Erdoğan, in an oft-quoted statement, was to claim that this Public Procurement Law would serve the interests of 50-60 firms (with reference to the controversial construction of divided lanes). The law required too much. Preliminary projects were not enough as clear-cut projects were needed. Having a previous business experience of 12 trillion liras was a prerequisite as well. Furthermore, the municipal enterprises, useful tools for solving municipal problems, were excluded from the law.[21] Erdoğan claimed to be concerned with the lack of competition, in line with pro-government newspapers' doubts. However, despite the postponement plans and fervent criticism on behalf of the AKP, "[d]ue to the strong opposition from the EU, IMF and WB … the new procurement standards came into force on January 1, 2003 as scheduled."[22]

The implementation of the law did not, however, mean that the conflict was over. These conflicting attitudes towards the Procurement Law were reflected during a symposium in 2004, which was organized by the Public Procurement Authority.[23] The symposium aimed to evaluate the 16-month practice of the law. During the symposium, it turned out that the ministries were at odds with the Procurement Authority, designators of the law and construction unions.

The Ministry of Works stated that the law was haphazardly implemented and that the former corrupt practices still continued. Hence, it was prone to future changes although it was better than the former procurement law. With the new law, the ministries were obstructed – particularly the construction of divided lanes were. Indeed, if certain changes had not taken place, the divided lanes project could not even be initiated. Furthermore, the fragmentation of

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which economic and political liberalism is combined with conservative social values and a sense of national identity and culture that takes Islam as its essential defining value". This quote, which might sound archaic to a contemporary observer, reflects the AKP's widely presumed "liberal" outlook (and its effect on the intellectual public opinion) that was present back then. Çınar, *Modernity, Islam, and Secularism in Turkey*, 177.

21 "15 Bin Kilometrelik Yolu 60 Kişiye Teslim Etmem," *Sabah*, December 28, 2002.

22 Ercan and Oğuz, "Rescaling as a Class Relationship and Process," 652.

23 Kamu İhale Kurumu, *1. Uluslararası "Kamu Alımlarında Saydamlık ve Verimlilik Sempozyumu* (Kamu İhale Kurumu: İstanbul, 2004).

the works in question, which the law tried to avoid, was not something to be rejected outright. Lastly, this law, according to the minister's "personal" views, envisioned monopolies, as domestic contractors were discouraged from entering the tenders.[24]

These criticisms were repeated by the Ministry of Work's Deputy Undersecretary, who claimed that the law was bureaucratic, complicated and extended the tender process.[25] Furthermore, the bureaucratic dependency upon the DPT still prevailed. The Procurement Authority was regarded as too interventionist and it was not audited from without.[26] The Deputy Manager of the Ministry of Finance's General Directorate of Budget and Fiscal Control (Maliye Bakanlığı Bütçe ve Mali Kontrol Genel Müdürlüğü Genel Yardımcısı), too, complained that too many documents were required for tenders. It was not clear from which institution these documents were to be obtained from.[27]

The grievances of the ministries and the AKP were not supported by the designators of the law and certain construction unions, which participated in the symposium. These contractor unions, which represented the contractors involved in urban infrastructure projects, were not content with the old procurement regime as the existence of "abnormally low tenders" (*aşırı düşük teklif*), coupled with high inflation during the 1980s and 1990s, had led to a decrease in quality of work and to the incompletion of many contracts.[28]

Among these unions, the Turkish Confederation of Employer Associations (Türkiye İşveren Sendikaları Konfederasyonu / TİSK) and the Union of Chambers and Commodity Exchanges of Turkey (Türkiye Odalar ve Borsalar Birliği / TOBB) were involved with the designation of the law, as representatives of the private sector within the Public Procurement Board (Kamu İhale Kurulu).[29] These organizations, who were not under the spell of the government yet, along with the two other representatives of big business,

24 Ibid, 33-39.

25 Ibid, 80.

26 Ibid, 113.

27 Ibid, 97.

28 Batmaz, Emiroğlu and Ünsal, *İnşaatçıların Tarihi*, 133.

29 Çeviker Gürakar, 65.

the Turkish Contractors Association (Türkiye Müteahhitler Birliği / TMB) and the Turkish Employers' Association of Construction Industries (Türkiye İnşaat Sanayicileri İşveren Sendikası / İNTES), seemed elated about the internationalization/standardization of the procurement regime. Some concerns were present, however. The president of the TİSK offered the implementation of criteria that served the improvement of small and medium-sized businesses. After all, national development depended upon the development of these businesses.[30]

Meanwhile, the president of the İNTES cherished the Authority's interventionist role.[31] The Ministry of Works' claim that the tenders were still pre-arranged was not valid. The problem was, rather, the existence of too many contractors – a criticism that was to be voiced all over throughout the era. Another union, named the Association of Turkish Consulting Engineers and Architects (Türk Müşavir Mühendisler ve Mimarlar Birliği) claimed that the law was modern and decent. Foreign participation in national tenders were natural.[32] However, the contractors who could not get work, bureaucrats and politicians turned out to be against this law, it was alleged.[33]

The president of the TMB, too, suggested there were too many contractors but not enough qualification procedures.[34] They, too, cherished a system in line with international tendencies. Public institutions' decisions to tender were, however, haphazard and unplanned.[35] Public institutions, not the Procurement Authority, were trying to divide large projects into smaller ones and, consequently, give them to inexperienced firms. This was paradoxical as a coordination authority on contracting abroad (the Coordination Committee for Overseas Contracting, Engineering and Consultancy Services / Yurtdışı Müteahhitlik, Mühendislik ve Müşavirlik Hizmetleri Koordinasyon

30 Kamu İhale Kurumu, 18.

31 Ibid, 171.

32 Ibid, 210.

33 Ibid, 189.

34 Ibid, 207.

35 Ibid, 177.

Kurulu) encouraged joint ventures between large and small companies.[36] These ventures were encouraged by the European Union as well.[37]

According to a Public Procurement Authority member, the new law opened the procurement market to international competition while not specifically favoring domestic businesses.[38] This was not uttered as a setback but rather as an asset. The Deputy President of the Procurement Authority, however, was already apprehensive about the increasing number of exclusions and the participation of the procuring entities in their own procurements.[39] In short, a discrepancy between the designators of the law (who stressed a more selective, standardized procurement model) and the AKP figures (who stated the aim to provide these opportunities to a larger business segment) was present during the symposium. The following years would manifest that this discrepancy was just the beginning.

5.2.2 *The Gradual Perforation of the Public Procurement Law*

It was claimed that the AKP was aware that these demands, particularly from the IMF, would prevent itself from supporting certain business groups.[40] After all, "[t]he standardization of rules, which limited the use discretionary power by public authorities …, would have made of difficult for the AKP to influence the capital accumulation process by taking advantage of the public tenders."[41] The exercise of more discretion would not only nourish politically connected firms but also, through construction projects and the provision of municipal services, would touch upon the daily lives of the voters.[42] Indeed, during the AKP's reign, to the chagrin of the established contractors' representatives, the law was to be subject to myriad exceptions or annulments. By 2016, more than 30 different laws and decrees had made more than 150 amendments to the

36 Ibid, 206.
37 Ibid, 210.
38 Ibid, 63.
39 Ibid, 89-90.
40 Savaşkan. "State Rescaling and the Dynamics of Government-Business Relations," 92.
41 Ibid, 75.
42 Çeviker Gürakar, 109.

Procurement Law.[43] The infrastructural / urban transit projects were to be carried out within this double movement of economic reform and exceptional measures.

These amendments would make certain that national investors were gradually favored over the international ones, while not totally dismissing the latter. Ercan and Oğuz identify this early discourse which the AKP had utilized to legitimize the following reconfigurations under the label of "international nationalism". International nationalism seeks integration with global capitalism while "resorting to nationalism with a particular emphasis on national competitiveness and developmentalism" when domestic capital groups are in question, they suggest.[44]

The threshold question was, perhaps, the most visible manifestation of the AKP's preference. Low threshold levels, within the discourse of international financial institutions and the European Union, pertained to an efficient, effective and transparent environment, fostering competition.[45] The AKP was, on the other hand, in favor of a high threshold system, which favored national business groups. Throughout the two decades, the domestic firms were to be provided with other advantages, including a 15% price advantage in the procurement of construction and services.[46] The provision of equipment and machinery from domestic groups could also become mandatory during the implementation of a project. Furthermore, for a consortium to be labelled domestic, all of the constituents had to be domestic, rendering international partnerships unpreferable.[47] The division of tenders and limitation of subcontractors to domestic groups, too, served the gradual neutralization of foreign investors.

Meanwhile, the transparency that the original law tried to implement gave way to more exclusions. In 2003, procurement of public entities operating in the sectors of energy, water, transportation and telecommunication were

43 Ibid, 5.

44 Ercan and Oğuz, "Rescaling as a Class Relationship and Process," 652.

45 Çeviker Gürakar, 41.

46 Ibid, 81.

47 "Kamu İhale Kanunu," *Resmi Gazete,* no. 24648, January 22, 2002, article 63.

excluded from the scope of the law.[48] The exclusion of these public entities was, in fact, almost in line with the EU directives. The EU directives, however, envisioned a separate entity and legal framework for the procurement, which do not exist up till this date. Furthermore, goods and services below a certain threshold were to be procured only from domestic groups or could be subject to the negotiated procedure. Thus, dividing the tenders into smaller parts to fit them into these thresholds became a tendency[49] even though the law stipulated that this was prohibited.[50]

Interestingly, the Ministry of Transport was offered as an alternative to the Procurement Authority with regard to changes within the Procurement Law. In 2006, the Prime Minister had authorized the Ministry of Transport with the preparation of a new draft of the Procurement Law, bypassing the related ministries, Procurement Authority and sectoral business organizations. The draft would offer more exceptions and make it easier for newly established firms to enter bids.[51] The BİTs and state-owned enterprises were suggested to be left outside the draft law.[52] The Ministry's authority, however, was to be short-lived as the Procurement Authority was to endowed with the authority of presenting drafts – albeit within the orbit of the government.[53]

Originally, however, the Public Procurement Authority was devised as a centralized, independent regulatory institution. After two decades of corruption scandals, one of the Public Procurement Law's stated purposes was the introduction of an authorized auditing mechanism in 2003. As each administration was authorized with the procurement of its own needs and as a centralized regulatory mechanism did not exist in the former procurement regime, investigations were not effective or possible in the first instance.[54] The Authority was initially authorized with inspecting the procurement processes

48 Çeviker Gürakar, 44.

49 Buğra and Savaşkan, 79.

50 "Kamu İhale Kanunu," article 5.

51 "Yolsuzluğa Davetiye," *Hürriyet Bigpara*, February 15, 2006.

52 "İhalelere Yeni Düzen," *Hürriyet Bigpara*, March 3, 2006.

53 "İhale için Garip Taslak," *Hürriyet Bigpara*, September 25, 2006.

54 Ümit Sönmez, "Türkiye'de Piyasa Reformları ve Düzenleyici Reformlar: Aktör-merkezli bir Tarihsel Yaklaşım Önerisi," *Toplum ve Bilim*, no. 120 (2011): 147.

and examining allegations from participatory firms. However, in 2008 the Public Procurement Authority's authority was merely downgraded to responding to complaints. Objecting to a tender result, too, became difficult as it was a costly and long-lasting procedure.[55]

Even as early as late 2003, the AKP had concerns with this novel institution. The AKP aimed to implement a Supreme Board Law, which would diminish the role of the Public Procurement Authority (along with other regulatory boards) and the Procurement Law. Along with the public administration reform attempt at hand (narrated below), this plan was to be hindered. However, at last in 2011, the Authority was to be linked to the Ministry of Finance, its autonomy being curtailed further.[56] A similar development could also be observed in the establishment of the "autonomous" commission to investigate corruption, which was endorsed by the European Union since 2004. The institution in question was to be established as a mechanism under the authority and approval of the Prime Minister himself in 2009.[57]

Throughout these two decades, these developments did not please the business groups who had supported (and participated in the writing of) the Procurement Law. In 2016, the president of the İNTES deemed the Procurement Law unhealthy as the definition of a contractor was still unclear. Furthermore, realistic cost estimates were not at hand and the problem of extremely low bids still existed[58] despite the decision by the Council of State which posited that extremely low bids had to be announced before the tender was finalized.[59]

According to a joint statement by the association and the TMB in 2017, in addition to the problem of low bids, the problem of approximate costs (*yaklaşık maliyet*) still posed an obstacle to the realistic determination of

55 Çeviker Gürakar, 61.

56 Buğra and Savaşkan, 80.

57 Yalman, "AKP İktidarında Söylem ve Siyaset: Neyin Krizi?," 43-44

58 "Fiyat Farkı Verilmeyerek İptal Edilen İhaleler Devlete Büyük Yük," *Dünya*, October 10, 2017.

59 "Danıştay'dan Kamuda Mal Alım İhalelerini İlgilendiren Önemli Karar," *Cumhuriyet,* October 14, 2016.

costs.[60] In other words, for years to come, the Procurement Law did not cease to antagonize the business realm throughout the AKP's reign.

§ 5.3 An Ambivalent Municipal Reform

Simultaneously with the transformation of the public procurement realm, a different yet related realm was being transformed, viz. the realm of local administration. The AKP, from its establishment, was vocally keen on empowering the local, justifying this tendency through the European Union's suggestions. The idea of empowering the local did not, merely, result from the European Union reforms being in vogue but was, even, visible through the grievances of Istanbul's mayors after the 1960s, as suggested in Chapter 3. During the 1990s, the TÜSİAD and similar professional organizations had also consistently called for such reforms.[61]

With regard to the role of the local, the course of the AKP experience was to be marked by a peculiarity. Even though an attempt at empowering local authorities was present, "state rescaling [did not] really mean decentralization"[62] in the last instance. In fact, to be seen through the case of urban transit, the state was to possess the last say within the urban realm:

> [W]hile certain decision-making functions have been transferred [to] the organization at the Istanbul city region level, the continued interest and role of the central government … [was to be] witnessed in major projects and the decision system related to land and property development and planning practices.[63]

The controversial reform package in 2003, titled Public Administration Reform (Kamu Yönetimi Reformu), vocally aimed to increase the autonomy

60 "Kamu İhale Kanunu ve Kamu İhale Sözleşmeleri Kanunu Uygulamalarının Değerlendirilmesi Sempozyumu Gerçekleşti," *Kamu İhale Kurumu*, accessed December 15, 2021, http://www.kik.gov.tr/Duyuru/239/%E2%80%9Ckamu_ihale_kanunu_ve_kamu_ihale_sozlesmeleri_kanunu_uygulamalarinin_degerlendirilmesi_sempozyumu%E2%80%9D_yapildi.html .

61 TÜSİAD, *Yerel Yönetimler Yasa Taslağı* (TÜSİAD: İstanbul, 1997).

62 Buğra and Savaşkan, 68.

63 Eraydın, "Changing Istanbul City Region Dynamics," 826.

of the local and "shrink" the state.[64] The problem with the old administrative model was mainly suggested to be rising from a financial deficit, along with the deficit of strategy, performance and trust. This reform was, however, to be vetoed by the President Ahmet Necdet Sezer in 2004.[65]

A gradual empowerment of the local would come in a series of different laws. The 2004 law on metropolitan municipalities[66] was to provide leverage to the municipalities from the central government, especially with regard to the infrastructural investments, including urban rail transit. The 2004 law, which was ratified by another law in 2005[67], rendered the mayor more powerful. The mayor's new powers, inter alia, included "broadening the physical space under the control and jurisdiction of the greater municipality …, increasing its power and authority in development (*imar*), control and coordination of district municipalities [and] making it easier for greater municipalities to establish, and/or create partnerships and collaborate with private companies."[68]

Financially, the municipalities were endowed with more resources as the metropolitan municipalities' share in central budget and taxes was doubled.[69] The law also granted the municipalities to realize or make realize certain services, including urban transit projects and plans. The municipalities were not merely executors but they could, now, endow other entities with the execution of these responsibilities.

However, particularly throughout the AKP's second decade and after the political opportunities provided the 2008-2009 crisis (as suggested in the introduction), the central government was to extend its reach within the municipal realm. The decisions of the local administrations were repeatedly

64 "Kamu Yönetimi Temel Kanunu Tasarısı ile İçişleri, Plan ve Bütçe ve Anayasa Komisyonları Raporları (1/731)," *Türkiye Büyük Millet Meclisi*, accessed December 15, 2021, https://www5.tbmm.gov.tr/sirasayi/donem22/yil01/ss349m.htm .

65 "'Kamu Yönetimi Reformu'na Veto," *NTVMSNBC*, August 3, 2004.

66 "Büyükşehir Belediyesi Kanunu," *Resmi Gazete*, no. 25531, July 23, 2004.

67 "Belediye Kanunu," *Resmi Gazete*, no. 25874, July 13, 2005.

68 Bartu Candan and Kolluoğlu, "Emerging Spaces of Neoliberalism," 13.

69 These shares were identified by the Ministry of Finance and, then, distributed accordingly by the İl Bank. See "İl Özel İdarelerine ve Belediyelere Genel Bütçe Vergi Gelirlerinden Pay Verilmesi Hakkında Kanun," *Resmi Gazete*, no. 26937, July 15, 2008.

overridden by top-down, political charged visions and decisions. Meanwhile, "ministries and some other central government departments (…) retained planning rights that are specific to certain activities and urban land, in order to be more affective [sic] on the development of this city region."[70] The planning authorities, starting from 2002, were already being centralized within the AKP-controlled organizations, as shown in Chapter 7. This aimed to create a fragmentation of authority, which would introduce more interventions into the built environment, it was claimed.[71]

Furthermore, as local governments gradually became financially defunct (despite the almost-steady increase in their share within general budget taxes),[72] financial support or guarantees from the central government became key factors in the implementation of projects:

> [I]n the event that the local government (municipality) does not have enough money in its budget, which is usually the case for most investments, then the central government either finances it or provides a guarantee from the central government for international loan agreements entered into by the local authorities … on condition that these projects are approved by the central government and included in the development plans by the Ministry of Development.[73]

A report prepared by the Ministry of Transport and Communication, Directorate General of Civil Aviation (Ulaştırma Bakanlığı Sivil Havacılık Genel Müdürlüğü) in 2009 stated the role of central organizations as follows:

> [P]ublic organizations have to conduct their investments in the framework of determinants such as project costs, characteristic,

70 Eraydın, 826.

71 Mehmet Penpecioğlu, "Kapitalist Kentleşme Dinamiklerinin Türkiye'deki Son 10 Yılı," in *İnşaat Ya Resullah*, ed. Tanıl Bora (İstanbul: İletişim Yayınları, 2016), 171.

72 See "Genel Bütçe Vergi Gelirleri Tahsilatı Üzerinden Mahalli İdarelere Verilen Payların Dağılımı (1986-2020)," *Gelir İdaresi Başkanlığı,* accessed December 15, 2021, https://www.gib.gov.tr/sites/default/files/fileadmin/user_upload/VI/GBG/Tablo_11.xls.htm .

73 Pelin Alpkokin et al., "LRT and Street Tram Policies and Implementation in Turkish Cities," *Journal of Transport Geography* 54 (2016): 5.

> duration, location, annual allocation mentioned in the public Investment Programme put into force by the Resolution of the Council of Ministers every year … [while] investing public organizations must transmit to the State Planning Organization their investment projects, which they suggest to be included in the public investment programme, together with their relevant feasibility studies.[74]

In other words, the bureaucratic labyrinth, which posed problems within the two decades of Turkish neoliberalism, was still retained. Furthermore, "big infrastructure investments financed by foreign credits [still] require[d] the approval of the Ministry of the Development Bank, the Ministry of Finance and the Treasury since these state organizations have become guarantor for foreign credits" while "underground projects have to be approved by the Ministry of Transportation."[75] However, as no discrepancy between the municipality and state existed, these bureaucratic procedures did not cause many problems – at least until the municipality changed hands in 2019.

Savaşkan states that "local government reforms and new forms of governance introduced since the AKP came to power in 2002 did not undermine the influence of the central administration" as "[t]he ruling AKP government continued to control the financial resources of the municipalities and maintained its tutelage vis-à-vis the decisions of lower level governments."[76] Thus, Savaşkan claims, neoliberalism did not, in fact, empower local administrations. In a similar vein, with regard to urban regeneration projects, Kuyucu concludes that "through its control over the planning apparatus and municipal finances as well as its direct ownership of large reserves of real estate, the central government directly shapes how

74 M. Cemil Acar, *The Build-Operate-Transfer Model: For Aerodrome Terminal Buildings* (Republic of Turkey, Ministry of Transport and Communication, Directorate General of Civil Aviation Aerodromes Department: Ankara, 2009), 23.

75 Savaşkan, "State Rescaling and the Dynamics," 158.

76 Osman Savaşkan, "Political Dynamics of Local Government Reform in a Development Context: The Case of Turkey," *Environment and Planning C: Politics and Space* 39, no. 1 (February 2021): 17.

regeneration policies are made and implemented."[77] The political and financial autonomy of local administrations, hence, turned out to be quite limited and short-lived. This ambivalence with regard to municipal autonomy would mark itself upon urban transit projects.

§ 5.4 Public Procurement Dismantled: Tactics of Discretion

Throughout the two decades, the municipalities' interest in urban transit would rocket. By 2016, 44.7% of municipal expenses were reserved for urban transit, particularly rail transit projects.[78] Unsurprisingly, the central government was vocally endorsing a transit-based development as well. In 2017, transport still had the lion's share within public investments.[79] However, despite its increasing financial and discursive weight, urban transit did not pertain to a coherent realm of policy. The urban transit policy within the two decades of AKP rule was to be marked by flexibility and ambivalence with regard to both the public procurement environment and exercise of municipal authority. It would be increasingly subject to more discretion and, hence, controversies.

The controversies with regard to the procurement of urban transit could be grouped under four headings or patterns: contractual flexibility, the neutralization of the overseeing mechanisms, the curtailment of competition and budgetary controversies. This section is an attempt at tracing these controversies, the general legal environment of which was presented just above, through urban rail projects within the AKP era.

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77 Tuna Kuyucu, "Politics of Urban Regeneration in Turkey: Possibilities and Limits of Municipal Regeneration Initiatives in a Highly Centralized Country," *Urban Geography* 39, no. 8 (2018): 17.

78 İstanbul Büyükşehir Belediyesi, *İstanbul Büyükşehir Belediyesi 2016 Yılı Yatırım ve Hizmet Çalışma Programı* (İstanbul Büyükşehir Belediyesi: İstanbul: 2015), accessed December 15, 2021, https://www.ibb.istanbul/Uploads/2016/12/2016%20Yat%C4%B1r%C4%B1m%20ve%20Hizmet%20%C3%87al%C4%B1%C5%9Fma%20Program%C4%B1.pdf .

79 *Türkiye Büyük Millet Meclisi, Plan ve Bütçe Komisyonu Tutanak Dergisi,* 1st Meeting, October 25, 2016, 15.

5.4.1 *Contractual Flexibility*

During the AKP's two decades, urban transit contracts, whether of large projects or less costly ones, were increasingly subject to arbitrary and extra-legal interpretations. The Court of Accounts' periodical reports and the opposition's discontent expressed during the Committee on Planning and Budget (Plan ve Bütçe Komisyonu) meetings (which, often, rested upon the former's evaluations), converged on the assumption that the awarding and implementation of urban transit projects occupied the fringe of legal norms.[80] Existing contracts were canceled, fragmented and renewed, subjecting these projects to flexible interpretations. These increasingly prevalent practices were, in fact, what the new procurement regime had intended to discredit. The accusations mostly involved the Ministry of Transport, Maritime and Communications, which was granted more authority within the realm of urban transit after 2010. However, as shown below, this did not mean that municipalities lost their significant role within the generation of transit-related urban rent.

A common practice involved the over-flexible interpretation of projects. Given the fuzzy and unexpected nature of infrastructure construction, infrastructure projects are universally subject to unaccounted developments and misinformation. Modifications, redefinitions of projects and, to an extent, cost increases are not deemed extraordinary measures.[81] In the Turkish legislature, these contingencies are defined by the Public Procurement Law and General Specifications for Construction Work (Yapım İşleri Genel Şartnamesi).[82] However, in some cases, over-flexible

80 *Türkiye Büyük Millet Meclisi, Plan ve Bütçe Komisyonu Tutanak Dergisi*, 16th session, February 8, 2016, 44.

81 Bent Flyvberg, "Survival of the Unfittest: Why the Worst Infrastructure Gets Built - and What We Can Do About It," *Oxford Review of Economic Policy* 25, no. 3 (Autumn 2009): 2. Elsewhere, the problems with regard to cost increases, rather than being mere errors, were claimed to be resulting from "strategic misrepresentation, i.e., lying" (290). See Bent Flyvbjerg, Mette Skamris Holm, and Søren Buhl, "Underestimating Costs in Public Works Projects: Error or Lie?," *Journal of the American Planning Association* 68, no. 3 (Summer 2002): 279-295.

82 See article 1/12 of the Public Procurement Law ("Kamu İhale Kanunu").

interpretations led to substantial transformation of projects, almost always with unexpected increases in costs.

One of these popular practices was manifested through the utilization of supplementary tenders (*ikmal ihalesi*), which referred to the subjection of an unfinished/moribund project to a second tender. In some cases, this mechanism resulted in tenfold increases in costs in some of the cases. According to the Court of Accounts, the problematic procedure worked as follows: the initial tender was configured to prioritize high-cost items, which, somehow, covered the contract value designated by the procurement administration. Consequently, low-cost works were left out. For these low-cost responsibilities, a supplementary tender was warranted – now with increased costs.[83] The designation of these costs was regarded as arbitrary, dependent upon the discretion utilized.

The M3 and M1B metro projects, contracted in 2005, were subject to such claims. The attempts to designate and tender a part of this amalgamated line were held in 2001 and 2003 but to no avail, due to the economic crisis.[84] The project would be tendered in 2003 and contracted to the Gülermak-Doğuş Partnership in February 2005. This partnership, the composition of which is analyzed in the next chapter, was deemed responsible for the construction of the project, electromechanical work and provision of rolling stock.

The construction would start in late 2005.[85] The project, at first owned by the municipality's transit company İETT, was to be overtaken first by the Metropolitan Municipality in 2010[86] in an extended form and by the Ministry of Transport upon the order of the Council of Ministers in 2010.[87] The metro lines would partially start operating in 2012, four years after the presumed finish date.

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83 T.C. Sayıştay Başkanlığı, *Karayolları Genel Müdürlüğü 2014 Yılı Düzenlilik Denetim Raporu* (T.C. Sayıştay Başkanlığı: Ankara, 2015), 33.

84 "Esenler Metrosu 29 Ekimi Bekliyor," *Türkiye*, July 2, 2007.

85 Zikrullah Kırmızı and Fehime Tunalı Çalışkan, *İstanbul Ulaşım Zaman Dizini* (Cinius: İstanbul, 2012), 201.

86 "Metro 2011'e Sarktı, Fatura 187 Milyon Dolar Kabardı," *NTV*, January 16, 2010.

87 "Bakanlar Kurulu Kararı," decision no. 2010/1115, *Resmi Gazete*, no. 27781, December 10, 2010.

In 2006, the M1B project was extended within the legally feasible boundaries through an increase of the contract value. The extra value in the estimated cost, known as the cost increase (*keşif artışı*) value in the relevant legislature, was 30% of the original estimation, hence within legal boundaries. Again, in 2006, this extended project was amalgamated with a new project, a 17 km long metro line.[88] A new tender was not at hand but the contract was revised. Hence, the formerly 4.4 km project was transformed into a 22 km line, while the contract value increased almost tenfold. The final cost was claimed to be a 1.4 billion USD. The tender process of the project was to be subject to a lawsuit (which would be dropped), in which the mayor of Istanbul would be accused with defecting from law.[89]

The legal justification for this extension was controversial. A 30% increase in cost was legally feasible if the increase was warranted by construction of foundations, tunnels, similar works and by the necessity of natural disasters.[90] The Commission of Experts (Bilirkişi Heyeti) involved within the case, subject to changes many times[91], suggested that this non-contractual extension of the metro construction resulted from economic necessities. The AKP MPs, too, would suggest that this increase in cost, which was for the sake of quickness, was within legal boundaries.[92]

Not only the increase in cost but the utilized resources to meet this cost created legal controversies. The sale of a large municipal plot was attempted to generate resources for the construction of the metro line, along with other

88 "Bir Hafta Önce," *Sözcü*, March 18, 2015

89 While these practices are to be narrated through the case of Istanbul, these cases seem to be institutionally and historically recurrent. A similar practice was suggested in the case of the Ankara-Istanbul High-Speed Train Project, which was claimed to be modified to suit the needs of certain firms. The first construction stage of the project, for instance, was offered for a 459 million Euro, which resulted in the opting out of the participant firms except a single one. The remaining firm was awarded the contract while the project became more expansive (from 200 km. to 250 km.) and expensive (from 459 million Euro to 629 million Euro), it was claimed. See "'Hızlı Tren'e İtirazım Var," G*azete Vatan*, March 11, 2009. For a narration of similar suspicious methods in other transport projects, see "Bir 'Yandaş' Nasıl Yaratılır ve Beslenir?," *Gazete Duvar*, November 13, 2018.

90 "Kamu İhale Genel Tebliği," *Resmi Gazete*, no: 27327, August 22, 2009, article 53.1.1.

91 "Metro İhalesi Davasında Kadir Topbaş'a Beraat," *Hürriyet*, March 11, 2015.

92 *Türkiye Büyük Millet Meclisi Tutanak Dergisi*, 55th session, March 3, 2016.

urban projects. The AKP mayor Kadir Topbaş would claim that this influx of money would have attracted international capital and animate local markets during the era of recession. The candidates included Gulf capital, national actors including Zorlu, Yapı Merkezi and Limak.[93] The sale was, however, not to take place due to objections[94] and among decisions by the Council of State[95], which rendered the municipality open to investigations and issued a stay of execution (*yürütmeyi durdurma kararı*).[96]

The necessary amount arising from the discrepancy between the original cost and the increased one was, according to the allegations, provided with the selling of a municipality-owned hotel to a firm under the umbrella of the Doğuş Holding, a partner of the project.[97] The sale of the hotel turned out to be suspicious as the tendering process was not taken out in a competitive environment since the holding's firm was the single bidder, according to a motion provided by the CHP to the Metropolitan Municipality.[98] This motion, too, claimed that a superfluous increase in the cost was present. The sale of the hotel, however, would not be enough for the project to be realized in the first place. As suggested above, the Ministry would overtake the project through a decree in 2010, to the dismay of the opposition.

A public damage of 400 million dollars was alleged according to a CHP MP and other plaintiffs.[99] However, a complicated judicial process was to follow, which was to involve many courts and the replacement of judges.[100] The case was to be closed[101] following the turmoil of the 17-25 December trials in 2013, which marked a phase in the administrative-legal struggle among different cliques within the state, as refracted through corruption allegations and trials.

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93 "Zorlu ve El Maktum İETT Garajı İçinde Yarışacak," *Hürriyet*, March 15, 2007.

94 "Kadir Topbaş'ın İETT Arazisi Kızgınlığı," *Milliyet*, December 9, 2008.

95 "'İETT Arazisini Bir Türlü Satamadık'," *NTV*, April 9, 2010.

96 "Dubai Towers'a Danıştay'dan Onay Çıkmadı," *Hürriyet*, February 2, 2009.

97 "Hyatt Regency Doğuş'a Satıldı," *Hürriyet*, March 31, 2010.

98 "CHP'den Hyatt'ın Satılmasına Tepki," *Cumhuriyet*, April 1, 2010.

99 "Kadir Topbaş'a Kötü Haber," *Sözcü*, April 6, 2015.

100 "Bir Hafta Önce," *Sözcü*, March 18, 2015.

101 "Cemal Acar Yazdı: Sahi Cemaat Kadir Topbaş'ı Nasıl Kurtarmıştı," *OdaTV*, August 27, 2016.

Five metro projects of the AKP's municipal reign were to be accused of similar practices during the CHP era. However, no investigation would be in question, as the Ministry of Interior would not grant a permit. Similarly, the Council of State would reject an appeal to the Ministry of Interior's decision, as "there was no disruption in the provision of public services."[102] The Ministry of Transport-led projects, too, were subject to similar allegations by the Court of Accounts.[103]

5.4.2 *The Neutralization of the Overseeing Mechanisms*

Meanwhile, other controversial practices would be loudly exposed by the opposition. However, these exposés had their limits as both the authorities of the Court of Accounts and parliamentary overseeing mechanisms were already curtailed.

The M4 (the Kadıköy-Kartal metro) construction manifested the ambivalent position of the Court of Accounts. According to a piece by the newspaper Taraf and two separate motions by the CHP[104] and the HDP (Halkların Demokratik Partisi / Peoples' Democratic Party)[105], the Court of Accounts had identified certain illegal practices with regard to the metro construction. According to the allegations, the winning consortium was formed two days before the tender. The Metropolitan Municipality, after gaining the right to export electronic equipment, had transferred this right to the consortium, which allegedly acquired electronic equipment from companies affiliated to itself.

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102 "AKP'nin İBB'deki 'Yolsuzluk Dosyaları' Danıştay'dan da Döndü!," *Cumhuriyet,* February 5, 2021.

103 T.C. Sayıştay Başkanlığı, *Ulaştırma Denizcilik ve Haberleşme Bakanlığı, 2017 Yılı Sayıştay Denetim Raporu* (T.C. Sayıştay Başkanlığı: Ankara, 2018), 43.

104 "Kadıköy-Kartal Metro İkmal İnşaatı ve Elektronik Sistemler Temin, Montaj ve İşletmeye Alma İşlerinin İhalesine İlişkin Yazılı Soru Önergesi," *T.B.M.M.*, April 18, 2014, no. 23923, accessed December 16, 2021, https://www2.tbmm.gov.tr/d24/7/7-43096s.pdf .

