

**Restructuring Processes  
&  
the City:  
A Case Study on İzmir & its Region**

**By  
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## ABSTRACT

This thesis is mainly about the debates, issues, and agendas stemming from the social, economic, political, and cultural 'restructuring processes', which have been experienced since the end of the 1970s and are yet ongoing at the outset of the 21<sup>st</sup> century. The conceptualizations, analyses, and explanations made on these profound processes, and on the city and the region are the crucial foci within the thesis. The major findings derived from the evaluations, discussions, and propositions are explored in a case study on one of the major cities of Turkey, İzmir and its region.

Among many, especially the 'regionalism', 'governance', 'growth management', and 'strategic planning' are the highlighted subjects. The 'city-region' is offered to be a proper spatial analysis and planning unit for the integrated strategic planning approaches; the 'producer services' is pointed out as a rising service sub-sector representing the economic restructuring processes with the important spatial concerns; and furthermore, the role of the spatial planning, policy, and the planner within the restructuring division of labor, the rise of strategic planning and of large scale projects on the redefined cities, city-regions, and the wider regions throughout the restructuring processes are the emphasized planning concerns within the thesis.

Though not so dense and intensified compared with that of İstanbul region, İzmir region and the wider economic-geographic region are identified to be subject to substantial restructurings coupling with the global, nationwide, and İstanbul region centered processes since the beginning of the 1980s. The fundamental evidences on İzmir region are cited within; the repositioning in the national economic and spatial system, the shifts in the GDP and employment structure of economic sectors, emerging major spatial projects, changes and transformations within the spatial order and land use pattern, and the recent tendencies of planning approaches. GIS has been used as a fundamental tool throughout the economic, geographic, and historical analyses.

One of the major points that the thesis points out is the need for critical and empirical work on the dialectics between the restructuring processes, and the cities, city-regions and the wider regions especially in the so-called third world geographies to be of use in the developing governance, management, and strategic planning studies within the complex and hierarchical interrelations of the settlements.

Keywords: The Restructuring Processes, Governance, Regionalism, Growth Management, City, City-Region, Region, Producer Services, Spatial Planning, Strategic Planning

## ÖZ

Bu tez, temel olarak, 1970ler sonundan beri deneyimlenmekte ve halen 21. yüzyıl başında sürmekte olan sosyal, ekonomik, politik ve kültürel 'yeniden yapılanma süreçleri'nden doğan tartışmalar, konular ve gündemler hakkındadır. Bu büyük ve derin süreçlerle kent ve bölge üzerine yapılan kavramsallaştırmalar, analizler ve açıklamalar tezin temel odaklarını oluşturmaktadır. Değerlendirmeler, tartışmalar ve önermelerden çıkarılan temel bulgular, Türkiye'nin en önemli kentlerinden biri olan İzmir ve bölgesi üzerinde araştırılmıştır.

Birçok konu içinde, özellikle 'bölgeselcilik', 'yönetişim', 'büyüme yönetimi' ve 'stratejik planlama' dikkat çekilenlerdir. 'Kent-bölge', bütünlüklü stratejik planlama yaklaşımları için uygun bir analiz ve planlama mekansal birimi olarak önerilmiş; 'üretici servisleri', önemli mekansal ilgileri ile ekonomik yeniden yapılanma süreçlerini temsilen, yükselen bir servis alt sektörü olarak belirtilmiş; ve ayrıca, yeniden yapılanma süreçlerinde, yeniden yapılandırılan işbölümü içinde mekansal planlamanın, politikanın ve plancının rolü, yeniden tanımlanan kentler, kent-bölgeler, ve daha geniş bölgeler üzerine yapılan büyük ölçekli projelerin ve stratejik planlamanın yükselişi, tez içinde vurgulanmış planlama ilgeleridir.

İstanbul bölgesindeki kadar yoğunluk ve çeşitlilik göstermese de, İzmir bölgesinin ve daha geniş ekonomik coğrafi bölgenin, 1980lerin başından beri dünya, ülke ve İstanbul bölgesi merkezli süreçlere eşlik ederek önemli yeniden yapılanmalara konu olduğu saptaması getirilmiştir. İzmir kent-bölgesi üzerine temel bulgular; ülke ekonomik ve mekansal sistemi içinde yeniden konumlanıştan, ekonomik sektörlerin GSYİH ve işgücü yapısındaki değişikliklerden, ortaya çıkan önemli mekansal projelerden, mekansal düzen ve arazi kullanım dokusundaki değişim ve dönüşümlerden, ve planlama yaklaşımlarındaki mevcut eğilimlerden aktarılmıştır. CBS, ekonomik, coğrafi ve tarihsel analizlerde temel bir araç olarak kullanılmıştır.

Tezin belirttiği önemli noktalardan biri de, özellikle üçüncü dünya olarak adlandırılan coğrafyalarda, yerleşimlerin kompleks ve hiyerarşik karşılıklı ilişkileri içinde, gelişmekte olan yönetim, büyüme yönetimi ve stratejik planlama çalışmalarında kullanılmak üzere, yeniden yapılanma süreçleri ile kentler, kent bölgeler ve daha geniş bölgeler arasındaki diyalektik üzerine eleştirel ve ampirik çalışmalara duyulan gereksinimdir.

Anahtar kelimeler: Yeniden Yapılanma Süreçleri, Yönetişim, Bölgeselcilik, Büyüme Yönetimi, Kent, Kent-Bölge, Bölge, Üretici Servisleri, Mekansal Planlama, Stratejik Planlama

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# CHAPTER 1

## INTRODUCTION

We are living in and witnessing the very happenings of the twenty-first century world. It is now that the human dominates this vast space over any other inhabitants. At the outset, it is now an age that the so-called 'civilization' of human brought about. Much has been explored, told, discussed and written of this civilization as a whole and on its particularities, and there is very much that we haven't been able to know. But what we know says much about on 'what happened in history' and what is ongoing. Therefore, I conceive the recent condition of human –quite apart from the nature, and his/her possible future world as a matter of choice, or preference of this civilization.

It is the whole formation of the societies and the implications of the social systems that shape our way of living. Today, although we have more opportunity to understand it as a whole, the world we created produces day-by-day a bit more complexity to our ontological and epistemological concerns.

Human population has reached nearly 6 billion people and half of this population resides in urbanized areas. The population and settlement growth go on, and apart from the earlier periods the dense population and its growth take place in the particular geographies –the so-called 'third world'. The predictions say that the ongoing transformations and growth will bring about more population, more built environment, considerable environmental devastations attributed in immense densities, social polarizations-segregations, diversified activities, and flows in the future, which are mainly centered within the third world geographies.

The city, among all settlement units, seems to be the most used host for the profound needs of the human for thousands of years. It has been a place where the human reality has been experienced; where the structure outlying the human system has been created; where the nature has been immensely overridden; where the human future has been planned; and where the whole story of the humanity has been written. By this new century, quite distinctive processes take place on the city, region, and other various spaces-geographies. Both the processes –defined as the 'restructuring processes'- itself, and the condition of the city and region have been concern of many studies with respect to their characteristics and implications.

### **1.1. The Aim of the Thesis**

The thesis intends to pose itself in an understanding and evaluating of the restructuring processes that we have been witnessing for several decades. Related with this subject, there exist considerable contributions made by academic researchers and practitioners from both the city and regional planning discipline, and the related fields. This study tries to explore those contributions in explaining the realities within spatial processes and their role in designing proper solutions for the good city.

It is crucial for the planners and policy-makers to understand both the direction and character of the spatial changes and transformation processes. The major cities of the world have been the places where those evidences of the processes have been considerable. The study considers the city within a broader regional level because that such a level is useful in understanding the spatial linkages and providing comprehensive perspectives for the planning. There are several key points and arguments addressed in line through the text and the materials accompanying the text:

- An overview of the human condition and his/her habitats, and the city and region within the recent theories, conceptions, analysis, and policies through the ongoing restructuring processes,
- A questioning of the use of 'older' analytical and structural approaches to city space in explaining recent particular evidences and general realities,
- Based on these two wider overviews, an outlining of the settlement system(s), structures and their characteristic features evident in various geographies,
- An offering of the 'city-region' as the spatial unit both in understanding the recent economic, social, cultural and political relations and linkages, in the rising importance of governance schemes, and in the city and regional planning,
- An introduction to the analysis of 'the producer services' taken as a dynamic rising services sub-sector in producing economic and spatial transformations through the restructuring processes,
- An exploration in city and regional planning through the restructuring processes, in relation to the planning, policy, and planners, intending to clarify the recent condition of the field and to define basic responsibilities,
- A case study on İzmir and its region, defining those restructuring processes and analyzing the traces on spatial pattern and relations. The study seeks to point out some initial agendas and frameworks for the city and regional planners, especially in the case of İzmir region as a major city-region in Turkey.

## 1.2. The Definition of the Problem

The title of the thesis is 'Restructuring Processes and the City'. The title refers to a broader extent comprising the profound structural changes and transformations of the 21<sup>st</sup> century world; both inherited and newly produced by the age. Although used often as referring to the economic debate, here, the term is used encompassing the wider area of the processes within the social formations, settlement formations and systems. But it should be noted that the main emphasis will be on the economic debate.

There lies the initial statement of the thesis: We have been living through the restructuring processes evident in economic, socio-cultural, and political fields and that there are strong relationships between those processes lived in each field. Any individual, any space and place constitutes a part in the formation of both the particular processes and the whole. Neither the city nor the region is out of the restructuring processes; instead they are becoming the subjects of the real actions. It is a world where substantial divisions, borders are quite legible, but what is of major importance is that it is getting more and more integrated via the economic, social, political, and cultural processes.

No doubt that there is no single, unified, and one centered holistic process that covers them all, especially when we think that it is a much divided world between geographies and processes –such as north and south, developed and the developing, etc. But the world, the system(s) and processes taking place in it become day by day a bit more integrated, although not running yet in a harmony. In contrary to the view that we are witnessing 'the end of ideology', I see today a so-called 'globalization' of ideologies of the very familiar right wing.

And here comes the second statement: Any scientific field and its scientists, researchers and analysts; any labor and its labor force both contribute such processes and are driven by them. Hence, those means and goals both required and used by them resemble such restructuring(s) materialized in conflicts, crisis, paradigm shifts and redefinitions. City and regional planning both as a discipline and a labor –and other disciplines and labors acting on space and spatial processes- have inevitably witnessed those changes and transformations through the restructuring processes. And today we need for redefinitions and reevaluations of our field and its subject(s).

It is the restructuring processes of capitalism itself, and the coinciding processes –also may be attributed as restructuring- of the superstructure that redefines, and hence reorders our way of thinking, acting, feeling, or at its broadest, our way of living.

Therefore, any issue, debate, discourse, argument, abstraction, conception, analysis or even any idea focusing on the restructuring should not override the matter in a misleading manner.

And when it comes to our field's subject, our habitats, say to the 'city', it is possible to mention some broader trends besides the particular, that are ongoing variously with respect to ever existence of 'historical', 'geographic', and 'social formational' factors marked by the social systems within those cities.

What has become of the field of planning and related fields to which space and place are the subject? I propose to analyze these fields by the way of their positioning in the new division of labor –and in which they contribute to the reproduction of the spatial division of labor. In an age of immense restructuring processes, it is quite evident that the city and its region is getting more and more important; but on the other hand, the planners are getting of less importance and required. Therefore, the state of the city and regional planning is to be one of the major issues to be focused on by the professionals of the field.

### **1.3. The Context, Methodology, and Limits of the Thesis**

The thesis has mainly two parts and each comprised of subdivisions: First is the main body of the theoretical arguments and groups of studies on empirical grounds, and second is the case study. These two parts have different context and methodologies constituting the general uniformity of the study.

As the study covers a broader area of interest, so it is reflected in the variety of the literature overviewed. After a general reading, several studies were explored in detail. These were the most cited, referred, and used within the constraints of my access to them; but, there is no doubt that they constitute only a limited portion of the wider array. Therefore, it should be noted that such a kind of study -with respect to its aim and problem definition- should have evaluated much more literature encompassing many other studies within various scientific fields.

Throughout the literature survey recent publications were of major concern; by recent, it is referred to the time span from 1980 up to now. This demarcation stems from the idea that the restructuring processes and their implications could be visible, or open to investigation and flourishing within this span. Furthermore, such processes did not begin or proceed at overlapping times in various geographies of the world at once. The quantity and variety of the studies in one country or region do not go hand

in hand with those in others on the other hand. For instance, much published material that could be reached dates since the second half of the 1990s.

Web resources have been another major area of investigation throughout the study. Besides ordinary searches within the search engines, several sites have been of particular use in the study; these were belonging to national and international organizations -ISS, UN, WB, etc.- providing aggregate data and free published research proceedings, and the academic research groups -GaWC, - providing bulletins and empirical spatial studies specified on similar concerns in relation to my study. Another visited array comprises the official sites of municipalities, universities and planning departments, planning organizations, several private design and planning firms, etc.

On the other hand, within the case study, literature, map, and field surveys have been made. The literature survey focused on the writings on Turkey, its major cities -especially İstanbul, as the major city on which much has been produced-, and on İzmir both at the regional and city level. Special emphasis has been given to the type, character and language of the various maps, plans and multimedia resources on especially İzmir, as it is aimed to provide a collection of such resources to be of use in both the case study and further work on İzmir. The data, knowledge and map sets are brought together in order to produce the unified collection via GIS.

Below, an outline of the study offering key concepts and issues regarded in each chapter is given:

- The first chapter; intends to give the introductory explanations of the thesis.
- The second chapter; 'The Restructuring Processes', overviews the debates and arguments considered forming the basis of the restructuring processes tries to explore especially the economic processes and their spatial concerns. Because the thesis mainly argues that the new conceptions of the city space, the redefinitions of the planning issues and the planner him/herself stem from these processes covering human settlements.
- The third chapter; 'The City and Regional Restructuring, & Emerging Spatial Issues' is the fundamental chapter that shapes and draws basic outlines to the following ones. This chapter focuses on the responsive and reflective 'urban and regional restructuring' on the one hand, and the various 'emerging spatial issues' on the other. It will work through these issues by engaging with selected contemporary theoretical writings and empirical analysis on cities and regions. What is included here

is an overview of the recent city conceptions and researches with respect to their foci of interest in the city space. The issue of a new worldwide urban hierarchy, the particular leading cities and city-regions and their spatial aspects, and the data and methodology used in such explorations will be outlined.

- The fourth chapter; 'The City-Region as a Re-Emerging Planning Unit' comprises selected definitions and citations of the concept of city-region, samples of city-regions and structural-analytical approaches represented via several mappings. It is intended to provide an understanding of this prolific concept as a re-emerging subject, and an outlining for the seventh chapter, the case study on Izmir city-region.
- A dynamic service sector category, the producer services is the subject of chapter 5, 'The Rise of Producer Services & its Spatial Implications'. Definitions, classifications and spatial characteristics of producer services form the basis of the chapter. Since the sector is considered to be directly related with the restructuring processes, it is also used as an analytical debate in İzmir's and its region's restructuring processes.
- Chapter 6; tries to explore the condition of city and regional planning, planning policy, and the planner through the restructuring processes.
- Chapter 7; 'A Case Study on İzmir and its Region', brings about the case of the thesis. Referring to the spatial hierarchical and inter-city (inter-region) networking statements, this chapter mainly seeks for those processes of restructuring at the city and regional level. Therefore, special emphasis is given to İzmir core-city and its city-region as a spatial unit, and primarily the producer services as an economic sector. Here the time span of the analyses is taken from 1980 up to now. The chapter briefly evaluates the restructuring processes of Turkey at the outset. The positioning of İzmir within the national and regional accounts forms the second level of analysis. And the study analyses the possible structure of İzmir city-region and the internal relationships between the parts of the region. The macro-spatial changes and transformations within the core city of the region, and the spatial distribution and patterning of producer services will be analyzed in detail. The chapter ends with the explorations on planning studies on İzmir and its region while trying to give some initial statements on spatial planning on the city and its region. This chapter will try to contribute those spatial studies on İzmir at a broader level. This less studied –with respect to the regional level– city, İzmir is at the core of this chapter.
- The thesis ends with the concluding statements and several back material.

As seen from the summary of the chapters, the study starts with the selected

macro and meta arguments and is driven towards the detailed debates as chapters proceed. The City-Region and the Producer Services are explored in detail, and with the evaluation of the condition of planning, now the basis is formed for the Case Study in İzmir and its Region: The first, offering a re-emerging spatial analysis and planning unit, the second, a rising economic sector to be analyzed in terms of its constituting sectors and the spatial dimension, and the third, an effort on rethinking planning in the case of İzmir city-region.

## CHAPTER 2

### THE RESTRUCTURING PROCESSES

The first statement of the thesis is that we are living in an era of the restructuring processes underlying the profound changes and the transformations covering the economic, social, cultural and political aspects of our habitats, and our way of living and thinking. The spatial restructuring of cities and regions is taken as a 'process' in this thesis, which it affects and be affected from these changes and transformations.

Such a meta-statement calls for the holistic approaches and theories defining the restructuring processes. It is in this chapter that the macro -or the meta- level is addressed where the two important issues form the basis: The first, is the attempts to explain the underlying realities of our recent period –doubtlessly, within a historical context- and their main arguments; and the second, is the new form(ation)s –as an outcome of these arguments- that the future of the social systems and habitats are conceptualized.

There are some concepts, arguments and issues that gather considerable attention and by the time become widespread both in academic studies, business, and daily life. Among many, globalization is probably the most well known having an impressive sound since the 1980s. The modernism-postmodernism, information-knowledge-network society/age, consumer society and consumption culture, the post-capitalism, post-industrialism, etc. are few others among many that will be mentioned in this chapter in correspondence with the restructuring processes.

This part of the study aims to provide a general overview of the theoretical arguments, issues and, an evaluation of the grounds that they are founded. Such an approach is considered to be crucial due to its contributions to the condition of city and regional planning itself and to the subjects, agendas, means and goals of the field.

The chapter begins with describing the state of the world and its various geographies with the aggregate data. Defining the 'restructuring processes' will be the following part, and then comes those broader debates and issues mentioned above which form the main body of this chapter.

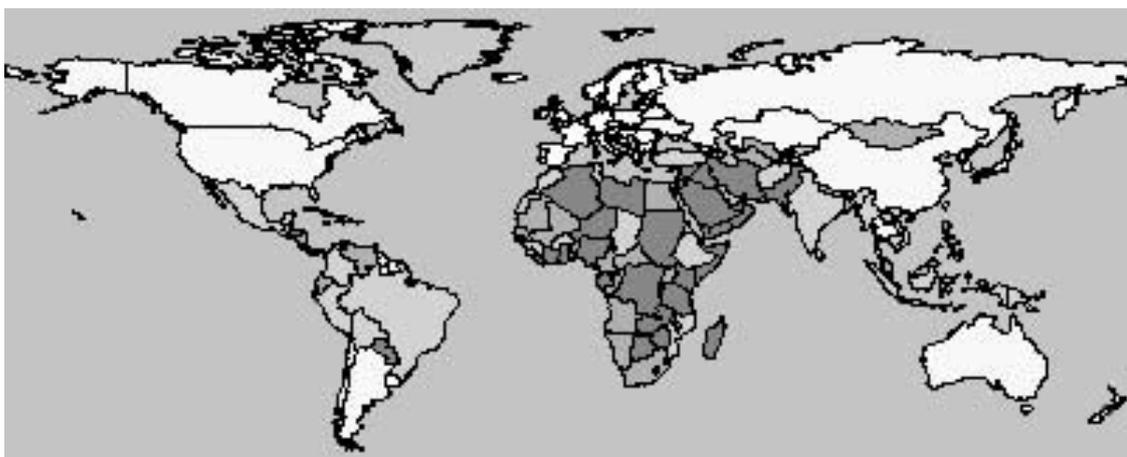
## 2.1. The State of the World: Major Social & Economic Trends

*“Freedom without opportunity is a devil's gift, and the refusal to provide such opportunities is criminal. The fate of the more vulnerable offers a sharp measure of the distance from here to something that might be called ‘civilization’. While I am speaking, 1000 children will die from easily preventable disease, and almost twice that many women will die or suffer serious disability in pregnancy or childbirth for lack of simple remedies and care. UNICEF estimates that to overcome such tragedies, and to ensure universal access to basic social services would require a quarter of the annual military expenditures of the ‘developing countries’, about 10% of U.S. military spending. It is against the background of such realities as these that any serious discussion of human freedom should proceed”*  
(Chomsky, 1997).

The twentieth century world has been home to billions of people, increasing day by day and concentrating in particular geographical nodes. At the end of the century, comparisons and future predictions were made, trends at various levels and issues were measured and the tops-bottoms were highlighted. It seems that the 21<sup>st</sup> century will bring about more than ever existed with respect to population, poverty, exclusion, polarization and various environmental problems.

At the outset of the 20<sup>th</sup> century, 10% of the population lived in cities. Today, almost 6 billion people live in human settlements, where of the half in urban areas and of three billion on less than 2 dollars a day and of 1.2 billion on less than 1 dollar a day. Wolfensohn (2001: 44) states that “...people on welfare have larger incomes than 70 percent of the people in the world.” In 2025, a two billion increase in the world population is predicted having the ninety-eight percent in the developing countries, especially in major city-regions and other urban areas, and 5 billion people will be living in the world’s urban areas of the two thirds be in the Third World.

Fig. 2.1. Population growth rate of countries (darkening represents the increase in growth rates)



Source: ESRI, 2002 ([www.esri.com](http://www.esri.com))

More and more of the world’s population is moving from rural to urban areas. Twenty-five years ago less than 40 percent of the world’s population lived in urban

areas; 25 years onwards, this share would probably reach nearly 60 percent. Of the urban dwellers of the future, nearly 90 percent will be living in developing countries. Half a century ago just 41 of the world's 100 largest cities were in developing countries. By 1995 that number had risen to 64, and the proportion keeps rising. Korea has been cited with respect to the fastest urban transition: "In 40 years, Korea went from 80% rural population to 80% urban population" (GUO (Global Urban Observatory), in ACTAR, 2000: 41).

Economic accounts also highlight significant points: "Although in aggregate, the world economy has expanded considerably over the last two decades, it has experienced a fluctuating pattern over this period" (UNCHS, 1996: 3). The 1979-80 oil-crisis accompanying the structural problems facing the major economies was thought of as a signal of a period of recession like the one in 1973-4. To some, the process was overcome by the historical experiences and the counter-strategies of the major economies on the capitalist recessions, to some we are still living in it today at the global scale. "...the leading economies were better prepared and were able to use firmer monetary and fiscal policies had not only contained inflation but improved their economic performance" (UNCHS, 1996: 3).

If 1980 was dated as a turning point of the century with essentially its economic and political aspects and consequences, so was 1989 done as another. It was the year of the collapse of the oldest and the largest socialist regime, the Soviet Union, following the Eastern European transitions to capitalist economy. So, by the very beginning of 1990s the world was witnessing the great historical collapse of the former Soviet Bloc and the beginning of the so called 'transition economies'; the world economy was getting more and more integrated under the hegemony of the capitalist system as a whole.

The same period has brought about the emergence of the growth of the leading Asian economies –such as China and Dynamic Asian Economies (The Republic of Korea, Taiwan, Hong Kong, Singapore, Thailand, Indonesia and Malaysia) with respect to their rising economic growth rates and rapid integration to world economy.

"The region in which these nations are concentrated –East Asia and the Pacific- had much the highest economic growth rate of any of the world's regions during the 1980s and early 1990s. China had among the world's most rapidly growing economies between 1980 and 1993, including being the fastest growing economy in the region (and indeed in the world) for 1992 and 1993... the growing role of East Asia within the world economy is also reflected in the fact that this region contains a growing proportion of the world's urban population and of its largest cities" (UNCHS, 1996: 4).

The recent UNCHS Report (2001) represents fresh data and comparison of world's regions -defined by the institution. The aggregate data on Africa represents the severe globalization consequences; especially, in much demolished urban-based manufacturing. "Structural adjustment, which has created shortages of imported materials, reduced investment, retrenched the public sector and led to declining effective demand, has badly affected urban-based manufacturing" (UNCHS, 2001: 2). Below is a summary compiled from the report (also see Table 2.1):

- On the other hand, it is stated that large-scale manufacturing created an impressive volume of jobs in the Asian and Latin American regions, unlike the case in Africa. As a consequence, it is stated that the informal sector continues to remain the largest source of employment in the region. "Informal sector employment makes up 37 percent of the total employment in developing countries as a whole, and is as high as 45 percent in Africa" (UNCHS, 2001: 5). On the other hand, national governments across the region have been increasingly adopting decentralization as a primary strategy for development.
- The Arab States comprise a great diversity of socio-economic and human settlement profiles and characteristics: from least developed through developing to oil rich countries; conflict and post-conflict situations; from very open economies to economic isolation; and from highly urbanized to predominantly rural.
- The increasing numbers of poor living in urban areas of Asia and Pacific Region seem to be one of the great problems. As a consequence of the crises of the 1990s, the cutbacks in both public and private employment as well as in public expenditures for health and education brought about increased poverty.
- Latin America, the most urbanized region in the world has been facing with the growing urbanization of poverty. In 1970 the number of poor people were 44 million; by the year 2000 the number increased to 220 million. The poverty is concentrated in urban areas with a percent of 40 in Mexico City and 33 in Sao Paulo.
- The countries grouped under Economies in Transition represents various measures among themselves. Especially the countries in central Europe have started to adjust to the market economy for the last decade that could not yet bring about better solutions to these areas. Creation and maintenance of efficient land and property markets, the development of more and better housing finance options, a greater emphasis on municipal finance and institution building, strengthening of urban utility systems are cited of many fresh policies.

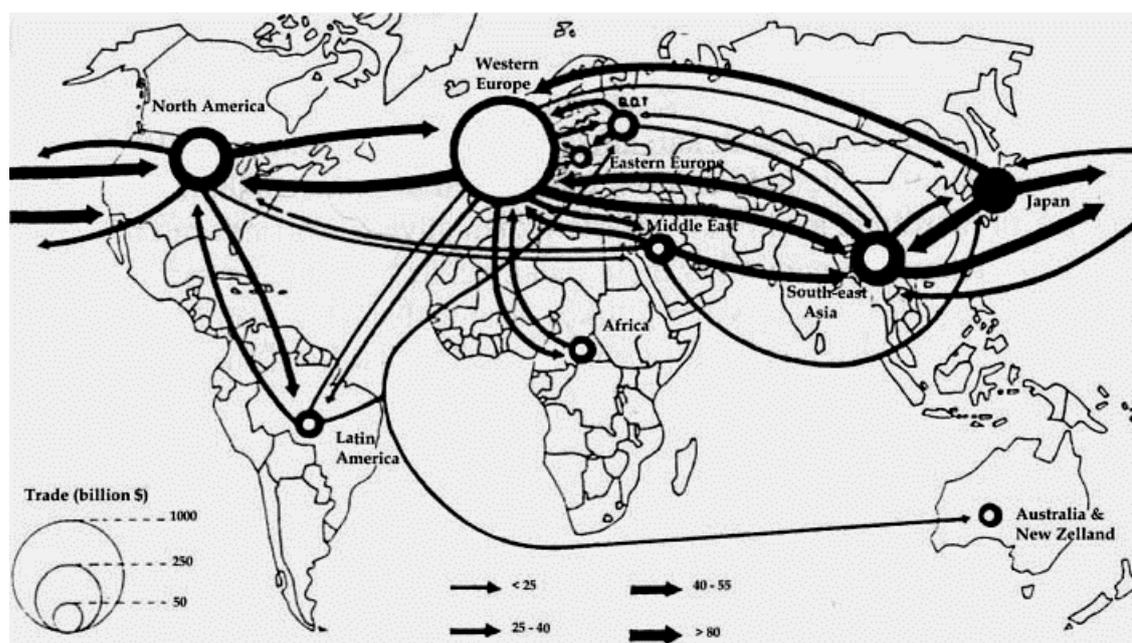
Table 2.1. The UNCHS regional coding and the cited attributes of regions

Regions	Sub-Saha.	Arab States	Asia and	Highly Ind.	Latin A. & the	Economies in
Attributes	Africa		the Pacific	Countries	Caribbean	Transition
2020 population	440 million	260 million	1,970 million	547 million	539 million	420 million
2020 Urban pop. Rate	46 %	66 %	46 %	84 %	81 %	78 %
Recent rate of urban area	34 %	56 %	35 %	80 %	75 %	70 %
Municipality capture in revenue (per ca. per year)	\$ 14	\$ 46	\$ 153	\$ 2,906	\$ 87	\$ 275

Source: Compiled from UNCHS, 2001: 1-6

- Differing from that of the problems evident in other regions of the world, highly industrialized countries suffer from considerable demographic issues and impacts of global economic trends: Increasing internationalization of metropolitan regions; changes in the distribution of responsibilities between the public and private sectors; a generally stronger role for a few major cities within each country; ageing populations and the related problems of access to health care and pensions; international migration; and the highly detrimental impacts of social and economic polarization.

Fig. 2.2. A representation of the world trade pattern



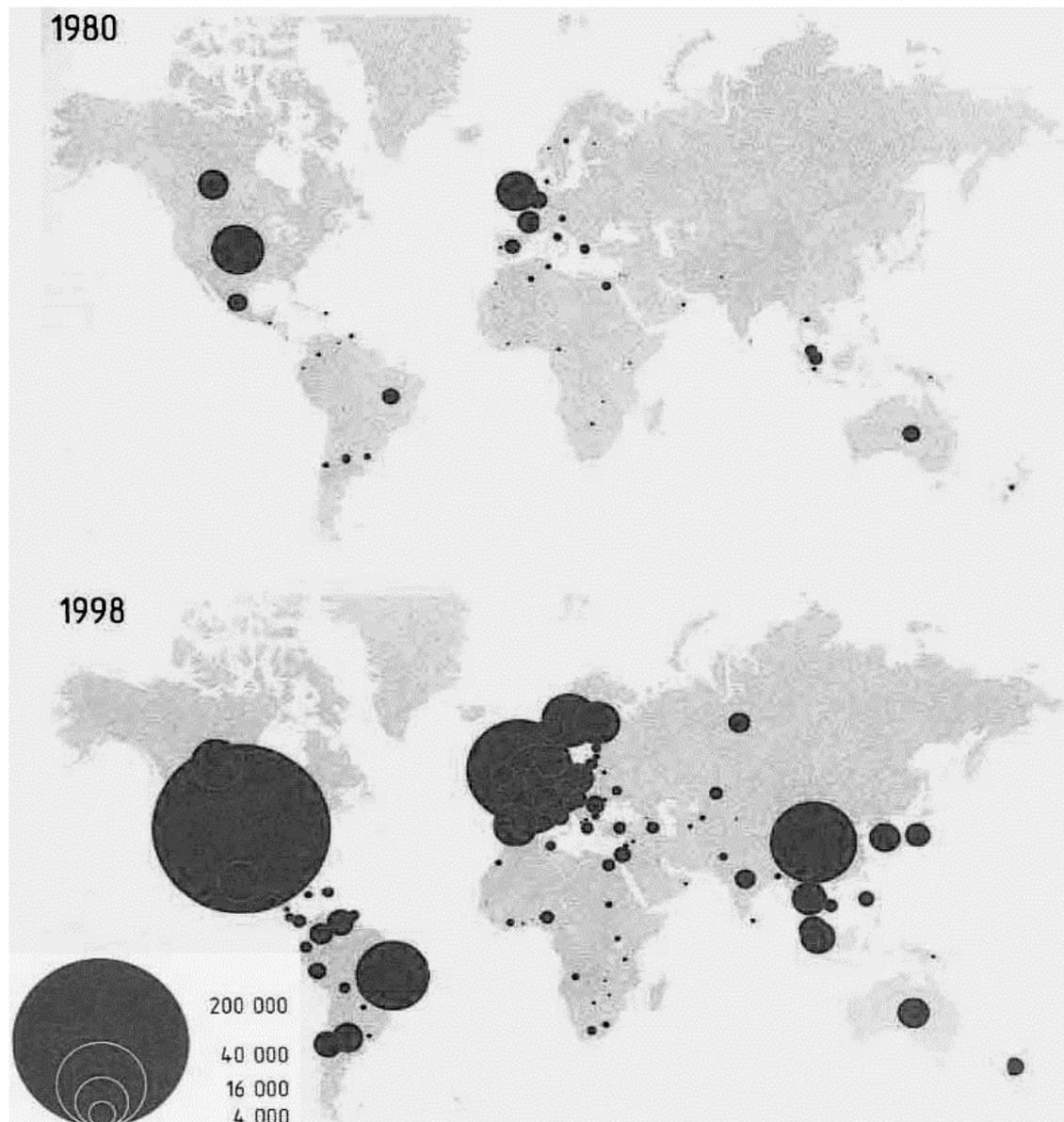
Source: Tümertekin and Özgüç, 1999: 35

According to the report, major policies of these countries have been in encouraging macroeconomic stabilization, structural adjustment and the globalization of production and distribution since 1980s. But today, widened income gaps, declining political participation and widespread social exclusion are one of many arising problems after those short-term successes. It is stated that problems differ between North America in Europe, where racial tension is supported to be the number one issue in the US.

The UNCHS report (1996), "An Urbanizing World", provides a general overview of major trends and highlights the fundamental issues representing the state of the world. Below is a summary of these key issues given.

- The rapid decline in the value of natural resources within the global economy and relative to the value of manufactures, which means the relative impoverishment of countries and regions dependent on natural resource production.
- The rapid growth in international trade (the value of which multiplied twelvefold since 1945) and the transformation of trade from one dominated by goods to one dominated by finance and specialized services.
- The rapid growth in the media business and its increasing internationalization with much of it controlled by transnationals -for instance major news services, television, film and video industries, major newspapers and publishing houses.
- Tourism -both international and within nations- has become of major significance to the economies of many nations and within them, many cities and smaller urban centres.
- The much increased importance of transnational corporations within the global economy.
- The transformation of production processes with the technological revolution that allows changes in production -for instance, flexible specialization and increased automation- and in its organization.
- Advances in telecommunications and in computer networks that permit a progressively centralized control of production but a greater decentralization of the production itself, either within transnational companies as they manufacture different parts of a single product in different countries or cities, or through subcontracting, joint venture and strategic alliances.
- The increasing mobility of capital at both national and transnational level. Direct foreign investment has grown much more rapidly than the export trade.

Fig. 2.3. The foreign investments throughout the world (in millions of USD)



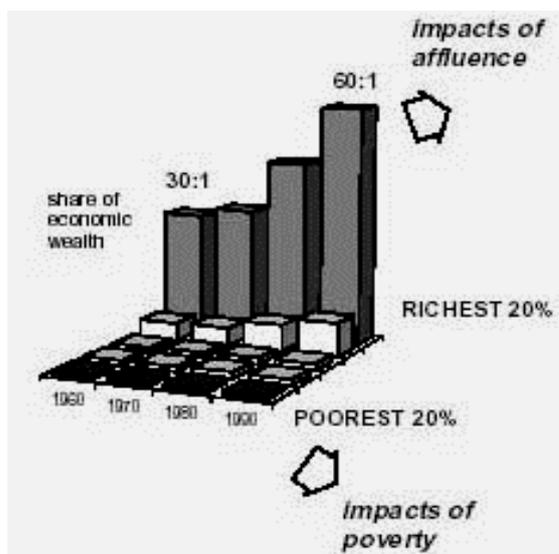
Source: ACTAR, 2000: 55

- The emphasis of most government policies on free markets in finance and trade in goods and services and the removal of protectionist trade barriers (and the development of regional trading groups) which has resulted in governments with less power and private capital with more power.

Accompanying these trends, a large increase in urban poverty, particularly in parts of Sub-Saharan Africa and South Asia is another important problem for the year 2025 declared in UNCHS or World Bank reports. In 1988 some 330 million urban residents-about a quarter of the total urban population-lived in poverty. Even if poverty is still largely rural in many countries, as the 1990 World Development Report concludes, urban poverty will become the most significant and politically explosive

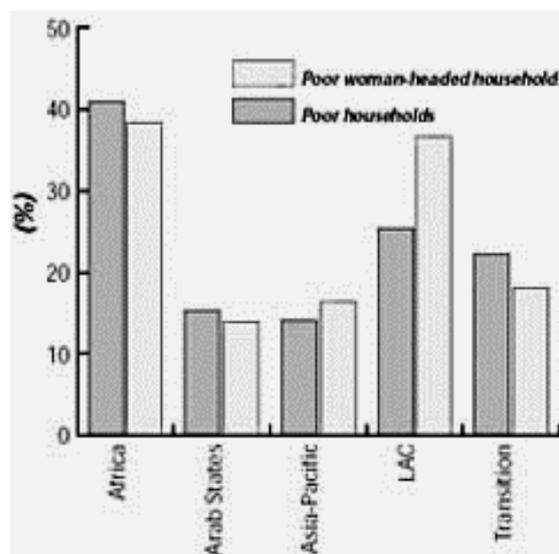
problem in the next century” (WB, 1995: 4). It is argued by Devas and Rakodi (1993: 12) that “even with a limited level of economic development, resources can be better managed to provide an improved urban environment for all”, and that “there is an issue of the uneven distribution of resources within a country, and the consequence of that for the poor of the cities”.

Fig. 2.4. The income disparity of top and bottom 20 % of world population



Source: UNDP, 1996

Fig. 2.5. The urban poor by region



Source: UNCHS, 2001

Another important figure is the shift of geography of poverty; that is, contrary to the previous periods of rural centered poverty, the patterns of population show that a growing proportion of the world’s poor population now lives in cities.

“The current worldwide rate of urbanization... is about 0.8 percent, varying between 1.6 percent for all African countries to about 0.3 percent for all highly industrialized countries. Urbanization of poverty is a growing phenomenon; it is estimated that between one-quarter and one-third of all urban households in the world live in absolute poverty” (UNCHS, 2001: 1).

Migration and the international migration is another important issue related with those population trends. Several explanations have been brought about the ‘move’s of people with respect to historical, geographical, and social factors.

“Colonial and capitalist exploitation, it is argued, has created such an uneven pattern of development, both within and between sectors, that migration is an inevitable part of the processes of extracting the surplus value from the periphery” (Devas and Rakodi, 1993: 24).

The migration from rural to urban, from the periphery to the core, from the developing to the developed has accelerated coupling with other rising demographic processes. The issue of the ‘International Migration’ has become an important area of interest within the social and economic debates on contemporary restructuring. The international migration of high-skilled labor from developing to the developed

represents a signifying instance of the new economic processes and flows. Several countries have been exporting high skilled labor -'brain-drain'- and this is also stated as a policy throughout the countries' political agendas. Besides labor, migration of especially students, and also families accounts for considerable numbers within the total.

"Every year, 2 to 3 million people emigrate in the world. More than half go to the United States, Germany, Canada, and Australia. At the outset of the 21<sup>st</sup> century, 130 million people live outside their country of birth" (ACTAR, 2000: 82-3).

Either defined (divided) as north-south, developed-developing-newly developing; post-industrial - industrialized - industrializing - newly industrializing; or as any other, all the countries have been living with both 'development/growth' and social conflicts expressed in poverty, segregation, exclusion, polarization, etc. in the capitalist system at/in various scales and cases. Furthermore, these divisions, contradictions are also evident in both major cities and particular environments throughout those countries.

## **2.2. Defining the 'Restructuring'**

The world of literature on macro-societal concerns has been extended by the immense theoretical contributions and deepened by the varying issues carried forward within these contributions since the end of 1970s. This increase in amount and context, and variety in debate and issues was not surprising, if one thought of the profound restructuring throughout economic, political, social, cultural processes.

It was declared -and even manifested- that the human has just entered an era of 'the new world order', 'the end of history', 'the end of ideologies', 'the end of meta-narratives', etc. accompanying 'the rise of the informational society', 'the post-industrial, post-modern, post-capitalist society', etc. in a 'globalizing' world of 'stateless', competitive and 'free markets'. Now, the world and its attributes taken in any dimension was to be described in terms of these new conceptions, and definitions. It will be proper here to clarify those overlapping concepts and arguments on restructuring and to deepen my explanation on what I referred by.

Beauregard (1989: 210-1) proposes that the term 'economic restructuring' should be specifically positioned along three dimensions: *Functional Restructuring*, *Temporal Restructuring*, and *Structural Restructuring*. He evaluates the former meaning and use of terms of restructuring while pointing out the two well known: On the one hand, he states that the term 'industrial restructuring' refers to the transformations in

the mix of goods and services being produced within an economy and is frequently measured by the relative shares of employment across industrial sectors, and that the approach is found often within case studies on postwar urban development. On the other hand, 'economic restructuring' refers to a broader set of changes in the nature of economy, not only in its products and the distribution of employment, but also in the social relations of production (for instance, extent of unionization, part-time versus full-time jobs), the means of production (for instance, robotics, handcrafting), and the forces of production (for instance, profit requirements, market demand). Therefore, Beauregard (1989: 211) stated "economic restructuring subsumes industrial restructuring", and that they are often used interchangeably.

"Both terms [economic - industrial restructuring] contain a critical temporal dimension: Is economic restructuring a discontinuity in the history of capitalism or simply a gradual transition only recently appreciated? The key words here are *discontinuity* and *gradualism*. The first references a 'break' in chronological time such that one can, simply put, specify the date at which capitalism went from one structural form to another" (Beauregard, 1989: 211).

For instance, Storper and Scott (1986: 3) claimed a new historical reality for capitalism: "Since the second half of the 1970s, capitalism in America, Western Europe, and the world at large seems to have embarked on a radically new course in comparison with the economic and political structures that were set in place in the decades of immediately following World War II."

To Beauregard, the second position is highly evolutionary: it highlights no sudden shift but a slow transition by which incremental adjustments accumulate to produce a structure in motion. "Gradualism disallows the specification of a discrete date. Instead, the theorist, if attending to history at all, speaks in terms of vast time periods or 'ages' whose temporal brackets are centuries. The change from mercantilism to capitalism occurs not at once but slowly and incrementally, perceptible only in retrospect" (1989: 211). Beauregard concludes that 'discontinuities' are 'the essence of history', and 'gradualism', on the other hand is 'the realm of dynamics' and yet the two are not mutually exclusive. "Our lives are biologically paced, our world structured by the rhythms of work and home, and our fate embedded in deep historical tides. Thus the choice is not simply binary. Numerous positions exist along the path of time's arrow" (1989: 212).

Beauregard's third dimension, the structural restructuring mainly centers on the 'structure'. In a comparative perspective, he evaluates this third dimension in its relation to the social formation: "Structure sets the social formation into a longer

timeframe than that conferred by agency and contingency. Structural changes are sea changes, and often revolutionary". On the other hand, "economic restructuring and industrial restructuring are profoundly concerned with the basic and enduring relationships that give to economies and social formations their essential qualities" (1989: 212).

Soja gives a broad explanation of the term 'restructuring' providing a widened perspective:

"Restructuring... conveys the notion of a 'brake', if not a break, in secular trends, and a shift towards significantly different order and configuration of social, economic, and political life. It thus evokes a sequential combination of falling apart and building up again, deconstruction and attempted reconstruction, arising from certain incapacities or perturbations in established systems of thought and action. The old order is sufficiently strained to preclude conventional patchwork adaptation and to demand significant structural change instead" (Soja, 1998: 159).

An earlier version of this definition is: "Restructuring is meant to convey a break in secular trends and a shift towards a significantly different order and configuration of social, economic and political life" (Soja, 1987: 178).

Agency and contingency, the antithesis of the structural thesis, imply rapidity and instill a pervasive instantaneity and continuity to social change. Incremental adjustments replace qualitative and profound discontinuities.

Beauregard finds it nonsense to approach otherwise than to theorize all social formations as 'in a state of flux not only in their contingent relations', but also 'in the structure itself'. Structure can be both enduring and in motion, as the structurationists have so accurately argued (Moos and Dear, 1986 in Beauregard, 1989: 212). In addition, "structure is both medium and outcome of social practices" (Giddens, 1979: 5 in Beauregard, 1989: 212). To this extent, "restructuring is constant if by restructuring we mean the reproduction of a structure in flux" (Beauregard, 1989: 212).

On the other hand, Beauregard refers to the counter arguments. Here, he takes us into the debate of crisis of capitalism where he questioned the possibility of structural restructuring dimension. He states that a combination of commitments to enduring patterns of relationships and 'the ontological security' that they confer establishes the stability of structures.

"Large-scale social movements or basic contradictions leading inexorably to crisis are the accepted forces of structural change, not the constant and small-scale adjustments involved in the reproduction of the structure... That crises are more often predicted than experienced speaks to the resilience of structure, to the limits of theory, and to the pervasiveness of ideology. Last, incremental nonstructural changes might well occur simultaneously with crises, and be entirely independent of them. The social formation thus experiences in tandem structural change – restructuring – and nonstructural adjustments" (Beauregard, 1989: 213).

According to Beauregard (1989: 213), those whose work articulates qualitative discontinuities in capitalism often link their sense of economic restructuring with the notion of crisis, where he sees such a position is indicative of 'a Left, particularly Marxist, perspective that understands capitalism in terms of internal contradictions that automatically produce crises and that eventually lead to capitalism's demise'.

There is no doubt that Castells is one of the leading commentators of this perspective empirically highlighting the materializations in relation to city space. He notes the 1970s in the United States as such a period, one that followed upon a long-term postwar economic boom. Since that time, American capitalism has been undergoing a structural crisis, a situation in which "it becomes impossible to expand or reproduce the system without a transformation or reorganization of the basic characteristics of production, distribution, and management, and their expression in terms of social organization" (Castells, 1980: 8 in Beauregard, 1989: 213). A similar perspective comes from Bradbury where he states this clearly in his definition of restructuring: "An embracing term coined to describe the empirical and theoretical experience in a mode of production during a crisis phase". Moreover, he views this restructuring, and subsequent and related crises, as a "logical consequence of the path of capitalist development" (Bradbury, 1985: 39).

According to Fainstein (1990: 120), it has been "a period of extraordinary change in the world economic system, usually captured under the rubric *economic restructuring*" since the half of the 1970s. She gives a broader explanation of the term restructuring in relation to the economic debate within the city structures -and the like in Soja, such an approach is one much used:

"Restructuring refers to the transformation of the economic bases of cities in the advanced capitalist world from manufacturing to services; the rapid growth of the producer services sector within cities at the top of the global hierarchy; the simultaneous concentration of economic control within multinational firms and financial institutions, decentralization of their manufacturing in the Third World, and the rise of the new economic powers in the Pacific Rim" (Fainstein, 1990: 120).

### **2.3. The Explorations of the Restructuring Processes: The Debates, Issues, and Agendas**

The changing formation of societies especially in the case of the conditioning of different social classes, shifting relations between different powerful actors and the struggles of the powerless, the transformation of the production-labor relations, the formation promoted by new institutional arrangements and government regimes, the emergence of new debates and issues on many grounds, etc. all contributed to the provision of a variety in the theoretical studies. And, there is no doubt that this study will overview a particular portion of them, especially within the perspective of political economy.

There are several concepts and theoretical challenges overriding the former conceptions of our defining and understanding the world and the human activities. Declared as the new attributes of space, time and society, these concepts and the way they are conceptualized contribute to the profound changes in the restructuring of the theoretical debates while providing new discourses.

Beauregard offers his thesis on how time and space will be involved in our understanding of such a restructuring where he addresses two broad issues: The way in which uneven spatial development causes economic restructuring to occur in different times in different places, thus making the timing of structural change elusive; the issue 'how we think about structure' is of major concern as key to many theoretical problems. And the second concerns the extent to which uneven development mediates spatially and temporally the political response to economic restructuring; 'how capitalism's unevenness undermines class-consciousness, stifles mobilization, and forestalls effective political strategies'.

"My thesis is not simply that time and space important and interrelated, but that space shatters time by distorting the simultaneity of structural events. More precisely, the uneven spatial development of capitalism refracts the ongoing economic restructuring in ways that dampen its overall impact and weaken political resistance by undermining common consciousness and by blocking the channels of mass mobilization and collective political action. Political resistance to restructuring is fragmented by uneven spatial development" (Beauregard, 1989: 210).

On the other hand, Soja (1998) makes an important contribution to the argument:

"...Restructuring is not a mechanical or automatic process, nor are its potential results and possibilities pre-determined. In its hierarchy of manifestations, restructuring must be seen as originating in and responding to severe shocks in pre-existing social conditions and practices; and as triggering an intensification of competitive struggles to control the forces which shape material life. It thus implies flux and transition, offensive and defensive postures, a complex and irresolute mix of continuity and change. As such, restructuring falls between piecemeal

reform and revolutionary transformation, between business-as-usual and something completely different... that we are currently involved in an ongoing period of intensive societal restructuring seems, with the increasing clarity of hindsight, difficult to deny" (Soja, 1998: 159).

On the other hand, many scholars stated that economies are being restructured and urban restructuring inevitably follows such processes, or the economic restructuring has quite implications on urban restructuring. In response to such undertakings, there arose differing approaches taking the processes and spaces dialectically having contributed to new theoretical approaches.

After giving a broader overview of those restructuring processes and their implications, now the subject will be divided into detailed recent debates and issues in correspondence with the related literature -as the approaches stem from different debates -economic, social, cultural, etc.-and highlights different issues- the following parts will try to group them under such related debates.

### **2.3.1. The Debates on the Economic Restructuring**

*"In its surface appearance, at least, we live in a very different world from that which prevailed in Marx's time. This is nowhere more apparent than in the dramatic changes that have taken place in the capitalist forms of organization for production and marketing. 'Since the beginning of the Industrial Revolution,' Hymer writes, 'there has been a tendency for the representative firm to increase in size from the workshop to the factory to the national corporation to the multidivisional corporation and now to the multinational corporation' (Hymer, 1972, p. 113)...The sheer scale and complexity of organization -in both government and business- have changed out of all recognition in the last two hundred years... These necessary transformations, Engels argued, do not 'do away with the capitalistic nature' of production but simply serve the better to accomplish the production of surplus value" (Harvey, 1982: 137).*

Theories of economic restructuring are originating in the 1970s. How the restructuring processes could be interpreted has been a major concern of studies since the 1970s. The debate is much widened by the issues on the condition of capitalism and state, the crisis and recession formulations, international division of labor, fordism and post-fordism, service sector restructuring, multinational corporations and foreign direct investments, international economic agreements and multinational regional economic blocs, etc.

According to the 1996 annual report of the World Trade Organization, between 1973 and 1995 the annual value of merchandise exports multiplied eight and a half times and the annual foreign investment outflows multiplied more than twelve times (WTO, 1997). Government liberalization policies, the decline of the Cold War, transnational activities of multinational corporations, and technological breakthroughs in communications have 'propelled, encouraged, cemented, and facilitated the process of globalization'.

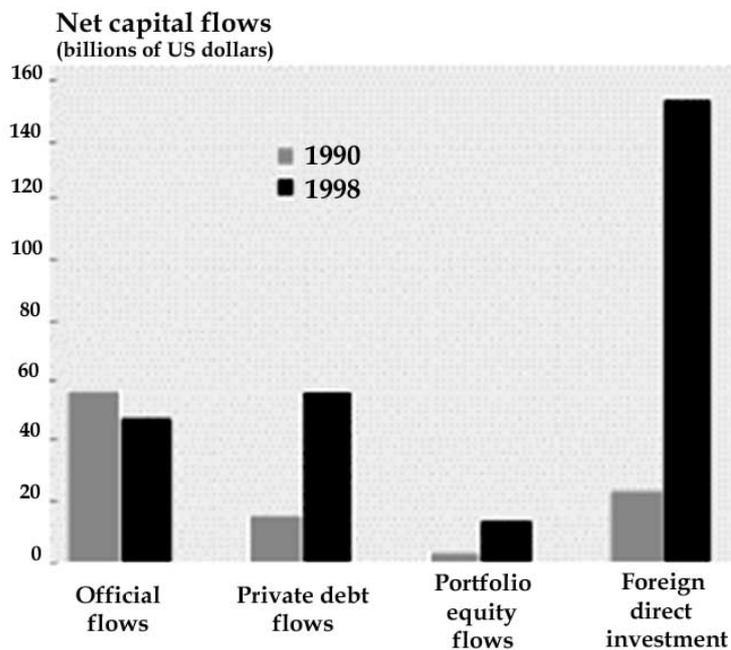
### 2.3.1.1. The Debate on the 'Capitalism'

Soja (1998: 160) states that there exists a widespread agreement that the contemporary restructuring 'was sparked by a series of interrelated crises' that 'marked the end of the prolonged period of capitalist economic expansion following the Second World War'.

According to Pınarcıoğlu (2000: 1): "There is widespread agreement that the crisis of capitalism is a two-edged sword. It threatens the old and inefficient order, on the one hand. It opens up new opportunities for people to create new development patterns, spotting weak points in the old order, on the other. This process, commonly defined as (creative) destruction and restructuring, brings along with new socio-spatial maps, due to the never-ending spatial search of enterprises for a long term success of the system..."

According to Mey (1997), "this process had been in progress for several centuries of capitalist and imperialist expansion, the current trends are deeper than previous ones and further involve the extension of capitalist relations and Western hegemony on new scales (Hirst and Thompson, 1996; Swatuk and Show, 1994)".

Fig. 2.6. The private capital flows to the developing countries



*Note: Private debt flows include bank loans and bonds. The Republic of Korea is included in the figures for developing countries.*

Source: World Bank, 1999

Soja (1998: 160) gives a brief summary of the restructuring interpretations as a 'complex chain of crisis' in several debates and levels that may be outlined as follows:

- The established division of labour and global distribution of political and economic power,
- The expanded and now clearly contradictory functions of the national state,
- The Keynesian welfare systems and stabilizing social contracts between governments, corporations, and organized labour,
- The patterns of uneven regional development that had become so firmly established within countries over the preceding century,
- The developed forms of exploitation of women, minorities, and the natural environment,
- The spatial morphology, industrialization, and financial functioning of cities and metropolitan areas,
- The design and infrastructure of the built environment and collective consumption,
- The ways in which capitalist production relations are imprinted into everyday life, from the labour processes in the workplace to the reproduction of life, labour, and patriarchal power in the household and home.

Another type of outlining the fundamental theses/arguments brought about in these theories may be lined up as follows:

- A fundamental crisis struck the world capitalist economy about 1973 (the date of the first OPEC oil cartel) and the system responded to resolve the crisis by the way of 'restructuring'.
- Geographical location shifts of production, consumption, and residence have all been parts of that restructuring. Though, cities have been core areas of direct implications through the restructuring processes.
- City economies changed from a goods producing to a service-producing economy. The shift was little of the final products from goods to services; rather it was major of the employment from goods production to service provision. Portion of total employment in service sector is increasing while the quantity in manufacturing sector decreases.
- The developments/breakthroughs in communication and transportation made industrial capital more mobile. This competitive mobility was from the developed regions to the less developed regions of the world with lower wages.
- Those old industrial cities/zones/districts of the North was left obsolete having a profound job loss in industrial employee.
- Countries previously agricultural became economic geographies of manufacturing.

- Also, emerging high-tech manufacturing was established in developed countries of the North –such as Silicon Valley in California or along the M4 motorway from London to Bristol.

Logan and Swanstrom identify three core themes that are common to most of the literature describing the broad trends of economic restructuring:

- *Historical Rupture*: It is the idea that the world economy is undergoing a radical break with the past. Here, restructuring denotes a transition from an old economic structure to a new one. Scholars such as Bluestone and Harrison (1982), Castells (1985), and Harvey (1989) identify a crisis in the old regime of industrial capital that peaked about 1973. Since then, according to the economic restructuring literature, the world economy has been going through a complex transition into a new postindustrial economic order. Part of the solution of the crisis of the old structure is a 'territorial fix', a rearranging of production across space. Also, scholars such as Susan and Norman Fainstein (1989) argue that there was no historical break in the evolution of capitalism in the 1970s.
- *Priority of Economic Forces*: By calling the process economic restructuring (not political or social restructuring), theorists stress that it originates in the economy, in the processes of private exchange and wealth generation. Implicitly, the term views economic relations as more basic or deterministic than other relations.
- *Structure over agency*: Finally, the core term structure, contrasted with its theoretical antonym agency, suggests a process that is independent of human will. The movement from one structure to another is viewed as something that takes place according to an economic logic, essentially the logic of capitalist competition and factor cost reduction. This logic is, perforce, the same no matter where it takes place, no matter what the religion practiced or the language spoken by the capitalists and the workers. (Logan and Swanstrom, 1990: 9)

Another cited important argument was dealing with the character of the market, which has always been an issue within the capitalist system. Was it to be a free market isolated from any intervention, or a semi-free market, giving the state a transformed role on intervention?

Logan and Swanstrom approach the issue in relation to the monopolistic character of the economic system: "No Western economy today operates under a 'free market; all experience the interventions of monopolistic producers, interlocked financial institutions, confederated labor unions, and the state" (Logan and Swanstrom,

1990: 3-4). On the other hand, this statement is quite similar to the one made by Lenin (1917) in his descriptive and critical analysis on 'Imperialism'. He declared that regardless of free competition 'rhetoric', rise of the 'cartels' produced monopoly and concentration where whole economic system and 'rules of the game' were designed.

Fig. 2.7. The advertisement of a 'globalized' company



Source: www.ricoh.com

On the other hand, market-oriented reforms accompanied by political changes took place in the post-socialist countries –China, Eastern Europe, and the Soviet Union– by the immense efforts of the states.

### 2.3.1.2. The Debate on the Industrial Restructuring: The Issue of 'Fordism' and Transition to 'Post-Fordism'

*"Flexible accumulation as I tentatively call is marked by a direct confrontation with the rigidities of Fordism. It rests on flexibility with respect to labour processes, labour markets, products, and patterns of consumption. It is characterized by the emergence of entirely new sectors of production, new ways of providing financial services, new markets, and, above all, greatly intensified rates of commercial, technological, and organizational innovation. It has entrained rapid shifts in the patterning of uneven development, both between sectors and between geographical regions, giving rise, for example, to a vast surge in so-called 'service-sector' employment as well as to entirely new industrial ensembles in hitherto underdeveloped regions (such as the 'Third Italy', Flanders, the various silicon valleys and glens, to say nothing of the vast profusion of activities in newly industrializing countries. It has also entailed a new round of what I shall call 'time-space compression' in the capitalist world – the time horizons of both private and public decision-making have shrunk, while satellite communication and declining transport costs have made it increasingly possible to spread those decisions immediately over an ever wider variegated space" (Harvey, D., 1995: 147).*

Pınarcıoğlu (2000: 1) gives a brief explanation of the economic restructuring processes: "...the need for greater flexibility in organizing production with respect to vertical disintegration, subcontracting and other related activities, not to mention new labour processes (in relation to wage formation, the mobility of workers, hire-and-fire

rules and the other regulations of labour markets) has become an important tendency towards a new order”.

Ersoy (2001: 32-52) put emphasis on the ‘deindustrialization’ processes, the condition of the western cities and regions that are ‘deindustrialized’, and finally, the ‘industrialized’ third world cities and regions. According to Ersoy (2001: 32), privatization and de-industrialization can be evaluated as the two aspects of the neo liberal economy following the Keynesian economy and the decline of the welfare state.

Referring to Ersoy (2001), three essential reasons in explaining the deindustrialization processes experienced within developed western countries may be outlined as follows:

1. The rising of the productivity appears in industry more than the other sectors. This rise of the productivity via the use of high technology and hence decreasing the employment areas in industry is the first reason of the deindustrialization in the west.
2. With ‘globalization’, the western industry in which wage level and high input costs exist has lost its competitive power. Now, most of the fordist production is made in the third world countries because of the availability of cheap employment and other cheap input costs.
3. The third reason is the privatization that includes some supplementary activities - transporting, catering, and cleaning- causing a relative decrease in employment.

The spatial effects of this deindustrialization process appeared in two ways. First, is the inequality among the regions, which were developed, and deindustrialized. Second, is the new production form, ‘flexible’ and ‘post-fordist’ that requires the replacement of large number of workers with the small number of workers, and the mode of flexible production with that of mass. Therefore, the importance of the cities - that was once the industrial capital’s favorite- that contain large number of workers, has been loosing its functions and its ability to accommodate many employment opportunities. Although every city had a different role in a country’s growth strategy, there should be a redefining in the role of the city, after Keynesian and ‘import substitution’ strategies. This restructuring, itself, reflects the deindustrialization in space.

Furthermore, the effects of this process on the employees and local community, in long term, have been creating big social costs: Temporary or permanent unemployment, social and psychological problems, increasing at crime ratios are some of these outcomes that still requires proper solutions.

There are several explanations of the transformation process of post-fordism. One type of argument points to the 'demand side': Among many reasons underlying the crisis of fordism, the most cited ones have been on the demand-side.

Beginning with the search for economies of scale, and coupled with the induction in the internationalization of productive processes and of the markets between developed countries caused drastic changes. Fordist countries increasingly sought ways to overturn labour regulations by sub-contracting production to non-Fordist countries, to 'the socialist bloc' or 'newly industrializing countries' (NICs). Regulation of the growth of domestic markets through wage policy was now compromised by the necessity of balancing external trade.

There aroused the decreases in the profitability of production within a fordist organization. And this time, the reason was primarily centered on the supply-side. Several key factors were: the slow-down in productivity, the growth of total labour costs (including indirect income from the welfare state), the worsening of the capital/product ratio, and the increase in the price of primary commodities. Hence, it was time to make new policies with respect to the supply-side factors, that is the capital-labour relationship.

It was strictly stated that the main reason for the fall of the productivity was the growth of prices relative to labour. As it was declared, the former periods strengthened the power of workers. The new policies were made overlapping the recent conditions and targeting the main cited reasons: United States and United Kingdom put the 'liberal flexibility' policies in place which was also followed by the other OECD member states. As the experience of the 1980s did not go in favor of those who had made the most consistent efforts towards flexibilization, these countries suffered simultaneous deindustrialization and a deepening deficit in the balance of payments for manufactured goods. On the other hand, there had been winners such as Japan and West Germany -cited as distinct cases- by the very beginning of 1990s.

Within these processes, the possibility of the coexistence of nations with different models has become an important issue constituting new patterns for the international relations. And it is often stated that current theories of international trade are incapable due to its out-of-date assumptions.

Several key points may be highlighted:

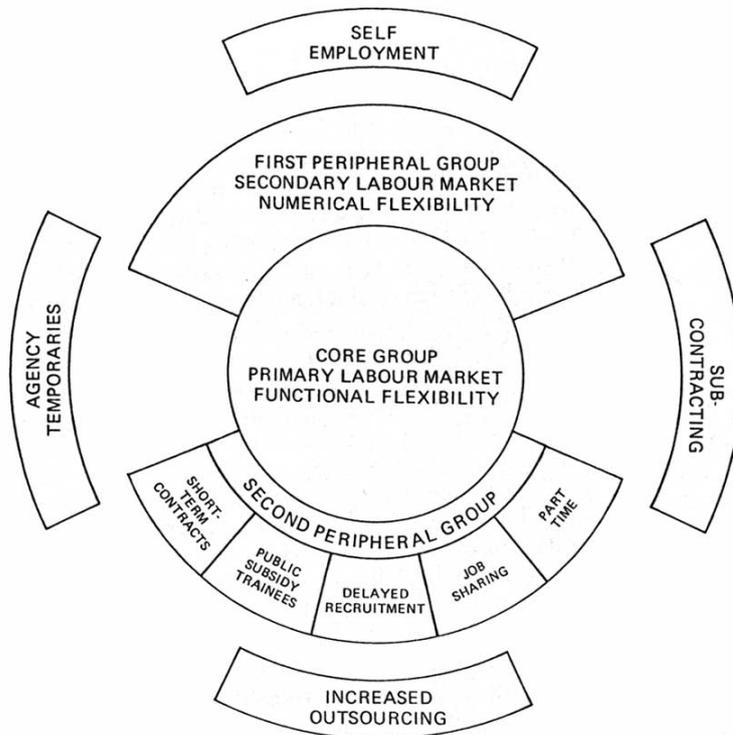
- The Industrial Paradigm defines fordism with Taylorism and mechanization with respect to its general organizing principle of labour. Taylorism signified a strict

separation between the organization of the production process, which was the task of technical offices, and the execution of standardized and formally prescribed tasks. According to this principle, the involvement of direct labour was not supposed to be necessary in carrying out the prescriptions of the technical office.

- When we take fordism as a regime of accumulation or as a social structure of accumulation, it provided productivity gains as a consequence of the organizational principles serves as an increase in financial investment from profits and partly from the increased purchasing power of wage laborers.
- As a mode of regulation Fordism brought about long-term contracts of wages having rigid controls over redundancy and a controlled increase in salaries with respect to prices and productivity. Here, the welfare state plays a key role in the provision of the assurance in the permanent income for wage labour by the way of socializing the revenues.

On the other hand, salaries created in the domestic market of each country generated the required demand. Despite the external conditions impressive for each country, the domestic market was quite guarded and relatively limited concerns were made with the international trade. Hence, the growth of the domestic market was the driving force of each country.

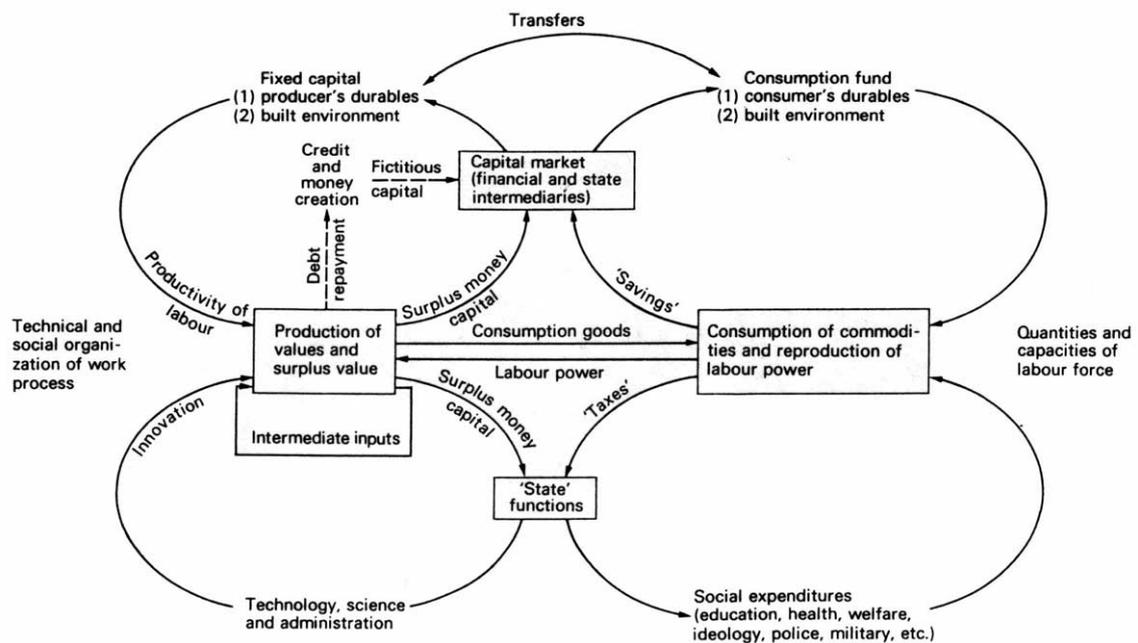
Fig. 2.8. The labor market structures under conditions of flexible accumulation



Source: Harvey, 1995: 151

Mey (1997) examined globalization as a geopolitical and economic restructuring of international relations, particularly relations between states and the world economy. The central argument is that, although the process of globalization has brought about more liberalization and decentralization of political economies at the national level, it has also created a far more 'regimented' and 'centralized' economy and polity at the international level. This shift of the center of gravity of political economy from the national to the international level is what the phrase 'the new global command economy' attempts to grasp.