105 "Diyarbakır Milletvekili Altan Tan ve 28 Milletvekilinin, Kadıköy-Kartal Metro İnşaatında Yüklenici Firmaların Maliyeti Artırarak Kamuyu Zarara Uğrattığı İddialarının Araştırılması ve Sorumluların BelirlenmesiAamacıyla Bir Meclis araştırması Açılmasına İlişkin Önergesi," *T.B.M.M.,* May 6, 2014, no. 65, accessed December 16, 2021, https://www2.tbmm.gov.tr/d24/10/10-304779gen.pdf .

This case testified to the limited power of the Court of Accounts during this era of political turmoil, along with its inner fragmentation. The Court of Accounts claimed that no such claims were present within their reports.[106] Indeed, no such report by the Court of Accounts was received by the Parliament in the first place. After all, a law in 2012 had curtailed the Court of Accounts' authorities to let institutions exercise discretion.[107] The claims designated by the Court of Accounts were filtered through the intervention of certain commissions, which modified the contents of the reports to be published. The reports presented were, thus, already edited and limited, as seen in the case of the M4.

Furthermore, according to the opposition, a decree in 2011[108] had eliminated the inspector mechanism by creating a Turkish Tax Inspection Board (Vergi Denetim Kurulu Başkanlığı). As inspection was being linked to such an institution under the authority of the Ministry of Treasury and Finances, supervision mechanisms were rendered even less effective, it was claimed.[109] Not only financial supervision but also the Parliament has been rendered ineffective according to the opposition MPs. Quite typically, the HDP MP's offer to establish a parliamentary investigation into the M4 project was not accepted. This was not, however, the only rejected offer from the opposition to investigate urban rail projects. Most of the parliamentary motions, whether written or oral, remained unanswered, it was suggested.[110]

Among these ignored motions, an investigation into the cancellation of six metro tenders after the resignation of the Istanbul's long-lasting mayor Kadir Topbaş was included.[111] According to the opposition, billion liras of

106 "Sayıştay'dan Yalanlama," *Haber7*, April 17, 2014.

107 "Bazı Kanun ve Kanun Hükmünde Kararnamalerde Değişiklik Yapılmasına Dair Kanun," *Resmi Gazete*, no. 28351, July 12, 2012.

108 "Vergi Denetim Kurulu Başkanlığının Kurulması Amacıyla Bazı Kanun ve Kanun Hükmünde Kararnamelerde Değişiklik Yapılmasına Dair Kanun Hükmünde Kararname," *Resmi Gazete*, no. 27990, July 10, 2011.

109 "CHP Vergi Denetim Kurulunun İptalini İstedi," *Dünya*, February 2, 2011.

110 "Yazılı Soru Önergelerinin Cevaplandırılmamasına İlişkin," *T.B.M.M.,* no. 50489, August 26, 2014, accessed December 16, 2021, https://www2.tbmm.gov.tr/d24/7/7-50489s.pdf .

111 "İstanbul Milletvekili Mustafa Sezgin Tanrıkulu ve 20 Milletvekilinin, İstanbul'da Bazı

financial damage were incurred through these projects. Furthermore, whether they were approved by the Ministry of Transport in terms of feasibility was questionable.

Most of the parliamentary motions towards the ministries and the Prime Minister, indeed, remained unanswered by the time of writing this dissertation despite the legal obligation. These motions, among others, referred to financial suspicions about incomplete and completed projects along with inquiries about the dates of completion and future projects, the mistreatment of workers and of passengers, unsolved maintenance problems, personnel problems, exhibitions and newspaper sales within the metro area and archeological excavations during constructions. Only five of the fifty-one motions related to urban rail transit were to be answered. Especially after 2012, the answers to the motions seemed to be more laconic and evasive. The answers to motions asking for statistical or numerical data mostly remained devoid of the data in the first place. Claims that the responsibility was not upon the institution in question were common as well – the requisitionist was usually referred to another organization.

In a similar vein, the Municipal Law[112] and a notice by the Ministry of Interior (according to the municipality)[113] rendered the municipal enterprises exempt from the supervision of municipal councils. This diminished transparency in a field which it was violently needed in the first place. After all, through these municipal enterprises, the municipality, at times, contracted out to itself. According to Esra Çeviker Gürakar, during the AKP's municipal reign (between 2004 and 2011), "one-tenth of more than 14,000 municipal procurement contracts [were] awarded to the BİTs."[114] This pertained to the 20% of the total value of all municipal procurement contracts. In most of these unsupervised cases, these enterprises turned out to be the only bidders.

Metro Hatlarının İhalelerinin İptal Edilmesiyle İlgili Çeşitli Hususların Araştırılarak Alınması Gereken Önlemlerin Belirlenmesi Amacıyla Bir Meclis Araştırması Açılmasına İlişkin Önergesi," *T.B.M.M.,* no. 2537, February 12, 2018, accessed December 16, 2021, https://www2.tbmm.gov.tr/d26/10/10-233597gen.pdf .

112 "Belediye Kanunu," *Resmi Gazete*, no. 25874, July 13, 2005, article 25.

113 "İBB'nin Parası Nereye Gidiyor?," *Sözcü*, November 8, 2016.

114 Çeviker Gürakar, 99.

5.4.3 *The Curtailment of Competition*

It has been suggested that "the existence of a more competitive environment significantly decreases procurement costs in Turkey"[115] as "when auctions are open to foreign participation, the auction price tends to be lower."[116] As suggested above, foreign actors were eliminated in the early experience of the Procurement Law. The elimination of foreign actors is not the only indicator of the curtailment of competition, however. The competitive environment, which the Public Procurement Law initially stated the aim to secure, was also being perforated through the increasing utilization of non-open auction methods, viz. the restricted and negotiated auctioning methods. There was a steady increase in "the number and the value-share of public procurement contracts that [fell] outside transparent public procurement process (open auctions) … substantially during the period from 2005 to 2014," Çeviker Gürakar claims.[117]

These methods were utilized in the 29% of all procurements in 2019.[118] The most common method turned out to be the restricted method, which was, along with the negotiated method, reserved for exceptional/emergency situations.[119] This method warranted the invitation of a limited number of firms (the rise of which is delineated in the next chapter). The justification of the negotiated method through the pretext of urgency was, furthermore, to be denounced by the Court of Accounts, with regard to the construction of the airport metro and other metro lines.[120] Besides these two methods, as suggested above, goods and services below a certain threshold could be exempted from the Public Procurement Law and directly procured. These pertained to the 5.37% of all procurements in 2019.[121] The municipality could

115 İlke Onur, Rasim Özcan and Bedri Kamil Onur Taş, "Public Procurement Auctions and Competition in Turkey," *Rev Ind Organ* 40 (2012): 207.

116 Ibid, 210.

117 Çeviker Gürakar, 6.

118 Kamu İhale Kurumu, *Kamu Alımları İzleme Raporu 2019* (Kamu İhale Kurumu: Ankara, 2020), 5.

119 Buğra and Savaşkan, 94.

120 T.C. Sayıştay Başkanlığı, *Ulaştırma Denizcilik ve Haberleşme Bakanlığı, 2017 Yılı Sayıştay Denetim Raporu* (T.C. Sayıştay Başkanlığı: Ankara, 2018), 30.

121 Kamu İhale Kurumu, 2.

also request the application of this exceptional clause to the procurement of certain goods and services.

Starting from 2016 (albeit preceding the July 15 coup d'état attempt), almost all of the metro projects were tendered via non-open procedures (table 5.1).

Table 5.1 Urban rail contracts (1986-2018)

Contracted Route	Date	Auction Method
Aksaray - Yenibosna	1986	Negotiated
Taksim - Şişli	1992	Negotiated
Şişli - Dört Levent	1992	Negotiated
Taksim - Yenikapı	1998	Negotiated
Yenibosna - Airport	1999	Negotiated
Otogar - Bağcılar	2004	Open
Kadıköy - Kartal	2005	[no data]
Bağcılar - Olimpiyatköy	2006	[no tender]
Kadıköy - Kartal (İkmal, EM)	2007	Open
4. Levent - Hacıosman	2008	Open
4. Levent - Ayazağa	2008	[no data]
Levent - Hisarüstü	2012	[no tender]
Üsküdar - Ümraniye - Çekmeköy	2012	Open
Kartal - Kaynarca	2013	Open
Mecidiyeköy - Mahmutbey	2013	Open
Bakırköy - Bahçelievler - Kirazlı	2015	Open
Kaynarca - Sabiha Gökçen Airport	2015	Open
Kabataş - Mecidiyeköy - Mahmutbey	2015	Open
Dudullu - Bostancı	2016	Open
İkitelli - Ataköy	2016	Open
Eminönü - Alibeyköy (Tram)	2016	Restricted
Gayrettepe - 3. Airport	2016	Negotiated
Ümraniye - Ataşehir - Göztepe	2017	Restricted
Kaynarca - Pendik - Tuzla	2017	Restricted
Mahmutbey - Bahçeşehir - Esenyurt	2017	Restricted
Kirazlı - Halkalı	2017	Restricted
Başakşehir - Kayaşehir	2017	Restricted
Çekmeköy - Sultanbeyli / Sarıgazi - Yenidoğan	2017	Restricted
Rumelihisarüstü - Aşiyan	2017	Open
Yenihavalimanı - Halkalı	2018	Negotiated

SOURCE: *Resmi Gazete* (for 1986-2008) and the Electronic Public Procurement Platform / EKAP (for 2012-2018).[122]

In a way, large construction tenders were taken out within a non-transparent procurement regime, not dissimilar from the procurement environment during the first two decades of Turkish neoliberalism. These tenders were, hence,

122 Arising from the changes in the procurement system, it was not possible to access the texts of two tenders.

constantly subject to accusations of non-competition. Not only the auction methods but also certain recurrent practices raised doubts. An arbitrariness was suggested to exist with regard to the provision of necessary documents. Two corrective Public Procurement Authority decisions[123] would confirm that the tender procedures, at times, did not turn out to be consistent on what constituted the necessary proper documents. What was deemed proper in a tender was rendered improper in another, for instance. The flexible interpretation of proper documents was subject to decisions by the Council of State as well.[124]

Another strand of claims focused upon the existence of pre-mediation, which the law originally stated the aim to eliminate. The tendering process of the M7 (the Mecidiyeköy-Mahmutbey metro line) was claimed to be pre-mediated.[125] Two other metro projects (the Bakırköy-Bahçelievler-Kirazlı and Sabiha Gökçen Airport lines), too, were subject to allegations of pre-mediation and non-competition. The winning groups were claimed to have invalid documents with regard to technical competence. However, the Competition Authority would rule that these allegations did not have a basis in the first place.[126] Lastly, the extension of offer validity durations for two metro tenders was deemed suspicious by the opposition within the municipal town council[127], as another manifestation of the curtailment of competition.

5.4.4 *Budgetary Controversies*

The last set of controversies with regard to public procurement pertained to budgets. According to the Public Procurement Law, to join a tender, the contractors are required to stipulate the existence of a fund for the first year of the project, which would correspond to the 10% of the total cost of the

123 See "Kamu İhale Kurulu Kararı," *Kamu İhale Kurulu*, decision no. 2017/UY.II-5, January 3, 2017 and "Kamu İhale Kurulu Kararı," *Kamu İhale Kurulu*, decision no. 2017/UY.II-15, January 3, 2017.

124 See "İçtihat Metni," *Danıştay 13. Daire Başkanlığı*, decision no. 3015, September 8, 2015 and "İçtihat Metni," *Danıştay 13. Daire Başkanlığı*, decision no. 2177, December 1, 2017.

125 "100 Milyar Dolarlık Yolsuzluk," *Sözcü*, December 26, 2013.

126 "Rekabet Kurulu Kararı," *Rekabet Kurumu*, decision no: 15-32/464-145, July 28, 2015.

127 "İETT'yi Yolsuzluk Sarmış," *BirGün*, April 25, 2008.

whole project.[128] This aimed to ensure that the offers without sufficient funding were not accepted and, thus, average duration of the completion of projects was minimized.[129] Starting from 2007, the Budget Law included an exemption from this article for certain transit projects, including the Marmaray and other rail projects. From 2011, the metro projects overtaken by the Ministry of Transport were included within these yearly exemptions.

The Constitutional Court, however, ruled the budgetary exemption non-constitutional in 2016 as the exemption pertained to the Procurement Law.[130] After all, extra-budgetary changes could not be included within the budget law.[131] The same was true of the Procurement Law, which only permitted amendments directly unto itself, thus, excluding decrees and omnibus laws. This non-constitutional exemption was, however, to be overwritten into the Public Procurement Law through another legislative change in late 2016.[132] "Certain projects/investments with strategical significance as identified within the central budget law" were to be exempted from this 10% rule within the Procurement Law, the law posited. Hence, the way for exemptions in future tenders was paved.

The CHP would file two other complaints to the Constitutional Court in 2017, asking for the repeal of exceptional legislative changes.[133] The first complaint pertained to the legislative change in question. The Constitutional Court was to rule in 2018 that this law was not unconstitutional, as the CHP MPs posited in their complaint. After all, the legislative mechanism had the discretionary power to determine the basic principles of how the budget was prepared and executed. Furthermore, as the allocated funds were based upon interpolations, they could be, indeed, insufficient. Thus would rise the need

128 "Kamu İhale Kanunu," article 62.

129 "Anayasa Mahkemesinin 26/5/2016 Tarihli ve E: 2015/7, K: 2016/47 Sayılı Kararı," *Resmi Gazete*, no. 29835, September 22, 2016.

130 Ibid.

131 "AYM'den Önemli Bütçe Kararı," *Sözcü*, September 29, 2016.

132 "Kamu Mali Yönetimi ve Kontrol Kanunu ile Bazı Kanunlarda Değişiklik Yapılması Hakkında Kanun," *Resmi Gazete*, no. 29898, November 16, 2016.

133 "Anayasa Mahkemesinin 14/2/2018 Tarihli ve E: 2017/19, K: 2018/11 Sayılı Kararı," *Resmi Gazete*, no. 30369, March 23, 2018 and "Anayasa Mahkemesinin 14/2/2018 Tarihli ve E: 2017/61, K: 2018/12 Sayılı Kararı," *Resmi Gazete*, no. 30383, April 6, 2018.

for the allocation of more funds. This flexibility, contingent upon the year of the budget in question, was not deemed averse to public interest. After all, the Article 161 of the Constitution provided this authority to the discretionary power of the legislative mechanism, it was claimed.[134]

The CHP's second complaint involved the Budget Law. The complaint claimed that the changes into the budget were non-constitutional as the Court decided in 2016.[135] After all, they bypassed the parliament and the Budget Law itself. As the Court ruled before, the Budget Law could not be modified through extra-budgetary legislative changes, such as decree laws. However, the Court's decisions in 2018 would rule that these changes within the budget law were constitutional as they did not posit a change to a law but only included descriptive provisions with regard to the application of the budget.[136] Through this twisted interpretation, discretion was legalized.

Lastly, as a lesser manifestation of discretion, the currency exchange problem, first witnessed during Dalan's metro project, would be witnessed again. The Ministry of Transport-led Airport metro project was the source of such a controversy. The gargantuan project was financed from the central budget. It was suggested that during this period of financial upheavals when the Turkish lira was slowly collapsing, the tendering of the project in euros made it possible for the transfer of this superfluous rent (arising from the currency discrepancy) to certain business groups.[137]

§ 5.5 An Institutional Confusion

As described above, the other pillar of the AKP's reform attempts, apart from the procurement reform, was the empowerment of local administrations. By the beginning of the new millennium, just before the AKP was formed, the metropolitan municipalities were seen as sources of financial deficit while

134 "Anayasa Mahkemesinin 14/2/2018 Tarihli ve E: 2017/19, K: 2018/11 Sayılı Kararı."

135 "Anayasa Mahkemesinin 26/5/2016 Tarihli ve E: 2015/7, K: 2016/47 Sayılı Kararı," *Resmi Gazete*, September 22, 2016, no. 29835.

136 "Anayasa Mahkemesinin 14/2/2018 Tarihli ve E: 2017/19, K: 2018/11 Sayılı Kararı," and "Anayasa Mahkemesinin 14/2/2018 Tarihli ve E: 2017/61, K: 2018/12 Sayılı Kararı."

137 "Gayrettepe Metro Hattı Soruları," *Cumhuriyet*, December 27, 2016.

urban transit projects were financial burdens. The 2001 Report by the Urban Transit Commission of the DPT (written as part of the 8th Development Plan) complained of the increasing external debt of the municipalities, which they were not paying. Consequently, the Treasury was forced to shoulder these debts.[138]

The project costs were suggested to be inflated as seen in the cases which light rail systems were implemented, instead of more bus lines. Furthermore, light rail projects were transformed into costly metro projects. Wrong transit choices were increasing the costs and, consequently, the external debts of the municipalities. Hence, reminiscent of Dalan's critics during the 1980s and Özal's late attempts to curtail municipal expenses of the SHP, urban rail transit projects were seen as inflated projects, spoiled by the extravagant municipalities. Thus, the report suggested that the municipalities had to apply to the DPT with detailed feasibility reports and had to have an approval from the Ministry of Transport. The urban rail projects were to be selective and clearly detailed, along with the clear definition of financial resources and municipal investment plans. Preliminary projects would not be enough.

Meanwhile, a desire for a standardized procurement environment was simmering throughout the report. It was suggested that the State Procurement Law had not determined the responsibilities of the contractors in clear terms and it was not in line with international tendencies. In other words, the DPT, by the turn of the millennium, was in line with the prospective Procurement Law, which was to be implemented two years later. It complained of the lack of standardization, of a clear definition of responsibilities and procedures. Rather than municipal empowerment, in fact, it envisioned the curtailment of metropolitan municipalities.

By 2000, the municipality had already started to devise ways to privatize five municipal enterprises to provide financial resources for investments, particularly transit projects. The Build-Operate-Transfer (B-O-T) method was considered as a possible way out. More financial resources would not be

138 Devlet Planlama Teşkilatı Sekizinci Beş Yıllık Kalkınma Planı, *Ulaştırma Özel İhtisas Komisyonu Raporu Kentiçi Ulaşım Alt Komisyonu Raporu* (Devlet Planlama Teşkilatı: Ankara, 2001), 53.

enough, however – more municipal power was a requisite, the mayor claimed.[139]

The tendency turned out to be the opposite. A law in early 2002[140] decreased the municipal revenue by 5%, which was perceived by the municipal mayor as a welcome to bankruptcy and the halting of metro and urban transit investments.[141] The law envisioned the collection of municipal taxes within a financial pool in İl Bank and, then, its controlled distribution. Hence, by the summer of 2004 when the AKP municipality was newly in power, the municipality was, still, in dire straits. Hence, the first years of the AKP municipality would repeat the previous mayor's concerns and pursuits. Rather than seeing urban rail transit as an asset and lauding an urban rail transit vision for the city, the mayor claimed that the metro project was a financial burden on the municipality. The mayor asked for the transfer of the urban rail projects to the central government and for more municipal financial resources.[142] Next year, an attempt to sell the metro to firms in South Korea, France, United Arab Emirates and Italy would surface.[143] Privatization or the B-O-T model could be possible, the mayor, who was in favor of the former, claimed.

In 2007, the same mayor was claiming that urban rail investments were not profitable within the eyes of the international investors. The B-O-T model turned out to be not attractive. The need for the intervention of the central government was, again, pointed out by the mayor, who spoke of the IMF's limitations for external debt.[144] Consequently, the municipality had started to look for European funding. By early 2008, credit by the Agence Française de Développement (French Development Agency) started pouring in[145] to be

139 "Beşibiryerde Özelleşecek," *Milliyet 2000*, May 29, 2000.

140 "8269 Kamu Kurum ve Kuruluşlarının Ürettikleri Mal ve Hizmet Tarifeleri ile Bazı Kanunlarda Değişiklik Yapılması Hakkında Kanun," *Resmi Gazete*, no. 24645, January 19, 2002.

141 "Gürtuna: İstanbul'a Haciz Yağacak," *Milliyet*, January 16, 2002.

142 "Metro, Belediyenin Gözünü Korkuttu," *Milliyet*, July 16, 2004.

143 "Metroya da Yabancı Talip," *Milliyet*, October 25, 2005.

144 "İstanbul Büyükşehir Belediye Başkanı Kadir Topbaş: Metroya Kaynak Lazım," *Milliyet*, January 29, 2007.

145 "Soutien à la Politique de Transport de la Municipalite d'Istanbul," *Agence Française de*

followed by credit by European Development Bank, International Finance Corporation (a sister organization of the World Bank) and an Italian bank. Throughout the financially viable environment after the 2008-2009 crisis, these credits were to pour smoothly into the municipal treasury (as seen in table 1.1).

Despite the inflow of mostly European credit, the municipality could not succeed in completing urban rail projects. In 2010, the Ministry of Transport, Maritime and Communications (with its new name and reorganization) came to the rescue to reignite the municipality's halted projects. Thus would the AKP's "urban rail breakthrough" take off.

5.5.1 *Enter the Ministry of Transport*

Even though the Ministry of Transport (to be renamed as the Ministry of Transport, Maritime and Communications in 2011)[146] appeared as an overriding mechanism within the realm of urban transit in 2010, this tendency was visible as early as 2006 during a parliamentary debate upon the authorities of the Ministry and mega-projects.[147] The AKP proposal in question[148] aimed to endow the Ministry with the authorities of other ministries (especially by overriding the Ministry of Public Works and Settlement) and municipalities with regard to sub-sea highway projects (such as the project to be known as the Eurasia Tunnel) and urban transport feasibility studies.[149] The B-O-T model as a possibility was legalized through this law. These changes were for the sake of solving the existence of conflicting

Développment, accessed December 19, 2021, https://www.afd.fr/fr/carte-des-projets/soutien-la-politique-de-transport-de-la-municipalite-distanbul .

146 "Ulaştırma, Denizcilik ve Haberleşme Bakanlığının Teşkilat ve Görevleri Hakkında Kanun Hükmünde Kararname," *Resmi Gazete*, no. 28102, November 1, 2011.

147 *Türkiye Büyük Millet Meclisi Tutanak Dergisi,* 95th session, April 27, 2006.

148 "İstanbul Milletvekili Zeynep Karahan Uslu'nun; Ulaştırma Bakanlığının Teşkilât ve Görevleri Hakkında Kanunda Değişiklik Yapılmasına Dair Kanun Teklifi ile Bayındırlık, İmar, Ulaştırma ve Turizm Komisyonu Raporu (2/733)," *Türkiye Büyük Millet Meclisi*, accessed December 19, 2021, https://www5.tbmm.gov.tr/sira-sayi/donem22/yil01/ss1135m.htm .

149 *Türkiye Büyük Millet Meclisi Tutanak Dergisi,* 95th Session, 386.

authorities, it was suggested by the AKP representatives.[150] Another legislative proposal upon the extra-financing of transport infrastructure[151] aimed to exempt the Ministry from any budgetary limitations. The proposal, dated 2008, was to be rejected. To the opposition, such attempts were for the sake of overriding urban plans and municipal mechanisms.[152] After all, Istanbul did not have a mayor, a CHP MP claimed. Different ministries and the Prime Minister Erdoğan were administering the city, it was alleged.

Before the legislative change in question, the terms of the operation, construction and regulation of urban rail transit were not addressed in Turkish law. Starting from 2010, the legal basis for the construction or operation of urban transit infrastructure was increasingly formed through by-laws (*yönetmelik*), orders (*karar*) and particularly, decree law (*kanun hükmünde kararname*). This rendered the field open to political interventions while providing more control of the Ministry over urban decisions.

The position of the municipality was to be further displaced with the authorization of the Ministry of Transport with certain urban rail transit projects in 2010.[153] This authorization would continue in a series of eighteen decrees (between 2010-2020), issued by the Council of Ministers and, then, the President. Through this series of decrees, the Ministry gained an extraordinary authority to be used at its discretion. The enhanced Ministry was, now, granted the right to take over previously agreed urban transit contracts owned by the municipalities and shoulder new projects through the Directorate General of Infrastructure Investments (Altyapı Yatırımları Genel Müdürlüğü) established under its hierarchy.[154] The costs of these infrastructure projects and rail networks were estimated by this institution.

150 Ibid, 394.

151 "Ulaştırma Altyapı Yatırımlarına İlave Kaynak Temini Hakkında Kanun Teklifi," *Türkiye Büyük Millet Meclisi*, accessed December 19, 2021, https://www2.tbmm.gov.tr/d23/2/2-0140.pdf .

152 *Türkiye Büyük Millet Meclisi Tutanak Dergisi,* 95th Session, 403.

153 "Şehir İçi Raylı Ulaşım Sistemleri, Metrolar ve Bunlarla İlgili Tesislerin Ulaştırma Bakanlığınca Devralınması ve Tamamlanmasını Müteakip Devri ile İlgili Şartların Belirlenmesine İlişkin Karar," *Resmi Gazete*, no. 27781, December 10, 2010.

154 "Ulaştırma, Denizcilik ve Haberleşme Bakanlığının Teşkilat ve Görevleri Hakkında Kanun Hükmünde Kararname."

This directorate was endowed with the authority to audit (or oversee the procurement of an auditing mechanism) the provision of physical and technical infrastructure and other tasks designated by the Ministry.

The entrance of the Ministry into the realm of municipal urban transit was thought by the opposition as an attempt to save the bankrupt Ankara municipality[155] by reviving its belated and publicly controversial projects. While criticizing the government's discretionary B-O-T practices, a MHP MP would suggest that through these practices and the costly metro policies were transferring the risk and financial loss to the citizen.[156] To the CHP, it served the AKP's partisan politics as the halted opposition-owned projects could be overtaken by the Ministry.[157]

Even though, these legislative changes, indeed, were introduced to save Ankara, the weight of urban rail projects in Istanbul and other cities was to increase throughout the years. Ten metro lines and extensions in Istanbul would be transfered to the Ministry through these decrees while projects from Izmir, Antalya, Konya, Kocaeli or Bursa, too, would be overtaken by the Ministry. Besides the projects specified by the Council of Ministers, the municipalities, along with Special Provincial Administrations (İl Özel İdaresi) and public institutions, might demand a take-over of transit projects from the Ministry and, in case no consent was achieved between the parties (i.e. with the contractors), the termination or liquidation of these projects.

The Ministry (renamed as the Ministry of Transport and Infrastructure in 2018) was not merely endowed with the authority to construct these projects, but also authorized to realize (or make it possible to realize) the technical details of the projects, including supervision, counseling and electromechanical work. It was, furthermore, exempt from stamp duty and tax. The decree also granted the Ministry with the authority to utilize the municipalities' infrastructural services and personnel.

Through this series of decrees, the implementation of urban rail transit projects was tied to the bureaucratic approval of the Council of Ministers and, then, the President, the Ministry of Transport and Infrastructure's

155 "Gökçek: Metro İşi Boyumuzu Aşıyor," *Haber7*, April 30, 2011.

156 *Türkiye Büyük Millet Meclisi Tutanak Dergisi*, 80th session, March 20, 2012, 657.

157 *Türkiye Büyük Millet Meclisi Tutanak Dergisi,* 123th session, June 24, 2010, 291-292.

Directorate General of Infrastructure Investments and the Undersecretariat of Treasury. Meanwhile, a decree would lighten the financial responsibility of the municipality to transfer its tax revenue in 2019 (from 10% to 5%).[158] In the previous decrees, the municipality was to pay back 15% of the metro revenue to the Ministry of Treasury. Now, as the Ministry of Transport would claim (while responding to the claims that this decree would extort the municipalities' revenues and render them inoperative), the revenue from the operation of metro would stay in the treasuries of the municipalities. Through these changes, the municipalities would be able to carry out investments that they could not on their own in the first place, it was suggested.[159] Lastly, the practice of expropriation (*kamusallaştırma*) was legalized through decrees by the Council of Ministry, overriding any decision-making bodies.[160]

The urban transit realm, thus, suffered from a peculiarity from the start of the AKP's reign: the municipalities were to be financially rewarded to an extent yet politically inhibited when the implementation of urban transit projects was in question. The local empowerment rhetoric did not really translate into the urban transit realm. Other ministries and the Metropolitan Municipality were restrained as the Ministry of Transport was endowed with further authorities, given the ongoing financial challenges the municipalities were in.

However, the final transformation would arrive with the introduction of the Presidential System. With the Presidential System introduced in 2017, the authorities of the Ministry were to be transferred to the President. Two amendments in 2018 and 2019 would transfer the responsibilities of the Ministry and the Council of Ministers, which was eliminated through the Presidential System, to the omnipotent President.[161] The President, now, would determine which projects were to be transferred to the Ministry and the conditions of this transfer, having the final say in the execution of urban transit projects. In other words, the debate over the empowerment of the local

158 "Cumhurbaşkanı Kararı," *Resmi Gazete*, no. 30761, April 30, 2019.

159 "Şehir İçi Raylı Ulaşım Sistemleri, Metrolar ve Bunlarla İlgili Tesisler hk.,", *T.C. Ulaştırma ve Altyapı Bakanlığı*, accessed April 5, 2022, https://www.uab.gov.tr/basin-aciklamalari/sehir-ici-rayli-ulasim-sistemleri-metrolar-ve-bunlarla-ilgili-tesisler-hk .

160 "Bakanlar Kurulu Kararı," *Resmi Gazete*, no. 29453, August 22, 2015.

161 "Cumhurbaşkanı Kararı," *Resmi Gazete*, no. 30761, May 1, 2019.

administrations ended up in authority being usurped by the Ministry and, then, almost monopolized by a single person.

§ 5.6 Tracing Political Discrepancies

The previous chapter had suggested that the experience of early Turkish neoliberalism was inherently prone to political crises, as it presumed a congruency between different political entities or the overcoming of incongruities through executive centralization. The intent of the putschists of 1980 was to wipe out this bureaucratic and political incongruence. When political actors were not in tandem (as it was, usually, the case), crises were to manifest. Thus, only through acquiring these positions of power, a political entity could swiftly embark upon its own political project, along with the implementation of urban rail projects. The "neoliberal" power configuration did not allow otherwise.

After all, not only strategies but also the goals of actors are shaped by the institutional context and historical baggage, as historical institutionalism claims.[162] The historically defective institutional environment invited for more centralization and enabled the AKP to acquire such power, whether municipal or political power as such. The acquiring of such a monopoly of power, however, did not occur immediately, although it was hastened by the aftermath of the 2008-2009 crisis. Through unceasing municipal reforms, to be followed by the usurpation of municipal power by the center and the simultaneous gradual perforation of public procurement reform, the AKP transformed infrastructure into an even more politically and economically viable realm.

However, the notion of the party as a seemingly ultimate and omnipotent political power shadows its inner contradictions and limits. As suggested above, most of the municipal urban rail projects turned out, in the end, to be dependent upon state support (which, at times, entailed the overtaking of the projects). The political and administrative power of the municipalities turned out to be limited, along with their finances.

162 Thelen and Steinmo, "Historical Institutionalism in Comparative Politics," 8.

Furthermore, from the start, the AKP was envisioned as a congregation of different tendencies and backgrounds, as suggested above. Throughout the years full of political and economic upheavals, these differences played out themselves upon economy, politics and, hence, the realm of urban rail transit. The AKP's inner rift was manifest through the public procurement realm and urban infrastructure. Two different visions, that could be expressed within the simplistic dichotomies of "the legal and extra-legal" and "regulation and deregulation", was present[163], with regard to public procurement. These distinct tendencies were, at times, covert or overt. As early as in 2008, the transport question would manifest such a discrepancy. A skirmish between the Minister of Finance and of Transport would manifest the different attitudes towards the utilization of the budget. While the latter insisted upon creating extra-budgetary resources for its transport projects, the former insisted upon the pre-requisite of clear-cut funds for expenses.[164] The law, which allowed for extra-budgetary measures, was not to pass. Thus, the Ministry of Transport (which was envisioned as an alternative to the Procurement Authority in 2006 as suggested above and whose reins of which were apparently held by the future PM Binali Yıldırım) was neutralized, again.

Madra, in a similar vein, suggests that (by 2016) two distinct tendencies within the AKP, which were not mutually exclusive, were manifest.[165] One tendency pertained to the logic of financial discipline in line with the global capital and post-2001 crisis reforms (personified in Ali Babacan, "the main supporter of disciplinary neoliberalism in the cabinet"[166], the Deputy PM

163 The academic and political trend has, generally, tended towards treating the AKP as a homogenous, omnipotent political actor. Thus, given the lack of academic research upon the party-state's coalitional character, the existence of rifts is merely to be inferred from other data. The fact that certain discontented figures were to leave the party and form their own political groupings suggests that, indeed, a rift was present all along. What role the problem of regulation or mega-projects played remains, however, uncertain.

164 "Unakıtan 'Bütçeyi Deldirmem' Diyor, Yıldırım İlave Kaynakta Diretiyor," *Hürriyet*, March 25, 2008.

165 Yahya M. Madra, "AK Parti'nin İkilemli Ekonomi Politiği: Neoliberal mi, Neo-merkantilist mi?, "*Başlangıç Dergi*, May 13, 2016, accessed December 19, 2021, https://baslangicdergi.org/ak-partinin-ikilemli-ekonomi-politigi-neoliberal-mi-neo-merkantilist-mi/ .

166 Bekmen, "State and Capital in Turkey During the Neoliberal Era," 65.

Mehmet Şimşek[167] and the Central Bank) while the other pertained to a construction and infrastructure-oriented "neo-mercantilism", a "domestic and national" (*yerli ve milli*) economic vision. As the latter tendency gained hold through myriad political upheavals, a part of the former "regulatory" group would distance themselves from the AKP and establish the offshoot party named the Democracy and Progress Party (Demokrasi ve Atılım Partisi) in 2020.

Similarly, by 2016, the relation between Erdoğan and once-PM Ahmet Davutoğlu was suggested to be conflictual, with regard to the Treasury guarantee of mega-projects.[168] According to the political grapevine, Davutoğlu had advised the Council of Ministers to decrease the weight of these guarantees.[169] However, for the sake of swift completion of mega-projects, his suggestion would be ignored, it was alleged. Davutoğlu, too, would leave the party to form his Future Party (Gelecek Partisi) in 2020.