Fig. 2.9. The paths of the capital flow



Source: Harvey, 1982: 408

The theoretical and political grounds upon which Mey (1997) stands to analyze this shift and demonstrate the influence and ineffectiveness of the new global command economy reject market fetishism and the exclusion of politics from economic analysis. Market forces are not considered as having either the only or the ultimate disciplinary effect on the process and trajectory of globalization. He argues, "It is the complex and delicate balance between market forces, state regulations, and competition between states which ultimately shapes globalization". This line of analysis requires the systematic tracking of the genesis, process, and impact of state policies fostering globalization through market and, more importantly, non-market forces. His central focus of the inquiry is to determine the agency within structures and unravel the intended (as opposed to the unintended) effects of policies.

Capitalism has become a dominant social system since the early 1990s by the

collapse of the socialist regimes except Cuba. There is no doubt that neither the story does begin sharply by the 1990s and nor that the transformations that took place in the 1980s offer a proper historical background. Leaving this kind of an argument to the historians, it will be proper here to mention about those studies focusing on the processes of capitalism and its recent condition.

Yet, there is considerable work on the analysis of capitalism. Since the second half of the twentieth century, much refused works of Marx and his followers were once more required. Especially, the works of the Post-Marxists brought about again and again the works of Marx, Engels, Lenin, etc. They were of use especially in explaining the ever happening of economic crisis that had profound effects on the various geographies of the world, and in criticizing the very nature of capitalism and the capitalist class with respect to the issues of inequality, power relations, segregation, etc.

On the other hand, each theoretical argument is founded on a distinctive empirical ground with respect to the geography and the debate of the cases. But it is possible to say that the states, multinational corporations, foreign direct investments, international organizations, regional economic and military blocs, international division of labor, international migration, production systems and regimes, consumption patterns, etc. were of particular importance to the researchers. Mainly focusing on the transformation of the capital-labour relation, post-Marxists offered several explanations on the subject.

Castells (1998) states: "Yet this is a brand of capitalism that is at the same time very old and fundamentally new. It is old because it appeals to relentless competition in the pursuit of profit, and individual satisfaction (deferred or immediate) is its driving engine. But it is fundamentally new because it is toolled by new information and communication technologies that are at the roots of new productivity sources, of new organizational forms, and of the formation of a global economy... the profile of this new world we are living in... in fact is shared by all countries despite the diversity of their cultures and institutions..."

Hardt and Negri (2000: 31) state that 'the supranational regulatory institutions' -such as, U. N. Organizations, IMF, the World Bank, the GATT- "all become relevant in the perspective of the supranational juridical constitution only when they are considered within the dynamic of biopolitical production of world order...What legitimates them now is rather their newly possible function in the symbology of the imperial order...the old institutional framework, these institutional framework

contributes to the formation and education of the administrative personnel of the imperial machine, the 'dressage' of a new imperial elite"

"The huge transnational corporations construct the fundamental connective fabric of the biopolitical world in certain important respects. Capital has indeed always been organized with a view toward the entire global sphere, but only in the second half of the twentieth century did multinational and transnational industrial and financial corporations really begin to structure global territories biopolitically...The activities of corporations are no longer defined by the imposition of abstract command and the organization of simple theft and unequal exchange. Rather, they directly structure and articulate territories and populations. They tend to make nation-states merely instruments to record the flows of the commodities, monies, and populations. They tend to make nation-states merely instruments to record the flows of the commodities, monies, and populations that they set in motion. The transnational corporations directly distribute labor power over various markets, functionally allocate resources, and organize hierarchically the various sectors of the world production. The complex apparatus that selects investments and directs financial and monetary maneuvers determines the new geography of the world market, or really the new biopolitical structuring of the world" (Hardt and Negri, 2000: 31-32).

The crisis of the dominant postwar wage relation, Fordism, has engendered many changes in the countries of the developed world. Some have privileged 'flexibility' while others have stressed the 'mobilization of human resources'. The newly industrializing countries have accentuated their competitiveness and specialized amongst themselves. The result has been a vast reshaping of the world's economic hierarchy. Another tendency has manifested itself with more and more force: the concentration of international economic relations into continental blocs (Europe, America, Asia). It is stated that these three blocs have in common with respect to the heterogeneity of the economies of which they consist.

Table 2.2. A comparison of the main characteristics of the fordist and the post-fordist production systems

	<b>Production systems</b>	<b>Intrafirm relations: regime of accumulation</b>	<b>Interfirm relations: regime of accumulation</b>	<b>Institutional features: mode of regulation</b>	<b>Spatial manifestations</b>	<b>General impact</b>
<b>Fordism Historical period: 1930s-1960s</b>	<p>Industrial sectors: cars, machinery, household appliances</p> <p>Examples: northeast of USA; Midlands of UK; Rhine-Ruhr of Germany; Northwest of Paris</p>	<p>1. Mass-production forms: the search for internal economies of scale (Henry Ford type):</p> <ul style="list-style-type: none"> <li>▪ process-flow and assembly-line methods</li> <li>▪ technical division of labour (Adam Smith type)</li> </ul> <p>standardization of outputs</p> <p>2. Longer life-cycle of products</p> <p>3. Deskilling of labour: separation of mental from manual work</p> <p>4. Scientific management: Taylorist divisional hierarchy and labour control</p>	<p>1. Horizontal vertical integration</p> <p>2. Market disposition and fierce interfirm stand-alone competition and collusion</p> <p>3. Alternatives of organization: markets and hierarchies</p> <p>4. Factories between upstream suppliers and downstream fabricators, which use batch-production methods</p>	<p>1. Keynesianism: central government manipulation of macroeconomic variables</p> <p>2. Welfare state: social control by means of welfare legislation</p> <p>3. Strong unionization of the labour force: wage bargaining to increase mass consumption</p> <p>3. Domination of USA financial and military power</p> <p>4. Emergence of oligopolistic transnational corporations: growth of corporate power</p>	<p>1. Rise of great manufacturing and industrial regions</p> <p>2. Regions as growth poles</p> <p>3. Highly uneven sectoral and spatial development</p> <p>4. Spatial division of labour: space of places</p> <p>5. Worldwide sourcing: economic expansion abroad</p>	<p>1. Modernist era: new rationalized, commodified, modernist and populist democratic society</p> <p>2. Industrial growth and economic development</p> <p>3. Greater power to producers and business</p> <p>4. Social and cultural changes:</p> <ul style="list-style-type: none"> <li>▪ mass consumption</li> <li>▪ family privatized</li> </ul> <p>5. New politics of place</p>

Source: Source: Yeung, 1994 cited in Erendil, 1998: 67-8

Table 2.2. (Cont.)

	<b>Production systems</b>	<b>Intrafirm relations: regime of accumulation</b>	<b>Interfirm relations: regime of accumulation</b>	<b>Institutional features: mode of regulation</b>	<b>Spatial manifestations</b>	<b>General impact</b>
<b>Post-Fordism Historical period: 1970s-</b>	<p>Sectors (propulsive industries): craft (e.g. clothing)', high-tech (e.g. electronics); advanced services</p> <p>Examples: large metropolitan regions; Silicon Valley of USA; third Italy; scientific city of South Paris; New York; Tokyo and London; NUEs (Hong Kong, Singapore)</p>	<p>1. Flexible production forms: search for external economics of scale and scope (Hanot type):</p> <ul style="list-style-type: none"> <li>▪ general-purpose equipment and labour processes</li> <li>▪ smaller individual units</li> </ul> <p>2. Interconnected units of economic activities</p> <p>3. Reskilling of labour: need for their redeployability</p> <p>4. Decentralized management: greater degree of integration</p>	<p>1. Vertical disintegration:</p> <ul style="list-style-type: none"> <li>▪ smaller and specialized firms</li> <li>▪ growth of subcontracting</li> <li>▪ substantial networks of firms</li> </ul> <p>2. External economies of scale and scope:</p> <ul style="list-style-type: none"> <li>▪ strategic interdependence</li> <li>▪ multiple transaction relations</li> </ul> <p>3. Extension of production processes:</p> <ul style="list-style-type: none"> <li>▪ extended social division of labour</li> <li>▪ supply-side innovation and flexibility</li> </ul> <p>4. Rise of informational economy</p>	<p>1. Post-Keynesian/ neoconservative 'warfare' stale (Reaganism and Thatcherism):</p> <ul style="list-style-type: none"> <li>▪ fiscal policies: high military and defense spending</li> <li>▪ self-reliance: competition</li> <li>▪ entrepreneurialism</li> </ul> <p>2. Fluid internal and external labour markets: rapid labour turnover and job switching:</p> <ul style="list-style-type: none"> <li>▪ relaxed internal rules of work</li> <li>▪ new forms of social wage</li> <li>▪ flexible employment relation</li> <li>▪ reduced labour-union power</li> <li>▪ segmented labour markets</li> </ul> <p>3. Deregulated world financial and credit systems: 'rootless' capital and money</p>	<p>1. New industrial spaces and territorial complex:</p> <ul style="list-style-type: none"> <li>▪ industrial and technology districts</li> <li>▪ spatial agglomeration</li> <li>▪ space of flows</li> </ul> <p>2. Revitalization of pre-existing clusters: reclaiming localities</p> <p>3. Outward expansion of industrialization: regionalization of production</p> <p>4. Time-space compression:</p> <ul style="list-style-type: none"> <li>▪ continual recalibration of the meaning of time and space</li> <li>▪ expansion of spatial horizons of decision</li> </ul>	<p>1. Postmodernist era: fragmentary and differential trajectories</p> <p>2. Economic and social restructuring</p> <p>3. Different social and institutional order:</p> <ul style="list-style-type: none"> <li>▪ rise of middle class</li> <li>▪ business presence in local politics</li> <li>▪ dual labour markets</li> <li>▪ weak labour unions</li> <li>▪ dual city phenomenon</li> </ul> <p>4. Local and regional development</p> <p>5. Selective development in the third world</p>

Source: Yeung, 1994 cited in Erendil, 1998: 67-8

Table 2.3. A classification of the approaches to the geography of the business organizations and the (international) production

	<b>Post-Fordist flexible specialization debate</b>	<b>Regulation theory</b>	<b>Network analysis</b>
<b>Causal explanation</b>	<ul style="list-style-type: none"> <li>▪ Emergence of flexible production systems replaces Fordism</li> <li>▪ Vertical disintegration and agglomeration economies lead to new industrial spaces and districts</li> </ul>	<ul style="list-style-type: none"> <li>▪ Contradictions in capitalism lead to crises in different phases</li> <li>▪ Resolution of crises from a harmony between regime of accumulation and mode of regulation</li> <li>▪ Breakdown of Fordism</li> </ul>	<ul style="list-style-type: none"> <li>▪ Business segmentation: power derived from access to resources</li> <li>▪ Network relations as industrial and spatial organizations of firms</li> </ul>
<b>Analytical category</b>	<ul style="list-style-type: none"> <li>▪ Production systems: Fordism and post-Fordism</li> <li>▪ Transaction costs and scope economies</li> <li>▪ Territorial complexes</li> </ul>	<ul style="list-style-type: none"> <li>▪ Social and economic transformations</li> <li>▪ Capitalist mode of production</li> <li>▪ Modes of regulation</li> </ul>	<ul style="list-style-type: none"> <li>▪ Interfirm relations</li> <li>▪ Nature of local milieu</li> <li>▪ Evolution of networks</li> </ul>
<b>Useful dimension</b>	<ul style="list-style-type: none"> <li>▪ Structures of capitalism</li> <li>▪ Relations of production</li> <li>▪ Sociocultural change and spatial manifestations</li> </ul>	<ul style="list-style-type: none"> <li>▪ Institutional mechanisms: the role of the state</li> <li>▪ Historical specificity</li> <li>▪ Integration of production with consumption sphere</li> </ul>	<ul style="list-style-type: none"> <li>▪ Unequal power relations</li> <li>▪ Network form of industrial organization</li> <li>▪ Local embeddedness of network relations</li> </ul>
<b>Criticism</b>	<ul style="list-style-type: none"> <li>▪ Epistemological: ideal-typical models; unduly dualism</li> <li>▪ Theoretical: role of the state neglected; limited organizational forms; question of flexibility; unclear spatial relations and outcome of flexible production systems</li> <li>▪ Methodological: microeconomic analysis; extensive research; incompatible scale of analysis</li> <li>Empirical: no abrupt break from the past (Fordism)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Epistemological: lack of explanation of the 'workings' capitalism; incompatible levels of analysis</li> <li>▪ Theoretical: inadequate conceptual sensitivity to reality;</li> <li>▪ ambiguity of 'regulation'; neglect of space and consumption</li> <li>▪ Methodological: misuse of class; statistical analysis</li> <li>▪ Policy: little policy advocacy, neo-Keynesian outlook</li> </ul>	<ul style="list-style-type: none"> <li>▪ Epistemological: separation between milieu and networks; ex post explanations; atomistic treatment of firms</li> <li>▪ Theoretical: highly transaction costs-based interpretation of network relations; processes of network articulation; unclear spatial relationship of networks</li> <li>▪ Methodological: interfirm scale of analysis; descriptive</li> <li>▪ Empirical: anecdotal examples; limited geographical studies</li> </ul>

Source: Yeung, 1994 cited in Erendil, 1998: 58

Table 2.4. A comparison of the global companies' strategies

<b>Strategic focus</b>	<b>Typical product</b>	<b>Global company's structure</b>	<b>Type of location</b>	<b>Mode of company integration</b>	<b>Mode of regional integration</b>	<b>Organizational problems and tensions</b>
<b>Production cost</b>	World-wide standardized product or components (standardized mass production, for instance electronic components)	International	World plant, branch (extended work bench)	Hierarchical, based on a rigid division of labor	No regional ties (cathedral in the desert)	Quality and time management
<b>Market orientation</b>	Regional adapted product (flexible mass production, for instance cars)	Global localized	Production complex, transplant with design and research on local adaptation	Hierarchical, certain degree of autonomy	Selective, company integration remains dominant	Quality and time management, optimizing economics of scope (standardization versus flexibility)
<b>Innovation</b>	Innovative product focusing on regional markets (flexible specialization, for instance music videos, movies, biotechnology products)	Global	Technology or research agency (often organized as strategic alliance)	Network	Strong regional ties (embedded in the regional milieu)	Know how integration, innovation management
<b>Service orientation</b>	Regional product, service functions are dominating (for instance retail trade, waste management, facility management)	Multi local	Joint venture	Formal	Intensive (long standing producer customer relationship)	Know how transfer Company integration and identity

Source: Rehfeld, 2001: 33

### 2.3.2. The Debate on the Information and Communication Technologies

*“Globalization seriously took off during the industrial revolution of the late 18th century. Since then, the steam engine, the telephone, the elevator, and now, the Internet and cheap air transport, have conveyed people, goods and ideas both horizontally and vertically at an unprecedented volume and velocity. The focal point of these activities has invariably been the city, a place of deals and decisions, take-offs and landings – a place less concerned with the rhythms of nature, where everything can be bought and or sold, especially one’s ideas and labour” (UNCHS, 2001: 1).*

It is stated that in the field of ICT, the broader diffusion of its applications and its daily use, (will) greatly influence spatial development and that as a cross-section technology ICT has impacts on nearly all parts of the economy and daily life in general.

The debate aims to raise questions about the ongoing transformations of modern societies into so-called ‘network societies’ -a debate recently stimulated by the books of Manuel Castells about the Information Age, the rise of network society, and the new roles of governance.

“Advances in transportation and communication technology have freed production and consumption from a dependence on the accessibility advantages of dense urban agglomerations. Correspondingly, cities have changed from centers of manufacturing to centers of advanced services...” (Logan and Swanstrom, 1990: 4)

Webster (1999: 67 in Downey and McGuigan) highlights the debate while providing a relationship between globalization and information networks: “Each of these dimensions of globalization requires and contributes to an information infrastructure to cope with the changed stresses and strains of worldwide operation. That is, as globalization grew and as it continues, so ways of handling information and information flows have been put in place (Castells, 1996)”. According to Webster (1999: 67) we can identify major elements of this informational infrastructure:

- The worldwide spread and expansion of services such as banking, finance, insurance and advertising are essential components of globalization. Without these services TNCs would be incapable of operation. Information is their business, the key ingredient of their work: information about markets, customers, regions, economies, risks, investment patterns, taxation systems and so forth. These services gather information and they also generate and distribute it, having added value by analysis, timeliness of response or collation.
- Globalization requires the construction and, where necessary, enhancement of computer and communications technologies. In recent years we have seen the rapid installation and innovation of information technologies - from facsimile machines to international computer networks -which are a requisite of coordination of global

enterprises.

- This information infrastructure has resulted in the growth of information flows at a quite extraordinary rate. For instance, business magazine *Fortune* (13 December 1993: 37) reports that international telephone connections to and from the United States grew 500 per cent between 1981 and 1991 (from \$500 million to \$2.5 billion). Elsewhere, there has been an astounding expansion of financial traffic along the international information highways. Exchange rate trading, direct foreign investment patterns, and the markets in bonds and equities have expanded apace, underlining the import in global markets of the flows of financial information.

Another citation in the study of Downey and McGuigan approaches the information age from a different point of view, especially with respect to the new routes highlighted by the big corporations within their capitalist flows:

“Michael Dawson and John Bellamy Foster (1996: 48-9) suggest that ‘the main reason for corporate interest in the information highway lies in the fact that it is seen as opening up vast new markets’; this highway seems to have the potential now for the creation of a ‘universal market’. They, too, are inviting us to consider the significance of the new information order - associated with the development of what they call ‘virtual capitalism’ - in the context of global capital accumulation” (Robins, 1999: 36 in Downey and McGuigan).

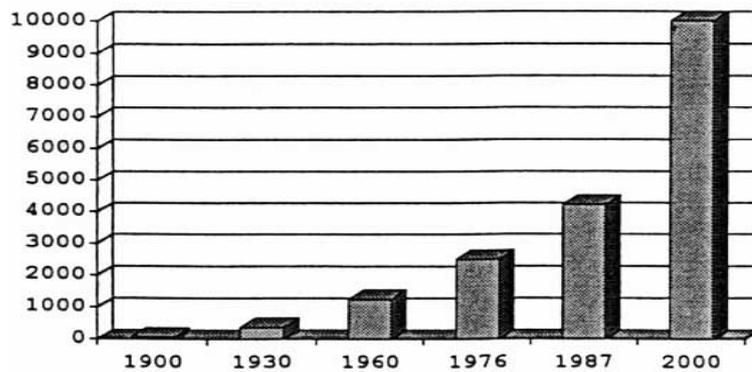
### 2.3.3. The Political Debate

*“Empire is materializing before our very eyes. Over the past several decades, as colonial regimes were overthrown and then precipitously after the Soviet barriers to the capitalist world market finally collapsed, we have witnessed an irresistible and irreversible globalization of economic and cultural exchanges. Along with the global market and global circuits of production has emerged a global order, a new logic and structure of rule –in short, a new form of sovereignty. Empire is the political subject that effectively regulates these global exchanges, the sovereign power that governs the world.... Our basic hypotheses is that sovereignty has taken a new form, composed of a series of national and supranational organisms united under a single logic of rule. This new global form of sovereignty is what we call Empire” (Hardt and Negri, 2000: xi).*

The restructuring processes have also been immense in the political arena, although in politics. On the part of the labor, Beauregard states that the result is ‘a reactionary and individualistic conservatism’, and rather than ‘a collective and unified progressive response’. Mey (1999) emphasizes that the imperatives and the political weight of geopolitics and imperialism should not be ignored in any economic analysis. Such an emphasis points to the profound struggles in the geo-political arena. The borders of the nations, the governmental institutions and the national policy has been much influenced by the restructuring processes. Today, more than before, international politics and the geo-political strategy is one of the issues dealt with by both the hegemonic powers and the third world countries.

Several issues may be highlighted within the political restructuring processes: The political decentralization and the devolution of the state; the end of big and centralized government; the transition from government to governance; the increase in the tensions and conflicts between the local and the central; the rise of the popularity of the idea of the civil society and NGOs; the new regionalism, etc.

Fig. 2.10. The growth of the non-governmental organizations



Source: Knight, 1989 cited in Costa at al., 1998: 370

A new debate rised within the 'Regional Question' and the 'New Regionalism'. Regional integration and political strategy has formed the basis of political life in and between the countries since the 1980s. Against the powers of the North, a new type of strategy has been on the run within a 'Soviet-less' world. The new regionalism debate seems to flourish the political agendas as the restructuring goes on and as it creates power while defining the powerless.

Besides the general approaches to the regional problem 'within which spatial disparities are examined in terms of employment structure, income per capita, migration patterns', Janssen (1981: 87-88) identified a series of the social tendencies in the capitalist society that generate 'regional problems' (Slater, 1985: 80):

- The process of unequal development of the productive forces,
- The uneven use of the natural and social conditions of production,
- The concentration of the means of production in the most favorable locations, which can lead to the emergence of the so-called 'complex production units' (Castells, 1975) with resultant pressure on the conditions for the reproduction of labor power,
- The falling away of the locational advantages of specific districts and thereby the decline of whole areas,
- An unequal division in space of the material and social infrastructural facilities, whereby some areas are unsatisfactorily equipped, and
- The varying kinds of movement of labour power, which are a reaction to the spatial

movements of capitals.

According to Massey (1981: 35) ‘different modes of response by industry, implying different spatial divisions of labor within its overall process of production’, may generate ‘different forms of regional problem’.

Markusen (1980: 13) argues: “Even if a regional cause is solely economic in nature, its target is political, since it becomes regionalized precisely through a claim before some arm of the State to a change in territorial treatment. Thus, the State and its political relations provide the key to an abstract characterization of regionalism. Regionalism is the political claim of a territorially-identified group of people against one or several mechanisms of the State”.

“What guides the entrepreneurial state is attention to the demand side of the economic growth equation. Underlying the actions of the entrepreneurial state is the assumption that growth comes from exploding new or expanding markets. The state role is to identify, evaluate, anticipate, and even help to develop and create these markets for private producers to exploit, aided if necessary by government as subsidizer or coinvestor. The policies of the entrepreneurial state are geared to these functions. They include the generation of venture capital for selected new and growing business, the encouragement of high-technology research and product development to respond to emerging markets, and the promotion of export goods produced by local businesses to capitalize upon new sources of demand” (Elsinger, 1988:9, in Fainstein, 1997: 176).

Table 2.5. The global capitalism: The inter-relations between the commodities, activities, market structure, and organizations

<b>Commodity</b>	<b>Activities</b>	<b>Market Structure</b>	<b>Organizations</b>
Manufactured goods	Industrial Production	World markets	Transnational corp.
Money	Borrowing, lending	Wholesale money markets, foreign exchange markets, Eurocurrency markets	Banks, discount houses, foreign exchange dealers
Financial securities	Securing of debt, speculation	Primary and secondary bond markets, financial futures markets	Banks and securities houses
Currency	Change, speculation, risk avoidance	Foreign exchange markets, Eurocurrency m.	Banks, foreign exchange dealers
Stocks and shares	Issuing, broking	Stock exchanges	Issuing houses, stockbrokers
Raw materials	Merchanting, broking	Commodity markets, futures markets	Brokers, merchant banks
Insurance	Underwriting	Insurance markets	Lloyd’s and other insurance organizations
Freight	Chartering	Shipping exchanges	Chartering companies
Accountancy, legal, tax, advertising	Provision of professional services	World markets	Companies

Source: Randolph, 2000

Table 2.6. The contrast between fordism and flexible accumulation

	<b>Fordist production (based on economies of scale)</b>	<b>Just-in-time production (based on economies of scope)</b>
<b>A Production Process</b>	<p>Mass production of homogeneous goods Uniformity and standardization</p> <p>Large buffer stocks and inventory Testing quality ex-post (rejects and errors detected late) Rejects are concealed in buffer stocks Loss of production time because of long set-up times, defective parts, inventory bottlenecks, etc. Resource driven Vertical and (in some cases) horizontal integration Cost reductions through wage control</p>	<p>Small batch production Flexible and small batch production of a variety of product types No stocks Quality control part of process (immediate detection of errors) Immediate reject of defective parts Reduction of lost time, diminishing 'the porosity of the working day' Demand driven (Quasi-) vertical integration sub-contracting Learning-by-doing integrated in long-term planning</p>
<b>B Labour</b>	<p>Single task performance by worker Payment per rate (based on job design criteria) High degree of job specialization No or only little on the job training Vertical labour organization No learning experience Emphasis on diminishing worker's responsibility (disciplining of labour force) No job security</p>	<p>Multiple tasks Personal payment (detailed bonus system) Elimination of job demarcation Long on the job training More horizontal labour organization On the job learning Emphasis on worker's responsibility</p> <p>High employment security for core workers (life time employment). No job security and poor labour conditions for temporary workers</p>
<b>C Space</b>	<p>Functional spatial specialization (centralization/decentralization) Spatial division of labour Homogenization of regional labour markets (spatially segmented labour markets) World-wide sourcing of components and sub-contractors</p>	<p>Spatial clustering and agglomeration Spatial integration Labour market diversification (in-place labour market segmentation) Spatial proximity of vertically quasi-integrated firms</p>
<b>D State</b>	<p>Regulation Rigidity Collective bargaining</p> <p>Socialization of welfare (the welfare state) International stability through multi-lateral agreements Centralization</p> <p>The 'subsidy' state/city Indirect intervention in markets through income and price policies National regional policies Firm financed research and development Industry-led innovation</p>	<p>Deregulation/re-regulation Flexibility Division/individualization, local or firm-based negotiations Privatization of collective needs and social security International destabilization; increased geopolitical tensions Decentralization and sharpened interregional/intercity competition The 'entrepreneurial' state/city Direct state intervention in markets through procurement 'Territorial' regional policies (third party form) State financed research and development State-led innovation</p>
<b>E Ideology</b>	<p>Mass consumption of consumer durables: the consumption society Modernism Totality/structural reform Socialization</p>	<p>Individualized consumption: 'yuppie culture' Postmodernism Specificity/adaptation Individualization -The 'spectacle' society</p>

Source: Swyngedouw, 1986 cited in Harvey, 1990: 177-9

## 2.4. The 'Globalization' Debate

*"The concept of globalization is an obvious object for ideological suspicion because, like modernization, an earlier and related concept, it appears to justify the spread of Western culture and of capitalist society by suggesting that there are forces operating beyond human control that are transforming the world"*  
(Waters, 1995: 3, in Short and Kim, 1999: 3).

*"A wide and diverse range of social theorists are arguing that today's world is organized by increasing globalization, which is strengthening the dominance of a world capitalist economic system, supplanting the primacy of the nation state by transnational corporations and organizations, and eroding local cultures and traditions through a global culture"*  
(Kellner).

As a much-used concept by the scholars, many issues and new conceptions have been developed via the explanations of a globalizing world. Primary focus on the economic dimension was criticized and many studies were made also covering the cultural, social dimensions. Below are some of the explanations and conceptualizations on globalization and related concepts given:

According to Short and Kim (1999: 3), 'Globalism' has two interrelated parts: The process of globalization as the 'stretching of similar economic, cultural and political activities across the globe'; and 'the discourse of globalism' as a much used concept -'a common adjective and a ubiquitous shorthand notation'- in both the academic studies and the popular accounts. They distinguish three related aspects of globalization that are interwoven one with another: Economic globalization (a global economy), cultural globalization (a global culture) and political globalization (a global polity).

On the one hand, the transformations and trends in terms of processes have been conceptualized as 'Globalization'; while on the other, authors, like as Hirst and Thompson (1996: 1), argue that 'Globalization has become a fashionable concept in the social sciences, a core dictum in the prescriptions of management gurus and a catchphrase for journalists and politicians of every stripe'. But rather, centering the economic accounts, they use 'international' instead of 'global' to indicate that 'most companies trade from their bases in distinct national economies' (Hirst and Thompson 1996: 185).

Sklair (1999) argues that most of the authors use the term 'international' and 'global' interchangeably, although each points to or comprise different phenomenon and that "a clear distinction must be drawn between the inter-national and the global. She goes on: "The hyphen in inter-national is to distinguish (inadequate) conceptions of the 'global' founded on the existing even if changing system of nation-states, from (genuine) conceptions of the global based on the emergence of global processes and a

global system of social relations not founded on national characteristics or nation-states”.

Amin (1996) notes that the term globalization emphasizes the establishment of a global market for goods and capital the universal character of competing technologies, the progression towards a global system of production, the political weight that the global system carries in the competition for global or regional hegemonies, and the cultural aspects of universalization.

“...Globalization, thus, redefines localities as territories living with different bits and pieces of the transnational division of labour as well as their own inherited industrial traditions; as territories of contestation between immigrant communities evoking imagined homelands, middle-class dwellers soothed by the distant exotic cultures and working-class communities evoking local traditions; and as territories drawing upon rooted or imagined myths to mobilize a local sense of identity, in order to “capture” the global (e.g. investment) or resist it (e.g. regionalism)” (Amin and Thrift, 1994).

Harvey (1995) points out that the term globalization reflects important political changes in Western discourses, especially when words like imperialism, colonialism, neocolonialism are taking a backseat to globalization, even among many on the Left.

Robertson argues that globalization at the cultural level has begun due to the ‘compression of the world’ and the ‘global consciousness’. Here, by compression of the world, it is meant “the real experience of the way that interdependencies are being created in the economies of the world to such an extent that, today, the way we live our lives on this side of the globe has immediate consequences for people on the other side of the globe”. And ‘global consciousness’ is “manifested in the way we, persons all over the world, in a discourse unified through mass communication, speak of military-political issues in terms of ‘world order’ or of economic issues as in ‘international recession’” (Hoogvelt, 1997: 117).

Differing from that of Robertson’s globalization analysis, Harvey tries to theorize it by using conceptions of space and time, and space/time compression. According to Harvey spatial organization and time are key to the control of power. And today, the profound technological progresses compressed the time-space equation and caused an impressive compression on the organization of social systems.

According to Hoogvelt (1997: 120-1), “...while we still have local lives as physical persons, we also now experience phenomenal worlds that are truly global. It is this globalization as shared phenomenal worlds which today drives the processes of economic globalization”.

Although it has been much stated that globalization is more or less the same as

Westernization or Americanization or McDonalidization (Ritzer, 1995), more and more critics are beginning to question this one-way oriented approach in the globalization literature.

Table 2.7. An inventory of the economic globalization

<b>Dimension</b>	<b>Ideal-typical pattern of globalization</b>	<b>Current state of affairs</b>
<b>Trade</b>	<ul style="list-style-type: none"> <li>▪ Absolute freedom of exchange between localities</li> <li>▪ Indeterminate flows of services and symbolic commodities</li> </ul>	<ul style="list-style-type: none"> <li>▪ Minimum tariff barriers</li> <li>▪ Substantial non-tariff and cultural barriers</li> <li>▪ Regional neo-mercantilism</li> </ul>
<b>Production</b>	<ul style="list-style-type: none"> <li>▪ Balance of production activity in any locality determined only by physical/geographical advantages</li> </ul>	<ul style="list-style-type: none"> <li>▪ International social division of labor being displaced by a technical division of labor</li> <li>▪ Substantial decentralization of production</li> <li>▪ Dematerialization of commodities</li> </ul>
<b>Investment</b>	<ul style="list-style-type: none"> <li>▪ Minimal FDI; displaced by trade and production alliances</li> </ul>	<ul style="list-style-type: none"> <li>▪ TNCs being displaced by alliances arrangements but considerable FDI remains</li> </ul>
<b>Organizational ideology</b>	<ul style="list-style-type: none"> <li>▪ Flexible responsiveness to global markets</li> </ul>	<ul style="list-style-type: none"> <li>▪ Flexibility paradigm has become orthodox but very substantial sectors of Fordist practice remain</li> </ul>
<b>Financial market</b>	<ul style="list-style-type: none"> <li>▪ Decentralized, instantaneous and 'stateless'</li> </ul>	<ul style="list-style-type: none"> <li>▪ Globalization largely accomplished</li> </ul>
<b>Labor market</b>	<ul style="list-style-type: none"> <li>▪ Free movement of labor</li> <li>▪ No permanent identification with locality</li> </ul>	<ul style="list-style-type: none"> <li>▪ Increasingly state regulated</li> <li>▪ Considerable individual pressure for opportunities for 'economic' migration</li> </ul>

Source: Waters, 1995: 94 cited in Short and Kim, 1999: 21

Kellner states: "Acting in the present age involves understanding the matrix of global and local forces, of forces of domination and resistance, and of a condition of rapid change and a 'great transformation' brought about by the global restructuring of capital and multidimensional effects of new technologies.

Some argue that developments in transnational capitalism are producing a new global historical configuration of post-Fordism, or postmodernism as a new cultural logic of capitalism, where they consider globalization –thus- taken as a salient feature of our times (Harvey, 1989; Soja, 1989; Jameson, 1991; and Gottdiener, 1995).

Sklair (1999) states that the globalization studies can be categorized on the basis of four research clusters in the fields of social sciences:

Table 2.8. A classification of the globalization studies in social sciences

Approach	Major Issues & Concepts	Offered explanations
<p><b>World-Systems</b></p> <ul style="list-style-type: none"> <li>Wallerstein, Chase-Dunn, et al.</li> <li>Developed since the 1970s</li> <li>Institutionalized at the Braudel Center</li> <li>based on theory of 'Historical Capitalism'</li> </ul>	<ul style="list-style-type: none"> <li>Domination of the capitalist 'world-system'</li> <li>Distinctions between core, semiperipheral and peripheral countries with respect to International division of labour</li> <li>Historically oriented analysis of cycles, trends and long-run structural features of the world-economy</li> </ul>	<ul style="list-style-type: none"> <li>recent world-wide processes are set in the historical perspective of the last 600 years of the emergence of a capitalist intersocietal system in Europe and its expansion to the whole globe.</li> <li>future struggles for economic justice and democracy need to base themselves on an analysis of how earlier struggles changed the scale and nature of development in the world-system.</li> </ul>
<i>Criticisms: based on much state-centrist analysis; economistic, therefore inadequate in cultural issues</i>		
<p><b>Global Culture</b></p> <ul style="list-style-type: none"> <li>M. Featherstone, R. Robertson, et al.</li> <li>Culturalist approach to globalization</li> <li>Distinctive contribution of anthropologists</li> </ul>	<ul style="list-style-type: none"> <li>Mainly based on the research on the 'Globalization of Culture'</li> <li>The prioritization of the 'cultural' over the 'political' or the 'economic'</li> <li>'Globo-localism' –mainly emphasizing the 'territorial' dimension- as a subset of global culture approach (Mlinar); 'local-global nexus' (Alger)</li> <li>Questioning of the 'autonomy of local cultures' faced with the 'global culture'</li> </ul>	<ul style="list-style-type: none"> <li>Homogenizing mass media based culture poses for national identities</li> <li>The spread of the mass media, especially TV, turns the world into a 'global village'</li> <li>'ethnic and cultural fragmentation' and 'modernist homogenization' are the two opposing, but constitutive trends</li> <li>what is to be explored is the 'territorial identities' within and across countries in a globalizing world</li> <li>hyper-reality play an important role in the creation of a global culture (the postmodern relation)</li> </ul>
<i>Criticisms: having many adherents, the approach is much culturalist, and is lacking economic insights.</i>		
<p><b>Global Society</b></p> <ul style="list-style-type: none"> <li>Giddens, Robertson, Spybey</li> <li>coincides with the Global Culture approach with many respects</li> </ul>	<ul style="list-style-type: none"> <li>'global awareness' (Giddens, 1991) and 'planetary consciousness' (Robertson, 1992)</li> <li>'late modernism' equates globalization (Giddens)</li> <li>globalization as 'reflexive modernization' (Giddens)</li> </ul>	<ul style="list-style-type: none"> <li>the concept of world (global society) has become a believable idea only in the modern</li> <li>science, technology, industry and universal values create promote a significant departure from the previous ages</li> <li>also declares the idea of a 'global society' as an intention in the provision of solutions for the human future</li> </ul>
<i>Criticisms: on empirical grounds there does not exist a unique 'global society' within many accounts</i>		
<p><b>Global Capitalism</b></p> <ul style="list-style-type: none"> <li>Ross and Trachte, Sklair, McMichael, Robinson</li> <li>each scholar develops his/her own specific analyses on globalizing capitalism</li> <li>empirical studies in Third World countries</li> </ul>	<ul style="list-style-type: none"> <li>conception of a 'global' involving more than the relations between nation-states and state-centrist explanations of national economies</li> <li>capitalism is globalizing</li> <li>transnational practices that originate with non-state actors and cross state borders</li> <li>three analytical spheres of transnational practices: economic (the TNC), political (the transnational capitalist class), and cultural-ideological (culture-ideology of consumerism)</li> </ul>	<ul style="list-style-type: none"> <li>three levels of analysis on capitalism: the level of the internal logic of the system; the structural level of historical development; the level of the specific social formation, or society</li> <li>globalization of the capitalist system is deeply connected to the capitalist crises of the 1970s and after, so we are only at the beginning of the global era</li> <li>globalization is a new phenomenon when we see the contrasts between the two periods: the Development Project (late 1940s to early 1970s) and the Globalization Project (1980s onwards)</li> </ul>
<i>Criticisms: prioritizing the global capitalist system, paying less attention to other global forces; falls to be one-sided.</i>		

Source: Compiled from Sklair, 1999

Beside those general views on globalization, there also exists much specialized work such as globalization of crime, social segregation, etc. On the other hand, issues as global environmental change, gender and globalization draw considerable attention accompanying the quite varied studies, especially in the social sciences.

## **2.5. The 'Postmodern' Discourse**

One of the charming discourses captured considerable attention in the 'intellectual world' since 1980s is 'the postmodern discourse'.

"Just as postmodern analysis has tended to caricaturize and simplify 'modernist' or 'structural analysis' and failed to acknowledge the complexity within Marxist literature, so those reclaiming a modernist politics, ethics and set of value caricaturize postmodern politics as amoral, directionless, fragmented and ignorant of political economic and global forces and powers" (Watson and Gibson, 1996: 254).

Some state that 'a positive politics has not been abandoned by the postmodern': "What could be a more active and positive statement than to design and build postmodern spaces such as La Grande Arche or La Place de la Villette?" (Watson and Gibson, 1996: 255).

In the 80s the discussion about society and culture generally focused on "end of something" and the "crisis" of the human. Crisis of the modernism, crisis of the nation-state, crisis of the welfare state, crisis of ideologies were pronounced as explanation of current situation of the society (Keyman, 1999: 54). Yet, it can be obviously claimed that the word lives some political, economic and cultural changes and transformations. The postmodern discourses emerge at this point. Defining these changes comprises main approaches of contemporary social theory; and postmodernism occupies a major place in this context.

There, however, are several issues that should be clarified at the theoretical level. The following part of the study will focus on these issues in detail in relation to the main referred rhetoric of each.

### **2.5.1. What is Postmodernism?**

Despite all their reductions, the answers may be grouped under four topics.

#### **2.5.1.1. Postmodernism as the 'Cultural Logic of the 'Late Capitalism'**

The period after the World War II, for Jameson, may be seen as cultural form of the late capitalism (Jameson, 1984). The defining characteristics of Jameson's theory are rooted in globalization of the capital and its aspects within the cultural dimension.

Thus, this cultural logic refers to the individual relation in society and aesthetics activities.

### 2.5.1.2. Postmodernism as the Cultural Dimension of the Post-Industrial Society

In sociological terms, 'Post-industrial' society means changes in the social structure, the way in which the economy is being transformed and the occupational system restructuring within new relations between theory and empiricisms, particularly science and technology (Bell, 1992: 250). In specific dimensions post industrial society refers to the following features,

- Economic Structure: the change from goods producing to service economy.
- Employment Structure: the pre-eminence of the professional and technical class
- Axial principal: centrality of theoretical as the source of innovation and of policy formulation for the society.
- Future orientation: the control of technology and technological assessment.
- Decision-making: the creation of a new intellectual technology.

I would prefer to focus the attention on the third one. Theoretical creation now, has become the controlling value of the society instead of the labor. For postmodernist theory, at conceptual dimension, the fundamental effect of this situation can be observed in Lyotard and Baudrillard's epistemologies. According to them, the cybernetic situation and simulations have devastated the 'knowledge'.

### 2.5.1.3. Postmodernism as a Specific Aesthetics Style

Under this topic, the essential changes lived in aesthetics area, contains these concepts: disharmonious harmony, Big-Bang represented, conflicted semiosis, time binding (Jencks, 1992: 34).

Table 2.9. The postmodernist challenge to the modernism

	<b>Modernism</b>	<b>Postmodernism</b>
1	Romanticism/Symbolism	Paraphysics/Dadaism
2	Form (conjunctive, closed)	Antiform (disjunctive, open)
3	Purpose	Play
4	Design	Chance
5	Hierarchy	Anarchy
6	Mastery/logos	Exhaustion/silence
7	Art object/finished work	Process/performance/happening
8	Distance	Participation
9	Creation/totalization/synthesis	Decreation/deconstruction/antithesis
10	Presence	Absence

11	Centring	Dispersal
12	Genre/boundary	Text/intertext
13	Semantics	Rhetoric
14	Paradigm	Syntagm
15	Hypotaxis	Parataxis
16	Metaphor	Metonymy
17	Selection	Combination
18	root/depth	Rhizome/surface
19	Interpretation/reading	Against interpretation/misreading
20	Signified	Signifier
21	Lisible (readerly)	Scriptible (writerly)
22	Narrative/ <i>grande histoire</i>	Anti-narrative/ <i>petite histoire</i>
23	Master code	Idiolect
24	Symptom	Desire
25	Type	Mutant
26	Genital/phallic	Polymorphous/androgynous
27	Paranoia	Schizophrenia
28	Origin/cause	Difference-difference/trace
29	God the Father	The Holy Ghost
30	Metaphysics	Irony
31	Determinancy	Indeterminacy
32	Transcendence	Immanence

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Source: Hassan, 1985 cited in Harvey, 1995: 123-4

The contemporary art refuses the recent challenges to modernism in favor of the modern bases. As Eagleton says ‘the criteria of representing of reality’ was excluded from the shape of art (Eagleton, 1986).

#### **2.5.1.4. Postmodernism as a Deconstructive Critique**

Nietzsche, who may be regarded as an earlier critic of modernism, is certainly standing against the Hegelian reading of history. This type of reading leads on a systematic and theological history. As an earlier critic, Nietzsche affects Foucault, who provides new approaches to social sciences. The history was written by ‘modern reason’ as a hegemonic power (Sarup, 1997: 96). At aggregate level, the influences by Nietzsche and Foucault may be considered as a rupture point for modernist paradigm. The meeting of this line of thinking with post-structuralist and deconstructivist lines consists an essential part of today’s postmodern theory.

The other main line stems from the structuralist theory and linguistics. Wittgenstein showed that, meaning is constructed in language combinations; so, it is determined by the rules of the game. Here, this play is language and the meaning takes place in these rules.

These two lines (represented by Nietzsche and Foucault, and Wittgenstein and Saussure) are at the same place with modern French philosophy. Now there is no meaning except the context. The text becomes more important than narration. For instance, Derrida gives attention to text more than narration (Sarup, 1997: 68).

### 2.5.2. Can Postmodern Theory be considered at Aggregate Level?

When one looks at the interpretations of the postmodern theory, he/she sees that it is quite difficult to draw the framework of postmodern theory in a way of understanding it (Rosenau, 1998: 271).

Table 2.10. The modern hybridized to the post-modern

		<i>In politics</i>
1	Nation-states	Regions/supranational bodies
2	Totalitarian	Democratic
3	Consensus	Contested consensus
4	Class friction	New agenda issues, green
		<i>In economics</i>
5	Fordism	Post-Fordism (networking)
6	monopoly capital	Regulated socialized capitalism
7	Centralized	Decentralized world economy
		<i>In society (First World)</i>
8	High growth	Steady state
9	Industrial	Post-industrial
10	Class-structured	Many clustered
11	Proletariat	Cognitariat
		<i>In culture</i>
12	Purism	Double-coding
13	Elitism	Elite/mass dialogue
14	Objectivism	Values in nature
		<i>In aesthetics</i>
15	Simple harmonies	Disharmonious harmony
16	Newtonian represented	Big Bang represented
17	Top-down integrated	Conflicted semiosis
18	Ahistorical	Time-binding
		<i>In philosophy</i>
19	Monism	Pluralism
20	Materialism	Semiotic view
21	Utopian	Heterotopian
		<i>In media</i>
22	World of print	Electronic/reproductive
23	Fast changing	Instant/world changing
		<i>In science</i>
24	Mechanistic	Self-organizing
25	Linear	Non-linear
26	Deterministic	Creative, open

27	Newton mechanics	Quantum/Chaos
		<i>In religion</i>
28	Atheism	Panentheism
29	God is dead'	Creation-centered spirituality
30	Patriarchal	Post-patriarchal
31	Disenchantment	Re-enchantment
		<i>In world view</i>
32	Mechanical	Ecological
33	Reductive	Holistic/Holonic/Interconnected
34	Separated	Interrelated semi-autonomous
35	Hierarchical	Heterarchical
36	Accidental universe	Anthropic principle

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Source: Jencks, 1992: 34

The picture of the changing world, at the economic level, may be described by passing from Fordism to Postfordism, and from classical capital accumulation to flexible capital accumulation (Harvey, 1999: 200). And at the political level, identities of the communities have become available as agents at the national and the international dimensions. It can be claimed that dialogical democracy as a new approach to democracy theory, allows a suitable area to communicative action in Habermas's theory (Keyman, 1999: 142). The democracy now, is not a means, but an aim. Moreover, the epistemological background of postmodernism provides such a kind of reality for the society. This relativity means everyone may become the 'other' so responsibility to others' rights is the essential rule of the state of living together.

### 2.5.3. What are the Projects of the Postmodernism?

A postmodern politic began to take place during the 1960s, when numerous new political groups and struggles emerged. After World War II, while Marxist and Liberian emancipative projects were declining, some great changes in public sphere were experienced. The most important of them, if it is to be mentioned here, is about representation of the identities in public sphere and political instruments such as Parliament. These changes might be seen both at micro political level and macro political level. As a result of these changes, many comments have occurred. It is possible to summarize them provided by the words of Baudrillard: "All we can do is to accommodate ourselves to the time left to us" (Baudrillard, 1988: 44).

The other tendency combines modernist and postmodernist methods. They have an affirmative tendency about new epoch that named postmodernism. Within the political dimension, represented by Mouffe and Laclau, new social movements created

new methods and changed the socialist strategy (Laclau and Mouffe, 1985).

Both two theories are based on this statement: Modernity, as a discourse, is an universal claim that has an intention targeting emancipation of human consciousness (Best, Kellner, 1998: 5) but at the end of the story, the conclusion is not as it had been thought. The actors (class, citizen) that make the history cannot be available for representing the other identities of human, as can be observed in the case of the Greens and homosexualities. Modernist discourse excluded the other political and cultural identities. Therefore, this point can be described that is the main critique point of the modernity by the postmodernists.

The reflections of postmodern theory on the political debate are represented by the 'radical democracy'. According to Habermas, modernism as an unfinished project must be reconsidered (Habermas, 1992: 169). So, we could re-create a pluralist politic for all identities in the society. If the political sphere –so the public sphere- is open to creative and equal communication for creative and equal citizens, the modern project has not finished yet.

The political theory of Mouffe and Laclau which is based on the society that cannot be imagined at total level, provides a new point of view to democracy. This approach, called radical democracy, proposes that it includes pluralistic and representative structure for all identities of human organization.

Stemming from the idea that the globalization makes localities be known via new and developed communications, it is stated that radical democracy allows these localities to be represented at the global level. Therefore, this could represent all identities of society and this representation would provide a responsibility and reputation for identities, so an identity would be responsible to another.

This moderated theory, although called as the 'radical' theory, may be considered within the political horizon of the postmodern theory. The other approaches represented by Lyotard and Baudrillard could be evaluated as the nihilists from the political point of view.

## CHAPTER 3

### THE CITY AND REGIONAL RESTRUCTURING, & THE EMERGING SPATIAL ISSUES

*“In the past changes were slow in taking place. This is why Man was able to follow them without difficulty, adjusting himself, his thoughts, his creations and his settlements to the changes. This slow evolution looked natural to him and he followed the changing demands and built the appropriate settlements almost unconsciously. During the latest phase of development, however, the rate of change has increased so much that Man has been unable to follow it, adjust himself and produce accordingly”*  
(Doxiadis, 1969: 7).

*“Just as we begin to understand economic restructuring, it shifts location or expands in spatial scale”*  
(Beauregard, 1989: 209).

Nearly thirty years ago, the words of Doxiadis were highlighting the evidences of what is recently immense in the 21<sup>st</sup> century world. The statement of Beauregard seems to point to a more recent phenomenon: The rate of change has reached a level that has never been witnessed; the flows -comprising people, goods, money, knowledge, etc- have become a ‘natural’ phenomenon within human activities.

City space is becoming more than ever the subject of intensified actions and actors. New spatial-hierarchical tendencies emerge, new formations proceed, new relationships are defined, and new projects are subjected to the city and its region through an expanding network throughout the world. The case is not what the city meant for the human throughout the past ages, but the diversified, intensified, rapid restructuring processes throughout short periods and considerable implications for its inhabitants that signify a departure from the former periods.

The changes and transformations within the spatial organization in the most economically developed geographies, to a considerable extent, reflect the general tendencies of the dominant processes that I refer as the ‘restructuring processes’ mentioned in the previous chapter. On the other hand, profound spatial-economic restructuring take place in the major cities and regions of the Third World where the linkages with the global market are being established.

This part of the study begins with offering a general picture of those urban and regional situations and happenings within a worldwide perspective. Similar to the former chapter, the aggregate data and measures will be given referring to the reports of international organizations -WB (World Bank), UNCHS (United Nations Center of Human Settlements), etc. Afterwards, defining the city and regional restructuring

debate will be followed by the recent debates on these restructuring processes. Another important subject included in this chapter, is the emerging conceptions and theoretical arguments –coupled with empirical analysis– addressing the changes and transformations in/of urban and regional space and spatial attributes.

### **3.1. The State of the Human Settlements: The Urban Growth & the Urban Life**

*“In today’s globalized world, cities no longer stand apart as islands. They are the nexus of commerce, gateways to the world in one direction and focus of their own hinterlands in the other. Tied together in a vast three-dimensional web of communication and transport, cities are concentrations of energy in a global force field, appearing fixed as concrete and steel” (UNCHS, 2001: 7).*

The city has always been the most favored place for the human life since the very first civilizations. The human has created thousands of cities and carried his/her civilization to the 21<sup>st</sup> century world. Now, the city is the subject of almost everyone living in this world more than ever; it is now a place where the human life is designated and lived in. The rural, the periphery, or the natural lands are redefined and reorganized by the ‘city’.

On the other hand, people are becoming more and more the citizens of cities, rather than the nations. Kofi Annan states that “for the first time, the city, rather than the country, is used as the basic unit of analysis” in the recent report of the institution on cities (UNCHS, 2001). Besides, it is stated in the report that “we can now authoritatively differentiate between national development and urban development and make policy recommendations based on city data”.

“As globalization proceeds, more cities will find themselves managing problems and opportunities that used to be the exclusive domain of national governments. And as more cities come to have populations and economies larger than those of many countries, cities will increasingly become the main players in the global economy” (Annan in UNCHS, 2001).

Such a new tendency is quite reasonable when we consider the rise of the cities at the expense of their national accounts and emerging new formations throughout those profound changes and transformations in almost every aspect of the spatial dimensions, experienced especially through the last two decades. For instance, the UNCHS or any other international organization dealing with human settlements analyzed those processes and redefined their subjects, programs, research fields, and analysis units. There is no doubt that the restructuring within these ‘supra-national’ institutions has a strong relationship with the political restructuring processes designing new routes for both the local and central governments.

### 3.1.1. The Increasing Population, Urban Growth, and Exploding Cities

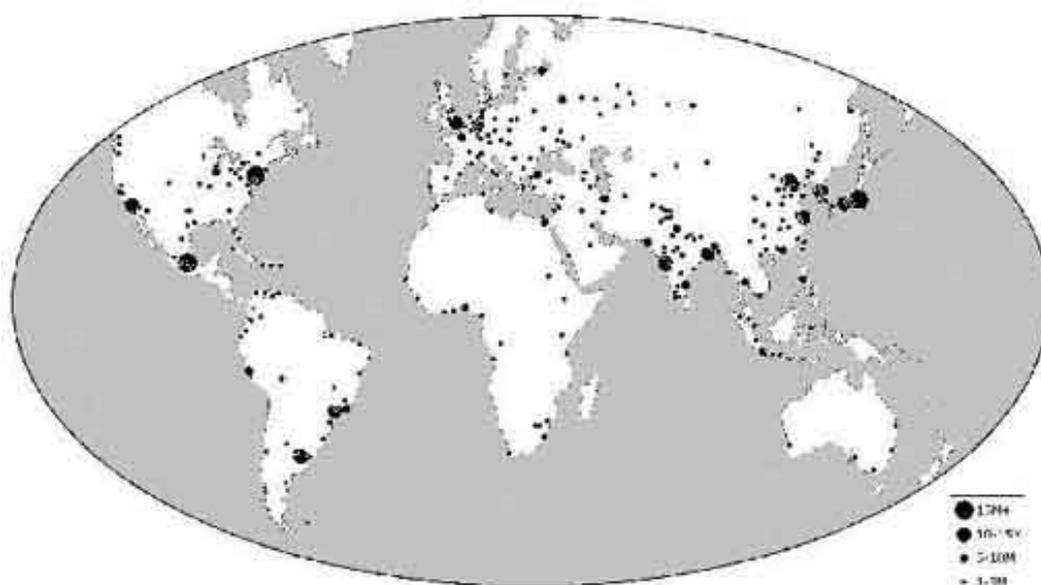
One of the important issues addressed by the fields dealing with space is the population attributed to those spaces. Recent accounts represent the highest measures that have been of the cities in the preceding periods. Coupling with the growth of the urban population, the cities expand to vast areas bringing about new dimensions to spatial aspects.

“Three billion people –nearly every other person on earth- already live in cities. Today the planet hosts 19 cities with 10 million or more people; 22 cities with 5 to 10 million people; 370 cities with 1 to 5 million people; and 433 cities with 0.5 to 1 million people. By 2030, over 60 percent of the world’s population (4.9 billion out of 8.1 billion people) will live in cities” (UNCHS, 2001: 1).

There are cited 15 megacities in the ‘developing world’ of the world’s 19, having more than 10 million inhabitants. On the other hand, the trend is that the geography of the immense growth is shifting from the major cities in economically developed to the ones in developing. There are also other measures: “Today there are 22 megalopolises...of the 33 megalopolises predicted in 2015, 27 will be located in the least developed countries, including 19 in Asia... Tokyo will be the only rich city to figure in the list of the 10 largest cities” (ACTAR, 2000: 4-7).

“Developed country cities are rapidly disappearing from the list of the world’s largest cities. Between 1980 and 2000, Lagos, Dhaka, Cairo, Tianjin, Hyderabad and Lahore, among others, joined the list of 30 largest cities in the world. By 2010, Lagos is projected to become the third largest city in the world, after Tokyo and Mumbai, Milan, Essen and London will disappear from the 30 largest cities list, and New York, Osaka and Paris will have slipped further down the list by 2010” (UNCHS, 2001: 1).

Fig. 3.1. The ranking of metropolitan areas with population higher than 1 million



Source: UN, 1995

The differences between the regions of the world are coupled with the intra-regional spatial patterning. For instance, in Europe, a quarter of the population lives in cities with more than 250,000 people, half of the population lives in small towns of 10-50,000 people, and a quarter lives in medium sized towns of 50-250,000 people (UNCHS, 2001: 3). It is estimated that there will be 5 urban agglomerations larger than 5 million inhabitants in the region in 2020: Paris, Moscow, London, Essen/Ruhrgebiet and St. Petersburg.

“...the growth of larger and larger cities. In the next decades we are likely to see what must be defined as cities with populations approaching 40 million. Do these the cities belong to the same species that we have always known as cities, or are they something entirely new. The question is whether they will actually continue to function as cities as we have previously known them, or will they break down into dysfunctional agglomerations” (Sudjic, 1999).

Fig. 3.2. The cited mega-cities of the world in 1995



Source: UN, 1995

### 3.1.2. The Economic Restructuring in Cities and Regions

It seems that cities and their regions will play the vital role in the economic restructuring processes via the FDI flows, MNC settlings, competitive markets and the share that the city-region seeks for, and inter-urban economic networking. Such processes tend to restructure the relationship between the city and the nation especially in terms of economic accounts.

“Large cities typically produce a significant share of the Gross Domestic Product of countries, yet manage to capture only a small percentage of national revenue per year. This... has

significant ramifications for urban development... urban poverty and how liberalized trade and finance, without proper safeguards, make urban populations everywhere more vulnerable to external shocks" (UNCHS, 2001).

The fiscal, financial, and real sector linkages between urban economic activities and macroeconomic performance are much addressed emerging issues within World Bank statement reports and policy papers: "With urban economic activities making up an increasing share of the urban economy will heavily influence economic growth."(WB, 1995: 3) In this paper, analyzing 'to propose a policy framework and strategy that will redefine the urban challenge in developing countries' is aimed. "Today, there is a need to focus urban operations on citywide policy reform, institutional development, and high-priority investments-and to put the development assistance in the urban sector in the context of broader objectives of economic development and macroeconomic performance." (WB, 1995: 4)

On the other hand, Municipalities in highly industrialized countries obtain an average of US\$ 2906 per capita in revenue per year. The figure is almost 200 times the average revenue obtained by African municipalities, which receive, on average, only US\$ 14 per capita per year (UNCHS, 2001).

Table 3.1. A comparison of the GDP of the cities& the countries

New York	829,248 million \$	"Among this report's main conclusions is that local democracy is a key factor for the future of all cities. When States treat local authorities as partners, and allow urban residents a voice in the way their streets, stores and workplaces are managed, cities are usually more efficient and livable. Such cities in turn enhance democracy nationally, and make local and national economies stronger" (UNCHS, 2001).
Brazil	778,209 million \$	
China	959,030 million \$	
Los Angeles	457,427 million \$	
India	430,024 million \$	
Mexico City	393,598 million \$	
Paris	374,250 million \$	
Australia	361,722 million \$	
London	238,744 million \$	
Sweden	226,492 million \$	

Source: WB, 2000

The macro-economic policies affecting the key economic debates stated by World Bank (1995) that all directly influence the composition and productivity of urban investment are given below:

1.) Interest Rates: financial sector performance and the health of banking systems are critical to industrial expansion and the development of commercial and tertiary services. The financing of national fiscal deficits absorbs credit needed for productive investment, while also increasing interest rates and contributing to inflation.

- 2.) Incentives for Manufacturing and Trade: Trade incentives have direct impacts on urban production, as the earlier policies of import substitution demonstrated, by concentrating industrial investment and thus adding to the growth of port cities.
- 3.) Pricing of key inputs such as energy and water, and
- 4.) Direct and indirect taxation.

It is also stated by WB that the national strategies for human capital investment through education and health have direct consequences for the quality of the urban labor force and that achieving the long-term objective of the urban economy thus depends heavily on the successful balancing of the many parts of macroeconomic policy.

“Cities with large, diverse manufacturing bases promised secure growth and stable employment; the Soviet Union set its goals as outpacing the West through the development of heavy industry; and the task in front of war-ravaged Europe was the reconstruction of its manufacturing capacity. Now, in a world awash in commodities, peripheral locations have become the most advantageous sites for manufacturing. The future of older cities appears to depend on capturing the financial, informational, and managerial functions that determine the world’s capital flows, although some areas can alternatively rely on tourism scientific or medical services, and high-technology manufacturing to maintain a competitive edge. Overall, in the advanced capitalist world, massive employment losses in manufacturing sectors have been balanced or mitigated by gains in services and wholesale and retail trade; many places, however, have never fully recovered from the rapid loss of manufacturing jobs and are still characterized by high unemployment rates and continued outflow of population” (Fainstein, 1997: 172).

### **3.1.3. The Emerging Agendas within the Restructuring Processes**

Coupling with the restructuring processes at various levels and dimensions, considerable amount of agendas have emerged and has been placed by governments and international organizations within the programs and policies. Yet the efforts seem to be quite little, and partial. The ones given in the following pages comprise only a few among many, but could grasp much attention especially for the urban policy.

#### **3.1.3.1. The Migration Patterns**

*“...In the next ten years, 50 million people will move West African cities”  
(ACTAR, 2000: 24).*

Migration has always been a major issue in urban growth and cities have always witnessed massive newcomers and considerable number of people leaving their own city. At the outset of the 21st century, migration has become a well-known phenomenon in almost every city of the world, though the large cities of the developing world of the most familiar with it.

“Urban migration has often been explained in terms of the lure of the ‘bright lights’ and the

tales of 'city streets paved with gold', contrasting so vividly with the meager conditions in the rural areas... now... 'bright light' theories do not really explain migration... the evidence available shows clearly that the prime motivation for migration is economic –the need to earn a higher income...However, since there is generally a serious shortage of jobs in the urban formal sector, many migrants end up scratching a living from casual labor or in the informal sector” (Devas and Rakodi, 1993: 23-4).

Today, like as the processes, the people within the cities have been quite mobilized. In addition to the development of transportation technologies, the intensified networking between the cities provides considerable contribution to human mobility. There is no implicit population of a city to be measured, the number of people acting in a city changes even within hours.

Depending on the pattern of the settlement system the city is in, migration of people redefines the composition of the urban environment and calls for more dynamic responses to the changes within the city. At the largest cities of the world, the numbers of migrating people and the migration preferences within the city have reached so incredible quantities that the structure within the cities have been subject to drastic transformations within economic, social, cultural, and political dimensions.

On the other hand, intense migration patterns bring about the restructuring of the physical environment. The urban growth, the increase in building densities, the rise of the illegal construction, the intensification of squatter housing districts, and as an outcome increasing unhealthy conditions for many people have all been experienced in most major cities of the world.

The uneven development of capitalism and its flourishing towards a worldwide level is at the forefront of the –especially international- migration flows. Recent trends represent no counter direction for the foreseeable future. Though there is a growing demand for the redistribution mechanisms to be run, there is no doubt that the capital flows are realizing selectively while creating great inequalities between the geographies and people. The city and its region, and the wider regions comprising the systems of cities –even from different countries- may provide proper solutions to inequality problems by the way of responsive planning and governance strategies.

### **3.1.3.2. The Poverty and the Justice**

*“...In many cities, slum dwellers number 50 percent of the population or even more, with little or no access to adequate housing and basic services” (WVB, 1995: 5).*

*“...over 50 percent of the population of Mumbai and New Delhi lives in slums, while in Lagos and Nairobi over 60 percent of households remain unconnected to water” (UNCHS, 2001: 4).*

The poverty has become one of the defining characteristics of our world, and

more than one billion of the world's urban residents live in inadequate housing, mostly in the sprawling slums and squatter settlements in the developing countries. The increase in the urban poor rates, migration patterns and ongoing capitalist unevenness, there is an urgency to provide responsive challenges to ongoing destructions on human life.

The inequality measures of international institutions, the increasing emphasis on 'the fight against poverty' mechanisms do not create proper solutions and establish better conditions for the people living in cities. The economic restructuring processes reproduced unemployment, segregation, and social tensions within cities and their regions. On the one hand, the unjust developments within the parts of the cities have given rise to the struggles for justice. And on the other, the social classes and cultural identities are segregated via the spatial organizations.

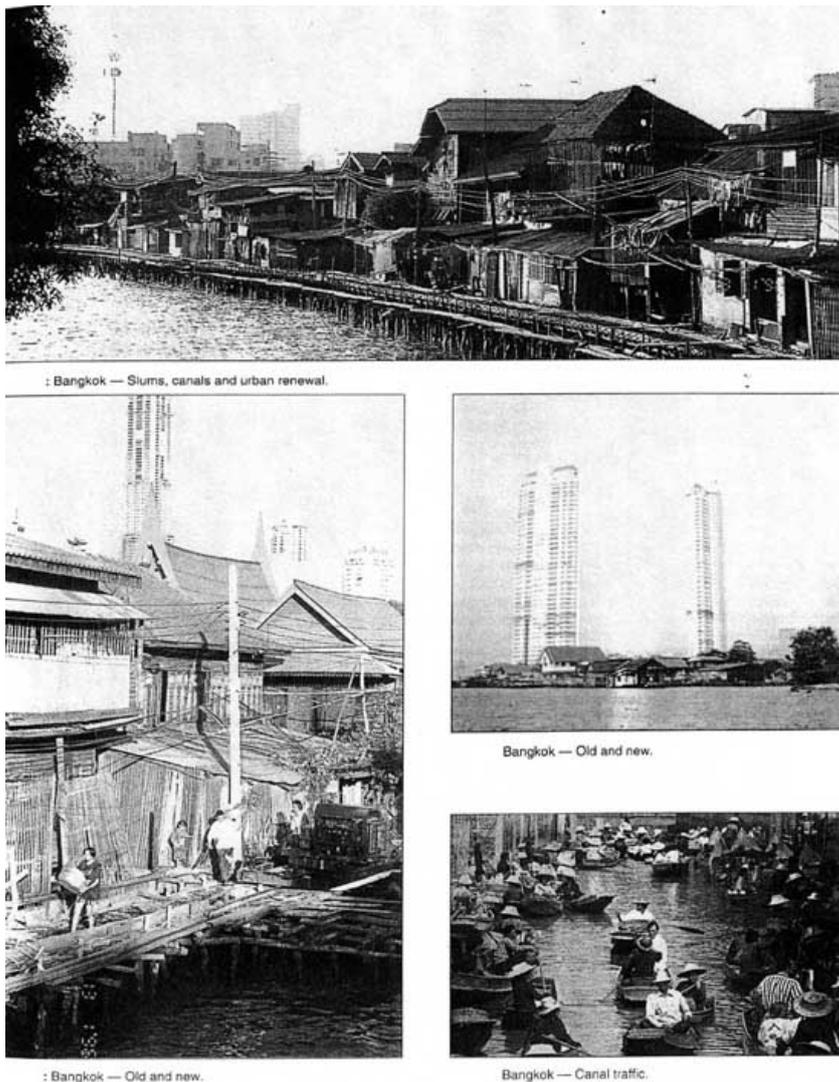
"Bombay's population has quadrupled in thirty years. Half of the inhabitants live in slums, and 700,000 are homeless. 100 million people in the world (above all children) have no permanent lodging" (ACTAR, 2000: 25).

Within the restructuring processes the struggles for justice, the questioning of just societies and the possibility of accessing justice have all been raised responding the profound changes and transformations. The changing role of the state, the means of achieving and providing public interest, the privatization of public space have all contributed of the new arguments.

In a critical evaluation of the previous urban policy, WB overviewed its perspective on the relationships between the macroeconomic and urban level (WB, 1995: 5)

- 1.) Neither governments nor donors have sought to understand the impacts of macroeconomic policy on urban economic activities,
- 2.) Those institutions and experts working within the urban sector have not appreciated the impact of their activities on macroeconomic performance,
- 3.) There was the absence of discussion of short-versus long-term impacts of policies at one level on the other,
- 4.) The attention given to the issue of productivity within the urban economy was insufficient.

Fig. 3.3. The slums in Bangkok and the rise of skyscrapers



Source: Ekistics, 1998: 115

### 3.1.3.3. The Growth Management and the Governance

*“...Increasingly, the pressure posed by globalisation is to divide and fragment cities and regions, to turn them into arenas of disconnected economic and social processes and groupings. Nevertheless, places continue to possess specific identities, and mobilisations which seek to transcend the local disconnections. Indeed, it may well be that globalisation has reinforced such tendencies. Place-marketing around carefully selected images of local unity is now a recognised practice by local development agencies to attract international investment. Similarly, the pressure for governance structures at a sub-national scale has grown as a means for securing local interests. Regions have also become an important focus for cultural mobilisation against perceived national or global threats, in defense of place-based identities and communities” (Amin and Thrift, 1994).*

The UNCHS Report suggests “the people’s processes, and initiatives and enabling governing structures must unite to form broad-based partnerships that will promote justice, equity and sustainability in cities”. Emphasizing the role of local governance issue, the Report adds that the city and the state must become political

partners rather than competitors and that where needed; 'new political arrangements, institutional structures or constitutional amendments' should be established (UNCHS, 2001).

The report states that the large cities produce a significant share of the GDP of their countries, and that these cities often receive less with respect to their contributions to the national economies, influencing negatively their productive potential. For instance, Bangkok alone contributes 38 percent towards Thailand's GDP, more than the GDP of any of the agriculture-based economies in Africa " (UNCHS, 2001: 5).

Table 3.2. The sample cases on how the populations of the urban areas change with different boundaries.

City or Met. Area	Date	Population	Area (km <sup>2</sup> )	Notes
Beijing (China)	1990	2,336,544	87	4 inner city districts including the historic old city
		5,400,000	158	'Core City'
		6,325,722	1,369	Inner city and inner suburban districts
		10,819,407	16,808	Inner city, inner and outer suburban districts and 8 countries
Dhaka (Bangladesh)	1991		6	Historic city
		4,000,000	363	Metropolitan Area (City Corporation and Cantonment)
		6,400,000	780	Dhaka Statistical Metropolitan Area
		<8,000,000	1,530	Rajdhani Unnayan Kartripakhya (RAJUK)-the jurisdiction of Dhaka's planning authority.
Katowice (Poland)	1991	367,000		The city
		2,250,000		The metropolitan area (Upper Silesian Industrial Region)
		4,000,000		Katowice governorate
Mexico City (Mexico)	1990	1,935,708	139	The central city
		8,261,951	1,489	The Federal District
		14,991,281	4,636	Mexico City Metropolitan Area
		18,000,000	8,163	Mexico City megalopolis
Tokyo (Japan)	1990	8,164,000	598	The central city (23 wards)
		11,856,000	2,162	Tokyo prefecture (Tokyo-to)
		31,559,000	13,508	Greater Tokyo Metropolitan Area (including Yokohama)
		39,158,000	36,834	National Capital Region
Toronto (Canada)	1991	620,000	97	City of Toronto
		2,200,000	630	Metropolitan Toronto
		3,893,000	5,583	Census Metropolitan Area
		4,100,000	7,061	Greater Toronto Area
		4,840,000	7,550	Toronto CMSA equivalent
London (UK)	1991	4,230	3	The original 'city' of London
		2,343,133	321	Inner London
		6,393,568	1,579	Greater London (32 boroughs and the city of London)
		12,530,000		London 'metropolitan region'
Los Angeles (USA)	1990	3,485,398	1,211	Los Angeles City
		9,053,645	10,480	Los Angeles County
		8,863,000	2,038	Los Angeles-Long Beach Primary Metropolitan Statistical Area
		14,532,000	87,652	Los Angeles Consolidated Metropolitan Area

Source: UNCHS, 1996: 15

The issue of urban governance has been marked within the urban agenda. The report points to emerging issues and priorities that need to be addressed: “redefining the roles and responsibilities of central and local governments; promoting city-wide development strategies; regulating equitable financial transfer between all levels of government; encouraging transparency through free flows of information; effective civic engagement and participation; and strengthening leadership while promoting ethical conduct in the governance of cities” (UNCHS, 2001: 5).

“...Certainly there is a mismatch between the official city, reflected by political boundary lines and electoral constituencies, and the reality of the way in which a contemporary city actually operates. It is the cracks and the inconsistencies that cause some cities to flourish, just as in some cases it is the vigour and strength of a single municipal administration. In Los Angeles there are so many different administrative entities that set out to govern various aspects of the city, none of which coincide, and none of which adequately describe the dynamic force that fuels the city's life. To name just a few within the metropolitan area, there are the three cities of Los Angeles, West Hollywood, and Beverly Hills, there are the five counties of Los Angeles, there are the school districts, and the water districts on which the city depends that stretch all the way to Colorado. You might also consider the air traffic control systems as another crucial level of local government” (Hall, 1999).

On the other hand, the proper spatial unit, the functionally integrated economic activities and the major actors are to be defined within such an approach: “While rural poverty remains an enormous challenge, the issue of poverty is now to a very large extent focused on city-regions...the dimensions of management of global city-regions have become central to the issue of poverty reduction and eradication, and, in fact, central to the issue of peace.” (Wolfensohn in Scott, 2001: 45).

International institutions such as WB and UNCHS provide policy frameworks, encourage research and projects, and designate guidelines increasingly with the local government agencies.

“A policy framework for improving the contribution of cities to economic growth. The productivity of the urban economy is affected by the factors that emanate from both national policies and the city level itself... Both levels of policy are embodied in institutional and regulatory frameworks that affect the urban economy.”

The study focuses on the ‘urban’ determinants of economic productivity and macroeconomic performance, among which the spatial dimensions of the urban economy, including economies of scale and of agglomeration and the positive and negative externalities associated with the location and density of economic activity are of major concern. “These dimensions define and reflect the long-term structure and productivity of urban markets as well as the welfare of the urban population.”

Hall (1999) points out a well-known problem of the boundary problem.

According to him there exists a 'mismatch' between the official city, 'reflected by political boundary lines and electoral constituencies', and the city's actual reality within its operations.

"It is the cracks and the inconsistencies that cause some cities to flourish, just as in some cases it is the vigor and strength of a single municipal administration. In Los Angeles there are so many different administrative entities that set out to govern various aspects of the city, none of which coincide, and none of which adequately describe the dynamic force that fuels the city's life. To name just a few within the metropolitan area, there are the three cities of Los Angeles, West Hollywood, and Beverly Hills, there are the five counties of Los Angeles, there are the school districts, and the water districts on which the city depends that stretch all the way to Colorado. You might also consider the air traffic control systems as another crucial level of local government" (Hall, 1999).

Sudjic (1999) sees governance as an issue in the city identity: "Successful cities seem to belong to a self selected group that organise their futures. The old city boosters, and their present day equivalents, the big city mayor, a Giuliano from New York, a Maragall for Barcelona, or even more effectively, the national leaders who concentrate on capital cities, Mitterrand in Paris, Mahattir in Kuala Lumpur. Britain is now following this pattern with a directly elected mayor for London".

Knox and Pinch (2000: 7) state that the studies within an 'objective depiction of social problems may represent a drive to redistribute resources towards the disadvantaged'.

The role of the city in the competitive market and the competitive groups acting on the city space brought about the question of the city identity on the one hand, and 'whose city it is' on the other.

"Building on a tendency that may have been initiated in the earliest development of urban-industrial capitalism, the contemporary city seems to be increasingly unmoored from its spatial specificity, from the city as fixed point of collective reference, memory, and identity" (Soja, 2000: 150).

Friedmann emphasizes the 'Common Good' responding the eroding of 'public interest' under a very privatized, social-stateless, and competitive environment. He highlights the concept of 'citizenship' and explores the criteria for 'assessing the performance of cities' (Friedmann, 2000).

"...the city is not a 'hotel', because it is, potentially at least, a political community, that is to say, a collective entity, whose management is ultimately accountable to its long-term residents, its citizens..." (Friedmann, 2000: 17).

#### **3.1.3.4. The Ecology, Sustainability, and Cultural & Environmental Conservation**

The last decades of the 20th century have been very familiar with the issues on pointing out the environmental devastations, the need for sustainable development

mechanisms, conservation of cultural values, and established international agreements, legal frameworks, and institutions. The post-industrial period within the urban environment of the northern countries has brought about the removal of heavy industry to the southern world intensified the environmental problems within the large cities and regions of the 'developing world'.

That the identification of the problem of environment and sustainability is not of a single nation or a region provided the international/global emphasis on future policy formulation. The European Community has represented the vanguard policies towards conservation and 'green development'. There is no doubt that the emergence of cultural conservation policies and programmes in addition to the environmental, couple with the competition strategies for European cities. The studies on alternative energy resources and energy-efficient cities have all created ideas on possible future cities without environmental problems.

On the other hand, cities of the developing world are witnessing a different type of experience. Although experiences differ with respect to the geographies, and hierarchical relation between the cities of the world matter, the cities of the developing world have a common pattern under the conditions of restructuring processes.

The decentralization of industry from the core cities, and the rise of environmental conservation laws and policies have less contributed to the forming of livable cities. The ongoing urban growth, the high rates of heavy industries in production, and the speculative estate market seems to be the major reasons for these negative developments.

International institutions such as World Bank or the UN provide policy frameworks especially insisting on local management of environmental resources and cultural development. What is of another importance for these institutions is that the global economic ties to established between external supervisor agencies and the local government. The credits and loans offered by these institutions reach quite high amounts that neither of the local governments can afford, and constitutes a well-known type of dependency of the developing world.

### **3.2. The Debate on City and Regional Restructuring**

*"New ways of making practical and theoretical sense of the empirically perceived, conceptually represented, and actually lived spaces of the city need to be developed" (Soja, 2000: 150).*

The debate on city and regional restructuring has gained considerable

commentator coupling with those changes and transformations in economy, social and cultural life, political arena and spatial reformations. Today, there exist a wide range of urban studies of various dimensions and having varied disciplinary contributions on city and regional restructuring. The field of geography has been at the forefront of this resurgent interest in 'the urban' as an object of study and as a site in which to understand restructuring processes. Almost all the scholars come to an agreement on the evidence of spatial restructuring at various dimensions and levels. What makes difference, similar to any conceptual argument and related empirical background, is the concepts and conceptual tools they prefer to use on the one hand, and the rationality that shapes the formulation of the scholar –mostly the school or stream of thought.

Beauregard emphasizes the dimension of space and time in understanding restructuring processes and explores the ways we are to deal with such a dimension appropriately:

*"Time and space, of course, are not insurmountable problems. Explanations do manage to have temporal range, and limits. Many do this by utilizing the sluggishness of structure as the plot of the analysis. Others rely on the chronological limits of agency to bracket their investigations. Theorists overcome the boundary problem, too. Events and issues can be spatially delineated precisely because diffusion involves friction and actions have limited spatial reach. At some point, explanation is no longer served by widening the spatial focus. In our everyday conduct, we learn to take time into account and to live in a world of daily rhythms and long historical trends. Our lives unfold within places, and our influence spreads spatially and then diminishes. Only when we fail to acknowledge adequately the weight of time and space do we find ourselves sending forth faulty explanations and acting inappropriately"* (Beauregard, 1989: 209).

The debate on the restructuring processes is centered at several dimensions: First, is the focus of attention in exploring the processes either within varying perspectives. Second, is the search for the proper empirical analysis and methodology, and the data as a means of representing the type and rate of such a change. Within this field, overviews of former studies and questioning the validity are of major concern. Third and much related with the others is the theoretical studies in defining the new or the transformed city space; especially the assumptions -and the bases they stem from- of the former theories are questioned. And finally, are the new city conceptions competing with each other. The 'new urban regime' and the issue of 'governance' seem to constitute new field in urban policy, management, and planning.

Hall (1999) sees the urban consequences of the restructuring processes at two 'separate though related levels': "first, the national and international urban system, and the competition among cities at different levels of this system; second, the internal

impacts on activity and land use patterns within each metropolitan area". Within this context, Fainstein (1997) identifies two types of analytical approach given in the table below.

Table 3.3. The two analytical frameworks on explaining the urban restructuring

	<b>Global Approach</b>	<b>Inside-Out Approach</b>
<b>Unit of analysis</b>	The international system of cities (and its national and regional subsystems)	The city itself
<b>Major foci</b>	Notes particularities and attributes them to the niche or specific node that a city occupies within the overall network	Examines the forces creating the particularities of a specific place-its economic base, social divisions, constellation of political interests, and the actions of participants
<b>Assumptions</b>	<ul style="list-style-type: none"> <li>▪ Prediction of uneven development and consequent territorial difference (the inevitability of the existence of winners and losers)</li> <li>▪ Differences among cities are manifestations of the varying components that comprise the whole</li> <li>▪ Provides insight into the general relationship between macroeconomic forces and urban outcomes</li> </ul>	<ul style="list-style-type: none"> <li>▪ The city is a unique outcome of its particular history</li> <li>▪ Urban diversity is a consequence of internal forces and the tactics used by local actors</li> <li>▪ Identification of the dynamic factors driving city's changing circumstances</li> </ul>
<b>Sample: Houston (US)</b>	The rise and decline of the city can be traced to its place in controlling, financing, and marketing one of the most important commodities in international trade, and one that has been particularly affected by world political and economic currents	Identification of industry leaders who founded enterprises in the city and trace the city's expansion to federal subsidies attracted by well-connected politicians

Source: Compiled from Fainstein, 1997: 170-86

According to Soja (2000: xii), urban scholars considered the issue of urban restructuring in two extreme ways where he stands closer to the former:

"At one extreme, there are some who claim that the urban transformations have been so profound as to make virtually useless all traditional frameworks of urban analysis and interpretation. They contend that wholly new constructs need to be developed to understand the radically transformed urban scene. At the other extreme, many historically-minded scholars proclaim, over and over again, the pre-eminence of continuities with the past, that plus ça change, plus c'est la meme chose. In their view, the way we do urban studies is not fundamentally flawed, so it does not need to be radically changed, merely updated".

In his earlier work, Soja (1998: 163) identifies 'three major streams of spatial restructuring': the first is the 'ontological restructuring that has advanced the reassertation of space in critical social theory and philosophical discourse' that he calls as the 'post-historicism'. The second is the 'spatialization of Western Marxism' and

concerns 'the material political economy of capitalist accumulation and class struggle in the context of urban and regional development' where Soja sees 'postfordism' as the 'convenient capsulization of this stream'. The third stream 'adds to urban and regional political economy an insistent cultural dimension and critique which stretches restructuring into debates on the nature of modernity, modernization, and modernism'. Soja states places the empirical context that will be exemplified where these three streams will come together in the 'confluent' city-region of Los Angeles.

On the other hand, Fainstein states: "To understand the process by which improvement has occurred, we must identify the changes in economic functions resulting from shifts in the world and national economy and examine the activities of groups and leaders within particular cities that affected their new roles" (Fainstein, 1997: 172).

Another contribution comes from the Marxists who have been dealing with the restructuring for several decades: "Urban areas can be understood only in the terms of the conflict between classes and which are a direct outcome of the operation of the capitalist mode of production; ...space is socially determined: the outcome of conflicts between different social classes" (Gilbert, 1982, cited in Devas and Rakodi, 1993: 25). Devas and Rakodi (1993: 25) state that although such an analysis highlights the need for a revolutionary change in order to solve these problems, the experiences -such as China- suggests that even that may not resolve the underlying pressures.

In his investigation into the transformation of the Rio de Janeiro metropolitan area, Randolph focuses on the specific importance of the concentration of telecommunication infrastructure in urban spaces and states: "From the point of view of the technical, organizational, and infrastructural support of such a transformation, the convergence between different information and communication technologies -such as television, informatics, communication networks, telecommunications, and multimedia- has been pointed out as one of the principal reasons for these changes". He thinks that the case of Rio de Janeiro illustrates the special conditions of a metropolitan area where the diffusion of the new technologies tends to create new forms of social, economic, and political integration, and simultaneously exclusions, on the other hand.

Focusing on the levels of restructuring, Randolph defines three levels of investigation: The local level, the leading actors level, and the urban/metropolitan level (see Table 3.4).

Table 3.4. The three levels of investigation on the restructuring processes

The Local Level	The Leading Actors Level	Urban/Metropolitan Level
Modifications of forms of socialization	big corporations, local and national governments, and international institutions	contradictional and conflictual social, economic, and political processes
Transmission of values and beliefs		
Reformulation of traditional forms of social (and economic) integration (exclusion)		
The modification of social networks	the redefinition of the traditional tasks and roles between them creating and consolidating a series of new strategic networks	the formation of a new territorial network with its proper forms of dynamics and necessities (fiscal-infrastructural, and regulational).

Source: Compiled from Randolph, 2000

Any debate dealing with the city and the region –and any spatial process– inevitably considers the role of city and regional planning within these processes. In an earlier work, Boyer (1983) uses this as a central theme in her analysis of the rise –and hence the emerging role– of city planning in the United States. Industrial capitalism not only ignored the numerous public problems that it created, but also generated a ‘hodgepodge’ of land uses lacking a rationalized transportation network that would allow the city to function as an efficient part of the productive apparatus. City planning emerged to develop the city ‘as a perfectly disciplined spatial order’ serving the needs of capital accumulation (Boyer, 1983: 60). And today we are to explain and discuss the ‘new’ condition, or to say, the recent condition of the planning comprising a wide array of subjects. This issue is evaluated and discussed in chapter 6 of this study.

### 3.2.1. Defining City and Regional Restructuring

“...These are urban organisms whose scale, geography, form and institutions makes them entirely new in the history of human experience. And we need to find new ways of living in such places, and new techniques of analysis to understand them. Pinning down a city is a notoriously difficult undertaking. How do you define a conurbation on this scale? Is it defined by political boundaries? Clearly not entirely. In some cases these new cities are taking the place of the nation state. They have more in common with each other, than with the nation state in which they are located. They are the principle economic engine, rather than the national economy as a whole. Is such a city based on continuously built up areas? Not any more. It is clear that the contemporary city is capable of leap frogging large tracts of open country (Hall, 1999).

In the case of cities and regions, it is possible to define several restructuring

processes at various levels and debates, each interacting with each other. For instance, the economic transformations may demand changes in political dimension, and on the other hand they may be the outcome of several political transformations. The social tensions may be considered as a consequence of the economic restructuring processes via the cultural impositions.

The literature on the debate represents a variety of subjects and empirical analysis. On the other hand, new city conceptions have been offered accompanying these studies.

“It is now clear that cities throughout the developed world have recently entered a new phase – or, at least, begun a distinctive transitional phase- with implications for the trajectory of urbanization and the nature of urban development (Knox, 1993). This new phase has its roots in the dynamics of capitalism and, in particular, the globalization of the capitalist economy, the increasing dominance of big conglomerate corporations, and the steady shift within the world’s core economies away from manufacturing industries towards service activities. Yet, as this fundamental economic transition has been gathering momentum, other shifts –in demographic composition, and in cultural and political life- have also begun to crystallize” (Knox and Pinch, 2000: 13).

The relationship between the institutions at several governmental levels has been subject to transformations; and redefinitions and reorganizations have been produced that is recently on the agenda at such levels. It seems that the governments are forced to make policy not alone, but as partners; not to achieve the public interest, but to provide opportunities and proper infrastructure for the direct foreign investments and multinational corporations; not to promote basic infrastructure for the inhabitants but to provide solutions for the barricades of economic growth.

“Whereas city governments once restricted their activities to building infrastructure and providing services, virtually all now take an active role in promoting economic growth” (Fainstein, 1997: 176).

Chambers mentions the issue within a broader and historical perspective:

“...This particular metro-network does not simply represent an extension of the previous urban culture of the mercantile and industrial city and its form of nation-state; for it no longer necessarily represents a fixed point or unique referent. While the earlier city was a discrete geographical, economic, political and social unit, easily identified in its clearcut separation from rural space, the contemporary western metropolis tends toward drawing that “elsewhere” into its own symbolic zone. The countryside and suburbia, linked up via the telephone, the TV, the video, the computer terminal, and other branches of the mass media, are increasingly the dispersed loci of a commonly shared and shaped world. Towns and cities are themselves increasingly transformed into points of intersection, stations, junctions, in an intensive metropolitan network whose economic and cultural rhythms, together with their flexible sense of centre, are no longer even necessarily derived from Europe and North America” (Chambers, 1990: 53 cited in Soja 2000: 149)..

Chambers focuses his exploration of the new urbanization processes on a

profound change in what the city represents, 'a deep restructuring of the meanings, cultural symbolism and prevailing discourses attached' to what Soja has been calling 'the spatial specificity of urbanism' and 'its more abstract conceptual and experiential expression in the urban imaginary, the ways we think about cities and urban life' (Soja, 2000: 149).

"Deterritorialization refers to the weakening attachments to place, to territorially defined communities and cultures ranging from the household, the urban neighborhood, and the town or city, to the metropolis, the region, and that most powerful of contemporary territorial communities of identity, the modern nation-state. Although such deterritorialization is not unique to the contemporary era, there probably has never been a period in which its effects have been so intense and far-reaching, leading some to proclaim the creation of a 'borderless-world' and the 'end of geography'" (Soja, 2000: 151-2).

On the other hand, Soja points out a contrary process of reterritorialization redefining the 21<sup>st</sup> century world city. The postmetropolis of this new type of city represents distinctive features from that of its predecessors. What Soja (2000) emphasizes here is that the new politics and control mechanisms reproduced by this very new urban environment:

"...a reterritorialization process, creating new forms of and combinations of social spatiality and territorial identity that, if not actually replacing the old, are producing human geographies that are significantly different and more complex, from those we have recognized in the past. It is this turbulent restructuring of territorial identity and rootedness amidst a sea of shifting relations between space, knowledge and power that has given rise to a new cultural politics in the postmetropolis, significantly different from the politics of the economy that dominated modernist urbanism. And far from marking the end of geography, this new politics is increasingly attaching itself to the spatial specificities of urbanism and to a strategic consciousness of how space acts as a means of subordination and social control" (Soja, 2000: 152)..

According to Soja, another way of describing the 'postmetropolitan transition' is as 'a simultaneous implosion and explosion in the scale of cities': "At one level today, the entire world is rapidly becoming urbanized, from Antarctica to the Amazon, as the spatial reach of city-based cultures, societies, and economies expands into every region on the planet. At another level, every individual urban center, from the largest to the smallest, seems increasingly to contain the entire world within it, creating the most culturally heterogeneous cityspaces the world has ever seen. Again, the origins of this transformation in urban scale can be traced back to much earlier urban eras, but never before has it approached such an embracing scope and depth. It has made the discourse on globalization one of the most revealing entry points in making sense of the new urbanization processes (Soja, 2000: 152).

In many instances the need to accommodate a new mix of industry and employment within the fabric of a pre-existing built environment has led to localized

conflicts over development and land conversion processes.

### 3.2.2. The Restructuring of the Spatial Order of the Cities and Regions

*"Cities have become impossible to describe. Their centers are not as central as they used to be, their edges are ambiguous, they have no beginnings and apparently no end. Neither words, numbers, nor pictures can adequately comprehend their complex forms and social structure" (Ingersoll, 1992: 5).*

*"Since the 1960s, the world's core economies have entered a substantially different phase in terms of a) what they produce, b) how they produce it, and c) where they produce it" (Knox and Pinch, 2000: 7).*

Any identification of the spatial restructuring calls for the levels and the issues of this effort, as mentioned and explored in the previous part. In this part of the study several arguments and empirical work will be given, each highlighting a different level and issue.

It would be obvious to state that the spatial restructuring does not brought about even consequences; on the contrary, key characteristic of this transformation is its pattern of uneven development. "Within cities polarisation of the labour market is also evidenced in increasing spatial segregation" (Jewson and Macgregor, 1997: 4).

Hubbard and Hall (1998) question the emergence of 'a new kind of Western city' that have been introduced by many writers since 1980s:

*"This post-industrial, post-modern metropolis is depicted as being dramatically different from its predecessor, with its revitalised city centre of gleaming offices, high-tech transport nodes and secure, privatised shopping malls surrounded by a veritable archipelago of elite enclaves, fragmented neighborhoods and 'edge' cities (Soja, 1989; Knox, 1991; Zukin, 1991)... many of these very same writers are seeking to draw attention to the fact that the city is increasingly caesural, dividing and separating populations like never before along class, race and sexual lines" (Hubbard and Hall, 1998: 1).*

Massey emphasizes the spatial structuring of the relations of production in capitalist societies -unequal relationships which imply positions of dominance and subordination- as an important element of uneven development and finds any analysis would be incomplete without recognition of this spatial ordering (Massey 1994: 87). As a consequence, some regions/countries/cities monopolizes control functions, while others are locked into subordinate functions (Jewson and Macgregor, 1997: 4). She contends that 'the overlapping and interweaving of all these spatial structures is the basis for a spatial division of labor' (Massey 1994: 90). Analyzing UK, and particularly London, Massey argues that "the north and the south are locked in very different ways into international spatial structures and the international division of labor" (Massey 1994: 97).

Massey tries to bring about the condition of cities in the UK in relation to

London: "The economy of London and the south-east is in many ways more in competition with and linked to other international metropolitan regions and world cities than it is with the rest of the UK... In contrast, the factories of the north are linked into, and in completion with, similar factories in similar regions in Europe, and also to some extent in the Third World" (Massey 1994: 97).

While several cities and the regions articulate into the economic restructuring processes in a beneficiary way, some others in the region, country, and even the particular spaces within a city maybe experiencing a contrasting condition. On the other hand, the economic restructuring processes incorporates of additional cities into the various networks, even some are valid for a short time.

Marcuse (1996: 245 in Gibson and Watson) emphasized the emergence of the 'Walls' within the city as the consequence of the partitioning of activities, the spatial outcome of the social inequalities, etc. Especially in the case of technologically and economically developed large cities, Marcuse argues, a new pattern is represented as a recent phenomenon:

- A *dominating city*, with its luxury housing, not rely part of the city but enclaves or isolated buildings, occupied by the top of economic, social and political hierarchy;
- A *gentrified city*, occupied by the managerial-professional-technical groups, whether 'yuppie' or 'muppie' with out children;
- A *suburban city*, in some cases single family housing in the outer city, in some other apartments near the city, occupied by skilled workers, mid-range proffessionals, upper civil servants;
- A *tenement city*, sometimes cheaper single family areas, most often rentals, occupied by lower paid workers, blue and white-collar, and generally (although less in United States) including substantial social housing;
- An *abandoned city*, the end result of trickle-down, left for the poor, the unemployed, the excluded, where in the United States homeless housing is most frequently located.

Marcuse offers another type of taxanomy with respect to the different attributes of the city:

- *The controlling city*, the city of big decisions, includes a network of high-rise offices, brownstones or older mansions in prestigious locations, and is less and less locationally circumscribed.
- *The city of advanced services*, of professional office tightly clustered in downtowns,

with many ancillary services internalized in high-rise office towers, is heavily enmeshed in a wide and technologically advanced communicative network.

- *The city of direct production*, includes not only manufacturing but also the production aspect of advanced services, in Saskia Sassen's phrase (1989), government office, the back offices of major firms, whether adjacent to their front office or not, located in clusters and with significant agglomerations but in varied location within a metropolitan area.
- *The city of unskilled, work and informed economy*, small-scale manufacturing, warehousing, sweatshops, technically unskilled consumer services, immigrant industries, is closely intertwined with the cities of production and advanced services and thus located near them, but separately and in scattered clusters.
- *The residual city* is the city of less legal portions of the informal economy, the city of storage where otherwise undesired (NIMBY) facilities are located, the location of abandoned manufacturing buildings, generally also congruent with the abandoned residential city.

Borja and Castells (1997: 23) state that the patterns of the industrial location having a fundamental effect on the spatial structure and processes of cities and on their dynamism have been deeply transformed by the microelectronic-based technologies. "...information technology industries are the most dynamic industrial sector, and the one that expresses the new spatial logic most directly, it can be argued that industrial structure as a whole is characterized by the new pattern of location, in so far as the use of microelectronics is spreading to the machinery and the production processes of all branches of industry" .

Major features of urban restructuring in the Northern world are outlined as follows:

- Decentralization of jobs, services and residences from traditional city centers to suburban settings and 'edge cities' within expanded metropolitan frameworks,
- The decline of traditional inner-city employment bases in manufacturing, docks, railways, distribution and warehousing,
- The re-centralization of high-level business services in the CBDs,
- The gentrification of selected inner-city neighborhoods,
- The localization of residual populations of marginal and disadvantaged groups and of unskilled migrants and immigrants in other inner-city neighborhoods,
- The emergence of a 'new politics' of fiscal conservatism,

- The emergence of a 'new cultures' of material consumption and differentiated lifestyles,
- The feminization of poverty, and
- The intensification of economic and social polarization.

Sudjic (1999) states that besides economic processes "there are other such generators, and it is interesting that they are cultural as well as industrial or economic. Giant shopping centres, or massive new museums have the effect. These generators are not the cause of the growth of massive cities, but they have the effect of giving structure, form and identity to cities".

### 3.2.3. The Information and Communication Technologies and the City

*"Yet in the very midst of the market economy, at the heart of the American system which had triumphed with the installation of the pax Americana since 1991, a more substantial, more decisive anomaly began to emerge informational goods. The technological revolution of informatics and communication technologies has become a revolution of productive relations as a whole, of the modes of the socialization of knowledge, and last but not least, of the modes of government and of the control of populations"*  
(Boutang in ACTAR, 2000: 73-4).

Coupling with the profound economic processes, the advances in information and communication technologies have been of major concern within the debate. Such transformations are even cited as to be a revolution throughout the history of technology. According to Castells (1985: 32) 'economic restructuring and technological change' is a 'major underlying cause' of the changing spatial structure of American cities. He argues that new communication technologies will render most dense urban agglomerations 'anachronistic', while 'anointing' a few places as centers of elite decision-making, thus reinforcing the interurban hierarchy.

"The global informational economy is organized on the basis of managerial centres capable of coordinating, managing and innovating the activities of companies structured in the networks for interurban, and often transnational, exchange (Hall, 1995, cited in Borja, and Castells, 1997: 16). Pointing to these macro environmental processes, the scholars emphasize the role of rising sectors within these processes: "At the heart of the economic processes are activities concerned with finance, insurance, property, consultancy, legal service, advertising, design, marketing, public relation, security, information provision and computer system management" (Daniels, 1993, cited in Borja and Castells, 1997: 17). The scholars deal with the major common features of the intensifying activities: "Research and development (R&D) activities are likewise of decisive importance in industry, agriculture and services. All these activities have

something in common: they are flows of information and knowledge (Norman, 1993)."

Table 3.5. The informational activities and their location

<b>Activities (Operations)</b>	<b>Location</b>
R&D, innovation and prototype production activities	Concentration in metropolitan centers of global industrial significance (silicon Valley or Tokyo); and an internal hierarchy among such centers, secondary innovation sites being developed to foster an industrially deconcentrated technology industry system (Southern Paris in France, Munich in Germany, or Campinas-Sao Paulo in Brazil)
Highly skilled manufacturing activities	In areas of recent technological industrial development in central countries
Large-scale electronics production	For a long time needed abundant semi-skilled labour, and was quickly decentralized to South-East Asia
Customer-related production and after-sales repair and service activities	Close to the main metropolitan markets; dispersed throughout the entire area of the industrialized and rapidly industrializing world

Source: Compiled from Borja and Castells, 1997

Another point is the locational outcome of these technologies for the advanced service sectors: Although advanced services could be located anywhere on the basis of a highly developed telecommunications system, the evidence is different. "...new pattern for the spatial location of advanced services is characterized by its being at once concentrated and dispersed: the important feature is its inter-relation through a flow of network" (Graham, 1994; Moss, 1987 cited in Borja and Castells, 1997).

Zijderveld also identifies the new era in relation to the developments in information technologies. "We have allegedly entered the age of cyberspace and virtual reality, the informational society that is no longer characterized by more or less fixed structures and a centered order. Informational society and the informational city of today are rather characterized by incessant flows, by mobilities of sorts, by decentered fragmentations. In this new world, the idea of the city let alone of urbanity is, it is believed, meaningless" (Zijderveld, 1998: xiii).

Zijderveld states that by the emergence of edge-cities, decentered or polycentered urban satellites, 'the idea of urbanity' seems not applicable to the American scene, where he refers to 'urban culture' by urbanity. He goes on: "cities-without-urbanity are rapidly becoming the normal condition of urban life, certainly in North America". He argues that "urbanity is analytically, as well as normatively, still a

crucial phenomenon that ought to be taken into account, if one deals, either scientifically or in terms of public policy, with cities and city life” where he sees “a need for a more or less systematic and comprehensive theory of urban culture” and that “the concept of urbanity’ is ‘indispensable for such a theory” (Zijderveld, 1998: 10).

Throughout the drastic transformations that have characterized the cities of the advanced capitalist societies in the final decades of the twentieth century, contest, conflict and co-operation have been realized in and through the social and spatial forms of contemporary urban life. These processes have been creating new patterns of social division and new forms of regulation and control. Here, we see the cities conceived “not merely as sites or arenas of social interaction but as built spatial entities which incorporate and constitute the constraints and opportunities of a wide range of social relationships” (Jewson and Macgregor, 1997: 1-2).

Jewson and Macgregor discuss the restructuring processes in relation to the new directions of capitalism and its trends:

“...A transformation of capitalism –and, thus, simultaneously a transformation of cities- has been taking place in the second half of the twentieth century. These changes have generated a series of crisis and conflicts, including the decline of manufacturing and the growth of unemployment, polarization between the socially excluded and the better-off (although increasingly insecure) middle classes, increasing disillusion and dissatisfaction with traditional political parties and political classes, the deleterious environmental impacts of current systems of production and distribution, and the failure of available ideologies (both welfare statism and neo-liberalism) to come up with effective policy solutions (Jacobs 1992: 8). The interrelated processes entailed in these changes, and their associated social divisions, provide a framework of issues for the investigation of urban forms and relationships” (Jewson and Macgregor, 1997: 2).

According to Taylor the restructuring may be identified in four debates: Capitalism, labour markets and labour processes, and production and economic sectors. Below is a summary of Taylor’s statements given.

- Companies have responded to technological innovation and global competitiveness in the 1990s causing an increasingly flexible and deregulated labour market. While a significant proportion of full time and permanent jobs were declining, part-time, on short-term contracts and in self-employment have grown. Now half of the workforce consists of women employee. Subcontracting, out-sourcing and ‘non-

standard' forms of employment have become integral features of labour markets.

- Services sector has waxed while manufacturing has waned.
- Pursuit of economies of scale has been replaced by an emphasis on small-batch production and niche marketing of goods and services.
- Large-scale, hierarchical organizations have given way to small and medium-sized enterprises with flatter managerial structures.
- "The demand for workers in skilled high technology based occupations as well as in low paid and labour intensive sectors such as hotels, catering and retail distribution looks set to grow" (Taylor 1996:208).
- The impact on urban forms of those processes has given rise to the notion of a post-Fordist city. Such a city is characterized by a regime of flexible accumulation that creates new spatial and social relationships (Harvey, 1989; Savage and Warde, 1993).
- The restructuring of urban employment relations has been a global process, generating new international divisions and connections between capital, labor and resources. As a result of financial deregulation and the explosive growth of electronic communications, the speedy movement of money within and between world markets has been of central importance.
- There has been a worldwide social and spatial reorganization of economic activities and a restructuring of capital, resulting in new functions for financial markets and challenges to established political institutional 'containers', such as the nation-state (Sassen, 1994). This has led to a reordering of the significance and influence of cities across the face of the planet. New patterns of wealth and poverty, dispersal and centralization, control and subordination have been created.

Although the cited debates on the city and regional restructuring processes constitute a selected portion of the whole, they fundamentally highlight the recent debates that the field of city and regional planning has been dealing with for some time. They are crucial, because that they have implicit affects on the redefining of the field and profession of city and regional planning.

Following the statements evaluated above, the study goes on with the recent research agendas stemming from the city and regional restructuring processes, and dealing with the analyzing, representing, interpreting, and theorizing these profound processes and the state of the city and regions within the whole world formation.

### **3.3. The Recent Research Agendas on the City and Regional Restructuring Processes and Selected Case Studies**

Several agendas addressing the integrated complex of restructuring processes may be identified at various dimensions, levels, scales and units of /in the city and the world comprising their widest inter-linkages. These agendas and their evaluation will vary with respect to the scientific fields that they relate to. But today's complex processes having implications and reflections on almost every aspect of space and its attributes calls for interdisciplinary studies and approaches. Besides –contrary to the much-deepened specializations– the scholars within each field are forced to explore and produce knowledge in various areas overlapping the ones of other fields.

“...the city must be seen as a reflection of the society that maintains it. It follows that the study of the city should not be abstracted from its historical, cultural and economic matrix. It also follows that a proper understanding of the city requires a cross-disciplinary approach, whatever the ultimate focus of attention. In the city, everything is connected to everything else, and the deficiencies of one academic specialism must be compensated for by the emphases of others” (Knox and Pinch, 2000: 2).

Hall (1999) sees the urban consequences of the restructuring processes at two ‘separate though related levels’: “first, the national and international urban system, and the competition among cities at different levels of this system; second, the internal impacts on activity and land use patterns within each metropolitan area”.

What is implicit throughout the restructuring processes is that we need to look in the urban and regional restructuring in a deeper and diversified way than before we did. We need new analytical tools, new conceptions and to review the theories that we used to refer. Soja states (2000: xii): “...there has been a significant transition if not transformation taking place in what we familiarly describe as the modern metropolis, as well as in the ways we understand, experience, and study cities”.

When one looks at the very diversified literature related with the subject taken here, he/she can get bored of reading the titles each referring to a different part of the phenomenon; while quite overlapping. That is, many debates and issues have been defined and studied by various scholars of differing fields. And in this part of the study, selected recent agendas will be highlighted giving cited explanations.

#### **3.3.1 The Changing Settlement Systems, the Formation of City & Regional Systems, and Shifting Hierarchies**

*“With just under half of its population living in cities, the world is already urbanized. When measured in knowledge, attitude, aspiration, commercial sense, technology, travel and access to*

*information, even most rural societies are, to one extent or another, woven into a global network of cities”*  
(UNCHS, 2001: 1).

The restructuring processes given in the preceding parts of the study, tell much about the characteristics of these processes. The increasing number of studies on these debates points to several agendas that are already on the run. One group of studies within the vast collection is about the relational aspects of the much interlinking spaces. It comprises the structure, pattern, and formation of the settlement systems, networking between settlements and the hierarchical conditions. These issues and the responsive debates established the grounds of such an agenda. Theoretical and empirical studies explored new ways of grasping the new realities, and also the older has also been reviewed. Yet, there exists no comprehensive solution or proper particular solutions that has become valid among researchers; but such agendas provide rich areas of inquiry in especially sharing the world of data on human settlements among researchers.

Hall (1995) emphasizes the need for a ‘general urban theory’ with reference to the ‘global system of cities’ that will comprise newer debates and issues. On the other hand, Taylor (1997) states that there exists no satisfactory research and analysis focused on the dynamic hierarchical patterning of cities. Mainly dealing with the ‘world-city hierarchy’, Taylor points out the limitation of data available to researchers and states the need for much more research to be done and provision of data:

“Despite voluminous researches over the last two decades, which have advanced our knowledge of many important new city growth processes and outcomes, the idea that the cities are arranged into a hierarchy has not been credibly advanced. This is by no means an oversight, a world city hierarchy is a common assumption underlying this field of research, but it seems to have drawn the short straw when it comes to rigorous research. In those researches where it is explicitly addressed, it is the contention of this paper that the work is generally flawed either in data, theory or both... it seems to me that the idea of a hierarchy needs fresh empirical grounding and theoretical interpretation”.

Smith and Timberlake (1995) have constructed a typology of inter-city linkages based upon the form (human, information, material) and function (cultural, economic, political, and social) of flows. In this way twelve types of linkage are identified, but as the authors point out, this ‘wish list’ for world city research only emphasizes just how poor existing data sources are in this research field. Generally data on flows between cities are conspicuous by their absence.

Table 3.6 Conceptualizing the inter-city linkages: A typology

Function	Form		
	<i>Human</i>	<i>Material</i>	<i>Information</i>
<i>Economic</i>	Labor, managers, lawyers, consultants	Capital, Commodities	Business phone calls, faxes, telex messages, technology transfer, advertisements
<i>Political</i>	Troops, diplomats, social workers	Military hardware, foreign aid	Treaties, political threats
<i>Cultural</i>	Exchange students, dance troupes, rock concerts, theater	Paintings, sculpture, artifacts	Feature films, videos, photo albums (CDs)
<i>Social reproduction</i>	Families, Red Cross, community organizers	Remittances, foreign aid	Postcards, night phone calls

Source: Smith and Timberlake, 1995: 86 cited in Short and Kim, 1999

According to Cheshire and Mills (1999: 1342) "...recent changes in the distribution of population between large and small cities, between metropolitan and nonmetropolitan areas and within the various components of city-regions... despite the fact that the experience of individual cities has become more varied, internationally (at least within what might be called the mature economies) there is stronger evidence of a predictable pattern of change, determined by common casual factors, than might be expected given the diversity and variety of cities".

There are also studies dealing with the city as an individual subject of research: Krugman (1993) concerned with modeling the factors that influence the growth of individual cities. Within these studies it seems that the validity of the previous modeling and approaches sustains. For instance, according to many, the validity of the rank size rule -described by Tinbergen (1968) as one of the most well defined of socioeconomic regularities, or more recently by Krugman (1996) as one area where economists "have complex, messy models, yet reality is startlingly neat and simple" - does not work perfectly but still haunts the literature.

Cheshire (1999: 1341) states: "There is an important body of literature attempting to explain why the size distribution of cities conforms to a Pareto distribution (or, even more specifically, obeys the rank size rule) that relies on purely stochastic mechanisms or analogues with physical phenomena... There is also, however, a rather different approach to investigating urban systems and patterns of urban development. It is not directed towards investigating the system of cities, in the

sense of the distribution of city sizes, but in the context of an urban system, to explaining –or at least classifying– patterns of urban development. This may be in terms of different relative rates of growth of cities of different categories, or core cities relative to their suburban rings”.

Searching for ‘the new architecture of inter-urban economic relations’, Michelson and Wheeler (1994) studied on business mail traffic where they used data obtained from an American international company, the Federal Express (cited in Borja and Castells, 1997: 22-23):

“All the indicators point to a reinforcement of the structure of the control functions which determine exchange of information ... Locational concentration of information has its origin in high levels of uncertainty induced by technological change, lack of market capacity and deregulation and globalization of the market. But as the new [economic] era develops, the importance of flexibility as a basic management mechanism, and of the economies of agglomeration as a preeminent locational force, will continue. \_The importance of the city as a centre of gravity of economic transactions which not just fade away. But with the forthcoming regulation of international markets ... and less uncertainty about the rules of the economic game and about its players, concentration of the information industry will be slower, and elements of [information] production and distribution will move towards lower levels of the international urban hierarchy”.

Dealing mainly with the diversity and specialization in cities, Duranton and Puga (2000: 534-40) summarize and structure facts about the composition of economic activity in cities in relation to others. Statements through the study are of importance for this part of our work: Specialized and diversified cities co-exist; larger cities tend to be more diversified and cities of similar specialization are of similar size; the distribution of relative city sizes, individual city-size rankings and individual city specializations are stable over time; individual city growth is related to specialization and diversity, and relative location; there is a high rate of plant turnover. Most innovations take place in particularly diversified cities and most new plants are created there. Most relocations are from diversified to specialized cities.

Chappelin (1991) studied on service networks in European cities showing the increasing interdependence and the complementary nature of medium-sized urban centres (cited in Borja and Castells, 1997: 20).

Within the restructuring processes, the EU spatial-economic policies represent strong evidences of social and economic disparities and divergent spatial patterns that are historically provided. While the northern and the southern agglomerations show different cases, in a recent study, Choriantopoulos (2002: 707) points to the varying patterns within Northern Europe: Although there has been a widely cited recentralization experienced by most of the northern European cities, he states that

“some cities continue to decentralize while others experience relative centralization”. So, “the pattern is that there is now a variation of patterns” (Chorianopoulos, 2002: 707).

In his overview of the literature on European spatial configuration, Chorianopoulos (2002: 708) highlights two important facts: One is the core-periphery structure (for instance, the north-south polarization), and the other is the urban networking arrangement in the core areas. He defines urban networking as the “emerging functional interdependencies between cities which developed as a response to the spatial dispersal of economic activities” (2002: 708).

### **3.3.2. The Issue of Governance and Responsive Planning**

*“It is now widely acknowledged that the inter-relationship between urban basic services and social well being, economic development and the environment, make the provision of adequate basic services a complex urban governance challenge”  
(UNCHS, 2001: 41).*

The political restructuring processes lead to the decentralization and context of government. Changing function and role of governmental institutions, the rise of the ‘local’ and NGOs, and transition from government to governance are the most common features within these processes. Recent governance organizations stems from the processes acting on the city and the city as a candidate to act in the competitive spatial environment.

“...‘urban governance’ portrays the emergence of new procedural and policy frameworks incorporating a wider range of actors involved in actively regulating the local economy and society (Harvey, 1989; Leftwich, 1994; Goodwin and Painter, 1996; Imrie and Raco, 1999). The emphasis on urban competitiveness, in turn, suggests the broad structural shift of governance activities in the attempt to attract investment and generate development (Logan and Swanstrom, 1990; D’Arcy and Keogh, 1998; Kearns and Paddison, 2000). The plurality of economic, institutional and political relations found between cities within one country and, most noticeably, amongst local states in different countries signifies the key dimension of the economic and socio-political context in any examination of urban restructuring, governance and competitiveness” (Chorianopoulos, I., 2002: 705).

Chorianopoulos (2002: 711) emphasizes the importance of ‘socio-political infrastructure’ within local-level restructuring processes aiming to provide proper conditions for the spatial-economic competition. He sees the local level corporate arrangements as the key to local state regulatory functions to be provided. In southern Europe, “the debate concerns the schematic shift from the ‘providing’ to the ‘enabling’ duties of the local state in service delivery, the increase in ‘entrepreneurial’ activities and the importance of non-state organizations in urban policy (Imrie and Thomas,

1993; Wilson et al, 1997)" (Chorianopoulos, 2002: 711).

The redefined role of the local government, the way it will govern, the actors involved in governance all contributes to the spatial order of city space. On the other hand the context of governance extends the geographic area subject to governance programmes and organization. Several levels are highlighted, starting from even the small quarters to the vast regions. No single authority is identified, rather more actors, more discussion and involvement in decision making processes.

The debate on governance has an important relation with that of regionalism. The establishment of alliances, regional institutions, regional integration arrangements are at the forefront of this relation.

On the side of the planning, the restructuring processes called for the proper planning and management arrangements within cities. Cities, rather as the entrepreneurial actors within the spatial economic markets are subject to planning in a responsive manner to these processes. Large-scale projects, strategic plans and programmes coupling with growth management strategies are integrated with the recent governance tendencies.

The spatial organization within the city and the region is becoming to resemble more and more the external factors via the governance and responsive planning mechanisms. According to Scott (2001) '...a new social and political organization of space' is on the run; it is 'a hierarchy of interpenetrating territorial scales of economic activity and governance relations, ranging from the global to the local...'

It seems that the governance debate will probably one of the most discussed one within the restructuring processes; and, there is no doubt that these processes play a vital role for the future of urban life and the city itself.

### **3.3.3. The Urban Form & the Internal Restructuring of the Cities & Regions**

*"Paris exemplifies in many senses the emerging metropolis of the 21<sup>st</sup> century: a relatively small core which is intensively visual, spectacular, and garlanded with history, hotels, cultural institutions, convention facilities and Central Business District (CBD) functions, and a sprawling periphery which is generally dull and little known to outsiders except where punctuated by major airports, sports complexes, theme parks or historic sites. These areas are governed by numerous different local governments, with separate characters and jurisdictions, and by a great variety of specialized functional bodies. The unity of the region is primarily a marketing device for business, tourism and transportation, rather than functional and monolithic governmental structure. It offers a great variety of residential, working and recreational environments, both contemporary and historic, tailored to fit a wide range of tastes, budgets and lifestyles" (Bromley, 2001: 237).*

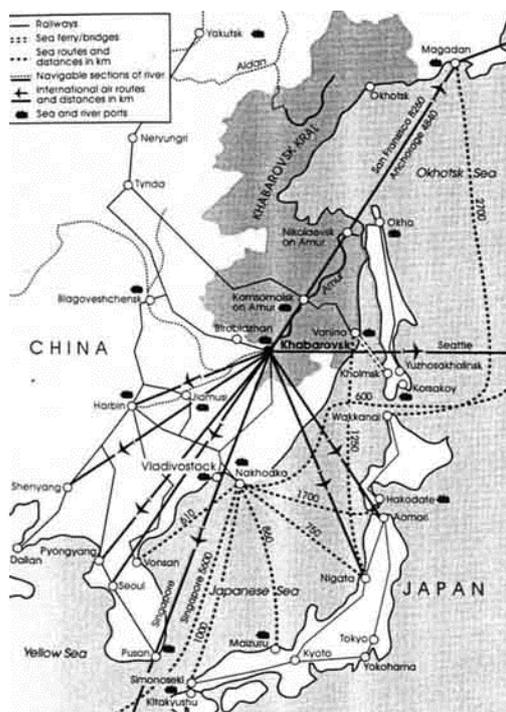
One of the important research areas within the restructuring processes is the urban form and internal structure of the cities and their regions where these processes

are at work. Within the rich literature of this field of research, there are several issues and debates constituting the major agendas for scholars, politicians and policy-makers. Briefly, these are emerging land-use patterns, restructuring of employment and activities and its relation to the urban pattern, illegal development, segregated communities, FDI flows to city's particular environments, restructuring of urban-rural relations, etc. among many.

According to Borja and Castells (1997: 17) as soon as a region intends to be articulated into the global economy, thereby dynamizing its local economy and society, several prerequisites are on the agenda:

- the setting up of an urban node for advanced services,
- an international airport around where whole organization of the node takes place,
- a satellite-telecommunications system,
- luxury hotels with appropriate security systems,
- English-language secretarial support,
- financial and consultancy firms familiar with the region,
- local and regional government offices capable of providing information and infrastructure to back up international investors, and
- a local labor market having personnel skilled in advanced services and technological infrastructure.

Fig. 3.4. Khabarovsk: A global node in the Russian Pacific



Source: Borja and Castells, 1997: 18

Here, the authors considers the Russian Pacific as a good evidence case for such developments (1997: 17): "...When the Russian Pacific –a region with vast future potential- began to integrate itself into the global economy in the 1990s, the first step towards integration was the establishment of a local management node for global networks in the region's economic capital, Khabarovsk (Minakir, 1994)".

Table 3.7. Selected urban articulations into the economic restructuring processes

Region	Pre-integration Attributes
<p data-bbox="328 365 347 394">1</p> <p data-bbox="264 432 400 551">Russian Pacific Region &amp; Khabarovsk</p> <p data-bbox="264 712 411 831">Projects &amp; Integration Implementations</p>	<ul style="list-style-type: none"> <li data-bbox="432 293 1394 322">▪ Remoteness of the region from world circuits &amp; closeness for military strategy</li> <li data-bbox="432 322 1394 412">▪ Khabarovsk had 600.000 inhabitants; a historical river port on the Amur, and the only international airport in the area with regular air links being established with Anchorage, Niigata, Seoul and Harbin</li> <li data-bbox="432 412 1394 441">▪ Russian Pacific opened up to foreign investment and to international contacts in 1990s</li> <li data-bbox="432 441 1394 501">▪ Great companies from Japan, South Korea, the United States and China entered the region with the support of the competing local governments</li> <li data-bbox="432 501 1394 620">▪ To be a privileged region supplying resources (natural gas, oil, coal, rare minerals of strategic and industrial importance, wood, fish and a wide range of raw materials) that are imperatively needed by Asian countries for their accelerated process of development</li> <li data-bbox="432 620 1394 680">▪ The realization of the establishment of a local management node for global networks in the region's economic capital (Khabarovsk)</li> <li data-bbox="432 680 1394 824">▪ The provincial government began to organize infrastructure for the foreign investments, based on hotels of international standard, multilingual services for companies, satellite telecommunications, business centers equipped with computer systems and secretarial services, tourism and guide services for foreign visitors, and a network of banking and financial services</li> <li data-bbox="432 824 1394 920">▪ The first foreign investments were made in joint ventures for services companies, with the provincial government and public enterprises taking part to supply the operational infrastructure needed by foreign companies</li> </ul>
<p data-bbox="328 1025 347 1055">2</p> <p data-bbox="264 1070 384 1249">Mexico, Federal District, Paseo de la Reforma, Santa Fe</p> <p data-bbox="264 1361 411 1480">Projects &amp; Integration Implementations</p>	<ul style="list-style-type: none"> <li data-bbox="432 931 1394 992">▪ Full integration with the North American Economy that is the global economy--through the Free Trade Agreement</li> <li data-bbox="432 992 1394 1052">▪ The Federal District reinforced its management and international coordination functions, deeply transforming its spatial structure in line with those functions .</li> <li data-bbox="432 1052 1394 1135">▪ 8 of the 15 banks that operate in Mexico, and 16 of the 22 firms of brokers, are located in the financial district established around the Paseo de la Reforma, to the west of the Zocalo(the historical centre).</li> <li data-bbox="432 1135 1394 1256">▪ New property development projects out west, such as the Santa Fe complex, provided an exclusive area of 650 hectares for the headquarters of companies such as Hewlett Packard, the Cifra Group and Televisa, plus dozens of luxury shops, and high-status hotels and residences.</li> <li data-bbox="432 1256 1394 1346">▪ In the Federal District as a whole, several new international hotels were built, along with hundreds of thousands of square metres of high-class office space and a new building for the Stock Exchange (Araneta, 1995).</li> <li data-bbox="432 1346 1394 1435">▪ The modernization of Mexican Telecommunications, particularly international, satellite-based ones, together with the spread of computer systems, increased the instantaneous management capacity of the new Mexican economy in world circuits</li> <li data-bbox="432 1435 1394 1552">▪ Ironically, it was precisely this far-reaching technological and financial integration that sparked off the country's bankruptcy in 1994, when information on the real estate of its economy, and on the depth of its governmental crisis, began to circulate around international financial markets.</li> </ul>

Sources: Compiled from Kiselyova et al, 1996 cited in Borja and Castells, 1997: 18-20

Bromley (2001: 241-2) identifies fundamental challenges that the contemporary

US metropolitan region recently face:

“First...the degree to which people live, work, study, shop and enjoy themselves in different municipalities. Second, is the national obsession for relatively low-density living, the majority preference for single-family dwellings on what by world standards are large lots, and the national fascination with driving large vehicles on spacious highways...a considerable degree of racial and class segregation, and a fascination for the big and the new, and we have a sprawling low-density metropolis. A US metropolitan area of one million can take up more land than an Asian metropolis of 10 million, and ... many Americans expect very high levels of individual mobility by car and air. Regional transportation systems, the efficiency of airports as inter-regional communications centres, and the challenge of growth management, are dominant themes in contemporary American metropolitan regional development”

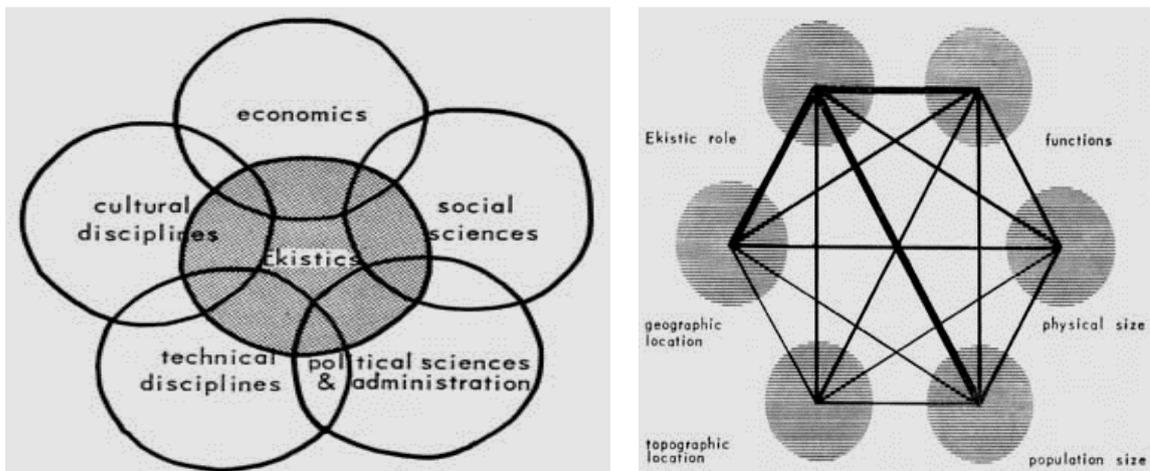
### 3.3.4. The Selected Case Studies on the Recent Agendas

This part of the study mainly focuses on the selected case studies that provide explorations in empirical studies, spatial mappings and theoretical questionings to the emerging agendas within policy making, spatial planning, organization, and management. Among many, these studies are of considerable importance with respect to their scope and level of spatial analysis and especially the perspective of a world - and comprehensiveness in the European Region- that is a total space and place.

#### 3.3.4.1. The Studies within the 'World Society for Ekistics'

The World Society for Ekistics and the Journal 'Ekistics' was founded by the architect-planners Doxiadis and Trywhitt and institutionalized under ACE (Athens Center of Ekistics) in the 1950s, responding the stated 'need for a journal directly aimed at keeping architects and planners in developing countries up to date with relevant professional expertise elsewhere in the world' by its founders. The studies made in Ekistics and its contributors represent a valuable collection within a rich perspective and a variety of scales/levels. The group is internationalized with its members from different countries of the world. "The journal is now regarded internationally as one of the main sources of information not only on the work of the Athens Center of Ekistics (especially its research effort and the outcome of its conferences) but on all aspects of human settlements from a wide spectrum of sources the world over" ([www.ekistics.org](http://www.ekistics.org)).

Fig. 3.5. The Ekistics and the sciences directly contributing to it



Source: Doxiadis, 1968: 55, 307

Among many efforts of the Center and Ekistics Journal, the scientification of spatial studies by measuring and comparing city sizes, human population, spatial

distribution patterning of activities, the form and type of linkages between the settlements; humanizing efforts towards human settlements by exploring ways to understand chronic problems in urban and rural life, and the ways to provide proper solutions; assembling experts, labors and students of this scientific field, etc. are the most important.

Fig. 3.6. The 'Ekistic Logarithmic Scale'

Ekistic unit	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
Community class				I	II	III	IV	V	VI	VII	VIII	IX	X	XI	XII
Kinetic field	a	b	c	d	e	f	g	A	B	C	D	E	F	G	H
name of unit	Antirepos	room	house	homegroup	small neighborhood	neighborhood	small polis	polis	small metropolis	metropolis	small megapolis	megapolis	small epiropolis	epiropolis	Ecumenopolis
population	1	2	4	40	250	1500	9,000	50,000	300,000	2M	14M	100M	750M	5,000M	30,000M

Source: Ekistics, 1998: 11

The World Society for Ekistics (WSE) declared itself to be 'a non-political and non-religious body' with limited membership, formed to study human patterns of living and their physical expression in the past, present and future. The aims and objectives of the Society are defined as follows ([www.ekistics.org](http://www.ekistics.org)):

- To promote the development of knowledge and ideas concerning human settlements by research and through publications, conferences, scholarships, etc.;
- To encourage the development and expansion of education in ekistics;
- To educate public opinion concerning ekistics, thus stimulating world-wide interest and cooperation;
- To recognize the benefits and the necessity of an interdisciplinary approach to the needs of human settlements, and to promote and emphasize such an approach.

The meetings organized by Ekistics brought together the planners, architects and any professional dealing with space providing the discussions, project presentations, and so on. Despite several pauses through years, the group carried its studies up to now.

According to Doxiadis (1968: 430), we were heading towards an Ecumenopolis, the universal human settlement: "We are already on the march towards the universal

city". He declared his ideas on the Ecumenopolis:

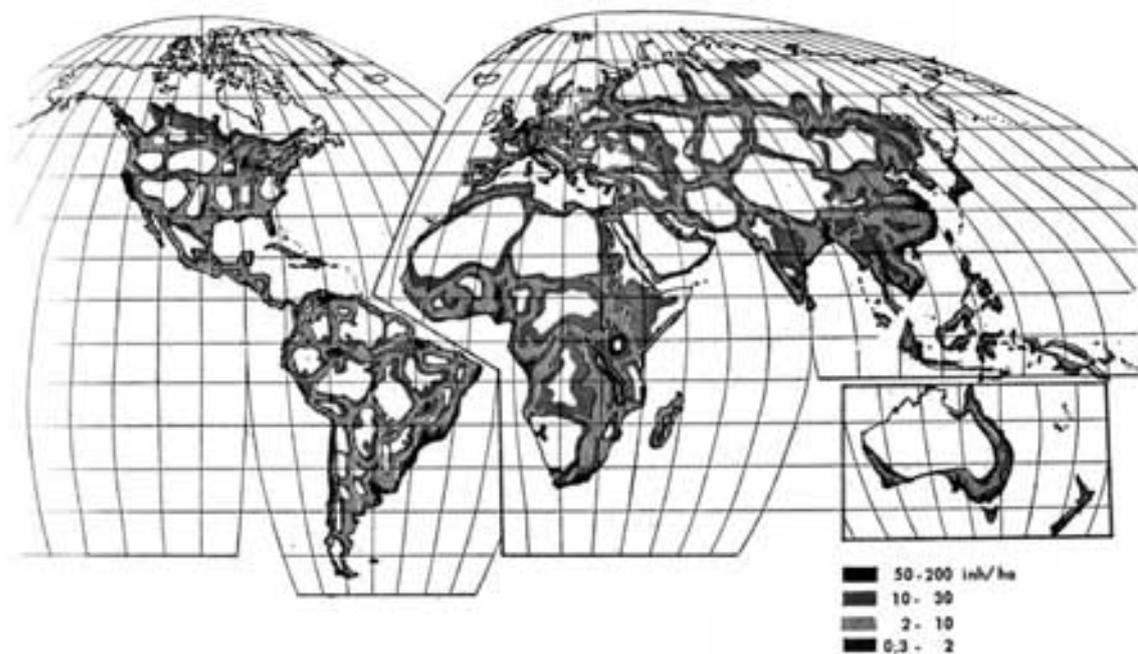
It would be undesirable because the Ecumenopolis:

- Means the phase in which mankind will be able operate as one community and since this increases likelihood of peace, if only for this one reason, we should be all for it;
- Will lead to the exploitation of resources for the benefit of the whole of mankind, and this is something which we all need badly.

Counteraction to the trends leading to Ecumenopolis is impracticable also because:

- These are trends of population growth determined by many biological and social forces which we do not even understand properly, let alone dare countermand;
- The great forces shaping the Ecumenopolis, such as economic, commercial, social, political, technological and cultural are already being deployed and it is too late to reverse them.

Fig. 3.7. An earlier prediction of Ecumenopolis at the end of the 21st century



Source: Doxiadis, 1968: 377

The recent studies within Ekistics focus on the contemporary issues and debates integrated with the analytical historical studies made by Ekistics for forty years. In relation to the changing conditions of human settlements -with respect to size, population, density, order; emerging spatial patterns; networking relations between settlements; regional spatial developments; and the changes and transformations in urban life are the ongoing subjects of Ekistics studies coupling with a rich array of evidential analysis from the cities all over the world.

### 3.3.4.2. The 'GaWC' (Globalization and World Cities Study Group and Network) Research Program

The research group has prepared several research agendas on the patterning of world city networking and tried to explore proper ways to measure and represent those immense relations between settlements, activities, labor, information, etc. It has yet published in their net site nearly a hundred studies on the same grounds and by the contribution of many researchers throughout the world. The group is open to all dealing with such a kind of agenda on human settlements, especially the world cities. What make them of importance are the scientific explorations and overviews they offer.

Taylor (1997) emphasizes the importance of "a combination of easily available and credible relational data within the theoretical context of geographically variable hierarchical tendencies" in such kind of hierarchical studies, that is, "the conceptual tools to carry out the task". Taylor (1998) proposes the following research program:

- 1.) *Objects of study*: all primary/secondary (or global/sub-global) cities, which have been identified as part of a world city hierarchy. Friedmann actually refers to lower rungs of the hierarchy but at this stage we will concentrate on the top two rungs.

Taylor's provisional list consist of northern American core - New York, Washington DC, Los Angeles, San Francisco, Chicago, Miami, Boston, Seattle, Houston, Toronto, Montreal, Vancouver; western European core - London, Paris, Frankfurt, Milan, Brussels, Amsterdam, Madrid, Dusseldorf, Munich, Lyon, Barcelona, Vienna, Rotterdam, Copenhagen, Rome, Zurich; western Pacific core - Tokyo, Singapore, Osaka, Seoul, Hong Kong, Taipei, Kuala Lumpur, Sydney, Melbourne; non-core - Mexico City, Caracas, Sao Paulo, Buenos Aires, Rio de Janeiro, Johannesburg, Bombay, Bangkok, Manila; ex-command economies - Moscow, Prague, Berlin, Beijing, Shanghai.

- 2.) *Timing of study*: we need to go back to before the presumed rise of contemporary world cities in order to provide a base from which to measure a globalization of the urban system. I suggest using five-year intervals from 1955 to 1995. The early years represent US high hegemony to be followed by the whole period identified in the literature as the *moyenne durée* of globalization. For each city for each year data such as that collected above in the pilot study would be constructed. For the cities of the ex-command economies, of course, only recent years will be surveyed.
- 3.) *Analysis*: for each year we can repeat the sort of analysis we carried out for the pilot 1990 study but the overall emphasis will be on change and difference. That is to say we monitor relations between cities over time with particular reference to differences between sections of the core and their respective peripheries. Of course, for the East Asian cities the actual rise to core status will be recorded. We will not be defining a world city hierarchy but will be looking for indications of tendencies both promoting and obstructing its possible creation.
- 4.) *Organization*: this requires a substantial planning operation involving data collection and subsequent interpretation for cities in 29 countries. A steering group consisting of persons from each of the geographical zones identified above should both oversee the work by putting 'flesh' on the bones of this proposal, and ensure consistent data collection and analysis from a team of researchers located in all countries involved.



aggregate information flows for communications.

After evaluating various sources of data (for instance, UN) and type of data they state that “to find relational data, and to build up a data bank sufficient to address the crucial need for information on inter-city relations, specific measurements have to be made on a city by city basis” unified in a standard approach.

“The Globalization and World Cities (GaWC) Research Group and Network has been set up at Loughborough University with the express mission of encouraging and organizing such standardized data collection... measurement methodologies have to be standardized to ensure we do not produce a plethora of separate studies across which data cannot be matched”.

Beaverstock (2000), et al. state the methodological reasoning for their study:

“Our relational theoretical standpoint for measurement and standardization therefore, is derived not only from Castells (1996) idea of world city as process (space of flows), but also from Friedmann’s (1986) ‘world city hypothesis’ within a changing world-economy and Sassen’s (1991, 1994) analysis of the intensity and centrality of global city producer service complexes.”

Drawing upon these three related theoretical approaches, the group of scholars experimented ‘with different ways of measuring world city relations’ and ‘have found that three methodologies are particularly useful’. These are:

- 1.) Building upon Friedmann’s (1986) ideas about the world city and the new international division of labour, we illustrate the generation of large-scale relational data to partly address his casual empiricism, through a ‘content analysis’ of ‘business news’, which serves as a ‘surrogate’ measure of relations.
- 2.) By drawing upon both Friedmann’s (1986) readings of (im)migration, and Castells’ (1996) specific ideas concerning the flow of knowledge and intelligence, embodied within individuals between world cities, we illustrate the generation of inter-city migration data through ‘practitioner interviewing’ which serves as a ‘labour’ measure of relations.
- 3.) By focusing upon Sassen’s (1991, 1994) analysis of world cities as production sites for advanced producer service activities, we illustrate the generation of relational data through detailed analysis of producer service office locations, which serves as a powerful ‘organizational’ measure of relations between world cities.

Beaverstock (2000) states that these three methodologies ‘complement each other to provide an overall picture of world city relations’. Three methodologies for measuring relations were introduced “to facilitate a reorientation of the study of world cities from *comparative* studies of internal similarities and differences within cities to a study of the *relations* between cities”.

Evaluating former seminal research clusters of Friedmann, Sassen, Castells on the one hand, and Keeling, O’Connor, Kunzmann, Rimmer, Marek and Warf on the other, Beaverstock et al conclude: “We need data on world city relations which includes measures of world city functions alone” (also see Appendix A).

### **3.3.4.3. The Studies under the 'ESDP' (European Spatial Development Perspective)**

The European Union has given rise to the unification of spatial policies under the social-economic conditions of the contemporary world. Coupling with the new regionalism approaches, the nations of the union have been seriously working on spatial perspectives within the European commission that would carry the members towards the competitive spatial markets. On the other hand, the spatial pattern of the Europe represents a distinctive historical character from that of the other regions of the world.