Furthermore, the decisions of the Constitutional Court (as exemplified above) or of the Council of State, which do not conform to the tendency towards full-fledged discretion, testify to the limits of monopolization of power. Furthermore, the resignation of Istanbul's long-lasting mayor Kadir Topbaş in 2017 (and the consequent cancelling[170] of five urban rail contracts on the pretext of delays[171]) could testify to the state/party's inner

167 "65. Hükümet'te Mehmet Şimşek'in Ekonomideki Yetkilerine Tırpan," *T24*, May 26, 2016.

168 "Krizin Bilinmeyen Yönü," *Hürriyet*, May 8, 2016.

169 Not everyone agrees with the presence of rifts within the AKP. For instance, Ali Rıza Gürgen suggests that the Treasury crisis did not really pertain to a clear-cut difference of opinion within the party. In other words, the "regulatory" clique within the AKP should not be overrated, he claims. See Ali Rıza Güngen, "Hazine Garantisi Sorunu Siyasi Krizin Arkasında Yatıyor Olabilir mi? Beş Soru, Beş Cevap," *Kriz Notları,* May 12, 2016, accessed December 19, 2021, https://kriznotlari.blogspot.com/2016/05/hazine-garantisi-sorunu-siyasi-krizin.html .

170 "İBB, Bütün Metro İhalelerini İptal Etti," *CNN Türk*, January 2, 2018.

171 Four of these contracts were to be re-activated with different preconditions to the disdain of observers and opposition MPs, as extra costs were claimed to be added to existing costs and debts. See "Dev Metro İhalesi İptal Edildi," *Sözcü*, January 2, 2018; "'Her Yerde Her Yere': İstanbul'da Altı Metro Hattının İhalesi İptal," *Diken*, January 2, 2018 and "Metro İhaleleri için Verilen İptal Kararı Geri Alındı," *Sözcü*, February 20, 2018.

fragmentation and the intervention of the political within the realm of infrastructure.

The transfer of the Metropolitan Municipality to the opposition would further the politicization of urban infrastructure. The opposition mayor İmamoğlu, proclaiming that "metro is our first priority and advancing Istanbul's metro is a national problem"[172], would declare that he could not obtain credit from local banks or get the Treasury's approval. To which Erdoğan would reply: "it is your job [to find the credit]."[173] While the government accused the opposition mayor of halting certain metro projects, the municipality was to complain of getting not enough support from the state and of other financial problems.[174]

§ 5.7 The Limits of Reforms and a Novel Legality

The waves of liberalization and reforms, in the context of developing countries, are "seen as causing a shift from cronyism, patronage, and rent seeking to transparency, accountability, and well-defined property rights" by international financial institutions.[175] Mainstream political know-how expects these reforms to disrupt and displace networks of nepotism.

This shift, in the case of post-2001 Turkey, was not as clear-cut as suggested. Old business practices (and networks, to be seen in the next chapter) were not wiped out. Rather, the legal environment which regulatory reforms tried to initiate after 2001 was gradually adapted to the AKP's restructuring of the state-business relations. The AKP's restructuring of the business and municipal environment was through legislation, even though these legislative changes, paradoxically, introduced more discretionary measures.

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172 "2 Yıl Önce Durdurulmuştu: İstanbul'da Metro Hattı İnşaatı Yeniden Başladı," *Sözcü*, November 26, 2019.

173 "CHP'li Olunca: Nereden Bulursan Bul... AKP'li Olunca: Onaylandı!," *Sözcü*, February 25, 2020.

174 "İBB'den, 'Kredi Talebi Yok' diyen Hazine'ye: Projelerimiz Programdan Çıkarıldı," *Diken*, January 15, 2020.

175 Heydemann, "Introduction," 7.

Throughout these two decades, one does not witness a full infringement of legal reforms (with regard to the realm of procurement and municipalities) even though the tendency towards deregulation within the AKP seem to have overridden the tendency towards regulation and financial discipline. Rather than the disappearance of law, one witnesses the proliferation of legislative changes, which serve discretionary practices: discretion through legislation, so to speak.

According to Gümüşçü and Esen, the AKP's legal instruments were, indeed, formal as they entailed the application of law. However, they were informal in the sense that enforcement was selective.[176] Similarly, Buğra and Savaşkan suggest that the particularistic relations between the state and business groups were formed not by the infringement of law per se but through legislative modifications and the circumvention of law.[177] These characteristics distinguished the new practices from corruption as such as they pertained to the existence of a systematic capital accumulation directed by the state. However, as the 17-25 December era showed, this accumulation, at times, suffered from corruption per se.[178] In other words, even the discretionary legal environment was not, at times, enough for unfettered capital accumulation.

In a similar vein, Çeviker Gürakar suggests that the legislative changes into the Public Procurement Law introduced a more pervasive favoritism.[179] During the pre-AKP period, suspicious practices were mainly individual or among individuals. These practices were manifested in the sporadic abuses of the loopholes in the State Procurement Law. However, the new Procurement Law had organized state discretion to an unprecedented, systematic extent. Thus, both a continuity and a rupture with regard to the exercise of patronage was identified by observers with regard to the AKP era.

176 Esen and Gümüşçü, "Building a Competitive Authoritarian Regime," 3.

177 Buğra and Savaşkan, 76.

178 Ayşe Buğra and Osman Savaşkan, *Türkiye'de Yeni Kapitalizm: Siyaset, Din ve İş Dünyası* (İletişim Yayınları: İstanbul, 2014), 262.

179 Çeviker Gürakar, 109.

§ 5.8 Conclusion

This narration of legal transformation during the AKP's two decades portrays that the outcomes of post-crisis reforms were not unequivocal. The outcomes of this "neoliberal" project were not simply defined by a war waged among or by capital. Rather, the novel public procurement realm, an institutional outpost of these reforms, was marked by unceasing interventions by international organizations and political maneuverings of the AKP (which were, in fact, lubricated by the aftermath of the 2008-2009 crisis), along the party's inner fragmentation. The AKP had to act within the constraints formed by these relationships and dynamics. Meanwhile, nowhere a retreat of the state could be seen.

Similarly, municipal reforms, despite the rhetoric of local empowerment, were simultaneous with the empowerment of the center, of the center's increasing hold over urban projects. In other words, with regard to municipal reform, the AKP's early phase (2002-2007) did not really differ from its latter phases. The municipality's empowerment was, merely, thought within financial terms. Given the municipalities' failure to finish urban transit projects, this empowerment turned out to be faulty as well. Consequently, the realm of urban transit was, always, subject to top-down interventions, as the field of public procurement was. The center and political actors of higher echelon were to have the final say.

Thus, rather than outright economic pressures of capital groups (as a global city scholar would suggest), political interests of the ruling governments, which were navigating within this internationally sanctioned neoliberal framework, have influenced the outcomes of the legal-institutional reforms and trajectory of urban infrastructure. One of the results of these political interventions was the emergence of a fragmented business environment, as the next chapter portrays.

6

Departures and Destinations: In Search of the New Business Environment

As recurrently suggested above, business reforms, in the parlance of international financial institutions, are excepted to displace the old business networks, which are marked by cronyism and patronage. These reforms are expected to create a group of "winners" and "losers"[1], through de-politicizing the access to resources, it is suggested. The previous chapter dealt with the introduction of such a reform attempt and its subsequent neutralization. The result was more discretion and centralization of political power. This chapter aims to provide a map of the resultant business realm during the AKP era, comprising both large contractors and small-to-medium procurers of infrastructural work.

These politicized interventions within the realm of public procurement and municipal law have led to the emergence of a new and fragmented business environment. This environment was new in the sense that a particular business clique, marked by its traceable support to the government and visibly tied to the government by relational and/or ideological ties, was on the rise. Depictions of nepotism during the AKP era have mostly focused upon the palpable rise of this group of "usual suspects" – and rightly so. However, the contemporary urban rail transit market manifests a certain diversity. This market turns out to be shared by a different mix of contractors,

1 Heydemann, "Introduction," 7.

from those with visible political affiliations to subtler and, even, opposition-affiliated ones.

Thus, reforms failed to wipe not only the old practices of discretion but also most of the beneficiaries of the old business realm. The "old" co-exists with the "new". Throughout this chapter, this peculiarity is attributed to the technology-intensive character of urban rail contracting and the immensity of the urban rail market. The fragmented character of the Turkish contracting environment, hence, suggests that relationships among the business groups in question and municipality/government/state are more multi-faceted than the simple dichotomy of pro-government/opposition. Furthermore, not all nepotic relationships are on the same level. Some seem to be built upon transient political connections (and upon the adaptive strategies of the firms), rather than resulting from an ideological solid ground.

This chapter, first of all, identifies four different sets of large contractors involved within the urban rail market (which were sporadically introduced in the previous chapters) and traces their trajectory during the AKP era through Istanbul's urban rail infrastructure. Besides the trajectory of large urban rail contractors, this chapter also tackles with the distribution of lesser municipal contracts, which were claimed to be utilized to serve a newly rising group of politically affiliated, small-to-medium enterprises (the SMEs). This chapter, through profiling the subcontractors and beneficiaries of the municipal tenders related to urban rail transit, also traces the transfer of lesser urban rent in question.

The resulting picture manifests the transfer of municipal rent to politically affiliated figures, albeit within certain limits. The involvement of politically affiliated actors within municipal projects turned out to be confined to areas/sectors which do not require much technology and experience. However, certain characteristics of urban rail infrastructure make it difficult for the politically affiliated small-to-medium enterprises to dominate the municipal market. In other words, similar to the case of large urban rail contracting, the experience-based and technology-intensive character of urban rail infrastructure construction and maintenance pose limits to the local practice of nepotism. Urban rail transit might not be the most feasible realm for the unbridled exercise of nepotism, after all.

§ 6.1 Definitions

6.1.1 *Grouping the Main Actors*

The chapter tackles with the large contractors, subcontractors and other smaller business groups/actors involved within urban rail projects. Popular and journalistic depictions of Turkish business environment have tended to label most of these actors within the overarching category of cronies. Given the visible weight of certain actors and the opacity of the procurement environment, which some of these actors have enormously benefited from, this is quite comprehensible. However, the historical trajectories of these business actors along with the depictions of their involvement within the Turkish contracting sector and urban rail work, portray a certain diversity and resilience. In other words, there are different degrees of nepotism, and business actors, rather than being static and passive, have responded to these changing circumstances.[2]

These main contractors could be grouped under four different categories. This differentiation builds upon when and how these firms acquired national and international experience, origins (not merely the role of hometowns in their rise but also how they started business), memberships in business organizations, political relations (visible or alleged) and the presence/lack of vocalized support towards the party-government. These different groups' involvement in Istanbul's urban rail projects could be seen in table 6.1.[3]

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2 Seung H. Han et al., "Strategies for Contractors to Sustain Growth in the Global Construction Market," *Habitat International* 31, no. 1 (2010): 6.

3 For the sake of simplicity, contractors involved in more than two projects were investigated, leaving firms such as Yüksel, Yenigün, Limak, Cengiz and Özaltın out of the analysis.

Table 6.1 Urban rail contractors[4]

Contracted Route	Date	Auction Method	Contractors
Aksaray - Yenibosna	1986	Negotiated	ASEA - Yapı Merkezi
Taksim - Şişli	1992	Negotiated	Garanti Koza - Enka - Doğuş
Şişli - Dört Levent	1992	Negotiated	Tekfen- Nurol - GAMA- Kiska
Taksim - Yenikapı	1998	Negotiated	Yüksel - Güriş - Reha - Başyazıcıoğlu
Yenibosna - Airport	1999	Negotiated	Gülermak - Yertaş
Otogar - Bağcılar	2004	Open	Gülermak - Doğuş
Kadıköy - Kartal	2005	[no data]	Yapı Merkezi - Doğuş - Yüksel - Yenigün - Belen
Bağcılar - Olimpiyatköy	2006	[no tender]	Gülermak - Doğuş
Kadıköy - Kartal (İkmal, EM)	2007	Open	Astaldi - Makyol - Gülermak
4. Levent - Hacıosman	2008	Open	Alarko - Makyol
4. Levent - Ayazağa	2008	[no data]	Garanti Koza - Alsim Alarko
Levent - Hisarüstü	2012	[no tender]	Alarko - Makyol
Üsküdar - Ümraniye - Çekmeköy	2012	Open	Doğuş
Kartal - Kaynarca	2013	Open	Şenbay - Öztaş - Albayrak
Mecidiyeköy - Mahmutbey	2013	Open	Gülermak - Kolin - Kalyon
Bakırköy - Bahçelievler - Kirazlı	2015	Open	Ağa Enerji
Kaynarca - Sabiha Gökçen Airport	2015	Open	Gülermak - YSE
Kabataş - Mecidiyeköy - Mahmutbey	2015	Open	Alsim Alarko
Dudullu - Bostancı	2016	Open	Kalyon - Kolin - Şenbay
İkitelli - Ataköy	2016	Open	Ağa Enerji
Eminönü - Alibeyköy (Tram)	2016	Restricted	Doğuş İnşaat
Gayrettepe - 3. Airport	2016	Negotiated	Şenbay - Kolin
Ümraniye - Ataşehir - Göztepe	2017	Restricted	Gülermak - Nurol
Kaynarca - Pendik - Tuzla	2017	Restricted	Alsim Alarko - Cengiz
Mahmutbey - Bahçeşehir - Esenyurt	2017	Restricted	Makyol - IC İçtaş - Astur
Kirazlı - Halkalı	2017	Restricted	Makyol - Astur - IC İçtaş - Kalyon
Başakşehir - Kayaşehir	2017	Restricted	Özgün - Söğüt - Şenbay
Çekmeköy - Sultanbeyli / Sarıgazi - Yenidoğan	2017	Restricted	Doğuş - Özaltın - Yapı Merkezi
Rumelihisarüstü - Aşiyan	2017	Open	Metrostav
Yenihavalimanı - Halkalı	2018	Negotiated	Kolin - Özgün

SOURCE: *Resmi Gazete* (for 1986-2008) and the Electronic Public Procurement Platform / EKAP (for 2012-2018).

The first category pertains to the pioneers of the Turkish contracting sector (STFA, ENKA, Tekfen and GAMA), which were introduced in the first two chapters. During the AKP era, the weight of this first set of groups within urban rail projects would plummet to a significant extent while the contractors in question were to be mostly involved with international contracts.

4 The colors red and blue mark the first and second group of established contractors while dark red and purple, respectively, represent the quasi-affiliated and politically affiliated contractors.

Meanwhile, the second set of contractors (Doğuş, Alarko[5], Yapı Merkezi, Gülermak and Nurol), whose rise was paved by the rise and experience of the first group, were to be involved within rail projects to differing extents. The history of some of these firms were narrated in the first two chapters as well. Some of these firms, despite the apparent lack of an ideological commitment to the government, would form dubious political relationships, which would raise quite a lot of eyebrows. Others, maintaining a silent distance from the party-government, have continued to undertake major projects to a lesser extent as their portfolio was to be mostly composed of international contracts.

The third set of contractors (Makyol and IC İçtaş) would stand close to the second set in terms of business experience and to the last category in terms of their origins and relations with the party-government. These contractors were founded way before the rise of the AKP. After presumably aligning with the party-government, these two firms would increase their annual revenue throughout these two decades, mostly through national contracts. No visible organizational connection to the conservative business network could be discerned. While, in terms of vocal support, the firms would be reserved, the allegations of the contractors' material support towards the government would run rampart. Thus, they are deemed quasi-affiliates of the party-government. Meanwhile, the last set differs from the first three groups, both in terms of their origins, ideological and organizational commitment: the politically affiliated firms.

6.1.2 *Identifying Political Affiliation*

A question rightfully arises herein: how could one identify political affiliation, if not upon mere political intuition or hearsay? Çeviker Gürakar's *Politics of Favoritism in Public Procurement in Turkey: Reconfigurations of Dependency Networks in the AKP Era* is, to this date, the most extensive attempt at tracing Turkish business networks through public procurement. Its identification of political affiliation proves quite useful for the purposes of

5 In terms of the date of establishment, Doğuş and Alarko are closer to the first set. However, given the fact that their business origins did not lie in contracting and that their rise in the contracting sector succeeded the rise of the former group, they are to be treated as part of a different category.

this chapter. Çeviker Gürakar deems a firm "connected to AKP" "if one or more of its shareholders is/are: (1) a Member of the Parliament from the ruling AKP; (2) an AKP official at the local level such as a provincial head or a member of the provincial party organization; and (3) first degree relative of the ruling party officials indicated in (1) and (2)." Furthermore, a firm is politically affiliated if there is an "ideological kinship", visible through board membership "of politically connected media channels, Islamic Charities, and Foundations."[6]

While Çeviker Gürakar's definition is quite useful to identify cronyism per se, it leaves out the various shades of cronyism, which are not necessarily discernible through such political connections. Indeed, not all of the contractors of the fourth set would fit into this strict definition as direct personal ties were not always easily discernible. For instance, business actors such as Kolin and Limak, among the usual suspects, would be deemed less affiliated compared to more visible and vocal examples such as Kalyon, Bayburt Group and Cengiz. Thus, in addition to Çeviker Gürakar's utilization, the contractors' membership in the pro-government MÜSİAD, along with traceable declarations of personal connections to political figures (the President, PMs, ministers or mayors), are identified to distinguish this set from the first three groups.

The research of this chapter, inspired by Çeviker Gürakar's analysis, is in the form of business intelligence research (which the writer of this dissertation has undertaken as a professional vocation). In a similar manner, the sources of the chapter include (but are not limited to) tenders and contracts, market research databases, company reports and histories, biographies, media coverage, legal documents, business magazines and interviews. Furthermore, to visualize the trajectory of these four sets of firms within the international contracting realm, the annual rankings of one of the prominent engineering-contracting journals are to be utilized. The Engineering News Record's (ENR) annual rankings[7] are regarded as the most popular assessment of a firm's success – almost every Turkish or international firm

6 Çeviker Gürakar, 78.

7 "Engineering News-Record Top Lists," *Engineering News Record*, accessed April 2, 2022, https://www.enr.com/toplists .

includes its rank within its portfolio. Even though the data upon annual revenues and contracts of firms are self-reported, it is suggested that "the overall quality of the ENR data is reliable" without systematic errors or self-inflations.[8]

The rising weight of pro-government firms, daily visible through the destruction and re-construction of Turkish cities, is quite traceable through the Turkish contractor's weight (in terms of revenue) in the ENR lists. By 2020, the total weight of Turkish contractor firms in the global market was %4.6 according to the ENR.[9] The ENR provides two different sets of data, which enable one to identify the sources of a firm's success: projects outside the firm's home country and projects regardless of where they are located (including both international and national projects). Furthermore, the ENR list's categorization of different projects such as transportation, power and waste was taken into account throughout the chapter to trace the contractors' sectoral diversification.

6.1.3 *Profiling the Lesser Actors*

This chapter not only deals with the trajectory of the main contractors but also lesser actors involved in the construction, operation and maintenance of urban rail projects. These actors include subcontractors, firms providing tunneling technology, rolling stocks, software, consultancy, catering, security and clothing (and so forth).

To identify and trace these small-to-medium actors' political and organizational affiliation (if any), these actors were profiled in the light of Çeviker Gürakar's definition above and her investigation of 49355 high-value procurements between 2004-2011 with Bircan.[10] First of all, all municipal contracts related to Istanbul's urban rail projects between 2010 and 2020 (377 in total) were compiled through the Electronic Public Procurement Platform (Elektronik Kamu Alımları Platformu) website. Then, the shareholders of the

8 Weisheng Lu, "Reliability of Engineering News-Record International Construction Data," *Construction Management and Economics* 32, no. 10 (2014): 981.

9 "Turkish Firms Climb Up in Global Top Contractors List," *Hürriyet Daily News*, August 26, 2020.

10 Çeviker Gürakar, 67-68.

legal entities or persons (210 different entities/persons in total), which were awarded the contracts, were identified through the Trade Registry Gazette (Ticaret Sicili Gazetesi) and, if the firm was Istanbul-based, through Istanbul Chamber of Commerce (İstanbul Ticaret Odası), along with their date of establishment. The names of the organizations and shareholders[11] were subject to a thorough media research[12] in order to trace the political and business involvement of these firms and persons. Lastly, to trace the ties to business organizations, the membership lists of TÜSİAD,[13] MÜSİAD,[14] TÜMSİAD[15] and the defunct Tuskon[16] were searched.[17]

11 Given the quite high possibility of namesakes, the names of the shareholders were, at times, corroborated through LinkedIn or social media research. The names were also searched in the light of the exact, legal name of the organizations. If a found association was thought to be uncertain, it was not considered.

12 Emis, a market research database which compiles data and news about companies in emerging markets, was utilized for this purpose. Besides this market database, local newspapers turned out to be particularly helpful for tracing local connections. "Emis," *Emis*, accessed April 2, 2022, https://www.emis.com/ .

13 TÜSİAD, "2019 Çalışma Raporu," accessed December 20, 2021, https://tusiad.org/tr/faaliyet-raporlari/item/download/9344_7e6e13f90e3fbe246a8636a98c9d8cf9 .

14 "EMÜSİAD," *MÜSİAD*, accessed December 20, 2021, https://www.emusiad.com/ .

15 "Üye Arama", *Tümsiad*, accessed December 20, 2021, http://www.tumsiad.org.tr/uye_arama.php.

16 Tuskon was closed in 2016 after the July 15 coup attempt. Thus, the organization's online database Tuskontrade is defunct. Wayback Machine was utilized to access the last accessible database, which was by late 2013. "Tuskontrade," *Wayback Machine*, accessed December 20, 2021, http://web.archive.org/web/20131215042132/http://www.tuskontrade.com/?part=kategoriler .

17 The first two business associations were introduced throughout the previous chapters. While TÜSİAD is known to represent established business interests, MÜSİAD emerged with the claim to represent small-to-medium enterprises with conservative tendencies. The defunct Tuskon was known for its connections to the Gülenist sect while TÜMSİAD is suggested to be connected to another Islamic sect. See Buğra and Savaşkan, *New Capitalism in Turkey,* 109-149 and "Devletin Yeni 'Makbul' Cemaatinden '24 Haziran' Açıklaması," *Cumhuriyet*, May 17, 2018.

6.1.4 *Limitations*

Tracing the main contractors, subcontractors and other firms providing the subcontractors within an ongoing metro project was tricky as these connections were not visible through accessible contracts. They were not always disclosed, either.[18] As these subcontractors were transient, most of them did not possess websites. Thus, a snowball search was taken out – business references of related firms were compiled to follow the connections among these firms. [19] In total, besides the business actors visibly traceable through contracts, 105 firms, with different responsibilities in the metro construction, were identified. 27 of them were subcontractors involved within construction.

This method, is, indeed, far from perfect. This chapter does not claim to be providing an exhaustive depiction of the urban rail market. There are, quite possibly, more actors and more manifestations of nepotism to be encountered in situ. Furthermore, as suggested above, these inquiries do not always yield and manifest visible connections. Not all nepotic relations are formed through visible connections.

Still, the data identifies a significant set of business figures who are known to be affiliates of the party-government and municipalities along with seemingly politically neutral, established business actors (mostly operating in the field of software, technology and consultancy). Furthermore, the connections identified herein pertain to a quite large contractual value, if not to all of the municipal contracts during the era. The data manifests a certain diversity with regard to various actors' involvement in these high-value

18 Özcan and Gündüz claim that "many SMEs involved in [electricity privatization] tenders remain disguised." Furthermore, "the use of different company names and complex partnerships conceal the real ownership structures." Their survey has found "highly opaque relations among firms in dissimilar industries" (18). The urban transit realm affirms these findings. See Özcan and Gündüz, "Energy Privatisations, Business-Politics Connections and Governance under Political Islam."

19 For instance, a cement firm would include a subcontractor among its references on its website. This subcontractor's website would disclose the source of the tunneling machinery. The references of the tunneling firms would lead to other subcontractors (ad infinitum).

contracts, which tells one a lot about the nature and limits of the state-business relations during the era.

§ 6.2 The Urban Rail Contractors

6.2.1 *The Pioneers of Turkish Contracting*

The first set of firms (STFA, ENKA, Tekfen and GAMA) share certain developmental patterns and the date of establishment is, solely, one of them. Currently operating under Istanbul-based holdings (except for the Ankara-based GAMA), these firms comply with the textbook definition of a classical Turkish contractor. All of these firms were involved within the limited-yet-blossoming urban rail market before the rise of the AKP to power, as seen in table 6.1. Currently, all of these firms, besides STFA, are represented in TÜSİAD.

As claimed in Chapter 3 and 4, starting from the 1950s, involvement in the NATO contracts and subcontracting for foreign firms helped these firms to gain the necessary experience and expertise, which were to be utilized within major national contractors. By the late 1970s, this experience had already turned into international contracts for most of these firms, particularly in the Middle East.[20] These firms, like the second group of contractors, were considered as EPC (engineering, procurement, contracting) firms, in contrast to the latter two groups, which, rather than being engineers, merely employed them.[21]

These firms, during their rise, practiced business within an environment, its legal haziness notwithstanding, which was quite different from the AKP era. Indeed, this was an environment of uncertainty and conflicting political authorities, not to mention the successive government changes. As suggested above, the dubious ties between contractors, state institutions, successive governments and municipalities were publicly scrutinized phenomena during the 1980s and 1990s. Most of these firms had, to different extents,

20 Tunç Tayanç, *İnşaatçıların Coğrafyası: Türk İnşaat Sektörünün Yurtdışı Müteahhitlik Serüveni* (Türkiye Müteahhitler Birliği: İstanbul, 2011), 19-20.

21 Interview with a consultancy research director, January 15, 2022.

political connections. This was not surprising as certain political figures held the key to the acquiring of documents and signing contracts. Forming close political ties was, furthermore, deemed as a safety valve against the uncertainty of the Turkish market and state. After all, the "neoliberal" business environment was prone to the abuse of authority – hence, the unceasing (founded and unfounded) rumors about illicit deals.[22] However, as the previous chapter suggested, under the former public procurement regime, these ties were sporadic and possibly transient, compared to the systematic and consistent use of legal discretion witnessed during the last two decades.

These firms' involvement in urban rail transit was not to be confined to Istanbul. For instance, GAMA, which was also involved in the Marmaray project, constructed the first (controversial) Ankara metro. Tekfen was involved with the Bursa metro and a part of the fast rail between Ankara and Izmir. Similarly, STFA was involved with Izmir's light rail and a part of Marmaray.

These firms, besides the STFA who has been experiencing a gradual displacement, have maintained their lead in the ENR's Top 250 list for the last decade despite the entrance of politically affiliated challengers and the rise of Limak, which was already positioned within the list since 2003. Despite the maintenance of international success, these firms' weight within national projects were not stable, however (table 6.2). During the AKP's heyday between 2004-2012, the weight of these groups within national projects declined significantly. After 2013, these firms' national revenue, besides ENKA, gradually gained a momentum. This was, however, short-lived. For instance, while the STFA's 2013-2014 revenues were mostly of national projects, by 2018 the contractor's national revenues dwindled to only one percent.

22 Buğra, *State and Business in Modern Turkey*, 123-124.

Table 6.2 The Turkish contracting pioneers[23]

GAMA	Total revenue	National rev.	Weight of nat. rev
2018	729.9	149.7	20.51%
2017	838.1	140	16.70%
2016	803	465.1	57.92%
2015	806.5	411.5	51.02%
2014	714	196.1	27.46%
2013	471.9	247.7	52.49%
2012	760.9	143.3	18.83%
2011	955.3	42.7	4.47%
2010	1,335.60	129.80	9.72%
2009	1,326.30	43.20	3.26%
2008	1,413.90	111.10	7.86%
2007	1,191.00	85.40	7.17%
2006	802.2	77	9.60%
2005	535.6	41.1	7.67%
2004	538.9	103.5	19.21%
2003	403.2	102.8	25.50%
2002	299.9	120.1	40.05%
2001	N/A	N/A	N/A
2000	272.6	126.9	46.55%

ENKA	Total revenue	National rev.	Weight of nat. rev
2018	1,010.50	94.20	9.32%
2017	1,195.00	77.20	6.46%
2016	1,452.70	115.30	7.94%
2015	1,491.90	174.00	11.66%
2014	2,138.90	215.40	10.07%
2013	2,550.10	151.30	5.93%
2012	1,383.60	141.00	10.19%
2011	992.9	111.2	11.20%
2010	1,170.10	172.10	14.71%
2009	1,959.50	49.40	2.52%
2008	2,948.70	260.70	8.84%
2007	2,251.80	110.30	4.90%
2006	1,324.10	78.20	5.91%
2005	894.8	80.6	9.01%
2004	760.6	146.4	19.25%
2003	618.7	114.9	18.57%
2002	574.1	260	45.29%
2001	N/A	N/A	N/A
2000	N/A	N/A	N/A

Tekfen	Total revenue	National rev.	Weight of nat. rev
2018	1,858.00	499.00	26.86%
2017	1,331.00	555.00	41.70%
2016	935.00	312.00	33.37%
2015	833.00	220.00	26.41%
2014	1,346.00	365.00	27.12%
2013	1,253.00	347.00	27.69%
2012	1,402.00	243.00	17.33%
2011	1,129.00	81.00	7.17%
2010	754.00	94.00	12.47%
2009	867.00	108.00	12.46%
2008	1,018.00	125.00	12.28%
2007	792.00	69.00	8.71%
2006	751	130	17.31%
2005	453	159	35.10%
2004	593	344	58.01%
2003	321	154	47.98%
2002	294.5	152.7	51.85%
2001	N/A	N/A	N/A
2000	453.1	280.6	61.93%

STFA	Total revenue	National rev.	Weight of nat. rev
2018	258.20	2.60	1.01%
2017	308.80	4.30	1.39%
2016	359.80	26.10	7.25%
2015	542.40	155.50	28.67%
2014	542.70	291.40	53.69%
2013	379.70	207.20	54.57%
2012	196.90	57.90	29.41%
2011	246.20	21.40	8.69%
2010	630.40	26.10	4.14%
2009	803.20	31.40	3.91%
2008	525.90	28.50	5.42%
2007	220.1	21.8	9.90%
2006	N/A	N/A	N/A
2005	173.3	24.8	14.31%
2004	128.3	14.6	11.38%
2003	N/A	N/A	N/A
2002	N/A	N/A	N/A
2001	N/A	N/A	N/A
2000	N/A	N/A	N/A

SOURCE: "Engineering News-Record Top Lists," *Engineering News Record*, accessed April 2, 2022, https://www.enr.com/toplists .

By 2018, these firms' contracting projects were, to a large extent, international. Geographical diversification of projects went hand in hand with sectoral diversification, visible in the contractors' simultaneous and extensive involvement in power, industry, transportation or general building. The architects of the first urban infrastructure projects of Istanbul, to a large

23 The revenues listed in these tables are in $ milllion.

extent, did not seem to be benefiting from the increasing infrastructural opportunities during the era.

6.2.2 *The Second Generation*

The emergence of the second set of contractors, composed of Doğuş, Gülermak, Yapı Merkezi, Alarko and Nurol, shortly succeeded the rise of the classical Turkish contractors. Contrary to the first group, these stars of the first two decades of Turkish neoliberalism have not been bereft of the opportunities of urban rail and municipal contracts during the era. The entrance of these groups into the ENR's lists (besides Alarko, which, by 2000, was already present) coincided with the rise of the AKP. These contractors' organizational and administrative outset brings them closer to the first group of established contractors while some of these firms' (mostly) subtle political support for the ruling party-government has led to their conflation within the category of cronies.

The history of Istanbul-based Yapı Merkezi was narrated through the Dalan's controversial metro line in Chapter 3. The firm, whose chairman would serve as a CHP MP during 2002-2007, would be granted the large extension of a metro line in 2017. In terms of the weight of international projects and an assumed political distance[24] from the government, Yapı Merkezi probably stands closer to the first set.

Nurol, under an Ankara-based family holding, would be granted a large urban rail contract in 2017. Nurol's, a TÜSİAD member, political rapprochement with Özal, Demirel and Erbakan was narrated in Chapter 4. From the weight of national projects, it seems this pragmatism was successfully maintained during the late two decades, positioning the group

24 Yapı Merkezi deserves a special footnote because of its visible affiliation with the opposition. As suggested in Chapter 3, the firm was not as distant from the AKP as one would expect of an opposition-affiliated firm to be – after all, the involvement of the firm in international contracts was made possible through the intervention of AKP figures during the early AKP era. During the 2010s, the firm's visibility within the national market was not to completely disappear but to decrease, as suggested below. They were, after all, "too good to be ignored", according to an interviewee. Interview with a consultancy research director, January 15, 2022.

under an ambivalent category according to observers ("experienced but suggested to possess dubious political connections").[25]

The Ankara-based Gülermak was involved in five different urban rail projects in Istanbul during the AKP period, including the controversial M1B/M3 line (mentioned in Chapter 5). Besides light rail systems in Izmir, Kocaeli, Gaziantep and Eskişehir, the firm was also involved with carrying out Ministry of Transport contracts. According to the ENR list which Gülermak entered in 2013, by 2018, almost all of the contractor's projects were within the realm of transportation.

Established by the members of the Güleryüz family in 1958, the rise of the firm predated the AKP era. The firm started with the construction of sugar factories and, then, moved onto the construction of governmental buildings. NATO contracts, in the form of construction of buildings in the late 1960s, unsurprisingly, possessed a significant weight. The group was, then, to extend into steel and electric. During the RP's municipal reign, the firm undertook the renovation of the Golden Horn, one of Dalan's unrealized dreams.[26] Furthermore, the firm would build an extension of Dalan's light metro line and the Haliç metro bridge. After 2000, the firm would specialize in transit infrastructure projects.[27] The firm's involvement in the Poland market was to be lubricated by the activities of Foreign Economic Relations Board of Turkey (Dış Ekonomik İlişkiler Kurulu / DEİK)[28] and the President.[29]

The origins of Alarko differed from the construction-origined Gülermak. Alarko, involved in four metro lines during the AKP era (along with its firm Alsim), was established in 1954, first specializing in heating, cooling and air-conditioning systems. By the late 1960s, the firm was involved in large industry projects. By the early 1990s, the contractor firm was active in Iran,

25 Ibid.

26 "İstanbul'a Yılbaşı Hediyesi Yeni Haliç," *Hürriyet*, October 23, 1997.