A few number of urban agglomeration -London and Paris being the vanguards- have established strong and powerful linkages with the other regional nodes of the globalizing market, while redefining their territories, transforming regional and national accounts. Within these global nodes, like as the other ones in the world the development proceeds unevenly.

What is of special importance is that the spatial policy emphasis is well established within the regional unity of the EU. Towards the emerging new grounds of the 21<sup>st</sup> century, the Community prepares new spatial policies responding the competition between major cities of the world, internal relations between the settlements of Europe, integration of the diversified and segregated urban entities via the formulation of a spatial perspective.

The so-called, European Spatial Development Perspective is designated with respect to the historical-geographical analysis of settlements and structures, networking formations, inter-linkages between the cities, and relational economic, social, political, cultural and physical conditions of cities. Within the studies geographical analysis plays a vital role; the whole Europe is mapped with respect to its attributes at any level.

Intensifying the competition between the European cities, the efforts towards 'Single European Market' have many other implications on the spatial pattern within Europe with respect to relative socio-economic conditions.

The Community policies beginning in the late 80s has gained considerable attention and political reflection has resulted in:

- The publication of a compendium of spatial planning systems and policies in the European Union;
- Adoption of the European Spatial Development Perspective (ESDP) at the Potsdam Council in May 1999 and of its 12 implementing actions at the Tampere Council in

October 1999;

- Development of a Study Programme on European Spatial Planning (SPESP).

Pointing out the economic aspects of the Community's spatial policies, Chorianopoulos states (2002: 708):

"Particular aspects of economic integration are identified as having an influence on the emerging competitive orientation of urban Europe. Key amongst them is the removal of non-tariff barriers to trade in services and corporate restructuring (Gordon, 1995; Bozzi, 1995). These developments, in turn, point to a prospective restructuring of the European urban system from a set of distinct national formations to a single integrated urban configuration (Wegener and Kunzman, 1996: 7)".

The European Spatial Development Perspective's emphasis on the polycentric patterning within a balanced system is stated: "...strengthening a polycentric and more balanced system of metropolitan regions, city clusters and city networks and promoting integrated spatial development strategies for city clusters" (European Council of EU Ministers responsible for Spatial Planning, 1999: 21 cited in Bailey and Turok, 2001: 697).

On the other hand these spatial arrangements couple with the European urban governance arrangements including "...shifting requirements of EU spatial policies characterized by the launch of EU initiatives for an urban level of policy-making aiming at promoting economic competitiveness and cohesion" (Chorianopoulos, 2002: 706).

According to Chorianopoulos (2002: 712), "Examination over time of the Community's spatial policies aiming to tackle disparities shows the gradual adaptation from a sector-oriented policy perspective -in the initial stages of the European Communities- to the development of a regional policy focus since the mid 1970s".

Within this regional policy, 'innovation' and 'learning' play a guiding role in the economic and spatial organization. Development of learning clusters, innovation regions, localized learning mechanisms, and knowledge intensive policies contribute to development of the 21<sup>st</sup> century European regional economic development. "The late 1990s witnessed markedly increased interest in the study of the role of knowledge in creating and sustaining industrial competitiveness, and the role of spatial location in processes of learning and innovation" (Malmberg and Maskell, 1999: 5).

### **3.4. The Recent City Conceptions and the Related Debates**

*“...global city... global city-region... world city... supervilles (Braudel)... informational city...  
Choosing how to name a configuration has its own substantial rationality”  
(Sassen, 2000 in ACTAR, 105).*

Anyone dealing with cities needs to have a new vocabulary in order to understand what the recent city conceptions refer to. Some of these conceptions highlight considerable thesis on the interrelationships between cities and regions with respect to their economic and social aspects, some others while others are concerned with alternative readings of the various aspects of the city space.

This part of the study will try to give fundamental city conceptions dealing mainly with the changes and transformations of the city space at various levels and each promoting the studies on cities and regions. Within the rich literature of this debate, I preferred to group them under several headings with respect to their major concerns and the ways they deal with the city space.

Although there exists much overlapping within these conceptions, their preference of major emphasis points to distinctive features. For instance, a case city may be both labeled as global and postmodern, post-fordist and world city at the same time. Yet, we do not have commonly shared city taxonomy; but the typologies and conceptions taken here are the most favorable in the establishment of such an effort, though many more have been externalized.

Among many, several conceptions are widely acknowledged by scholars:

*World City; Global City and Global City-Region; Megacity; Informational City; City-State; Modern City-Postmodern City; Postmodern Metropolis; Capitalist City-Post-Capitalist City; Post-Socialist City; Fordist City-Post-Fordist City; Competitive City; Entrepreneurial City; Edge City; Technocity; Cybercity; Virtual City; Telecity; Gateway City etc.*

Within this part of this study a few of these conceptions and explanations will be given. What makes these conceptions important is that each tries to grasp the reality of the contemporary city although neither of them could provide a holistic and general representation.

#### **3.4.1. The two Major Concepts: The World City & the Global City**

Among many conceptions and empirical analysis, there is no doubt that the ‘world city’ and the ‘global city’ has been the two that has a special place especially since the 1980s. What makes this importance is that these two conceptions and hypotheses deal with the leading economic, social, cultural, political and hence, spatial

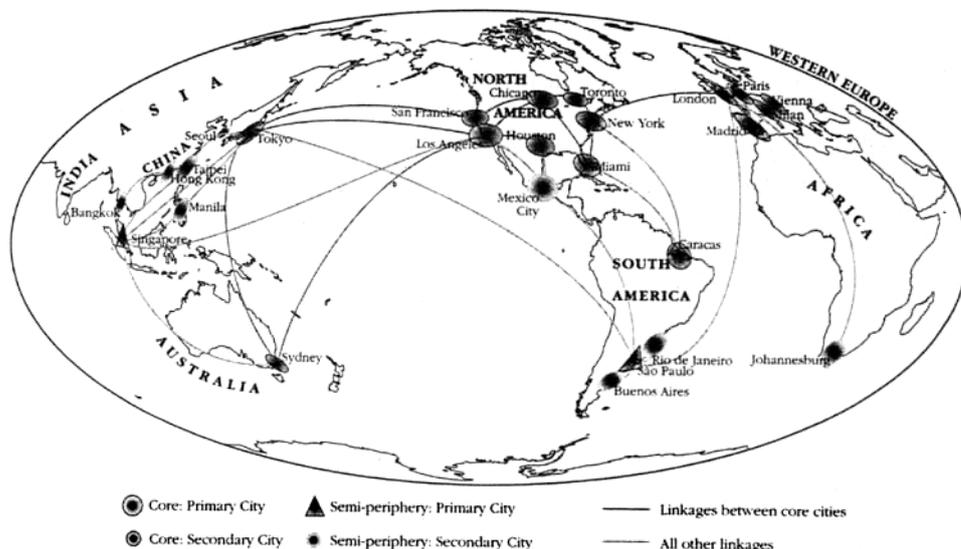
aspects of the contemporary world. Each has a rich empirical field of research, and has provided many research areas to the scholars.

### 3.4.1.1. The World City

It may be stated that the introductory ‘World City’ conception belongs to the two scholars: Hall (1966) and Friedmann (1986). But Hall (1999) points to a predecessor, Patrick Geddes in 1915. Friedmann (and Wolff) (1981) formulated the world city hypotheses and their study was one of the first ‘to link urbanizational processes to worldwide economic forces’. The following study of Friedmann (1986) introduced several case studies of world-cities-in formation, including New York, Tokyo, and Sao Paulo declaring that more such empirically grounded studies are needed and that the evidence suggested that the ‘world city hypothesis’ is essentially correct.

“The world city hypothesis is about the spatial organization of the new international division of labor. As such, it concerns the contradictory relations between production in the era of global management and the political determination of territorial interests. It helps us to understand what happens in the major global cities of the world economy and what much political conflict in these cities is about. Although it cannot predict the outcomes of these struggles, it does suggest their common origins in the global system of market relations” (Friedmann, 1986: 69-70 in Soja, 2000: 219).

Fig. 3.9. The ranked hierarchy of the world cities



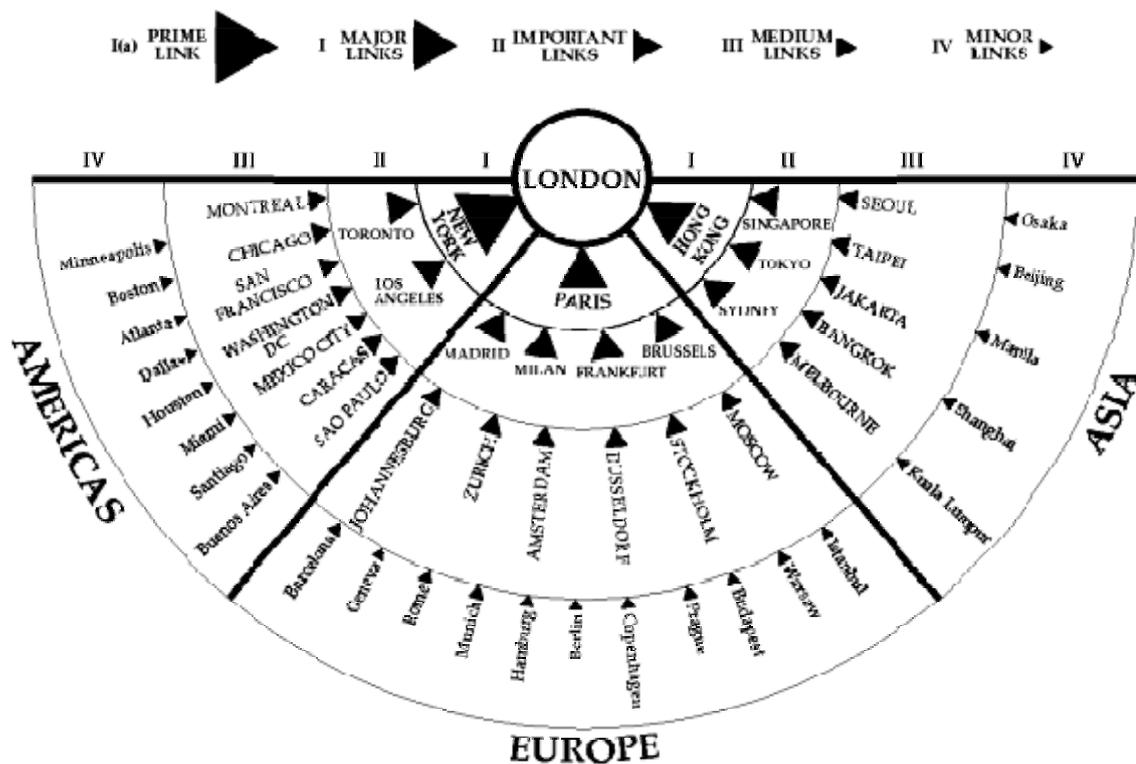
Source: Friedmann, 1986 cited in Allen et al., 1999: 193

An earlier statement of Friedmann on world cities was to define them “as centers of global capital accumulation” and alternatively with Wolff, they viewed them “as nodes of control through which the global economic system was being managed” (Friedmann, 1988: 57). According to Friedmann there exists a spatial division of

functions among those world cities and regardless of their place in the hierarchy, they “help to articulate with the global economy the regional or national economies they dominate” (1988: 57).

One of the major contributions to world city research is the studies made under Globalization and World Cities Study Group and Network at the University of Loughborough and led by Peter Taylor and John Beaverstock. In an evaluation of former research on world cities, the group highlighted the ignorance of understanding the ‘mutual relationships between individual members of a system of cities’. The group goes on with their study –also mentioned in section 3.3.4.2.- and provide fresh data for researchers and announces the researchers for further work within the group (also see Appendix B).

Fig. 3.10. A mapping of the GaWC researches: The world city links to London



Source: <http://www.lboro.ac.uk/departments/gy/research/gawc/rb/11>.

In their evaluation of ‘major foci in world cities research’, Short and Kim (1999: 55) state that researchers deal with several type of data: *Corporate headquarters, Finances, Producer Services, Telecommunications, Social Infrastructure, Social Polarization, Spatial Restructuring, Cultural Hegemony, Primacy in National Economy*. Following the identification of the clustering of these factors, the dominant places are cited as the leading – ‘the world city’.

According to Castells (1996), world cities accumulate and hold onto their

wealth and power, because of the process “that connects advanced services, producer centers, and markets in a global network” and (re)produced by ‘global networking and connectivity’ (1996: 380). He states that world cities are processes through the flows of information, knowledge, money and cultural practices, etc. and “by which centres of production and consumption of advanced services, and their ancillary local societies, are connected in a global network” (Castells, 1996, 38).

An important cited aspect in world city formation is that it is a product of migration. “...the world city hypothesis is about the spatial organization of the new international division of labour ... World cities are points of destination for large numbers of both domestic and/or international migrants” (Friedmann, 1986, 75). Friedmann and Wolff stated that the transnational elites are the dominant class in the world city, and ‘the city is arranged to cater to their lifestyle and occupational necessities’. On the other hand, it is stated that the immigrant workers give to many world cities a distinctly ‘third world’ aspect (Friedmann and Wolff).

Hill and Kim (2000: 2169-71) summarizes the world city argument in six theses:

- 1.) The more globalized the economy, the greater the agglomeration of central functions in a relatively few sites (Sassen, 1991: 5).
- 2.) Global control functions drive world city growth and are embodied in a small number of sectors.
- 3.) International banking and producer services replace manufacturing as the engine for economic growth and social patterning in the world’s major cities.
- 4.) As world cities articulate regional, national and international economies into the global capitalist system, they form a new urban hierarchy.
- 5.) World city regimes and the new urban hierarchy are under the sway of a transnational capitalist class.
- 6.) As world cities integrate with one another to form a new urban hierarchy under the sway of a transnational capitalist class, they become more like each other and less like other areas in their own country, thus severing ties of mutual interest with their own nation-states.

In contrary to the view that “globalization produces a world system that transcends national institutions, politics and culture” (Friedmann, Sassen) and that there becomes “a convergence in economic base, spatial organization an social culture among the world’s major cities (cited as New York, London and Tokyo)” (Sassen, 1991), Hill and Kim points to a different phenomenon: “World cities differ from one

another in many salient respects because they are lodged within a non-hegemonic and inter-dependent world political economy divided among differently organized national systems and regional alliances” (Hill and Kim, 2000: 2167).

Table 3.8. The two world-city types

	<b>Market-centred bourgeois</b>	<b>State-centred political-bureaucratic</b>
<b>Prototypical city</b>	New York	Tokyo
<b>Regional base</b>	West Atlantic	East Pacific
<b>Leading actors Group Organization</b>	TN capitalist class Finance TNCs Vertically integrated firms	State bureaucratic elite State Ministries tied to business networks via main banks
<b>Economic ideology</b>	Liberalism Self-regulating market	Developmentalism Strategic national interest
<b>Trade, investment and production Relation to world economy Prime objectives</b>	Market-rational Private wealth Profit maximizing	Plan-rational National power Market-share, employment-maximizing
<b>Global control capability via</b>	Private-producer service complexes	Government ministries Public corporations Policy networks
<b>Industrial structure</b>	Manufacturing HQs and production dispersed Services emphasized	Manufacturing HQs and high-tech production concentrated Services de-emphasized
<b>Occupational structure (Social and spatial)</b>	Polarised Missing middle High inequality High segregation	Compressed Missing extremes Low inequality Low segregation
<b>Foreign immigration</b>	Weak controls High	Strong controls Low
<b>Culture</b>	Consumerist Yuppie, ethnic	Productionist Salaryman, officelady
<b>City-central state relationship</b>	Separation	Integration
<b>Source of urban contradictions</b>	Short term profit Market volatility Polarization	State capital controls Overregulation Centralization
<b>Competitive advantages</b>	Fluidity Mobility	Stability Planning

Source: Hill and Kim, 2000: 2177

### 3.4.1.2. The Global City

One of the major recent city concepts is, there is no doubt, ‘the Global City’. Although most of the scholars have started to focus on the concept by the very well known reference studies of Sassen (1991, 1994, 1998), the concept dates back to a more

considerable time.

According to Hill and Kim (2000: 2172), “the global city idea has its intellectual roots in classical human ecology (McKenzie, 1917)” and in “theories about the spatial organization of transnational corporations (Hymer, 1971)”. On the other hand, they state that the recent ‘global city’ approach stems from “New York City’s path to recovery from financial collapse in the late 1970s (Drennan, 1991)” and that “New York City is the prototype for world city theory” (Hill and Kim, 2000: 2172).

According to Sassen, one of the leading commentator of the ‘global city’ argument, globalization processes have defined four new ways of function for major cities: “first, as highly concentrated command points in the organization of the world economy; second, as key locations for finance and for specialized service firms; third, as sites of production, including the production of innovations, in these leading industries; and fourth, as markets for the products and innovations produced” (Sassen 1991: 3-4). Pointing to both international activity and urban form that have been transformed by these forces, Sassen introduces a new type of city: “Cities concentrate control over vast resources, while finance and specialized service industries have restructured the urban social and economic order. Thus a new type of city has appeared. It is the global city. Leading examples now are New York, London, and Tokyo” (1991: 3-4). She goes on: “the ‘things’ a global city makes are services and financial goods” (1991: 5).

Sassen sees the global cities not just as an outcome of ‘global economic machine’, but rather as “specific places whose spaces, internal dynamics, and social structure matter “questioning the role of these cities through global processes to be of help in understanding ongoing global order.

The debates on the global city -like the ones on the world city- bring about an exploratory path to the recent studies on urban environments, especially via the provision of inter-relational researches on cities. As the cited global cities represent the dominant features of the hegemonic city reproducing power relations over the other cities within the globalizing network, they are also the vanguards of the new urban environments designated by the 21<sup>st</sup> century human civilization.

### **3.4.2. The Megacity**

The concept of ‘megacity’ is another widely used city conception as well as the world city and the global city. According to Hall (1999), the phenomenon that the

'megacity' refers to is not a new one; looking through the history he points to the big cities from the early civilizations of Ancient Greece or the Roman Empire, to London, New York, Los Angeles, etc. of our century. He states that as a term 'we owe it to Janice Pearlman'.

Although there exists a common measure of 10 million inhabitants of a city to be a 'megacity', as Borja and Castells (1997) point out 'size is not really the defining factor of megacities'. "They are in fact the nodes of the global economy and of the most powerful nations. Concentrated in their territory are the higher functions of planetary management, production and administration, political power centers, control of the media, and the symbolic capacity for creating and spreading the dominant messages."

Fig. 3.11. The megacities compared with respect to their forms and sizes



Source: MVRDV, 1999: 30-31

Among their major cited examples are Tokyo, Sao Paulo, New York, Mexico City, Shanghai, Bombay, Los Angeles, Buenos Aires, Seoul, and Beijing of the most well known. "Not all of them are dominant centers in the global economy -Lagos and Dhaka, for example, are not -yet in all cases they connect processes and functions affecting hundreds of millions people into that global economy. Megacities must be defined in terms of their gravitational pull on broad regions of the world. The

megacities articulate the global economy, connect up the informational networks and concentrate world power” (Borja and Castells, 1997: 28). Contrary to their relations with the global networks, within their internal relations they are disconnected from the powerless –or unnecessary- sectors.

“What makes megacities a new urban form is their being established around their connection to a global network, of which they are fundamental nodes, while being internally segmented and disconnected in social and spatial terms. Megacities are a spatial form characterized by functional links established over a broad territory while at the same time evincing great discontinuity in their land-use patterns. Their social and functional hierarchies are confused, organized in segregated territorial units and strewn with territorial fragments whose social customs are not recognized by the system. Megacities are discontinuous territorial constellations made up of spatial fragments, functional spheres and social segments” (Borja and Castells, 1997: 28).

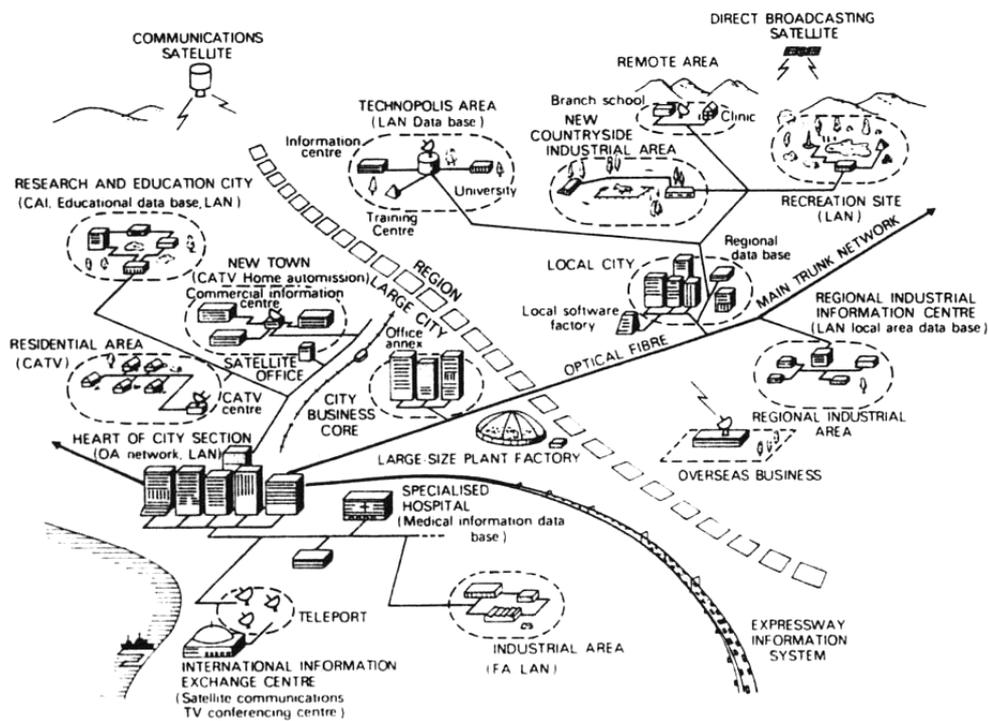
The rise of megacities and their increasing numbers in the so-called ‘developing countries’ have given rise to the emphasis on the provision of adequate housing, infrastructure and healthy living conditions. Their size of settling areas call for serious policies and planning approaches responding the ongoing growth. But there is no doubt that the underlying debate that the problems or the patterns of development refer to the social, economic and spatial restructuring processes that these vast urban environments are subject to.

### **3.4.3. The Information and Communication Technologies & the City Conceptions**

One of the most important features of the contemporary human settlements is the technological policies and technologies they are subject to. There is no doubt that technology has always been a driving force on the settlement systems. Today urban networks are getting to comprise almost every part of the world, establish linkages for any kind of flows.

The information and communication technologies both connect and segregate within a selective process via the economic and social policies depending upon inter-relations. The cheapened and easily established infrastructure in the use of a vast collection of technological productions reproduced new patterns of business relations, home environments and daily lives. The rise of Internet and cell-phone users seems to be a good example that may be observed quite easily with a glance at our daily lives.

Fig. 3.12. The informed city and region of the twenty-first century



Source: Kokudocho keikaku, 1985: 20

The networked infrastructure of telecommunications, transport channels, etc. all brought about particular new conditions to cities and to their linkages. Yet, the literature on the debate offers a wide variety of issues and conceptions. Among many, the important works of Castells (1989, 1996, 1997), Graham and Marvin (1996, 2001) contributed to our understanding of both the information economy and its particular environments.

Table 3.9. A comparison of old and new characterization of urban space and development

'Space of places'	'Space of flows' (Castells, 1989)
Physical presence	'Telepresence' (CEC, 1992)
Physical mediation	'Telemediation' (Richardson, 1994)
Geography	'Telegeography' (Staple, 1992)
Distance	Speed and time (Mulgan, 1991)
Closure	Openness and exposure (Virio, 1987)
Locality	Globality (Knight and Gappert, 1989)
'Modern' space	Post-modern 'hyperspace' (Jameson, 1984)
	'Data spaces' (Murdock, 1993)
	'Electronic spaces' ((Robins and Hepworth, 1988)
	'Cyberspace' (Gibson, 1984)
	'Netscape' (Hemrick, 1992)
	'Networld' (Harasim, 1993)

Source: Graham and Marvin, 1996: 72

The recent empirical studies on the information and communication technologies focus on both their effects on physical and social environments, and emerging new electronic life and spaces demanding new infrastructure networks. Floeting (1999) points to the lack of research about the ‘interdependent influence’ of teleworking, teleshopping, or telebanking on the ‘alternative uses of space’.

Table 3.10. The characterization of the urban places and the electronic spaces

<b>Urban Places</b>	<b>Urban Electronic Spaces</b>
<i>(Based on buildings, streets, roads, and the physical spaces of cities)</i>	<i>(Constructed ‘inside’ telematics networks by the use of computer software)</i>
Overcome time constraints by minimizing space constraints	Overcome space constraints by minimizing time constraints
Territory	Network
Fixity	Motion or flux
Embedded	Disembedded
Material	Immaterial
Visible	Invisible
Tangible	Intangible
Actual	Virtual or abstract
Euclidean or social space	Logical space

Source: Graham, 1997: 120 cited in Short and Kim, 1999: 19

The debate on information and communication technologies seems to be concentrated on two major issues: One, dealing with the technical and physical aspects of the processes, and the other with the economic and social. The following part of the study will focus on the major spatial conceptions of the debate.

### **3.4.3.1. The Informational City**

Focusing on the restructuring of capitalism in the 1980s and the informational mode of development, Castells (1989) has drawn the attention towards a new era driven by the information economy. Castells (1994: 21) states that globalization brings into existence ‘an economy where capital flows, labor markets, commodity markets, information, raw materials, management and organization are internationalized and fully interdependent throughout the planet’. The global economy ‘that works as a unit in real time on a planetary scale’ demands real-time sensitive infrastructures for the dense activities of global corporations that try to control, manage and compete between major market nodes.

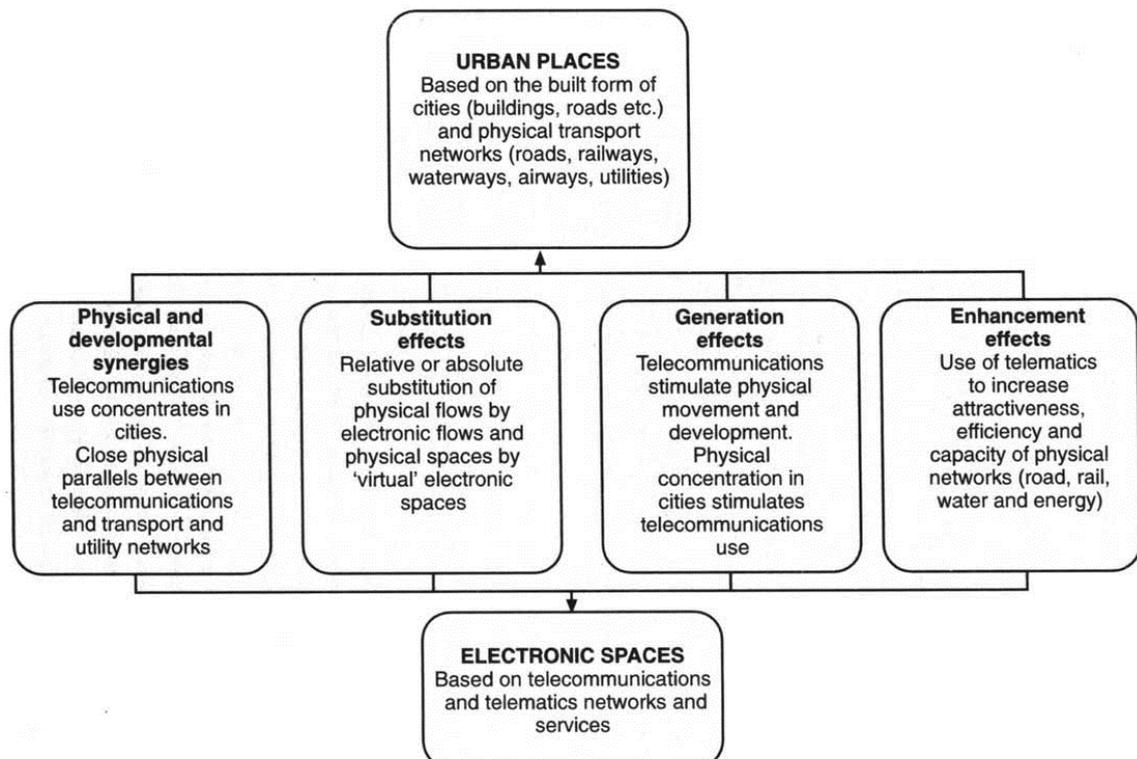
According to Floeting (1999), today it is evident that the spatial impact of the profound ICT developments becomes most obvious in cities and towns, “which are not

only the places of highest information density where most of the ICT users live, but also the hubs in telematic networks". The city with its region is redefined as the place for the node of ICT networks. Castells' s emphasis on the new industrial space and his conception of the 'informational city' contributes to the concept of 'the space of flows'.

"The emerging telecommunications infrastructure is an overwhelmingly urban-based phenomenon. Although most discussions of new communication technologies emphasize the opportunities presented for decentralization, large cities are the hubs of the new telecommunications systems in the US and are the sites for the most advanced applications of information technology... Although new communications technologies permit geographical dispersal, the economics of the new infrastructure are oriented towards those urban regions that are major information centers... contrary to much of the popular folklore, new communication technologies have not led to the decline of cities. Rather ... have enhanced those cities that serve [in Gottmann's words] "the important function of hosting transactional activities" (Moss, p. 38 cited in Castells, 1989: 149).

Castells gives a high emphasis on the responsive 'development of information and knowledge resources' within the cities and the regions. It is all because that these developments via the corporate sector's preferences on major investments are made in where innovative infrastructures have been established, major inter-linkages have been foreseen, regional spatial arrangements have been made, and high-skilled labour pools have been created.

Fig. 3.13. A representation of the interaction between the telecommunications and the city



Source: Graham and Marvin, 1996: 328

Referring to the 'undifferentiated territorial sprawl' expected by the

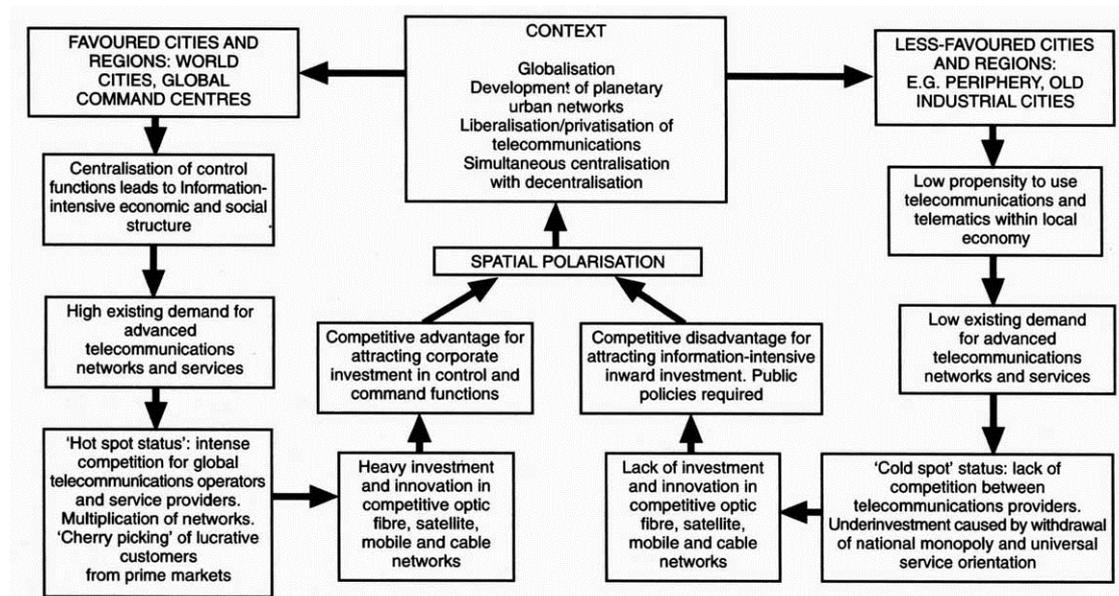
technological deterministic forecasts, Castells states a contrary phenomenon: "...the actual processes at work are much more complex because technology is only an instrument, albeit a very powerful one, of the process of organizational restructuring dictated by economic, social, and institutional changes" (1989: 126). He finds several factors playing crucial roles in the formation of the recent spatial structure:

"...between the new information technologies and the emerging spatial structure, there are a number of fundamental mediating factors: the evolution of services; the rise of the information economy; the impact of automation on office work and office workers; the new organizational, and thus locational, logic of large corporations and public bureaucracies; and the interaction of all these elements with the existing spatial structure and with the social environment in which all these trends articulate with one another" (Castells, 1989: 126-7).

The 'Informational City' is the place for the reproduction of the 'informational mode of development' and it is the 'space of flows' where any kind of commodity flows with respect to the limits of the information infrastructure and technologies. It is the regional hub of financial markets getting more and more integrated within the capitalist flows.

The figure given below points out the competitive environments and the uneven development due to the telecommunications. It is stated here that the spatial polarization exists with respect to the competitive advantages and disadvantages between cities and regions. Proper investment and innovation on information and communications infrastructure provides competitive advantages for cities and regions, where some disadvantageous positions bringing about uneven developments.

Fig. 3.14. The uneven development between cities and regions due to the telecommunications



Source: Graham and Marvin, 1997: 169

### 3.4.3.2. The Technopoles & The Technopolises

They mainly refer to technological innovation centers where the most advanced knowledge on information and communication technologies are produced, specialized scientific research is concentrated, and where speed, high competition, high skills are contributed to form an innovative milieu.

"The term 'technopole' has been given to deliberate attempts to plan and promote within one location technically innovative, industrial-related production. Technopoles include industrial complexes of high technology firms that arose without deliberate planning, though governments and universities had a critical role in their development –for instance Silicon Valley in California as a new complex and Boston's route 128 that was the transformation of an older industrial region. They also include 'science cities' that are scientific research complexes which are spatially separate from manufacturing –for instance Tsukuba (Japan) and Taedok (Republic of Korea)." (Castells and Hall, 1994 cited in UNCHS, 1996: 10).

The Keihin region of Japan, consisting of metropolitan Tokyo and its surrounding prefectures of Kanagawa, Saitama and Chiba, is noted as the leading high technology industrial area in the world. In contrast to Silicon Valley, it is mainly based on production for the consumer market (UNCHS, 1996: 10).

The technopoles and the technoparks are defined as the new industrial spaces which are 'not only intensely information rich', but are also 'becoming highly dependent on advanced telematics infrastructures and services' (Graham and Marvin, 1996: 160).

"Generally, technopoles are planned developments. Some are pure private sector real-estate investments, and these happen to be among the most numerous but least interesting. A significant number, however have resulted from various kinds of cooperation and partnership between the public and private sectors. They are promoted by central or regional or local governments, often in association with universities, together with the private companies that occupy the resulting spaces. And these technopoles, the more interesting ones, are invariably more than just plots to rent. They also contain significant institutions of a quasi-public or non-profit type, such as universities or research institutes, which are specifically implanted there in order to help in the generation of new information. For this is the function of the technopole: it is to generate the basic materials of the informational economy" (Castells and Hall, 1994: 1).

Technopoles form another spatial organization type of the new production patterns and the space of the profound technology innovations. The term is introduced by the work of Hall and Castells (1994) and the implicit exemplifications point to Silicon Valley.

"...without an innovative milieu, the development of high technology industries will contribute to regional development only within the heavy constraints set by the business cycles of industries that are likely to be highly volatile, there will be no possibility of truly indigenous growth, and thus no escape from the state of dependency on another region's companies and another region's innovative individuals" (Hall and Castells, 1994: 234-5).

The location of technopoles is quite related with the historical geographic and

economic factors. According to Borja and Castells (1997: 25), "...there is in fact historical continuity, in most cases, in the location of innovation clustering around the economic, scientific and political power of large cities, though within those cities the centers for technological innovation in industry tend to be developed out in the suburban periphery, usually centring on the areas of greatest quality and social prestige, such as the south-west quadrant of the Paris region, focusing on the historical tradition of Versailles, or the northern axis of the Madrid region, where the Tres Cantos Technology Park is located".

The wider city-regions and the metropolitan areas are also evidential places for the technopolises with respect to transportation, information and communication infrastructure they offer. "...It is important to stress that, with the highly significant exception of the United States, the world leader in technology, and with Germany as a special case, the main technopolises have taken root in the great metropolitan areas of each country: Tokyo-Yokohama, Southern Paris, the M4 corridor in London, Milan, Seoul-Inchon, Moscow-Zelenograd and, following at a considerable distance, Sao Paulo, Madrid, Barcelona etc" (Borja and Castells, 1997:25).

The states of the countries of the South-East Asia provide national plans and regional projects in order to provide regionally integrated, innovative, highly competitive, and information based places comprising special residential districts of high-skilled labor -strictly segregated from the manufacturing industry labor-, labor pools, highly competitive markets, finance and information centers, etc. Another aspect is that these vast regions are governed and managed by the dynamic frameworks. With these features, especially the cases in Asia are subject to many research and analysis.

#### **3.4.4. The Post-Industrial City**

The post-industrial city mainly refers to a departure from the traditional city with respect to the rise of service sector at the expense of the industrial. This domination by the service activity is 'often the outcome of de-industrialization' policies and related processes. On the other hand they refer to a 'post-welfare society' and 'postmodern forms of consumption and culture' (Knox and Pinch, 2000: 420).

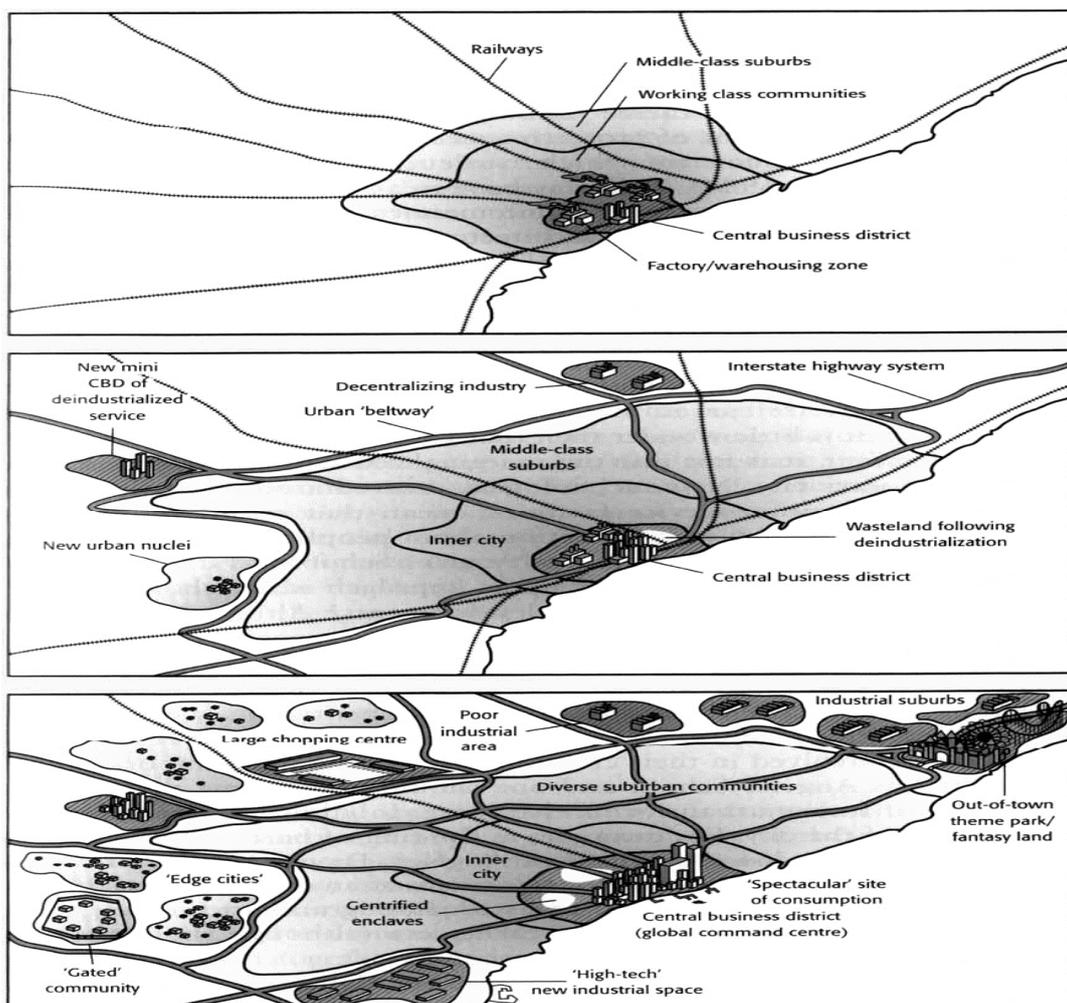
There is no doubt that the concept refers to the meta-concept of the contemporary society in the advanced economies. It is the post-industrial society.

"A key weakness of regulationist concepts of Fordism and post-Fordism is their neglect of

services. Ironically, the post-industrial society thesis emerged from experience in the 1950s and 1960s when Fordism is alleged to have been at its zenith. Bell (1973) argued that heavy industries were decreasing in importance and being replaced by service forms of employment. This argument has been much criticized over the years; although the numbers of workers involved in manufacturing have declined enormously since the 1970s, manufacturing is still a vital component of the western economies” (Knox and Pinch, 2000:42).

In addition to these, there are also some other social features attributed to this new form of city. It is quite the social geography of the cities subjected to profound restructuring processes. “The growth of the service economy has had important consequences for the social geography of cities. One of the most important developments has been the tendency to reinforce social polarization. Whereas the traditional manufacturing industries tended to have substantial proportions of relatively well-paid, blue collar, middle-income jobs, services tend to be characterized by both relatively high-paying and relatively low-paying jobs” (Knox and Pinch, 2000: 42-3).

Fig. 3.15. The transition from the classic industrial city, circa 1850-1945 (upper) to the fordist city, circa 1945-1975 (middle) and the post-fordist metropolis, circa 1975- (lower)



Source: Knox and Pinch, 2000: 69

Knox and Pinch (2000: 43) states that the highly competitive character of the post-industrial city is quite related with the service growth in these cities. It is service sector that this high competition is profoundly evident.

“...whereas heavy manufacturing industries tended to be firmly rooted in particular places (because of their dependence upon large amounts of capital investment in buildings, machinery, equipment and specialized skilled labour), service industries are much more mobile. The reason for this mobility is that the basic ingredients for services –suitable office properties and large supplies of female workers- are much more geographically dispersed. Consequently, there is much more locational freedom on the part of service companies. The result has been vigorous campaigns by city authorities to attract major service employers. However, some services require a highly specialized workforce that can only be found in a few major cities such as the world capitals” (Knox and Pinch, 2000: 43-4).

On the other hand the importance of knowledge in the post-industrial city is represented by the changing economic context of the city, the rise of the issues taken into consideration in economic development programs, and the very changes in the employment structure within the cities. These developments are conceptualized within various studies where the emerging theories point in various ways to the increasing importance of knowledge in economic development (Knox and Pinch, 2000: 46): *knowledge-based capitalism* (Florida, 1995); the *network society* (Castells, 1996); *reflective accumulation* (Lash and Urry, 1994); *Soft capitalism* (Thrift, 1998) and the *weightless world* (Coyle, 1996).

Analysis on the post-industrial city –apart from the metropolis- conceives the city as wider spatial entity with its continuing settlement area, gated communities, edge cities, minor centers at discrete but linked locations, etc. Though the extent of the area differs from city to city, having a historical-geographic character, the post-industrial city refers to the enlarged and transformed metropolitan areas, cited as the wider city-regions.

“Post-fordism, service sector growth, globalization and new telecommunications systems, are all highly inter-related. None of these perspectives in isolation provides a comprehensive explanation for the changing economic context of city growth. However, taken together they begin to illuminate some of the factors that have so radically altered city structures in recent years. Cities are no longer single entities, unified around production and consumption, linked into elaborate national hierarchies. Instead, they are increasingly multi-centered phenomenon, based around both producer and consumer services, and are linked into global networks underpinned by new telecommunications technologies” (Knox and Pinch, 2000: 49).

### **3.4.5. The Cities in Competition and the Entrepreneurial City**

The globalizing spread of capitalism, the development of inter-linkages between spatial markets, and the rise of the entrepreneurial policies within cities all accompany the decline of the nation-state with respect to its former power on

controlling and commanding economies, distributing wealth and power, and regulating development. At the outset of the 21<sup>st</sup> century, cities are cited as becoming more and more the individual spatial associations seeking for advantageous economic linkages, policies and imagery to be highly competitive in the spatial markets.

Jessop and Sum (2000: 2289) point out the three defining features of the entrepreneurial cities referring basically to their strategic preferences:

1. An entrepreneurial city pursues innovative strategies intended to maintain or enhance its economic competitiveness vis-a-vis other cities and economic spaces.
2. These strategies are real and reflexive. They are not 'as if' strategies, but are more or less explicitly formulated and pursued in an active, entrepreneurial fashion.
3. The promoters of entrepreneurial cities adopt an entrepreneurial discourse, narrate their cities as entrepreneurial and market them as entrepreneurial.

On the other hand, Borja and Castells (1997: 119) emphasizes the new patterns of competitiveness within the economic globalization processes: "Competitiveness no longer depends on natural or energy resources, the traditional industrial base, geographical position, accumulation of capital or the political will of a projective state". The authors point to the emerging competitive dependencies of a territory over any other factors (Borja and Castells, 1997: 119):

- The efficient functioning of the regional-urban system, especially in respect of mobility and basic services;
- Membership of global-type communications systems and good information about the world processes on the part of the social and economic agents;
- Skilled human resources (not just the upper strata);
- Public backing for the economic and social agents through 'export protection' policies, favoring synergies and ongoing innovation;
- Representative, effective and transparent political institutions which act to set clear and stable rules in their relations with the private agents;
- Drawing up of a city (or region) project and marketing of same;
- Governability of the territory based on social cohesion and civic participation.

Within such a consideration of the contemporary city, there are also emerging issues that the local –in some cases also the central- governments, policy-makers, private planning and design firms, and even NGOs deal seriously with: Challenging city-marketing strategies, creation of charming 'urban imagery', advantageous information and communication infrastructure, and projects for residential gated communities in the favorable spaces within the city-region for the transnational elites, etc.

Jessop and Sum (2000: 2289-90) evaluate Schumpeter's (1934) analysis of

innovation and referring to his study, they offer ‘five analytically distinct (but perhaps empirically overlapping) field in which directly economic and/or economically relevant innovation can occur in relation to urban form and functions’.

Table 3.11. Schumpeter’s Innovation pre-requisites and its application to urban form and functions

<i>1. The introduction of a new good or a new quality of a good</i>
The introduction of new types of urban place or space for producing, servicing, working, consuming, living, etc. <i>Technopoles, intelligent cities, cross-border cities, multicultural cities and cities organized around integrated transport and sustainable development</i>
<i>2. The introduction of a new method of production</i>
New methods of space or place production to create location-specific advantages for producing goods/services or other urban activities <i>Installation of new physical, social and cybernetic infrastructures, the promotion of scale and agglomeration economies, regulatory undercutting or creating new forms of labour market relation</i>
<i>3. The opening of a new market</i>
Opening new markets-whether by place marketing specific cities in new areas and/or modifying the spatial division of consumption through enhancing the quality of life for residents, commuters or visitors <i>Culture, entertainment, spectacles, new city-scapes, gay quarters, gentrification</i>
<i>4. The conquest of a new source of supply of raw materials or half-manufactured goods</i>
Finding new sources of supply to enhance competitive advantages <i>New sources or patterns of immigration, changing the cultural mix of cities, finding new sources of funding from the central state, attracting inward investment or re-skilling the workforce</i>
<i>5. The carrying out of the new organization of any industry</i>
Refiguring or redefining the urban hierarchy and/or altering the place of a given city within it <i>Development of a world or global city position, regional gateways, hubs, cross-border regions and ‘virtual regions’ based on inter-regional co-operation among non-contiguous spaces</i>

Source: Compiled from Jessop and Sum, 2000: 2289-90

### 3.4.6. The City-State

One of the conceptions paid of major importance is the ‘city-state’. There are many debates that this concept comprises: Autonomy, economic unity, citizenship, regional well integration, self-awareness, etc. The term belongs to Neal Peirce and Curtis Johnson (1993) who try to interpret the restructuring of the operation of the metropolitan regions in the post-cold war world economy. On the other hand, Ohmae calls them as region-states referring to a regional spatial integrated environment.

Bromley (2001: 243) considers the city-state as a revisited mode of autonomy - among many new- most notably tested in Hong Kong. He identifies the city-state of Singapore as ‘the most spectacular global success story’ with its 4.3 million population, less than 640 square kilometers of land, and no significant natural resources.

A city-state isn’t defined by the political boundaries. Instead, it’s organic as a

reflection of relations and interactions of social and economic structures. Besides its political references, it mainly points to an integrated economic space comprising the labor markets, commuting boundary, the broadcast area of a media enterprise, or the circulation area of the major newspapers.

The cited city-states are the great metropolises of the world, such as New York, Tokyo, Paris, Hong Kong, Los Angeles and 'their global 'command and control' competitors, spread from Chicago to Singapore'. According to Hall (1999), "every metro area that's set apart geographically -a Houston, a Denver, a Burlington, Vermont - qualifies as a citistate too".

Hall gives (1999) a recent definition, 'a nomination for 21st century dictionaries': "A region consisting of one or more historic central cities surrounded by cities and towns which have a shared identification, function as a single zone for trade, commerce and communication, and are characterized by social, economic and environmental interdependence". Hall relates the contemporary city-state with the ancient city-states of antiquity (Athens, Rome) and the ones in the medieval era, stating that the conception do not refer to a new phenomenon with respect to its cited attributes. What differs the contemporary from that of the past is that "modern citistates engage in instant electronic communication and capital transfer, and are the chief recipients of world population growth " (Hall, 1999). Hall points to the cities of the US with respect to their economic inter-relations as a case for the contemporary city-state:

"U.S. cities are locked in bargaining wars with each other for corporate investments. In regions where cities are smaller, they seek to establish strategic alliances to strengthen their position vis-a-vis with the rest of the world. ...a collaboration of business leaders, government officials and academics is promoting such an arrangement In the new global economy, metropolitan regions-even more than states, and perhaps even more than nations-are the key entities that compete in world markets..."

One of the most important debates related with city-states is the conflicts and tensions concerning the governance and territory struggles between these regional unities and the nation-state; for instance, the profound process lived between Shanghai and the central Chinese government whereas Singapore and Hong Kong are major historical examples. Hall (1999) gives the drastic example from Japan where contrary to the fact that 'Japanese economy is primarily a manifestation of a territorially compact Tokyo-Osaka corridor', this is quite strictly obscured by the image of the larger Japanese state.

### 3.4.7. The Postmodern Space & the Postmodern City

*“...the modern city is no longer what it used to be. Postmodernity makes a difference, not only in producing its own distinctive conditions, but also in its particular articulations with pre-existing urban forms, fabrics, and ways of life... like every social process we can think of, postmodern urbanization is socially produced (and therefore socially transformable), and also geographically unevenly developed; that is, it varies in intensity from place to place, city to city. At the same time, there is no purely postmodern city, no place which can be entirely studied and understood from a postmodern critical or interpretive perspective” (Soja, 1996: 127).*

If postmodernism is a challenge to meta-narratives, then it is quite contradictory with the fact that the postmodern has a tendency to cover the conceptual grounds as well as the context fuelled with its own ‘very meta-discourses’. City space, the transformed urban pattern, the social and economic geography of the contemporary city and the region, the new urbanism, urban imagery and representation of identities, etc. are all concerned within the discourses.

In an effort to challenge to the modernist approaches on understanding, interpreting, and changing the city and regional space, postmodernism supports a re-thinking process of our ‘way of’ and ‘subject for’ thinking. Soja and Harvey seem to be the vanguards of the postmodern arguments subjected on culture, city-space, and urban life.

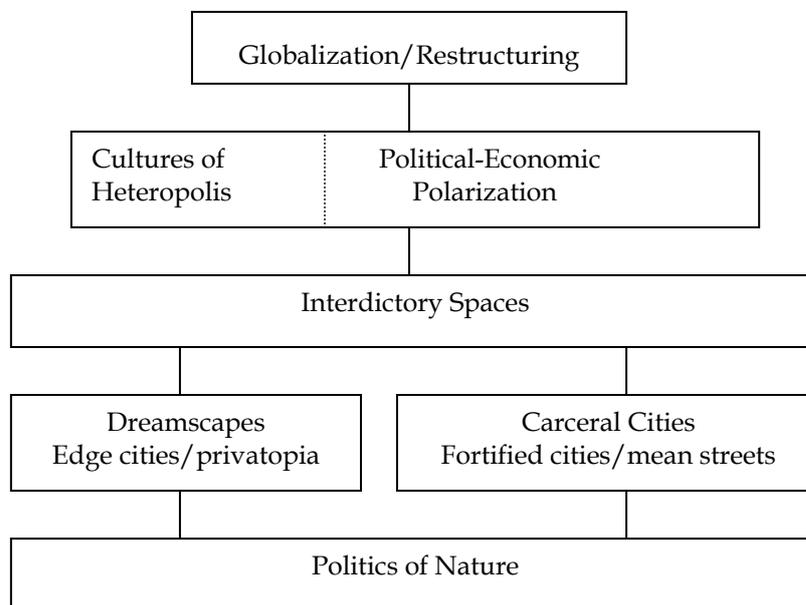
According to Soja (1996: 125), “...a *postmodern urbanization process* can be defined as a summative depiction of the major changes that have been taking place in cities during the last quarter of the twentieth century”. Taking LA as an empirical case, Soja presents an overview of six ‘intertwined’ postmodern urbanization processes, which may be summarized as follows:

- The first geography arises from the restructuring of the economic base of urbanization, from fundamental changes in the organization and technology of industrial production and the attendant urban social and spatial division of labor.
- The second geography of restructuring arises from the now familiar processes of internationalization, the expansion of globalized capital, and the formation of a global system of ‘world cities’. This has involved both an expansion in the outreach of cities, making almost every corner of the world part of the hinterland of such world cities as Los Angeles, New York, Tokyo, Hong Kong, London, Paris, Sydney and Sao Paulo; and an extraordinary ‘inreach’, bringing into the global city pools of capital and labor from nearly every world culture.
- The third geography has generated perhaps the greatest flurry of neologisms to describe its newness. A short list would include such terms as megacities, outer cites, edge cities, metroplex, technoburbs, postsuburbia, technopolis, heteropolis, exopolis.
- The fourth geography of restructuring picks up again from the examples of Gardena and Morena Valley and condenses many of the effects described for the first three restructuring process.

- The fifth geography arises in (often armed) response to the preceding four. The postmodern city, with all its kaleidoscopic complexities, has become increasingly ungovernable, at least within the confines of its traditional local government structures.
- The sixth geography is both a summary and new dimension. It also, in more subtle ways, can be seen as part of the emerging system of social control –what the industrial geographers call a mode of regulation- that has developed in response to the incendiary qualities of the postmodern city.

Patton (1996) notes that much postmodern discourse on the city addresses the ‘experience of postmodernity’ in ways very consistent with the celebrations and doubts about the ‘experience of modernity’. He points to the ‘ways in which imaginary cities are written with respect to reality’.

Fig. 3.16. The conception of the ‘proto-postmodern urbanism’



Source: Flusty and Dear, 1998 cited in Beauregard and Body-Gendrot, 1999: 37

Another issue in the postmodern discourse is the postmodern geography of ‘other spaces’ (Foucault) included within modern history and modern cities. “Metaphors of spatiality are curiously central to much structuralist feminist thinking with its interest in location, position, site dwelling, inhabitation and locale” (Gibson and Watson, 1996: 3). The very suspicious question, ‘Where are women in the modernist city, in public space, in urban representations and language, and in the space of knowledge?’ has been introduced by feminists, and discussed on the spaces of exclusion as limiting the women’s urban lives and a female ‘urban imagery’.

It is argued within the discourse that ‘the possibility of a reading of cities (the production of further signs, or urban imaginaries), rather than excavation of a foundational real city (the decoding of the urban imaginary), might enhance our

capacity to live in urban relations which are non-oppressive’.

“LA, host and home to Disneyland where utopia becomes reality (Baudrillard, 1993), is represented as the city which, while ignored as ‘the crowning moment of twentieth century modernity’ (Soja, 1989: 2), has become the focus and inspiration for characterizations of what is postmodern about contemporary city life (see for example the work of Harvey, 1989; Jameson, 1984)” (Gibson and Watson: 1996: 6).

Soja (1989) introduces several concepts within the postmodern considerations and these are all evidentially based on the spaces within Los Angeles region. According to Soja, peripheralization, post-Fordism, and globalization together define the experience of urban restructuring in Los Angeles. The exopolis, flexcities (associated with the transition to post-Fordism-especially deindustrialization and the rise of the information economy), and cosmopolis (referring to the globalization of Los Angeles in terms of both its emergent world city status and its internal multicultural diversification) are among many.

“Los Angeles is not a city without center. Indeed, there is a recent strong element of recentralization in the form of the command centers linked into the new global economy but the city also consist of numerous subcentres and *edge cities* (Garreau, 1991). These are not the exclusively affluent suburbs of an earlier era but show enormous variations in character, some being industrial or commercial, and others being relatively poor and/or with distinctive ethnic minorities. Soja (1992) develops this theme into the concept of *exopolis*. “ (Knox and Pinch, 2000: 68).

### 3.4.8. The Edge City

*“It is an ex-urban civilization, in which life is organized around two poles of computer working and individualized homes dominated by audio-visual culture... The development of these ex-urban constellations highlights the functional interdependence of different units and processes of the urban system over long distances, minimizing the role of territorial proximity and maximizing the importance of communications networks –both telephone lines and overland transport”*  
(Borja and Castells, 1997: 33).

‘Edge City’ is a term brought about by Joel Garreau (1991) in an explanation effort of the new American reality of the territorial expansion in the urban peripheries. Garreau defined empirically the new spatial form ‘Edge City’ as a combination of five criteria (derived from Borja and Castells, 1997: 33):

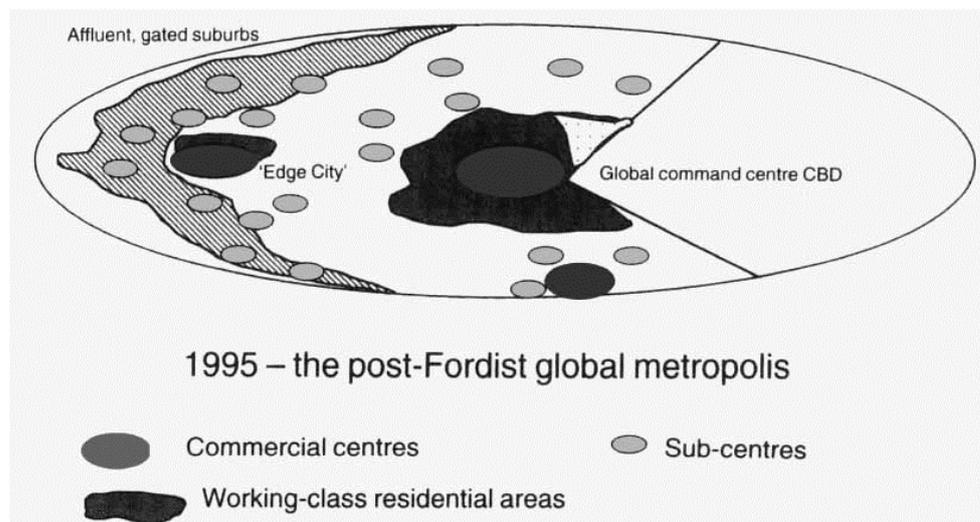
- 1.) A territory in which at least five million square feet of office space are concentrated –the workplace of the information age,
- 2.) It has at least 600,000 square feet devoted to shopping premises,
- 3.) It has more jobs than homes,
- 4.) People perceive this territory as a specific place,
- 5.) There was nothing there that could be called a city 30 years ago.

According to Knox and Pinch (2000: 402) the term ‘edge city’ refers ‘to describe

recent urban developments outside large metropolitan areas characterized by decentralized nodes of offices and shopping malls'. Relating the formation of the edge city with the historical geographic circumstances channeled to restructuring processes, the authors note that among the fundamental features of this restructuring have been several processes:

"...the decentralization of jobs, services and residences from traditional city centers to suburban settings and 'edge cities' within expanded metropolitan frameworks; the decline of traditional inner-city employment bases in manufacturing, docks, railways, distribution and warehousing; the recentralization of high level business services in CBDs; the gentrification of selected inner-city neighborhoods; the localization of residual populations or marginal and disadvantaged groups and of unskilled migrants and immigrants in other inner-city neighborhoods; the emergence of a 'new politics' of fiscal conservatism; the emergence of a new politics of race; the emergence of a 'new cultures' of material consumption and differentiated lifestyles; the feminization of poverty; and the intensification of economic and social polarization" (Knox and Pinch, 2000: 372-3).

Fig. 3.17. The 'edge city' within the post-fordist global metropolis



Source: Adaptation from Soja, 1989; Davis, 1992 cited in Graham and Marvin, 1997: 334

The authors see Exopolis (Soja, 1992) as 'to describe the idea (or discourse) of the city as an 'inside-out' metropolis characterized by edge cities' (Knox and Pinch, 2000: 404). Here, Los Angeles metropolis is again used as case city of exploration.

It should be stated that the 'Edge City' phenomenon points to the evidences of an emerging settlement type out of the at the very 'edges' of major transportation and infrastructure channels. A new form of urban life is explored within the edge cities with their distinctive remote linkages via wires for information and access. Social, cultural, economic, and technological aspects differs them from the well-known suburbs. They may be considered as one of the discrete preferences of human expressed in spatial terms, but on the contrary they are strongly linked to major economic spaces via telecommunication channels.

### 3.4.9. The Gated Communities

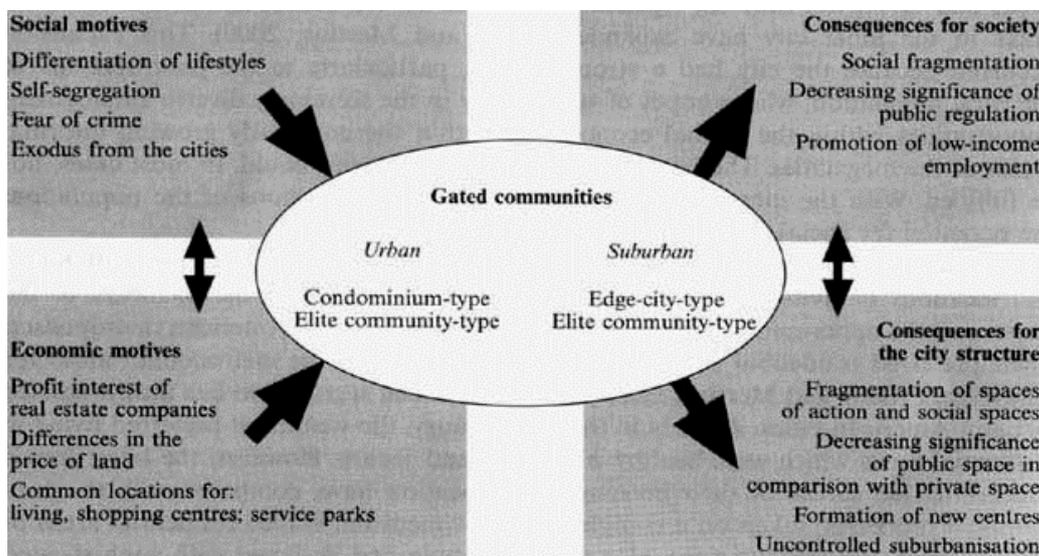
*“Developers, landowners, investors, and consumers have together shaped a new genre of modern urban habitat...Gates and guards are just one part of a bigger package... they challenge the spatial, organizational, and institutional order that has shaped modern cities” (Webster et. al., 2002: 315).*

One of the emerging spatial forms injected within the city-regions are the ‘Gated Communities’. They are the new forms of socio-cultural spaces reflecting the particular departures from the public life, and are the specific places calls for transformation of public space into private. In many cases, they are the privately owned territories, including residential, commercial and industrial activities. Although their abstract figures are what we are familiar with since the early civilizations, what makes them today worth consideration is the rise of their numbers reaching considerable amount acting on the spatial structure of the city-regions, their internal structure that is walled against the external spaces, the segregated community they bring about, etc.

“One of the most striking features of recent urbanization is the rise in popularity of privately governed residential, industrial, and commercial spaces. In many rapidly urbanizing countries, gates and guards appeared at a time of double-digit economic growth and generated little public or academic commentary –they were simply part of the surreal economic and spatial transformation that engulfed so many countries in the last two decades of the 20th century. In more established urban economies, proprietary developments seem more obviously to enclose what were previously regarded as public domains” (Webster et. al., 2002: 315).

Coy and Pöhler (2002: 356) give main motives (factors) that may be considered in relation to the formation of Gated communities in Latin America. The authors try to make a classification of gated communities with respect to their location, the prevailing types of buildings.

Fig. 3.18. The various ‘motives’ acting on the gated communities of Latin American cities

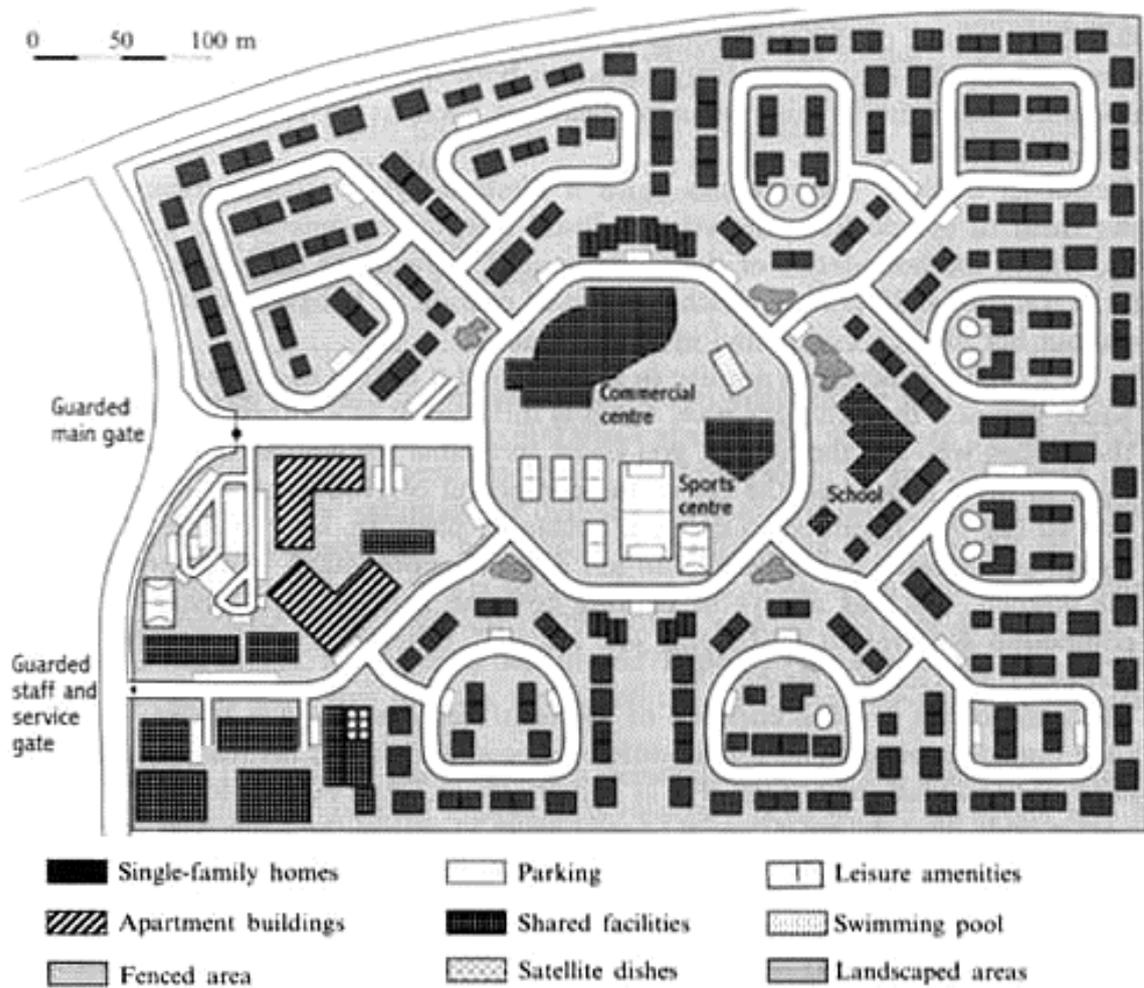


Source: Coy and Pöhler, 2002: 356

The arguments on the gated communities points out the role of the fear from violence, crime against the control of wealth, elite lives in the establishment process of gated communities while emphasizing the new preferences of the powerful classes.

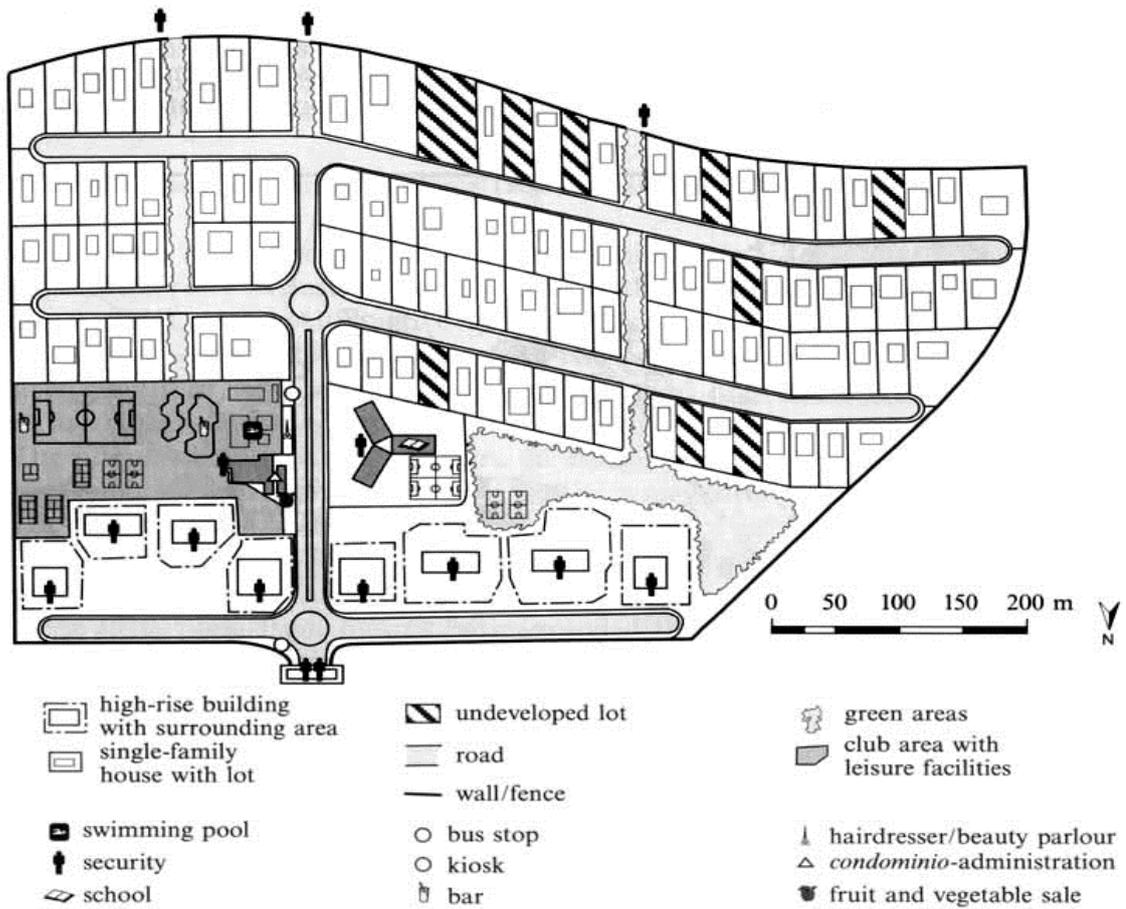
“...The success of gated communities can mainly be accounted for by the fear of crime. In this sense, they respond to social conflict and violence in the everyday life of the cities. At the same time, they are an expression of the increasingly diverging lifestyles of urban society under the influence of globalization. With gated communities, new islands of wealth emerge in the ocean of poverty, which characterize the increasingly fragmented structure of the Latin American city” (Coy and Pöhler, 2002: 355).

Fig. 3.19. A gated community for western professionals on the outskirts of Ar Riyadh



Source: Glasze and Alkhayyal, 2002: 325

Fig. 3.20. The gated communities (condominios) in Barra da Tijuca, Rio de Janeiro



Source: Coy and Pöhler, 2002: 360

## CHAPTER 4

### THE CITY-REGION AS A RE-EMERGING PLANNING UNIT

The agenda on the restructuring processes, the contributory studies of different fields offering various debates and issues, the new –or the revisited- ‘competing’ conceptions on the aspects of the city and region, and the recent studies of hierarchical restructuring of cities and regions, etc. have all been overviewed and discussed in the previous chapters.

Among many, the ‘City-Region’ –and the Global City-Region- is again on the urban research & planning agenda within the political-administrative, economic and social debates accompanying the profound restructuring processes. Such an issue is of special interest for those seeking representations of ongoing relationships and interactions in and between human settlements. On the other hand, the concept provides a comprehensive spatial capture and seems to offer a responsive –and challenging- spatial entity for emerging globalization, regionalism, governance, management, economic and spatial integration, and inequality issues.

At the world level, Friedmann (2000) emphasizes the role of this spatial unit within the global spatial economic network by making an analogy with the geography of the United States:

“...because the states of the Union are so tightly interlinked that their economic performance cannot be properly assessed *except as a function of these linkages*. This is not to argue that sub-national policy measures are unimportant, especially when they are focused on those metropolitan regions –a Boston, Miami, Chicago, Los Angeles, or Seattle- that serve as vital command centers, switching points, and global investment hubs through which the nation’s economy is articulated into the global space of flows (Castells, 1989; 1996). Quite to the contrary...global space of flows is more accurately modeled by articulating it through a network of city-regions that function as the new core areas of the world economy (Sassen, 1994; Knox and Taylor, 1995; Friedmann, 1996)” (Friedmann, 2000: 15).

In a so-called ‘globalizing world’ and through the ‘restructuring processes’, the recent structure of the networking of settlements and the web of linkages between the settlements call for the definitions of the components of this structure within the academic fields. And the ‘city region’, seems to be a proper unit providing us to see both the intra- and the inter-relationships at broader levels of the settlement hierarchy getting to be a reality at the world level. On the other hand, the concept provides us the wider perspectives in understanding of and policy making on the city space with its wider region within both its local (and regional) dynamics and world level

interactions.

Therefore, this chapter will deal with defining this broader concept and will try to give the debates on the structural analysis of a city-region. And it is also here that initial statements for a framework will be established in order to use in the Chapter 7 for İzmir city-region as a case study. It should be noted that within the constraints and concerns of this study, basically, the concept would be used referring to a spatial dialectics between a city with its region, and a region with its city.

#### **4.1. Defining the City-Region and Related Spatial Concepts**

It is difficult to make a clear definition of the city-region that is common to all as in the case of other regional spatial concepts. Yet, neither the field of regional science, nor the geography could have defined a clear 'region' concept; nor 'city-region'. On the other hand, the concept has been one of much used within the unclear and yet much crowded taxonomy of the city and the region.

Pointing to the issue, Robertson (1965: 121) gave a description of 'the region':

"The term 'region' has no very precise meaning. The geographers will most commonly infer from it some physical basis of similarity. For others the regional hypothesis may derive from a degree of cultural affinity or the sharing of common economic problems or possibilities. The physical planners tend to think of a region as related to the preoccupation with congested land use around a major city... Any one region will in practice owe its regional distinctiveness to a number of different possible sources of regional identity" (cited in Wannop, 1995: xvii).

Basically the search for the regional concepts stems from the analytical approaches observing the relations between the highly concentrated -of activities, people, and markets- cities and their surrounding environments. What is of special importance in this spatial concept within this study is that the restructuring of these regional relationships, the inter-linkages and the inter-flows.

Furthermore, the meaning of the concept has been expanded through the restructuring processes. The new spatial formation reflects new orders, new patterns and new extents to the various aspects of the city and the regional entity. According to Sassen, the regional grid of nodes represents a reconstitution of the concept of the region where this form of centrality mostly intersects with the 'global city-region'.

"There is a spreading complexity in both urban and rural regions. Cities which once dominated their hinterlands have now become dominated by them in important respects. Some of the major cities of Britain now house fewer people than live elsewhere within their commuting hinterlands. Regional cities have succeeded even city regions. Administrative boundaries are distorted by the influence of party political interests an untidily match the geography of economic and social affairs" (Wannop, 1995: 373).

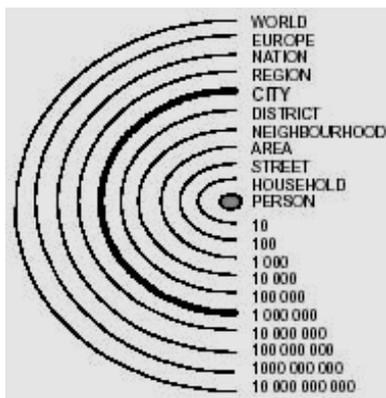
All these views are subject to further exploration within their proper contexts.

Evolving spatial patterns, transforming urban environments, redefined economic inter-linkages between the settlements will probably be the major issues to be followed within these explorations. There are some basic concepts that are of special use in defining and analyzing this spatial conception.

#### 4.1.1. The Basic Concepts and Definitions

The concept of a city-region refers to a unit within a classification and typology of cities. Both abstractions –the city and the region– included in this spatial concept gives the state of being in-between. “A classification of cities involves the notion of a typology in which communities are arranged according to certain characteristics or attributes considered pertinent for the purpose at hand...typological constructs of cities are based on the assumption that differences are relative” (Gist and Halbert, 1961: 3).

Fig. 4.1. A spatial classification system



In an age of intensified growth, formation of mega urban environments and separate communities within networkings, the official measures of the cities and regions, urban and rural, city and village, etc. are blurring. Therefore there exists no common measure for the city-region, in relation to size, location and other spatial attributes.

Source: Ravetz, 2000

There are some concepts that are closely related with the city-region. The following part of the study will briefly give these concepts and their definitions within the context of the study. The concepts given below are not new, and thus originate from the earlier conceptions. Within theory and on empirical grounds they have been subject to redefining, or reevaluating efforts with respect to the spatial restructuring. On the other hand, new concepts have been created cited ‘new’ or ‘restructured’ settlement formations.

*The Metropolis, its Metropolitan Area, and the wider Metropolitan Region:* The concept is one of which widely used within the explanations of the emerging settlement type of the modern civilization expressed in concentration of population, hierarchical organization of activities, and emergence of regional capitals constituting dependencies, power, and unique specializations in economic, social, cultural, and

political activities and spaces within a wider space.

Dickinson (1967: 6) stated that “the highest grade of city which serves as an outstanding center of human affairs is termed an economic metropolis; the area which is dependent on it, its metropolitan area; and the type of organization which sustains it, metropolitan economy”. In an earlier work, economic historian Gras (1922: 186 cited in Dickinson, 1967: 8) theorized the emergence of the metropolitan city “when most kinds of products of the district concentrate in it for trade as well as transit; when these products are paid for by wares that radiate from it; and when the necessary financial transactions involved in this exchange are provided by it”. In a more recent study, Mills and Hamilton (1994: 5) stated that the metropolitan area, or the ‘urban area’ emphasizes that such a spatial entity must have ‘not only a minimum population density but also a minimum total population’.

According to Gist and Halbert (1961: 216), the metropolitan region consists of ‘the metropolis’ and ‘its surrounding settlements’. “...*functionally* the region is a complex web of economic, cultural, and political relationships that bind these settlements and the larger metropolis into a unit with a dominant center and subordinate parts” (Gist and Halbert, 1961: 216).

The Urban Region: The regional influences of cities to each other integrate separate regions as well as they do produce regional interdependence. “...adjacent city-regions frequently overlap and, indeed, even their urbanized areas may coalesce to form much more extensive urban regions” (Dickinson, 1967: 11). The concept mainly refers to ‘an aggregate of closely spaced and functionally interrelated cities’, extending ‘beyond the boundaries of their constituent administrative divisions’.

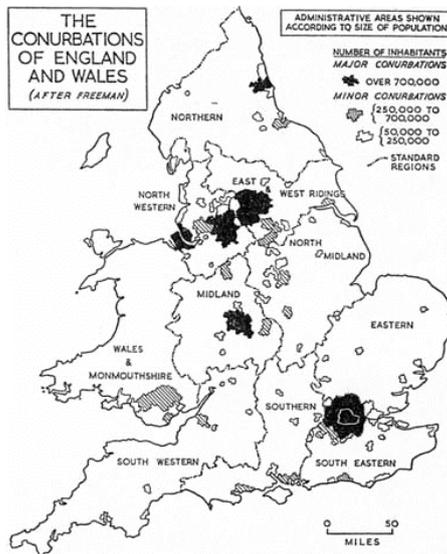
The Conurbation: In an earlier work, Dickinson (1967: 174) states that major conurbations in England were defined by the Census in 1951. The three factors in defining them are given below:

- Generally a ‘continuously built-up area’, which is not representing a ‘ribbon development’, and not necessarily excluding ‘a built-up area separated by a narrow strip of rural land from the main built-up areas to which it was strongly attached for employment or other reasons’;
- The consideration of a local area for inclusion in the conurbation to whose focal center it was strongly attached as a center for work, shopping, higher education, sports or entertainment; and
- The consideration of the population density.

Dickinson (1967: 174) adds that although the weight given to each factor varied,

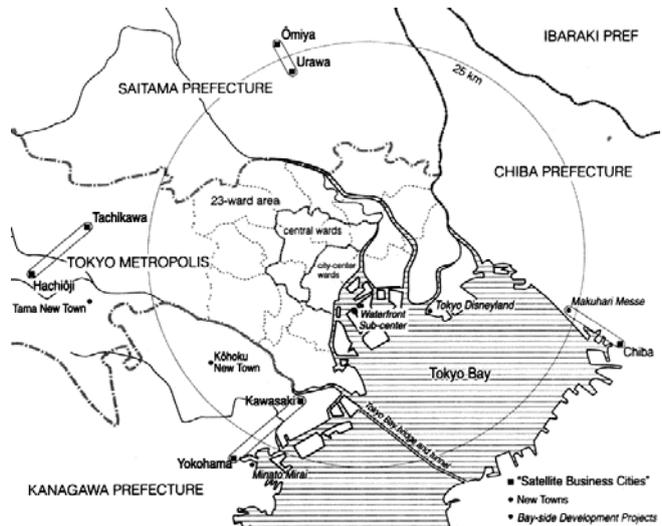
but that 'the degree of centripetal attraction exerted by the central areas on the surrounding areas which would primarily seem to form part of the continuous urbanized area'.

Fig. 4.2. The conurbations of England and Wales in the 1960s



Source: Dickinson, 1967: 175

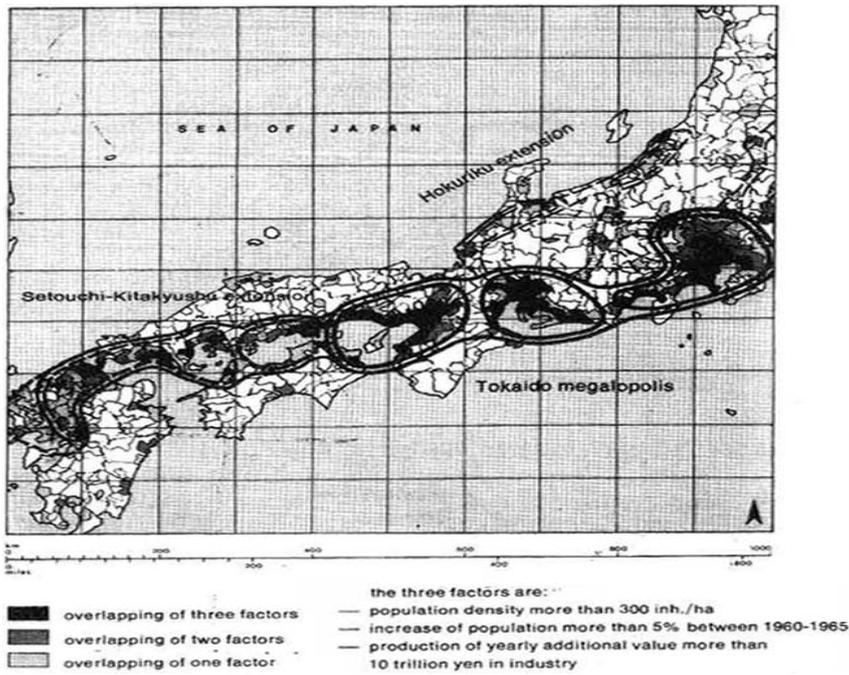
Fig. 4.3. The contemporary Tokyo conurbation



*The Megalopolis:* The outstanding distribution of population and thus the settlements called for the conceptions on these large urbanized areas and their 'dependent regions'. That the extension of the settlements beyond their built up areas where the distinction between the urban areas and rural is becoming vague, has been one of the spatial representations of urban growth and rising inter-dependency between settlements in the 20<sup>th</sup> century. Megalopolis is no doubt a very well known example, proposed by Gottmann (1961) for the vast urban belt on the Atlantic seaboard of the United States. According to Mills and Hamilton (1994: 6-7), other cited examples are 'the Pacific Coast of Japan from Tokyo to Osaka' and 'the stretch of England from London to Manchester', although these two examples do not perfectly represent what the term refers to.

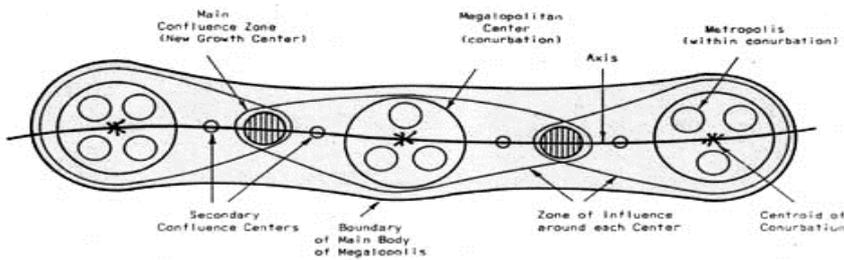
According to Knox and Pinch (2000: 31), the urban structure of the modern economy is epitome in its extreme form by megalopolis, "a multi-city, multi centred urban region characterized by a high proportion of low-density settlement and complex networks of economic specialization to facilitate the production and consumption of products and services".

Fig. 4.4. The Japanese megalopolis Tokaido in the 1960s

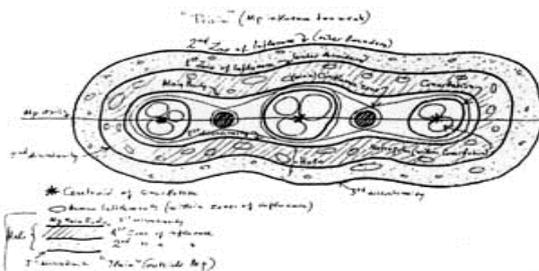


Source: Ekistics, 1998: 10

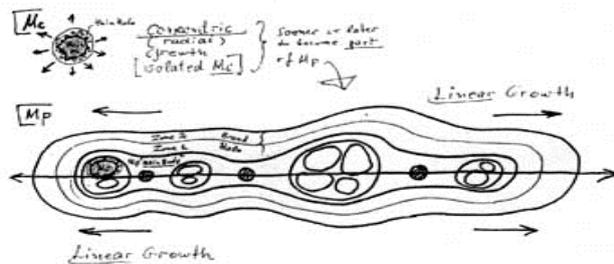
Fig. 4.5. Several representations of the megalopolis



Schematized plan of a Megalopolis with three centers.



Schematized plan of the zones of influence of a Megalopolis.



Comparison of growth patterns: Megacity versus Megalopolis.

Source: Ekistics, 1998: 14

The scholars cite “American Upper Midwest (Chicago-Detroit-Pittsburgh), the Rhine-Ruhr axis (Köln-Düsseldorf-Duisberg-Bochum-Dortmund), the Randstad region of the Netherlands (Rotterdam-The Hague-IJmuiden-Amsterdam-Utrecht), and in the belt of urban development stretching from Liverpool, Manchester, Sheffield and Leeds through Birmingham to London and the Home Counties” as the recent megalopolitan areas (Knox and Pinch, 2000: 31).

Monocentricity & Polycentricity: The concepts refer to the dependency character of the urban places within their regional interrelations. The centrality of advanced functions, the command and control of the regional entity may depend on the historical traditional center of the past, or may be distributed to various centers. Dökmeci and Berköz (1994) state that sub-centers are an outcome of two opposing sets of forces: those favoring concentration due to ‘agglomeration economies’, and those favoring dispersion due to congestion costs and that metropolitan areas which have a well-defined land-use plan have usually adopted a strategy that calls for the creation of a multi-centric urban form. Polycentricity basically refers to the existence of multiple centres in one area. Especially in the advanced economies, polycentricism has become one of the defining characteristics of the urban landscape as there exists a tendency of economic activity to cluster in several centers of activity (Kloosterman and Musterd, 2001: 623). Furthermore, there is a tendency to plan polycentric urban regions (PURs), especially within Europe. According to Kloosterman and Musterd (2001), the precursor of the term is the concept of ‘Urban Field’ of Friedmann and Miller (1965) and Pred (1975). It differs from the monocentric model with its sharp division between city and suburban hinterland.

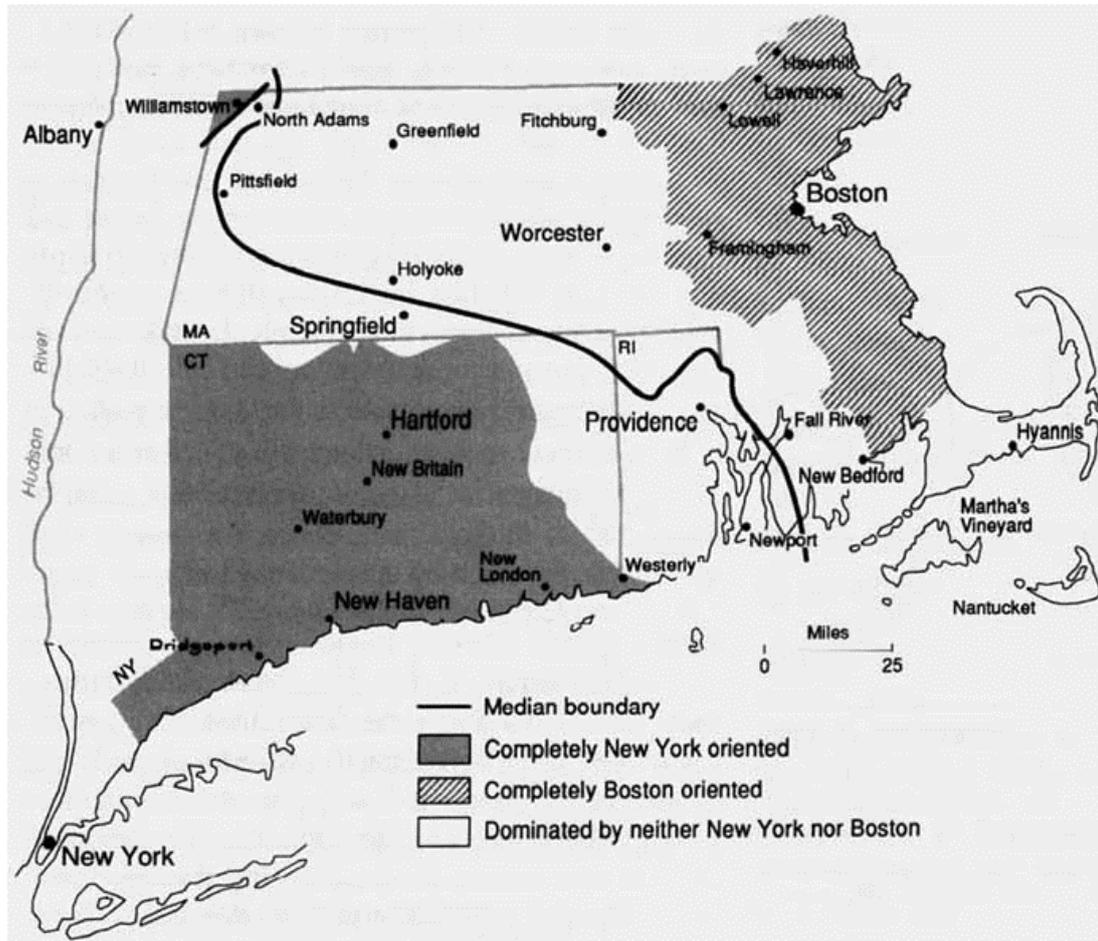
The Urban Field: According to Friedmann (1988: 75), the urban field is essentially an economic concept. “Although it does not correspond to the traditional political concept of the city as *civitas*, it imposes its own logic on the vestiges of the political city which struggles to survive in this highly charged, volatile materialization of capitalist energy”. This major concept in defining the city-region represents the functional-economic region dependent on the core-city. Friedmann highlighted the spatial growth and form of the urban field in relation to its unequal expansion in his analysis in the 1970s:

“The urban field is expanding, more rapidly in most cases than even in the increase in population, but it is expanding unequally, regardless of whether one applies functional, social, or economic criteria. Underlying its kaleidoscopic spatial form, is the ever-shifting topography

of land values which quickly and efficiently excludes all potential users who are unable to meet the price of a given land" (Friedmann, 1988: 75).

*The Hinterland:* The concept mainly refers to "the rural area served by the city by the fact that the city concentrates large numbers of people, and large numbers of physical capital, in a confined area" (Mills and Hamilton, 1994: 3). If it was cited that the hinterland or the region of London comprised the country even in the 1960s, today it is not surprising that this area extended to the world scale, forming the 'hinterworld'.

Fig. 4.6. The hinterland boundaries of New York and Boston in the early 1950s



Source: Hartshorn, 1992: 84

#### 4.1.2. The Theoretical Approaches on Defining the City-Region

It will be proper here to give the basic definitions of the city-region provided by different scholars and researchers, and to evaluate them within a historical overview.

As a European-originating concept, the city-region is mainly constructed for the European settlements and especially within the settlement system of England. But, like the concept of *metropolitan area-region*, many theoreticians and researchers –and the

politicians- also use the concept of city-region for world's many region-serving settlements.

The concept is founded on theories of urban hierarchy, location theory, and particularly on 'Central Place Theory' of Christaller (1933) and followed contributions. Much research on the formation process of the city-region, the system of settlements in the city-region, the activity patterning, commuting patterning, and spatial distribution of activities and people, etc. are made mainly within the field of regional science and geography.

In 1966 England, The Royal Commissions on Local Government was set up in order to make inquiries for the changing situations and condition of local governments. Hall reminds us how the city-region as an administrative unit was discussed in England in 1960s. "...From the beginning it was generally accepted by their members, and by the informed public, that something loosely called the city-region -that is, the city or conurbation plus its sphere of influence- would be the right basis for local government reform... The difficulty was that in practice it was more difficult than had been thought to define the city-region concept" (Hall 1996: 135).

In an earlier work, Dickinson (1967: 95) gives an explanation to the concept:

"...The problem of defining and analyzing the functions and limits of the city and the unifying relationships with the surrounding area, is one of distangling the regional component and examining the multitude of tributary areas served by, and serving, the city. Each group of functions has its particular zone of influence. Consequently, many functional areas have no relationship with each other in their geographical extent -which is often difficult to define. However, they all have a common denominator in their dependence on the city. We may refer to this area of functional association with the city as the city-region."

Although the definitions seems to be respectful within our recent use of the concept, there exist quite important differences with respect to the type of relations, spatial patterning and the intensity of interactions. As the world geography consists of different and distinct type of settlements, socialites, political and economic places, the city-regions throughout this vast geography represent such a variety.

Another scholar, Hruska (1971: 106) defined the 'city-region' with respect to his study on Czechoslovakia, where planning was an impressive tool in the decision making processes:

"The spatial coordination of basic functions, including determination of their location and their spatial requirements, is the chief task of town planning. If these relations are not satisfactorily solved; if one of the major components cannot develop or clashes with other components, then the life of a settlement develops in a wrong way. In order to distribute all basic functions over an agglomeration of settlements, it is necessary to consider the whole complex system as an area and planning unit: an organic city region. In the past we have classified settlement units

according to the predominance of a particular function (industry, administration, etc.), but now we have to consider the interrelation of *all functions* within a wide geographical area, and no longer concentrate upon mono-functional islands set in a progressive countryside. Classification of separate units in terms of their population size, economic structure or predominant function is not the right way to understand the settlement structure: we have to examine the whole functional complexity.”

Evaluating the settlement structure in Czechoslovakia, Hruska (1971: 106) states that “the basic functions that, in the feudal and early capitalist periods, were concentrated within a single central city, are now distributed over the city region; the relative importance of one city region from another is related to the development of the whole country.” There is no doubt that this argument seems to have less validity in today’s world. Even in the case of some city-regions, this relative importance has no relation to the country, rather it is -selectively- defined and reproduced by the very linkages with the global markets.

Another definition comes from a recent study where English city-regions were subjected: “Put simply, a city-region is a functionally inter-related geographical area comprising a central, or core city with a hinterland of smaller urban centres and rural areas, which are socially and economically interdependent” (Charles, D. et al., 1999).

Studies addressing the urban economic structure and its driving dynamics, needs to take the city-region into consideration as a major level/scale of inquiry, especially in the case of large cities, or the metropolitan areas. The production and consumption relations between settlements of a particular economic-geographic space, the spatial division of labor and the spatial organization as a whole extends in such a unit. This unit matters both in government (or governance), urban policy and planning issues. By its recent territory, local government lacks the comprehensiveness of responding regional issues; partial urban policy programmes cannot address political demands of several urban actors properly; those plans of the central governments, local governments and the private institutions do not form complementary scales/levels of spaces.

On the other hand, in a process of economic restructuring, the city-region points to the proper scale in the analysis and development of economic relations. “...explanations of economic success are also increasingly placed on advantages of agglomeration and localization at the city-region scale, and so the city-region may also be seen as a foundation for economic competitiveness policy at the sub-national scale”.

The Core City Group (1999 in Charles et al.) examined ‘the interaction between cities and their regions in order to understand the roles, which core cities play in their

regions, and how the strengths and weaknesses of the cities affect processes of regional competitiveness and social cohesion'. In their study, the group argues that "...unless policy is developed at the city-region level then the English provincial cities cannot be expected to play the role they should play as regional economic motors, and Britain as a whole will continue to suffer from economic under-performance and social polarization".

The emerging conceptions on regions, cities and particular city spaces provide new explanations and explorations. In his recent work Scott deals with the new concept of city-regions, 'The Global City Regions', that will probably occupy a major place in the spatial studies. Scott states:

"These nodes [of human labor and communal life] constitute distinctive subnational (i.e. regional) social formations whose local character and dynamics are undergoing major transformations due to the impacts of globalization...the new regionalism, then, differs in the first instance from an older regionalism in which the individual regions within any national territory were apt to be much more subservient to the dictates (but also more shielded from outside turbulence by the protective cloak) of the central state. We shall henceforth refer to these regional social formations as *global city-regions*" (Scott 2001: 1).

Scott proposes to use 'the worldwide network of large metropolitan areas' as an initial attempt to identify the 'emerging system of global city-regions'. "...not all the metropolitan areas shown are equally caught up in process of globalization, and, more importantly, not all global city-regions can be simply equated with existing large metropolitan areas." Scott goes on "...city-regions are coming to function as the basic motors of the global economy (Scott, 1996)... globalization and city-region development are but two facets of a single integrated reality." The author emphasizes that: "This notion leads again to remark that global city-regions today are facing enormous and unfamiliar pressures, so that they are increasingly being induced to search by trial and error for appropriate models of political response."

It will be proper here to note that the concept of the city-region is not new, and therefore many definitions refer to the previous approaches, identified defining characteristics, and cited historical-geographies. This part of the study have tried to give the also the recent ones, and the next part of the study will deal with the spatial aspects of the city-regions.

## **4.2. The Spatial Aspects of the City-Region**

The city-region points to an integrated urban system comprising the internal and the outer aspects of the spatial-economic-social relations between the components of the system. Neither the system nor this systems approach provides perfect representations or considerations. But this conceptual spatial entity marks the functioning of several factors forming the state of 'living together'. Therefore, within an evaluation of the spatial aspects of the city-region, in addition to the underlying historical-geographical conditions, there should be a comprehensive look at the city and a grasping of its major parts and relations.

It is hard to mark strict boundaries representing a containment of economic-spatial linkages and interrelationships of the 21<sup>st</sup> century city-region. The city-regions within differing geographies mark differing spatial attributes and calls for differing analytical approaches. It is stated that, for instance, London has today a 'hinterworld' rather than a 'hinterland' referring to the city's global linkages.

According to Bromley (2001: 243) the restructuring of political, economic and social systems associated with globalization reduces the significance of nation-states, while freeing the metropolitan regions to play more significant roles in the global system. "Global competitive advantage has emerged as a policy objective for cities and regions, often acting independently from their nation-states (Porter, 1985; Fry *et. al.*, 1989). A whole new scale and style of regional planning has emerged in the European Community, dealing with trans-frontier integration, international corridors, and the long-term impact of new international transportation links" (Bromley, 2001: 243).

### **4.2.1. The Delineation of the City-Region Boundary**

*"It is more difficult than ever before to represent the city as a discrete geographical, economic, political, and social unit rooted in its immediate environs and hinterlands. The boundaries of the city are becoming more porous, confusing our ability to draw neat lines separating what is inside as opposed to outside the city; between the city and the countryside, suburbia, the non-city; between one metropolitan city-region and another; between the natural and the artificial" (Soja, 2000: 150).*

The conceptual contribution of the city-region requires to be carried on the grounds of a more physical-economic approach to be of use in defining the jurisdictions of several institutions of any kind, developing the relations between the parts and offering strategies for the 'good' city-region. Therefore, this part of the study mainly deals with the delineation of the boundaries referring to several studies.

In his earlier study, while pointing out the difficulties on how a particular city-region can be represented, Dickinson states that the extent of its area will depend on

‘the specific purpose for which it is required’.

“The concept of the city-region can only be made specific and definable, as a geographic entity, by reference to the precise areal extent of particular associations with the city. Major determinants of many such associations are transport facilities, and the density and movements of the population. Meaningful definition of city-regions could well be based on such criteria. But when the extent of minor associations is examined together, one can recognize those whose limits coincide and one can pick out zones of similar associations with the city” (Dickinson, 1967: 95).

Although much complex in today’s city space, the ‘particular associations’ that Dickinson refers, still is of major interest in recent fields of research. Dickinson goes on:

“Probably, and especially if the gradients of areal change are sharp, one can, on the basis of these associations, define the limits of the area which can be regarded as the city-region. It is also possible that selected criteria of city associations may be measured for all places within a given area. Their degree of correlation at each place would then indicate the degree of association with the central city.” (Dickinson, 1967: 95-96)

It has always been a difficulty for researchers and politicians to define an abstract level or unit of space at for the particular purpose it will serve. In the case of the city-region, the efforts in doing so have used various factors in measuring, or defining the demarcation. Spatial distributions of activities, especially the services (for instance, the local newspapers), commuting patterns in relation to work-home places, etc. are the most used.

What is worth of major emphasis here is that the boundaries of such a unit does often not overlap with the existing administrative one(s) and that such a boundary basically refers to the spatial demarcation of ‘identified’ interrelationships. Therefore each study carries its ‘own’ demarcation, and thus deficiencies due to its own selections.

In today’s world, urban settlements perform various relationships with the far ones all over the world by via new information and communication technologies. This can happen both in a remote way, and a face-to-face. The character and the intensity of such a kind of interaction pattern varies depending on the attributes of those flows of space/place and people in both production and consumption processes.

Politicians, scientists, and various entrepreneurs both act on and search for a defined spatial unit that they deal with, and a major overlapping issue of several fields dealing with space is the demarcation of space in the provision of and control over the activities and the spaces.

Similar to other spatial units, also the city-region may be defined from the point of several interests or concerns: political, social, economic, and cultural in both physical and cognitive ways. In fact, each dimension and its contributing boundary represents a

center of the interaction with the other dimensions and in some cases, the boundaries may overlap. This study points mainly to the economic structure within the physical space of the city-region.

Fig. 4.7. The cited seven city-regions in England



- Cited city-regions for the seven core-cities were defined using 'a combination of previous studies mainly based on commuting and migration data'.
- It was stated that the defined areas reach 'beyond the old metropolitan counties into more rural hinterlands', and in two cases 'cross the New Government Office Region boundaries'.
- The seven city regions house over 14 million people (30 % of England's population).
- Their sizes vary from Birmingham and Manchester -with a little under 3 million- to Bristol -as the smallest with 1 million. Overall one quarter of the population of these regions lives within the core city authority, although Manchester and Newcastle are distinctive -in less than one sixth live in the core city.

Source: Compiled from Charles et al., 1999

Dickinson (1967: 107-9) cited the study of Hans Carol with respect to his study on defining the Zurich region. Table 4.1. and Fig. 4.8. summarize the study.

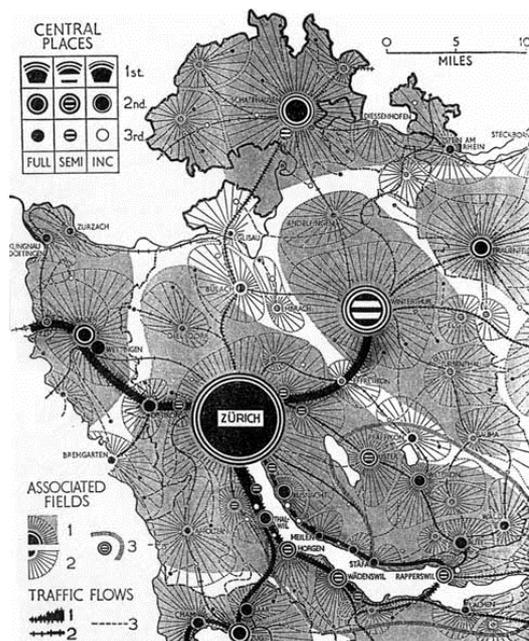
Table 4.1. The procedure of the definition of a city-region by Carol in 1956

Stages	Key Points
<ul style="list-style-type: none"> <li>▪ Defining the 'urbanized area' as one of continuous urban land uses;</li> </ul>	<ul style="list-style-type: none"> <li>▪ Edges are defined by excluding built up sectors more than 350 meters apart from the next built-up area.</li> </ul>
<ul style="list-style-type: none"> <li>▪ The 'suburban area' containing communities which look to the urbanized area for their work and entertainment; place of close personal and daily relationship</li> </ul>	<ul style="list-style-type: none"> <li>▪ The proportion of out-commuters to resident workers is taken as the primary indicator of these associations expressed in classified zones</li> </ul>
<ul style="list-style-type: none"> <li>▪ Determination of the outer field of city associations by the range of central services - three orders: lower, middle, and upper</li> </ul>	<ul style="list-style-type: none"> <li>▪ The tributary are of a center is the sum of its service areas; as these do not correspond, small, medium, and larger tributary area appropriate to a center of the three orders respectively</li> </ul>

<ul style="list-style-type: none"> <li>The composite tributary area of each order falls into an 'internal area' and an 'external area'; the latter is divided into a 'relative tributary area', and a 'core area'</li> </ul>	<ul style="list-style-type: none"> <li>In the relative tributary area, the connections with a center of a certain order exceed the connections with all other centers of the same order;</li> <li>In the core area, the connections with the center dominate over relations with all other centers</li> </ul>
<i>The three orders of centers are graded</i>	
<ul style="list-style-type: none"> <li>Low-order centers have 12 selected traits and are described from the number of these services they perform</li> </ul>	<ul style="list-style-type: none"> <li>Full-central: 10 to 12;</li> <li>Semi-central: 6 to 9;</li> <li>Sub-central: 3 to 5</li> </ul>
<ul style="list-style-type: none"> <li>Middle-order centers</li> </ul>	<ul style="list-style-type: none"> <li>High school, plus the above services</li> </ul>
<ul style="list-style-type: none"> <li>Upper order centers</li> </ul>	<ul style="list-style-type: none"> <li>University</li> </ul>
Each of these orders is divided into the three above categories with respect to their services	

Source: Compiled from Dickinson, 1967: 107-9

Fig. 4.8. The city-region of Zurich in the 1960s



Central places of the 1<sup>st</sup>, 2<sup>nd</sup>, and 3<sup>rd</sup> orders (upper, middle, lower), graded according to full, semi-complete, or incomplete range of services

Associated fields:

- 1<sup>st</sup> and 2<sup>nd</sup> order centers, full service
- 3<sup>rd</sup>-order center, full and semi-complete service
- 2<sup>nd</sup>-order center, semi-complete service

Traffic Flows

(width of band proportional to number of units per day)

- Express trains
- Slow trains
- Post-buses

Source: Dickinson, 1967: 108

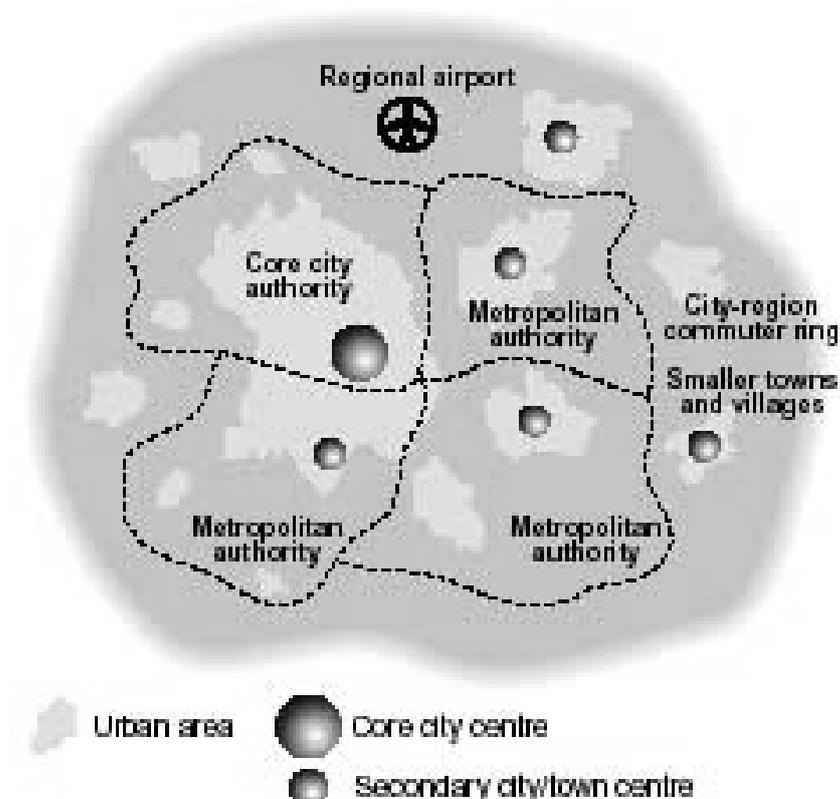
#### 4.2.2. The Spatial Parts of the City-Region

It is obviously seen from the definitions above, the city-region refers to a central city attributing a regional level of serving facilities, and the outlying settlements interacting with each other and this core city within a whole of interaction pattern. That is to say, there exist two main parts in the city-region: the core & the hinterland – the urban field.

Friedmann (2000: 16), pointing out the main characteristics of the city-regions, defines three descriptive spaces constituting the structure of the city-regions. These are,

1. An *integrated functional/economic space* that is made of the 'city-region' that consisting of a core city and its surrounding 'urban field'.
2. A *political/administrative space* that may cover all functional/economic relations and is the primary space of governance.
3. A *life space* that is a set of smaller, loosely bounded, more intimately constructed spaces of social relation and that both functional/economic and political administrative spaces overlies.

Fig. 4.9. The map of a core city and its city-region



Source: Charles et al., 1999

Friedmann (2000: 16) describes the vast urban field and the meaning it provides to the city's functioning:

"Urban fields typically extend outward from the core to a distance of more than 100 km; they are the spaces into which the core city expands; they include the city's airports, new industrial estates, watersheds, recreation areas, water and sewage treatment facilities, intensive vegetable farms, outlying new urban districts, already existing smaller cities, power plants, petroleum refineries, and so forth, all of which are essential to the city's good functioning".

Such partitioning of this vast-but-interdependent space is quite worthy, especially for the planning field where the structural representations of the city-space

as a whole are much used. That Friedmann constructs such divisions incorporating many aspects/dimensions of space is of particular importance in relation to the understanding of this vast space growing day by day especially in the attractive geographies of the developing world. Because it is these spaces that the profound restructuring processes take place and define the future of billions of people.

Table 4.2. The spatial parts of the global city-regions

PART	LOCATION	FUNCTION & ACTIVITIES	CITED CITIES
1 <i>TRADITIONAL DOWNTOWN CENTER</i>	In the cores of old cities	Serves the oldest informational services (banking, insurance, government)	The City of London, Chatelet-Les Halles, Downtown Manhattan, Maronouchi /Otemachi
2 <i>NEWER BUSINESS CENTER</i>	Often in an old prestige residential quarter	Serves as the location of newer services (corporate headquarters, the media, new business services such as advertising, public relations, design)	London's West End, the 16e arondissement, Midtown Manhattan, Akasaki/Roppongi
3 <i>INTERNAL EDGE CITY</i>	Near to traditional centers		London Docklands, La Defense, World Financial Center, Shinjuku
4 <i>EXTERNAL EDGE CITY</i>	Often on the axis of the main airport, more rarely a high speed train station		London Heathrow, Paris Charles De Gaulle, Amsterdam Schiphol, Stockholm Arlanda, Washington Reagan/Dulles corridor
5 <i>OUTERMOST EDGE CITY COMPLEXES</i>	At major train stations 20-40 miles distant from the core	Serves back offices and R&D	Reading, St Quentin-en-Yvelines, Greenwich(Connecticut), Omiya, Shin-Yokohama
6 <i>SPECIALIZED SUBCENTERS</i>	<ul style="list-style-type: none"> <li>▪ On reclaimed or recycled land close to the traditional core</li> <li>▪ Older centers</li> </ul>	Usually for education, entertainment and sporting complexes, exhibition and convention centers	Royal Docks (London), Milton Keynes (Open University), Tokyo Waterfront; Oxford, Cambridge, Uppsala, New Haven

Source: Compiled from Hall, 2001 in Scott, 2001: 74-5

Hall (2001: 72 in Scott, 2001) states that 'the high-level intelligence and control functions of the global cities are increasingly dispersed across a wide geographical area, limited only by certain geographical constraints of time-distance', and that 'the traditional face-to-face locations retain their power' and 'are increasingly supplemented by new kinds of node for face-to-face activity". He concludes that the

resultant geographical structure is 'quintessentially polycentric'. Within this structure there is an increasing specialization: "many functions –back offices, logistical management, new-style headquarters complexes, media centers, and large-scale entertainment and sport- relocate over time to decentralized locations, albeit at different speeds and with different effects". He identifies six parts forming the city-region (Hall, 2001: 74-75 in Scott, 2001) which is compiled in Table 4.2.

#### **4.2.3. The Internal and the External Dynamics of the City-Region**

*"...The population of the surrounding region is drawn into the activities of the city-region as the secondary activities seek for new areas for development well away from the old center"*  
(Hruska, 1971: 106).

*"The city discourse rather than the ideology of regionalism dominates in cities such as New York or Sao Paulo. The challenge is how to bridge the inner city, or the squatters at the urban perimeter, with the center... A 'regional' discourse is perhaps beginning to emerge, but it has until now been totally submerged under the suburbanization banner, a concept that suggest both escape from and dependence on the city"*  
(Sassen, 1996: 414-415).

The importance of the city-region is represented by its contribution to our understanding of several problems and providing responsive solutions/strategies for the cities and surrounding 'urban fields' might be implemented at such a broader level, especially when the concern is the local integrating with the global.

On the other hand, as many of the resources required for globally networking of economic activities does not constitute a hyper-mobility and are, instead, 'deeply embedded in place'. And the city-regions, better to say, the 'global city-regions' provide such a spatial entity comprising the whole resources and also the distinct geographies within that are of particular importance in the spatial markets.

Within the city-region, Cheshire (1999: 1341-2) deals with the 'factors underlying patterns of differential spatial growth within city regions', and 'the growth of particular types of cities compared to others'. According to Cheshire (1999), related studies may be grouped into two: One dealing with the changing distribution of people and jobs within large metropolitan areas and the second, with the changes in the distribution of people and jobs between settlements of varying size, and between metropolitan areas on the one hand, and non-metropolitan –or rural ('ex-urban') areas- on the other. The model originating with Wingo (1961), Alonso (1964) and developed by Muth (1969), Mills (1972) and Evans (1973) is the theoretical foundation of the first group of studies.

Table 4.3. An empirical study on the core-cities within UK

**Studied Core-Cities:**

**Newcastle upon, Leeds, Manchester, Liverpool, Sheffield, Birmingham, Bristol**

*Type of analysis used:* commuting & migration data in addition to the previous studies within UK

Major findings of the study are

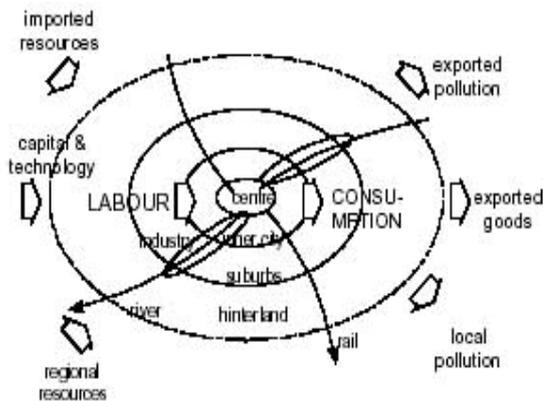
1. Intensification of knowledge-based industries and other sectors employing well-paid workers in core cities, whilst manufacturing in the surrounding towns,
2. Nearly 600.000 jobs in the 7 core cities were taken by residents of other parts of the city-regions; there exists a net 400.000 inflow, that is 3 people commute into the cities for every 1 traveling in the opposite direction,
3. Higher unemployment level in the core cities than their city-regions; middle class families move out, some to the city-region, some to the freestanding new towns where new jobs are being created,
4. Core cities' share of national GDP is less than their share of the England's population; all the core cities have a more negative population trend than that of their surroundings; and are more deprived,
5. Core cities tend to perform weak measures of competitiveness and internationalization, compared with the other non-capital cities of Europe (Barcelona, Munich, Milan)

*Concluding Remarks for future policy:* within the country, the centralization of economic activity -especially the international- and political focus on London should be redistributed; and proper patterns of partnership between cities, regions and central government are required.

Source: Compiled from the work of Charles et al., 1999

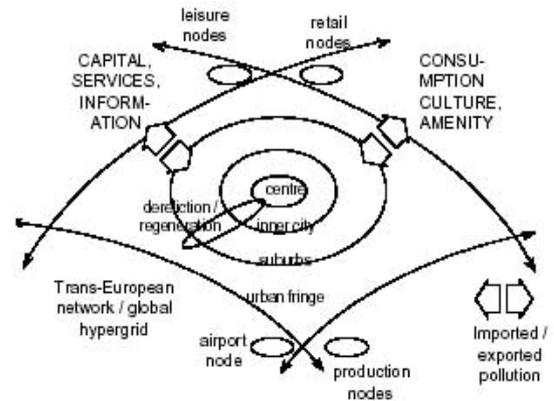
According to Borja and Castells (1997: 21) new relations are on the run between the city and the region. "...the relative importance of relations between city and region seems to diminish with respect to the relations which link the cities of various regions or countries to each other... New activities become concentrated on specific poles, which leads to a growing disparity between the urban poles and their respective hinterlands".

Fig. 4.10. The general system flows in a typical industrial city-region (based on the geography of Greater Manchester)



Source: Ravetz, 2000

Fig. 4.11. The flows of capital, information and cultures in a post-industrial globalized city-region (based on the geography of Greater Manchester)



Source: Ravetz, 2000

A brief summary of Scott's statements on the basic features of (global) city-regions with respect to the pressures and responses, limits and potentials are outlined below (compiled from Scott, 2001: 1-6) (also see Appendix C).

- They bear a marked affinity to metropolitan areas.
- Their form and substantive makeup are also much influenced by processes of territorial and political amalgamation at the local scale.
- In some, inter-territorial bases of collective action and identity, especially where adjacent territorial units possess some degree of functional interdependence, but have hitherto been administratively or politically separate. "The basic objective in these cases is almost always to build regional political competence, and to bring together fragmented political units, formally or informally, in pursuit of mutual aid and advantage in the face of the mounting challenges that globalization is now bringing to the fore at the local level" (Scott, 2001: 4).
- In most cases, their development is arguably most common where at least some of these territorial units are already strongly urbanized and where there is some tendency to spatial polarization within any given set.
- Several forms of the city-regions may be outlined as follows:
  - 1- A central metropolitan area with a hinterland of variable extent comprising less densely developed ancillary territory.
  - 2- Spatially overlapping or convergent urban areas -i.e. conurbations- again with a surrounding hinterland area.
  - 3- Alliances of geographically distinct but proximate urban centers working together in order to harvest the benefits of mutual cooperation, such as the new groupings or 'synergy networks' of medium-sized cities that are springing into being in the new Europe of the regions. Some of these may sometimes even spill over beyond conventional national boundaries, as in the cases of Copenhagen-Malmö, San Diego-Tijuana, or Singapore-Johor-Batam.
- They are becoming the focal points of what a new global city-centric capitalism (Brenner, 1998).
- They function as territorial platforms for much of the post-Fordist economy that constitutes the dominant leading edge of contemporary capitalist development, and as important staging posts for the operations of multinational corporations.
- They are important centers for flexible-manufacturing sectors, as exemplified by high technology or neo-artisan industry, and for service sectors, as exemplified by

new media or business and financial activities.

- In view of the upsurge of global markets, city-regions far and wide have strong incentives to deal in one way or another with those aspects of regional collective order that help to sustain or enhance their competitive economic advantages.
- Those pressures are severe in the city-regions of the developing world. "... in various hinterland areas in developing countries, a few large city-regions tend to be the essential and privileged channels through which these countries interact with the global economy" (Scott, 2001: 5).
- All the city regions of the world are experiencing tremendous internal breakdown on the social front both directly and indirectly:
  - a. Today, especially the large global city-regions are marked by unusually high levels of income inequality.
  - b. Large-scale immigration has turned city-regions –as complex as most of them already were in terms of their social makeup- into vortexes of hitherto unprecedented cultural, ethnic, and racial variation. Lacking an effective economic, institutional, and political arrangements, these processes provides the higher level of inequalities and deepens the social tension.

Furthermore, there is another issue that is quite related with these processes; it is the state of the 'state' within all these changes and transformations. According to Sassen, 'the state has not benefited from these changes'. "The United States, Great Britain and Japan have experienced rapid increases in government deficits, and growing unemployment, de-industrialization and income inequity. What contributes to the growth in the network of global cities does not necessarily contribute to growth in nations". Sassen argues that the global city-regions are contending 'to be the prime organizer for integration of economies' in the competitive market.

"...The transnational corporation integrates economic activity conceptually, on a global scale. But when activity manifests in a practical, material sense, it is often within the context of some major urban region. And these city regions are more and more self-aware, seeking to organize and unify themselves so they can strike the best bargain possible within the global system" (Sassen).

These tensions and emerging relation between the city-regions and the state has brought about several issues within the governance, management, and regionalism debates. The following part of the study will deal with these issues providing several significant cases.

#### 4.3. The Issue of Governance at the City-Region Level

*“The metropolitan space in its urban-regional sense –i.e. discontinuous, functional, and subject to forward-looking action- is thus the strategic space par excellence – strategic space in the sense of economic space. The urban-regional sphere is nowadays the ‘natural framework’ for economic activity... The metropolitan strategic space is also the new space for socio-cultural integration. The formation of urbanized areas in which the city runs the risk of becoming diluted, the inequalities and marginalization affecting social groups and territories, and the complexity of the institutional structure that makes that structure less readily visible, are all challenges that the city must rise to if it is to avoid having the processes of socio-cultural disintegration prevailing over those of economic and functional integration”*  
(Borja and Castells, 1997: 160).

Governing the cities and their surrounding fields is one of our familiar issues – often as a ‘problem’- through the human experience of ‘living together’ for thousands of years. It is the modern society that marked divisions on geographies that today comprise the whole world. And, it has always been on the agenda of society with respect to these basic questions: ‘Who governs’, ‘how will it be governed’ and ‘what constitutes the boundary of the area –referring to the territorial dimension- to be governed’.

The globalization of capital and capitalist restructuring processes coupled with the political devolutions impacted the form and function of government throughout the world. The attempts in forming of a less interventionist state and its less involvement in the spatial economic processes have been rising.

*“The scope and scale of the problems being dealt with at the local level now require all three sectors –government, business and community-based organizations- to jointly take responsibility for meeting these challenges. Government has become a convener and catalyzer in the broad process of community governance”* (Gates, 1996: 3 in Noble et al, 1998: 369).

Friedmann (2000) offers a wider consideration of the governance issue, referring to both policy makers and managers as he highlights several dimensions within the good functioning of the city-region of the 21<sup>st</sup> century within the restructuring processes: “...While good governance nationally will undoubtedly benefit domestic city-regions, the performance of cities is not merely a reflection of structure and processes at the national level”.

Pointing out the concept of ‘urban performativity’, he identifies criteria for assessing the performance of cities divided into three broader groups (Friedmann, 2000: 20):

- 1.) *Criteria of good city governance:* Refers to the political processes of allocating resources and steering the collective life of the political community. It involves the triad of state, corporate sector, and civil society.
- 2.) *Criteria of good city management:* Concerns the administration and use of common

resources in bringing about those minimal conditions of urban life that make possible individual human flourishing.

3.) *Criteria of good city outcomes*: Refers to those, which further the common good of the city, including the strengthening of good governance, thereby completing the circle.

As the core cities are the centers of a wider spatial functional unity, the wider city-regions and as local authority areas often demarcate them, there exist two main problems related with this widespread government jurisdiction. Firstly, the local authority areas are defined by distinct policies regardless of a functional conceiving of the city. Secondly, the core city does not comprise the basic functioning of the economically, socially, and culturally interlinked environment. Thirdly, there are many parts within the spatial pattern of cities. In a much-localized environment, each part has its 'own' problems; rather than representing the real situation. The functioning of parts stems from the structure of the wider city-region. And finally, no single boundary or no single authority may be able to comprise such a wider regional space.

Both the urban policy –either designed by the state or by locally- and the governance mechanisms need 'to be framed within this city-region', although this will inevitably bring about new problems at various levels –from political arrangements, to tax-based financial reorganizations. There is no doubt that such efforts would seriously deal with the issues like inequality, social and political cohesion, sustainability, polycentricity, etc. that have been identified in the former periods of development and government.

#### **4.3.1. The Attempts in Governing and Managing the City-Region**

In 1966 England, it was decided that the new structure of local government units should have had four attributes (Hall, 1996: 135):

- To be able to perform local government services efficiently (that is to say economically, in terms of resources),
- Also, to be able to perform local government services effectively (in terms of reaching the clients who need the services),
- To express some communal consciousness; that is, it should take in an area which people recognize that they belong to, and
- To take in the whole area whose planning problems need to be analyzed and resolved together.

Hall emphasizes that these attributes could not lead to a common solution at

all. "In thinly populated rural areas, efficiency may suggest big units, effectiveness small ones. The unit of communal consciousness –broadly, the area within which people travel to work or shop- may be much smaller than the planning region, which may have to take in distant sites for potential new towns (Hall, 1996: 135). The commissioner's response was two different solutions: The first one, emphasizing the efficiency, suggested a large average size of unit; and the second, emphasizing the requirements of planning, suggested a two-tier system over the whole country. The two-tier system was based on large city-regions at the top level and on small districts at the lower level.

Following the Planning Act of 1968 and the local government reform, structure plans could be prepared only for large areas encompassing the whole extended sphere of influence of a city or a conurbation. After several experimental studies, by the year 1970-1, "most local authorities in the country were beginning to band together on city regional lines to work on the new structure plans" (Hall 1996: 134).

Recent approaches in governing city-regions call for identification of various actors, common issues, and strategic approaches in posing the city-region within the world level composition of city-regions, territorial definitions and boundary shifts. The tensions between local and central governments call for the proper solutions.

According to Miller (2000), metropolitan regions across the United States are faced with the need to design governance systems that preserve and protect their constituent communities while maintaining or developing a more competitive economic climate. "In the face of a globalizing world economy, most regions are seeking to rationalize their local government structure, but effectively adapting to the changing nature of the global economy has proven elusive (Miller, 2000)".

Where this new administrative-political concept will be materialized is one of the concerns of the dealers of the debate. It has two counterparts: the local and the central government. To some, the issue of governance in metropolitan areas is built around local governments. According to Miller (2000) the monopoly position of the local governments in the two key policy areas strengthens the power of local as the possible actor: One of them is the local governments' ability to locally raise public funds through taxation helping organize how public funds are allocated. The second factor is local governments' ability to make land use decisions through the exercise of primarily zoning powers. There is no doubt that both factors are affected by the state regulatory responsibilities, that is, the local is not alone in these two key policy areas.

With respect to these conditions, Miller states that “efforts to improve governance in metropolitan regions, therefore, must deal with one or both of these issues and recognize that local government participation in designing improvements is essential for any change” (Miller, 2000: 1), and points out the need to be together in a cooperative fashion in the local governance.

In his evaluation of the regional planning and governance issues in UK, Wannop (1995: 373, referring to RTPI, 1986: 38) states that related arrangements on these two debates are defined by the three principles:

1. The evolving and spreading complexity of the social and economic structures of most metropolitan urban regions and of many rural regions.
2. Direct electoral accountability to extend the responsibility of locally elected representatives over a wider range of public services.
3. The merits of distributing resources within regions so as to fairly reflect local aspirations, efficiency and equity.

Friedmann focused on the concept of territorial governance referring to ‘social processes by which binding decisions for cities and city-regions are made and carried out including three sets of actors: ‘(local) state’, ‘corporate capital’ and ‘civil society’. In his explorations in the Southeast Asia, he stated that the developmental states of Asia worked closely with corporate capital, and that the experiences resemble ‘the potential for civil society in the power triad of governance’. Such a governance approach, to Friedmann, should take into serious consideration the claims for a livable city by civil society.

What is crucial for planning in the governance issue is first of all the strategic planning and management of resources within the city to be addressed and on the hand, realizing the participation of the free participation of the people and communities in the decision-making processes. According to Friedmann, under the effects of political and economic forces penetrating the city, a city that is well governed and fulfills the expectations of its inhabitants with regard to both process and outcomes can be called a ‘good city’. The author posits that every human being has the ‘right to human flourishing’.

#### **4.3.2. The Debate on the New Regionalism**

*“A new regionalism... that is rooted in a series of dense nodes of human labor and communal life scattered across the world... stands in opposition to the view of the world as a borderless space of flows...does not represent the antithesis of globalization, however, but is its counterpart in a world from which geography has not yet been-and cannot be-abolished...”(Scott, 2001: 1).*

The regionalism of a new kind of integration, cooperation and unification has

been on the run for several decades. This movement towards forming of regional entities brings about important issues in spatial-economic organization, social adjustment, and regional governance. With respect to the geographical –in its widest sense- conditions, the city-region plays a crucial role in defining the inter-relations within the regionalism efforts. The political decentralization pattern establishing throughout the world has been coupling the rise of a new regionalism under the contemporary conditions of globalizing capitalism.

Borja and Castells (1997) evaluates the recent condition of these relations and suggest their basic statements on positive policy making under contemporary conditions: “At present, exchange and cooperation relations between cities are on the increase, and numerous regional and issue specific networks and regional associations involving cities are being created, both with local authorities and with civil society institutions. There is gradual acceptance of the legitimacy, appropriateness and right of cities, and particularly their democratic governments, to play a part in international political, economic and cultural life”.

The implementation of the regionalism differs with respect to political systems and geographical conditions. But the defining character is the political economic relation that is subject to the regional projects and reorganizations. The European Community, where the debate is not a new one, seems to develop this new regionalism within the advantages of its historical-geographical factors.

Newhouse states that “Regionalism, whether within or across national borders, is Europe’s current and future dynamic” and much of this dynamic is being promoted by regional centers as a protest, in part, “against the authority of national capitals” (Newhouse, 1997: 68 cited in Noble et al, 1998: 5). According to Noble et al. there are considerable instances of this orientation towards regionalism:

“...Milan in Italy and Barcelona in Spain, both of which see themselves as the true centers of power in their respective regions of Lombardy and Catalonia, and which are also the wealthiest regions in each country. Even in France... decentralization pressures are emerging, especially in the large and economically vital region of Rhone-Alpes where Lyon, the capital, seeks to substitute its authority for that of Paris” (Noble et al, 1998: 5).

Scott highlights the ‘new regionalism’ issue in relation to the ‘global city-region’:

“...rather than being dissolved away as social and geographic objects by processes of globalization, city-regions are becoming increasingly central to modern life, and all the more so because globalization (in combination with various technological shifts) has reactivated their significance as bases of all forms of productive activity, no matter whether in manufacturing or services, in high-technology or low-technology sectors. As these changes have begun to run

their course, it has become increasingly apparent that the city in the narrow sense is less an appropriate or viable unit of local social organization than city-regions or regional networks of cities. One tangible expression of this idea can be observed in the forms of consolidation that are beginning to occur as adjacent units of local political organization (provinces, Lander, counties, metropolitan areas, municipalities, departments, and so on) search for regionwide coalitions as a means of dealing with the threats and the opportunities of globalization. In this process, we argue, global city-regions have emerged of late years as a new and critically important kind of geographic and institutional phenomenon on the world stage (Scott, 2001: 2-3).

Within the city-regions –or between them- there exist many types of settlements, each subject to particular jurisdictions. With its basic emphasis on political and economic integration and organized relations, the regionalism efforts bring about the risk of overriding small settlements. Friedmann states that small scale political communities satisfy a deeply felt need for self determination and that they can accommodate with greater facility the need for ‘fine-grained planning of ecological balances and the built environment’, which in turn, will help to sustain the social life of the community ‘that requires a balanced natural environment’ and that this small scale environment can respond more quickly and effectively to natural and cultural change.

In addition to the issues of the division of labor, the employment resources and provided centers, spatial linkages and inter-relations between the settlements, there are also common –or integrated- political agendas comprising basic spatial policy frameworks, designation of ICT infrastructure and highways, legal frameworks and proper type of institutionalization are all included within regionalism efforts. The emergence of region-based economic and political organizations is probably at the forefront of these processes.

There is no doubt that one of the most important problems within regionalism is the establishing of proper institutions, municipalities, and organization that would work in harmony and are respectful to democratization of the regional environment. In their search for the proper municipal government -‘that takes into account both the risks and the beneficiaries of the current process that the city is in’- Henckel et al (1999) consider the state of the major cities within the restructuring processes as follows:

“...major cities have a chance of being among the beneficiaries of such changes. Although the problems will also grow and the need to take action will increase, *cities (in the sense of urban regions)* will also be the spaces in which new employment potential arises, because in the service and knowledge society, the large and diversified cities can offer the best conditions for the production of knowledge”.