27 "Hakkımızda," *Gülermak*, accessed December 20, 2021, http://www.gulermak.com.tr/taahhut/TR/hakkimizda-89 .

28 The DEİK (Dış Ekonomik İlişkiler Kurulu) was founded under Özal's authority for the development of foreign economic relations. The organization was tied to the Ministry of Economy in 2014. "Bir Gecede Ekonomi Bakanlığı'na Bağlandılar," *Hürriyet*, September 11, 2014.

29 "'Polonya, Türk Müteahhit Firmaları için Fırsat Sunuyor'," *Anadolu Ajansı*, March 7, 2019.

to be followed by the crumbling USRR countries, particularly Turkic republics.[30] The Ankara-Istanbul Fast Rail Line was a product of Alarko as well. The project was ridden with controversies from the start up until the end.[31] The bidding process and generated extra-costs[32] during the construction were one of the most publicized dubious practices of the AKP's first decade.

One of Alarko's two founders, İshak Alaton was a politically active president of the TÜSİAD during the 1990s, then becoming one of its most vocal critics of the organization during the AKP's second decade.[33] Alaton's praise for certain government policies and relations with other political figures were well-noted in his biography.[34]

The origins of the Doğuş Group did not lie in contracting, either. The group's origins lay in finance and, shortly, the activities expanded into construction, media and entertainment. Even though Doğuş İnşaat was formed in 1951, the firm rose through contracts rewarded by the Ministry throughout the 1970s and 1980s. In 1981, the firm started its international operations.[35]

Doğuş İnşaat was to be involved in the M2 project and, along with Gülermak, the controversial M1B/M3 metro. Even though the high-ranking members of the holding are members of the TÜSİAD and DEİK, this secular outlook did not absolve them of the suspicions of being a crony, the most conspicuous event being their reconfiguration of the media groups and their utilization of them for the purposes of the ruling party-government. The other visible manifestation of the Doğuş Group's close relations with the government was the controversial Ilusu Dam project, which was financed by the Doğuş-owned Garanti Bank despite the fact that foreign banks withdrew from financing the project due to environmental and cultural concerns.[36]

30 Tayanç, 117.

31 "Alarko'ya 'Hızlı Tren' Soruları," *Habertürk*, May 3, 2010.

32 "Varan 2: İhale Bedeli Nasıl Arttı?," *Vatan*, May 12, 2008.

33 "Darbeleri Destekliyorsunuz Sizden Utanıyorum," *Sabah*, January 24, 2014.

34 Mehmet Gündem, *Lüzumlu Adam: Mezarlıklar Vazgeçilmez İnsanlarla Doludur* (Alfa Yayınları: İstanbul, 2016).

35 Tayanç, 68.

36 Savaşkan, "State Rescaling," 218-219.

According to an observer (involved in construction administration), this internationally renowned group's close relations with politically affiliated groups was a way of securing deals.[37]

This pattern of alignment with the party-government was a pattern not discernible within the first set. More often than not, this did not entail a vocal support but it could manifest itself through gestures such as the reconfiguration of media outlets, financial support for the party-government's campaigns or praises for the party and leader. Accordingly, the weight of national projects within the aligned contractors' annual revenue was more visible (table 6.3).

Table 6.3 The second generation

Doğuş	Total revenue	National rev.	Weight of nat. rev
2018	634.3	167.7	26.44%
2017	780.5	234.1	29.99%
2016	732.0	219.6	30.00%
2015	642.2	192.7	30.01%
2014	547.1	268.1	49.00%
2013	373.2	190.4	51.02%
2012	474.4	237.9	50.15%
2011	730.0	193.8	26.55%
2010	462.9	229.2	49.51%
2009	468.9	233	49.69%
2008	480.7	301.9	62.80%
2007	261.6	141.6	54.13%
2006	192.6	86.7	45.02%
2005	202.1	102.5	50.72%
2004	144.9	67.9	46.86%
2003	63.6	30.7	48.27%
2002	106.6	84.5	79.27%

Yapı Merkezi	Total revenue	National rev.	Weight of nat. rev
2018	1,283.4	121.8	9.49%
2017	1,139.7	133.7	11.73%
2016	1,237.3	67.2	5.43%
2015	965.4	80.5	8.34%
2014	804.6	179.6	22.32%
2013	703.8	141.6	20.12%
2012	524.6	146.1	27.85%
2011	708.8	298.7	42.14%
2010	756.9	313.1	41.37%
2009	603.8	301.4	49.92%
2008	753.1	355.4	47.19%
2007	421.7	240.7	57.08%
2006	N/A	N/A	N/A
2005	N/A	N/A	N/A
2004	120.2	31.9	26.54%
2003	N/A	N/A	N/A
2002	N/A	N/A	N/A

Alarko	Total revenue	National rev.	Weight of nat. rev
2018	3,919.3	3178.4	81.10%
2017	2,916.3	2154	73.86%
2016	2,730.9	1659	60.75%
2015	879.3	830.5	94.45%
2014	1,318.4	1051.7	79.77%
2013	1517.8	1141	75.17%
2012	1,371.4	307.3	22.41%
2011	1,281.9	825.2	64.37%
2010	1286.9	1046.5	81.32%
2009	772.5	621.6	80.47%
2008	674.3	536.1	79.50%
2007	568.1	454.8	80.06%
2006	333.2	261.3	78.42%
2005	297.8	150.6	50.57%
2004	243.2	41.7	17.15%
2003	86.7	32.9	37.95%

Nurol	Total revenue	National rev.	Weight of nat. rev
2018	1,237.0	726.9	58.76%
2017	1,057.5	710.1	67.15%
2016	1,128.4	735.5	65.18%
2015	1,208.4	772.2	63.90%
2014	1,151.8	701.4	60.90%
2013	1091.1	750	68.74%
2012	667.3	444	66.54%
2011	649.0	296	45.61%
2010	892.2	303.2	33.98%
2009	820	210	25.61%
2008	774.0	180	23.26%
2007	610.0	315	51.64%
2006	651	431	66.21%
2005	1,411.5	1265	89.62%
2004	363.5	223.5	61.49%
2003	N/A	N/A	N/A

37 Interview with a consultancy research director.

Gülermak	Total revenue	National rev.	Weight of nat. rev
2018	719.7	202.1	28.08%
2017	683.4	393.3	57.55%
2016	N/A	N/A	N/A
2015	N/A	N/A	N/A
2014	394.5	186.1	47.17%
2013	349.1	224.2	64.22%
2012	N/A	N/A	N/A
2011	N/A	N/A	N/A
2010	N/A	N/A	N/A
2009	N/A	N/A	N/A
2008	N/A	N/A	N/A
2007	N/A	N/A	N/A
2006	N/A	N/A	N/A
2005	N/A	N/A	N/A
2004	N/A	N/A	N/A
2003	N/A	N/A	N/A
2002	N/A	N/A	N/A

SOURCE: "Engineering News-Record Top Lists."

%81 of Alarko's annual revenue in 2018, which was 400-fold the revenue of 2003, was composed of national projects. Nurol's revenue, which did not possess such a dramatic increase, was mostly of national projects in 2018. Doğuş anchored a significant share in national contracts from the start, from 75% in 2002 to 25% by 2018 while their annual revenue in 2018 was six fold the 2002 data. Meanwhile, Yapı Merkezi's presence was not quite visible within the national market. However, its dramatically increasing revenue was now tenfold, thanks to new international contracts. It did not quite reap the benefits of political alignment, which rendered it close to the first set.

6.2.3 *The Quasi-affiliates*

Popular evaluations of nepotism during the AKP era have conflated all of the contractors which have benefited from the infrastructural gold rush under the label of crony. These evaluations, however, overlook the different shades of cronyism. The trajectory of the politically affiliated groups not only differs from the trajectory of established firms but also differs within themselves. This nuancing is significant in the sense that it posits nepotism as a process, a becoming rather than a self-evident and fixed position (the implications of this peculiarity is investigated throughout the latter part of the chapter).

Thus, this chapter groups the politically connected firms under two different categories: the quasi-affiliates and the politically affiliated (table 6.4).

The first group of these firms (Makyol and IC İçtaş)[38] is, in terms of experience, closer to the established contractors than the politically affiliated late-bloomers. The rise of these groups predates the rise of the AKP. However, their political relations with the party-government have been quite suspect, though not always visible. Suspicions have revolved around the contractors' involvement in non-open tenders and their success during the era along with certain claims throughout the tumultuous 17-25 December trials[39], which put these groups under assault with regard to financially dubious connections to the party-government. In terms of origins (while not in terms of educational background), these firms are closer to the visibly politically affiliated groups as well.

38 Limak, which was involved with a single urban rail project and, hence, not narrated herein, could be grouped under this category as well. The contractor was positioned in the ENR list since 2003 and was already an established firm before the onset of the AKP. By 2018, the contractor had multiplied its annual revenue by twenty-fold the 2003 value (from $153,5 to $3,261 million). Pipelines and industrial construction turned out to be Limak's specialties during the era. The contractor was both a member of TÜSİAD and MÜSİAD and was known for its support for the party-government. The chairman was, too, under assault during the 17-25 December trials. For the firm's history and activities see Limak, *Faaliyet Raporu 2016*, accessed December 20, 2021, http://www.limak.com.tr/docs/LimakFaaliyetRaporu2016.pdf .

39 The 17-25 December trials in late 2013, as part of a long-going administrative-legal conflict among different cliques within the state (which would culminate in a coup attempt in 2016), manifested the relationships among political figures and certain business groups. The nature of the used evidence, which took the form of leaked tape recordings, is irrelevant while the indictment of these two groups by the anti-AKP clique within the state gives one hints about the political clusters within the business environment. The trials were countered by extensive purges in the judiciary and the dossiers involving the businessmen in question were closed in 2014. See Ahmet Erdi Öztürk, *Religion, Identity and Power: Turkey and the Balkans in the Twenty-First Century* (Edinburgh University Press: Edinburgh, 2021), 120.

Table 6.4 The Quasi-affiliates

Makyol	Total revenue	National rev.	Weight of nat. rev
2018	1,135.0	1038	91.45%
2017	879.7	728.5	82.81%
2016	1,003.0	885	88.24%
2015	979.8	919.5	93.85%
2014	829.1	787	94.92%
2013	N/A	N/A	N/A
2012	645.1	449.9	69.74%
2011	615.7	422.7	68.65%
2010	686.5	530.2	77.23%
2009	745	588.9	79.05%
2008	597.1	394.6	66.09%
2007	459.8	249.5	54.26%
2006	285.3	135.3	47.42%
2005	134.4	75	55.80%

IC İçtaş	Total revenue	National rev.	Weight of nat. rev
2018	982.9	543.6	55.31%
2017	1,017.90	700.1	68.78%
2016	917.5	631.8	68.86%
2015	1,227.70	917.7	74.75%
2014	1,353.20	789.5	58.34%
2013	1338.7	474.2	35.42%
2012	927.1	420.4	45.35%
2011	814.8	493.9	60.62%
2010	493.1	310.6	62.99%
2009	401.6	256.8	63.94%
2008	N/A	N/A	N/A
2007	N/A	N/A	N/A
2006	N/A	N/A	N/A
2005	N/A	N/A	N/A

SOURCE: "Engineering News-Record Top Lists."

The Istanbul-origined Makyol was formed in 1965 by members of a large bloodline in Trabzon, whose extent includes parliamentary and local politicians from both the AKP and the CHP.[40] The firm, currently chairmanned by a British-educated, second generation family member,[41] grew through public contracts, mainly the construction of highways, dams and governmental buildings during the 1980s and 1990s. The contractor's first international project is dated back to 2000.[42] Throughout the following two decades, the contractor would successfully dominate the North African market while being granted major national contracts, such as the construction of highways, viaducts and airport buildings.[43] The contractor was also involved within the Black Sea Coastal Highway project, along with almost all of the notable Turkish contractors.

The contractor was also involved with the Istanbul municipality's gargantuan waste disposal project.[44] The firm was claimed to be the fourth expense item of the AKP municipality,[45] the three urban rail contracts occupying a significant share of this workload. In terms of contract value, the

40 "31 Mart 2019 Yerel Seçim Kazananları," *Çebi Vakfi*, accessed December 20, 2021, https://www.cebivakfi.com/haberler/7108/31-mart-2019-yerel-secimi-kazananlari .

41 Tayanç, 336.

42 Ibid, 276.

43 "Tarihçe," *Makyol*, accessed December 20, 2021, http://makyol.com.tr/tr/kurumsal/tarihce .

44 "Topbaş'tan İBB Meclisi'ne Uyarı: Yarın Bu Meclis de Sorgulanır," *T24*, September 14, 2017.

45 "Ekrem İmamoğlu 1 Milyarın Peşinde," *Cumhuriyet,* July 30, 2019.

firm was positioned number one.[46] The contractor was the fourth sponsor of the General Directorate of Highways.[47] Makyol was, furthermore, involved in other urban rail projects such as in Antalya, along with hotels along the southern coast. By 2018, Makyol had already multiplied its total revenue by tenfold, compared to the 2006 level, when the firm entered the ENR list. 91% of the firm's revenue was reported to be national. Transportation comprised almost of the contractor's projects.

Makyol's political support was never too vocal, as a thorough media research does not produce results. The firm was, in fact, known to be a "quiet" firm with engineering and expertise.[48] The evidence of the contractor's cronyism mostly relied on the contractor's steep rise. It was claimed that the firm's connection was formed through the former Istanbul mayor Topbaş and, hence, Makyol's urban rail contracts were, allegedly, to be cancelled after the demise of Topbaş. The chairman of the firm was subject to allegations of sponsoring dinners with ministers.[49] During the infamous 17-25 December campaigns, the chairman of the holding was on the arrest list along with notable politically affiliated business figures. The chairman of the firm was "forced" to be involved within the purchase of Sabah-ATV, the allegations claimed.[50]

In terms of experience and subtlety of political connections, IC İçtaş could be likened to Makyol (and Limak) and post-Second World War contractors. The Ankara-based family holding IC İçtaş had its origins in Ağrı – a peripheral origin, likening the contractor to Makyol and the politically affiliated groups. In terms of education, however, the two firms differed. The chairman had finished engineering through a provincial university

46 A large municipal contract, signed between Makyol and the municipality, was to be canceled on the pretext of the lack of a feasible project, which could result in unnecessary costs. "İstanbul'un 1.8 Milyar TL'lik İhalesi İptal Edildi," *Sözcü*, April 20, 2018.

47 "İnşaat-Siyaset Kompleksi: Kim, Kimi Besliyor?," *Gazete Duvar*, May 19, 2020.

48 Interview with a consultancy research director.

49 "'Yolsuzluk Kul Hakkı Yemektir' diyen Başbakan Erdoğan'a Soruyorum," *Sözcü*, December 12, 2012.

50 "'Sabah ve Atv için İşadamlarından İhale Karşılığı Para Toplandı' İddiası," *T24*, February 1, 2014.

program.[51] During the AKP era, the company was involved with the construction of the Third Bridge, the Marmara Highway and a part of the Ankara-Istanbul High Rail. The contractor, granted two urban rail projects in Istanbul, was known for its close involvement with the Italian Astaldi/Astur, which was actively involved with urban transit projects within the city. [52] In terms of municipal contract value, the contractor occupied the third rank.[53]

The rise of IC İçtaş, too, predated the rise of the AKP. However, privatization during the AKP's first decade functioned as a gold rush for the contractor.[54] The contractor's annual revenue, starting from 2009, is mostly from national projects while a certain international presence, especially in the form of airport construction, is present. The contractor, which was represented in TÜSİAD through the founder's son, was also involved in the re-construction of the New York-based Türkevi, which was inaugurated by the President.[55] However, the members of the contractor's Board of Directors were not vocal with regard to their support for the party-government. The chairman was among those who had been under assault during the turbulent corruption trials. The chairman was, like Makyol's, claimed to be involved within the purchase of Sabah-ATV[56], along with the members of the last set of contractors.

6.2.4 *The Politically Affiliated*

The last set of contractors is identified by clearly discernible political connections to the members of the ruling party and organizational involvement in the conservative business network, which is crystalized through the MÜSİAD. Some of these firms are not, indeed, new with regard

51 Buğra and Savaşkan, 89.

52 "Astaldi, Yavuz Sultan Selim Köprüsü'ndeki Hisselerini Devrediyor," *Hürriyet*, December 23, 2019.

53 "İnşaat-Siyaset Kompleksi".

54 Buğra and Savaşkan, 92.

55 "IC İçtaş İnşaat'ın İnşa Ettiği "Türkevi" New York'un İkonik Binaları Arasında Yerini Aldı," *Ic İçtaş*, accessed December 21, 2021, http://www.ictas.com.tr/TR/Insaat/haberdetay/ic-ictas-insaat-in-insa-ettigi-turkevi-new-york-un-ikonik-binalari-arasinda-yerini-aldi-87 .

56 "Çeçen: Beni ATV Satışını Fonlamakla Suçlayanlar Matematik de Bilmiyor," *The Wall Street Journal*, December 27, 2013.

to their establishment date. Rather, what is new is the increasingly traceable reliance on political connections and visible manifestations of political support towards the party-government. Throughout the last two decades, these firms have dominated the realm of national contracting, being sponsored by the municipality and ministries – hence, their steep rise among prominent international contractors in the ENR lists.

Opposition media and MPs'[57] focus has, mainly, been on the steep rise of five contractors (Cengiz,[58] Limak, Kolin, Kalyon and Makyol) and the preferential treatment towards them.[59] The World Bank list for Top 10 private sponsors of infrastructure, which encompasses between 1990 and 2019, includes the first four, due to their involvement in the Third Airport.[60] Urban transit projects after 2016 have been dominated by the latter three, Bayburt Group-related firms and IC İçtaş. The Bayburt-related firms, Şenbay, Aga Enerji and Özgün, take the lead with seven urban rail projects in total while Kolin and Kalyon were contracted three projects each. Other groups, known with their close relations with the party-government, such as Albayrak, Söğüt,

57 "Bazı Firmaların 2002 Yılından Bu Yana Aldıkları Kamu İhalelerine ve Bu İhalelerin Bedellerine İlişkin," *T.B.M.M.*, September 7, 2020, no. 33704, accessed December 20, 2021, https://www2.tbmm.gov.tr/d27/7/7-33704s.pdf .

58 Cengiz, being involved with a single urban rail project, is not narrated herein. Having participated in the construction of the Black Sea Highway and other mega-projects, the firm was claimed to be related to the ANAP and its leader Mesut Yılmaz during the late 1990s. The firm multiplied its total revenue ($258 million in 2005) to sevenfold in 2018. See "Samsun Milletvekili Haluk Koç ve 55 Milletvekilinin, Karadeniz Sahil Yolu İşlerinin İhalesinde Müteahhit Firmaların Önceden Anlaştıklarının Bilinmesine Rağmen, Fiyatları Ayarlayarak ve Rekabete Meydan Vermeyerek Devleti Büyük Ölçüde Zarara Uğrattığı ve Bu Eyleminin Türk Ceza Kanununun 205 inci Maddesine Uyduğu İddiasıyla Bayındırlık ve İskân Eski Bakanı Yaşar Topçu Hakkında Anayasanın 100 üncü ve İçtüzüğün 107 nci Maddeleri Uyarınca Bir Meclis Soruşturması Açılmasına İlişkin Önergesi ve (9/9) Esas Numaralı Meclis Soruşturması Komisyonu Raporu," *T.B.M.M,* accessed December 20, 2021, https://www5.tbmm.gov.tr/sirasayi/donem22/yil01/ss672m.htm and "O Küfrün Her Harfi Bir İhale," *Cumhuriyet*, July 12, 2015.

59 Tax relief provided to these firms was one of the many controversies. See "Cengiz, Limak, Kalyon, Kolin ve Makyol Firmalarına 128 kez Vergi ve Harç İndirimi Yapıldı," *Cumhuriyet*, December 24, 2020.

60 "Türkiye'den 5 İnşaat Firması Dünyada En Fazla İhale Alan İlk 10 Firma Arasında," E*uronews*, December 8, 2020.

Cengiz and Öztaş, were awarded with one urban rail project each. This section traces Bayburt Group-related firms, Kolin and Kalyon (table 6.5).[61]

Table 6.5 The politically affiliated

Kolin	Total revenue	National rev.	Weight of nat. rev
2018	2,138.5	1771.7	82.85%
2017	1,597.4	1357.6	84.99%
2016	1,197.2	1076.9	89.95%
2015	818.0	749	91.56%
2014	706.6	603.1	85.35%
2013	873.0	673.3	77.12%
2012	738.9	607.3	82.19%
2011	N/A	N/A	N/A
2010	765.1	614	80.25%
2009	N/A	N/A	N/A
2008	N/A	N/A	N/A
2007	N/A	N/A	N/A
2006	398.7	243.9	61.17%
2005	N/A	N/A	N/A
2004	N/A	N/A	N/A
2003	N/A	N/A	N/A

Bayburt	Total revenue	National rev.	Weight of nat. rev
2018	N/A	N/A	N/A
2017	889.8	191	78.53%
2016	790.9	206.3	73.92%
2015	614.9	233.4	62.04%
2014	514.3	267.4	48.01%
2013	N/A	N/A	N/A
2012	N/A	N/A	N/A
2011	N/A	N/A	N/A
2010	N/A	N/A	N/A
2009	N/A	N/A	N/A
2008	N/A	N/A	N/A
2007	N/A	N/A	N/A
2006	N/A	N/A	N/A
2005	N/A	N/A	N/A
2004	N/A	N/A	N/A
2003	N/A	N/A	N/A

SOURCE: "Engineering News-Record Top Lists."

Şenbay, Aga Enerji and Özgün are off-shoots of the family-holding Bayburt Group,[62] established in 1974. The group formed its contractor firm in 1987, expanded its operations into oil in 1997, agriculture in 2002 and energy in 2006.[63] The group was represented in TÜSİAD through one of the members of the family/group. Bayburt entered the ENR list in 2015 while in 2018 almost 80% of its revenues were from national contracts. Almost of the contractor's projects were reported to be transportation-related.

Şenbay's, formed in 1992, first projects were the construction of highway and tunnels and was to be granted its first urban rail project in 2013.[64] Aga Enerji was involved within highway projects as well, along with a part of

61 Kalyon, despite its huge workload, was not listed in the ENR's annual lists. According to a Turkish database, however, the contractor occupies the first rank among the Top 300 Turkish contractors. "CSN 300 Yapım 2020," *CSN Türkiye*, accessed December 20, 2021, https://csnturkiye.com/top300-2020/ .

62 "Özgün Yapı Sanayi ve Ticaret A.Ş.," *Turkish Contractors Association*, accessed December 20, 2021, https://www.tmb.org.tr/en/m/6073ed3748f09d7885756cd4/ozgun-building-industry-and-trade-co-inc .

63 "Kurucularımız," *Bayburt Grup*, accessed December 20, 2021, https://bayburtgrup.com.tr/kurucularimiz.php?lang= .

64 "Projeler," *Şenbay*, accessed December 20, 2021, http://www.senbay.com.tr/project.php .

Ankara-Izmir High Rail Project.[65] Özgün, a member of MÜSİAD, started with the construction of roads, to expand into urban rail.[66] According to opposition MPs and media, the holding was closer to the former Minister of Transport and PM Binali Yıldırım.[67] Indeed, the chairman of the firm was witnessed with the Minister of Transport during election campaigns.[68] The group's involvement in the Ministry of Transport contracts was more suggestive. The group's three firms were, extensively, involved in General Directorate of the Infrastructural Investment's projects while being the first sponsor of the Turkish State Railways (Türkiye Cumhuriyeti Devlet Demiryolları) contracts.[69]

The three firms were constantly subject to allegations of unfair competition and inadequacy. By August 2019, one of the related firms, Şenbay, would opt out of its partnership in the new airport metro, relegating its responsibilities and shares to a newly found consortium of Cengiz-Kolin-Kalyon.[70] After a change of name and address, one of the other firms, Aga Enerji was alleged to have become huge through winning tenders.[71] A parliamentary motion in late 2017[72] inquired the reason why the Bayburt Group's different firms were involved in restricted and negotiated tenders, which should have been open tenders in the first place. Furthermore, the contractors did not meet the requirements and possess the necessary documents, it was claimed.[73]

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65 "Aga Enerji," *Aga Enerji*, accessed December 20, 2021, http://www.agaenerji.com/model-1 .

66 "Tüm Projeler," *Özgün İnşaat*, accessed December 20, 2021, https://www.ozguninsaat.com/allproject.php?lang= .

67 "Tasarruf Arıyorsanız Metro İhalelerine Bakın," *Cumhuriyet*, October 22, 2017.

68 "Binali Yıldırım: 'Terörü Arkasına Alan Bir Bölücü Parti Var, Herkes Umudunu Ona Bağlamış'," *Milliyet*, June 1, 2015.

69 "İnşaat-Siyaset Kompleksi."

70 "Havalimanı Metrolarında Neler Oluyor," *Cumhuriyet*, October 14, 2019.

71 "Kim bu Aga Enerji?," *Cumhuriyet*, January 15, 2017.

72 "Bazı Kamu İhalelerinde Usulsüzlük Yapıldığı İddialarına İlişkin," *T.B.M.M.*, November 20, 2017, no. 19762, accessed December 20, 2021, https://www2.tbmm.gov.tr/d26/7/7-19762s.pdf .

73 The Public Procurement Authority's response was that the firm was not banned from joining tenders and that this evaluation was up to the discretion of the contracting authorities.

The constant renaming of the firms and their participation in large tenders such as the Rize Airport was publicly scrutinized.[74] According to observers, a firm's appeal to the Public Prosecutor of Ankara (Ankara Cumhuriyet Başsavcılığı) was accusing the firm of forging documents and corrupt practices, with regard to a high rail project.[75] In 2011, a tender in which the firms were involved, was cancelled with regard to the confidentiality of the approximate cost, but a ban was not imposed.[76] Decisions by the Competition Board, however, absolved the firms of unfair competition[77] while acknowledging that they were part of the same family.[78] These allegations were reflected through two urban rail projects as well.[79] The allegedly close relations with Yıldırım were also claimed to have aroused the suspicions of the President, according to the opposition leader.[80] From late 2017, contracts related to the group's firms seem to have dwindled.

Founded in Elazığ in 1977, Kolin started with the construction of general buildings, irrigation projects and road construction during the late 1980s and 1990s.[81] The firm, even, bankrupted at some point.[82] In 2007, the chairman was arrested during an oil smuggling operation.[83] Kolin's activities would expand throughout the AKP era. By 2018, the contractor's revenue was five-fold the 2006 value while more than 80% of its projects were from national contracts (by 2006, this involvement was around 60%). Kolin was known its involvement in the cutting down of olive trees in Soma for the construction

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See "Türkiye Büyük Millet Meclisi Başkanlığına," *T.C. Kamu İhale Kurumu*, February 2, 2018, accessed December 21, 2021. https://www2.tbmm.gov.tr/d26/7/7-19762sgc.pdf .

74 "Erdoğan Geçiştiremez," *Sözcü*, September 26, 2017.

75 "Aga İnşaat ve Şentürkler'e Suç Duyurusu," *Cumhuriyet*, November 12, 2017.

76 "Kamu İhale Kurulu Kararı," *Kamu İhale Kurumu*, October 31, 2011, no. 2011/UY.I-3573.

77 "Rekabet Kurulu Kararı," *Rekabet Kurumu*, decision no. 15-10/141-63, March 5, 2015.

78 "Rekabet Kurulu Kararı," *Rekabet Kurumu*, decision no. 12-24/666-188, March 3, 2015.

79 "Rekabet Kurulu Kararı," *Rekabet Kurumu*, decision no. 15-32/464-145, May 5, 2015.

80 "Kılıçdaroğlu: İhalelerde Çatışıyorlar," *Cumhuriyet*, September 16, 2017.

81 "Kolin," *Kolin*, accessed December 21, 2021, https://www.kolin.com.tr/documents/kolin-catalog-tr.pdf .

82 "'Kolin Trendeki Kompartımanı Değiştirmek İstiyor'," *Artı Gerçek*, January 15, 2019.

83 "Ünlü Müteahhit Koloğlu Gözaltında," *Milliyet*, November 8, 2017.

of a thermal power plant, the criticisms of which were labelled by the contractor's chairman "as the work of the natural gas lobby."[84]

The firm, which is the second sponsor of the General Directorate of Infrastructure Investments, is a MÜSİAD member and a former Tuskon member. The chairman was implicated within the Sabah-ATV purchase as well and testified during the era.[85] The chairman was also the deputy chairman of the TİSK. The contractor had donated a huge sum to the Recep Tayyip Erdoğan University, along with Cengiz and other businessmen.[86]

Despite these organizational ties and gestures, the chairman was shy about his support towards the party-government – compared to more vocal examples such as Kalyon and Cengiz, for instance. In fact, the chairman claimed to be apprehensive about the future of contracting, which was deemed a very risky business. The firm was planning to move into industry, it was suggested. The production of high speed train or metro carriages was deemed among possible areas of involvement. The chairman became the president of the contractors' union İNTES in 2013, at times calling for a more thorough and elective procurement legislation[87], criticizing the current legal framework for its detrimental contributions to the construction sector.[88]

By 2019, it was suggested that the firm was being left out by the President. The firm's opting out of the airport consortium İGA in 2019 (presumably due to financial pressures)[89] was suggested to have resulted in the firm's facing a huge bill by the state-owned oil and natural gas organization Botaş.[90] The firm's non-existence among the donators during the Covid-19 pandemic was

84 "Kolin'e göre Soma'da Doğalgaz Lobisi Suçlu," *Enerji Günlüğü*, December 27, 2014.

85 "Üç Ünlü İş Adamı Daha İfade Verdi," *Hürriyet*, February 13, 2014.

86 "Üniversitemize Ait Eserlerin Açılış Töreni Yapıldı," *Recep Tayyip Erdoğan Üniversitesi*, accessed December 21, 2021, https://erdogan.edu.tr/Website/Contents.aspx?PageID=2014&LangID=1 .

87 "Koloğlu: Öz Kaynağımızla Geleceği İnşa Ederiz," *Yeni Şafak*, August 21, 2018.

88 Similar criticisms were also voiced by the Limak chairman in 2016. "Metro 2018'e Yetişmez," *Cumhuriyet*, May 9, 2016.

89 Interview with a consultancy research director.

90 "Havalimanından Çekilen Kolin'e Ağır Fatura Kesildi: BOTAŞ 50 Milyon İstiyor," *Diken*, January 16, 2019.

noted by some observers.[91] Still, the firm continued to win large contracts throughout 2021.[92]

Kalyon's relations with the AKP figures are more visible and traceable than the contractors narrated hitherto. Even though the founder's involvement in contracting is claimed to go back to 1940s, the firm was founded in 1974. Throughout the 1980s, the firm was involved in the construction of government buildings. Throughout the 1990s, the firm was to be implicated in controversial municipal tenders, known as one of the partners of the Özal family and involved within the RP's network throughout the 1990s.[93] The group, personally connected to major political figures, was suggested to have a wide portfolio of completed works, significant know-how, credit-worthiness, financial and political strength while having gained most of this experience before the onset of the AKP, according to a bureaucrat, whose observations of technical competence were also approved by former employees.[94]

The Istanbul-based family holding was involved in energy projects along with the construction of the Metrobus line in 2007. The firm was the first sponsor of General Directorate of Infrastructure Investments, second sponsor of the municipality, the third of the Turkish State Railways and the sixth of General Directorate of Highways.[95]

The founder was a member of a famous Islamic youth organization, stood with the RP leader Erbakan during his MSP years in 1972 and was on close terms with Özal. It was even suggested that he was involved within the fragmentation of the RP, with his support for the "revisionists"[96] which, later, became the AKP. The chairman was also implicated during the corruption

91 "Milli Dayanışma," *Cumhuriyet*, April 8, 2020.

92 "2 Milyar Liralık Gizli İhale: Yine Tanıdık Şirkete," *Sözcü*, January 4, 2021 and "55 Milyonluk İletim Hattı İhalesi Kime?," *Sözcü*, September 11, 2020.

93 "İski İhaleleri Halktan Gizleniyor," *Cumhuriyet*, September 17, 1997.

94 Interview with a consultancy research director.

95 "İnşaat-Siyaset Kompleksi."

96 "Tayyip O İşadamının Düğününde," *Sözcü*, January 31, 2014.

trails.[97] According to the allegations, the holding bought Sabah-ATV in 2013, through the "help" of other figures.[98]

The contractor, a member of MÜSİAD, was among Makyol's and Cengiz's usual partners.[99] What these actors shared common was the visibility of their political and organizational connections while being subject to a preferential treatment by the party-government-municipality. However, the accumulation of experience, capital and technology by these contractors has not been merely dependent upon the advantages provided by the party-government. According to their historical trajectories, observers and ENR data, some of the contractors have already accumulated a certain amount of experience through national and international contracts and a number of gargantuan projects (including the Marmaray project and certain large highway projects), overtaken with other contractors. Thus, firms such as Bayburt-affiliated ones should be seen as anomalies in the sense that they did not possess visible experience and that they were not involved in large partnerships by the time they were more visible within the lucrative scene of infrastructure. The existence of a modicum of experience and technology, it turned out, was a prerequisite for further patronage and nepotism throughout the era.

6.2.5 *Partnerships*

An unlikely partnership between an established contractor and an AKP-affiliated late-bloomer was deemed a common configuration during the era. This, it was suggested, served both sides. For the established contractors, this functioned as a method of developing good relations with the government, of securing contracts.[100] For the latter, this meant benefiting from the experience and technology of the former.[101]

97 "7 İşadamının Mallarına Koyulan Tedbir Kararı Kalktı," *Hürriyet*, January 14, 2014.

98 "Nihat Özdemir, Sabah-ATV'ye 'Borç' olarak 100 Milyon Dolar Vermiş," *Diken*, February 12, 2014.

99 "Sabiha Gökçen'de Bitirilemeyen İkinci Pist İnşaatının Ortakları Arasında Cengiz Holding ve Kalyon İnşaat da Varmış," *T24*, February 8, 2020.

100 Interview with a consultancy research director.

101 Savaşkan, "State Rescaling," 219.

Certain partnerships are, indeed, quite known to the Turkish public. Cengiz-Limak-Kolin, previously known as CLK Elektrik and currently as CK Elektrik (after Limak opted out in 2016[102]), is, perhaps, the most known one. CK is currently responsible for its distribution of the electricity on the European side of Istanbul. The former triumvirate, with Mapa and Kalyon, was granted the Third Airport among other significant contracts. Cengiz-Kolin-Kalyon, meanwhile, has taken over the construction of the Airport metro after the Bayburt-related Şenbay withdrew from the project.

However, neither these partnerships nor partnerships witnessed in urban rail projects totally fit into the presumed partnership model during the AKP era. Indeed, partnerships such as between Alarko and Cengiz[103] or between Kolin and Gülermak[104] or between Kolin and Doğuş,[105] with regard to urban rail projects, were existent. However, these partnerships between the established and late-bloomer contractors were not the norm. It turned out that an interbreeding among different groups of firms (as identified herein) was, in fact, low. Doğuş, for instance, sided with Gülermak in urban rail contracts while its partnerships in other sectors included Alarko, Tekfen and YDA. Yapı Merkezi turned out to be in a consortium with Özaltın and Doğuş, two contractors whose political connections were comparatively subtler. Alarko sided with Makyol, who had a special preference for IC Içtaş. Among Nurol's eleven partnerships, only two of them were with an affiliated actor, namely Cengiz.[106] Kalyon, Kolin and Şenbay – this sounded like a rhyme during the AKP era. Other Bayburt-related firms were granted projects on their own or through partnerships with other affiliated contractors.

Thus, one could infer that the partnerships' main function might not be alleviating the late-bloomers, most of whom were, in fact, already experienced

102 "Limak Çıktı: CLK, Yoluna Nasıl Devam Edecek?," *Patronlar Dünyası*, November 14, 2016.

103 "Alarko Faaliyet Raporu 2019," *Alarko*, accessed December 20, 2021, https://www.alarko.com.tr/download/7598 .

104 "Yeni Başkentray Projesi Gülermak - Kolin İnşaat ortak girişimi sözleşme için davet edildi," *Rayhaber*, March 25, 2016.

105 "Bandırma Bursa Yenişehir Osmaneli Hızlı Tren Hattı İhale Sonucu," *Rayhaber*, August 21, 2020.

106 "Nurol Sürdürebilirlik Raporu – 2018," *Nurol*, accessed December 20, 2021, https://www.nurolinsaat.com.tr/surdurulebilirlik-raporlamalari .

according to the ENR data. For the late-bloomers in question, partnerships might not have really functioned as a transfer of experience or technology (or, at least, ceased to have this function by the late 2010s).

The tender processes, still, necessitate detailed pre-qualifications, specifications and certificates of work, which prove the experience of firms in question.[107] Indeed, these proofs are sources of contention, as suggested above in the case of Bayburt-related firms. However, most of these firms have significant investments in the necessary technologies or possess the networks to rent or purchase them, besides work experience.[108] Most of them claim to possess machinery parks[109], experienced personnel and a wish to invest in their own personnel.[110] These actors in question are suggested to hire the best and experienced talents in the market, by offering veterans salaries that double their existing ones.[111] Some of these firms, even, claim to production records with regard to tunnel boring machines.[112]

The typical definition of a contractor during the era (compared to the textbook definition of a classical contractor which presumes the existence of capital, knowledge, machine park and the ability/capacity to organize construction sites[113]) suggest that to be/become a contractor does not

107 Interview with Pelin Alpkökin, December 20, 2017.

108 Ibid and Interview with a consultancy research director.

109 Industry magazines (such as *Vinç & Platform* or *Tünel*) are replete with news of contractors' investments. For instance, a Makyol representative claims that, for the construction of a metro line on the Anatolian side, 175 pieces of construction equipment were bought, which included TBMs, cranes and other machinery. See "Ümraniye-Ataşehir-Göztepe Metro İnşaatı Başladı," *Vinç & Platform*, no. 12 (March-April 2018): 15-18.

110 A quality control supervisor of Gülermak-Kolin-Kalyon suggests that these firms are, now, keen on forming special educational facilities and on investing in their own personnel, who are using the machinery. Without these plans, the metro constructions would be under heavy, unexcepted costs – which the firms were, now, aware of. See "Gülermak Kolin Kalyon Metro Yapım Ortaklığı," *Chryso Bülten*, no. 3 (March 2018): 10-14.

111 Interview with a consultancy research director.

112 "Istanbul TBM Record Advance Claimed," *Tunneling Journal*, March 27, 2018.

113 İlhan Tekeli and Selim İlkin, "Türkiye'de Büyük İnşaat Müteahhitlerinin Doğuşunda Cumhuriyet'in Bayındırlık ve Demiryolu Programlarının Etkisi," in *Cumhuriyetin Harcı: Modernitenin Altyapı Oluşurken*, ed. İlhan Tekeli and Selim İlkin (İstanbul: Bilgi Üniversitesi Yayınları, 2004), 451-475.

necessarily require capital, machinery or professionals. Contractors turn out to be coordinators, rather than makers of projects, as it was claimed. Political networks are enough.

While this argument is credible to an extent, it overlooks the significance of technology and experience in such complex, technology-intensive infrastructure projects, which is visible through the investments these contractors put on machinery and training. Lack of technology and experience might not, indeed, form caveats during the construction of roads or buildings. Thus, it is not surprising that highway construction is mostly how the contractors initiate their career. However, despite the existence of technology and experience by the affiliated firms, most of the workload is not taken out by them in the first place, in line with global tendencies. The subcontractors enter the scene herein.

§ 6.3 The Subcontractors

Given the magnitude of the projects and the extent of responsibilities[114], a project entails the coexistence of different subcontractors and sub-subcontractors. The construction of stations and tunnels are relegated to different subcontractors while certain lesser responsibilities with regard to stations are granted to other firms. The range of these responsibilities include application projects, electrical works, architecture, geotechnical work, data collection, the provision of machinery and signalization. Each metro project

114 According to a Stakeholder Engagement Plan provided by the municipality to the European Bank for Reconstruction and Development, a metro project was realized through the following steps: "as a first step, geotechnical surveys were conducted on alternative routes and the most suitable route plan and profile were prepared. Following identification of the tunnel construction methodology, tunnel, segment and station architectural, static, electrical and mechanical plans were prepared accordingly. After tunnel and station construction works are finalized, electrical and lighting works will be conducted. Following vehicle procurement and test driving, the system will be commissioned if there are no adverse issues." See European Bank for Reconstruction and Development, *Stakeholder Engagement Plan Atakoy-İkitelli Metro Line*, accessed December 20, 2021, https://www.ebrd.com/what-we-do/project-information/environment-social-info-documents/1395289133496/Istanbul_Metro_Project_I:_SEP.pdf?blobnocache=true .

turns out to be a complex and ongoing partnership between the municipality or the Ministry, main partners, subcontractors and a populous group of other firms, while certain responsibilities are almost totally relegated to international actors.

The extent of the responsibilities of urban rail provide myriad opportunities for the subcontractors and the firms affiliated with them. After all, "these new business people did not always have the required technological know-how and capital resources to successfully bid for government contracts, but they could benefit from outsourcing and subcontracting relations with big investors," it was claimed.[115] Furthermore, the authority to choose/change a subcontractor was granted to the main contractor, helping the formation of particularistic relationships and the unfettered transfer of rent.

The extent of subcontracting within the politically affiliated firms is a source of debate. With regard to Kalyon, for instance, a construction engineer suggests that the firm, indeed, uses subcontractors as there are firms specializing in very specific technical responsibilities and as it is pointless for the firm to undertake such work. According to a business executive, these politically affiliated firms had, initially, relied on subcontracting and partnerships. However, the suggestion that these firms know nothing, subcontract everything and have no engineering teams is ridiculous, the executive posits.[116]

The choice of subcontracting should be seen not merely as a preference on the AKP's side. In fact, not only the politically affiliated groups but also established contractors such as Yapı Merkezi, Doğuş and Gülermak chose to utilize subcontractors as well. This was quite in line with globally recognized trends, as seen through the Fidic framework, which provides the international legal framework and standards for construction projects.[117]

Furthermore, an analysis of the subcontractors and other firms involved in urban rail construction, operation and maintenance suggests that the exercise of these particularistic relations in subcontracting turned out to be

115 Buğra and Savaşkan, 81.

116 Interview with a consultancy research director.

117 "Italy: Subcontracting In International Construction Projects: Risks And Suggestions (Part I)," *Mondaq*, March 2, 2016 and Interview with a consultancy research director.

variational. Out of the 27 subcontractors identified, the traditional definition of an affiliated small-to-medium enterprise was not really discernible. These firms, possessing a machinery park and a transient construction personnel (which, according to their LinkedIn profiles, oscillated among different projects), turned out to be based in Istanbul, Ankara and Kocaeli (despite three of them having origins in Antalya, Tokat and Elazığ). These firms were owned by engineering-educated contractors while a couple of them was identified to be formed by engineers and former foremen. Shareholders usually had other construction firms in their names, possibly due to the volatility of the sector. In fact, five of them have bankrupted by 2020, mostly due to the currency crisis in 2015.

The legal establishment of ten of the subcontractors predated the establishment of the AKP. Besides two allegedly affiliated firms, the portfolios of these firms were, in fact, impressive, depicting years-long experience in mostly urban rail and dam construction. Besides the few self-taught subcontractors and provincial university backgrounds, they were educated within the bastions of Turkish engineering (the Istanbul Technical University and Yıldız Technical University along with the Middle East Technical University to a lesser extent). The latter had experience in construction projects of the established (STFA, ENKA, Yapı Merkezi and the like) while the younger generation's CVs involved recent projects, carried out by politically affiliated firms.

Only three of the subcontractors were part of holdings, namely Doğuş, IC Içtaş and KRK. Organizational and relational ties to the conservative business network could not really be discerned, either. None was a member of MÜSİAD or Tuskon. Only one of the firms was identified to be under a business group, claimed to be affiliated with the President's sons.[118] Ties to the CHP (in the form of two local candidacies) were identified as well. Memberships in the opposition-affiliated TMMOB were ordinary. In short, political connections of these firms were not as pronounced as some of the actors involved in municipal tenders, as shown below.

118 "İhale 'Tanıdık' İsme Gitti," *BirGün*, October 16, 2019.

§ 6.4 An Investigation of Municipal Contracts

The needs of metro are not merely limited to the construction process or to the workflow presented above. An operating metro line never ceases to generate new needs: constant maintenance, infrastructural revisions, personnel, equipment, updates of software/hardware etc.. Hence, the significance of municipal procurement and of Metro İstanbul, which, with its 2700 employees,[119] have professionalized to an extent that it not only deals with the operation of the city's urban rail system but also carries out national and international consultancy projects, including its own metro projects.

This section builds upon an analysis of 330 municipal contracts between 2010-2020. These were the documented procurements as the municipality, under the exceptional legal framework provided by the 3(g) clause of the Public Procurement Law, could procure some of its needs directly, i.e. without tenders.[120]

This analysis portrays that the needs of Metro İstanbul were, indeed, entangled in nepotic relations. There were, however, limits to the exercise of nepotism. Certain contracts reek of nepotism while nepotic relations could not really penetrate the technology and experience-intensive needs of the metro. Most of the large-value and non-technology-intensive contracts were granted to firms with visible political connections or firms on which no information could be found while small or medium-valued contracts, mostly involving technology-intensive responsibilities, were granted to politically neutral firms, i.e. firms known for its experience and sophistication, rather than political connections. These findings are, in fact, in line with Çeviker Gürakar and Bircan's analysis of 49355 public procurements, which suggest that while higher value contracts were granted to the politically affiliated firms, smaller value contracts were shared by the non-affiliated.[121]

Nepotism was, particularly, manifested through huge contracts related to the provision of electricity, catering, security, transport and clothing. The

119 Metro İstanbul, *Faaliyet Raporu 2020*, accessed December 20, 2021, https://www.metro.istanbul/Content/assets/uploaded/faaliyet_raporu_2020_kars%C4%B1l%C4%B1kl%C4%B1_d%C3%BCs%C3%BCk01.pdf .

120 "Kamu İhale Kanunu," *Resmi Gazete,* no. 24648, January 22, 2002, article 63.

121 Çeviker Gürakar, 84.

provision of electricity for the operation of urban rail infrastructure, for instance, bore contracts of millions of Turkish lira each year. In 2011, the provision was granted to an electricity firm formed in 2010 in Ankara with a member of the Topbaş family within its Board of Directors. The member was not, however, related to the late mayor yet visibly connected to the party-government through conservative organizations such as the Aziz Mahmud Hüdayi Vakfı and TÜGVA.[122] Next year, the contract was granted to another provider, connected both to the TOBB and Tuskon.[123] In 2014, it was the turn of a Black Sea-origined firm, owned by the Kazancı Holding, which was known for its political ties to the party-government.[124] Another firm, hailing from one of the outposts of the Anatolian Tigers (Denizli), was granted a contract in 2016. The firm was a former Tuskon member and implicated in relations with the party-government.[125] In 2014 and 2019, it was the turn of Cengiz and Kolin while IC Içtaş, too, was granted two contracts in 2014 and 2015. In short, only a single contract was identified to be related to an established energy firm, unimplicated in political relations. These contracts totaled 321 million TRY.

Catering, security and cleaning provided the other source of high-cost contracts. These tenders, respectively amounting to 72 million TRY, 214 million TRY and 118 million TRY, were granted to recently formed firms with origins in mostly Eastern provinces such as Diyarbakır and Batman. Most of the tenders turned out to have been carried out through the negotiated method. A catering firm was identified to be related to a former minister and a notable Black Sea family. Security was mostly procured from a firm who was from Van and which, it was claimed, was owned by a businessman, who was friends with the President's son. Besides the two, no other political affiliation could be discerned. In fact, for most of these firms, not much information existed.

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122 İstanbul Büyükşehir Belediyesi, *STK - Okul - Yurt Faaliyet Raporu 2018*, accessed December 20, 2021, https://www.dw.com/downloads/48397760/ibbfaaliyet-raporu.pdf .

123 A member of the management board of the holding was a member of Tuskon Disciplinary Board, which was to lead the firm to be implicated with the Gülenist sect, years later. "Ankara Bunu Konuşuyor," *Odatv*, September 30, 2016.

124 "Erdoğan İş Dünyasında Kendi Elitini Oluşturdu," *Hürriyet*, September 15, 2010.

125 "AKP Hükümeti'nin Bereketlisi," *Evrensel,* June 13, 2014.

Transport and car rental, too, reeked of political relations. A firm, which was granted the provision of vehicles to the Presidency as well, was granted a contract of nearly 2 million TRY. The Malatya-origined firm was implicated in suspicious tenders in Istanbul.[126] Another Malatya-based firm, involved in transportation services, turned out to be a MÜSİAD member. The chairman of one of the other firms, hailing from another outpost of the Tigers (Kayseri) turned out to be a member of the Abdullah Gül Üniversitesi Vakfı. Another firm was owned by the Albayrak family. Another one turned out to be local notable of Zeytinburnu, with connections to the Albayrak family[127] and the Yeni Şafak newspaper.[128] Another one was a member of GİV, a small business organization composed of different entrepreneurs, which called for support for the government in the 2018 elections.[129] These contracts totaled 12 million TRY.

Interestingly, almost all of the firms, which were granted the contracts related to clothing/uniforms, were members of MÜSİAD, such as the Trabzon-origined Gencallar (and its subsidiary firm Huzur), Gürmenler (the chairman of which was a close friend of the President)[130] and Kardelen. These totaled 6 million TRY.

Not all but some of the technology-intensive responsibilities reeked of political connections. The Bursa-origined Haluk Elektroteknik, which was granted a huge electrical work contract in 2014, was to be implicated in relations with the Gülenist sect years later while the owner would be sent to jail.[131] The land surveying responsibilities of the metro were contracted to a firm six times, whose board members included an İgiad member (a conservative business association) and an AKP Municipal Council member. An electromechanical operation contract, of 4 million TRY, was granted to the brother of

126 "AKP'li Çekmeköy Belediyesi, İhalede 24 Milyon TL Fazla Veren Akmercan'ı Seçti!," *Bakırköy Gazetesi*, July 8, 2020.

127 "Toprak Bir Kararla 'Altın' Oluverdi," *Milliyet,* December 31, 2007.

128 "İlk Resmi Nikahını Kıydı!," *Milliyet*, March 17, 2018.

129 "Girişimci İş Adamları, 'Büyük Türkiye' için 'Devam' Diyor," *Anadolu Ajansı,* June 22, 2018.

130 "Erdoğan'ın Çocuklarının Okul Parasını Ödemesiyle Tanınan Remzi Gür, Müze Yapacağım diye Aldığı Araziyi Nargile Kafe Yaptı," *Tele24*, June 11, 2019.

131 "Bursaspor'da Şok Tutuklama," *CNN Türk*, December 11, 2018.

an AKP local politician, with whom the contractor possessed another engineering firm. Another contract was granted to Aselsan, the Turkish defense corporation founded by the army. Computer license was contracted to a firm operating under a MÜSİAD-member holding, which has vocally supported the AKP. Similarly, the Haliç Metro Bridge was a source of controversy as the project turned out to be overtaken by an architect, personally close to the mayor Topbaş.[132]

Meanwhile, reminiscent of the 1990s, Metro İstanbul, a municipal enterprise itself, contracted to other municipal enterprises: Hamidiye Su, İstanbul Asfalt, Spor Aş, İsbak. These contracts totaled 12 million TRY. The municipality itself also granted some contracts to Metro İstanbul as well (mainly for construction and engineering), 330 million of TRY worth.[133]

However, gargantuan consultancy and engineering contracts of the metro, mostly carried out with the restricted method, were shared by four firms, without any discernible political connections to the ruling party-government. Two of these firms were involved with Istanbul's first metro project: the Özal-established public-private enterprises Tümaş Türk, shares of which were now more private than public and Yüksel Proje, which claimed to have been involved in 28 projects.[134] Prokon, established in 1974 by two İTÜ graduates, was another consultancy firm involving an urban rail project in Istanbul. Emay Mühendislik (formed in 1980), a member of TMMOB like Tümaş Türk, was involved in consultancy projects as well. Emay had been implicated in corrupt relations with the then-Ministry of Transport during the late 2000s.[135]

With regard to other small and medium-scale contracts, it turned out that a local CHP candidate's firm was granted a contract in 2014 while most of the

132 The same mayor would be involved in the Kabataş Martı Project. "Perpa'da Hakan Kıran'a Yüzde 4.5 Hisse," *Milliyet Emlak*, August 13, 2017.

133 According to the opposition, municipal enterprises participated within most of the large-value municipal tenders as the only participants. "İBB'den Adrese Teslim Milyarlar: Beyaz Holding'e Milyarlık İhale," *Patronlar Dünyası*, April 11, 2017.

134 "İstanbul Metroları," *Yüksel Proje*, accessed December 20, 2021, https://www.yukselproje.com.tr/project/istanbul-metrolari .

135 "Karayolları Saltanatı," *Habertürk*, July 10, 2008 and "Çeşmenin Başındaki Uyanık Yatırımcılar!," *Sabah*, November 2, 2010.

engineering firms turned out to be long-standing members of opposition-affiliated chambers. In other words, politically affiliation was not really visible within the engineering and consultancy sector. The complexity of the technical and engineering work, along with the magnitude of responsibilities in question, surpassed the bare capacities of politically affiliated firms, as affirmed by a business consultant.[136]

§ 6.5 International Dependency

Another reason for the non-existence of total penetration of metro construction by politically affiliated groups was the internationally dependent character of the sector. Even though politicians regularly spoke of the "Turkishness" of the infrastructural materials as next chapter portrays, not only an international contracting system loomed over the construction process but also the projects, from its machinery and signalization to its financing, bore the mark of international connections.

A cursory look at the contractors involved in urban rail transit (table 6.1) identified the dominance of national actors. Besides the Italian Astaldi (whose political connections are claimed to be formed by IC Içtaş) and Czech Metrostav, the absence of international actors, despite their participation in tenders, is conspicuous. Besides the Procurement Law's preference for the national contractors (as noted in previous chapter), most of these foreign firms are suggested to lack the necessary connections to participate in tenders, as the Kolin chairman claims: "The Germans, Spanish and Chinese are interested in doing business together. Rather than investments, they want to participate in tenders with us."[137]

However, in terms of heavy machinery needed for the construction of a metro, the projects are heavily dependent upon international connections. Urban rail constructions are dependent upon the existence of a Tunnel Boring Machine (known as *köstebek*), the first of which was assembled in 2017 in Turkey.[138] Up to this date, only three national TBMs exist despite the

136 Interview with a consultancy research director.

137 "Risk Almasak Bugünlere Gelemezdik," *Capital*, December 11, 2017.

138 "Yerli Üretim İlk Köstebek, Kazıya Başladı!," *Milliyet*, June 15, 2017.

huge demand as an ordinary construction utilizes four to six of them[139] and sometimes more.[140] Thus, these machines are provided from international firms such as Hitachi, Lovsuns, Terratec and Herrenknecht (and to be installed within the country through local firms).

With regard to consultancy, dependency upon mostly Spanish and Italian firms is visible while a limited number of Turkish consultancy firms exist.[141] Similarly, signalization turned out to be mostly dependent upon Spanish firms. During the onset of the Covid-19 epidemic in 2020, a metro project halted for almost three months due to the return of workers to Spain.[142] Rolling stocks were, too, procured from without despite national attempts to produce them within, such as through Tüvaşaş or certain renowned firms as Durmazlar.[143] The production of "national" trams and metros has been, in fact, always a source of national bravado.[144] However, its production, too, was dependent upon international partnerships as only certain parts were produced within.[145] As a result, millions were spent upon rolling stocks provided by firms such as Bombardier, Hyundai Rotem, Crrc Zhuzhou and Mitsubishi.

In short, patronal relations could not really penetrate all the aspects of a metro line (especially with regard to engineering and consultancy projects),

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139 For instance, the Dudullu-Bostancı Metro utilized four TBMs while the Kirazlı-Halkalı and Kaynarca-Pendik-Tuzla respectively utilized four and six. See "8 New Lovsuns EPB-TBMs for Metro Tunnels in Istanbul," *Tunnel Business Magazine*, September 28, 2017 and "TERRATEC EPBMs Get into Gear on Istanbul's New Metro Line," *Terratec,* May 25, 2017, accessed December 20, 2021, http://terratec.co/NewsInfos/detail/45 .

140 "İstanbul Havalimanı'na 'Hızlı Metro' Rekor Hızla İlerliyor," *Anadolu Ajansı*, September 6, 2019.

141 This is visible through the ENR's annual Top 225 International Design Firms List, which, in contrast to the visible presence of Turkish firms within the global and international contractor lists, has only six Turkish design firms in 2019. See "ENR 2019 Top 225 International Design Firms," *ENR*, July 2019, accessed December 20, 2021, https://www.enr.com/toplists/2019-Top-225-International-Design-Firms-1 .

142 "İmamoğlu: Üzgünüz ama Çözümsüz Bir İş Değil; Hızlıca Çözeceğiz!," *Cumhuriyet*, May 14, 2020.

143 Interview with Pelin Alpkökin.

144 "İşte Türkiye'nin İlk Yerli Tramvayı ve Metrosu," *Yeni Şafak*, September 7, 2014.

145 "Türkiye'nin İlk Metro İhracatı için Geri Sayım," *Habertürk*, June 14, 2018.

which still required technology and professionalism, possessed by Turkish counterparts to a limited extent. Thus, the limits of nepotism were visible through the dependency upon professional firms, whether international and national.

The other manifestation of international dependency was financial. Throughout the AKP era, different metro lines by different groups of contractors (including the presumably inexperienced cronies) have been financed by a number of banks: European Bank for Reconstruction and Development[146] (whose loans have been on the decrease after 2017)[147], European Investment Bank[148], Agence Française de Développement[149], Deutsche Bank[150], Societe Generale and Black Sea Trade, Development Bank[151] and others (see table 1.1 for an exhaustive list). Procurement of (at least) two credits was also guaranteed by the Multilateral Investment Guarantee Agency and the Treasury.[152]

The presence of foreign financial assistance renders the construction process heavily subject to regulation by meticulous contracts (as denoted by the lender institutions) or, at times, highly binding international templates such as Fidic, which is a prerequisite for certain international and

146 "Istanbul Metro Project", *European Bank for Reconstruction and Development*, accessed December 20, 2021, https://www.ebrd.com/work-with-us/projects/psd/istanbul-metro-project.html .

147 "Uğur Gürses: Avrupa Türkiye'ye Yatırım Kredisi Musluğunu Kısıyor," *Duvar*, February 7, 2019.

148 "Turkey: Istanbul Metro to Benefit from EIB Loan," *European Investment Bank*, accessed December 20, 2021, https://www.eib.org/en/press/all/2008-048-turkey-istanbul-metro-to-benefit-from-eib-loan .

149 "TURKEY: More Sustainable Transport to Support Istanbul's Growth," *Agence Française de Développment*, accessed December 20, 2021, https://www.afd.fr/en/wkgeneratepdf_file/3831 .

150 "İBB Deutsche Bank'tan Kredi Aldı, Metro İnşaatı Başlıyor," *Sözcü*, November 21, 2019.

151 "İstanbul'da Yeni Metro Hattı için 175 Milyon Avroluk Kredi," *Anadolu Ajansı*, September 26, 2019.

152 Multilateral Investment Guarantee Agency, "Enhancing Credit and Increasing Access to Commercial Financing," accessed October 9, 2022, https://www.miga.org/sites/default/files/2018-06/NHFObrief%20%281%29.pdf and Nurhan Yentürk, Yakup Kadri Karabacak and Çağrı Çarıkçı, *STK'lar için İstanbul Büyükşehir Belediyesi Harcamalarını İzleme Kılavuzu* (İstanbul Bilgi Üniversitesi Yayınları: İstanbul, 2015), 47.

internationally financed projects.[153] Everything has to be "by the book" when an international loan is in question, it is suggested, rendering internationally financed projects less susceptible to random interventions.[154]

The congruity between different political institutions rendered the acquiring of credit effortless, according to the late Istanbul mayor Topbaş:

> As a municipal mayor, with my signature and without needing the guarantee of the Treasury, we can obtain any credit we want. In other words, your Kadir Abi's signature is enough. Others, even bringing along a notary, would not be able to get the credit. We have taken around 4 million TRY credit from the European Investment Bank in this manner. We pay our debts with the 2.5% of our budget. We do not have any problems, our resources are enough.[155]

The convenience, however, did not live up to the opposition's mayor İmamoğlu's term. A huge sum, granted by the European Bank for Reconstruction and Development in 2020, manifested the bureaucratic setbacks, reminiscent of the 1990s. The mayor claimed that despite being eligible for the loan, the municipality could not get the Treasury's approval. As the municipal projects were left out from the President's Public Investment Programme,[156] an approval for the loan by the Ministry of Treasury and Finance was needed, it was claimed by the municipality.[157] Furthermore, some of the loan in question was seized by a famous, MÜSİAD member contractor on the pretext of debts overdue, which were inherited from the AKP municipalities.[158]

153 Yakup Aydın, "FIDIC Sözleşmeleri," *Dış Denetim Dergisi*, no. 2 (2010): 230-241.

154 Interview with a consultancy research director.

155 "Kabataş-Mecidiyeköy 9 Dakikaya İnecek," *Hürriyet Bigpara*, May 22, 2015.

156 "İmamoğlu, 3 Metro Hattı için Hazine'nin Onay Vermediğini Açıkladı," *BirGün*, January 14, 2020.

157 "İBB'den, 'Kredi Talebi Yok' diyen Hazine'ye: Projelerimiz Programdan Çıkarıldı," *Diken*, January 15, 2020.

158 "İBB'nin Levent'teki Arsa Satışında Sürpriz İsimler," *Patronlar Dünyası*, June 11, 2022.

§ 6.6 Conclusion: Patronal yet Fragmented

In an op-ed in 2012, the president of MÜSİAD claimed the AKP did not carry out the project of creating its own rich but instead tried to enlarge the pie, extend opportunities and open the projects to everyone.[159] The mapping of actors behind Istanbul's metro project suggests that the party, indeed, succeeded in both. A politically affiliated business network was brought to life while business opportunities were, within certain limits, extended towards a group of the established actors.

Thus, this chapter suggested that the business environment during the late AKP era is one of co-existence and fragmentation. Patronal relations, indeed, mark the day – albeit within limits. Aiming for a more nuanced differentiation between different types of contractors, this chapter claimed that the conflation of every contractor on the rise within the category of crony blurs the differing manifestations of patronal relations while overlooking how the cronies have become cronies and how there are certain limits to patronage. This, for instance, does not portray how business groups which were previously involved with different political parties (such as Kalyon, Nurol or the ANAP-linked Cengiz) transformed into politically affiliated actors and how presumably politically affiliated contractors (such as Kolin and Limak) are thinking about leaving the construction sector or, according to some, are being partially left out of the game. Thus, these networks should be seen as historically constructed and prone to change. The patronal links should be deemed both vulnerable to the heterogeneity of the AKP and political and financial contingencies.

Furthermore, the chapter hopes to have portrayed the resilience of established contractors. The new Turkish business environment was not quite "new" as certain established contractors, too, soared during these two decades. These contracts in themselves might be seen as mechanisms of aligning with the government for the established contractors. Contracts herein functioned as mechanisms within the AKP's system of rewards and punishment, as Esen and Gümüşçü would claim:

159 "28 Şubat'ın Vatandaşa Maliyeti 253 milyar TL," *Yeni Şafak*, June 16, 2013.

> [W]ith the aim of consolidating its constituency within business circles, the AKP politicized the state institutions (debt collection, tax authorities, privatization, public procurement), weakened judicial oversight, and eroded the rule of law to distribute public resources to its supporters, transfer capital from its opponents to its cronies, and to discipline dissidents in business circles.[160]

The contractors' visible gestures, whether these entailed media reconfigurations, donations or mere praises, should be seen in this light. Being a contractor, it seems, is an ongoing performance of avoiding being at odds with the party-government.

This alignment buttressed these contractors' weight within infrastructure projects. For the quick and efficient realization of infrastructural populism and given the heavy technological requirements of the increasing number of large urban rail projects, the established contractors, "too good to be ignored", could not be totally left out from the realm of infrastructure. The visions of the AKP's populist rhetoric exceeded the capacities of the politically affiliated firms. An inexperienced Anatolian Tiger, for instance, could not possible carry the weight of such projects – thus, as a commentator claimed in 2006, the AKP had to provide rewards and punishments to attract some of the established groups.[161] It had to co-opt some of them. In other words, the responsibilities with regard to the field of infrastructure were too large to be granted merely to a limited number of affiliated contractors despite a lot of them being not as inexperienced as generally claimed to be.

What studies on late Turkish neoliberalism have overlooked is, perhaps, this co-existence: not only merely cronies but established contractors, too, have benefitted from the politicization of the business environment, from pervasive state discretion and arbitrariness (albeit to differing extents). As long as urban transit pertained to a large and lucrative pie, firms, which one would except to be antagonistic in line with the increasingly polarized political environment, benefitted from the same legally dubious business

160 Esen and Gümüşçü, 351.

161 "'Anadolu Kaplanları' Efsane, AKP İstanbul'u ve TÜSİAD'ı İstiyor," *Bianet*, November 17, 2008.

environment. Thus, neither non-affiliated nor the politically affiliated ones should be seen to have fixed and predetermined interests. This win-win situation, in the case of urban transit projects, brings one back to Heydemann's suggestion that "[w]herever reforms have been implemented, they have produced outcomes that continue to provide significant opportunities for privileged economic actors, old or new, to collaborate in capturing the gains that can be extracted from a particular set of regulatory arrangements and economic institutions."[162]

The AKP's neoliberal "success", perhaps, should be looked for in this integration of these groups into the business environment and "its mediating position between the needs and orientations of different capital fractions."[163] After all, the AKP was "pulled in two directions: to fulfil the requirements of financial stability demanded by large capitalists on the one hand, while trying to perform its role as a political actor organically tied to Islamic capital of satisfying the needs of this fraction by tactical maneuvering on the other."[164] The AKP's hegemonical success (whose consistency was a novelty compared to the Turkish history)[165] was within this balance, Bekmen suggested.

The AKP's hegemonical attempt, however, not merely entailed the co-optation of capital fractions into a single business environment but also the generation of popular consent.[166] Throughout these two decades, the AKP not only aimed to create a patronal network but also championed a form of urban populism. After all, "politicians' interests are better served when they are able to use state resources to generate capital accumulation in the private sector while, at the same time, spreading the benefits of these policies to vote-rich lower income groups."[167] In a similar vein, the metro projects not only bore the mark of patronal relations but also of a novel populism during the era. The next chapter investigates how urban rail projects have refracted urban populist impulses throughout these two decades.

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162 Heydemann, "Introduction," 6.

163 Bekmen, "State and Capital in Turkey During the Neoliberal Era," 63.

164 Ibid, 64.

165 Yalman, "AKP İktidarında Söylem ve Siyaset: Neyin Krizi?," 46.

166 Bekmen, 62.

167 Ocaklı, "Reconfiguring State-Business Relations in Turkey," 4.

7

The New Urban Populism and Urban Rail's Mission

If one pillar of the infrastructural politics throughout the AKP's two decades of rule was patronage, the other was a novel form of urban populism. The previous two chapters tried to make sense of the former. This chapter is about the latter.

The previous chapters presented a story of de-institutionalization, of how globally sanctioned institutional reforms initiated in the early 2000s were perforated through arbitrary political interventions. The appearance of a novel and fragmented business environment was the outcome of such interventions. However, the AKP's "success" was not merely in creating patronal networks or co-opting different fractions of capital into its developmentalist project. The party-government, at the same time, aimed at building public consent through a novel form of urban populism. Infrastructural projects were presented and justified as monuments of service (*hizmet*) to the people, to national development, to a "strong Turkey."