The authors points out the cities by their very potential features in an age of innovation and entrepreneurial competition. Referring to the structural changes to be included in further regional development strategies the authors state that the cities are often innovators. “...city government can make a vital contribution to the further

development of the employment society. Experience has shown that far-reaching reforms grow from small local innovations, and are not developed centrally as great, uniform designs. The future of work remains difficult, for in the foreseeable future – regardless of how successfully the current structural changes can be mastered – it will not be possible to reconcile the demand for labor in the private and public sectors and the supply of labor in society – at least as measured in full-time equivalence.”

Differing from the European context, American conditions and experiences is driven by the innovative strategies in the formulation of problems faced with the regionalism and governance debates. Miller (2000) tries to points out the need for the arrangements without hard changes in the boundaries of concerned jurisdictions of settlements and suggests strategies for regional reform in US which are outlined below:

Table 4.4. The strategies for a regional reform in US

Strategy	Process	Samples
<b>Consolidation/ merger</b>	<ul style="list-style-type: none"> <li>▪ a government merges into another existing government, or</li> <li>▪ two or more governments consolidate to form a new government</li> </ul>	<p>often used in the 19<sup>th</sup> century; the great cities like Boston, New York, and Pittsburgh were formed through the absorption of contiguous municipalities) today it has no use</p>
<b>Annexation</b>	<ul style="list-style-type: none"> <li>▪ one government takes over part or all of the territory of another government</li> </ul>	<p>today it is used in south and west; for instance, through annexation Charlotte, North Carolina has grown from 30 square miles to 200 square miles since the end of World War II)</p>
<b>Councils of Governments (COGs)</b>	<ul style="list-style-type: none"> <li>▪ voluntary associations of local governments working on issues of common interest to their members</li> <li>▪ joint purchasing and sharing of capital-intensive equipment and services represent primary areas of COG activity</li> </ul>	<p>most regions have a COG</p>
<b>Metropolitan Council</b>	<ul style="list-style-type: none"> <li>▪ a stronger form of intergovernmental organization</li> <li>▪ Although deeply dependent on the support of the local governments in the region, some councils have moved into a broader role in their respective regions</li> </ul>	<p>Portland, Oregon, region, the council is directly elected and delivers services in areas such as growth-management and transportation development</p>
<b>Fiscal Regionalism</b>	<ul style="list-style-type: none"> <li>▪ a proposal stating as to be a more promising category of regional cooperation.</li> <li>▪ a set of cooperative strategies that recognize the governmental structure of the existing configuration of local governments but create regional funding mechanisms for wider public purposes.</li> <li>▪ three broad forms are cited by Miller (2000: 2): <i>cultural asset districts, tax and revenue sharing programs, and peaceful coexistence plans.</i></li> </ul>	

Source: Compiled from Miller, 2000

#### **4.4. Posing the City-Region as a Planning Unit**

Preceding parts of this chapter tried to give basic concepts, debates, and issues of the emerging emphasis on the 'city-region' as a spatial unit for understanding, analyzing, and integration the contemporary urban environments within their regional contexts. And this part of the study deals with this unit in the case of planning, or to say, spatial-economic decision-making. It is this part, that the positioning the city-region within its proper scale and level is explored.

The question of positioning the city-region in its right place within an array of planning levels poses two margins drawing the limits: If one is the regional level, so the city level is the other. As the concept refers to a core-city and its wider urban field, such a vast environment includes many jurisdictions, and scales of intervention. Though related with the referred type(s) of planning, the planning of the city-region calls for proper arrangements in a rich collection of debates and issues.

The proper unit for the spatial planning is one of the major questions of governors, policy-makers, planners, and other actors engaged in the planning process. The contemporary experiences provide a vast collection of differing approaches in addition to the former ones. History and geography, economy and politics, social formations and cultural values, all have effects in the formation of this collection. The trend is towards forming participatory negotiation tables occupied by many participants discussing on more issues.

There is no doubt that the planning of a city-region does overlap with regional planning and the debate on regional development. Furthermore it is no one unique level to be strictly defined and subjected to planning, rather must be positioned between the wider regions comprising system of cities and the core city it is dependent.

According to Friedmann (1963) regional planning is "the process of formulating and clarifying social objectives in the ordering of activities in supra -urban space -that is, in any area which is larger than a single city" (cited in Wannop, 1995: xvii).

According to Wannop (1995), there exist two kinds of regional plans within a wide collection of experiences:

"...Probably least common will be those plans covering what geographers or political scientists would recognize as regions -areas with unifying or homogenous economic or cultural features, generally larger than established units of local government. But probably most numerous will be plans of a second kind, covering the area of at least two but commonly more local government units, being described as regions simply because they encompass problems perceived as larger than those of any one unit; this second kind of region may sometimes nearly coincide with a recognizable geographical region, but may frequently correspond only roughly" (Wannop, 1995: xvii).

#### **4.4.1 The City-Region as a Unit of Analysis: Theoretical & Analytical Approaches**

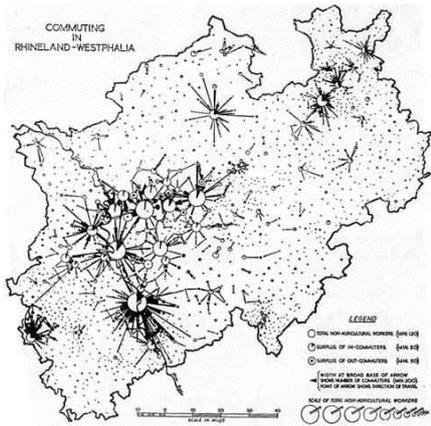
The city-region level provides opportunities also for the scholars to explore the wider regional economic relations, interactions, and linkages of the cities. Most of the studies from different fields use the city-region as an analysis level on; government/governance and territory debates, economic relations within a settlement system dominated by a core-city, functional space constituted by a wide array of uses and users, urban growth patterns, core-periphery relations, central places and the kind of centrality, regional development programs, strategic policy formulation, etc.

On the other hand theoreticians dealing with space within a wider perspective, take the city-region as a vast field of formulating economic, social, political, and cultural formations. Within considerable amount of studies, the subject is centered on the metropolitan city, rather than the city-region; today, both spatial concepts have been reconsidered with respect to the changing urban environment and the assumptions and methods the scientist used to define them. For instance, according to Gist and Halbert (1961: 223), "The newspaper is an excellent index of metropolitan influence over an outlying area". It was Park's earlier study –the newspaper circulation of the metropolitan region of Chicago- that had introduced this type of data and analysis as an important tool in the search for metropolitan influences. Although once Gist and Halbert (1961: 223) cited that "a single industry in a given city may distribute its products not only within its immediate region but all over the country", today a newspaper is circulated via internet and fast transportation throughout the world.

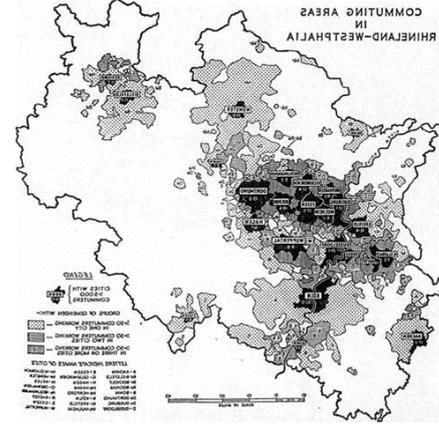
There is no doubt that city-region is an important spatial level and unit for governors and policy-makers of national, regional, and local levels. The need for a proper administrative spatial unit overlapping with the functional economic space is of a very well known problem for governors and policy-makers. With this respect, especially where growth is immense, the political-administrative divisions are reformulated again and again in relation to taxing, public transport provision, organization of resource and production integration, social policy formulation, and regional economic development. Finally, the developers, entrepreneurs, investors, corporations, etc, that is, the capital and its service industries use such a wider unit for their actions. The search for the competitive spatial advantages, 'milieu's, head and back office locations, proper investment areas within an integrated functional-economic space, access to major transportation nodes and transfer points, etc. are a few of the major reasons for these groups to be interested in such a wider city-region.

Fig. 4.12. The selected earlier studies on the city-regions

Commuting Patterns

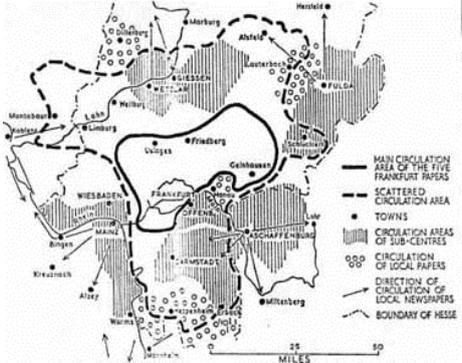


Rhineland-Westphalia



Rhineland-Westphalia

Newspaper Circulation

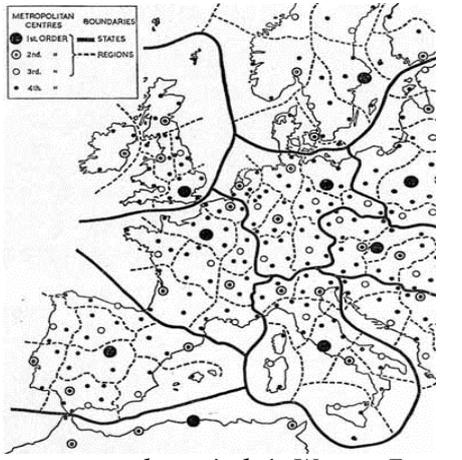


Frankfurt city-region

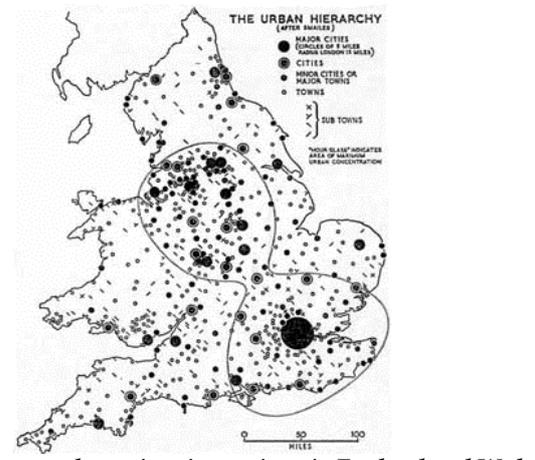


the metropolitan centers in US

Hierarchy

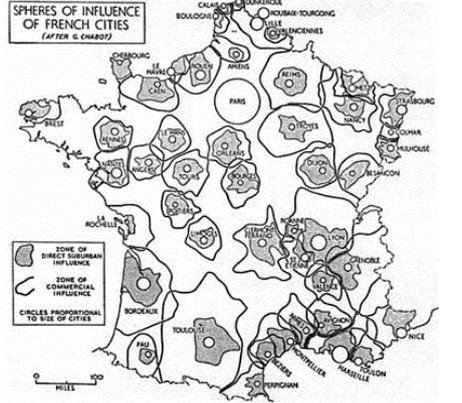


the capitals in Western Europe



the major city-regions in England and Wales

Spheres of Influence



the city-regions in France

The analyses made on European and American cities provided a variety of studies on regional accounts for the cities. They were of special importance in boundary demarcations for city-regions / metropolitan regions; future spatial organizations via infrastructure and transportation developments; and defining regional policies for economic development.

Source: Dickinson, 1967: 161, 162, 156; Hartshorn, 1992: 80; Dickinson, 1967: 166, 53, 147

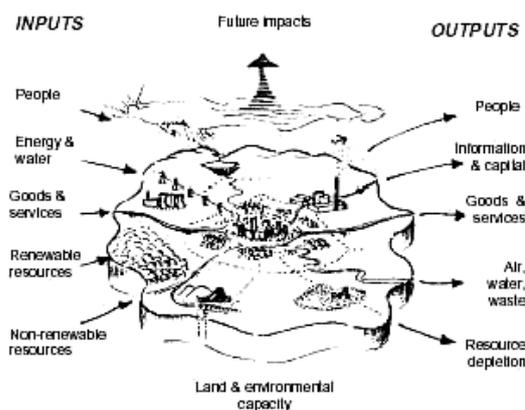
#### 4.4.2 The City-Region as a Unit of Spatial Decision-Making: Planning Revisited

*“It is now commonplace to talk of a crisis of the city. But it is not the same crisis as those of the past, even the recent past. The problem to be resolved is not only that of providing housing and basic services for the urban and peri-urban population groups. The problem is on another scale, that of making city in the new urban-regional spaces”*  
(Borja and Castells, 1997).

The political decentralization, the resurgence of regionalism and the new formation of a global network of cities and regions within a global economy, the increasing power and control of the multinationals, the rise of direct foreign investment, etc. all caused substantial shift within the planning approaches and practices. As the earlier foundation of planning was rational comprehensiveness, which supported the centralized structure for planning, recent tendency is towards ‘participatory decision-making and democratic governance’ (Noble et al, 1998: 7).

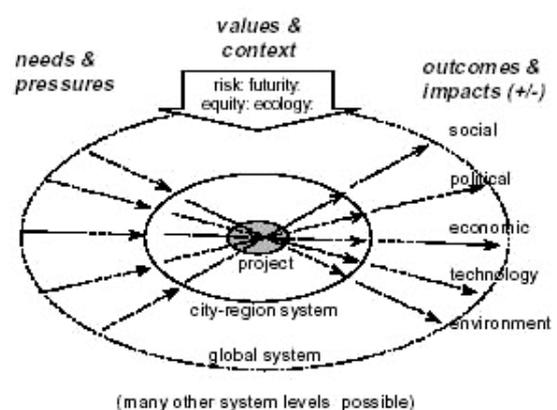
In his evaluation of metropolitan regional planning –especially in US- Bromley (2001) states: “Many metropolitan regional plans have low levels of implementation, some of the landmark planning institutions have eventually been downsized or abolished, and there is a great deal of uncertainty about the desirability, legality and eventual results of metropolitan regional planning” (Bromley, 2001: 233).

Fig. 4.13. The general outline of material inputs and outputs within the city-region



Source: Ravetz, 2000

Fig. 4.14. The general linkages between individual projects and programmes and their context of city-region and global systems



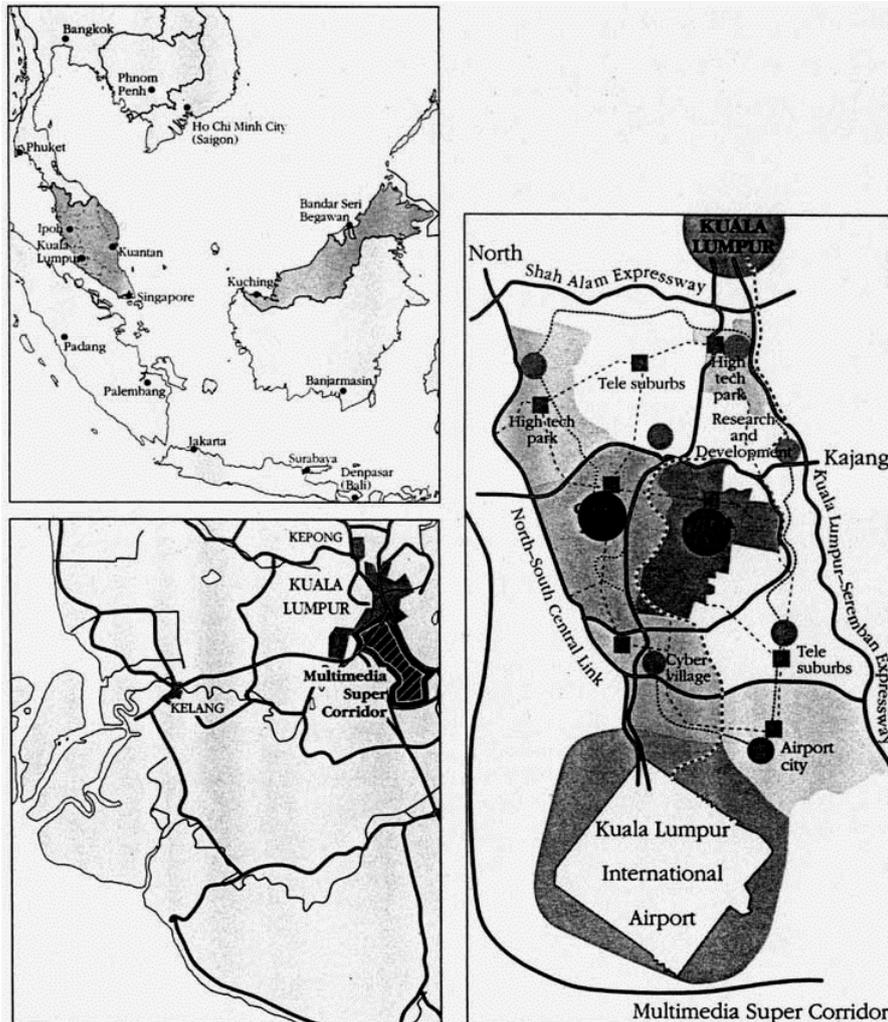
Source: Ravetz, 2000

There is no doubt that planning the 21<sup>st</sup> century city will differ from preceding efforts. The contemporary debates of various dimensions will underlie future planning.

“The experience of policies at this nexus between urban place and electronic space seems likely to influence much larger questions about the future of cities and urban politics more generally. How, for example, can cities and city regions respond institutionally to the instabilities and volatility caused by globalization? How can urban politics be remade in ways that fight the

growing unevenness and fragmentation of urban social and economic life? What does the city and its politics mean within the global shifts now at work?" (Graham, 1999: 27 in Downey and Mcguigan, 1999).

Fig. 4.15. The 'Multimedia Super Corridor' planned for Kuala Lumpur



Source: Allen et al., 1999: 207

"The expansion of services in the international market has brought to the global urban system a higher degree of flexibility and, in the last analysis, of competition that existed previously. As the experience of Canary Wharf show, the results of large-scale city planning and development projects in the cities have become hostage to external international factors over which there is little control" (Daniels, 1993, cited in Borja and Castells, 1997: 21).

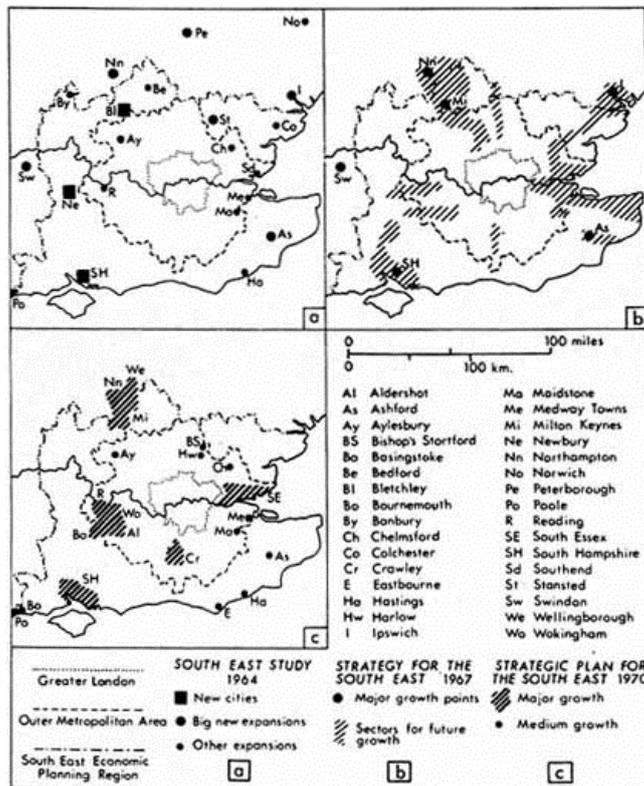
Borja and Castells (1997: 160) question the viability and pertinence of the 'model of the city of the past' in representing the new metropolitan spatial formations. Emphasizing the differences between the European and American model, they outline the defining features of this twentieth century model -common to both- in at least seven factors:

- 1.) The concentration of population and activities (industrial and service activities),
- 2.) The density of social relations deriving from the heterogeneous and complementary nature of social groups,

- 3.) Diversity in functions,
- 4.) Centrality with respect to a hinterland,
- 5.) Socio-cultural cohesion expressed in civic culture,
- 6.) The existence of political institutions and capacity for self-government,
- 7.) Image or visibility as seen from outside the city.

“The diffuse city (or the new urban-regional spaces) calls for large-scale work to link up the territory” (Borja and Castells, 1997: 252). The scholars distinguish the work in terms of its scale: the large, the intermediate, and the minor scale. On the other hand, according to the scholars there are ‘two contradictory dynamics’ that underlie two opposing visions of the city -simplified as the American model and the European model. They state that these are equally part of reality, ‘as are the dynamics on which they rest, and often coexist in urban schemes and projects’.

Fig. 4.16. The plans for expansion in the South-East region (1964-70)



The summary of the expansion studies (Hall, 1996: 130):

- a) The South-East study (1964) proposed new towns and cities outside London's then commuting area, 50 and more miles away.
- b) The Strategy for the South East (1967), from the Economic Planning Council proposed connecting these to London by urbanized sectors, which would not however be continuously built-up.
- c) The Strategic Plan for the South-East (1970) which was accepted as the basis for further planning, groups much of the growth into five major growth areas, some of which incorporate new towns or cities from the 1964 study.

Source: Hall, 1996: 130

“For one thing we find the urbanization that is the result of space of flows, the variable geometry territory, mono-functional nodes that lead to ‘weak spots’. Taking things to extremes, we could speak of urbanization without a city. For another we come up against the will (political, intellectual, social, professional) to produce the city, as a space that optimizes synergies, as a territory of cohesion and governability, as a set of ‘strong points’ that generate cultural identity. In both cases a key issue is the mobility-accessibility that ensures the articulation of the urban system. And another key issue is the notion of centralities, in the true sense of functional nodes, seen either as functional nodes or as multipurpose places, that lend cohesion to the territory so that it may function as a whole” (Borja and Castells, 1997: 160-1).

Another major issue in planning within the contemporary city-region is the debate on governance. The large-scale projects, as cited by Borja and Castells, are the responsive spatial organization projects. Within a deregulated, and privatized environments, such kind of work transcends the public domain within a highly competitive dynamic environment in the favor of capital and their flows. Therefore, the emergence of governance debate -though is an instrumental part of capitalist restructuring- may be a potential in seeking for proper strategies on environmental sustainability, common good, and good city life by the integrated organization of space with its various aspects.

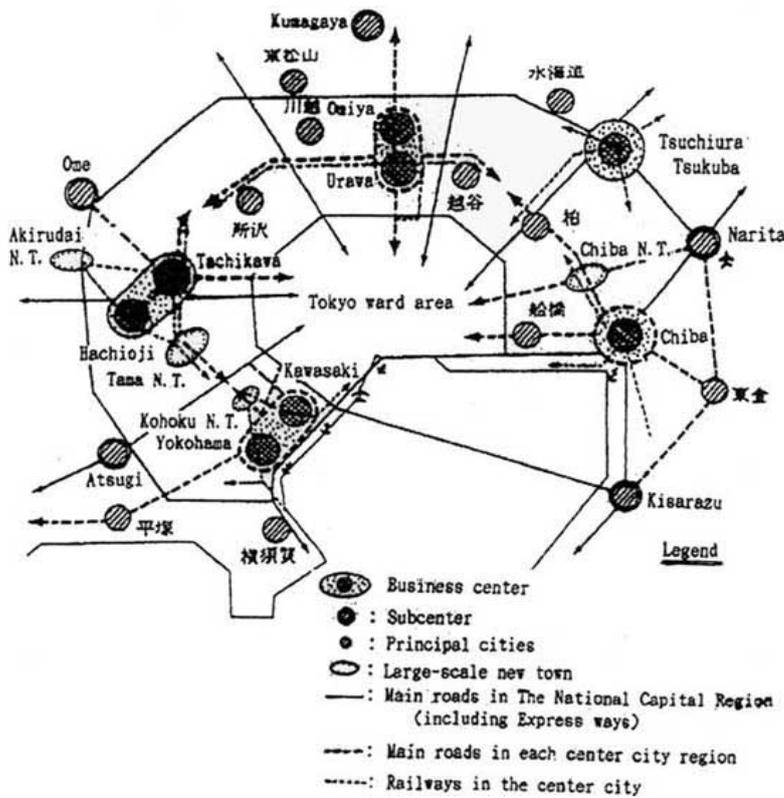
“There is today a renewed trend towards recognition of the regulating and promoting role of government in the drawing up and setting under way of large-scale projects, although the partnership of private agents is almost always required for their execution and management. The ideological inertia of the 1980s is nevertheless leading many governments to renounce that role and to place blind faith in private initiatives” (Borja and Castells, 1997: 151).

According to Borja and Castells (1997: 152) “...we must be on our guard against mythologizing the large-scale projects in themselves, against supposing that flexibility and or deregulation (with respect to general plans or regulations) automatically resolve their viability and their suitability within the setting and that partnership ensures the potential complexity”. Within their evaluations, they emphasize the loss of classical planning approaches at the expense of the quite responsive practiced recently. “The exhaustion of classic territorial planning and the ambiguity of the supposedly isolated large-scale project oblige us to propose planning suited to the nature of works on new metropolitan or urban-regional spaces” (Borja and Castells, 1997: 152).

In his evaluation of the recent policies for Tokyo region, Tonuma (1998: 55 in Ekistics, 1998) states that a national land program, the ‘Fourth Capital Region Plan’, which envisions the creation of a ‘multi-polar, multi-district’ city, delineated the future configuration of the Tokyo region with its vast concentration of population. Tonuma highlights the regional government issues in Tokyo with respect to the future planning of the city-region.

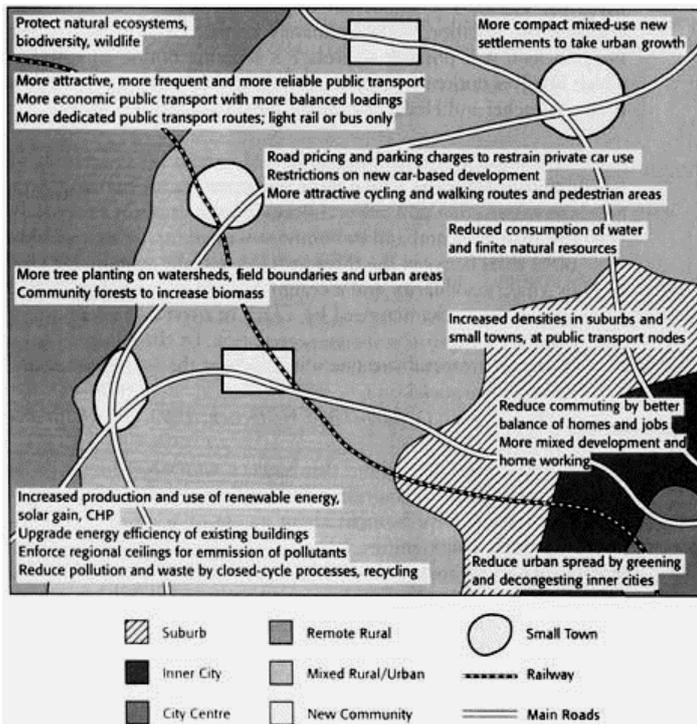
“Operational core cities counterpoised with the central Tokyo area are to be constructed at the major municipalities currently surrounding the Tokyo metropolitan area at a radius of approximately 30 km, i.e. Chiba, Omiya, Urawa, Tachikawa, and Hachioji, as well as Tsuchiura and Tsukuba; residential zones will be distributed around these subsidiary cities, thus fostering the development of independent urban areas and thereby attempting to solve the Tokyo problem. These core cities are also contemplated as possible destinations for the proposed transfer of some administrative capital functions... There is indisputable validity in the argument that the key to the regeneration of Tokyo lies in the creation of a land development scheme characterized by geographically dispersed authority and administrative functions (Tonuma, 1998: 55-56 in Ekistics 1996)”.

Fig. 4.17. The future configuration of Tokyo region with the anticipated operational core cities



Source: Tonuma, 1998: 55 in Ekistics, 1998

Fig. 4.18. Several strategies to ensure the future sustainability of the city-regions



Source: Blowers, 1999: 282 cited in Knox and Pinch, 2000: 387

Table 4.5. The issues on planning the contemporary city-region

- Forming part of a city project
- Opportunity (may be ready made or invented)
- The blend: plurifunctional or versatile conception in large-scale urban projects
- Integrating and transforming the urban fabric
- The change of scale in the urban structure: new centralities
- Urban design (in formal terms) as an ingredient of the material content and the economic viability of metropolitan projects
- The management model for large-scale projects as defined from the outset of the operation.

Source: Compiled from Borja and Castells, 1997: 162-72

## CHAPTER 5

### THE RISE OF THE PRODUCER SERVICES & ITS SPATIAL IMPLICATIONS

Following the issue of 'City-Region' as a re-emerging planning unit, this chapter mainly deals with 'producer services' as an emerging engine through the economic processes both as an accelerator and as a job generator in the competitive economic and spatial markets. It is the rise of producer services that is driven by the age of economic and service sector restructuring, and is the evolution of the financial system underlying those change and transformation processes.

There exists strong evidence that the cities are seeking ways to integrate and position in the global market, should strengthen their service industries and especially the producer services; they should provide skilled labor, proper communication and transportation infrastructure, and legal frameworks as the charming invitations to multinational firms and FDI flows.

The definition, role, character, spatial distribution and spatial structure of producer services have been concern of many studies -especially in the field of geography- since 1980s, accompanying the ones dealing with the changing urban hierarchy. The works of Sassen (1991, 1994), Castells (1996) cited these dynamic services in the spatial nodes through the economic networks, and on the other hand, geographers focused on the producer services itself, especially on 'firm-based' analysis. These studies will be overviewed in relation to their concerns within the urban and regional restructuring processes.

Since 1980, there has been a shift 'from the analysis of the tertiary sector as a whole, toward deeper and more nuanced investigations of particular service subsectors and industry groups' (Hutton, 2000). Intermediate or producer services have been at the core of these studies, beneath the retail, public sector, consumer services and tourism conducted studies.

Much of the source of our difficulty and fascination with modeling producer-service activities and their relationship with the rest of the economy is the importance of information in the production, marketing, and use of such services (Harrington, 1997).

The issue of 'producer services' is of special importance for the developing

world where financial rearrangements are on the agenda. Turkey is one of those countries where the financial restructuring is quite recently running as one of the major issues of the government, and İzmir, as one of the major cities in Turkey is subject to the rise of producer services following the cities upper than itself in the urban hierarchy of Turkey. Therefore, this chapter intends to provide some essential framework for the related works in the following case study in İzmir and its region. In particular, special emphasis will be given to the analysis of spatial distribution and patterning of producer services as an emerging issue for the planning, inspired by the considerable works in the field of geography.

### **5.1. Defining the Producer Services**

'Producer Services' is a sub-category in the service sectors, defined by 1980s through the service sector restructuring processes. Although there exists no common agreement on defining the sectors constituting the producer services, it is agreed that they are intermediate-demand (as opposed to final-demand) services that represent inputs into the production process of firms and other organizations (as opposed to households and individuals) across all sectors of the economy (Coffey, 2000: 170-183).

Producer services are positioned in between the good-producing sectors, and they support the sectors to be more productive each stages. "Producer services supply business and government organizations whether in agriculture, mining, manufacturing or service industries. They supply expertise that enhances the value of the output of other sectors at various stages in the production process" (Ertok, 1988: 14).

According to O'Connor, most modern production systems draw upon 'services' and 'manufacturing' at different stages in their production. In this situation, the vitality of manufacturing is closely linked to the availability of certain services, and service development has accelerated as the needs of manufacturing have changed... These linkages mean that understanding the development of services needs to recognize networks of producers within a system of production, and ultimately the growth of services emerges from changes in the organization of production (O'Connor, 1996: 237). The changes in the industrial and business organizations create demand for services (Türkan, 1986) and producer services supply the intermediate services.

Producer services include financial, legal and general management services, and innovation, development, design, administration, personnel, production technology, maintenance, transport, communication, advertising, and selling functions.

However, it is difficult to move beyond this description to a practical classification, there is 'no authoritative consensus on either the boundary or classification' of services. But there is some agreement about a core group of industries which are accepted as producer services in most work, and these include services such as advertising, market research, professional and scientific services, and research and development (Marshall et al., 1987: 15).

In addition, it is definitely known that producer services have special links to and relations with whether each other and different levels of production. These links are generally international. "Within producer services research, considerable interest centers on the role that out-sourcing plays in the location, operation, vitality and growth of the service sector. Many producer services grew rapidly as activity was located outside established firms and 'brought in' by re-organized companies. The demand created in this way provided opportunities for many small firms, and also allowed some larger service companies to achieve the economies of scale and scope in global operation as they took on the tasks put aside by firms refocusing their efforts on core competencies" (O'Connor, 1996: 243-4). Now, it can be pointed out that while manufacturing firms seek for cheap labor to lower production costs, producer services seek for qualified labor within the metropolitan areas to increase their productivity.

## **5.2. The Classification Studies on the Producer Services**

There exists a wide array of literature and included classifications of economic sectors and particularly of service sector. A well known among these classifications is 'Colin Clark's mechanistic and evolutionary distinction between primary, secondary, and tertiary sectors' (Castells, 1994: 129). Castells offers an alternative to this classification by considering 'the economic structure as made up of processes' and 'service activities connecting agriculture and manufacturing with the consumption of goods and services, and with the management of organizations and institutions of society' as to emphasize the diversity of services (Castells, 1994: 129).

Marshall points out the variety of classification studies while mentioning about the reasons behind this diversity: "There is a wide divergence in the existing classifications of producer service industries, and this is partly because individual studies give differing weights in their definition to such factors as intermediacy in the production process, exportability, and closeness to production" (Marshall et al, 1987 cited in Ertok: 1998: 18).

Table 5.1. The classification of the employment by the industrial sectors and the intermediate industry groups

---

<b>I. EXTRACTIVE</b>
I.I. Agriculture
I.II. Mining
<b>II. TRANSFORMATIVE</b>
II.I. Construction
II.II. Utilities
II.III. Manufacturing
II.III.I. Food
II.III.II. Textiles
II.III.III. Metal
II.III.IV. Machinery
II.III.V. Chemicals
II.III.VI. Misc. Manufacturing
<b>III. DISTRIBUTIVE SERVICES</b>
III.I. Transportation
III.II. Communication
III.III. Wholesale
III.IV. Retail
<b>IV. PRODUCER SERVICES</b>
IV.I. Banking
IV.II. Insurance
IV.III. Real Estate
IV.IV. Engineering
IV.V. Accounting
IV.VI. Misc. Business Services
IV.VII. Legal Services
<b>V. SOCIAL SERVICES</b>
IV.I. Medical, health services
IV.II. Hospital
IV.III. Education
IV.IV. Welfare, religious services
IV.V. Nonprofit organizations
IV.VI. Postal services
IV.VII. Government
IV.VIII. Misc. Social services
<b>VI. PERSONAL SERVICES</b>
V.I. Domestic services
V.II. Hotel
V.III. Eating, drinking places
V.IV. Repair services
V.V. Laundry
V.VI. Barber, beauty shops
V.VII. Entertainment
V.VIII. Misc. Personal services

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Source: Singelmann, 1978 cited in Castells 1996: 316

Table 5.2. The main types of the producer services

---

<b>1. Information Processing Services</b>
1.1. Product, process, research and development
1.2. Marketing, sales, advertising, market research, photography, media
1.3. Engineering (civil, mechanical, chemical, electrical, etc.) and architectural design
1.4. Computer services, management consultancy, administration
1.5. Financial planning, accountancy, investment management, auditing
1.6. Banking and other loan institutions
1.7. Insurance
1.8. Legal
1.9. Training, education, personnel and industrial relations
1.10. Purchasing
1.11. Office Services
1.12. Property Management, Estate Agency
<b>2. Good-Related Services</b>
2.1. Distribution and storage of goods
2.2. Wholesalers
2.3. Waste disposal
2.4. Transport management
2.5. Installations, maintenance, and repair of equipment including vehicle, communications networks, and the utilities
2.6. Building and infrastructure maintenance
<b>3. Personal Support Services</b>
3.1. Welfare services
3.2. Cleaning, catering, security, safety
3.3. Personal travel and accommodation

---

Source: Marshall, 1987 in Ertok, 1998: 15

Similar to other sub-sectors, there exists no common classification of producer services made by different authorities. In some cases, producer services and consumer services are separated, and in some they are used interchangeably. Furthermore, some of the producer services may be classified as business services.

Producer services are typically identified as the total production in a particular sub-sector of the service sector. The choice of what is to be included in the producer services category varies from study to study. In the Table 5.3., 'Category A', provides a common classification that identifies producer services with finance, insurance, business services and real estate. The growth of these types of services has been particularly significant in many economies and has become the focus of interest of economic geographers who study globalization and its consequences for the changing division of labor and emergence of world cities.

The entries in the consumer services and producer services categories are identical in 'Category B' scheme. This reflects the idea that the same type of service can be used either for final consumption or as embodied services in the production of other goods (Wang and Tao, 2000: 13). 'Category C' includes the comprised producer services provided by whole services sectors.

Table 5.3. The three types of sectoral classification citing the producer services

<u>Category A</u> <b>A Goods and Service Industry Taxonomy Classified by Production Activity</b>	<u>Category B</u> <b>An Alternative Goods and Service Industry Taxonomy with Service Sector Classified by Use of Expenditure</b>	<u>Category C</u> <b>The Whole Service Sectors - Producer Services Comprised</b>
<b>I. Goods Producing Sector</b> Agriculture and Fisheries Mining and Quarrying Manufacturing Construction Utilities	<b>I. Goods-Producing Sector</b> Agriculture and Fisheries Mining and Quarrying Manufacturing Construction Utilities	Wholesale trade Retail trade Import and export trade Restaurants Hotels Transport, storage
<b>II. Service-Producing Sector</b>	<b>II. Service-Producing Sector</b>	Communications
<b>1. Distributive Services</b> Imports/exports Wholesale and Retail Trade Transport, Storage, and Communications	<b>1. Consumer Services Output</b> Imports/Exports Wholesale and Retail Trade Transport, Storage, and Communications	Financing Insurance Real estate Business services
<b>2. Consumer Services</b> Restaurants and Hotels Community and Personal Services	Restaurants and Hotels Community and Personal Services Finance, Insurance, Business Services, and Real Estate	Community, social, and Personal services Ownership of premises
<b>3. Producer Services</b> Finance, Insurance, Business Services, and Real Estate	<b>2. Producer Services Output</b> Imports/Exports	Adjustment for financial Intermediation services
<b>4. Government Services</b> Government Services	Wholesale and Retail Trade Transport, Storage, and Communications Restaurants and Hotels Community and Personal Services Finance, Insurance, Business Services, and Real Estate <b>3. Government Services Output</b> Government Services	

Source: Compiled from Wong and Tao, 2000: 12, 13, 66

The research and analysis regarding producer services have many purposes, with respect to the processes they focus on: macroeconomic, microeconomic, territorial, and social. Each purpose has led researchers to distinct ways of conceptualizing and categorizing the economic and social changes manifested in the growth of intermediate service activities. Ultimately, each purpose derives from a desire to attribute the origins of wealth across the factors of land, labor, capital, and intellectual resources, or to understand the distribution of wealth among the specific owners of those resources, distinguishing them by corporate or social affiliation and by location.

Table 5.4. The classifications of the producer services in the selected countries

Country	Canada	France	Germany	Italy	Japan	United Kingdom	United States
Sectors							
<b>Banking</b>	Banks, credit agencies, security brokers/dealers	Financial organizations	Financial institutions	Financial institutions, securities	Financing/ Insurance	Banking/finance	Banking, S&L, credit agencies, security brokerage
<b>Insurance</b>	Insurance carriers/agencies /real estate	Insurance	Insurance	Insurance	Insurance	Insurance, except social security	Insurance
<b>Real Estate</b>	n.a.	Real estate rental/finance	Real estate, rental	Real estate	Real estate	Owning/dealing real estate	Real estate, real estate insurance law offices
<b>Engineering</b>	Engineering/ Scientific services	n.a.	Technical consulting	Technical services	Civil engineering, architecture	n.a.	Engineering/ Architectural/survey
<b>Accounting</b>	Accountants	n.a.	n.a.	Accounting	Accounting	Accounting	Accounting/auditing
<b>Misc. business ser.</b>	Services to business management	Services to enterprises	Legal/accounting /other business services	Other business services, renting	Goods rental/ Leasing, Info. Serv. /research /advertising, Professional serv.	Business services, renting of movables	Advertising, commercial R&D, personnel supply serv., bus. man. Consulting, Computer serv., detective serv., Bus serv.
<b>Legal services</b>	Office of lawyers/notaries	n.a.	n.a.	Legal	Legal services	Legal	Legal serv.

Source: Compiled from Castells, 1996: 282-295, 314-317

### **5.3. The Role of the Producer Services through the Restructuring Processes**

There has been a high concentration of producer services in major command and control centers like New York, London, and Tokyo as the leading cities among many. The concerning explanation stems from the characteristics of these services: Unlike other types of services, -advanced- producer services are not dependent on proximity to the consumer served (Sassen, 1991, 1994). Instead, they prefer to locate nearby the producers of key inputs or the joint producers of certain services. According to Short and Kim (1999) the growth of producer services and the globally acting of multinational firms have reinforced each other and having these services immensely located in contributed to the increasing importance of major cities in the world economy.

According to standard conceptions about information industries, the rapid growth and disproportionate concentration of producer services in central cities should not have happened. Because producer services are thoroughly embedded in the most advanced information technologies, they could be expected to have location options that bypass the high costs and congestion typical of major cities. But cities offer agglomeration economies and highly innovative environments. The growing complexity, diversity, and specialization of the services required have contributed to the economic viability of a freestanding specialized service sector.

#### **5.3.1. The Economic and Service Sector Restructuring & the Producer Services**

The theoretical approaches to economic restructuring of the 21st century world fundamentally depend on the 'post-industrialism' and the 'network society' debate as mentioned in the former chapters. The post-industrial era is distinguished from the industrial by the rise of the share of the tertiary (service) activities and emergence of the flexible production systems. Especially in the advanced economies, it is emphasized that goods as the main output of the economy are replaced by the services and that blue-collar workers replaced with white-collar workers.

The service sector is highly labour intensive and dominated by small and medium-sized companies. The private-services sector contains a large number of self-employed persons. However, the trend in the service sector is towards greater numbers of large, national, and even worldwide chains.

Consequently, there have been a growth, diversification and profound professionalization in the services industries since the second half of the twentieth

century, especially in the economically developed world. Increasing employment and GDP share of service industries are considered to be the basic representations of this process.

New telecommunications and information technologies in combination with the emergence of multinational service firms and deregulation have greatly facilitated worldwide transactions in services (Daniels, 1993, 1995 cited in Short and Kim, 1999: 17). After new telecommunications and information technologies, transnational corporations have had many advantages to spread worldwide, and afterwards this situation has created important differences on investments. Finally, it is possible to mention, in today's world, about the fact that foreign investments have unquestionably changed in that of the previous decades. "The emerging and growing transnational (multinational) corporations have raised a new kind of investment, the so-called Foreign Direct Investment (FDI) increasingly in services in both developed and developing economies worldwide. The export of managerial skills, information and organizational techniques is a major form of intra-firm cross-border trade of multinationals" (Dunning, 1993 cited in Short and Kim, 1999: 17).

"The worldwide production and market expansion of multinational firms has also led to the explosive growth of producer services including financial, legal, consultancy, accountant and advertising firms" (Short and Kim, 1999: 4).

On the other hand, such a growth 'contributed to the rise of services as the leading sector in the contemporary world' (Short and Kim, 1999: 17).

"Major trends toward the development of multinational manufacturing, services and financing industries have created an expanded demand for these specialized service activities to manage and control global networks of factories, service outlets and branch offices" (Sassen 1991).

According to Bagchi-Sen (1997), the 'client-following' strategies -especially for the manufacturing clients- of the producer services internationalized them and provided new market and client opportunities worldwide. The growing domestic competition, telecommunication and information technology innovations and the deregulation -neo-liberal policies of those host countries, all contributed the profound expansion service companies of the developed economies.

It is the beneficiary point that producer services pay attention to the proximity to other specialized services during their service production processes. This is evident in the case of the leading and most innovative sectors of these industries.

Pinch (1989) provides a compilation of the forms of service-sector restructuring, which may be considered as a major reference:

Table 5.5. The forms of the service-sector restructuring

	<b>Private Sector</b>	<b>Public Sector</b>
1.	Self-service in retailing; Replacement of services with goods; Videos, microwave ovens, etc.	<b>Partial self-provisioning</b> Child-care in the home, Care of elderly in the home, Personal forms of transport, Household crime-prevention strategies, neighborhood watch, use of anti-theft devices, vigilantly patrols
2.	<b>Intensification: Increases in labour productivity via managerial or organizational changes with little or no investment or major loss of capacity</b>	
	Pressure for increased turnover per employee in retailing	The drive for efficiency in the health service Competitive tendering over direct labour operations, housing maintenance, refuse collection Increased numbers of graduates per academic in universities
3.	<b>Investment and technical change: Capital investment into new forms of production often with considerable job loss</b>	
	The development of the electronic office in private managerial and producer services	Computerization of health and welfare service records; Electronic diagnostic equipment in health care; Distance learning systems through telecommunications video and computers; Larger refuse disposal vehicles, more efficient compressed loaders
4.	<b>Rationalization: Closure of capacity with little or no new investment or new technology</b>	
	Closure of cinemas	Closure of schools, hospitals, day-care centers for under fives, etc.; Closure or reduction of public transport systems
5.	<b>Subcontracting of parts of the services sector to specialized companies, especially of producer services</b>	
	Growth of private managerial producer services	Privatization or contracting out of cleaning, laundry, and catering within the health service; Contracting out of refuse disposal, housing maintenance, public transport by local government
6.	<b>Replacement of existing labour input by part-time, female or non-white labour</b>	
	Growth of part-time female labour in retailing	Domination of women in teaching profession? Increased use of part-time teachers
7.	<b>Enhancement of quality through increased labour input, better skills, increased training</b>	
	In some parts of private consumer services	Retraining of public-sector personnel: Community policing?
8.	<b>Materialization of the service function so that the service takes the form of a material product that can be bought, sold, and transported</b>	
	Entertainment via videos and televisions rather than 'live' cinema or sport	Pharmaceuticals rather than counseling and therapy?
9.	<b>Spatial relocation</b>	
	Movement of offices from London into areas with cheaper rents	Relocation from larger psychiatric hospitals into decentralized community-based hostels; Relocation of offices from London to realize site values and to reduce rents and labour costs
10.	<b>Domestication: The partial relocation of the provision of the functions within forms of household or family labour</b>	
	Closure of laundries	Care of the very young and elderly in private houses after reductions in voluntary and public service
11.	<b>Centralization: The spatial centralization of services in larger units and the closure or reduction of the number of smaller units</b>	
	Concentration of retailing into larger units; closure of corner shops	Concentration of primary and secondary hospital care into larger units, that is, the growth of large general hospitals and group general practices

Source: Pinch, 1989: 910 cited in Knox and Pinch, 2000: 378-79

Table 5.6. The evolution of the financial system

<b>Regional and Bank-oriented form</b>	<b>National and Market-oriented form</b>	<b>Transnational and Securitized form</b>
Associated with industrialization phase of economic development	Characteristic industrial maturity phase of economic development	Associated with post-industrial and transnational phase of economic development
Banks main source of external funds needed by private sector firms	Capital markets main source of funds, using savings of private investors	Bulk of funds obtained through capital and credit markets, using mainly resources of institutional investors
Industrial growth financed by loans, risk capital and profits	Capital markets channel personal and other savings into industry; risk spread across shareholders	Separation of capital and money markets from industry and commodification of money; proliferation of monetary products
Regional and national banking system; local sources of capital important	Concentration and centralization towards national banking and capital markets; loss of regional financial autonomy; emergence of internationalization	Development of globally integrated system of world financial centers; loss of national financial autonomy to supranational economy of stateless monies

Source: Martin, 1999: 256 cited in Short and Kim, 1999: 16

### **5.3.2. The Role of the Producer Services in the Urban, Regional, and Global Networking**

To begin with the role of producers services, it should be noted that they are both outcomes and sources for economic restructuring processes also comprising the profound industrial restructuring and the rise of the service economy based on knowledge and information.

Pointing out the restructuring of the financial system and the role of producer services within these processes, it will be proper here to give a basic framework on the running of the system. Financial system consists of a multitude of flows, organized around two types of end-user:

#### **1. Primary (ultimate) lenders**

First type of end-user

Individuals (saving out of their income),  
industrial and commercial companies,  
governments, and  
financial firms acting on their own account ('proprietary trading')

2. Second type of end-user

ultimate borrowers (who invest in real or tangible assets that are used in the  
production of goods and services)

The financial system links the two types of end-user, mediates the relationship  
between savings and investment (the savings-investment identity in national-income  
accounts)

The world cities and global cities have been defined and hierarchically lined up  
with respect to their command and control centers and 'advanced' producer services  
(Friedmann, Sassen, 1991).

Hutton (2000) states that spatial expressions of the growth and development of  
the applied design and creative services may be seen

- In the emergence of new metropolitan production spaces,
- In the reconstruction of urban landscapes
- At the specialization of certain cities at the global level

According to Hutton (2000: 287) there are some cities specialized in particular  
services: Milan (fashions and industrial design), Paris (fashion design), Copenhagen  
(interior design), Helsinki (marine design), London (architecture and landscape  
architecture, industrial design), Munich (automotive design), Seattle (software and  
aerospace design), Nagoya (automotive and industrial design).

Now, it is possible to say that although there is a general consensus on which  
are the leading world cities, there is no agreement on a list covering the whole of world  
cities. Beaverstock, Smith and Taylor (1999) tried to prepare a roster covering the world  
cities. According to them, global service centres are identified and graded for  
accountancy, advertising, banking/finance and law. Aggregating these results  
produces a roster of 55 world cities at three levels: 10 Alpha world cities, 10 Beta world  
cities and 35 Gamma world cities. These are found to be largely geographically  
concentrated in three 'globalization arenas', northern America, Western Europe and  
Pacific Asia.

"Advanced producer firms forming a critical sub-nodal level... Create an interlocking network  
through their global location strategies for placing offices. Hence it is the advanced producer  
service firms operating through cities who are the prime actors in world city network

formation. This process is formally specified in terms of four inter-city relational matrices - elemental, proportional, distance and asymmetric. Through this specification it becomes possible to apply standard techniques of network analysis to world cities for the first time" (Taylor, 2001).

Table 5.7. The evolving role of the intermediate services in the advanced production systems

	<b>Administrative functions: 'Lubricating' effects 1950s</b>	<b>Facilitating functions: 'Productivity' effects 1970s</b>	<b>Strategic functions: 'Propulsive' effects 1990s</b>
	Accounting	Management Consulting	Informatics and IT
	Inventory control	Marketing consulting	Innovation and design
	Public relations	Commercial and merchant banking	Global financial intermediaries
		Industrial/commercial Real estate (ICI)	International megaproject consortia

#### Shifts in intermediate services with respect to

<b>Dominant industrial production regime</b>	Expanding business services within Fordist industrial production modes	Producer services as key to flexible specialization production regimes	Emergence of integrated service-technology-production systems
<b>Sourcing arrangements</b>	Internalized service production	Externalized service production	Globalized service production
<b>Employment formation</b>	Professionalization of service occupations	Accelerating divisions of labor; growth of professional, managerial, technical occupations	Emerging international division of production labor; rise of 'knowledge worker' and 'informational society' (Castells)

#### Context for shifts in intermediate service production

<b>Macroeconomic conditions</b>	Sustained periods of high growth and corporate expansion	OPEC shocks-OECD recession; recovery in mid-/late 1970s	Collapse of COMECON system; de-regulation of financial and other service industries; GATT and NAFTA regimes
<b>Regions and competition</b>	United States-European economic hegemony	New production spaces within OECD and NICs	Competition for service investment and trade within global markets and urban networks (Daniels)
<b>Urban restructuring</b>	CBD 'office boom' in primate cities and large business centers (New York, Chicago, London)	Growth of 'world cities' (London, New York, Tokyo) (Friedmann); metropolitan service industry deconcentration strategies	Emerging service poles (Shanghai, Singapore, Fukuoka, Hong Kong, Toulouse, Seattle, Barcelona, Singapore, Vancouver)

Source: Hutton, 2000: 290

#### **5.4. The Issue of Location: The Spatial Distribution and the Patterning of the Producer Services**

The location of an activity refers to a specific physical place in an environment of complex economic relations and linkages. But today, as the limits have been overridden and it has become hard to mark strict boundaries, territories of such an environment or to define proper levels of spatial-economic analysis. On the other hand, 'geography' -where the concept of location is taken in a comprehensive manner- seems to provide responsive perspectives.

"The globalization of production is probably increasing overall demand for producer services but the location of the producer services can be entirely disassociated from the manufacturing plant. Thus, the producer services in London and New York are meeting demands most of which are not generated within their own region (Sassen, 1994)" (UNCHS, 1996: 9).

The formation of world city hierarchies within the new (spatial) international division of labor, the approaches have firmly associated the cities within the urban hierarchy with their propensity to engage with the internationalization, concentration and intensity of producer services in the world economy.

Sassen (1991 and 1994) points out the phenomenon in a comprehensive manner:

"The concept of the global city has emerged because of two interrelating factors: the globalization of economic activity, and the organizational structure of the producer service and finance industry itself - 'rather than a detailed analysis of the economic base of the cities themselves'. With respect to the globalization of economic activity, translated as being the shift to services and finance on a global scale. These processes have brought about a renewed importance of major cities as sites for certain types of production, servicing, marketing, and innovation. In particular, the internationalization of both the producer service sector and financial system has made cities vital centres for the 'management and coordination' of economic power in the global economy: particularly, New York, London and Tokyo. Paralleled with the globalization of economic activity, the rapid growth, specialization and agglomeration of producer service firms and the organization of the financial industry itself has to some extent been responsible for the formation of global cities. The locational preferences of producer service activities, like, for example, accountancy, advertising and banking, are then helpful in conceptualizing the agglomeration and centralization of management functions in global cities" (Sassen, 1991).

There has been a high concentration of producer services in major command and control centers like New York, London, and Tokyo as the leading cities among many. The concerning explanation stems from the characteristics of these services: Unlike other types of services, -advanced- producer services are not dependent on proximity to the consumer served (Sassen, 1991, 1994). Instead, they prefer to locate nearby the producers of key inputs or the joint producers of certain services. According to Short and Kim (1999) the growth of producer services and the globally acting of multinational firms have reinforced each other and having these services immensely

located in contributed to the increasing importance of major cities in the world economy.

According to standard conceptions about information industries, the rapid growth and disproportionate concentration of producer services in central cities should not have happened. Because producer services are thoroughly embedded in the most advanced information technologies, they could be expected to have location options that bypass the high costs and congestion typical of major cities. But cities offer agglomeration economies and highly innovative environments. The growing complexity, diversity, and specialization of the services required have contributed to the economic viability of a freestanding specialized service sector.

“A considerable volume of research on the location of producer services has shown that large metropolitan areas play a special role in this activity. That role is best seen in the many case studies carried out on services like banking and finance, legal and advertising services (Moss and Brion, 1991 and Daniels, 1991). The clustering effect emerges from the need for face-to-face contact among the key firms, and the importance of some institutions like markets and the courts. These factors are reinforced by the project team approach to service provision where groups of independent firms collaborate on projects, dissolving and reforming with slightly different members as different tasks become available. Sassen (1991) has described this process, noting that the linkage between the members of the project groups are usually more important than the link with the client.” (O’Connor, 1996: 245)

Traditional location theories such as central place theory and industrial location theory are based primarily on consumer services and manufacturing. They may not be directly applied to explain the location of producer services. But the concepts ‘hierarchy’ and ‘labor’ are the two examples that may be used.

On the hand, although increased importance of producer services, Industrial districts, relationally, are considered to be the typical model of the new flexible industrial production system and processes respect with producer services.

“There is a shift from accumulation processes to the new flexible regimes of production. Manufacturing sector is highly dependent to producer services, which have allowed the separation of production in different stages, and decentralization of production services so as to integrate different location in the world to utilize various advantages for production (Erendil, 1998: 2).

“In the 1990s, researchers are increasingly turning their focus on the *intrametropolitan* location of these activities (High Order Service). In particular, certain studies have shown that high order services have begun to leave their ‘natural habitat’ –the CBD- in order to locate in suburban office agglomerations.” (Coffey, Drolet, and Polese, 1996: 293)

On the other hand, Beyers (1993) points out the spatial concentration of producer services in metropolitan areas and especially in the centers. Beyers’ criteria on locational factors for business services are:

- Face to face interactions (exchange)

- Opportunities for back office development
- Rising incomes
- Constraints imposed by non-standardized service function
- Growing government demands

According to Sassen (1991), it should be noted that it is the hierarchy representing the location distribution of producer services follows the accepted urban hierarchy and that they are important in the city's competitiveness providing 'a site for post industrial production'.

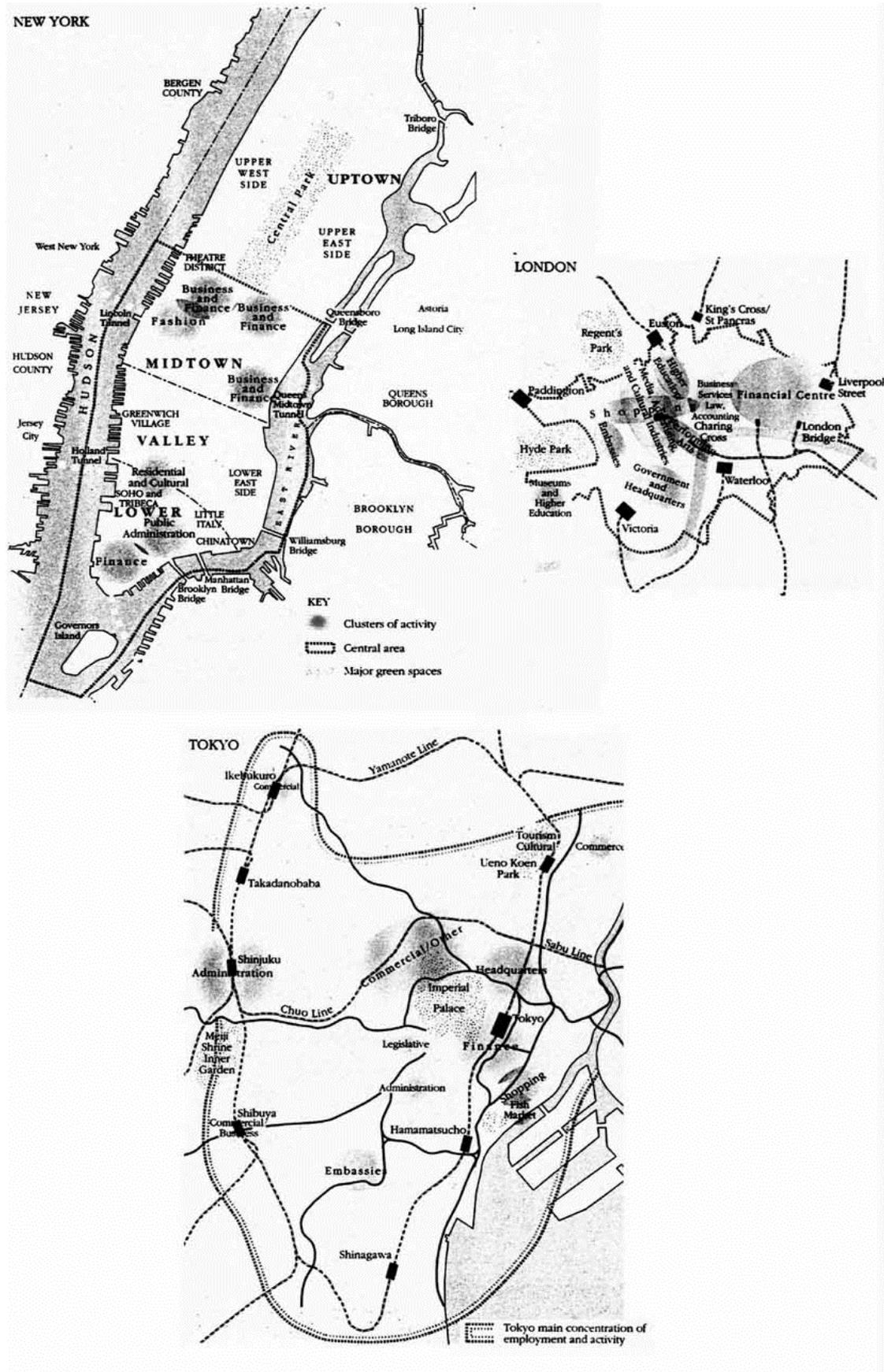
Offering the concept of 'collective efficiency' as a definitive feature of industrial districts, Schmitz defines major characteristics of industrial districts in the following points: geographical proximity, sectoral specialization, predominance of small and medium-sized firms, close inter-firm collaboration, inter-firm competition, based on innovation rather than lowering wages, a socio-cultural identity which facilitates trust relation between firms and between employers and skilled workers, active self-help organization, and active regional and municipal government which strengthens the innovative capacity of local industry (Schmitz 1994 cited in Ertok, 1998: 6).

"Another introduced concept is the 'milieu', encompassing social, cultural and institutional structure and organization in addition to the industrial and structure and corporate organization" (Ertok, 1998: 7).

With respect to the competitiveness of producer services, not an only individual firm but also the clustering of the group of firms or the general economic sector determines their business performance. Beside each group and sub-group of activity defined as producer services have its own location characteristics.

According to Parr and Budd (2000), it is possible to underlie some locational factors at the firm level within the financial service-sector. These are: Dispersed nature of demand -for instance, intermediate or non-household demand; Making them similar to other central-place activities; The third factor concerns economies of scale and economies of scope 'which are internal to the firm'.

Fig. 5.1. The producer services clusters in New York, London and Tokyo



Source: Allen et al., 1999: 196-7

## **5.5. The Studies on the Producer Services**

There are two groups of studies comprising a wide array, that deal with producer services:

The first group of studies tries to explore the very nature of the producer services itself and its relation with other economic sectors. The intermediate character of producer services, their job and innovation creating, and the definitions and classifications within the service sector are of major concern in these studies.

Secondly, there are some researchers that seek to understand the location aspects & preferences of these services. The distribution patterning at several levels of the city space, the issue of proximity to other economic sectors, and the relationship between the urban system and their settling in the settlements are of major among many fields of spatial investigation. Besides, such kind of efforts questions the validity of theories, such as location theory and mainly central place theory, through the restructuring processes.

Among others, the main contribution comes from the field of geography. And in the urban planning field, the issue of producer services has not yet captured attention compared with that of service sector restructuring as a whole. But, it is their role and settling in changing urban landscape that needs to be analyzed especially in the major cities of the countries that are subject to 'global flows'.

Producer services have also been used as a unit of analysis in searching for the global urban hierarchy. In these studies, the leading cities of the world economy are cited with respect to their relative hosting of the producer services among other cities (Castells, Sassen, Friedmann, Wolff, Beaverstock, et al). It is another issue to search for the clustering type/character of these services in relation to the other sectors of the economy questioning the distribution patterning whether reflects a concentration or dispersion (Short and Kim, 1999). Short and Kim states that London, Tokyo, and New York are widely acknowledged as distinctive cities 'in terms of their disproportionate shares of national and international producer services employment'.

"The rise of producer services has enabled multinational firms and banks to coordinate their branches and offices distributed around the world. Housing a pool of producer services, accordingly, is strongly indicative of a city's economic power in global markets." (Short and Kim, 1999: 33)

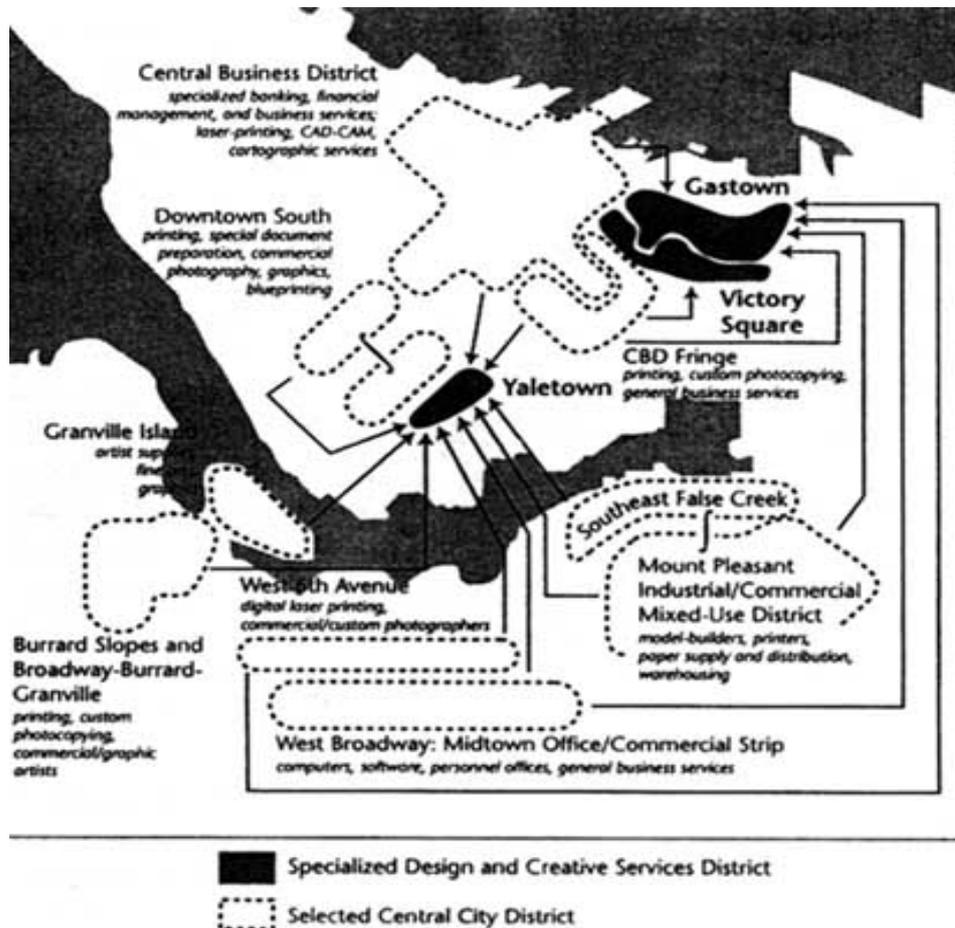
### **5.5.1. The Selected Case Studies on the Producer Services**

Throughout the investigation of the selected studies on the producer services, it

is possible to mark many similarities and differences between them (see Table 5.8). For example, Hutton's Vancouver Study (2000), on which creative services, displays that 'significant contrasts between business and design services with respect to location, division of labor, and firm structure/organization'. He believes that design firms have special importance/roles in production processes. They are directly engaged in the creation of form, style, and configuration for the full range of industrial commodities and consumer goods. Thus, they perform central role to reach the operation of the flexible production mode.

After these findings, he reached the spatial finding that creative design and production services clustered within the metropolitan core, and industrial and technological design operations exhibiting a suburban propensity (see Fig. 5.1.). Interestingly, it is possible to say that this spatial organization have been arisen with conscious planning operations, on other means, these districts have occurred after many planning/design applications.

Fig. 5.2. The ensembles of the specialized design clusters and the complementary technical support firms in Vancouver's metropolitan core



Source: Hutton, 2000: 308

Table 5.8. A3

Another important case to be mentioned here is on Kuala Lumpur, which was prepared by Morshidi (2000). Before explaining the study on Kuala Lumpur, it is important to highlight Daniels' (1998) emphasis, claiming that the role of producer services in developing countries is different from that of the developed countries:

"Producer services represent one of the key new growth sectors in the urban and metropolitan economies of the more advanced developing countries, but in the context of countries such as Malaysia, empirical work is needed to establish how producer services are participating in, and shaping, the process of development driven by globalization. The role and contribution of producer services at the top of the urban hierarchy in developing countries -which, incidentally, are also the loci of economic globalization- need in-depth examination. To appreciate the strategic importance of producer services in these areas, the basic characteristics and operation of this sector need to be analyzed and understood. The role of producer services in leading cities in developing economies (such as Kuala Lumpur) is different from that of cities of similar standing in the developed economies. Cities in Asia generally provide a very different context for exploring the development of producer services for they have lagged behind the region's success in manufacturing growth and trade (Daniels, 1998, 1999 cited in Morshidi, 2000: 2217).