Cities, according to Tansel, have played a central role within the exercise of this "double movement":

> [A]s many observers have noted, cities have not only played an instrumental role in the AKP's ability to undertake key pillars of its economic programme, but they have also become the concrete arenas

> for the party to demonstrate the apparent 'success' of its policy initiatives and its ability to 'serve' the people.[1]

This chapter is in search of how this "success" is formulated through urban rail infrastructure. The AKP's infrastructural move, in other words, goes beyond the emergence of a novel business environment. It has also been endowed with a central function within the party-government's political mission by the AKP actors themselves – a common trope within studies of contemporary Turkish political economy, as posited in Chapter 2.

This chapter argues that the political valorization of infrastructure and its handling of certain urban mechanisms (such as urban plan-making) complies with common features of populist governance. The chapter aims to trace these manifestations through two distinct threads. First of all, through an analysis of inaugurations, speeches, electoral material and newspaper archives, the reflections of urban populism upon the realm of urban rail transit are manifested. Four façades or symptoms of urban populism are identified below. This section basically posits that infrastructure, critically in line with certain definitions of populism, turns out to express a) the AKP's proclaimed struggle against the elites, b) its national developmentalist vision, c) its claim to pulling up the poor and d) upholding a "strong Turkey" through an unification of political institutions and the people.

Symptoms of populism are not, however, merely visible through the presentation or packaging of infrastructure. The chapter traces these symptoms through a second thread: the experience of urban planning during the early AKP era (2004-2009). Initiated as a participatory plan-making process by the municipality, this early attempt was to envision the development of the city and its transit modes during the following decades. However, through top-down, arbitrary political decisions and through the exclusion of non-party/non-state actors, the field of participatory urban plan-making was to be increasingly rendered irrelevant.

Even though the overarching theme of these two parallel narrations is urban populism, the chapter manifests other themes and tendencies which this dissertation had repeatedly invoked during previous chapters: arbitrary

1 Tansel, "Reproducing Authoritarian Neoliberalism in Turkey," 3.

political interventions, power fragmentation (political struggle within and between actors and institutions) and ambivalent urbanism.

These peculiarities with regard to urban rail and planning are not specific to the Turkish case, as the introduction claims. The inevitable failure of urban planning[2] and mega-projects[3] along with the determining role of top-down political decisions[4] upon urban rail infrastructure have also been well-noted with regard to other urban contexts. However, the exercise of urban populism over Istanbul's rail infrastructure differs from the Global North context in many senses, challenging the academic literature on global cities and infrastructure presented in Chapter 2.[5] It is far-fetching to treat Istanbul's urban rail as a purely neoliberal artifact, cherished by capital, fueled by global city impulses to rejuvenate crumbling urban infrastructure. Rather than functioning as a neoliberal punishment for the periphery[6], Istanbul's urban rail has been presented as a service to the deprived, a framing that is corroborated by route choices. Endowed with different meanings and functions, Istanbul's urban rail is presented as a testament to the AKP's service to the people, rather than merely a service to global capital.

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2 Tuna Taşan-Kok, "Introduction: Contradictions of Neoliberal Urban Planning," in *Contradictions of Neoliberal Planning: Cities, Policies, and Politics*, ed. Tuna Tasan-Kok and Guy Baeten (Springer: London, 2012), 1-20.

3 Bent Flyvbjerg, "What You Should Know about Megaprojects and Why: An Overview," *Project Management Journal* 45, no. 2 (April 2014): 6-19 and Bent Flyvbjerg, Nils Bruzelius, and Werner Rothengatter, *Megaprojects and Risk: An Anatomy of Ambition* (Cambridge University Press: Cambridge, 2013).

4 Ashok Sreenivas, "Urban Transport Planning: Lessons from the Proposed Pune Metro Rail," *Economic and Political Weekly* 46, no. 6 (2011): 27-32; Samuel Carpintero and Matti Siemiatycki, "The Politics of Delivering Light Rail Transit Projects through Public-Private Partnerships in Spain: A Case Study Approach," *Transport Policy* 49 (2016): 159-167 and Terrefe, "Urban Layers of Political Rupture: The 'New' Politics of Addis Ababa's Megaprojects."

5 Ferbrache and Knowles, "City Boosterism and Place-making with Light Rail Transit"; Higgins and Kanaroglou, "Infrastructure or Attraction?"; Culver, "Mobility and the Making of the Neoliberal 'Creative City'"; Lee, "Subways as a Space of Cultural Intimacy"; Enright, "Mass Transportation in the Neoliberal City" and Olesen, "Infrastructure Imaginaries."

6 Ureta, "Waiting for the Barbarians."

§ 7.1 Urban Rail and the Multiple Façades of the AKP's Urban Populism

7.1.1 *Reiterating Urban Populism*

As suggested in Chapter 2, urban populism is defined as an exercise of political power within the urban milieu through the provision of land, housing or public services. Urban populism during the AKP era has been investigated through two exclusive definitions, in line with the related global literature. The first one highlights the exercise of political power and domination.[7] The morally inferior "elites" were, herein, pitted against the people and people's will. Only *we* could represent the people's will.[8] To exclude the "elites", "non-people" or opposition as such from the realm of political power, oppressive mechanisms were frequently deployed.

The other definition of populism, the substantive/economic one[9], focuses upon redistribution. However, redistribution is not merely limited to production or wage policies but also "to the social reproduction sphere, whereby the destructive consequences of neoliberal policies were alleviated through social assistance programs, addressing specific areas such as health, education and so forth."[10]

Within these two different definitions of populism, urban transit or urban infrastructure in general was not granted a significant role. This chapter aims to portray that, from route choices to the conjuring of Istanbul's urban plans, Istanbul's urban rail turns to reflect certain characteristics of these different takes upon urban populism. Urban rail refracts both political domination and redistributive politics.

7.1.2 *Tenets of Urban Populism (as Seen through Infrastructure)*

The AKP's urban populism with regard to infrastructure seems to possess four tenets. First of all, from the start, the AKP's infrastructure was utilized to

7 Aytaç and Elçi, "Populism in Turkey," 97.

8 Müller, *What is Populism?*, 2-3.

9 Dorlach, 57.

10 Bozkurt, 378.

suggest the elite opposition's historical and current technical incompetency. As opposed to the technically incompetent opposition, the AKP was marked by its utilization of high-end technology in the service of people. This technical competency was presented as part and parcel of the AKP's new historiography, in which the RP's Istanbul was a milestone. The anti-elitist façade of the AKP urban populism would pit not only the CHP but also other national and international "conspirators" against the AKP's infrastructural move.

Furthermore, the AKP's urban populism betrayed a national developmentalist logic, which is narrated through two sub-headings. First of all, it was proclaimed that the RP and AKP's modernizing and progressivist transportation projects, as enablers of connectivity and mobility, paved the way for the development of the country. These projects put Turkey on a par with Western cities, it was argued. Speed, savings and other "Western" comforts were invoked within this developmentalist logic. Secondly, this national-developmentalist logic was to reflect a global city logic, which was to differ from its canonical definition. Transit projects were suggested to transform Istanbul into a brand city, increasing its civilizational and historical significance. However, the AKP's global city logic did not quite appeal to neoliberal forces. This global city logic would be primarily about "marketing Istanbul" to the AKP's own constituency with an Islamist-Ottoman tint of civilization.

The third façade of urban populism during the era was a special preference for the urban periphery. The AKP was, constantly, boasting of serving the people equally, in a non-ideological manner. However, the practice would signal a certain preference for connecting the periphery to the center or to other peripheral nodes. The last tendency was to surface during the mid-2010s. This political logic argued for the need of the state, municipality and people to be together for these infrastructural projects to be carried out. For the "strong Turkey" to be realized, for the infrastructural move to continue, a harmony between political actors and the people should be present, this logic argued. This "anti-plural" stance towards infrastructure rejected political cracks, which were to surface nevertheless.

7.1.3 *A Note on Resources and the Significance of Inaugurations*

The first section of the chapter builds upon an analysis of 34 hours of footage of inaugurations and speeches (which involved 49 different events, mostly during electoral periods) by political figures (mainly by Erdoğan) throughout the AKP's 18-year old reign. These were corroborated and supported with newspaper archives, electoral material and a spatial analysis of urban rail routes.[11] From this bulk of data, these four façades or tropes were identified.

However, it should be noted that, despite the urban populist vein within the party-government's infrastructural discourse, the long-term, concrete political effects of urban rail lines should be subject to future research. Whether urban rail routes, predominantly and in practical terms (with regard to their enhancing effects upon urban poor, central business districts or tourism hubs), serve urban populist or global city impulses is a question that needs to be empirically answered through longitudinal monographs. This chapter, through a disproportionate reliance upon the AKP's political discourse, nevertheless, identifies a strong urban populist impulse within the framing and presentation of urban rail projects.

According to Harvey and Knox, inauguration ceremonies are opportunities to enact and vocalize big "Politics". These events, they claim, "appear to have little to do with the completion of the technical process of constructing."[12] Building upon the inauguration of roads in Peru, they suggest that "an inauguration would be announced during the middle of a project, to coincide with political events."[13] Urban rail projects inaugurated by the AKP figures would also become opportunities to perform big "Politics." The AKP's endowment of urban infrastructure projects with a novel form of urban populism is most visible during these carefully orchestrated inaugurations and political speeches during electoral periods. The former, at times, was to

11 Given the transience of streaming websites (such as YouTube) that were utilized for this chapter, transcripts of these events and statements (as provided by the AKP or the website of the Presidency) are referenced when possible.

12 Penny Harvey and Hannah Knox, *Roads: An Anthropology of Infrastructure and Expertise* (Cornell University Press: Ithaca and London, 2015), 192.

13 Ibid, 192.

coincide with the latter and certain anniversaries (such the proclamation of the Republic and the consequent of Istanbul).

Besides inaugurations, which were always more than being the presentation of finalized artifacts, even ceremonies that celebrated the removal of tunnel boring machines and the beginning of welding (*ilk kaynak töreni*) presented opportunities for political figures to present and valorize these state-of-art artifacts, to endow them with political meanings. These events provided the opportunity to comment not only upon infrastructure and new projects but also to manifest political attitudes towards the 15 July coup attempt, the political status of Jerusalem, Syria or a cherishing of the Presidential System, among other issues.

Urban rail inaugurations in Istanbul were not, in fact, always this popular, even though they were, always, political, as mentioned in Chapter 3 and 4. By the late AKP period, a metro inauguration, which could include not only the mayor and the Prime Minister but also the Minister of Foreign Affairs and the Minister of European Union Affairs, was transformed into a pompous event.

A typical inauguration was structured as follows: it would start with an introduction of the artifact in question, its technical details and how it would ease lives – mostly by the President/Prime Minister but, at times, by the mayor and other MPs. Then, contemporary events would be commented upon. Then, if the event coincided with the electoral period, new political and infrastructural promises would be announced. The event would end with certain rituals: praying, ribbon cutting, negotiation with the contractors, announcement of a ticket discount, driving the train etc..

As the projects were introduced mostly after 2010, there was a bias towards the AKP's second decade. Still, these themes, which will be quite familiar to an even not-so-astute observer of Turkish politics, were more or less consistent throughout these two decades. Even the references and axioms throughout the AKP years would stay the same: "the Ümraniye rubbish explosion", "road is civilization", "highway of democracy", "Fatih's descendants who are building an underwater metro." However, there was a mild shift in the AKP's latter years and the shift is to be found in the latter theme: the need for the state-municipality-people to be one will be more

pronounced through infrastructural projects, especially after the 2016 coup d'état attempt.

7.1.4 *Infrastructure against the Incompetent Elite*

The textbook definition of populism includes a stance against the "elites", against the "establishment". Elites are deemed corrupt and morally inferior.[14] In a similar vein, the AKP's infrastructural stance or politics of serving (*hizmet siyaseti*) betrayed the party's self-proclaimed battle against the elites, which were mostly represented by the CHP.[15] The CHP was claimed to be not only morally inferior but technically as well. Meanwhile, other national and international conspirators were also targeted. The urban rail transit projects in question were suggested to be feats realized despite these hindering and scheming figures.

The AKP's political representatives presented the municipal reign of the RP as a milestone in the history of politics of serving. The municipalities before the RP-AKP had employed populism and used the resources for infrastructure to their own purposes, the Prime Minister Erdoğan was to claim in 2009.[16] When the RP came into power, Istanbul's transport and traffic was in deadlock. The air was too populated to be breathed in. Hills of rubbish were exploding. Nothing in the form of a "municipal service" existed[17], this logic suggested. The CHP represented mud, rubbish and pits along with corruption, prohibition and lack.[18] Events such as the Ümraniye rubbish

14 Müller, 20.

15 Paker, "The Politics of Serving' and Neoliberal Developmentalism," 110.

16 "Büyükşehir Belediyesi ve Gaziosmanpaşa Belediyesi Toplu Açılış Töreni," *Yeni Türkiye Vizyonu / Canım İstanbul*, February 1, 2009, 245.

17 "İBB Taksim – Şişhane ve 4. Levent – Maslak Atatürk Oto Sanayi Sitesi Metro Hatları Açılış Töreni," *Yeni Türkiye Vizyonu / Canım İstanbul*, January 30, 2009, 238.

18 "Mecidiyeköy - Mahmutbey Metro Hattı Temel Atma Töreni Konuşması," *YouTube*, February 9, 2014, accessed December 20, 2021, https://www.youtube.com/watch?v=6WttwxQkbUM ; "Kendi İnsanını Hor Görenler Bizim Hizmet Aşkımızı Anlayamaz," *Türkiye Cumhuriyeti Cumhurbaşkanlığı*, March 29, 2019, accessed December 20, 2021, https://www.tccb.gov.tr/haberler/410/103774/-kendi-insanini-hor-gorenler-bizim-hizmet-askimizi-anlayamaz- and "Hazırlıklarımız Tamam, Fırat'ın Doğusuna Çekidüzen

explosion in 1993[19] and the İSKİ scandal were constantly reminded by the AKP figures to recall "these terrible years." The rise of the RP to Istanbul's municipality was claimed to have undone the wrongdoings and infrastructural failures of the opposition municipality. The RP realized many of the firsts in Istanbul, including junctions, underpasses and overpasses along with the modernization of buses.[20] The RP and, then, the AKP facilitated projects such as the renovation of the Golden Horn, metro lines and the Marmaray, it was posited.

Through the infrastructural move of the RP-AKP, the missing link between today and both the Ottoman and early Republican period was provided, the AKP figures claimed. After all, the AKP has overtaken the early Republican mission of "knitting the country with iron nets"[21], as Erdoğan would boast in 2012: "After Gazi Mustafa Kemal, no steps were taken in rail systems. It started with us."[22] The AKP followed this historical thread of transportation projects and added more to the gains of the Republic. Among all the prime ministers and presidents of Turkey, Erdoğan claimed to be the one who examined projects and visited construction sites most.[23]

The claim to possess high-end technology complemented these arguments. Tunnel boring, for instance, was something that the AKP was proud of, visible in the repeated utilization of the folk legend Ferhat-Şirin.[24] The Marmaray was, similarly, presented as an engineering masterpiece, an

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Vermezlerse Gerekeni Yaparız," *Türkiye Cumhuriyeti Cumhurbaşkanlığı*, March 30, 2019, accessed December 20, 2021, https://www.tccb.gov.tr/haberler/410/103792/-hazirliklarimiz-tamam-firat-in-dogusuna-cekiduzen-vermezlerse-gerekeni-yapariz- .

19 The Ümraniye-Hekimbaşı explosion resulted in the death of 39 residents and, for the AKP, has been symbolic of the social democratic municipal experience. See "28 Yıllık Unutulmayan Acı 'Hekimbaşı'," *TrtHaber*, April 28, 2021.

20 "Cumhurbaşkanı Erdoğan, Sosyal Medya ve Televizyon Ortak Yayınına Katıldı," *Türkiye Cumhuriyeti Cumhurbaşkanlığı*, June 21, 2019, accessed December 20, 2021, https://www.tccb.gov.tr/haberler/410/105749/cumhurbaskani-erdogan-sosyal-medya-ve-televizyon-ortak-yayinina-katildi .

21 "Başbakan Erdoğan: Türkiye'yi Demir Ağlarla Biz Örüyoruz," *Milliyet*, August 17, 2012.

22 "'Adli Tıp Raporunu Nerenize Koyacaksınız!'," *Habertürk*, February 15, 2014.

23 "Cumhurbaşkanı Erdoğan, Üsküdar'da Toplu Açılış Töreni'nde Halka Hitap Etti," *Sabah*, December 8, 2018.

24 "Metrobüs Anadolu'da," *Hürriyet*, March 3, 2009.

artwork, a feat despite the natural obstacles[25], along with "the most difficult metro line in the world", the Şişhane metro line.[26]

Despite these feats, the elite opposition never acknowledged the *hizmet* politics of post-1994, the AKP figures argued.[27] "They" were against the first, second bridges but they used it, the Prime Minister was to claim in 2010.[28] "We open hospitals, they don't like [them]. We open factories, they disregard those. We open roads, highways, metros – they disregard those, too,"[29] he would similarly posit in 2020. The CHP was "always against the rail system" and "they [were to] oppose again [as] they think that rail is something else... They cannot comprehend rail systems, light rail systems, metro and the like. They haven't seen anything like this," the President would claim in 2015.[30] All of these transit artifacts were seen as "waste" by the technically incompetent opposition, which was even incapable of employing a machinist. Thus, it was not imaginable to transfer the metro line to them which would serve 700,000 people.[31] "Ask those who claim that they will radically solve the transit problem where the source of the problem lies, they would not be able to find it," the Prime Minister would suggest.[32]

After all, "the CHP was in power in Istanbul before 1994" and "how many kilometers of metro did [they] construct?, Erdoğan would ask elsewhere. "During those five years, you started something and stopped there. After

25 "Asrın Projesi Marmaray'ın İlk Ray Kaynağını Başbakan Erdoğan Yaptı," *UTİKAD*, January 16, 2012.

26 "'Adli Tıp Raporunu Nerenize Koyacaksınız!'".

27 "Başbakan Erdoğan'dan Önemli Mesajlar," *Hürriyet*, February 15, 2014 and "Hazırlıklarımız Tamam."

28 "Başbakan, Bomonti Tünelinin Açılışını Yaptı," *Habertürk*, July 17, 2010.

29 "Kabine Toplantısının Ardından Yaptıkları Konuşma," *Türkiye Cumhuriyeti Cumhurbaşkanlığı*, October 5, 2020, accessed December 20, 2021, https://www.tccb.gov.tr/konusmalar/353/122282/kabine-toplantisinin-ardindan-yaptiklari-konusma .

30 "Eski Türkiye Koalisyonu, Tüm Gücünü Bölücü Örgütün Güdümündeki Partiye Tahsis Etmiş Durumdadır," *Türkiye Cumhuriyeti Cumhurbaşkanlığı*, May 23, 2015, accessed December 20, 2021, https://www.tccb.gov.tr/haberler/410/32215/eski-turkiye-koalisyonu-tum-gucunu-bolucu-orgutun-gudumundeki-partiye-tahsis-etmis-durumdadir .

31 "Cumhurbaşkanı Erdoğan Üsküdar-Ümraniye Metro Hattı Açılış Töreninde Konuştu," *SabahTv*, December 15, 2017.

32 "İstanbul Ulaşımında Tarihi Gün," *Habertürk*, March 3, 2009.

coming to power, we completed it up to 11 kilometers. They could not even find money," he would suggest.[33] Through their lawsuits and the like, the CHP and chambers were accused by the AKP figures of hindering the infrastructural move, "like they did to the Menderes's roads and like they are doing now to stop Kanal İstanbul."[34] For instance, because of the existence of a single historical monument, the Unkapanı metro construction was stopped by the Cultural and Natural Heritage Preservation Board (Kültür ve Tabiat Varlıklarını Koruma Kurulu), leading to a ten-year loss.[35] In 2014, the mayor Topbaş would claim that the same metro was hindered by those who said "'we will not let you do it and we will file complaints to UNESCO'."[36] Two other metro lines[37] suffered from a similar fate, according to the Prime Minister in 2005. The former was suggested to be due to a crisis[38] resulting from the letter of guarantee[39] while the latter was claimed to be hindered by the Istanbul Technical University administration.[40] A similar hindrance was also claimed

33 "Mecidiyeköy - Mahmutbey Metro Hattı Temel Atma Töreni."

34 "Suriye, Akdeniz ve Libya Konularında Siyaset, Diplomasi ve Askerî Gücün Tüm İmkanlarını Sonuna kadar Kullanacağız," *Türkiye Cumhuriyeti Cumhurbaşkanlığı*, January 18, 2020, accessed December 20, 2021, https://www.tccb.gov.tr/haberler/410/115320/-suriye-akdeniz-ve-libya-konularinda-siyaset-diplomasi-ve-asker-gucun-tum-imk-nlarini-sonuna-kadar-kullanacagiz- .

35 "Erdoğan: O Heykel Dikilmesin Demiştim," *Haber7*, January 14, 2011.

36 "Kadir Topbaş: 'Haliç Metro Köprüsü Yaptık, Bizi Dünyaya Şikayet Ettiler'," *Milliyet*, February 28, 2014. In 2006 Topbaş also claimed that the Council of Monuments (Anıtlar Kurulu) was hindering the project. See "İstanbul'da Metro Yatırımı Karayolundan 5 Kat Fazla!," *Yapı*, July 25, 2006.

37 "4. Levent-Ayazağa Metrosu'nun Temeli Atıldı," *Hürriyet*, March 12, 2005.

38 "Metrobüs Anadolu'da," *Hürriyet*, March 3, 2009.

39 "Kadıköy-Kartal Metrosu Geliyor," *İETT*, January 29, 2005, accessed December 21, 2021, https://www.iett.istanbul/tr/main/news/kadikoy-kartal-metrosu-geliyor/143 .

40 "Başbakanımızın, Sarıyer- Çayırbaşı Tüneli Açılış Töreni Konuşması," *YouTube*, September 8, 2012, accessed December 21, 2021, https://www.youtube.com/watch?v=vt-L4f97Cuw .

to be the case in Ankara[41] and was suggested in 2012 by the mayor Topbaş with regard to the role of the DPT.[42]

Not only the CHP, chambers and other organizations but also other national and international conspirators were accused as being envious of the Marmaray and metro. The West's presumed envy of the Third Airport was a recurrent theme, possibly the most popular one.[43] However, the West was also suggested to envy other infrastructural breakthroughs such as the Marmaray, the Third Bridge, metros and dams.[44]

After the Gezi Park uprising and the 17-25 December period in 2013, another enemy was targeted more frequently: "They targeted our completely national investments, which were globally significant. They targeted the Third Airport and the Third Bridge. They envied the Marmaray… They did not want these [projects] to be realized," it was argued.[45] This new enemy was to be coded as the "FETÖ". Through the 17-25 December corruption cases, they intended to "to stop Marmaray, the Fast Train, the Third Bridge and [the Third Airport]," it was claimed. [46] However, "against their 'fren' (*brake*), stood our 'tren' (*train*) and Marmaray."[47] After all, "if our projects are disturbing some people, this means we are on the right track... We are being targeted (...)

41 "Ankapark Sadece Başkentimizin Değil, Tüm Türkiye'nin Gurur Sembollerinden Biridir," *Türkiye Cumhuriyeti Cumhurbaşkanlığı*, March 20, 2019, accessed December 21, 2021, https://www.tccb.gov.tr/haberler/410/102586/-ankapark-sadece-baskentimizin-degil-tum-turkiye-nin-gurur-sembollerinden-biridir- .

42 "Topbaş: Her Yere Metroyla Ulaştıracağız," *Haber7*, February 2, 2009.

43 "'Foreigners View Us with Envy,' Says Erdoğan," *Bianet*, April 19, 2021.

44 "Bu Topraklar Üzerinde Gözü Olanlar, Bedelini Çok Ağır Ödüyor," *Türkiye Cumhuriyeti Cumhurbaşkanlığı*, May 21, 2016, accessed December 21, 2021, https://www.tccb.gov.tr/haberler/410/43999/bu-topraklar-uzerinde-gozu-olanlar-bedelini-cok-agir-oduyor .

45 "Başbakan Erdoğan. 14 Ocak 2014 / Ankara Toplu Açılış Töreni Konuşması," *YouTube*, January 14, 2014, accessed December 21, 2021. https://www.youtube.com/watch?v=PzY9W04e32Q .

46 "Havalimanı Değil Zafer Anıtı," *Sabah*, June 8, 2014.

47 "Biz Marmaray, Hızlı Tren Dedikçe Onlar 'Fren Fren' Diyorlar," *Rayhaber*, February 17, 2014.

because we serve, we create plans and projects and provide global works."[48] In short, against the scheming figures in question, stood the AKP, which was distinguished by its utilization of high-end technology in the service of people, it was argued by the AKP actors. The AKP was not only the sole political representator of the people (as opposed to the incompetent elites and schemers) but also the only technically competent one.

7.1.5 *National Developmentalism*

The second tenet of urban populism during the era was the endowment of urban transit with a national developmentalist logic. Paker claims that this "primacy of development upholds the position that development is a task/mission more important than any other, and economic growth must be strived for at all costs."[49] Infrastructure building, during the era, turned out to be a self-proclaimed battle waged by the AKP for the people, against the elites and against all odds. This developmentalist discourse was built upon "the primacy of development/economic growth, the emphasis on grandeur, the politics of serving and claims of environmentalism."[50] The AKP's national developmentalist logic, with regard to urban rail and infrastructure, is depicted herein under two sub-headings, which evoke Paker's analysis of mega-projects: a) a cherishing of progress and modernity and b) a peculiar global city vision.

7.1.5.1 Progress and Modernity

A progressivist and modernist logic lurked behind the AKP's vision of urban rail. Within this logic, urban rail was about national development as it was about the provision of "Western comforts" to the people. Transportation was historically freedom and independence, civilization and development, the Prime Minister Erdoğan would claim on the inauguration of the Marmaray,

48 "İstanbul 20 Kavşak ve Yol Toplu Açılış Töreni," *Yeni Türkiye Vizyonu / Canım İstanbul*, February 2, 2014, 489.

49 Paker, "'The Politics of Serving' and Neoliberal Developmentalism," 108.

50 Ibid, 108.

which coincided with the Republic Day in 2013.[51] All of these infrastructural novelties, part and parcel of the AKP success story, were deemed national feats, part of an "authentic and national" (*yerli and milli*) vision.[52] Through proud references to the presence of the Turkish construction, rail and engineering sectors[53] (even though the presence of national production and engineering had its limits as suggested in the previous chapter), urban rail was presented as a token of national development and national grandeur. During political rallies in 2019[54] and the test drive of the Marmaray project in 2013,[55] Erdoğan would suggest that national production would render us independent from abroad, providing jobs and economic opportunities. Similarly, the national rail production firm Tülomşaş would be cherished for not only producing trains but also its potentials for exports.[56]

This national developmentalist vision was not merely about national production. The provision of transit infrastructure itself entailed a modernist logic. "One of the most significant manifestations of development is the development in transport infrastructure," Erdoğan claimed in 2006.[57] Transit was seen as a fast track to modernization.[58] After all, "the new Turkey had

51 "Recep Tayyip Erdoğan Marmaray Açılış Konuşması 29 Ekim 2013," *YouTube*, October 29, 2013, accessed December 21, 2021, https://www.youtube.com/watch?v=8UXfNRFn4Ws .

52 This 'authentic and national' vision, according to Erensü's narration of the energy sector, not only entailed independence but also aimed "to form a nativist, nationalist, and conservative bloc around the leadership of Erdoğan." See Erensü, "Powering Neoliberalization," 7-8. As the fourth tenet of the AKP's urban populism portrays, the fate of infrastructure was, indeed, to be linked to the fate of the AKP.

53 "Suriye, Akdeniz ve Libya Konularında."

54 "Milletimiz ne Demokrasisinden ne de Diğer Kazanımlarından Geriye Gidilmesine İzin Vermeyecek," *Türkiye Cumhuriyeti Cumhurbaşkanlığı*, March 21, 2019, accessed December 21, 2021. https://www.tccb.gov.tr/haberler/410/102611/-milletimiz-ne-demokrasisinden-ne-de-diger-kazanimlarindan-geriye-gidilmesine-izin-vermeyecek- and "Cumhurbaşkanı Erdoğan, Ada Treni Hakkında Konuştu," *Rayhaber*, March 20, 2019.

55 "Başbakan Erdoğan. 150 Yıllık Rüya Marmarayı Gerçekleştirdik," *YouTube*, August 4, 2013, accessed December 21, 2021, https://www.youtube.com/watch?v=iP_q-qgaptw .

56 "Eskişehir İstasyonu'nda Halka Hitap," *YouTube*, February 17, 2018, accessed December 21, 2021, https://www.youtube.com/watch?v=L8km2r5ubpc .

57 "Büyükşehir Belediyesi Yol ve Kavşak Açılışları, March 4, 2006", *Yeni Türkiye Vizyonu / Canım İstanbul*, 109.

58 Savaşkan, "State Rescaling," 174.

founded one of its strong grounds within the realm of transportation and our Ministry of Transport was the driving force behind the new Turkey" as an infrastructural promotion video in 2015 was to claim.[59]

Years later, the President Erdoğan would suggest that "if we advance to a position in which transport investments are the main elements of development, we will enable the development and strengthening of our country. As I always say it, road is civilization, water is civilization."[60] This was one of the most utilized axioms throughout the AKP's years[61] and by road, Erdoğan was not referring to highways proper. Similarly, the President Gül would suggest that what makes a country strong is the provision of services such as transit. After all, in cities such as New York, London, Paris and Moscow, there are roads underground as there are overground. "We are trying to raise Turkey into this state," he would reckon.[62] Through the politics of serving, "we are trying to raise ourselves to the 'level of contemporary civilizations'," it was repeatedly suggested.[63]

The development of urban transit (as opposed to more private cars and buses) signified the development of "modern cities."[64] Thus, one of the 2014 Election Programme's promises was as follows: "We will design cities for people, not cars. Traffic will flow, traffic problems will be solved while roads, bridges and tunnels will be constructed. We will construct and realize

59 "3 Katlı Büyük İstanbul Tüneli Projesi Tanıtım Filmi," *Ak Parti*, February 27, 2015, accessed December 21, 2021, https://www.akparti.org.tr/galeriler/video-galeriler/3-katli-buyuk-istanbul-tuneli-projesi-tanitim-filmi/ .

60 "Ulaştırma Yatırımlarında Ne Kadar İyi Bir Noktaya Gelirsek Ülkemizin Büyümesinin Önünü O Derece Açmış Oluruz," *Türkiye Cumhuriyeti Cumhurbaşkanlığı*, June 14, 2020, accessed December 21, 2021, https://www.tccb.gov.tr/haberler/410/120427/-ulastirma-yatirimlarinda-ne-kadar-iyi-bir-noktaya-gelirsek-ulkemizin-buyumesinin-onunu-o-derece-acmis-oluruz- .

61 See "Erdoğan: Yol Hayattır, Yol Medeniyettir," *Sputnik Türkiye*, October 8, 2019 and "Erdoğan: Medeniyetler Yollarla Anılır," *Haber7*, September 28, 2009.

62 "Cumhurbaşkanı Gül, Batıkent-Sincan Metrosunun Açılış Törenine Katıldı," *YouTube*, February 12, 2014, accessed December 21, 2021, https://www.youtube.com/watch?v=buvKSVTlQIs .

63 "Metrobüs Anadolu'da," *Hürriyet*, March 3, 2009.

64 "Cumhurbaşkanı Erdoğan Üsküdar-Ümraniye Metro Hattı Açılış Töreninde Konuştu," *Sabah*, December 15, 2017.

advanced urban rail and transit systems within our cities."[65] Thus, throughout these two decades[66], the AKP figures would vocally scorn buses and minibuses in favor of urban transit.

Topbaş would, for instance, parrot Erdoğan, by suggesting that metro is economy and civilization. A level of a city's civilization was dependent upon the city's people to use urban transit. Thus, the municipality was, constantly, working to increase the weight of urban transit. After all, "we know that the most significant solution to transport in modern cities is metro." Metro projects and Marmaray would not only change the map of transit but also time itself.[67]

Besides the provision of urban transit and elimination of traffic, certain modern comforts of urban rail were cherished in a similar vein by higher echelon AKP figures. Speed, technologies, comforts, savings, environmental concerns, as if parroting the tenets of global urban mobility discourses[68], were repeatedly invoked within the AKP's developmentalist logic. Looking at the highways, bridges, metro and urban transit during his travels while he was the mayor[69], Erdoğan had thought that the comforts of transport was spared from the Turkish nation. Now, this new infrastructure utilized by the AKP put Turkey on a par with the Western countries:

> Does the Western get on a flight – now my citizen does that, too. Are there modern highways in the West – we have those in my country too [...]. Does the West have fast trains? Now, we do, too. Are there

65 Ak Parti, *Büyük Medeniyet Yolunda: İnsan - Demokrasi – Şehir, 30 Mart 2014 Yerel Seçimleri Seçim Beyannamesi* (Ak Parti Tanıtım ve Medya Başkanlığı: January 2015), 72.

66 For instance, see "Kadıköy-Kartal Metrosu Geliyor," *İETT,* January 29, 2005, accessed December 21, 2021, https://www.iett.istanbul/tr/main/news/kadikoy-kartal-metrosu-geliyor/143 and "Silahla, Kumpasla Başaramadıklarını Ekonomiyle Gerçekleştirmeye Çalışanlara Meydanı Bırakmayacağız," *Türkiye Cumhuriyeti Cumhurbaşkanlığı,* December 15, 2017, accessed December 21, 2021 https://www.tccb.gov.tr/haberler/410/87737/silahla-kumpasla-basaramadiklarini-ekonomiyle-gerceklestirmeye-calisanlara-meydani-birakmayacagiz .

67 "755 Milyon TL'lik 36 Yatırımı Başbakan Erdoğan Açtı," *Arkitera*, January 17, 2011.

68 For the basic tenets of the urban mobility paradigm, see Sheller and Urry, "The New Mobilities Paradigm," 207–26.

69 "Başbakan Erdoğan'dan Önemli Mesajlar," *Hürriyet*, February 15, 2014.

> metro networks in the cities of other countries? In our cities, we have those, now too. [...] [In fact, Turkey] is making even better, even more modern ones and [...] taking more courageous steps and making more radical reforms.[70]

Certain properties of the metro lines testified to the fact that the AKP reign was the reign of the firsts and of the introduction of new comforts. The lack of a machinist, the operator's routing of the trains with a mouse, the security systems in line with the international and most advanced norms, advanced alarm and emergency systems, information screens and announcement systems[71], even the presence of "minimal vibration"[72] were to be cherished as symbols of advanced technology. "Whatever the most advanced technology is, it is coming to this country and it will," the Prime Minister claimed.[73]

New comforts provided by the metro testified to the AKP's civilizing mission. The utilization of technology, speed and savings was part of this definition of "contemporariness". The M4 line would maintain that the Istanbulites would travel in a modern, humane and peaceful manner, Erdoğan was to claim in 2005.[74] The Prime Minister Davutoğlu posited that with the metro line, a commute free of torture and toil, in which you could sit, read and work was possible.[75] The metro lines were also presented as a way to save time, fuel and maintenance expenses[76] along with decreasing damages arising from accidents.[77] Urban transit was, after all, comfort "as it will

70 "Şişhane Yenikapı Metro Hattı Açılış Töreni (15 Şubat 2014)," *Bir Medeniyet Tasavvuru Olarak Ak Parti Yerel Yönetim Vizyonu*, *Ak Parti Yerel Yönetimler Başkanlığı*, 340.

71 "Cumhurbaşkanı Erdoğan Üsküdar-Ümraniye Metro Hattı Açılış Töreninde Konuştu," *Sabah*, December 15, 2017.

72 "Türkiye'nin İlk Metro Köprüsü Açıldı," *Anadolu Ajansı*, February 15, 2014.

73 "Başbakanımızın, Kadıköy - Kartal - Metro Hattı Açılış Töreni Konuşması," *YouTube*, August 17, 2012, accessed December 21, 2021, https://www.youtube.com/watch?v=9DydohXdq7M .

74 "Kadıköy-Kartal Raylı Taşıma Sistemi Temel Atma Töreni, January 29, 2005," *Yeni Türkiye Vizyonu / Canım İstanbul*, 64.

75 "İstanbul Emanettir, Koruyacağız," *HaberTürk*, November 9, 2014.

76 "Başbakanımızın, Kadıköy - Kartal - Metro Hattı Açılış Töreni Konuşması."

77 References to the financial damages arising from accidents were common as well. "Recep

alleviate traffic and develop the economy".[78] The same allusion to comfort and savings was also made by Topbaş for the Metrobus in 2008[79], which was also presented in 2009[80] by Erdoğan through his popular axiom that time is money and metrobus is money and savings.

The other dimension of savings was environmental. "The metro not only helps our people to use their time more efficiently but also it is not damaging the environment," Topbaş would claim.[81] During the inaugurations,[82] references to Co2 emissions were pronounced. References to the environment were the most pronounced after the Gezi Uprising: the AKP was the "real environmentalist"[83] as the M3 line would create new savings of not only time and money but of a decrease in Co2 emissions. Similarly, during a UN summit, Erdoğan would claim that "we are building new metro lines to alleviate the traffic problem and to decrease greenhouse gas emissions... We plan to create sustainable urban transit systems with a climate friendly transit initiative."[84]

7.1.5.2 A Peculiar Global City Logic

The AKP's progressivist and modernist view on urban transit was complemented by the vision of Istanbul as a global city. However, this global city logic, rather than reproducing the neoliberal impulses and stating the aim to transfer the city into a financial hub, would aim to realize an Istanbul, marked by its infrastructure and its Islamic/Ottoman civilization.

Tayyip Erdoğan Başakşehir Metro Açılış Konuşması - 7 Temmuz 2013," *YouTube*, July 7, 2013, accessed December 21, 2021, https://www.youtube.com/watch?v=k1zsmhTq9kM .

78 "Başbakanımızın, Kadıköy – Kartal."

79 "Metrobüs, Avcılar-Zincirlikuyu Arasında İlk Denemeyi Yaptı," *Dünya*, September 7, 2008.

80 "Erdoğan, Metrobüs Açılışında Konuştu," *Haber7*, March 3, 2009.

81 "İstanbul'un Her Yerine Metro Geliyor!," *Emlakkulisi*, July 7, 2013.

82 "Erdoğan, Başakşehir Metro Açılışında," *Milliyet*, July 7, 2013.

83 "Recep Tayyip Erdoğan Başakşehir Metro Açılış Konuşması - 7 Temmuz 2013."

84 "Cumhurbaşkanı Erdoğan BM İklim Zirvesi'nde Konuştu," *Yeşil Ekonomi*, September 24, 2019. This focus on sustainability was noted by Alpkökin et al. as well. "The current attempts at a transition to more sustainability with urban transit systems (Bus Rapid Transit and the Mass Rapid Transit rail system) across the Istanbul Strait suggest that there is a policy shift in the bureaucracy," they suggested. See Pelin Alpkökin et al. "Historical Analysis of Economic, Social and Environmental Impacts," 74.

The AKP's infrastructural move and urbanism was deemed the expression of civilization. The "civilized" character of urban infrastructure in question was alluded through the same roots of words "medine" (*city*) and "medeniyet" (*civilization*).[85] Istanbul was positioned at the center of this civilizational mission[86] as its development meant the development of the country and economy.[87] The AKP's vision of Istanbul as a global city, however, turned out to be ambivalent. The 2009 urban plan, indeed, spoke of Istanbul becoming a competitive city within global relational networks. Environmental degradation, transit and infrastructural problems were to be ameliorated to increase Istanbul's global competitive role.[88] These visions were, indeed, in line with a typical global city vision, that was built upon international competition, consumption and investment.[89] The same plan suggested that firms saw the strengthening of Istanbul's position as a global city through the improvement of transit infrastructure, environmental quality and the prevalence of the metro system.[90] This urban plan, however, was to be disregarded as suggested in the latter part of the chapter.

The election programmes would refrain from using the label global city, rather prefering the label of brand city.[91] The 2014 Election Programme, for instance, suggested that globally most advanced technics, technologies, developments, trade and economic connections will help our cities to become brands.[92] This brand value or competition within the global league was not, however, linked to Istanbul becoming a finance center or appealing to

85 "Başbakanımız, İstanbul Hazır Hedef 2023'de," *YouTube*, May 11, 2011, accessed December 21, 2021, https://www.youtube.com/watch?v=Z5aZsrq4_2k .

86 "Büyükşehir Belediyesi Yol ve Kavşak Açılışları," 109.

87 Ak Parti, *Cumhurbaşkanlığı Seçimleri ve Genel Seçimler Seçim Beyannamesi 2018* (Ak Parti Tanıtım ve Medya Başkanlığı: June 2018), 258-259.

88 İstanbul Büyükşehir Belediyesi İmar ve Şehircilik Daire Başkanlığı Şehir Planlama Müdürlüğü, *1/100.000 Ölçekli İstanbul Çevre Düzeni Planı Raporu* (İstanbul Büyükşehir Belediyesi: İstanbul, 2009), 511.

89 Theresa Enright, "The Political Topology of Urban Uprisings," *Urban Geography* 38, no. 4 (2018): 557-577.

90 İstanbul Büyükşehir Belediyesi İmar ve Şehircilik Daire Başkanlığı Şehir Planlama Müdürlüğü, 461.

91 "Başbakanımızın, Sarıyer- Çayırbaşı Tüneli Açılış Töreni Konuşması."

92 Ak Parti, *Büyük Medeniyet Yolunda*, 12.

international business but, rather, was linked to Istanbul's infrastructure, livability and culture. One of the five tenets of the Election Programme of 2011 was, indeed, "livable and brand cities". This was linked to the provision of basic infrastructure such as water, housing and municipal services rather than attracting global capitalism. Livable/brand cities were merely "modern cities."[93] The 2011 and 2014 programmes' only concrete "global city" touch was, in fact, the Istanbul International Finance Center.

Rather than an outright global city vision, a "glocal cityism", which cherished the moving of local values to the global and the moving of global standards to the local, was regularly cherished.[94] The 2018 Programme would claim that "as regulations were made to develop our cities, transform them into brands and improve them in line with the Great Civilization Path (*Büyük Medeniyet Yolu*), now, arrangements are to be made to transform our cities into actors of global competition."[95] However, as the 2011 programme (and the following programmes) implied, this "global competition" was not about attracting finance but about the city's "historical and cultural riches, developing them and putting them to the service of humanity" and creating "a city that its residents are proud of."[96]

In line with this electoral promotion, Erdoğan saw transit as part of a regional and global endeavor within this "global village" of a world.[97] The Marmaray was, for instance, presented as increasing the global brand value of Istanbul[98] along with the renovation of the Golden Horn[99] and fast rail[100]

93 Ak Parti, *12 Haziran 2011 Genel Seçimleri Seçim Beyannamesi* (Ak Parti, 2011), 122.

94 Ak Parti, *Büyük Medeniyet Yolunda*, 10.

95 Ak Parti, *Cumhurbaşkanlığı Seçimleri ve Genel Seçimler Seçim Beyannamesi 2018*, 258-259.

96 Ak Parti, *12 Haziran 2011 Genel Seçimleri Seçim Beyannamesi*, 138.

97 "Erdoğan: Medeniyetler Yollarla Anılır," *Haber7*, September 28, 2009.

98 "Recep Tayyip Erdogan istanbul Da Caglayan Acilis Töreni Kadiköy Metrosu-Türküola-Ömer-74," *YouTube*, May 31, 2011, accessed December 21, 2021, https://www.youtube.com/watch?v=c9u1j_ClXVQ .

99 "Başbakanımızın, Boğazdan Halice Deniz Suyu Verme Töreni Konuşması," *YouTube*, October 22, 2012, accessed December 21, 2021, https://www.youtube.com/watch?v=U9Qs67seiqQ .

100 "Cumhurbaşkanı Erdoğan Gayrettepe-İstanbul Havalimanı Metro Projesi İlk Ray Kaynağı Töreni'nde Konuştu," *CNN Türk*, January 18, 2020.

projects. The airport line, too, was seen as seen strengthening Istanbul's world city character.[101] The AKP presented metro lines within such a framework: "with these large projects, Istanbul's qualification/character as a world city will be strengthened. Istanbul, besides being a touristic center, will be more strongly the city of industry, trade, employment, culture and art, an example of humane living spaces."[102] The metro would be endowed with such a civilizational mission, rather than an appeal to financial or global forces. This global cityism was to be subsumed under the AKP's *hizmet* politics and was immersed within an Islamic-Ottoman notion of civilization.

The mundane reference of Istanbul being a meeting point between the East and West was to be invoked several times. The Marmaray, in a similar vein, was presented as a "humanity project". These investments were seen as attempts "to revive our ancient civilization" while serving humanity.[103] After all, Istanbul was not merely Istanbul but Turkey, Europe, Asia, all of the Islamic geography.[104] Similarly, the metro was presented by Davutoğlu as a way of preserving history and culture.[105] To Erdoğan, it manifested a new history.[106]

The AKP's technical competency and underwater metro work (and tunnels as well) was, repeatedly, likened to "ancestor (*ecdad)* Fatih's moving of ships through the ground."[107] Furthermore, with the metro, the AKP was following the thread of metro introduced in the Abdülhamid II era through

101 "Cumhurbaşkanı Erdoğan: İstanbul'un Dünya Şehri Özelliğini Biraz Daha Güçlendiriyoruz," *Anadolu Ajansı*, May 10, 2020.

102 "Başbakan Recep Tayyip Erdoğan, 4. Levent-Darüşşafaka Metrosu'nun Son Durağı Hacıosman Durağını Açtı," *Arkitera*, July 11, 2011.

103 "Başbakan Erdoğan: Başkentleri Demirağlarla Buluşturuyoruz," *Milliyet*, July 25, 2014.

104 "Başbakan Erdoğan. Mecidiyeköy - Mahmutbey Metro Hattı Temel Atma Töreni Konuşması," *YouTube*, February 9, 2014, accessed December 21, 2021, https://www.youtube.com/watch?v=6WttwxQkbUM .

105 "Ahmet DAVUTOĞLU - Levent-Rumeli Hisarüstü Metro Hattı Açılış Konuşması," *YouTube*, April 19, 2015, accessed December 21, 2021, https://www.youtube.com/watch?v=YKFo8aWIFZw .

106 "Türkiye'nin İlk Metro Köprüsü Açıldı," *Anadolu Ajansı*, February 15, 2014.

107 Recep Tayyip Erdoğan, *Yeni Türkiye Vizyonu: 2023'e Doğru*, Vol. 1 (Cumhurbaşkanlığı Yayınları: Ankara 2018), 346 and "Cumhurbaşkanı Erdoğan Çekmeköy'de Toplu Açılış Töreninde Konuştu," *Sabah*, March 11, 2017.

the Tunnel, the Prime Minister Davutoğlu would claim in 2015.[108] The Marmaray was, too, consistently presented with references to Ottoman sultans[109] - "some talk but we do because we are descents of the conquerors (*evlad-ı Fatihan)*."[110]

Hence, a typical global city impulse, which unequivocally subjects the city to a neoliberal ethos, was not really discernible – at least through public statements and electoral material. Even if "all these projects were legitimized with reference to the dominant discourse of the 'global city', which was based on a set of criteria accepted as the norms that enable certain cities to be at the top position in the world hierarchy for advancing neoliberal global agenda"[111], the definition of a "world city" was built upon a mix of modern comforts and a conservative civilizational vision – not the city's position within neoliberal competition.

Furthermore, contrary to the exceptions of the global city literature, transport was not vocally endorsed by a visible urban growth coalition (such as urban notables or representatives of national bourgeoisie), either. Rather than an outright neoliberal global agenda, populist impulses, which equated Istanbul's progress within the global league with the provision of modern infrastructure to the people and with presenting history and civilization to the humanity, were at hand. This, in fact, turned out to be quite in line with Özselçuk's depiction of the AKP's *hizmet* discourse. Hizmet herein was to serve Islam and/or Turkishness, along with regional expansion and political

108 "Ahmet DAVUTOĞLU - Levent-Rumeli Hisarüstü Metro Hattı Açılış Konuşması."

109 The role of neo-Ottomanist aspirations shaping urban policy decisions was, too, noted by Savaşkan through the case of Marmaray. The high-level bureaucrats, who were involved in the Marmaray project and were interviewed for Savaşkan's study, had suggested that "they were trying to complete the project of Abdulhamit II" and that they were motivated by the link with the Ottoman Empire. See Savaşkan, "State Rescaling," 195.

110 "Yeni Türkiye'nin Karşısına Dikilen Tüm Engelleri Hep Birlikte Aşacağız," *Türkiye Cumhuriyeti Cumhurbaşkanlığı*, May 5, 2015, accessed December 21, 2021, https://www.tccb.gov.tr/haberler/410/32259/yeni-turkiyenin-karsisina-dikilen-tum-engelleri-hep-birlikte-asacagiz .

111 Savaşkan, 174.

strength. It was made part and parcel of the developmentalist project, part of the vision of unlimited growth.[112]

One might, indeed, suggest that political statements and election materials are not the best sources to look for hints of a global city logic upon urban rail transit. As suggested in the next section, the route designs, too, betray a preference for urban periphery. Rather than presented as global transit hubs within the touristy or established middle-class/upper-middle class center, urban transit projects were packaged as a service to a mainly working class population and were, indeed, concentrated within peripheral areas to a larger extent (even though, as suggested above, more empirical investigations are needed to ascertain whether urban rail routes will predominantly serve urban poor or global city impulses in the last instance).

7.1.6 *"Serving the People"*

The third manifestation of the AKP's urban populism was a preference for the urban periphery.[113] The AKP figures suggested that not only urban transit was developing and modernizing the country but also it was elevating certain districts in Istanbul, which were previously neglected by the "elitist" local administrations. The AKP, repeatedly, claimed to possess a "politics of heart"

112 Ceren Özselçuk, "'İktidar Boşluk Kabul Etmez': AKP'nin Hizmet İdeali ve Popülizm Üzerine," in *Türkiye'de Yeni İktidar Yeni Direniş: Sermaye-Ulus-Devlet Karşısında Yerelötesi Müşterekler*, ed. Yahya M. Madra (Metis Yayınları: İstanbul, 2015), 83.

113 This sub-section relies upon Beyazıt and Sungur's "pluralist" definition of urban center and periphery. Offering to go beyond the center-periphery dichotomy, they define six main zones with distinguishing characteristics - albeit conceding that this stratification is done for analytical purposes. These six zones are defined as urban core, adjacent core, transition zone (peri-urban), vulnerable urban periphery, wealthy periphery and urban edge. However, given "the perpetual existence of a powerful, large centre extending to three small peninsulas, these borders are less defined and often blurred in Istanbul, like in other cities with a similar historical, cultural and economic background" (150). Still, building upon previous research, they manage to provide a "plural" map of the urban center(s) and peripheries in Istanbul (151). For these definitions and the maps utilized herein, see Eda Beyazıt and Ceyda Sungur, "Working Women and Unequal Mobilities in the Urban Periphery," in *A Companion to Transport, Space and Equity,* ed. Robin Hickman et al., 147-166 (Edward Elgar: Cheltenham, 2019) and "Eda Beyazıt - Çarşamba Seminerleri," *YouTube,* October 19, 2018, accessed December 21, 2021, https://www.youtube.com/watch?v=WWbvJlYsw_Q .

(*gönül siyaseti*), which was beyond ideologies[114] and which served everyone equally.[115] Both the route choices and political statements were, however, to betray a certain preference for the urban periphery.[116]

The projects during the AKP era (the maps of which are provided in figure 1.1 and Appendix A) could be gathered under four groups in terms of their functions, as seen in table 7.1.[117]

114 "Başbakanımızın, Sarıyer- Çayırbaşı Tüneli Açılış Töreni Konuşması".

115 "Türkiye'yi Cumhuriyetimizin 100. Yılına Gururla Taşıyacağız," *Türkiye Cumhuriyeti Cumhurbaşkanlığı*, March 29, 2019, accessed December 21, 2021, https://www.tccb.gov.tr/haberler/410/103781/-turkiye-yi-cumhuriyetimizin-100-yilina-gururla-tasiyacagiz- and Ak Parti, *Cumhurbaşkanlığı Seçimleri ve Genel Seçimler Seçim Beyannamesi 2018,* 258.

116 For the purposes of this chapter, the routes constructed and planned during the AKP reign were traced through Endeksa maps, which provide election results on a neighbourhood basis. These maps portray that the areas defined as vulnerable peripheries are, to a great extent, the sources of the AKP's municipal success in the 2014 local elections (the 2019 elections are left out for the purposes of this chapter as this narration involves the AKP's municipal reign). See "Analiz – Seçim," *Endeksa*, accessed December 21, 2021, https://www.endeksa.com/tr/analiz/istanbul/secim .

Table 7.1 Four different functions of metro lines

Route	Date
Otogar - Bağcılar	2004
Kadıköy - Kartal	2005
Bağcılar - Olimpiyatköy	2006
Kadıköy - Kartal (İkmal, EM)	2007
4. Levent - Hacıosman	2008
4. Levent - Ayazağa	2008
Levent - Hisarüstü	2012
Üsküdar - Ümraniye - Çekmeköy	2012
Kartal - Kaynarca	2013
Mecidiyeköy - Mahmutbey	2013
Bakırköy - Bahçelievler - Kirazlı	2015
Kaynarca - Sabiha Gökçen Airport	2015
Kabataş - Mecidiyeköy - Mahmutbey	2015
Dudullu - Bostancı	2016
İkitelli - Ataköy	2016
Eminönü - Alibeyköy (Tram)	2016
Gayrettepe - 3. Airport	2016
Ümraniye - Ataşehir - Göztepe	2017
Kaynarca - Pendik - Tuzla	2017
Mahmutbey - Bahçeşehir - Esenyurt	2017
Kirazlı - Halkalı	2017
Başakşehir - Kayaşehir	2017
Çekmeköy - Sultanbeyli / Sarıgazi - Yenidoğan	2017
Rumelihisarüstü - Aşiyan	2017
Yenihavalimanı - Halkalı	2018

First of all, there were three projects connecting large transport hubs (such as the old and new airport) to core and "vulnerable peripheral" areas (represented by the color red).[118] Secondly, certain vulnerable peripheral areas were integrated within themselves (listed in green) or, as part of a third tendency, vulnerable peripheral areas and wealthier peripheral or core areas were connected to each other (represented in blue). These two groups occupied the largest weight within the projects while the metro stops herein were predominantly located within peripheral areas.[119] The last group (listed in purple) was

118 The Kadıköy-Kartal line's protrusion towards both the Sabiha Gökçen Airport and Tuzla renders the categorization of the line difficult. However, in contrast to the lines in the first group, it was not originally designed as an airport connection.

119 It should be noted that not all routes routes stood out with a visible distribution of non-peripheral metro stops. The Ümraniye-Ataşehir-Göztepe turned out to be an anomaly as six out of the eleven metro stops were located within adjacent core areas. Meanwhile, the Kadıköy-Kartal route, almost in an indiscriminate manner, passed through core/adjacent core and peripheral areas (with the two extensions, however, the route would stretch even more

more about connection of the core to the adjacent core or peri-urban zones (two urban rail projects were merely extensions) and did not possess a visible weight. The most popular function of the metro lines, thus, turned out to be integrating the numerous peripheral areas to other peripheral areas, certain core nodes and large transport hubs.

The appeal to a "peripheral" audience was not merely manifest through route choices but also visible through the statements of the politically most responsible figures in the country. Especially before the elections, the locational choice for district political rallies betrayed the AKP's preference for the urban periphery, during which the political actors were to talk of how the party/municipality/government developed the district in question. Within these narratives of development, urban rail possessed a significant role.

During these rallies, the metro lines were, consistently, cherished as they provided new connections.[120] Every inauguration included detailed statistics on the shortened durations of commute between certain areas along with the expected passenger numbers, new possibilities of integration and connections between different areas and transportation modes.[121] This connectivity, in line with the national developmentalist logic portrayed above, developed and modernized the districts previously in distress, it was claimed. This, however, did not sound like the gentrification and urban growth process that metromobility is, at times, suggested to be serving.[122]

"The most problematic, the most troublesome, the most underdeveloped places have become the city's most prestigious places while the old districts that the opposition is in control of are the most controversial and problematic," the President was to claim in 2018.[123] "Previously, service was

towards vulnerable peripheries). The remaining routes were to be marked by the predominance of stops located within areas deemed peripheral.

120 "Kendi İnsanını Hor Görenler."

121 For instance, see "Türkiye Yeni bir Atılım, Şahlanış ve Dirilişin İçindedir," *Türkiye Cumhuriyeti Cumhurbaşkanlığı,* October 21, 2018, accessed December 21, 2021, https://www.tccb.gov.tr/haberler/410/99269/-turkiye-yeni-bir-atilim-sahlanis-ve-dirilisin-icindedir- .

122 Enright, "Contesting the Networked Metropolis," 176.

123 "Cumhurbaşkanı Erdoğan, İstanbul'daki Metro Hattının Açılışını Yaptı," *YouTube,*

provided only to those beneath the London Asphalt[124] but not to Bağcılar, Esenler, Güngören," he would reckon elsewhere, referring to large and populated peripheral areas of Istanbul. Bağcılar was, for instance, presented as a "swamp" that was modernized under the AKP. After all, "you couldn't imagine metro in Bağcılar twenty years ago," he continued.[125] Imagining a metro in Esenler was not possible, either.[126] The new Esenler metro would enrich the brand value of the district, too, the district mayor would suggest.[127] Similarly, Küçükçekmece was a "shanty town" (*varoş*), which, now, became one of the prestigious districts, now able to invest with its own resources. It became one of the precious, distinguished places of Istanbul.[128]

The AKP's proclamation of a service that serves all did not preclude the eruption of a pork-barreling debate. Speaking at a congress in Istanbul in 2018, the succeeding mayor of Istanbul after Topbaş's demise, Mevlüt Uysal would suggest that "our first priority is metro" and that "our first priorities in metro are districts that predominantly vote for us". He would, then, go on listing the peripheral districts whose problems were to be relieved by the AKP's metro projects.[129] The next day, however, Uysal would claim that he was misunderstood and that they would provide service to every districts in an equal manner, while prioritizing the previously ignored districts.[130]

October 21, 2018, accessed December 22, 2021, https://www.youtube.com/watch?v=7cNpEcPY7xU .

124 Also known to be a part of the E-5 highway (which is, itself, a section of the international D-100 highway), the southern and northern areas around the highway were marked by visible class discrepancies. See İlhan Tekeli, *Modernizm, Modernite ve Türkiye'nin Kent Planlama Tarihi* (Tarih Vakfı Yurt Yayınları: İstanbul, 2009), 205.

125 "Recep Tayyip Erdoğan Başakşehir Metro Açılış Konuşması - 7 Temmuz 2013."

126 "Cumhurbaşkanı Recep Tayyip ERDOĞAN Esenler Toplu Açılış Töreni," *YouTube*, March 28, 2017, accessed December 22, 2021, https://www.youtube.com/watch?v=AodUW45VkFQ .

127 "Esenler'e 4. Metro İstasyonu," *Esenler Belediyesi*, accessed December 22, 2021, https://esenler.bel.tr/haberler/genel/esenler-e-4-metro-istasyonu/ .

128 "Toplu Açılış Töreni," *Yeni Türkiye Vizyonu / Canım İstanbul*, July 26, 2008, 205.

129 "İBB Başkanı Mevlüt Uysal: Metroda Önceliğimiz En Fazla Oy Aldığımız Yerler Olacak," *Sözcü*, March 17, 2018.

130 "İBB Başkanı Uysal'dan Metro Yatırımlarında Öncelik Açıklaması," *Hürriyet*, March 18, 2018.

This preference for the urban periphery, however, should not be overstated. There are, possibly, other factors at work that render the periphery attractive, rather than merely the exercise of urban populism. As certain cabinet decisions[131] and debates[132] with regard to expropriation (*kamulaştırma*) reveal, the municipality, at times, needs extra leverage to go on with the specified routes (which might be difficult in the crammed urban core). Still, in many cases, permissions seem to have been provided without much ado in the first place.[133] Furthermore, another factor at work for route choices was suggested to be the influence of pressures from landowners and politicians.[134] After all, the metro increases the real estate value of any place it renders "accessible"[135], given the fact that the metro's material benefits are more tangible and permanent[136], compared to a flexible bus route and its temporary benefits. These assumptions, however, warrant meticulous empirical studies.

7.1.7 *The Appeals to Centralization*

With the introduction of the Presidential Government System as a solution to ongoing political crises and after the coup d'état attempt in 2016, the fate of infrastructure was increasingly tied to the need for the central government, municipality and people to be one. As suggested in the previous chapter, the overtaking of certain municipal rail projects by the government was already at hand by 2011. Back then, it was claimed that the management of Istanbul

131 "Bakanlar Kurulu Kararı," *Resmi Gazete*, decision no. 2016/9417, no. 29876, November 2, 2016.

132 *Türkiye Büyük Millet Meclisi, Plan ve Bütçe Komisyonu Tutanak Dergisi,* July 7, 2014.

133 Onur Kaplan, "Danıştay Kararları Işığında Acele Kamulaştırmalarda 'Aceleliğine Karar Verilen Haller' Bakımından Bir Değerlendirme," *Marmara Üniversitesi Hukuk Fakültesi Hukuk Araştırmaları Dergisi* 24, no. 1 (June 2018): 176-196.

134 Ibid, 61.

135 "Anadolu Yakası'nın Yıldızı Ulaşım Projeleriyle Parladı!," *Habertürk*, May 26, 2015; Levent Caner Yüce, "Metro Güzergahlarının Konut Değerine Etkisi: 2012-2017 Yılları Arasında Kadıköy-Kartal Metro Güzergahı İncelemesi," Master's thesis, (Bahçeşehir University, 2019) and "Üsküdar Megaprojeler ile Şahlanıyor," *Emlak & Konut*, no. 6 (June 15 – July 15 2017).

136 Özge Özgür, "An Analysis of Rail Transit Investments in Turkey," 15.

was too significant to be left alone to local administrations,[137] whose executive power needed improvement[138], after all. By the second half of the 2010s, the management of Istanbul was increasingly linked to the fate of the party-government and the President.

A disdain for coalitions and conflict between different institutions was, throughout the years, quite vocal, as suggested through the AKP's anti-elitist stance. Erdoğan would reminisce of his municipal reign as one full of bureaucratic obstacles. The horizon of central governments was so far from our ideals for Turkey, he would claim. The local administrations were, always, in conflict with the central governments: "It was difficult to make ourselves understood by the government." The largest city of Turkey, Istanbul was not even visible from Ankara. However, with the AKP reign, local and central administrations would embark upon complementary projects, being engaged in "parallel politics"[139], he suggested as early as in 2006.

In a metro inauguration in 2015, which was less about the metro than the Presidential System, the Kemalist one-party rule was cherished because of its contributions to the development of Turkey.[140] After all, almost everything was taken out during one-party rule. However, even one-party governments were not enough for the building of the new Turkey, of a new constitution and the presidential system, for the building of the future. "Those elites who want coalition wants Turkey to lose," Erdoğan suggested. "Coalition is crisis, inflation, unemployment, poverty and bankruptcy. Coalition is a bunch of elites or rich people or some bureaucrats leeching people," he continued.

In a similar vein, Erdoğan would claim that "if the people (*cumhur*) are strong, then the President is. The metropolitan and district municipalities

137 "Erdoğan: Cumhuriyet Tarihinde Yapılanlardan Kat Kat Fazlasını Yaptık," *Diken*, January 18, 2020.

138 Ak Parti, *Cumhurbaşkanlığı Seçimleri ve Genel Seçimler Seçim Beyannamesi 2018,* 259.

139 "Taksim-Kabataş Fünikiler Sistem Açılışı," *Yeni Türkiye Vizyonu / Canım İstanbul,* 128.

140 "Türkiye'nin Geleceği İçin İhtiyaç Duyduğu Proje Koalisyon Değil, Yeni Anayasa ve Başkanlık Sistemidir," *Türkiye Cumhuriyeti Cumhurbaşkanlığı,* accessed December 22, 2021, https://www.tccb.gov.tr/haberler/410/31874/turkiyenin-gelecegi-icin-ihtiyac-duydugu-proje-koalisyon-degil-yeni-anayasa-ve-baskanlik-sistemidir .

would be strong, too, if the President is with them."[141] If this connection was formed, the infrastructural move would continue, according to Davutoğlu in 2015: "Are you happy from rail systems? These services? This speed which is advanced of the time? Our Ministry of Transport and Metropolitan Municipality's rail system? If you want the 142 kilometer line to be extended to 406 kilometers, then you will go to the booths on 7 June,"[142] he would claim at an inauguration. Two years later, in 2017, the Istanbul mayor Topbaş would parrot these statements, claiming that if you say yes to the presidential referendum, it is a yes to *hizmet* and metro.[143] This axiom would be repeated many times during the election campaigns.[144]

As suggested in the previous chapter, with the Presidential System introduced in 2017, the President was to be endowed with concrete authorities to manage infrastructural projects. However, this disdain for decision-making processes was as visible as the early AKP period. The latter part of the chapter narrates the fate of early urban plans and how they were rendered redundant through political interventions.

§ 7.2 Disregard for Plan-making as a Symptom of Populism

The fate of early urban plans of Istanbul manifests the disregard for an inclusive decision-making process as a symptom of urban populism, this section claims. This disregard for a plan submitted the future of Istanbul to politically charged urban decisions, which depended upon a handful of persons.

The mechanism of the Istanbul Metropolitan Planning and Urban Design Center (İstanbul Metropolitan Planlama ve Tasarım Merkezi / İMP), which was active between 2004 and 2009, was designed to form a long-lasting relationship between the planners, architects and municipal authorities. The organization was, in fact, devised as a mechanism to avoid such policy

141 "Ebedi Kardeşliğimize Sıkı Sıkıya Sarılarak, 82 Milyonun Her bir Ferdinin Huzuru için Gayret Göstereceğiz," *Türkiye Cumhuriyeti Cumhurbaşkanlığı,* accessed December 22, 2021, https://www.tccb.gov.tr/haberler/410/103766/-ebedi-kardesligimize-siki-sikiya-sarilarak-82-milyonun-her-bir-ferdinin-huzuru-icin-gayret-gosterecegiz- .

142 "İstanbul'da Yeni Metro Hattı Açıldı," *Milliye*t, April 19, 2015.

143 "Cumhurbaşkanı Recep Tayyip ERDOĞAN Esenler Toplu Açılış Töreni."

144 "Kadir Topbaş: Beykoz'a Metro İstiyorsak 'Evet'," *Güncel Beykoz*, April 12, 2017.

improvisation. During the period in question, participation was, actually, the buzzword in line with the global trend of new forms of local governance.[145] This form of local governance presupposed a professionalization and the elites' participation in local processes. This planning mechanism as a manifestation of this participatory trend, however, did not last long. This section traces the fate of this institution as it portrays the AKP's preference for a flexible policy-making process and, thus, its disregard for civil participation.

7.2.1 *Urban Plans during the AKP Era*

Historically, plan-making has always been a source of contestation as the three of the former attempts (in 1973, 1980 and 1997) were annulled.[146] During the AKP's reign, two plans to delimit and control Istanbul's growth were to be conjured. These two plans, commissioned under the authority of the AKP municipality, have been published in 2006 and 2009. These plans, enthusiastically labelled "Istanbul's constitution", denoted intricate details and limits of Istanbul's growth including the development of urban and regional transit under the influence of a global city rhetoric. They, furthermore, provided possible solutions to the looming transit crisis, including transit routes.

The preparations for a new urban master plan during the AKP era were initiated in 2004. A tender was announced, to be awarded to the BİMTAŞ, a consultancy firm working under the auspices of the Metropolitan Municipality. The firm relegated the responsibility to the İMP, which had just begun to operate with a staff of 300 academics and professionals. The plan was finalized and elatedly presented in July 2006. However, troubles abound. The plan in 2006 was to be cancelled among much discontent while the latter one, in 2009, was to be presumably in effect despite not much change from the former and, hence, again, breeding widespread protest on behalf of the chambers. Before moving onto the politicized fate of the plans, a summary of

145 Ayda Eraydın and Tuna Taşan Kok, "State Response to Contemporary Urban Movements in Turkey: A Critical Overview of State Entrepreneurialism and Authoritarian Interventions," *Antipode* 46, no. 1 (2013): 113.