Later, Morshidi underlies the importance of Kuala Lumpur stating, "In the context of the international economy of the late 1970s, the Kuala Lumpur Structure Plan (1984) noted that the city's role as the commercial and financial center of Malaysia would be maintained and enhanced" (Morshidi, 2000: 2217).

"It is becoming increasingly clear that the survival of cities in a highly competitive global economy depends on their ability to accommodate the various requirements of global capital and investments such as technological infrastructure, human capital and services, specifically producer services" (Morshidi, 2000: 2217).

Kuala Lumpur, a competitive city within other major ASEAN (Association of South East Asian Nations) cities -Singapore, Jakarta, Manila, and Bangkok- tries to supply the requirements of the global capital and the investments such as technological infrastructure, human capital and specifically the producer services.

Morshidi relates the recent growth of producer services in Kuala Lumpur with respect to the economic globalization processes and questions the contributive possibility of this growth to the 'city's drive to the world city-status'. He states:

"Presently, most producer services are provided by local service providers operating within Kuala Lumpur or the Klang Valley. But, presumably, pressures arising from the increasing globalization of producer services activities would necessitate the provision of these activities by multinational corporations in the near future. Trends towards internationalization of producer services provision is already a reality for metropolitan areas" (Morshidi, 2000: 2218).

A third study is selected from Parr and Budd (2000), on the spatial organization of financial services in United Kingdom. According to Parr and Budd (2000: 593), little attention has been given to the locational aspects of financial services although there is much study on the financial services. They state that "the possibility that the financial-

service activities may display a spatial organization has been largely neglected” except of several notable studies, and that “the factors underlying such spatial organization provide important insights into the structural relations which exist within this sector” besides the locational aspects. Based on the principles of central-place theory, they attempt to examine the spatial structure of financial services sector in terms of the urban system.

This study includes differentiation of financial services and the hierarchical nature of the existing urban separately. Under this perspective, they have reached the important methodological and spatial evidences on organization of financial services. One of the most important of them is the fact that the location of financial services could be described in terms of a particular model of central place theory-a reflection of the fact that the UK urban system itself conforms fairly closely to this model, particularly at higher levels of the hierarchy.

“The financial system is an extremely complex entity, containing ‘inter alia’ such components as financial markets, financial intermediaries and financial assets...the organization and development of financial services have strong spatial dimensions, which will continue to impact on the urban system... (Parr and Budd, 2000: 597).

In a case from Turkey, analyzing the role of producer services in exportation process within Denizli industrial district, Ertok (1998) considers a wide array of activities as producer services that take place in the exportation process: Foreign trade companies, transporter companies, insurance agents, banks, exporter unions, custom officials and clearance agents, Under Secretariat of Foreign Trade. According to Ertok, accompanying the state incentives in Denizli textile industry, ‘the regional, governmental and local producer services’ contributes gave rise to the integration into global market and success in exportation.

On the other hand, Hutton (2000) has reached different results in his case:

“Applied design firms are essential to the development of advanced industrial systems, and facilitate the operation of flexible production regimes by (1) enabling production differentiation in segmented markets, (2) improving productivity, (3) promoting production synergies, (4) enhancing short-run customized production, and (5) contributing to the condensing of longer-run style cycles” (Hutton, 2000: 285).

Hutton (2000) proposes a differentiation of applied design and creative service firms from the mainstream business or corporate service firms by the consideration of their “(1) location and milieu, with a clear affinity for the CBD fringe and inner city, rather than the CBD proper, (2) function, with an emphasis on creativity as both *raison d’être* and operating characteristic, (3) services-goods interface (design services are not

'arms length' from goods production, like most business services, but are directly concerned with the style, configuration and identity of end-products).

Before completing this section, it is useful to remind that spatial organizations of producer services do not have consistent position. While somewhere loses its advantages, other one's importance could increase. Gong (2001) clearly shows this condition provided by his study, on which business and professional services in the US.

Fig. 5.3. The comparison of the national employment shares of large metropolitan areas in business and professional services between 1977 and 1996



Source: Gong, 2001: 354

The figure above shows that New York, Philadelphia, Chicago, Los Angeles etc. lost share of business and professional services, some south cities, such as Dallas, Atlanta, Miami raised their rates. Such kind of changes on other geographies of the world might be taken as important cases subject to exploration.

Table 5.8. Selected case studies on the producer services

City	Analyzed services and subdivision proposal	Major foci of interest & methodology used in the case study	Cited attributes of selected services & major spatial findings
1  Vancouver (Canada) Metropolitan core	<p>Applied design and creative services</p> <ul style="list-style-type: none"> <li>▪ Creative design services: architecture, landscape architecture, graphic arts, interior design, fashion design, jewelry design, and other consumer goods design</li> <li>▪ Creative production services: computer-aided design services, model display and rendering, video production, postproduction services, commercial photographers</li> <li>▪ Industrial design services: automotive, aerospace, naval and marine design, environmental systems design, software design, engineering design</li> </ul>	<p>“The possibility of siting applied design and creative services as a significant subdivision of the intermediate (producer) services”</p> <ul style="list-style-type: none"> <li>▪ Selection and classification of related services</li> <li>▪ Unit of analysis: firm</li> <li>▪ Spatial unit: sub-areas within the metropolitan core</li> </ul>	<ul style="list-style-type: none"> <li>▪ Substantial commonality between producer (business) service industries and design services with respect to locational centrality, clustering, agglomerative linkages and networks, intermediate demand orientation, and externalization and exports</li> <li>▪ Significant contrasts between business and design services with respect to location, division of labor, and firm structure and organization</li> <li>▪ Clustering within certain reconstructed precincts of the urban frame, rather than the CBD proper as a reflection of both sociocultural as well as economic features of agglomeration (and particularly, rent differentials)</li> <li>▪ Creativity and innovation tend to represent the <i>raison d’être</i> of design firms, not merely operating characteristics.</li> <li>▪ They perform special roles in production processes that set them apart from business services. They are directly engaged in the creation of form, style, and configuration for the full range of industrial commodities and consumer goods, and are central to the operation of the flexible production mode.</li> <li>▪ Proposal of a bifurcated model of the pattern of design firm location: Creative design and production services clustered within the metropolitan core, and Industrial and technological design operations exhibiting a suburban propensity.</li> <li>▪ They tend to be highly ‘territorialized’ within specific milieux of the metropolitan core; they are powerfully drawn to these central districts by a unique <i>mélange</i> of economic, physical, and sociocultural attributes.</li> </ul>
Source: Compiled from Hutton, T. A., 2000: 285-317			
2  UK Urban system within UK	<p>“The possibility that financial service activities may display a spatial organization, by relating this to the existing urban system of the UK”</p> <p>Financial services</p> <ul style="list-style-type: none"> <li>▪ International portfolio services: Derivatives trading, international commodity trading, international equities and bonds, international underwriting</li> <li>▪ UK portfolio services: Foreign-exchange trading, UK corporate finance, UK equity and bonds, UK underwriting</li> <li>▪ Regional portfolio services: Foreign-exchange intermediation, treasury-operation activities, regional corporate finance, regional underwriting</li> <li>▪ Foreign-exchange agency, wholesale insurance, sub-regional equity and bond agency, equity settlement and other back-office functions</li> </ul>	<p>The evaluation of central place theory and using it as a framework</p> <p>First, consideration of the differentiation of financial services and the hierarchical nature of the existing urban system separately. And later, relating these two. That is, the researchers avoided the difficult problem of how an existing urban system comes to be formed</p>	<ul style="list-style-type: none"> <li>▪ The existence of advanced financial-services sector within the UK, and the behavior of firms in this sector over the past 30 years provides strong evidence of the importance of location and hierarchy</li> <li>▪ The location of financial services could be described in terms of a particular model of central place theory—a reflection of the fact that the UK urban system itself conforms fairly closely to this model, particularly at higher levels of the hierarchy.</li> <li>▪ Spatial structure of financial services is heavily influenced by the pre-existing system</li> <li>▪ The existence of such services and their growing importance within the national economy are bound to exert and influence on the urban system itself.</li> <li>▪ Questions for further investigation: <ol style="list-style-type: none"> <li>1. What is the likely impact of future technology, and will it transform the urban system or will the urban system be sufficiently strong to cause it to be perpetuated within its present form?</li> <li>2. What are the implications for interurban competition?</li> <li>3. Would broadly similar results be obtained with respect to the urban systems of other countries?</li> </ol> </li> </ul>
Source: Compiled from Parr and Budd, 2000: 593-610			
3  Kuala Lumpur (Malaysia) Federal Territory	<p>“Analysis of the growth and performance of producer service in Kuala Lumpur in questioning a) its parallelism with its globalizing tendencies b) its potential to support the city’s quest for ‘world city’ status by the year 2020”</p>	<p>Isolation of typical establishments in terms of various characteristics</p> <p>Unit of analysis: firm</p> <p>A sample survey of 92 producer services establishments conducted in 1997 and early 1998 (questionnaire survey – interviews at the establishment level via mail, phone and face-to-face)</p> <p>A stratified random sample seeking information concerning: service establishment/organization profile; locational characteristics; operational aspect; service strategy; perception of factors leading to increasing demands for producer services in the marketplace; their assessment of the regulatory environment and government policies for the promotion of export services</p>	<ul style="list-style-type: none"> <li>▪ The development of producer services in Kuala Lumpur is mainly sustained through intrametropolitan trade linkages. Trade within the contiguous area of Klang Valley is also important for sustaining producer services establishments in Kuala Lumpur.</li> <li>▪ These services are locally dependent since most of them were found to engage in local trade and are sustained largely on revenue derived from local markets. Only a small number of them were engaged in the export of services beyond its Federal Territory and its immediate hinterland. But, given the right approach and support, they will be able to penetrate overseas markets in Southeast Asia.</li> <li>▪ Some producer services establishments are able to enter and compete in export markets. This, in effect, creates a larger and varied pool of activities which policy-makers can draw from to stimulate Kuala Lumpur’s economy in the future.</li> <li>▪ Their production appears to be technology and skill-intensive, requiring presumably larger technology and skill cost components.</li> <li>▪ Their main role is to support the manufacturing and service sectors. These two sectors provided the most extensive source of trade of producer services establishments in the city. It appears that the industrial development model is still relevant in the context of the growth of producer services.</li> <li>▪ Significant evidence to support the post-industrial model of development where the development of services is directly tied to and predominantly dependent upon the resources generated by the local service sector.</li> </ul>

Source: Compiled from Morshidi, 2000: 2217-2240

## CHAPTER 6

### THE CONDITION OF PLANNING, PLANNING POLICY, & THE PLANNER

For the past two decades, critical approaches to planning have been increased rather than the previous ones focused on policies, designations and implementations within the field and profession. Instead, this time, it was criticized with respect to its ideology, its modernist base and assumptions, implications, and posing of over-control and power. On the side of the theory, much has been discussed within both –referring to Faludi- ‘theories of planning’ and ‘theories in planning’ since the early postwar years. Urban policy has also been on the agenda as the urban growth, and urban problems did proceed intensively throughout the same period. Challenges to dominant planning policy and implications were other debates much gathered attention and discussed by international organizations, central and local governments, public institutions, scholars and professional planners. And finally the planners, their roles in the social reproduction processes, skills and powers, their practices, and the education of planners were of major foci within the same terrains.

Besides –and maybe of more importance- these types of arguments, the major debates of the 21<sup>st</sup> century world have deep impacts on these discourses: the economic restructuring and the changing role of the state and public interest; the decentralization and deregulation movements; the increase in non-governmental actors demanding to be situated in the decision making processes; the changing geography and structure of the city and the region; the changing context and limits of decision making and resource allocation; the changing direction and means of spatial politics; etc. Furthermore, it is possible to state that the restructuring of the economy, politics, and space will define the future of planning, planning policy and the planners.

The condition of city and regional planning, planning policy and the planner through the restructuring processes is the major concern of this chapter. Such an evaluation intends to clarify the role of planning and its contributive –and also the responsive- standing through such process. On the policy side, the condition of planning policy is explored within various evidences of different geographies and scales. And finally the planners, whom once educated to be ‘public’ officers and were to provide national means via their comprehensive plans, are now quite far from their

precedents. The restructuring of the division of labor demands –and supplies- new roles and skills for the planners, which is a crucial factor for the future of the field and profession.

The overviews and evaluations of this chapter will also contribute to the following chapter, the case study. It is expected to be of use in identifying contemporary planning approaches and highlighting initial statements on key issues within the İzmir city-region.

### **6.1. The Need to Redefine and Repose the City and Regional Planning**

As mentioned in the previous chapters, we have been witnessing the profound restructuring processes since the last three decades within almost every geography of the world. Both as an academic field and an economic sector, planning has been only one of those fields and labors that have been quite affected by these processes; and in some cases, planning has contributed to the new spatial making and to establish new spatial formations. Worth of investigation is that the recent state of planning encompassing the policy, its professionals, and its emerging debates.

Although it is not possible to define a unique and all-accepted planning, planning policy and the planner throughout the world, it is for sure that there is a tendency towards redefinition, and repositioning of the field and profession in almost every country and within its several levels of government and non-governmental institutions.

Following the *laissez-faire* economy and fundamental privatization implications especially in the northern countries, planning was again on the agenda as a response to the sufferings of the plan-less development and growth approaches. But this time, coupling with the modernist planning criticisms, there was a demand for new planning approaches incorporated with management and governance issues. It was clear that if planning would exist, it would not be the same as experienced in the past.

“...Without planning, however, urban landscapes become the product of impersonal market forces, dominated by the interests of capital. Not only does the absence of planning prevent the general public from being able to affect urban outcomes, but it also denies real estate interests a regulatory body to insure against over-development. Consequently we see the oversupply of office space that now threatens the future stability of regenerating cities” (Fainstein, 1997: 177).

Planning was much accused of its inadequacy of solving urban problems, identifying proper issues, formulating goals and objectives, and power to implement

its policies. Pointing out the urban growth trends and patterns especially in the so called developing world, Devas and Rakodi (1993) state: "As the population and settlement growths remain yet the crucial unsolved problems of the developing world, the planners are to seek ways to overcome these problems reconsidering their former efforts and conditions – especially when we think the case will be our ongoing process more than ever in the 21st century third world." On the other hand the scholars evaluate the condition of city planners and managers within these processes:

"...Unfortunately, all the evidence suggests that city planners and managers have failed to meet this challenge. Large numbers of citizens are left without adequate shelter and without access to safe water or sanitation, while the haphazard patterns of urban growth have caused economic efficiency, environmental degradation and human misery. Over the years, city planners and managers have made attempts to bring the situation under control, but with few exceptions their efforts have proved totally inadequate" (Devas and Rakodi, 1993: 1).

In addition to various contributions –where I see the Marxists' of particular importance- since the 1970s, recently it should also be noted that the postmodern arguments grasped much attention. The questions of public interest (or the common good), justice and discrimination, representation, interpretation, legitimacy, power and identity have all diffused of and within the field of planning. And today, we are very familiar with the boom of 'rethinking', 'redefining', and 'remaking', etc. prefixed themes of planning throughout the literature, international agendas, university lectures, seminar and conferences, workshops and so on.

Another important issue is the globalization of capital and the uncertainty injected to city and regional space by the international actors through the restructuring processes. Now the city is subject to global markets in a less state governed world. And the local authority, to say, the local governments are faced to respond this challenge without sufficient power and control over the processes.

"...what nobody can guarantee in the new economy is the permanence of that urban hierarchy, it being subject to fierce competition in such volatile sectors as finance or property investment" (Borja and Castells, 1997: 21).

## **6.2. The Three Debates: The Planning, Planning Policy, and the Planner**

Much has been discussed on the various debates and issues of the planning both as a profession and as an academic discipline. It seems that the discourse will never end as the task of 'decision-making' goes on. Yiftachel (1989) defined three major debates in planning theory each pointing out major questions within the theoretical fields of investigation. Also referring to his study, the three debates to be focused on

here are: the planning, planning policy and the planner. Each of these three debates consists of general and in-detail arguments within their own, but each is also situated within much overlapping terrains.

At the outset, it would be proper to say that there exist no common type or mode of planning, planning policy and the planner among the scholars and countries where planning practice brought about. As the condition of space, politics, social formations and urban regimes differ among these, so do the debates and realities. Within the northern world, UK planning and US planning represent distinctive features and tendencies based on distinct traditions. On the other hand, third world planning –although established on the western traditions- could not be labeled as a unique type.

The critiques of modernity have been trying to address these three debates within their modernist underpinnings and spirit. Hence, it is the modernist planning that has brought about those kinds of plans, policies and the planners. Since its birth and through the institutionalization process, the modernist project was on the run; and the same spatial organizations, patterns and projects as well as the crisis were the fundamental evidences of the same project designated by a modernist way of thinking.

The debate on planning comprises theoretical arguments, its role positioning within the division of labor and social reproduction, its power and control limits and mechanisms within the market in a capitalist society, and its agendas brought about societal problems, demands and preferences. The debate will be enlarged by the increasing planning typologies and approaches. The theory, dealing more with the practices, rather than the ideal interpretations, will deeply live the crisis of the general theory, the ever-existed demand among the scholars of the field. In contrary with the past experiences, today, many more disciplines are dealing with space and its processes. Therefore, another contribution to the debate may come from these other disciplines and their perceptions, analysis, tools and ‘plans’ on space.

On the other hand, the debate on policy encompasses the domains to be gathered by the governor, decision maker, or various power groups. During the period in which planning was a government’s task, the policies included in or manifested at the plans, programs, or in its widest sense, within the planning processes, it was a clear representation and interpretation of the government’s look and perception of the city, its inhabitants and the space to be organized. Today, in an increasing manner, planning is getting to be ‘privatized’, by definition of the term. Hence, there are various types of

planning approaches, types and outcomes; that is to say, it is impossible to distinguish planning policies between certain kinds. There are lots of plans, lots of policies, each stemming from different reasons. On the other hand, urbanization and growth within a single political-economic-social system, the capitalism, inevitably produces similar problems, similar patterns and the human inheritance feeding the responses to these similarities will be day by day shared via the information and communication processes. It may be expected that the urban articulations and the role of planning within such processes may be the dominant discourse of the debate coupled with the planning responses to increasing and deepening urban problems.

Finally, the debate on the city and regional planners involves essentially the role of the city and regional planners in the social reproduction processes, and discusses basic skills and knowledge that the planner should gain and direct into action. It will be proper to state that both the image and the reality of the planners have been changed under the circumstances of a terrain of planning that has been controlled, day-by-day, by the private planners, and of an almost free market conditions. Therefore, the debate comes to be widened by various planner types, required skills, especially in the making of good communication and negotiation. And, today's urban world is much more different than its precedents with respect to spatial patterns, activities and uses of space, functional-economic organizations, and the actors from various levels, global to local. The rise of information society and its informational city has brought about different land uses that call for the planner have the technological knowledge of such facilities and required technical infrastructure in his/her background.

On the other hand, the articulation of any type of planning into the restructuring processes varies within and between those types. Fainstein (1997: 176) states that "the United States and Great Britain differ considerable from Canada and continental Europe in the extent to which growth is channeled through the planning process". While France -for instance, in the well-known construction of La Defense in Paris as a corporate center- is considered to be the strictly user of planning in guiding development, British restrictions on office space locations is cited as quite relaxed - allowing even simultaneous competing projects-, and for sure, all the US cities as allowing office developers broad limits within which to choose their sites.

The following parts of the chapter try to explore these three debates in detail.

### 6.3. The Planning Debate

*“planning...is a determined effort, through democratic institutions for collective decisions, to make...intensive, comprehensive, and long-range forecasts of future trends...and to formulate and execute a system of coordinated policies framed to have the effect of bending the foreseen trends towards realizing our ideals, spelled out in advance as definite goals.”*  
(Myrdal 1968: 251-52)

The planning has been in evolution since its very birth. The scientific and professional planning has always been a quite important subject for governors, policy-makers, developers, and citizens. Its role within the organization of the human life has been much discussed in every social system. Rather than its philosophic debates discussed among the scholars, its economic, social and political dimensions have produced institutions, laws, labor, markets and spaces. Today, planning is trying to be re-discussed and redefined with respect to contemporary conditions.

On the one hand, rising fields -like growth management- and the debates on governance have brought about new relations and organizations within planning processes, and on the other, the new -or redefined- issues and the transformed context have called for new planning schemes. The changing meaning, function and condition of the city and the region have been a major debate within the discussions on the planning.

The planning, or to say, the ‘modernist’ type of planning have been much discussed by the scholars coupling with the postmodern discourses. The arguments on the representations, interpretations, readings and social outcomes of the modern planning have gained a considerable attention in a period of intense restructuring processes that are on the run.

There is no doubt that the ‘spatial organization’ of the societies will be quite important throughout the ongoing restructuring processes. Contrary to the view that the competitive spatial markets demand for a plan-less environment, it is more evident that the restructuring processes are run via spatial planning. The case is, a well-know question: what kind of planning, for whom, and for what...

Discussions on the planning comprise the search for new tools in spatial policy and decision-making to its role in globalizing capitalist restructuring processes. Although these processes cover differing environments, the -uneven-integration demands unified planning approaches in every particular place producing innovative and competitive planning. Throughout these processes planning may be of help in creating either responsive spatial organizations or the challenges for the sake of the local environments

against the deficiencies posed by the global capitalist markets. What the planning function in the 21<sup>st</sup> century will be defined within these tensions. The following part of the study will focus on a selection of debates on the condition of planning.

### **6.3.1. The Theoretical Debates: The Earlier Studies and the New Approaches**

*“Urban and regional planning as an organized field of human endeavor came into being as an integral part of what is often termed ‘the modernist project’ (Dear 1986; Hall 1988). Consequently, it has been conceived, by planners and public alike, as a rational, professional activity, aimed at producing a ‘public good’ of one kind or another. Research into the theory and practice of urban and regional planning has therefore tended to concentrate on its capacity to contribute to the attainment of well-established societal (modernist) goals, such as residential amenity, economic efficiency, social equity, or environmental sustainability. Far less attention has been devoted to the ability of planning to promote goals of an opposite nature, such as social repression, economic retardation or environmental degradation” (Yiftachel, 1996: 216).*

From the earlier planning studies of the 20<sup>th</sup> century to the contemporary, there has been many kind of planning studies experienced in various geographies and social systems. On the side of the theory, there are now considerable studies both in and of planning; besides, its area of interest is enlarged with the contributions of other disciplines and new practical evidences. What is of special importance today, is, that theory has become to grasp attention only in its relation to the pragmatic materializations within the markets.

According to Yiftachel (1996: 217) urban and regional planning “urban and regional planning emerged out of the unacceptable and inhumane living conditions prevalent in the rapidly expanding industrial cities of the eighteenth and nineteenth centuries”. As it has firstly been taken within the reform movement, from the very beginning it was quite linked to political preferences. Yiftachel (1996: 217-8) refers to these early periods of planning: “While early planning thinkers (like later ones) were clearly divided along ideological lines, a discernable consensus underlaid the development of planning thought and the emergence of the planning profession: planning should, first and foremost, act to improve people’s (mainly physical) living conditions”. According to the author, such a fundamental assumption ‘formed the foundation for theories and tools’ to be developed for the state intervention in the development processes and various markets.

Boyer analyzed the rise of city planning in the United States, while she considered restructuring defined by the crisis tendencies of capitalism in relation to its anarchic characteristic. To Boyer, industrial capitalism not only ignored the numerous public problems that it created, but also generated a ‘jumble’ of land uses lacking a

rationalized transportation network that would allow the city to function as an efficient part of the productive apparatus. On the other hand, serving the needs of capital accumulation, city planning emerged to develop the city 'as a perfectly disciplined spatial order' (Boyer, 1983: 60).

Taylor emphasizes the role of the general theory that draws the basic lines of planning as always discussed between theoreticians: "If town planning is important, then clearly so too is the general theory which underpins it. Moreover, it would appear that a central part of that general theory should be concerned with three questions: First, what are the components of goods-quality urban environments? Secondly, under what conditions are these qualities most likely to be realized? And third, to the extent that public sector town planning is one of these conditions, what part can town planning play in bringing about better cities (and a better environment more generally) for people to live in?" (Taylor, 1998: viii).

The Depression and World War II era and the ascendancy of scientific rationalism; expansion of the planning function in city and national governance and competing conceptions of comprehensiveness and rationality (1930-1964); the role of social sciences as a fundamental guide in the rational planning and the emergence of decision theory and various economic methodologies have been the paths and processes within planning. The challenges to scientific planning, especially following the drastic urban renewal period since the 1960s, coupled with national emphasis and control on planning. Several schools focused on policy analysis within planning and on the outcomes of implementations.

Yiftachel (1996: 218) states that most theories and concepts developed in planning during subsequent decades focused on two key questions: What is a good city? What is good planning? On the other hand, Friedmann (1987: 74-5) identifies the major traditions of planning as the social reform, policy analysis, social learning, and social mobilization. According to Yiftachel (1996: 217-8) these are characterized, to varying degrees, by a view that planning has the capacity to reform and improve cities, regions and society... this view of planning is narrow, too idealistic and often *unrealistic*. Furthermore, because planning has been widely interpreted as reform, relatively little research has focused on the instances when it acts as a regressive agent of change, particularly in the context of ethnic relations".

Through the restructuring processes, both the planning theory and practice has been faced with profound criticisms of both planning and the planner. The arguments

comprises a wide array of debates from the extent of the role and function, underlying modernist assumptions, means and goals, etc. to the required developments that the profession should response, the new type of planning (and planner) to be encouraged, the new tools and techniques to be developed and modified from other disciplines, etc.

For instance, Bromley argues that (2001: 241) “planning has shrunken continuously over the last thirty years, from grand visions of socioeconomic transformation to an intensely pluralistic discourse about the future of local land use and community life”. And he states “the question now is whether it can expand again to a meso-scale –the metropolitan region- to facilitate global competition and innovation” (2001: 241).

Bromley (2001: 243) states that the contemporary metropolitan region offers remarkable opportunities for creativity and innovation in the global arena. Referring to Hayek (1944), he argues that the dynamic, competitive planning, fostering innovation is quite visible at the global level “as New York competes with London, Paris, Frankfurt, Zurich, Singapore and Tokyo in global finance, as Seattle and Toulouse battle for aircraft sales, as Melbourne, Cape Town and Buenos Aires battle for a major international congress or sporting event...” (Bromley, 20001: 243).

As mentioned before, one of the most important issues included within the debate planning theory is ‘the planner’. Recent theoretical arguments deal with the planner within his/her practicalities. Theory has become to focus on redefining the planner within the context of his/her changing environment, especially in relation to the emerging debates on governance, regional strategy formulation, and strengthening competitiveness of urban environments. Throughout the arguments starting with the end of the 1970s, the type of planning has been detached to the type of planner.

“Planning theory itself has changed in the past decade or two, as it has become more and more grounded in the realities of practice, and more and more relevant to practice. Ironically, as it grows more linked to practice, it less often purports to say how planning ought to be done. It more often tells us in a nuanced way how practice of various kinds has worked, permitting each reader to draw her own lessons for her own situation. Planning theory is much more about helping planners see themselves what they do than it is about providing prescriptions. Planning theory today tells planners that they may not be able to shape places into the forms they choose, nor predict the specific results of actions; but it does affirm that they are key participants who assist the many other players in urban development to help to ensure that cities are more workable, efficient, livable, sustainable places” (Innes, 2000: 34-5, in Rodwin and Sanyal).

The challenges to centralized planning and the rush to decentralization programs, has reformulated the organization within which planning is located. The planning has been much discussed in relation to the central planning systems in both

capitalist and socialist systems. Bromley (2001) evaluates these processes and suggests fundamental issues that recent planning schemes should take into consideration:

“Central planning systems, framed around visions of order, discipline, efficiency and the expertise of a techno-bureaucratic elite, often start successfully but soon become autocratic and gradually generate opposition, cynicism or apathy. Early systemic visions of planning (e.g. McLoughlin, 1969; Chadwick, 1971) are now seen as simplistic and technocratic, lacking an understanding of the complexity and real-world interactions (Gunsteren, 1976; Jervis, 1997). Competition and pluralism are essential elements in any system which has long-term potential for growth and prosperity (Johnson, 2001). The question, of course, is how to inject that competition into a metropolitan region, and the answer has historically been ‘from below’ – through municipal home rule and the implementation of Tiebout’s vision of competing units with the capacity to re-design and re-model themselves to fill different market niches (Tiebout, 1956)” (Bromley, 2001: 237).

Coupling with these ideas, the strategic role of planning and the strategic type of planning has been on the agendas of international institutions, governors, developers and even NGOs. There has been a shift towards the creation of innovative spatial strategies and the designation of action programs.

“In recent years theory and practice have increasingly concentrated on urban and regional planning as a dynamic, organizational process of pursuing moving goals and objectives in conditions of uncertainty and accelerating change. This perception has encouraged a shift of emphasis from town planning as conventionally understood (that is designing of comprehensive land use plans) towards the initiation of wide-ranging and policy-oriented research and analysis requiring contrasting and changing clusters, patterns and flows of activity not necessarily focused on land uses. This differently orientated activity may in fact be concerned mainly with defining development problems and goals in the economic and social context; such activity includes the design and appraisal of related action projects and extends to learning by assessing performance (Sivaramakrishnan and Green 1986: 56 in Devas and Rakodi, 1993: 43)”.

These stated views on planning have been spread by the institutions, scholars and professionals. Among these views, some are strongly held by many professionals, while others are paid less attention. There is today a more plural environment where actors involved in planning process may meet, discuss and inform each other. What is less possible within these discussions is to offer favorable alternative views on planning including challenges to the restructuring processes. Therefore, the gaps between explanatory and normative concepts underlying urban planning and the restructuring processes within the cities, regions, and country, as well as global economies, political systems, and information technologies, many subject areas must be considered experimentally.

Recently, it is quite widespread to examine contemporary debates over the role and function of planning and the implications of these debates for planning practice, and to analyze the role and effectiveness of planning in resolving contemporary urban

problems. It is obvious that the current debate should be dealt within a historical perspective evaluating the factors that has been shaping the profession. On the other hand, planning has to be reconsidered in accompany with regionalism, governance, management, and regional development, competitive spatial markets, etc. debates.

### **6.3.2. The Changing Subject, Means, and Goals of the Spatial Planning**

*“A profession, like an individual, may be said to be in a healthier condition when it increases its ability and services to deal with felt needs; when it achieves more realistic integration of its aims, subject matter, and tools; and when it perceives itself and the world more accurately. Arguably, some of this already holds for the profession of city planning. But there are some persistent issues being raised... the most ironic issue is that of outcome versus process. By virtue of planning decisions becoming less technical, more democratic and political, by working with groups, by engaging in mediation and conflict resolution, city planners now have less control over services and outcomes”*  
(Rodwin, 2000: 21).

Throughout the restructuring processes there has been important arguments on the subjects, means, and goals of planning with respect to the drastic changes and transformations that have been on the agenda for several decades. Though the arguments could not lead to a consensus yet, there are important changes in the formation of planning and a variety of responses to the restructuring processes in several geographies.

The underlying processes within these arguments and outcomes may be summarized as follows: Liberalization; Decentralization movements in government structure leading to the end of ‘big government’ and the intensified privatization; rising civil society; changes in the demands and own projects of capital in relation to the restructuring via the rise of the finance capital especially in the Western countries; changes in the formation of settlements with respect to their roles, functions, relations and internal structure; changes in the political arena within societies in relation to actors, processes, and formulation of policy-making, etc.

According to Yiftachel (1996: 218) ‘the debate over the goals, achievements and effectiveness of planning has been mainly confined to the institutional and political settings usually defined as ‘liberal democracy’ as its modern form ‘first emerged in the Anglo-Saxon world, particularly in Great Britain’. Yiftachel adds that its setting is characterized by ‘a capitalist economy, a subsequent dominance of the market in politics (Lindblom, 1977), a promotion of individualism, and a two-party political system...’ (Yiftachel, 1996; 218). On the other hand Friedmann (1987) emphasizes the conflict between market and social rationality that is implicit in the very nature of planning in relation to its foundations and its place in the division of labor.

According to Rodwin (2000), recent circumstances pose several challenges to planning, which may be lined up as follows:

- Planners continue to operate within a public policy framework that seeks conformity, left over from the modernist, two-dimensional era of thinking. This is especially true not only in infrastructure planning for transportation and waterways management but also in other areas such as, for example, housing policy involving minimum property standards.
- Some real experimentation is needed to explore new forms of urban living and identity and development, particularly in the face of major changes in lifestyle brought on by the information age.

Trying to explore the relationship between the changing formation of the city (and the region), and the need to re-define it within its changing context and processes, Borja and Castells (1997: 158-9).

“The metropolitan city in our time is an economic, social and functional reality in the making... no longer merely a juxtaposition of densified centres, districts, socially or functionally specialized areas and successive peripheries... requires institutional coordination (it is plurimunicipal, and involves action by all the public authorities at once) and joint management for some services (water, waste disposal, transport etc). But there is another metropolitan city, on a larger scale. The new metropolitan city is best understood as a system or network, with variable geometry, articulated by nodes, strong central points, defined by their accessibility. Quality in this new urban regional reality will depend on the intensity of relations between these nodes, on the multifunctionality of the nodal centres, and their capacity to integrate the whole of their population and their territory through a suitable system ensuring mobility” (Borja and Castells, 1997: 158-9).

According to Borja and Castells (1997: 159) the new metropolitan city is best understood as a result of three processes, or three distinct yet interrelated dynamics: globalization, concentration, and communication. Accompanying these processes, the scholars point out the metropolitan action to arise within such a framework defined by these processes:

“Metropolitan action must respond to three requirements that are at once both complementary in their goals and contradictory in their sectoral and practical execution: competitiveness, integration and sustainability. Metropolitan areas are subject to two types of large-scale action, those deriving from public-sector planning, expressed in documents such as regional development schemes and sector-based schemes (for transport, access, coastal development, miscellaneous facilities, etc), and those deriving from one-off decisions, taken by both public and private agents, and often without regard to planning (such as access works and link roads, the creation of a shopping center, etc.)”

On the other hand, Rodwin (2000) points out the need to develop a responsive perspective taking the ever-important issues as a guide in the formulation of this perspective:

“...we need to develop a *future orientation*. Right now, the profession is focused primarily on resolving problems of the present and developing solutions to current problems -inching forward into the future. I would argue that we need to extend our time horizon by studying where trends are leading and what kind of city may emerge. This is important not only because it is essential to be truly current but because we need to leap out ahead of current problems to conceive of communities that are consistent with the deeply held values of planning –such as equity, cultural diversity, and economic justice- that are constant and should never change” (Rodwin 2000: 29-30, in Rodwin and Sanyal).

According to Yiftachel (1996: 216) “the links between planning policy, the problems of ethnic minorities and the political impact of modernist concepts in developing societies are yet to be explored fully”. Emphasizing that planning is defined as ‘the formulation, content and implementation of spatial policies’, the author focuses on the ‘reform’ debate and its relation to the conceivment of ethnic minorities within planning. “‘Reform’ implies ‘making things better’, affecting amendment or improvement in the affairs of subject groups. ‘Control’ means the regulations of development enforced from above, with the aim of maintaining existing patterns of social, political and economic domination. ‘Ethnicity’ is defined as a set of group characteristics, based on belief in a common history and place, and usually including language, culture, race and/or religion” (Yiftachel, 1996; 216-217).

There is no doubt that the issues and debates outlined here do provide the evaluation of the recent state of planning in a holistic manner. For instance, serious environmental and cultural issues, competition between cities and responsive planning, creation of urban imagery; segregation, gentrification, discrimination and representation of identities, etc. are few of the issues among many.

### **6.3.3. The Emerging Agendas on the Future of the Spatial Planning**

The processes and emerging tendencies that have been selectively explained in the former parts have brought about several agendas for governors, managers, planners, etc. There is no doubt that these agendas will differ with respect to historical geographic factors, social formations, and social precedence and preferences.

The rise of the city and the region is of special importance in relation to the agendas within the concerns of planning in the near future. Competitiveness provided by global linkages, labor pools, responsive information and communication infrastructure, innovative grounds within public institutions and business environments, the ability to provide ‘learning mechanisms’, attractive spatial facilities of entertainment, housing, and various consumption spaces, etc. are all subjected to the city with its region and the wider regions within regional economic development.

On the other hand, the city and the region is at the center of the arguments and struggles on social issues comprising equity, justice, identity, and human flourishing. The direction of governance, regionalism, and management should probably provide future directions, policies on planning. The following part of the study will try to give some examples related with the emerging agendas.

According to Bromley (2001: 243-4) “the growing significance of metropolitan regional development in the global arena brings two forms of planning to the fore: a corporate and strategic planning model which emphasizes competitive advantage; and an environmental and social planning model emphasizing livability, social cohesion, and the maintenance of choice and diversity. Planners’ challenge for the 21<sup>st</sup> century is to make these two models work in harmony with one another”.

One of the emerging conceptions of the new growth (management) strategies/policies of our recent period is the ‘*Smart Growth*’. Such a strategy stems from the intention to respond the very sprawling suburban development and rising costs in the US settlements. The Maryland experience may be given here:

“The Maryland Department of Planning had predicted that the public cost of servicing sprawling suburban development would be \$10 billion more between 1995 and 2020 than for a more compact growth pattern (Maryland Department of Planning, 1994)... A smart growth pattern would create ‘high density mixed-use and pedestrian oriented development that promotes efficient land use and increases transit ridership’ (Maryland Department of Planning, 1997, 31)” (cited in Daniels, 2001: 274).

According to Bailey and Turok (2001: 697), ‘interest in the concept of the polycentric urban region (PUR) has been growing among planners and policy-makers in north-west Europe’.

“The concept of the polycentric urban region (PUR) is a spatial planning tool or vision that has been developed and taken up primarily in north-west Europe. The concept has been advocated by commentators in the Netherlands, Belgium, and employed in various national and regional planning frameworks in these countries... it promotes the advantages of stronger interaction between neighboring cities to develop specialized and complementary assets, while avoiding large-scale urban sprawl and destructive territorial competition” (Bailey and Turok, 2001: 697-8).

On the other hand, there is no doubt that the developments in information and communication technologies and the competition of cities to be fed with these developments, profoundly calls for proper responsive agendas.

“Why should we care about this new kind of architectural and urban design issue –[the design of cyberspace]? It matters because the emerging civic structures and spatial arrangements of the digital era will profoundly affect our access to economic opportunities and public services, the character and content of public discourse, the forms of cultural activity, the enaction of power, and the experiences that give shape and texture to our daily routines.” (Mitchell, 1995; 5 cited in Graham and Marvin, 1997; 338)

The agenda on the provision of strategic planning and action plans do provide new direction for future planning. Coupling with the large-scale projects, environmental plans, and regional development issues, the strategic planning seems to be the strongest candidate, responsively producing policies and programmes within the ongoing restructuring processes.

#### **6.4. The Planning Policy Debate**

There have been important changes within planning policies related with the changing economic, social, cultural, political circumstances, and spatial transformations, emerging demands, problems, and structures. In an evaluation of the planning policies within these processes, it should be stated that there is a strong relationship between the new urban policies and planning policies. On the other hand, the redefined role for the city and the region call for proper planning policies encompassing a wide area of inter-city networks, linkage relations and settlements systems. Therefore scales of spatial policies have been varied and are required to be interlinked with each other.

Another important point is that the integration of world markets and the intensifying relations between the transnational –or the multinational- corporations and the cities have caused several debates on the restructuring of the planning policies at the global, national, regional, and city levels. For instance, planning policy-makers themselves differ from the ones in the past with respect to their powers and jurisdictions, to he processes in which they are involved, and for sure, the context of their policies.

The ongoing restructuring processes, the intensifying growth of population in the cities and regions, the profound settlement growth patterns, especially the immense urban agglomerations, the uneven spatial development, discrimination and relative advantage creation within settlement systems, social democratic demands on participation, negotiation and transparency are all to be considered within the planning policies.

Consequently, there is an urgent need to restructure the planning policy while considering the emerging or the accelerating developments and problems within cities and regions. Such a restructuring should comprise the community as a whole, especially within a regional perspective. As the processes define the context, so the responsive formulations are to be formulated within a ‘time and space’ perspective.

Furthermore, such a restructuring is on the run, forced to occur under the contemporary tendencies in economic, social, cultural, and political structures. What is of special importance here is that such a restructuring in governing, managing, and planning cities should implicitly provide better conditions for the society and his/her spaces.

Urban and planning policy should inevitably –and hence, seriously- take the ‘speed’ and ‘intensity’ of the processes concerning the ‘factors, actions, and actors’ into consideration. Such a policy restructuring should also comprise social issues quite carefully due to the rise of social conflicts, inequalities, and uneven flourishing of human due to the capitalist restructuring processes.

#### **6.4.1. The Restructuring of the Planning Policy**

Coupling with the new circumstances with respect to the state of the planning and of the planners, there is also the restructuring of the planning policy in various dimensions.

Stating that the economic globalization posits new challenges for urban policies, Borja and Castells (1997: 120) point to a ‘city demand’ in response to three types of requirements that would be achieved by the positive urban policies:

- 1.) For competitiveness: the city as an element which increases density of relations between economic, professional, cultural educational and research agents. That is intensification of synergies.
- 2.) For quality of life: the city as diversity of activities and facilities, as an accessible collection of public spaces, as a grouping of together of a heterogeneous population, represents a seemingly unlimited range of jobs, services and entertainment.
- 3.) For Governability: extension and restructuring of the regional urban space, while they have weakened the nation state and have increased the centrifugal dynamic deriving from globalization, have enhanced the status of the city as a governable territory.

The authors state that “these city demands also express a demand for democratization, for proximity government (or subsidiarity), for decentralization and reduction of bureaucracy, for civic participation and social cooperation” (Borja and Castells, 1997: 121).

“...the main objective of urban policy today is to create a city. This objective finds its clearest concrete and formal expression in the drawing up of large-scale urban projects... Creating cities is only possible, however, if the city is provided with an economic development project which combines competitiveness with sustainability in respect of non-renewable resources and the environment, housing access to services, civic participation and cultural integration. The creation of a city means opting for a concentrated urban environment (to intensify social and economic relations and to encourage cohesion and Governability), a dialectic between centralities and mobility and the drawing up by all the urban agents of a city project which

impregnates civic culture and manages to achieve broad social consensus (CCE, 1992 and 1994; Storper, 1994; Dupuy et al, 1989; Prud'Homme, 1993; Morandi, 1994; Reich, 1991)".

There is no doubt that the contemporary paths designed for responsive urban policy, cannot be evaluated without its relation with the changing government and management policies. There has been a growing interest in global networks, restructuring processes, competitiveness between cities and regions, and emerging governance schemes especially at the local and regional level of governance. The policy-makers, governors and professionals deal more with repositioning their cities within the transforming competitive environment.

"Municipal governments and urban development agencies are currently engaged in an increasingly pervasive competitive struggle to attract investment and secure nodal positions for their cities on corporate global networks (Harvey, 1989; Amin and Thrift, 1992)" (Graham and Marvin, 1996: 339).

Therefore, the planning policies have been subject to change under these conditions. These changes can be read within the context, major issues and concepts included in the plans and projects, the legal framework and organization of plan making, and finally, within the outcomes brought about by these factors.

When compared to their precedents, Frenchman states that there are some 'real differences' in these plans and planning efforts, which may be summarized as follows:

1.) Gradually, the plans have been prepared by the private firms rather than the public sector. There has been a shift away from in-house planning staff to the use of planning consultants of all types as resources have dwindled and planning has become detached from centralized state and federal funding programs. This shift away from public agencies has caused the loss of a centralized vision of planning. The result is a kind of rudderless free-for-all in the absence of models or a professional compass; we see a modernist plan here, a fortress plan there, or a neo-traditional plan.

2.) Many of the plans that are being done are highly complex and multipurpose. They are not the simplistic land-use plans of the 1950s that many like to criticize but which aren't being made anymore. Land use remains a critical core, but current plans also address environmental issues, cultural resource protection, and economic development, and they often propose new organizations to implement what is proposed. Most of them are being developed with a public process that is oriented to reaching consensus among constituencies.

3.) Many plans no longer try to fulfill an abstract vision of the ideal city. Rather, they seek to heighten the unique qualities and culture and individual identity of the places

for which they are made. The imageability and uniqueness of a place have come to have great value and currency in the information marketplace.

Graham (1999: 11) points out the restructuring debate in relation to the developments in information and communication technologies and their outcomes for planning. He states three broad areas each of which deserves special emphasis within the policy debate of planning: "... 'global positioning' policies aimed at projecting a city as a global node for investment; internally focused telematics initiatives aiming at 'reconnecting the fragments' that increasingly characterize cities; and strategies aimed at developing electronic linkages between citizens and municipalities... by assessing the significance of these policies for our treatment of the 'local', for our understanding of cities, and for our conceptualization of telematics-based innovation more broadly (Graham, 1999: 11)"

There is no doubt that the changes in the planning policy will resemble more and more the new formation of the competitive environment within the spatial markets. If the professional planners will be the plan producers of this environment, than their policies will be the vanguard of this restructuring. On the other hand, the establishment of the governance, management and the integrated regional development perspectives will underlie the framework of the work the planners will deal with.

On the side of the national planning policy, there is no doubt that profound changes and transformation will be at work in relation to the international relations, geo-politics, and developments within regionalism approaches. The tensions between the state and the local might be expected to influence these processes. Furthermore, it should be noted that sub-national policies is of special importance concerning both the national and local level restructuring.

#### **6.4.2. The Selected Studies on the Recent Planning Studies**

According to Frenchman (2000: 27 in Rodwin and Sanyal) there has been an explosion in planning over the past two decades, 'with more plans being made now for more different kinds of situations than ever before. Frenchman states that the growth in planning is a result of two 'converging forces': "increasing competition for resources of all types and an explosion of information in the hands of consumers and constituents" (2000: 27). For instance, environmental awareness coupled with the growth of environmental planning, like the growth of heritage are planning, cultural

development facilities, tourism infrastructure, coastal zone management, new transportation networks involving bikeways, greenways, tour routes, urban rings, and neighborhood development programs. "If one maps, these planning efforts on a regional basis, a new mosaic emerges on the landscape, with different venues and roles for planning, along with new associations and alliances" (Frenchman, 2000: 27-8).

Besides these general statements, special emphasis should be given to the rise of the strategic planning and its aspects. There are now considerable cases in which strategic planning is implemented and their outcomes could be seen. "Strategic planning is a way of directing change based on participatory analysis of a situation and its possible evolution and drawing up of an investment strategy for the scarce resources available at the critical points" (Borja and Castells, 1997: 154). One key issue in the strategic planning is the participation of public and private agents that distinguishes it from other forms of planning (Borja and Castells, 1997: 155).

Borja and Castells (1997: 159) define the strategic planning as an emerging 'intermediate path' that has been developed under the contemporary circumstances defined above. According to these scholars, strategic planning is based on three principles:

- 1.) Defining urban goals on the basis of current dynamics,
- 2.) The permanent dialectic of goals-projects-repercussions,
- 3.) Public and private agents acting in concert at all the stages of preparation and implementation.

Borja and Castells (1997: 154) identify several measures that are generally included in strategic plans: Accessibility and mobility; social balance; human resources; information and telecommunications; services to production; quality of government; quality of public services; culture; economic infrastructure.

On the other hand cited benefits of territorial strategic planning are: "short-term action, helping to identify the most effective use of resources, positioning the city to take advantage of opportunities, identifying and developing 'champion projects', future vision, concentration of energy, gaining perspective, objectivity, separating reality from fiction, collaboration between public and private sectors, awareness of city and building consensus, doing the important things" (Borja and Castells, 1997: 154). The table below outlines basic differences between strategic plans and master plans.

Table 6.1. The differences between the strategic plan and the master plans

<b>Territorial Strategic Plan</b>	<b>Master Plan</b>
Integral plan with some territoriazable objectives	Ordering of urban space
Accords priority to projects but does not necessarily locate them in space	Determines land uses as a whole and locates with precision the general systems and broad public works
Based on consensus and participation in all its phases	Design is responsibility of government, with 'a posteriori' participation
Utilization of qualitative analyses and critical factors	Utilization of territorial and physical-medium studies
Plan of commitments and agreements between agents for immediate or short-term action	Regulatory plan to regulate potential future private action
An action plan	A plan to regulate action

Source: Borja and Castells, 1997: 156

Borja and Castells (1997: 154-156) state that within strategic planning, 'the diagnosis takes into consideration the settings (globalization), the territory (in its various dimensions) and government (or system of public agents)'. Furthermore, special emphasis is given to the 'dynamics and work under way, social demands, critical points, obstacles or bottlenecks and potential'.

"The projects are not the last by-product of a process working down logically from the desirable scenario, with the objectives next, the strategies or lines of action following them, and finally the works, projects or measures. The more modern strategic plans tend to establish a dialectic between the basic elements of diagnosis and broad objectives noted right from the first phase of drawing up and the large-scale urban projects which are on the tables of the main public and private urban agents. As the plan progresses it will tend to establish priorities and relationships between projects, though these projects will in turn make a decisive contribution to setting the objectives and lines of action of the plan" (Borja and Castells, 1997: 156).

According to Maier (2000), some municipalities in Czech Republic searched for a more flexible approach than comprehensive planning by the end of 1980s. It is stated that they used strategic planning "as an alternative or supplement to statutory physical plans". Maier emphasizes that strategic planning offered a more pro-active approach and it also allowed more involvement of business interests in the planning process.

"The first strategic planning expertise came from abroad. The sources from which strategic planning was 'imported' to the Czech Republic were predominantly American and British...US-based teams were more focused, devoted entirely to development and improving the competitiveness of the local economy. European experts took a wider range of problems into consideration. However the ultimate objectives of both were the same: development and improved opportunities in the future. The activity of foreign experts was supported by international resources or funds of sponsoring countries as part of support for the new Czech democracy. Therefore, the receiving municipalities had little say in respect of methods and procedures and sometimes they had difficulty in understanding their role in the process" (Maier, 2000: 248).

Table 6.2. The cited strategic planning modes in Czech Republic

	<b>'Modernistic', rationally oriented</b>	<b>Participative, 'mutual learning' based</b>
<b>Role of experts</b>	Expert-made plans; 'local group' (mostly local politicians, officials and businessman) is asked to make entries at certain stages of plan making	Outside, professional experts cooperate with 'local experts': from local managerial elite through non-government organizations to general public
<b>Problem definition</b>	Rational analyses prevail; comments by 'outsiders' accepted at certain stages	Continuous encounter between rationally and visionary-based
<b>Product vs. process orientation</b>	Mostly product oriented	Primarily process oriented: shared ideas and decisions; participation in implementation (e.g. Public-private partnerships)
<b>Characteristic cases, in which the relevant type of planning prevails</b>	Strategic planning procured by municipalities of big cities; preparing of strategies for the future regions (to be established in 2001)	Less frequent, mostly non-government organization-supported activities, coordinated by activist planners, sociologists and environmental scientists; they focus mainly on small, often rural, communities

Source: Maier, 2000: 253

In defining the basic characteristics of the strategic planning practice in the Czech Republic, Maier states that this type of planning process has often started by "identifying the critical issues for the community, choosing from all the issues and problems which may apply to it". He points out the 'holistic' -rather than the 'comprehensive'- nature of strategic planning, where prioritization and selectivity occur.

Table 6.3. Several types of planning

<b>Type of planning (Timescope)</b>	<b>Physical Planning (Statutory, land-use oriented)</b>	<b>Strategic Planning</b>
Strategic (decades)	Master/zoning plan (1st stage of implementation)	Strategic plan
Tactical (several years)		Development programme
Operational (for immediate realization)	Planning permission; building permit	Action plans, action projects

Source: Maier, 2000

Another issue within the concerns of the planning and management is the emergence of the ‘smart growth’ model for the city. According to Daniels (2001: 277) ‘smart growth’ suggests a public-private approach to managing growth that will produce the best of both worlds: economic growth without the ugliness, congestion, environmental degradation, and wasteful public subsidies of sprawling development. Daniels goes on: “The smart growth model emphasizes a land-use pattern of compact cities and suburbs surrounded by countryside that is devoted primarily to farming, forestry and open space... aims to create more compact development that is cheaper to service, less land consumptive, and more attractive than sprawl”. He considers the smart growth strategy of the State of Maryland as a leading case of this emerging type.

The formal process of the policy and the strategy experienced in Maryland is summarized in the table below.

Table 6.4. The ‘Smart Growth’ experience in the State of Maryland

Legislation Process	Major goals & offerings
1997 - Neighborhood and Smart Growth Act (Smart Growth legislation by the State of Maryland)	To limit the sprawling patterns of low-density residential development and arterial strip commercial development, spilling outside of existing cities and villages
1998 - Smart Growth and Neighborhood Conservation Policy (An executive order issued by the governor of Maryland)	Required state agencies to focus on locating and maintaining their facilities in CBDs and revitalization areas, and to consider the impact of projects on mass transit potential
2000 - Smart Codes Legislation (Passed by the Maryland Legislature)	Directed the state Department of Planning to draft model guidelines for infill the development and building rehabilitation; to hold proposed development and redevelopment projects to quality standards while reducing red tape and encouraging flexibility in project design within the Priority Funding Areas
2001 - ‘GreenPrint’ programme (Enacted by the Maryland Legislature)	To create an integrated network of preserved forests, wetlands and greenways to enhance wildlife habitat and rural environmental quality

Source: Compiled from Daniels, 2001: 274-5

Furthermore, the main components of the Maryland Smart Growth Strategy may provide a detailed overview of this planning case (Daniels, 2001: 274-5):

*Priority Funding Areas:* The state requires county, city and village governments to identify priority growth areas both within and adjacent to existing settlements in order to target its grants and loans for public sewer, water, schools and housing to the designated growth areas.

*The Brownfields Redevelopment Programme:* The programme is aimed at resolving landowner liability issues and helping to fund the clean up and redevelopment of industrial sites that have been contaminated with hazardous waste.

*The Job Creation Tax Credit Act:* The act offers income tax credits to business owners who create at least 25 jobs in a Priority Funding Area.

*The Live Near Your Work Programme:* The programme provides a minimum of \$3000 for people who purchase homes in older neighborhoods and near their jobs.

*The Rural Legacy Programme:* In order to preserve many acres of land, the state buys environmentally sensitive land and development rights to farmland outside the Priority Funding Areas by this programme. It is stated that if sufficient land could be preserved than the sprawl may be restricted within the limits of infrastructure.

Daniels evaluates the Maryland experience of Smart Growth Strategy: “The Maryland smart growth effort shows that several programmes must be at work at the same time. State investment policy is the centerpiece, but local and regional planning and zoning are equally important, both to identify places where growth should go and to protect farmland from development... collaborative planning must work smoothly in a regional framework involving the state, counties, cities and villages” (Daniels, 2001: 276).

There is no doubt that these cases represent a small portion of the whole changes, new tendencies, and developments within the planning. But the basic policies and frameworks outlined above require further exploration within a rich array of sample cases.

#### **6.4.3. The State of the Planning Policy in an Age of Uncertainty, Competition and Deregulation: The Issue of Governance & Management**

As mentioned in the previous parts of the study, the environment that planning would proceed within, is getting to be more competitive, privatized, and quite uncertain to provide future policy on space and thus spatial organization of human life. In addition to these factors, the ongoing deregulation and decentralization movements would lead a market-oriented planning. Therefore the planning policy should inevitably respond to these factors and processes represented in plans, projects, and strategies.

Yiftachel (1996: 220) defines three key dimensions of planning policy provided by the use of urban and regional planning as a means of control: its spatial content (the territorial dimension); its power relations and decision-making processes (the procedural dimension); and its long-term consequences (the socioeconomic dimension). Substantial restructuring has been at work within these three dimensions.

Within the territorial dimension, emerging land use patterns, transformed linkages between activities within the cities, the spatial limits and extents of the city and the region, new telecommunications, the restructured spatial order, etc. may be given as primary issues that the planning policy is to face with. For instance, according

to Borja and Castells (1997: 152) “the diffuse city (or the new urban-regional spaces) call for large-scale work to link up the territory” where they ‘distinguish between work in terms of its scale’: Large, intermediate, and minor. There is no doubt that the competition between regions, cities, and even particular districts within them is another circumstance in defining the very character of the planning policies, especially with respect to the strategies in the large-scale work.

According to Borja and Castells (1997: 172):

- The main goal of urban policy today is creating a sense of city.
- The government of the city is embodied today in those institutions, groups or individuals that are capable of generating leadership in promoting such as to define or take on a project for the city.
- This project translates mainly into a set of large-scale projects that are at first sight sectoral or specialized but which are or seek to be versatile, transforming and articulated in a coherent whole –i.e. strategic.

Borja and Castells (1997: 172) defines the strategic plan as ‘the setting out of a city project which unifies diagnoses, specifies public and private measures and establishes a coherent framework of mobilization of and cooperation between the urban social agents’. The scholars consider the participatory process as a priority in laying down of content comprising ‘the viability of the objectives and measures proposed’.

“The result of the strategic plan is not a regulation or government programme (though when taken on by the State or by local government it should also show itself in regulations, investments, administrative measures, political initiatives and the like), but is rather a political contract between the public institutions and civil society. For this reason, the process which allows approval of the plan, the monitoring and implementation of the measures or actions, is as important or more important than the process of consensus-based drawing up and approval” (Borja and Castells, 1997).

Within the procedural dimension, the rise of the debate on governance and management within the cities, and regions –especially accompanying the regionalism efforts- implicitly provides new directions for planning studies. By definition, the emerging governance mechanisms put itself into the task of the chase after negotiations, round-tables, discussions, etc. That is, planning would not be a product of one professional or a group of professionals, if the idealized governance will proceed. The management of growth, and accompanying management programs would provide specialized groups to be effective in the decision-making processes.

As a consequence, planning policy will be defined through the participation – via struggles or supports- of various social and economic groups, their demands and ideas, individual projects in addition to ones at the city and region level. Negotiation is

cited as the common target, but offering no proper solution to the problem of the fact that the power has the right to decide at the expense of the powerless.

“...The only role for planners as professionals with expertise will be in small homogeneous groups where values are similar. This means that planners will speak for different groups, not the common good” (Rybczynski, 2000: 21, in Rodwin and Sanyal).

If the governance mechanisms include planning as a major component of the process, it would be obvious to meet the large-scale projects, regional strategies, action plans, etc. And if the ‘new’ regionalism comprises the management, governance, and planning issues as a whole, then such kind of region-wide competitive, dynamic, and broader forms of planning policy would emerge. As regional identities are being reasserted and there is an increase in regional autonomy at the expense of national unity and national policies expressed in centralized planning.

Another issue within this dimension, the ‘growth management’, refers to by definition, the management of growth concerned with the physical, economic and social impacts of growth in a comprehensive manner. It mainly focuses on ‘the need to plan rationally to accommodate the impacts of growth’ assuming that ‘even if a single jurisdiction succeeds in managing its growth in a responsible fashion, it may well experience the negative impacts of unmanaged growth by neighbouring jurisdictions’ (Degrove and Metzger, 1993 in Stein, 1993).

According to Degrove and Metzger (1993), governments should take the leading role in establishing the integrated framework of various actors -private sector, citizens, and civic and special interest groups- and subjects -mainly the growth problems and strategies- in growth management. On the other hand, Kaiser et al. (1995) emphasizes the role of planner as a ‘growth manager’ within the active land use planning process:

“Active land use planning affects the development market by identifying land that is available or planned for development; by limiting the type, location, timing, and density of development that can take place; by programming the infrastructure to support development and allocating its costs between the public and private sectors; and by specifying the standards under which development proposals will be reviewed. These actions define the supply of developable land and what can be built upon it. They have been described as “managing the market.” Although that description is too extreme for most cases, it is clear that the active land planner is attempting to guide the process of structural change in accordance with community goals. In that sense, the land planner can be seen as both a “growth manager” and a “manager of change” (Kaiser et al., 1995).

Another point is that internal restructuring and emerging land uses and the pattern they provide calls for further exploration for proper policy creation. For instance, the development in information and communication technologies is one of

major concern. Graham (1999; 15) points to 'the low profile in telematics and city debates' as the neglect of 'communications infrastructures within urban policy and studies on communities themselves' (Graham, 1992, 1994).

"Telecommunication are becoming a new component in urban and regional development planning. [The] desire is to use telecommunication as a structuring element in cities and regional and to incorporate telecommunications in economic and social development." (Marchart, 1994 cited in Graham and Marvin, 1997: 345).

Within the third dimension, planning policy would deal with the socioeconomic formation of societies and future directions with respect to historical geographic and economic factors. There is no doubt that within such an uncertain environment, there will be no projected future to be ready for. But history matters, and so does geography, too. Throughout the restructuring processes at various levels, there has been accumulated a rich array of experiences that the planning might explore to be of help in designing future directions.

"The experience of policies between urban place and electronic space seems likely to influence much larger questions about future of cities and urban politics more generally. How for example can cities and city regions respond institutionally to the instabilities and volatility caused by globalization? How can urban politics be remade in ways that fight the growing unevenness and fragmentation of urban social and economic life? What does the city and its politics mean within the global shifts now at work?" (Graham, 1999: 27)

There is no doubt that the rise of the debate on the competitiveness of cities and regions have been forcing to design new urban and regional planning policies. The planner is not alone within these processes, nor the owners of the plan. In addition to the technical issues especially within land use planning, the materializations of governance and management will be reflected in the planning processes by the very policies. Dynamic processes at various levels call for dynamic responses, or challenges. Planners, governors and policy-makers have been reconsidering these issues in the conditions posed by a deregulated, highly competing, and quite uncertain conditions.

## **6.5. The Planner**

*"...professional planners find themselves confined, for the most part, to the task of defining and attempting to achieve a successful ordering of the built environment. In the ultimate instance the planner is concerned with the "proper" location, the appropriate mix of activities in space of all the diverse elements that make up the totality of physical structures – the houses, roads, factories, offices, water and sewage disposal facilities, hospitals, schools, and the like – that constitute the built environment... As a physical resource complex created out of human labor and ingenuity, the built environment must primarily function to be useful for production, circulation, exchange, and consumption. It is the job of the planner to ensure its proper management and maintenance. But this immediately poses the question, useful or better for what and to whom?"*  
(Harvey, 1996: 176)

Today, we are witnessing the rise of the professional planner on the one hand, and the increasing numbers of other professions and their labor force involved in the place and decision-making processes, on the other. Privatization of public services and decentralization of planning have coupled with these processes. Though, there is yet strong power of the state in the spatial organization of the society, plans are made by private planning agencies especially in the advanced economies. But neither the planners nor their plans are the same with their predecessors.

On the one hand, the planners are forced to change with respect to the contemporary conditions in related aspects with respect to their state of being professional private planners, consultants, or public bureaucrats. And on the other, new planners –or the candidates in the universities- have been witnessing a different type of planning education in relation to the context and methodology they are offered, and the environment they deal with. There is no doubt that the distinctive features of each university will affect the formation of the planning students.

Here, the debate on the planner has been engaged with the role of the city and regional planner in the division of labor, place and decision making processes, the basic skills and techniques they should have, the image they should provide for the society, the learning, teaching and communicating tendencies they should hold, their plans and planning processes, their education, etc. Within this debate I would prefer to highlight several of them, which are briefly given in the following parts of the study.

#### **6.5.1. The Debate on the Former and the Recent Position of the Planner**

*“The most damaging issue for planners is the loss of authority as the unanticipated flip side of the democratization of the planning process which leads to the dismissal expertise. Planners... are perceived to have no greater insight into a particular matter than anyone else in a room”  
(Krieger, 1997, cited in Rodwin, 2000: 21).*

The changing condition of urban and regional development, transforming of legal and administrative aspects of this development and the restructuring of the –both international and national- division of labor have been calling for redefining and repositioning of the planner in the societies.

Kaiser et al. (1995) try to define the role of the planner within the land use planning process in relation to the formulation of what the land use plan refers to. “...A ‘good’ land use plan with ‘good’ implementation produces a ‘good’ built environment. What is built, where it is built, and when and how it is built are all critical questions whose answers depend upon many actors, each with different

definitions of what is good (Jacobs 1978; Lynch 1981; Calthorpe 1989; Beauregard 1990). The goal of the land planner is not simply to accommodate market demand for development, but to guide the market toward producing good communities". Here, he sees land use planning as a major planning type and states that 'the land planner can be seen as both a 'growth manager' and a 'manager of change' (Kaiser et al., 1995).

There is no doubt that physical planning does still firmly matter. But the recent condition of the city offers new land uses, patterns of interactions, and other developments and problems. An information and communication technology is one of those, calling for a different kind of technical and related social knowledge to be gained by the planners.

"The old-style planner talked about physical zonings, the balance of employment, housing and open space and traffic flows. The new-style planner has to consider the configuration of electronic systems and local Area Networks (LANs) and the provision of bandwidth to each urban area. The town planner dealt with the stocks and flows of vehicles. Today's public authorities have to face the stocks and flows of information." (Howkins, 1987; 427 cited in Graham and Marvin, 1997; 345)

Graham and Marvin (1996: 338) state that the recent relations between the city and the telecommunications developments have directly influenced the planning, management, and governance of the contemporary city. In their point of view, "urban planners, policy-makers and governors are on the 'front line' in dealing with the effects on economic globalization and restructuring; social and spatial polarization and its associated knock-on effects on unemployment, poverty and crime; the crisis in urban environments and transport and infrastructure; and the physical restructuring of cities" (Graham and Marvin, 1996: 338).

According to Krieger, 'designers rather than city planners' are now 'in the vanguard of the profession' and "this leadership is reinforced by the narrowness and clarity of their roles and their technical mastery of visualization" (cited in Rodwin, 2000: 21).

Planners are one of much-discussed laborers within the societies. Centralized modernist planning underlies the arguments and debates. Within the restructuring processes, the decentralization of government, specialization of the profession, and the emergence of the restructuring of processes and composition of actors in spatial decision-making, have all contributed to a demand for a new type of planning. Though neither the demand, nor the organization have not been obviously formulated yet, there are considerable experiences -in various levels and organizations- to shed light on the role of the planner in the closing future.

Harvey (1996) points out the capitalist character of the circumstances that plays a major factor on the role of the planner:

“...We live, after all, in a society that, for want of a better phrase, is founded on capitalist principles of private property and market exchange, a society that presupposes certain basic social relationships with respect to production, distribution, and consumption, which themselves must be reproduced if the social order is to survive...What is the role of the urban-regional planner in the context of these overall processes of social reproduction?” (Harvey, 1996: 177, in Campbell and Fainstein, 1996).

The explorations on the contemporary planning practice might tell much about the role of the planner especially where intensified restructuring processes are on the run. Within such an effort, it should be noted that various historical geographic circumstances provides various restructuring in both planning and its labor force. Therefore the cases from the South-east Asia will differ from the American experience or that of the European; or the cases from the third world will substantially differ from the northern countries. What establish mutual grounds between these differing cases are the capitalist restructuring processes becoming powerful within an integrated world market.

### **6.5.2. The Emerging Debate on the Planning Education**

The planning schools or the Urban Studies and related departments of universities have been changing both their core curriculums and research projects for the last decades. The essential reasons behind this orientation are the new roles of planners, the new debates and issues within spatial economic processes, the emerging diversity in kinds of spatial analysis and design, etc.