146 İstanbul Büyükşehir Belediyesi İmar ve Şehircilik Daire Başkanlığı Şehir Planlama Müdürlüğü, *1/100.000 Ölçekli İstanbul Çevre Düzeni Planı Raporu*, 84.

the planning vision is necessary as it could help one to get a grasp of how it was ignored in practice in the first place.

7.2.2 *The Plan's Vision of Istanbul*

The Environmental Plan of Istanbul (İstanbul Çevre Düzeni Planı), published in 2009 after a long history of contestations (narrated below), adds up to a bulk of 900 pages. The plan repeatedly repudiates the non-controllable urge for urban growth. As enunciated by the mayor Topbaş in the introduction, the need to curb the land-use development tendencies towards the city's north axis is a recurring theme.

The buzzword of the plan turns out to be sustainability. The impetus behind the plan refers to a crisis of sustainability, of a rift between man and nature, an impending climate change, which results from increasing population, production, distribution and consumption. This crisis is to be a solved by a system of management and governance (*yönetişim*)[147] and a rational decision-making process.[148] Public-private partnerships and capacity enhancement are deemed efficient mechanisms in the implementation of the plan.[149]

A sustainable, stable growth, in line with the global city logic while not rejecting local values, is aimed to be achieved, the report suggests – an aim claimed to be in line with the 9. Development Plan.[150] The plan, in a way, serves as a warning. However, preemptive measures go beyond the capacities of the municipalities and, necessitate a national and regional vision, it is noted. A city-regional vision is deemed the prerequisite for this sustainable vision, which aims at the control of migration and a balanced national growth and employment pattern.[151] The growth of Istanbul has to be rendered manageable, precluding growth towards the northern axis while tending towards the east-west axis.[152] Even if the deindustrialization of Istanbul entails

147 Ibid, 2.
148 Ibid, 6.
149 Ibid, 766.
150 Ibid, i.
151 Ibid, 501.
152 Ibid, 510.

the appearance of new hinterlands, the north-oriented growth should be carefully avoided, this logic argues.

Istanbul does not seem to be getting an adequate share of public investments, the report claims – especially for a city that needs heavy infrastructural and spatial development for participating as a candidate within the league of global cities.[153] The lack of investments, however, is not the sole reason of Istanbul's inadequateness as a global city candidate. Urban growth is a homogenizing process and it disregards urban specificities and environmental concerns.[154] The city is not marketable enough. The existence of projects such as the Third Bridge and of global capital's plans pose threats to the city's growth.[155]

Transit is regarded as one of the significant factors in the development of the urban macroform as it determines the location of the firms and urban facilities. As the growth of Istanbul as a global city depends upon the increasing competition within the service sector, transport and infrastructural developments are prerequisites for the attraction of foreign firms.[156] A congruity between transit decisions and land-use, however, needs to be established.[157]

Highway infrastructure and increase of its capacity are clearly dismissed in the plan. The solution is more public transit, more rail and sea transit investments. These investments are, along with costly measures of parking measures and favoring public transit, in fact, preconditions for a decrease in automobile dependency, which is, itself, a prerequisite for the solution of the traffic problem.[158] The existence of multiple institutions with regard to the administration of transportation is also deemed the cause of the authority problem and piecemeal projects. An institutional chaos exists. The central and local administrations are not coordinated enough. Authorities and responsibilities are not clearly defined.[159] A transit administration, defined

153 Ibid, 58.
154 Ibid, 377.
155 Ibid, 378.
156 Ibid, 461.
157 Ibid, 98.
158 Ibid, 478.
159 Ibid, 379.

clearly, does not exist. Similarly, transit networks are not supervised. Top-down projects such as the Third Bridge are deemed as threats along with the increase in private vehicles.[160]

7.2.3 *Discontents*

The plans were, immediately, bounded with legal controversy. A front composed of civil society organizations and chambers, particularly the Chamber of Architects (Mimarlar Odası), Chamber of Landscape Architects (Peyzaj Mimarları Odası) and Chamber of Civil Engineers (İnşaat Mühendisleri Odası) were not happy with the both plans. A joint declaration in 2007, to be turned into a lawsuit petition, uttered the organizations' grievances, which were claimed to be ignored by the municipality during the process of writing.

The first bulk of grievances pertained to the method. The İMP, albeit presented under the direct municipal hierarchy and the authority of the mayor, had actually operated under the auspices of the municipality's engineering, project and consultancy firm, BİMTAŞ.[161] A breach of authority was at hand - the İMP was merely to function as a consultative mechanism, to be involved in analytical studies. It did not possess the legal rights to design an urban plan.[162] Meanwhile, the authorities of certain mechanisms, namely the Provincial Council (İl Genel Meclisi) and Special Provincial Administration (İl Özel İdaresi), were downgraded to pre-empt any legal trouble.[163]

The plan was not participatory or transparent as it was presented, the civil society front claimed. The discourse of participation and transparency turned out to be just a fad as the process has precluded the concerns of the TMMOB-

160 Ibid, 362.

161 As the establishment of the İMP coincided with the transfer of authority from the Ministry of Environment and Forestry (Çevre ve Orman Bakanlığı) to the municipality via a protocol, it was not clear for whom the İMP worked in its early days. See Akın Eryoldaş, "Büyükşehir Metropoliten Alan Planlamasında Kurumsal Yapı," *Kent Gündemi,* no. 8 (2007): 63.

162 "Gündem Üzerine," *Kent Gündemi,* no. 8 (2007): 25.

163 "1/100 000 Ölçekli İstanbul İl Çevre Düzeni Planı İptal Davası Hazırlık Metni," *TMMOB Peyzaj Mimarları Odası*, accessed December 21, 2021, http://www.peyzajmimoda.org.tr/resimler/ekler/5b9eea6e1cc6bb9_ek.doc?tipi=2&turu=&sube=0 .

affiliated organizations[164] except for a brief consultative process after the plan was almost finalized. Similarly, this mechanism was described as a method of "window-dressing", as a mechanism of justifying the municipality's decisions behind the notion of partnerships with academics or architects, according to an urban planner and academic involved in the process.[165]

Besides the method, a bulk of the objections pertained to the content of the plan, most of which was to be replicated in the 2009 plan. As the main objective of the plan was to deem Istanbul more competitive within the league of global cities and the international market (while focusing on attracting capital, firms and investments), it disregarded the concerns of the inhabitants, the logic basically argued. It also envisioned and justified contentious urban renovation projects, some of which were already decided by the central government, rendering the plan already susceptible to the whims of the governments. The plan decisions and legends turned out to be quite ambivalent while rendering an area both under protection and subject to revision, for instance.

An ambivalence was also present in the transport decisions. While rail-based investments were deemed the primary objective in the field of urban transit (to pre-empt a north-oriented urban growth), the plan, simultaneously, envisioned a north-bound highway (along with certain byroads), which slyly heralded the construction of the Third Bridge. The transit-related decisions were, furthermore, divorced from land-use decisions and not dependent upon the Urban Transit Master Plan (Kentsel Ulaşım Ana Planı) in progress (and upon any other analytical or scientific study) and the existent municipal decisions.

Meanwhile, certain projects (such as the Seven Hills Seven Tunnels Project / Yedi Tepe Yedi Tünel Project)[166] not identified within the Plan, have been uttered by the mayor, casting some doubts on the workings of the

164 "Basın Açıklaması," *İnşaat Mühendisleri Odası İstanbul Şubesi*, May 27, 2008, accessed December 21, 2021, http://kentvedemiryolu.com/1100-000-plana-iptal/ . The plan, in fact, was presented to the chambers – only after being written.

165 Interview with Haluk Gerçek, December 8, 2017.

166 "İstanbul'da 'Tünel' Gerginliği," *Sabah*, March 18, 2006.

İMP.[167] The mayor has justified these decisions by claiming that they do not need to ask for permission in the first place and that they might have to decide in haste.[168]

According to an urban planner involved in the project, the mayor had stuck to an exclusive decision-making process, not conforming with the plans of the İMP. Thus, municipal decisions were increasingly taken out by an increasingly exclusive group, by a handful of individuals. The İMP (whose authority was questioned by civil society in the first place) was, thus, rendered irrelevant by these extra-plan decisions and interventions, prompted by the municipality and the central government.[169] The plan, hence, turned out to be piecemeal, to be aggravated by the non-existence of coordination between the different groups working under the İMP. As a result of this piecemeal character marking land-use decisions and of a disregard for strategical planning techniques, whether the plan was a plan was disputable in the first place, it was argued.[170]

7.2.4 *The Legal Backlash and Demise of the İMP*

Upon a lawsuit initiated by the Chamber of Civil Engineers and Chamber of Environmental Engineers[171], the Istanbul 2. Administrative Court (İstanbul 2. İdare Mahkemesi) was to annul the plan – twice.[172] The annulment was justified on three grounds, which echoed the grievances presented above. First of all, the İMP did not, indeed, possess the authority to design master plans. After all, the İMP's operations as an authorized planning mechanism preceded the enactment of related legislature that permitted the transfer of the responsibility in question (i.e. the commissioning of urban plans) from

167 Interview with Haluk Gerçek.

168 "İstanbul'un Geleceğine Yönelik Ulaşım Politikaları; Haluk Gerçek," *Kent Gündemi,* no. 8 (2007): 39.

169 Interview with Haluk Gerçek.

170 "İstanbul'da Çevre Düzeni Planı Yapmak," *BirGün*, July 20, 2006.

171 See "Mimarlar Odası İtiraz Dilekçesi," *Mimarlar Odası*, accessed December 22, 2021, http://www.mimarist.org/calisma_raporlari/39Donem/html/6.7.1.htm .

172 "1/100.000 ölçekli İstanbul İl Çevre Düzeni Planı Yeniden Yürürlükte," *Planlama.org*, May 24, 2008.

the municipality to another organization.[173] Secondly, the BİMTAŞ-İMP relations were problematic as the authority was relegated to the İMP from the BİMTAŞ without a tender.[174] Furthermore, the personnel did not possess the necessary academic credentials. The last objection was related to the content of the plan as the plan superseded its authority and involved not only Istanbul but the Thracian area as well. The plan also did not include ongoing mega-projects in the plan.[175]

A discrepancy between the planning mechanism of the municipality and the municipality itself was also manifest.[176] Certain municipal actors, particularly the Directorate of Urban Planning (Şehir Planlama Müdürlüğü), labelled the İMP and the non-tendered process as a circumvention of legal boundaries, of geographical boundaries (as the plan in question compassed an area larger than Istanbul) and of bureaucracy. Following this legal hubble-bubble and discontent, the İMP would be shattered by inner debate and resignations. Meanwhile, an upgraded form of this plan was presented to the public. The 2009 plan would maintain the criticized suggestions. The same allegations were to be reiterated as the same problematic, non-scientific, rent-oriented planning vision was claimed to be present.[177]

7.2.5 *Plan-making under the Influence of Populism*

It has been suggested that despite the existence of the 2009 plan, "[s]o many revisions have been made in the plans for the construction of new projects that the city's master plan lost its entire meaning." Thus, Şentürk continues, "the city authorities have realized that rather than bringing comprehensive

173 The protocol, which envisioned the transfer of authority, had originally the Directorate of Urban Planning (Şehir Planlama Müdürlüğü) in mind.

174 "İstanbul Çevre Düzeni Planı Tamamlandı; İstanbul Metropolü Gerçekten Bir Plana Kavuştu mu?," *Mimdap*, May 8, 2006.

175 "Topbaş'ın 'Gururu' Çöpe Gitti," *Vatan*, May 25, 2008.

176 "Görevden Alınma Öykümüz," *Mimdap*, March 12, 2007.

177 "Basın Açıklaması: 1/100 000 Ölçekli İstanbul İl Çevre Düzeni Planı İptal Edilmelidir," *TMMOB Elektrik Mühendisleri Odası İstanbul Şubesi,* February 23, 2009, accessed December 22, 2021, https://www.emo.org.tr/genel/bizden_detay.php?kod=66688&tipi=3&sube=6 .

solutions to the urban problems caused by multi-actors and multi-causes, it is easier and pragmatic to 'manage' them by short-term remedies."[178]

An oppositional front, coded as "elites" by the ruling party-government, saw these urban plans as exclusionary and illegal. However, the plans' suggestions were not to be applied in the first place. By method, urban planning during the era favored a pseudo-participatory rhetoric and tolerated the participation of civil society to a limited extent. Regardless of its content, it was manifest that rather than urban plans, personal decisions ruled the future of Istanbul.[179] After all, it was suggested, work needed to be done – despite all odds. This form of local governance was identified as an "'interventionist' regime of urban regulation with 'authoritarian' and 'entrepreneurial' aspirations."[180] Urban institutions, chambers and experts were rendered irrelevant through top-down political interventions or amendments to existing legislation. Eraydın and Taşan Kok claimed that this new form of local governance excluded not only former elites but also disadvantaged groups and minorities.

The lack of a coherent transit policy and transit law[181] did not help, either. Indeed, as Gerçek was to suggest, the administration of urban policies remained fragmented and, according to Babalık-Sutcliffe, conflictual.[182] An integrity between the commissioned plans and administrative mechanisms did not exist.[183] According to Haluk Gerçek and other commentators, who were involved in urban planning processes and urban transit projects both before and during the AKP's reign, these plans were suggested to serve peculiar purposes. There was a logic behind the lack of an urban plan, which an authority is diligently expected to comply with. The actions and decisions of the authorities were generally improvised, it was claimed. The consequent

178 Yıldırım Şentürk, "Managing the Problems of the Cities: Doing Business While Governing Istanbul" in *Identity, Justice and Resistance in the Neoliberal City*, ed. Yıldırım Şentürk and Gülçin Erdi (Palgrave Macmillan: London, 2017), 234.

179 Interview with Haluk Gerçek.

180 Eraydın and Taşan Kok, 124.

181 Ela Babalık-Sutcliffe, "Turkey," in *The Urban Transport Crisis in Emerging Economies*, ed. Dorina Pojani and Dominic Stead (Springer: Cham, 2017), 263-264.

182 Ibid, 260.

183 Interview with Haluk Gerçek.

addition of these decisions to the plans, rather than serving a clear-cut urban vision, served to justify these deeds, it was suggested.[184]

With regard to the Turkish case, it has been suggested that "there is a large gap between urban transport planning practice and the briefs written by government bureaucrats for consultants in project development and evaluation, and what academics – adopting a critical perspective on events – are able to publish on the policy-making process."[185] This gap and the arbitrariness of decisions precluded the role of "expertise" in the shaping of policies[186] or the emergence of a "post-political" environment in which expertise reduces policy problems to technical problems and technocratic solutions.[187] In other words, urban transit policy making has been marked by the exclusion of experts (let alone civil society) and the rule of political interventions. This arrangement (or, rather, lack of an arrangement) and the existence of conflicting authorities, in fact, serve the exercise of arbitrary, populist decisions, overriding "realistic predictions and technically sound studies", according to Özgür.[188] This works to favor political considerations and designed to serve political outcomes,[189] for instance, to serve the "dream of having rail transit systems in the cities" (despite the lack of a necessity).[190]

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184 Ibid. This suggestion supports Mosse's claim that "policy ... primarily function[ed] to mobilize and maintain political support, that is to legitimize rather than to orientate practice." David Mosse, "Is Good Policy Unimplementable? Reflections on the Ethnography of Aid Policy and Practice," *Development and Change* 35, no. 4 (September 2004): 648.

185 Alpkökin et al., "LRT and Street Tram Policies," 2.

186 For instance, see Erik P. Rau, "Technological Systems, Expertise, and Policy Making," in *Technologies of Power: Essays in Honor of Thomas Parke Hughes and Agatha Chipley Hughes*, ed. Michael Tad Allen and Gabrielle Hecht (MIT Press: Cambridge, 2001), 244.

187 Japhy Wilson and Erik Swyngedouw, "Seeds of Dystopia: Post-Politics and the Return of the Political," in *The Post-Political and Its Discontents: Spaces of Depoliticisation, Spectres of Radical Politics*, ed. Japhy Wilson and Erik Swyngedouw (Edinburgh University Press: Edinburgh, 2014), 6.

188 Özgür, "An Analysis of Rail Transit Investments in Turkey," 36.

189 Musa Özalp, "Türkiye'de Kentsel Ulaşım Planlaması Çalışmalarında Benimsenen Yaklaşımlar; Sorunlar ve Çözüm Önerileri," Master's thesis, (Gazi University, 2007), 184.

190 Erhan Öncü, "Kentiçi Ulaşımda Karar Süreçleri ve Karar Ölçütleri," *İstanbul Bülten*, no. 92 (2007): 24.

In other words, this exclusionary, populist form of local governance might have led to the overselling of urban systems, to the superfluous generation of urban rent. After all, as mega-projects decisions are political rather than technical,[191] urban rail decisions are, too, quite political, overriding realistic transit demands.[192] In short, urban rail decisions seem to be shaped by political interventions and urban populist concerns, rather than urban plans, civil demands, pressure from neoliberal agents or technical considerations.

§ 7.3 Conclusion

This chapter aimed to investigate the symptoms of urban populism through urban rail policy and plan-making throughout the AKP era. The first section of the chapter, through inaugurations, political statements and the like, aimed to portray four symptoms of urban populism through urban rail. These included an "anti-elitist" stance, a developmentalist logic (imbued with a logic of progress and "modernity" along with a peculiar global city vision), a preference for the periphery and the call for a "unified" power bloc for the realization of infrastructural projects.

Besides the portrayal of these common symptoms of populism through urban rail, the fate of urban planning policies throughout the AKP's first decade was narrated in the latter section of the chapter. Some of these symptoms, despite the ostensible participatory logic that marked the early years of the AKP, were identified throughout the course of urban planning. Urban planning institutions, it turned out, were subject to political interventions, subjecting urban decisions not to the considerations of technical experts but of certain political figures. These symptoms of urban populism testify to the role of politics in the shaping of urban decisions – not merely neoliberal concerns, as the theoretical bulk of critical neoliberalism presented in Chapter 2 would mostly claim.

This not-so-neoliberal depiction of the packaging and utilization of infrastructure did not portray a clear-cut, conflict-free process towards neoliberalization. It did not testify to the existence of an elite urban coalition,

191 Jacques Leslie, "The Trouble with Megaprojects," *The New Yorker*, April 11, 2015.

192 Interview with Pelin Alpkökin.

either. The disregard for legal boundaries and regulations, along with the disregard for urban planning institutions (or any legally binding institution for that matter) rendered the field of infrastructure open to arbitrary interventions. This process was not, however, bereft of conflicts and discontents. Power plays within and between political institutions and actors politicized the fate of infrastructure further. Thus, it is not quite surprising that the urban rail policy of Istanbul is an ambivalent political mess. It is a field, constantly shaped and reshaped by changing political aspirations and interventions while being dependent upon the configuration of power within and between actors, global and national contingencies, along with lurking institutional legacies.

8

Conclusion

This dissertation rose out of a basic curiosity. Could quotidian and ordinary forms of infrastructure refract past and ongoing political battles? Do political and institutional legacies lie behind them? This dissertation depicts how the political history of a hitherto ignored infrastructural artifact such as Istanbul's urban rail could act as a parable of the Turkish neoliberal experience.

The political trajectory of Istanbul's urban rail not only overlaps with the course of Turkish neoliberalism but it also manifests the peculiarities of late Turkish political history, which, at times, defy the simple label of 'neoliberal'. Thus, this narration, about to be concluded herein, should be seen as a partial story of Turkish neoliberalism and of a form of political governance, which challenges both mainstream and critical approaches towards understanding neoliberalism.

The chapters on the 1980s and 1990s (Chapter 3 and 4), depicting the post-1980 coup institutional environment and the concomitant discovery of urban infrastructure investment, introduced the main themes of the dissertation: patronage, populism, global city visions, power fragmentation. Throughout these decades (which did not really excel at the institutionalization of neoliberal governance), urban rail projects, albeit being limited in

numbers and impact, reflected political battles, controversies and rifts. An ambivalent urban vision towards Istanbul, oscillating between urban populism and global city impulses, was introduced herein. This vision, along with the other themes introduced throughout these two chapters would persist throughout the two decades of the AKP rule.

The crooked legal environment that marked the first two decades of Turkish neoliberalism, which was suggested to be the reason of unceasing corruption scandals and political turmoil, was regarded as the source of the 2001 economic crisis. The post-2001 crisis reforms, which were to coincide with the onset of the AKP rule, would aim to undo this failed legal environment. The introduction of these regulatory frameworks and institutions was expected to divorce the economic from the political. Chapter 5 narrated these reform attempts through two legal-institutional domains, viz. public procurement and municipal reform. Not before long, however, these reform attempts were to be challenged by the political interventions of the party-state in construction. Distasteful of the Public Procurement Law (which was thought to be serving the established, big bourgeoisie), the party-government took its chances to postpone and amend the law. At the same time, the strengthening of local administrations, to displace the inflexible establishment/center, was the talk of the town.

The wish to warp the Public Procurement Law and to displace the center through the entrenchment of the local (as a step in the battle for more political power), was already visible by the mid-2000s (which was, quite possibly, obscured by the prevalence of the buzzwords of the era, i.e. democratization and reform). After the political opportunities provided by the aftermath of the 2008-2009 crisis, these tendencies would be lived out more passionately and visibly. The post-crisis environment would condone abrupt political interventions that were to mark the following decade, along with providing a financially advantageous configuration for the implementation of urban infrastructure projects.

Thus would take off the AKP's infrastructural breakthrough, as visible through the introduction of urban rail projects especially through the second half of the 2010s. In other words, through the apparent resolution of the eternal question of power fragmentation (the political tug of war between the

center and local that hindered the implementation of urban infrastructure projects) and the existence of a financially viable environment coupled with the unceasing exercise of discretion in tenders, the realm of urban infrastructure transformed into a gold mine.

This utilization of urban infrastructure, facilitated by the post-crisis environment, provided both material and political benefits. It, simultaneously, resulted in the emergence of a new business environment (Chapter 6) and was increasingly the source of political bravado (Chapter 7), which refracted the party-state's urban populist tendencies (along with its adherence to an ambivalent urban vision).

The business environment, being shaped by unceasing political interventions into the realm of public procurement, was marked by a fragmentation (mostly overlooked by contemporary analyses), Chapter 6 claimed. The tactics of discretion or forms of political intervention testified to a return towards the practices of the first two decades of neoliberalism (which the post-2001 reforms tried to eliminate through the introduction of certain legal standards and institutions). A de-institutionalization was, indeed, in question.

Patronal impulses pertained to merely one among the two tendencies of these two decades, according to the analyses of late Turkish political economy. The other one was presented as populism, envisioned through two exclusive definitions, i.e. one of political domination and economic distribution. Urban rail, Chapter 7 posited, refracted the exercise of political power in a populist manner (anti-elitist, anti-opposition, all for the people, which could be represented by *only us*) and a preferential treatment towards the vulnerable periphery, along with a national developmentalist vision. During the AKP era, the global city impulses were to be subsumed into an urban populist presentation of urban rail. Rather than primarily serving global city impulses and capital, as seen through its political valorization and its concrete (yet tentative) manifestations, urban rail projects were presented as services to the vulnerable periphery.

This political history of urban rail manifested certain peculiarities with regard to the course of Turkish neoliberalism, as it was posited in the introduction. Given the lack of previous studies upon politically minded histories of infrastructure (and urban rail, in particular) along with the fact that urban

rail, still, occupies a less impressive function vis-à-vis road transport, the dissertation admitted its limitations with regard to overarching generalizations about neoliberalism. The introduction had also aimed to highlight the global relevance of these peculiarities. Thus, these peculiarities, given the fact that they were inferred from a historical trajectory of a single field or artifact, should not be taken as granted but, rather, as challenging conclusions which could be tested or investigated further (through utilizing different contexts, fields and/or methods, for instance).

The trajectory of urban rail transit refracted four main peculiarities with regard to the course of Turkish neoliberalism. The first of these pertained to the resilience of political interventions into the realm of business. A historical connection between the early experience of neoliberalism and the AKP experience (which was, by some, deemed an oddity throughout the course of Turkish neoliberalism) was identified throughout the forty-years old fate of urban infrastructure. The early experience of Turkish neoliberalism was replete with legally controversial practices within the business environment and urban policy-making. The AKP era did not invent but amplified these tendencies.

The second peculiarity referred to the resilience of certain business actors. While neoliberal reforms after the 2001 crisis strived for the disappearance of old business groups (whose reputations were thought to be tarnished due to the legally suspicious environment of the first two decades), these networks were not totally wiped out. However, most analyses of the last two decades have preferred to highlight the dominance of the politically affiliated agents – as is fitting, due to their visibility and steep rise. The field of urban infrastructure, however, provided opportunities not only for the affiliated business groups but also a part of the established business actors. The resilience of the old was also visible when lesser responsibilities (contracted out by the municipality) were in question. This narration of urban rail realm, thus, testifies to the fragmentation of the business realm and acts as a basic remainder: the "success" of the neoliberal project should be looked for in the co-existence of the old and the new.

This co-existence was attributed to the determining role of certain factors, peculiar to the field of infrastructure. Technology, experience and legal

obligations (arising from international loans, for instance) have acted as constraints for the full-fledged exercise of nepotism through urban infrastructure projects. Depictions of nepotism during the era have implied the existence of an omnipotent, omniscient political entity, which could put politically affiliated actors into its service for any project, whenever it wishes. The fragmented business environment, however, indicates the limitations of reforms, state power/political interventions and patronage.

The third peculiarity concerned the historical rift between the center and local, which was presumably solved with the advent of the AKP. Infrastructure projects before and during early Turkish neoliberalism, along with the AKP's early reign, were marked by institutional and bureaucratic discrepancies, which hindered the realization of these projects. With the gradual overlap of the AKP and the state mechanism, municipality and other institutions (and after the opportunities provided by the 2008-2009 crisis), urban infrastructure was to transform into a lucrative realm. The solution of this eternal question of power fragmentation, however, did not mean that conflicts were over. In fact, during the AKP period (especially after the mid-2010s), conflicts and rifts did not cease to be manifest over urban infrastructure projects (similar to the first two decades of the neoliberal experience). Furthermore, with the transfer of the municipality to the opposition in 2019, this old theme would return, full-fledged. Hence, the field of urban transit was, never, built upon a consensus but was, always, marked by conflicts and rifts, either within or between different political parties/entities and institutions. Rather than coherence, contradiction and conflict ruled the field.

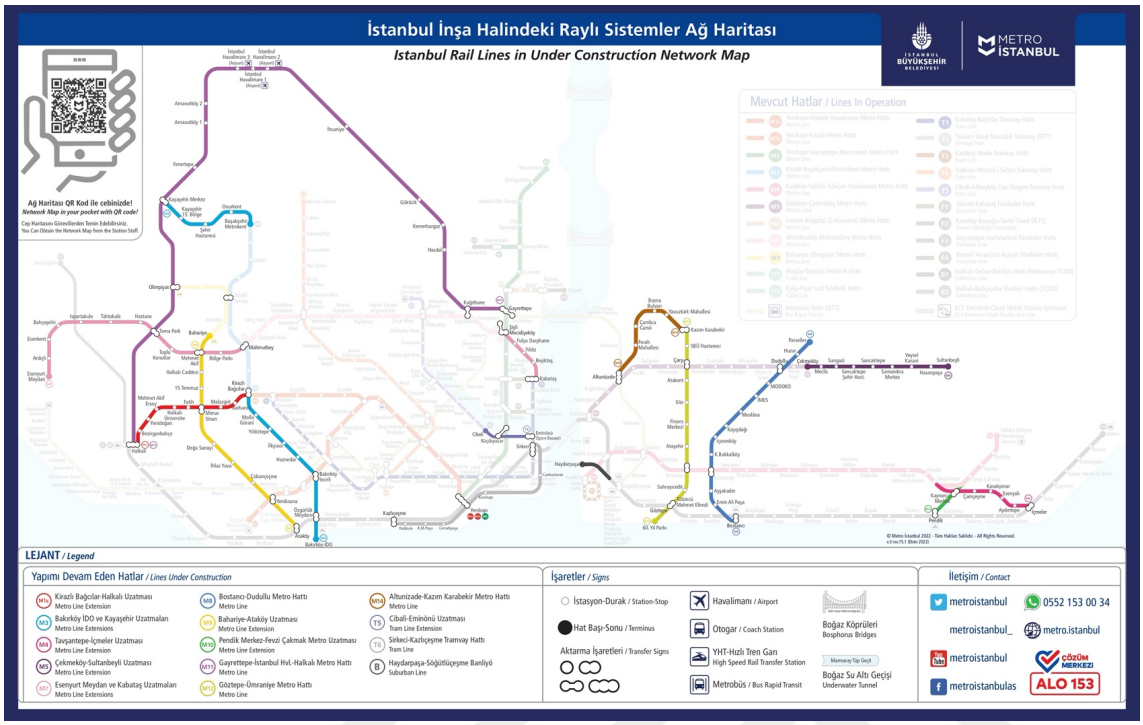
Contradiction was also visible through the ambivalent urban vision towards Istanbul. Swaying between urban populism or global city tendencies, Istanbul's infrastructural politics were imbued with changing meanings and functions, sometimes in conflict. A concrete urban rail agenda did not exist. A clearly defined political authority which would implement these projects did not exist, either. The field of urban rail and planning turned out to be piecemeal, shaped by arbitrary interventions by a handful of political figures, excluding experts, civil society or urban growth coalitions as such. This prevalence of arbitrariness over the field of urban rail raised certain questions.

Could this combination of arbitrary decisions and practices by different actors pertain to a clear-cut policy field? Do they comply with the theoretical critiques of the classical neoliberal theory or with analyses of late Turkish political economy? Does presuming the existence of a consistent political rationale behind the urban reconfiguration of Istanbul run the risk of reductionism or of simplification?

The last two decades and myriad political actors involved have been investigated through labels such as neoliberal, populist, crony etc.. These labels have undisputable analytical and practical power. However, one should not ignore the hybrid, uncertain, arbitrary character of this form of political rule (independent of the labels one chooses to understand the era), as manifest through urban rail "policy". One should not disregard its limitations, either.

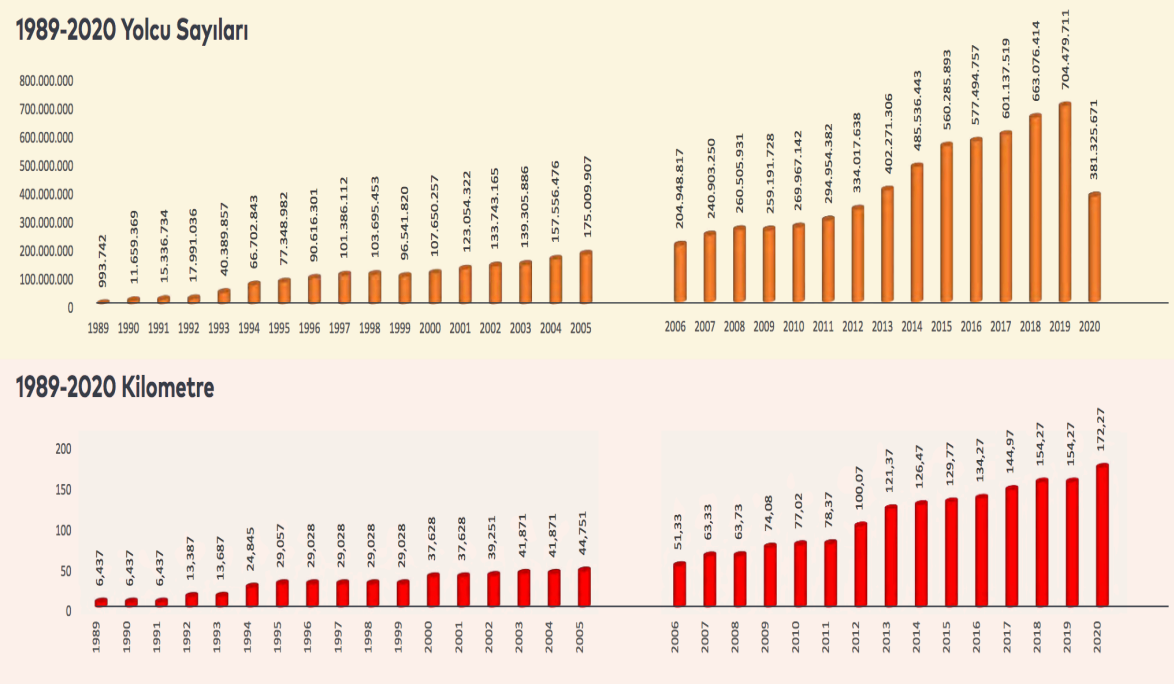
This narration of urban rail, thus, hopes to have implied the need for a more nuanced reading of Turkish neoliberalism, with more sensitivity towards political cracks and rifts, uncertainties and twists, rather than suggesting the existence of omniscient and omnipotent political entities, which operate under no constrains or institutional-historical baggage, possessing preset, fixed goals. This narration of continuities and ruptures manifests the robustness of arbitrary political practices and controversial state-business networks, which, quite likely, would persist independent of the political entity in power. After all, not only history but political structures and institutional inheritance matter, too. Agencies do, too but a candidate who lays claim to the potentiality to disrupt these intricate workings does not seem to be on the horizon.

Appendix A Istanbul's Urban Rail Projects in Construction (October 2022)



SOURCE: Metro İstanbul, *İstanbul Metro Ağları Haritası*, accessed November 7, 2022, https://www.metro.istanbul/YolcuHizmetleri/AgHaritalari .

Appendix B The Evolution of Istanbul's Rail Transit: Passenger Usage and Network Length (1989-2020)



SOURCE: Metro İstanbul, *Faaliyet Raporu 2020*, accessed December 20, 2021, https://www.metro.istanbul/Content/assets/uploaded/*faaliyet*_raporu_2020_kars%C4%B1l%C4%B1kl%C4%B1_d%C3%BCs%C3%BCk01.pdf .

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