“...our core curriculum in the Department of Urban Studies and Planning at MIT, we now have two-legged –or two-dimensional- core that includes both economic and institutional processes or organization making. To these I would add a third dimension: the subject of *place-making*. By this, I mean creating environments that enhance the culture and meet the needs of those who inhabit them. This subject is much too important to the well-being of communities and their economic development to be left to architects, engineers, or real estate developers –although all of these groups should be involved. To the core skill of quantitative analysis that we require, I would add (or replace it with) a requirement for skill in *qualitative synthesis*... we need to be engaging students in the act of inventing new ways of making communities, ways that force students to resolve together emerging issues of urban economics, institutions, and place-making. This is not a call to develop a new ideal model of community, but rather one to explore the opportunities and to create options for communities to consider in seeking their own paths” (Frenchman, 2000: 29, in Rodwin and Sanyal).

There are also quite differences between the universities with respect to their policies and perspectives in specialization and future directions, relations with the markets, academic personnel, technical and social facilities, and economic and political positions as an important factor in the education of the planning students.

Another aspect is that the graduates of planning schools do less work within and for municipal agencies and few other governmental institutions, but rather for academic institutions, research and consultancy firms, design and construction firms, real estate development agencies, etc. Therefore the schools are forced to develop their curriculums overlapping the issues of the market and private entrepreneurialism, and to provide orientation towards basic skills and knowledge on the realities of the market.

Especially in America, scholars have been trying to analyze the condition of planning education and graduates, and to propose several key points and reforms for the planning education. Besides these efforts professional planners are also present efforts in criticism of recent planning education and offer suggestions for future orientations.

“...it is essential for the planning academy to try to understand actual planning practice and help planners to ‘see’ this work in perspective. Academics can pay attention to, and make comparisons among, a wider range of practices than can an individual practitioner, and they can track change over time. They can also search through a range of literatures and theories to develop interpretations to account for what works, and how; and what does not, and why. They can draw on insights that can make practice more effective. For example, the literature on business management and organizational development has much to offer in its accounts of innovation, leadership, and teamwork. The literature on use of language and metaphor can assist the understanding of how and why some planning discussions are productive and others are not. Finally, the literature on ethics and social theory can help uncover the dilemmas and fundamental challenges that planners face and offer alternative normative models for practice. The length of the list parallels the breadth and complexity of practice itself” (Innes, 1997: 32-3, in Rodwin and Sanyal).

Among the critical views on the preferences and tendencies of schools, the statements of Howe (2000) is worth mentioning here with respect to the scholar’s emphasis on the firm-like development of the schools and the competitive environment they are in:

“Product and client orientation leads planning schools to consider their students and their graduates’ employers as their customers and clients. This in turn, leads to an assessment of whether a school is competitive in attracting students and meeting the needs of the professional practice. Preparing students to be product and client oriented thus becomes a part of the curriculum” (Howe, 2000: 60, in Rodwin and Sanyal).

Howe (2000) goes on with his statements while critically evaluating the relations between the orientation of planning schools and the professionals and the effects on planning education. “...to be relevant to the urban issues of their cities, they will need to undertake reorientation and entrepreneurial initiatives. Schools educating future planners will have to undertake parallel efforts to meet the needs of this changing professional practice” (Howe, 2000: 61, in Rodwin and Sanyal)”.

The debates and issues taken into consideration in recent conference in Technical University of Yıldız (YTÜ, 2002) may be regarded as to a good representation of the explorations on the future directions of planning from the side of the universities. It was declared that the meeting aimed to address several questions cited below:

- What are the implications of global forces of change for planning education? How do we or should we respond to them?
- What should be the profile of the planning professionals with respect to the new demands in societies?
- What should be the priorities in enhancing and improving planning education?

In addition to these major questions, the university designated the meeting around the themes on the

- Profile of the planner,
- Contents of the core planning curricula and methods of teaching,
- Implications of the Bologna Declaration on the harmonization of planning programs across EU,
- Quality assurance and recognition issues: establishing international criteria for planning education and professional qualification,
- Improvement of links between professional practice and planning education and research; life-long education" (YTÜ, 2002)

Graham (1996: 15-6) points out the problems in the planning education with respect to its improper grounds in overcoming the emerging structures between and within cities (and regions) where the logic of 'industrial development' still underlies the formation of planning education and hence the planners.

"... the foundations of planning education and skills show the legacy of planning's origins in focusing largely on the physical mobility of people and goods within cities, and the location of physical facilities and land uses within a unitary, integrated city (Webber, 1968: 1093). Electronic forms of communications are rarely discussed, the implication being that they are ubiquitous, invisible and of little importance in shaping the city. To Henry Bakis (1995: 5), telecommunications remain peripheral to urban and regional planning because of the 'persistence of the traditional paradigm whereby the approach development remains, to a large extent, based on the logic of industrial development'" (Graham, 1999: 15-6).

## CHAPTER 7

### A CASE STUDY ON İZMİR AND ITS REGION

It has been stated in the previous chapters that cities and the wider city-regions are those spaces that are subject to economic, social, political and cultural restructuring processes through the hierarchical inter-relations in the globalizing competitive environment at the outset of the 21<sup>st</sup> century. It has been strongly stated that any spatial entity is to be considered both the reason and the outcome within these processes.

Besides many commonalities between the cities of the world, there also exist distinctive features in relation to the historical and geographical factors. Turkey is one of those 'developing countries' where the restructuring processes have intensively been experienced. Within the country, many drastic changes and transformations have been on the run for just a few decades; and especially İstanbul city region -as the capital city of economy in the country- has been the vanguard of the various restructurings.

And İzmir, cited as one of the major cities of a 'developing country', for sure, has been subject to these restructuring processes. Though less effective than İstanbul, policies towards the integration to the world market and emerging competition needs within this market, hierarchical interrelations, the flows of any kind -but especially commodities, social and cultural movements, responsive re-bordering between cities and regions, etc. have all been witnessed in the existing city-region of İzmir.

This chapter tries to explore the relationship between the city (with its region) and these processes -giving a balanced emphasis to both- within a scalar analysis from the national accounts to the specialized districts of İzmir's core city. This defined effort puts itself into the task of establishing healthier grounds for the future economic policies integrated with the spatial planning proposals on İzmir region.

The case study begins with the explanations of the main aim and the defined problem of the case. The context, methodology, and limits of the case study are also given here in order to outline the basic framework. Then come the explorations of the restructuring processes within Turkey. Changes and transformations in the identified major cities -and also cities within Aegean region- follow this brief national evaluation.

The latter sections of this chapter focus on the analysis on the probable city-

region of İzmir, the potential sectors identified as 'producer services', and spatial planning studies within İzmir city-region. The fundamental issues are highlighted and explored emphasizing the factors of both time and location. Here, the concept of 'city-region' is of major concern for both the analysis on the restructuring processes and the initial statements on spatial planning studies, 'producer services' is questioned to be a rising sector within the core-city, and strategic planning to be a proper planning type for future planning studies on the city and its wider region.

### **7.1. Introduction**

Turkey, with its special historical background, high and dynamic population, distinctive geo-political location, regional relations with Middle East and Europe, considerable economy and resources, and internal dynamic structure is, no doubt, one of the important geographies of the so called developing world where those restructuring processes are on the run. İstanbul, as the capital city of economy in Turkey -and yet a city cited within the hierarchical global or world city networks- has been directly affected by these processes and the traces, or to say, the evidences, can be obviously seen at the regional scale with respect to the ongoing processes since the very beginning of the 1980s.

Besides the restructuring processes taking place in other major cities of the country, İzmir, the third most crowded city in Turkey has been posed by the economic inter-regional and intercity relations within the country. On the other hand, the city with its region has been introduced itself as a competitive entrepreneurial actor within the hierarchical spatial markets.

It has been concern of many spatial studies to focus on the restructuring processes and the implications of these processes on the cities. This thesis, and particularly, the case study on İzmir and its region seeks to question both the positioning of İzmir and the evidences of changes and transformations with respect to the city's internal and external accounts.

It is proper here to state that İzmir, this third largest city of Turkey has been rarely explored. So, when anyone deals with the spatial aspects and processes in İzmir, he/she meets the lacking of research and unavailability of data. On the other hand, if the concern is 'regional', both the planning and research studies are either out of date or seem unsatisfactory. I hope this thesis will contribute to research studies on the spatial-economic analysis of İzmir city-region.

### 7.1.1. The Aim of the Case Study & the Definition of the Problem

As an ever-important city with its geographical context and national context, 'planning' İzmir needs to be reconsidered within its proper spatial context and methodology. The lack of available research on the regional context at the previous studies is crucial to such efforts.

There are several aims addressed in the case study each referring to a related debate considered in the former chapters. It is focused on:

- the profound restructuring processes that has been running in Turkey especially since the very beginning of 1980s as a macro-level factor,
- the identification and analysis of major cities in Turkey that have been subject to considerable restructuring since 1980s and posing İzmir in relation to the major cities,
- the condition of İzmir and its probable region through the restructuring processes, and the identification of selected significant materializations of these restructuring on the city and regional spaces, social and economic relations,
- the development of the 'potential' producer services -identified as a potential economic sub-sector for İzmir city-region- since 1980s, and their spatial patterning,
- the major debates and issues for future planning, governance, and management studies on İzmir at the core-city and city-region level,
- and finally, the context and methodology of the previous studies on İzmir city-region to be developed for the further work.

Within these efforts, it should be noted that, the problem is taken as a twofold question: one dealing with the spatial response taking the city as the object, and the other with the spatial challenges-responses taking the city as the subject, throughout these processes. Therefore, in seeking for the answers, the spatial structure of İzmir is evaluated with respect to the spatial change and transformation processes, essentially in physical and economic terms.

The case study introduces the concept of 'city-region' and its 'core-city' as a unit of spatial analysis and planning, 'strategic planning' as a proper planning type, and 'producer services' as a strategic dynamic sector to be explored through the ongoing restructuring processes in/of İzmir.

On the other hand, the lack of study comprising proper data, knowledge, and analysis on İzmir -especially at the regional level- also encouraged me to make such a kind of case study especially with respect to its context, methodology and data used within.

### 7.1.2. The Context, Methodology, and Limits of the Case Study

Dealing with the restructuring processes and their spatial implications, the case study on 'İzmir and its region', takes the 'restructuring' as a historical geographical phenomenon evident throughout the interrelations among the spaces of actions as the subjects of these processes. With this respect, a selection of the statements evaluated in the former sections of the thesis is subjected to the analyses, explorations, and discussions on İzmir and its region throughout an analysis spanning from the national level to the core-city of İzmir.

The analytical studies contributed to the underlying of the context and framework of this case study may be outlined as follows:

- The research program of GaWC at Loughborough University has been of use with respect to the research agendas they offer; theory, methods and type of data they used in their spatial analyses, etc.
- The selected studies on Istanbul with respect to the issues, methods, and data used within.
- The related studies on Izmir are overviewed and the lack of research and data is highlighted while designing the context of the study.

This case study is characterized by several limitations that have been taken in drawing the boundaries of the context and framework. The study deals mainly with the processes dating back to 1980 and carries them up to now. Although the early 1980s do not represent considerable changes and transformations –that are of concern within this thesis- when compared to 1990s, this period constitutes the historical background for the further processes.

Furthermore, the employment –as a crucial factor- data could not be included within the analyses at several levels. Rather the concentration has been on the GDP and population data, especially throughout the analyses on relative positioning of regions, cities, and provincial districts.

The compiled, converted, and calculated data used in the study was gathered from State Institute of Statistics (SIS), Greater Municipality of İzmir, Ministry of Treasury, İzmir Chamber of Commerce (cited as İZTO in this thesis), and a previous study using İZTO members (Ercan, 1990). Each data source provided different type of classification and spatial unit. Except the possible convertibility, data and unit conversions are rarely made to avoid deficiencies in data and spatial mapping. Special emphasis is given to the data that could be geographically mapped and as recent as

possible to put out the recent conditions.

On the other hand, the mapping units were comprised of the geographic regions of Turkey, the provinces, the provincial districts, the jurisdiction of the greater municipality of İzmir, and the sub-districts. Each spatial unit is used with respect to the level of analysis made. As the study centers on a conceptual city-region and its parts, so the geographic spatial units to be used are identified with respect to this main concern. Furthermore, at several levels of the study, GIS is used as a tool for both location and quantitative analysis.

### **7.1.3. The Introductory Remarks for the Case Study**

Considerable recent issues on the subject have been overviewed in the previous chapters that worth special emphasis within the explorations on the recent processes and on their conceptualizations, and analyses. But few of them could have been evaluated within the case study. For instance, new conceptions of space and place have emerged and were mentioned within the chapters. With this respect, it should be noted that İstanbul offers much to represent evidences than İzmir does as a case city. On the other hand, it should be noted that most of the outcomes, or the materializations of the restructuring processes have not distinctively come into existence yet.

It is proper here to emphasize that such a case study requires much more data and observation. The restructuring processes need to be explored within longer periods, with more fields of inquiry.

Although this case study proposes the 'city-region', it is mostly centered on the 'province' based analyses. As most of the data used in the case study is 'province' or 'provincial district' based, and as there exists no previous work on city-region of İzmir, so the provinces, provincial districts, and sub-districts have been the spatial units used in the case study. Therefore, future work and analysis is needed on defining city-region of İzmir, its spatial parts, and on providing more varied type of data based on other spatial units than the official jurisdictions. The studies that will take place within such an agenda require considerable recent and historical data and representations in many scales and comprising many fields.

## 7.2. The Restructuring Processes in Turkey since 1980

This section of the case study aims to provide a brief historical evaluation of the restructuring processes in Turkey to give the basic national accounts to be of use in the analysis of the restructuring processes within the major cities of the country.

Turkey's restructuring processes may be started with 1980 military coup. The establishment of a new right-wing party, to say ANAP, and its well-known leader Turgut Özal aimed to draw a new route for Turkey. Regardless of mentioning any particular change, one can easily distinguish the period since 1980s from the formers implementing a total restructuring in both economic and social terms. The political agenda, the condition of social classes and the division of labor, the identity and culture as a means of social formation, the international relations, the modes and regimes of production and consumption, the way people think and live, that is to say, the whole life has been changed and transformed in Turkey. This process has been run hand in hand with those all over the world, and there is no doubt that it is ongoing.

In fact, by the time end of the 1970s, Turkish economy came across the necessity of restructuring because of the many bottlenecks, which were caused by the model of import substitution and its absents. It is possible to see lots of indicators to show this situation. For instance, the share of exports in GNP was only 4,5 percent and much of it consisted of agricultural commodities. Second, the relative factor prices were highly distorted due to overvalued exchange rates and negative real rates of interest. Third, the rate of growth of the manufacturing output fell from 14.2 percent per annum in 1973-77 to -0,6 percent in 1978-80 (Şenses, 1994 cited in Akın, 1999: 113-4).

Table 7.1. The main demographic and economic indicators for Turkey (1980-2000)

	1980	1990	2000
<b>Population (thousand people)</b>	44737	56473	65293
<b>GNP-1987 prices (billion TL)</b>	50870	84592	119144
<b>Per capita-1987 prices (TL)</b>	1144739	1505110	1766124

Source: Compiled from SIS, 2001

"In response to these problems and owing to political climate created by the military regime in the early 1980s, there have been rapid changes in the economic and social structure of Turkey. The stabilization and structural adjustment program was introduced in January 1980 and this has led to a radical transformation of economic policies from import substitution under state direction towards export-oriented policies. The deregulation of interest rates in the organized markets for money, foreign exchange, stocks and securities, liberalization of import and export regimes are some of the major policy changes in line with the objective of export-led growth" (Ministry of Industry and Trade, 1995).

Table 7.2. The changes in the employment structure of Turkey (1980-2000)

Employment by Kind of Activity in Turkey (1980-2000)							
Kind of Activity	Turkey 1980		Turkey 1990		Turkey 2000		Growth Rate (1980-2000)
	Employ.	%	Employ.	%	Employ.	%	
Agriculture, Hunting, and Fishing	11105000	60,5	12547796	54	7449000	35,6	-0,33
Mining and Quarrying	132000	0,7	130823	0,6	75000	0,4	-0,43
Manufacturing	1976000	10,8	2781717	12	3611000	17,2	0,83
Electricity, Gas, Water	33000	0,2	80324	0,3	88000	0,4	1,67
Construction	765000	4,2	1184242	5,1	1333000	6,4	0,74
Wholesale, Retail Trade, Hotel Services	1084000	5,9	1854306	8	3782000	18	2,49
Transportation, Communication	531000	2,9	775427	3,3	1025000	4,9	0,93
Financial Inst., Insurance, and Other Bus. S.	294000	1,6	541742	2,3	685000	3,3	1,33
Social Services, and Personal Services	2425000	13,2	3344033	14,4	2886000	13,8	0,19
<b>Total</b>	<b>18345000</b>	<b>100</b>	<b>23240410</b>	<b>100</b>	<b>20934000</b>	<b>100</b>	<b>0,14</b>

Source: Compiled from SIS

“The stabilization and structural adjustment program was introduced in January 1980 in relation to the guidance of IMF and the World Bank. These institutions emphasize ‘reforming the public sector (privatization), phasing out state subsidies to business (liberalization) and reducing the rules governing private firms behavior (deregulation)’ as major tools of restructuring (Amsden, 1994) ... With the emergence of the global ideology of liberalization and deregulating after 1980s, big business and big government have fallen into disrepute. According to the World Bank and IMF, the stimulating agent in growth in this period is the small-scale firm although this is contrary to the experience of various developing countries where big business has been favored to simulate growth and bring about a diversification in the manufacturing base” (Amsden, 1994 cited in Akin, 1999: 114).

Under perspective of these changes, much rhetoric has occurred about restructuring/reforming processes in Turkey. It is not possible to show whole rhetoric, but can be tried that, here, several key implications that have been reforming Turkish landscape should be highlighted:

- The privatization, decentralization, liberalization, and deregulation
- The increasing mobility of capital at both national and transnational level
- The rise of the capitalist class
- The policies towards the import oriented economy (reorientation to import economy), and the increased importance of the export economy
- The emergence and the spread of the free markets
- The ongoing internal migration; from rural to major cities
- The rise of the informal economy: growth in the marginal sectors and marginalized social classes
- The rise of the construction industry as a basic sector, and the tourism boom
- The emergence of the war-economy
- The increasing dependency on the IMF programs and the World Bank policies

- The establishment of the ‘consumer society’ and policies towards the populism and the convertibility
- The rapid growth in the media business
- The increasing unemployment and poverty

When arriving at the 1990s, it was aimed to reach the stabilization policy owing to some fiscal policies. Although particular fiscal policies, such as continual devaluation, trade liberalization, adaptation arrangements of free market etc., caused to run into 1994 crisis. The years of 90s were completely lived under liberalization.

“Trade liberalization was pursued with the aim of promoting the export capacity and the main structural adjustments were made according to the principles of free market economy. The aims of the liberalized import policy was stated to be ‘to secure protection within reasonable limits to the domestic industry; to provide continuous supply of raw materials and intermediary goods with competitive prices; to encourage investments, thus provide a favorable ground for the creation of employment and income an industrial and foreign trade sectors and to keep prices under control against inflationary tendencies” (Ministry of Industry and Trade, 1995, 1998 cited in Akin, 1999: 118).

As the liberal policies realized within the national economy, rural production had lost its importance. This has caused the reality that mass-urbanization has been ongoing during whole 1990s. Urbanization, definitely, with the development strategies and support of foreign direct investments, accelerated the process, and then the years of the 1990s were followers of the restructuring processes.

Table 7.3. The sectoral breakdown of the authorized FDI in Turkey (1980-2000)

Sectors	1980	1985	1990	1995	2000
<b>Agriculture</b>	0.00	6.37	65.56	31.74	59.74
%	0	2.7	3.5	%1.1	%2.0
<b>Mining</b>	0.00	4.26	47.09	60.62	6.32
%	0	1.8	2.5	2.1	0.2
<b>Manufactur.</b>	88.76	142.89	1,214.06	640.59	1,115.20
%	91.5	60.9	65.2	16.7	36.4
<b>Services</b>	8.24	80.97	534.45	849.48	1,878.64
%	8.5	34.5	28.7	28.9	61.4
<b>Total</b>	97.00	234.49	1,861.16	2,938.32	3,059.90

Source: Ministry of Treasury (<http://www.treasury.gov.tr>)

With respect to international accounts, by the way, Turkey has various relationships at several dimensions with the other countries and organizations under UN, NATO, Council of Europe, OECD, (Candidacy for) European Union and Union Agreement, WHO, WTO, ILO, IMF, ECO, OIC, Islamic Development Bank, MIGA, BSEC, Protection and Promotion of Investments Agreements have been signed with 65 countries and 43 of them entered into force.

Participating agreements and unions causes increased transnational trade (also see Appendix D):

Table 7.4. The top trading partners of Turkey

	Exports (%)			Imports (%)	
	1999	2000		1999	2000
<b>Germany</b>	20.6	18.7	<b>Germany</b>	14.5	13.2
<b>USA</b>	9.2	11.1	<b>Italy</b>	7.8	8.0
<b>UK</b>	6.9	7.4	<b>USA</b>	7.6	8.0
<b>Italy</b>	6.3	6.4	<b>Russ. Fed.</b>	5.8	7.1
<b>France</b>	5.9	6.0	<b>France</b>	7.7	6.5

Source: SIS (cited in Oxford Business Group, 2001)

Table 7.5. The number of the firms with foreign capital in Turkey (1980-2000)

	1980	1985	1990	1995	2000
<b>Authorized FDI</b>	97.00	234.49	1.861,16	2.938,32	3.059,90
<b>Realizations</b>	35	158	1.005	1.127	1.719
<b>Firms with foreign capital</b>	78	408	1856	3161	5328

Source: Ministry of Treasury (<http://www.treasury.gov.tr>) (01/08/2001)

“Trade liberalization was pursued with the aim of promoting the export capacity and the main structural adjustments were made according to the principles of free market economy. The aims of the liberalized import policy was stated to be ‘to secure protection within reasonable limits to the domestic industry; to provide continuous supply of raw materials and intermediary goods with competitive prices; to encourage investments, thus provide a favorable ground for the creation of employment and income an industrial and foreign trade sectors and to keep prices under control against inflationary tendencies” (Ministry of Industry and Trade, 1995, 1998 cited in Akin, 1999: 118).

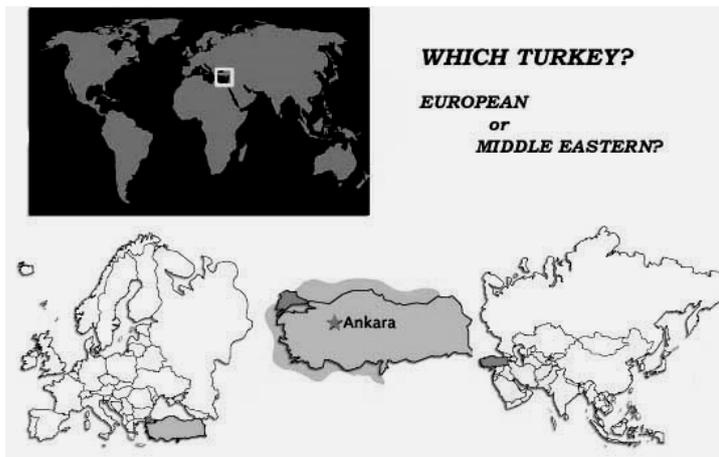
At the very beginning of the 2000s, Turkey has been faced with major changes and transformations as continual of the processes since 1980s. Yet, the political, economic, and social conditions may be outlined as follows:

- The three-party coalition government was formed in May 1999. Although the components of the coalition were of different political origins, it seemed that it was melt within the new formation. Dozens of laws were enacted in its first six months in power. The coalition, although having problems with the new president with respect to his rejects on privatization implementations, preferred to enact some economic reforms by decree.
- Turkey’s new economy minister Kemal Derviş – a former vice president at the World Bank, declared the new economic program that was advocated by IMF.
- The signing of the stand-by agreement with the IMF on December 1999.
- The confirmation of the EU’s official announcement on Turkey at the Helsinki

summit. The EU has stated that much work still needs to be done to bring Turkey's laws, which primarily aim to protect the state, in line with the Copenhagen criteria for EU membership.

- The general amnesty law freed over 20 000 prisoners excluding the political in 2000.
- February 2001 economic crisis
- The parliament recently approved adjustment laws of European Community and has given rise to the proper policies towards the integration processes. On the other hand, economic relations with IMF and World Bank are ongoing.

Fig. 7.1. Turkey at crossroads.



Another important restructuring process was led by the privatizations:

-The new economic plan (December, 1999) focused heavily on restructuring the banking sector. The plan offered the privatization of three public banks (Ziraat, Halk and Emlak Bank) having the highest duty losses and selling the 13 private banks that had been taken over by the Banking Supervisory Board.

-The privatization in March 2000 of 51% of the state oil company Petrol Ofisi, sold to Doğan Holding and İş Bank, followed by the auction of a third GSM license, bought by İş Bank and Telecom Italia for a record price, and the public offering of state-owned oil refiner TÜPRAŞ, brought the much wanted revenues.

-The privatization process of Türk Telekom is ongoing.

Among all, the Turkish banking sector is declared as the core factor of the crisis by the government and many economists. On the other hand, it was also stated as an implicit event in the state of the capitalism in Turkey. Following these arguments and statements, profound restructuring within this sector is on the run.

There is no doubt that the historical evaluation given above comprises only a selected portion of the profound processes realized in Turkey. But as the case taken

here focuses on the city-level debates and issues it will be sufficient enough to bridge the national level and the city-level.

The following section of the case study deals with the restructuring processes within major cities of Turkey where the special emphasis will be on positional relations of cities and on especially İzmir within its regional context.

### **7.3. The Restructuring of the Major Cities in Turkey since 1980**

This section of the case study mainly addresses the issue of the restructuring of major cities in Turkey while conceiving them as relational places with respect to both global, national, regional, and city level accounts. Therefore the restructuring processes explored within these cities are to be considered at several levels, though not strictly defined and quite inter-related.

If the 1980s is considered as a turning point for the spatial changes and transformations for the major cities in Turkey, the macro level evidences of these processes within the cities may be listed as follows, where several of these factors will be considered within the case study:

- The international or the global relations of cities: The global inflows and outflows of capital (especially TNCs and MNCs) and investments (especially FDI), goods, people, innovation, information realized in these cities; the rise of the number of firms with foreign capital.
- The relational competitiveness of these cities in global – regional – national - sub-national markets, the rising economic sectors within these processes, and the newly injected competitive activities, and land uses.
- International organizations (expo, fairs, sports tournaments (Olympiads, Olympic Games, F 1), festivals, biennales, congress and conferences) taking place in these cities.
- The city's economic, environmental, cultural, and legal agreements and responsive arrangements with international and supranational institutions (such as World Bank, IMF, UN, etc.), with foreign countries, cities and firms.
- The decentralization of governmental activities at the national level and the rise of local governmental arrangements, political changes with respect to territorial circumstances and boundary-jurisdiction changes.
- The large (also the intermediate and minor, even parcel) scale projects –such as infrastructure, transportation, land development, (organized) industrial districts, free zones, off-zones, great entertainment activities, tourism districts, hotels, business

districts, office towers-plazas- developing global, inter-regional, and inter-city linkages.

- The information and communication infrastructure established within these cities (and the regions comprising a group of cities) articulating the city (and the region) to global networking.
- The specialization in rising sectors within the economic restructuring processes at the worldwide level.
- The relational positioning of these cities within the economic-geographical hierarchy in the country.
- The changes in the inter-relations between the cities with respect to economic, social, cultural, and political dimensions.
- Transformation of the property relations and property ownership pattern within their wider regions.
- The rise of NGOs and their inter-national relations.
- The rise of producer services, especially finance, real estate, insurance, and transportation.
- The emergence of gated communities within cities and their wider regions.
- The decentralization of industry from the core-cities and CBDs, and mixed use developments within the cities.
- The suburban growth, urban sprawl, and urban decline.
- The consumption culture imposed by the popular culture has been restructuring the consumption patterns and consumption spaces.

The recent studies addressing the restructuring processes, globalization, the articulations of spatial changes and transformations within the internal structure of the cities, formation of special districts in relation to external factors, emerging social and cultural issues to be considered, large scale projects, governance issues, unemployment, poverty, and justice issues, etc have been concentrated mostly on İstanbul, and Ankara. If one reason for this is that there exists much case to study within these two major cities, the availability of data, previous study, and the ease constitute the other. There are still few studies on relational considerations of cities, regional formations with respect to historical-geographical factors.

On the other hand, coupling with the foreign studies, there is a growing tendency towards the firm-based analysis in search for: the capital flows, spatial preferences and specializations, distribution patterning, clustering analysis, the

relation between sectoral developments and clustering of firms, and city restructuring and advanced firm restructuring, etc. this tendency takes the firm as an entrepreneur seeking for proper competitive markets developing economic linkages between several sectors and markets within the city and inter-city relations.

For instance, number of firms with foreign capital in the cities has grown since 1980s, but especially after 1990s. Most of these firms are located within CBD and special trade and industrial districts (such as free trade zones) in relation to their sectors. While the trade sector comprises the largest share of the total, especially firms in transportation, communication, financial, and insurance activities take an important part. The firms in Istanbul, Ankara and İzmir are the vanguards of these processes. The table given below represents sectoral distribution of such firms and the numbers directly show Istanbul's leading position within these processes.

Table 7.6. The number of the firms with foreign capital in the selected provinces in Turkey (March 2002)

	Trade	Transport Activities	Comm- unication	Bank. & Fin. Act.	Financial Leasing	Insur.	Invest. Financing	R&D Act.
İstanbul	1493	189	31	35	8	28	56	12
Ankara	250	7	8	1	0	0	4	2
İzmir	120	4	1	0	0	0	3	0
İçel	116	5	0	0	0	0	0	0
Antalya	44	5	0	1	0	0	2	0
Muğla	22	5	0	0	0	0	0	0
Bursa	26	1	0	0	0	0	0	0
Adana	24	1	0	0	0	0	0	0
Gaziantep	21	1	0	0	0	0	0	0
Manisa	4	0	0	0	0	0	0	0
Aydın	3	0	0	0	0	0	0	0
Konya	3	0	0	0	0	0	0	0
Uşak	2	0	0	0	0	0	0	0
Afyon	1	1	0	0	0	0	0	0
Denizli	0	0	0	0	0	0	1	0
Balıkesir	1	0	0	0	0	0	0	0
Kütahya	0	0	0	0	0	0	0	0
Diyarbakır	0	0	0	0	0	0	0	0

Source: Compiled from Ministry of Treasury (<http://www.treasury.gov.tr>)

The following part of the study identifies several cities in Turkey as 'major cities' with respect to their relative selected features, and explores the restructuring processes within a relational historical-geographical context. Though these analyses do not strictly represent these processes in a holistic manner, but may give some initial thinking especially towards a complex analysis on İzmir city-region in the following parts of the study.

### **7.3.1. Towards a Comparative Analysis of the Major Cities in Turkey**

In the evaluation of the restructuring processes of major cities in Turkey, several levels of investigation are included.

- At the first level of the analysis, the seven geographic regions of Turkey have been evaluated with respect to the changes in population and GDP shares.
- The second level concerns the population analysis of 81 provinces of Turkey.
- After defining the most populated cities of Turkey, a second threshold was set by GDP values of the cities. Both the population and the GDP values represent the relative concentration of people, economic sectors and employment structure of the cities. The list of cities consists of İstanbul, Ankara, İzmir, Muğla, Bursa, Antalya, Adana, Manisa, Denizli, Afyon, Aydın, Balıkesir, Kütahya, İçel, Konya, Gaziantep, Uşak, and Diyarbakır.
- At the third level of the analysis, selected cities were analyzed with respect to their Location Quotients of GDP values in years 1987-1993-1999. The analysis comprised İstanbul, İzmir, Bursa, Ankara, Balıkesir, Muğla, Kütahya, Denizli, Manisa, Aydın, Antalya, Uşak, and Afyon.
- In each level of analysis, the set of cities included did comprise all the cities within the Aegean region. This was due to the major focus on İzmir and the wider region.
- Throughout the study as most of the data was obtained from the study, the official units -Geographic Region, Province- has been used.
- An initial study on the use of Geographic Information Systems has been made. Also related with other parts and levels of the chapter, most of the data used in this part geographically mapped within this effort (see Fig. 7.6. and 7.7.). Special emphasis on GIS derives from the consideration of its use in further studies on a similar subject.
- Although employment data for each sector would have provided important contributions, due to time and availability of data constraints these could not be used within the analysis.
- There is no doubt that various types of data should be included in future studies in order to make relative evaluation within cities. With respect to the spatial units, further exploration is needed. Geographic information systems seem to be a proper tool to be of help in such studies.

### **7.3.2. Posing İzmir in Turkey's Economic & Settlement System**

İzmir is assumed to have a particular positioning in Turkey's economic and

settlement system. Although there exist no official citation on the subject, in addition to the few recent studies on cities in Turkey, there is a growing tendency towards taking 'city' at the center. Furthermore, previous studies on national, regional, and city level analysis should be reevaluated while taking contemporary conditions into consideration.

Within the context of this study, positioning İzmir was mainly made with respect to national, regional accounts and finally in comparison with the identified major cities of Turkey. Within each step, two main types of data were used: Population and GDP (Gross Domestic Product). Where available, employment data also contributed to the study.

GDP value of each city is calculated by their LQs (location quotients). The location quotient is defined as the ratio of a sector's share of the local (selected city) economy to the sector's share of the national economy. For instance, the location quotient for GDP for finance can be defined as follows (Klosterman, 1990: 129):

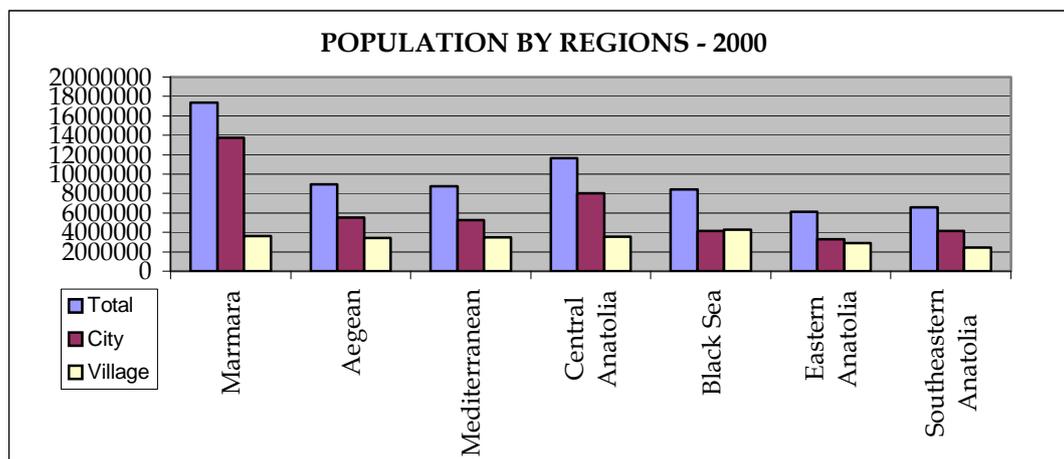
$$L.Q. = \frac{\text{Urban GDP for finance in year T}}{\text{total urban GDP in year T}} \div \frac{\text{national GDP for finance in year T}}{\text{Total national GDP in year T}}$$

Location quotient for a sector equal to 1.0 has a local/urban GDP share exactly equal to its national share. Local production in this sector is assumed to be just sufficient to satisfy local demand. Location quotient for a sector less than 1.0 has local GDP share smaller than its national share. Local production in this sector is assumed to be insufficient to satisfy local demand. If the location quotient of a sector has a value greater than 1.0, it means that the local GDP share by this sector is larger than the national share. Local production is specialized in this sector, relative to the nation. In this situation, it can be possible to claim that the local economy is suitable to invest in new and efficient investments. Some economists insist that the city, which is specialized in a sector, would allow the excess demand to be exported to protect social justice. However, many of them claim that the city would go on pioneering investments to develop (Klosterman, 1990: 128-48).

In this study, location quotient (L.Q.) is used as a means of representing the relative positions. Although its widespread use is on analyzing the possibility of local balanced economy, it is, in this case, preferred to be used in relation to define İzmir's position in Turkey and Aegean Region. Consequently, after first level analysis of the

selected provinces of Turkey provided by population, the calculation of L.Q. shares provides to compare the selected cities with each other by selected sectors. In this way, it is now possible to come to the following level and to interpret sectoral and urban positions.

Fig. 7.2. The population of the geographic regions in Turkey (2000)



Source: Compiled from SIS, 2001

It is represented in Fig. 7.2. that the concentrations of population within Marmara, Aegean and Central Anatolia have reached considerable amounts at the very beginning of 2000s (in addition to population densities). Although Marmara region comprises the largest share of the population, it should be noted that it with respect to the population growth rates Marmara slowed down and stands behind the two other. It is not surprising to state that in each of three geographic regions, the leading three city regions, and most of the major cities are located, playing a crucial role in regional accounts, and these cities provide economic, social, and cultural opportunities for their surrounding regions while the wider regions also serve for these cities.

Table 7.7. represents the great share of GDP –40 % of total- produced in the Marmara region, having a GDP twice of its follower (Central Anatolia region) by 2000 –at either current prices and 1987 prices. İstanbul, with its wider region- plays a major role in the provision of these figures. On the other hand, like as the population growth rate, also the GDP growth rate declined and is less than that of Aegean and Central Anatolia regions. It should be noted here that İzmir in Aegean, and Ankara in Central Anatolia region are the vanguards of these developments with their very regions. These two figures –above and below- calls for further exploration in a consideration of cities within these regions.

Table 7.7. The comparison of the GDP of the geographic regions in Turkey (2000)

Regions	GDP 2000					
	by Current Prices			by 1987 Prices		
	GDP	Share	Growth R.	GDP	Share	Growth R.
Marmara	46145179150	37	63,4	45117496	38	8,1
Aegean	19036526989	15,3	62,4	19904085	16,8	8,7
Mediterranean	15024442454	12	58	13931730	11,7	3,8
Central Anatolia	21130036113	17	61,6	19087554	16	9,6
Black Sea	11780461310	9,5	55,1	10790650	9,1	4,8
Eastern Anatolia	5162548029	4,1	54,3	3889589	3,3	4,3
Southeastern An.	6304264231	5,1	60,5	6068009	5,1	5,5
<b>TURKEY</b>	<b>124583458276</b>	<b>100</b>	<b>60,9</b>	<b>118789113</b>	<b>100</b>	<b>7,4</b>

Source: Compiled from SIS, 2001

Following the statements on relative growth of Marmara, Central Anatolia, and Aegean regions, analysis goes on with 10 most crowded cities of Turkey (İstanbul, Ankara, İzmir, Bursa, Adana, Konya, İçel, Gaziantep, Antalya, Diyarbakır), and comprises the other cities in Aegean region (Manisa, Balıkesir, Aydın, Denizli, Afyon, Kütahya, Muğla, and Uşak). These cities are cited as major cities and are evaluated with respect to province-based data. It should be noted that Konya, İçel, Antalya, and Diyarbakır have the most rural populations in relation to that of other cities.

Table 7.8. The population of the major provinces in Turkey (1990-2000)

PROVINCE	POPULATION 1990			POPULATION 2000		
	TOTAL	CITY	VILLAGE	TOTAL	CITY	VILLAGE
Istanbul	7195773	6779594	416179	10033478	9119315	914163
Ankara	3236378	2836802	399576	4007860	3540522	467338
Izmir	2694770	2137721	557049	3387908	2750273	637635
Bursa	1596161	1153007	443154	2106687	1616649	490038
Adana	1549233	1125149	424084	1854270	1400523	453747
Konya	1752658	963128	789530	2217969	1314146	903823
Icel	1267253	788576	478677	1668007	1021086	646921
Gaziantep	1010396	738245	272151	1293849	1018700	275149
Antalya	1132211	602194	530017	1726205	933847	792358
Diyarbakir	1096447	595440	501007	1364209	818396	545813
Manisa	1154418	590374	564044	1260169	714760	545409
Balikesir	974274	468758	505516	1076347	577595	498752
Aydin	824816	384711	440105	953006	494212	458794
Denizli	750882	337416	413466	843122	410776	432346
Afyon	738979	306209	432770	812416	371868	440548
Kutahya	577905	243151	334754	656716	318588	338128
Mugla	262809	198080	364729	717384	274963	442421
Usak	290398	146809	143589	322654	182284	140370
<b>TURKEY</b>	<b>56473035</b>	<b>33656275</b>	<b>22816760</b>	<b>67844903</b>	<b>44109336</b>	<b>23735567</b>

Source: Compiled from SIS, 2002

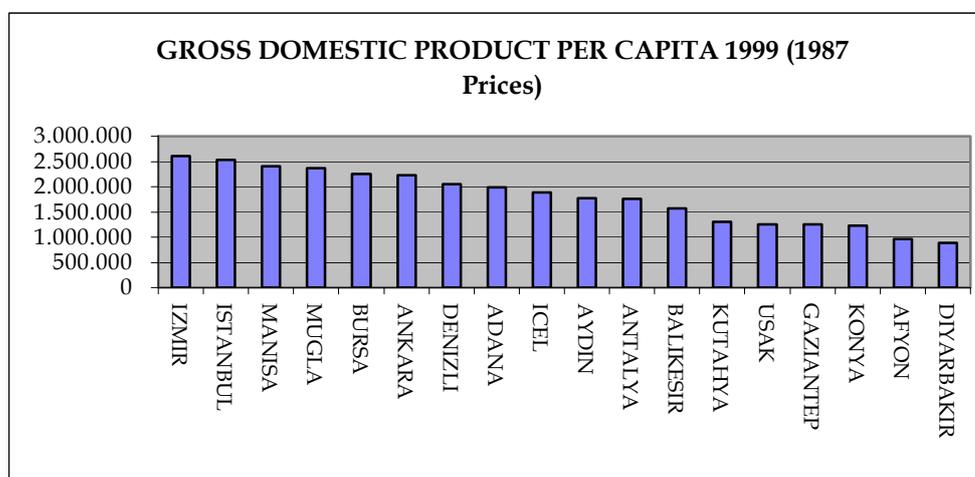
İstanbul is recently the most crowded city in Turkey having reached 10 million people with its ongoing spatial growth and population density. The values of Bursa are quite related with its historical-geographic relations with İstanbul and the region. Ankara and İzmir are still the closest cities to İstanbul with respect to their population. Their economic and social ties with İstanbul are also crucial factors within their ongoing growth. Table 7.9. represents the relative GDP values of each province by current prices in 2000.

Table 7.9. The GDP of the major provinces in Turkey (2000 by current prices)

PROVINCES	GDP VALUE	SHARE	GDP PER CAPITA
ISTANBUL	27548600621	22,1	2773175779
IZMIR	9089080961	7,3	2701782781
MUGLA	1901840479	1,5	2670917947
ANKARA	10371837263	8,3	2605011401
BURSA	4579937632	3,7	2192464441
ICEL	3424605768	2,7	2070390353
MANISA	2598539738	2,1	2067355486
ADANA	3805182669	3,1	2063558157
AYDIN	1747086697	1,4	1841403378
ANTALYA	3117095408	2,5	1828026184
BALIKESIR	1899897156	1,5	1770386315
DENIZLI	1481215700	1,2	1763003620
KUTAHYA	926917967	0,7	1416967767
KONYA	3099272073	2,5	1407506713
GAZIANTEP	1694599523	1,4	1319714752
USAK	413360662	0,3	1285185575
AFYON	878484786	0,7	1084363036
DIYARBAKIR	1438926876	1,2	1061904172

Source: Compiled from SIS, 2002

Fig. 7.3. The GDP per capita of the major provinces in Turkey (1999 by 1987 prices)



Source: Compiled from SIS, 1999

According to the GDP values of the cited cities in year 2000, İstanbul is the leading city in producing GDP having a proportionate 22.1 % rate within total GDP of provinces in Turkey. On the other hand, according to per capita values of cities in year 2000, the difference between İstanbul and İzmir is proportionately little compared with that of other provinces and İstanbul. Furthermore, at 1987 prices, the per capita in İzmir is at the front of İstanbul.

Although Manisa has a relative less population than that of leading cities, its relative GDP and especially per capita value is worth special importance, in addition to the values of Muğla. These are quite important for a potential regional economic development comprising İzmir and these cities. There is no doubt that Denizli will play a major role in this development with its growing industry (especially in the textile sector) represented in the population, GDP and per capita figures.

If İstanbul, Kocaeli, and Bursa are regional integrated economic spaces with İstanbul's leading finance-capital, so do potentially İzmir, Manisa, and Denizli on the one hand, and İzmir, Aydın, and Muğla or İzmir, Balıkesir, and Çanakkale with İzmir as the potential command and control center. But it should be noted that the actual regional relations for İzmir differs from the potential. Especially the industrial relations relations of İzmir has been developing, but on the other hand the two linear tourism-based development axis have not come into existence yet. Finally, these relational situations point to a specialized development within the cities of Aegean region, though not regionally integrated yet.

As seen in Table 7.9. and Fig. 7.3. (especially by 1987 prices), the per capita values of Gaziantep, Konya and Diyarbakır are relatively less. This is actually a representation of the statement that there is no mandatory for the production development in relation to population in the major cities. Also İzmir stands as good example for this case. Manisa as the forefront of the leading ones, cities as Muğla and Denizli have more per capita values than that of most big cities in Turkey. Within the processes providing these values, the ongoing industrial development of İzmir and Manisa may be coupled with the financial specialization of İzmir in the near future.

There is no doubt that İstanbul is the 'capital city of economy' within and the gateway to global economic, social, cultural and political processes for the country and to the other major cities. In addition to special position of İstanbul, İzmir and Ankara produces high productivity rates, which are quite important for their immediate regional development.

Fig. 7.4. The selected sectoral GDP location quotients of the selected provinces in Turkey (1987-1993-1999)

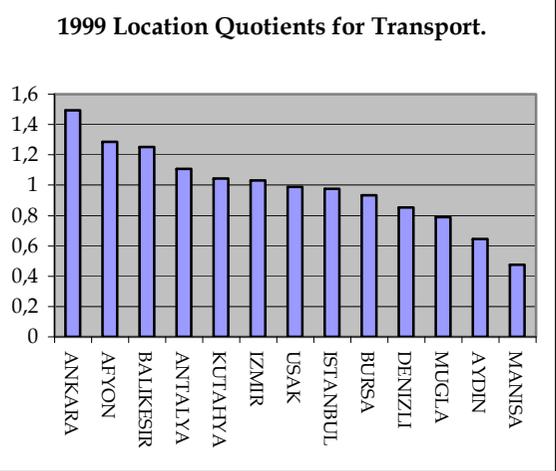
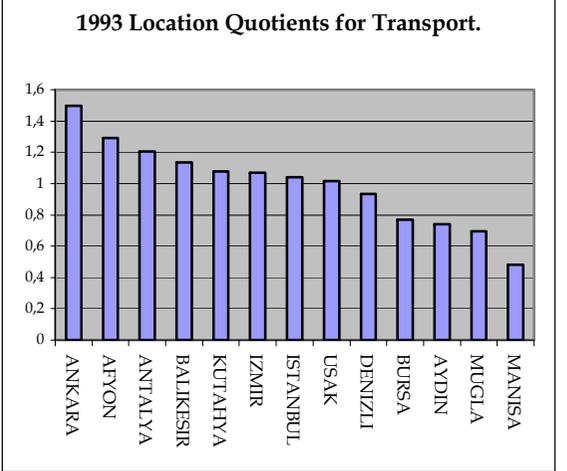
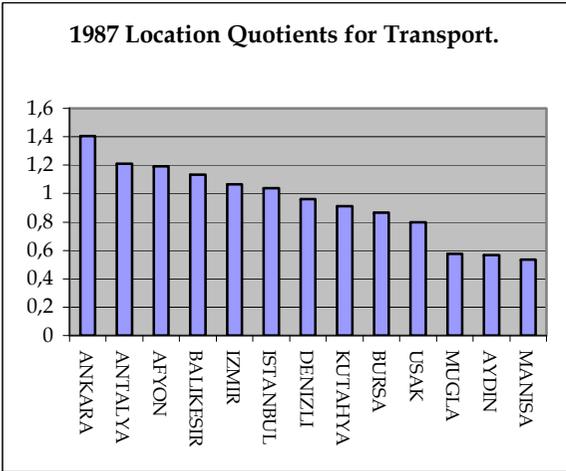
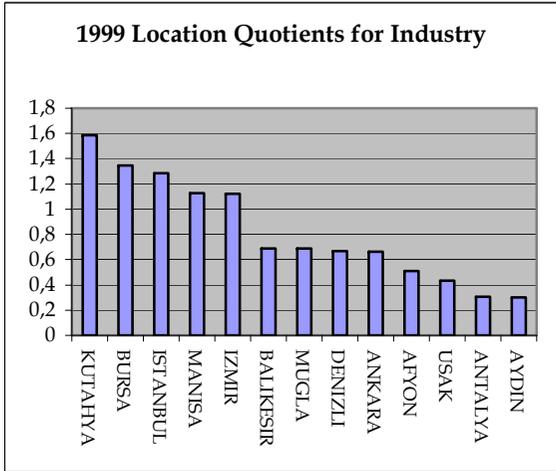
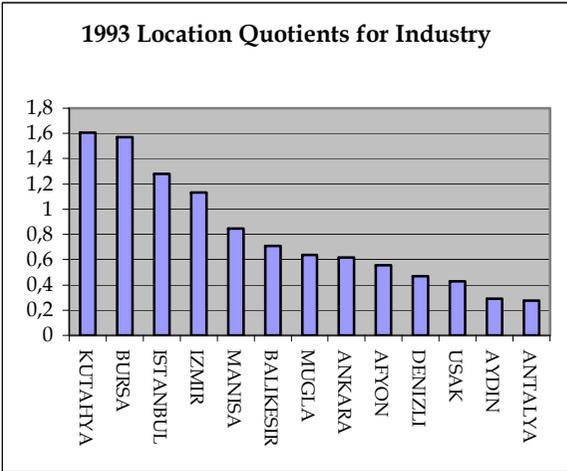
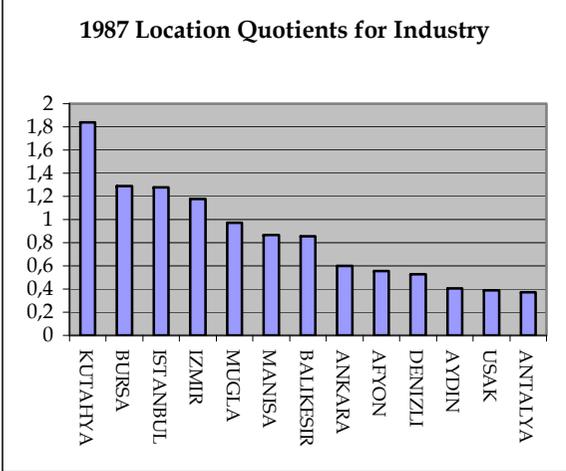


Fig. 7.4. (cont.)

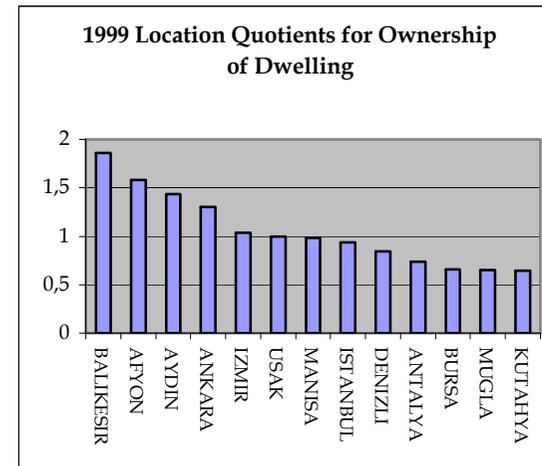
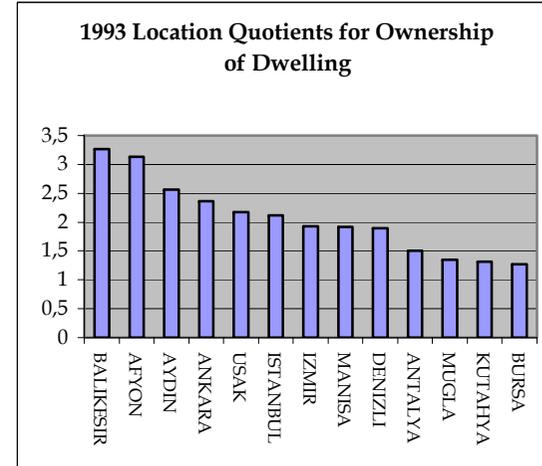
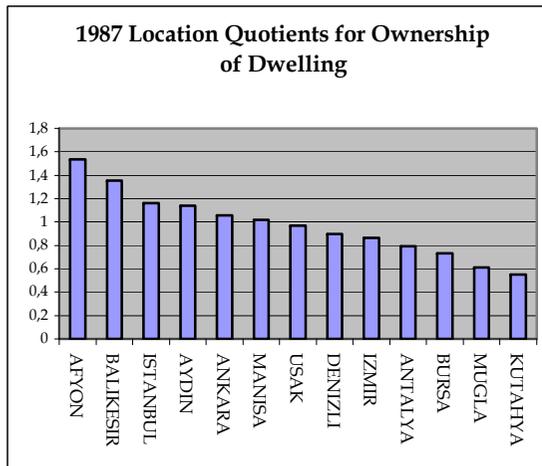
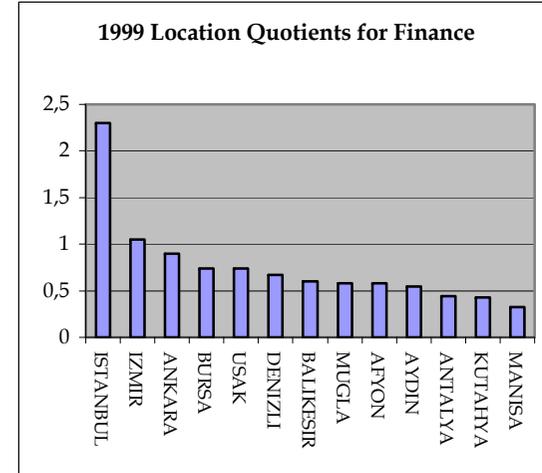
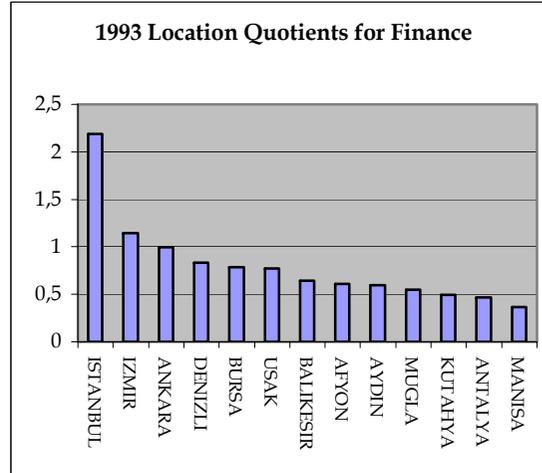
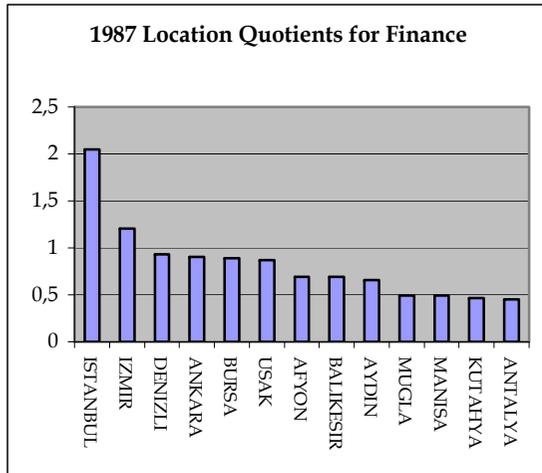
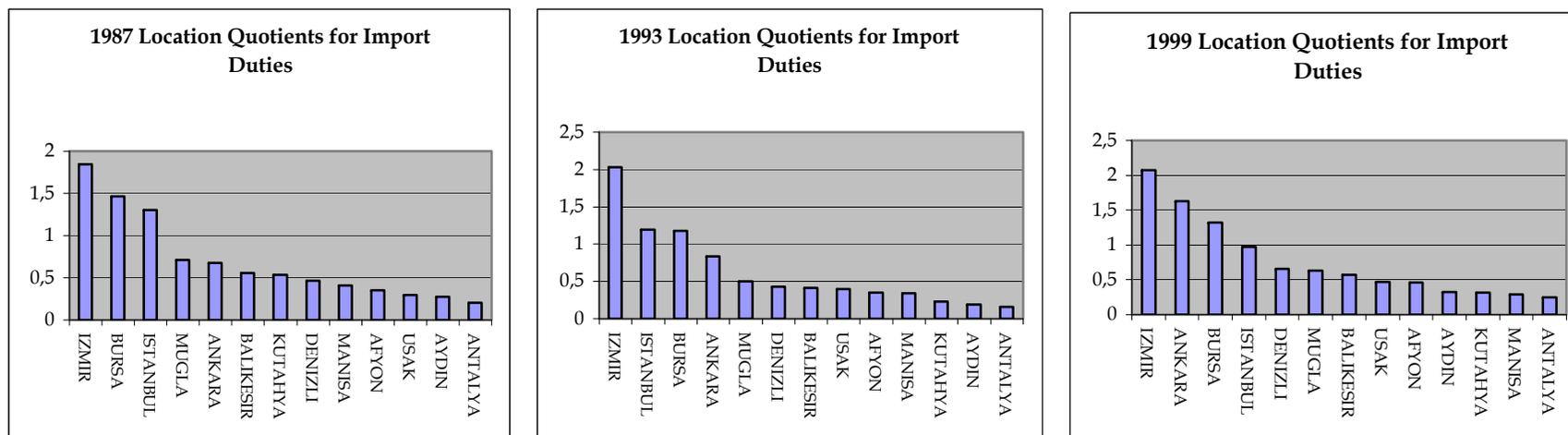


Fig. 7.4. (cont.)



Source: Compiled from SIS

Table 7.10. The GDP values of İzmir (1987-1999)

YEAR	Agricul.	Industry	Constr.	Trade	Transport	Finance	Ownership Of Dwell.	Business & Pers. S.	Imputed Bank Ser.	Sectoral Total	Governm. Service	Nonprofit Ins	TOTAL	Import
1987	604064	1735689	343678	1280913	706051	211547	290234	168880	140069	5200987	226421	1586	5428993	368324
1990	661518	1886554	356985	1429209	806220	221332	318516	182947	144287	5718994	231601	1772	5952367	385840
1993	613033	2242540	425741	1648525	978174	212523	357760	201094	137237	6542153	243731	1452	6787336	799528
1996	775966	2545986	466987	1915891	1060119	206556	392919	222613	129913	7457124	261459	1574	7720157	639845
1999	606484	2613904	368006	1898778	1119448	225930	428764	224893	135844	7350363	273509	1726	7625598	767956

Source: Compiled from SIS

After pointing to the relative population, GDP, and per capita values of major cities in Turkey, the study goes on with the GDP location quotients of each city for selected economic sectors in years 1987-1993-1999. The six years time span is of special importance as to see the significant changes and transformations in the productivity, specialization, relative superiority in rising sectors, and relative conditions of cities.

The LQ values in the figures do not represent values, but a proportion; and the value '1' represents the equity in the productivity of the sector with that of country relating both two with the productivity in all sectors in both city and country. The city having a LQ value of 1 in an economic sector represents the equal transfer of city resources and national resources with respect to productivity in the sector. That is declared as the optimum point. But if the value is greater than 1, it means that the city is more productive in this sector via its more efficient investments and it becomes relatively advantageous in that sector. And if the value is less than 1, then it means that the city could not provide the relative productivity in that sector. Although LQ calculations is one of very much discussed due to its representations and its incapability of explaining contrary actual positions although the values points to a different situation, it is still one of a widely used not in policy making but just in analyzing.

Below is a summary of sectoral LQ evaluations especially focusing on the relative positions of cities to be of help in positioning İzmir in relation to other major cities and in analyzing the relative sectoral developments. Each sector will be evaluated in detail with references to significant values in the cities. It should be noted that the calculations are based on the provincial GDP values, being the only available data. Therefore, they do not perfectly represent the positions of what is referred as the 'city'.

- Industry: There exist only four cities (Kütahya, Bursa, İstanbul, and İzmir) in 1987, which had made efficient investments in industry. Among them, Kütahya has always a proportionate superiority in this sector pointing to a specialization in economic development. The city provided its specialization in mining and soil industry (Dünya, 1998). Bursa is another city that has reached relative its relative industrial development at the top in 1993, although left its superiority in 1999. It was Manisa, which passed Bursa in the relative industrial growth and increased its productivity. In year 1999, Manisa stands even at the forefront of its closest neighbor, İzmir.

Manisa and Bursa had Turkey's first two organized industrial districts. What is distinctive here is that other organized industrial districts following these two could not provide productivity like them although industrial districts has a superiority in employment, production and economic dynamism provision.

According to the figures, İzmir and İstanbul represents a relative balance with respect to its industrial development within the whole economic sectors. On the other hand, Ankara did not ever have an industrial superiority. On the other hand, cities like Muğla, Antalya and Aydın have been becoming day by day the de-industrialized places, with increasing proportions of tourism investments at the expense of agricultural and industrial production. What is of significantly important in the figures is that the gradually the Aegean region becomes an improper place for industrial investment. Although Denizli seems to be included within this group of cities, it should be noted that it is a city trying to use its resources efficiently with its growing textiles sector and other industries.

- Transport: The transport sector is probably the most balanced sector, that is, there exists no marginalities in this sector under general trends. Ankara, Antalya, Afyon, Balıkesir and İzmir are the relative leading cities with respect to this sector. These cities generally have a balanced productivity in the economic sectors. Though Antalya loses its superiority to firstly Afyon, and then to Balıkesir, it always presents high relative values. The geographical nodal positions of Afyon and Balıkesir, being the tourism center and tourism transfer node Antalya, and both due to the state of being a capital city and its geographic position Ankara, can present considerable transport activity, employment, and production with respect to transport sector.

Here significant figures are; the advantage losing position of İstanbul in relative superiority after 1990 in relation to the developments in the other cities of country and its tendency towards finance industry, the relative growth of Kütahya after 1990 in possible relation to the growth in industry and the enlargement of employment, the represented balanced development and its advantageous position in relation to the ongoing industrial development growth all are a part of the relative development patterns of cities.

- Finance: There is no doubt that İstanbul is the leading major city among all the cities in Turkey. Finance LQs suggests its well-known position as it has been always

over the value '2' marking a considerable difference in relation to other cities. As İstanbul has always been the 'capital' city of economy of the country, the ongoing restructuring processes have strengthened its global linkages, while its financial competitive advantage within the country has grown. What is of special importance is that the next leading city within this sector is İzmir. İzmir's relative advantage within this sector has been developing gradually and this highlights the financial specialization of the city within its wider regional territories. The cities within the Aegean geographic region have relative low LQs in years 1987, 1993 and 1999; and this may be regarded as the evidence of İzmir's being the regional finance center. For instance, regardless of its profound industrial growth, Manisa the closest neighbor of İzmir, has quite low LQs in finance. This may be reasoned as İzmir serves it by its financial growth.

Furthermore, Ankara has considerable low LQs; although the values reaches 1 at a particular time, its general value is below 1. Though the city is the capital of the country, these relative low values should be considered in relation to the profound development of İstanbul. Not only Ankara but also the other cities resembles this position. On the other hand, İzmir's relative growth within this sector is of special importance. Therefore İzmir may be positioned in a relatively and highly competitive within the national markets after İstanbul. But such a trend may increase the discrimination of the other cities within the regions of these two cities, provide one-sided dependency, and strengthens hegemonic relations.

- Ownership of Dwelling: It is especially the marginal changes between the periods within this sector of special importance. From 1987 to 1993 there exists a profound increase in this sector resembled in the values of each city. In 1999, this turns to a decrease in values. The migration of the 1980s accelerated at the outset of 1990s and the relative investments within the sectors may be the reasons.

In this sector, special attention should be paid to Afyon, Balıkesir and Aydın among the cities. Especially Afyon represents a stabilized development and so do Balıkesir with its rising growth, and Aydın is another leading city in relation to this sector. In contrary with its other sectors, Istanbul declined behind LQ value 1 after its jump in 1993. Ankara is another city developing the sector and increasing its relative superiority. Especially within the increased migration periods, there exists a considerable development within the major cities of Turkey in relation to the

concentration of population.

In 1987, İzmir do not present high values and therefore is not relatively productive within this sector. Accompanying the general jump lived in all cities, İzmir has also realized developments in this sector and doubled its values with that of the nation. Unlike İstanbul and Ankara, İzmir did not present decrease in 1999 and this situation positions the city relatively advantageous. So it is clear that the city has developed a growing trend in this sector since 1987.

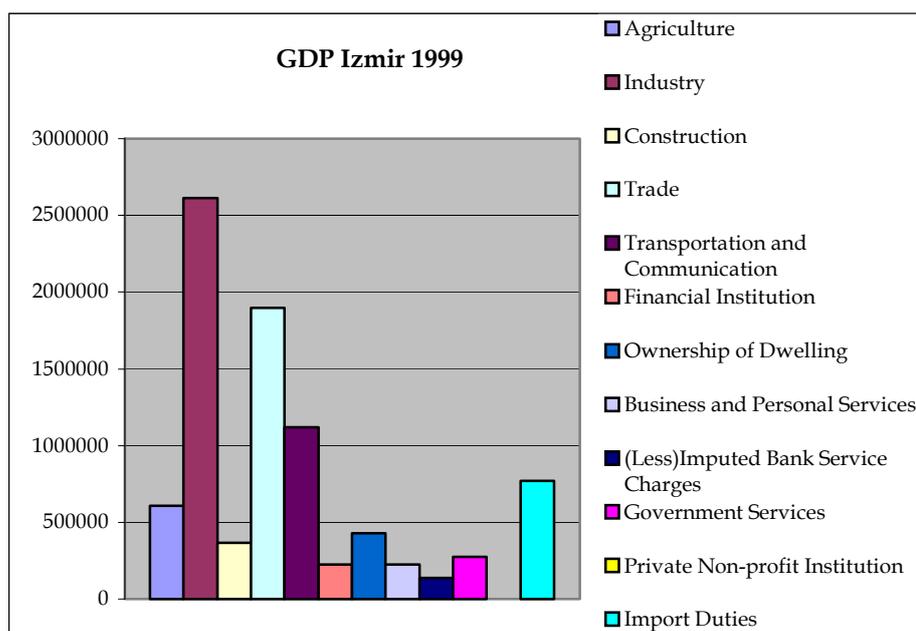
- Import Duties: İzmir is the vanguard of this sector. The city has always been the leading with respect to its relative productivity. In 1993 and 1999 the relative superiority within the sector doubles that of the country. In contrary, İstanbul presents a relative decline, where the LQ value decreases behind 1 in 1999. At the outset of the 2000s, İstanbul has no relative superiority with respect to the sector as an import center. Ankara has a growing tendency, and although Bursa presents a decline in the sector, it stays at the value over 1 in 1999.

As the LQs for İzmir in this sector stabilizes the values over 2, and there exists no significant jumps and falls it should be noted here that this is an ongoing resource for the economic development of the city. The relational positioning of Bursa and İstanbul following İzmir has been passed by Ankara at the end of 1990s. The LQs for Ankara jumps from 0.7 to 1.5 between 1987 and 1999. These developments may be referred to the profound losses of import in the country after the 1994 crisis. Therefore Ankara's relatively stabilized development within the sector may provide its rising values under these circumstances.

These figures point to the relative superiority of İzmir within this sector. Its ports and historical geographical relations, nodal position of transportation, being regional center of activity, all contribute to the regionally and nationally relative efficient position of İzmir in relation to this sector.

At the end of this section of the case study, the GIS based representations of a selection of the analyses evaluated above are given (see Fig. 7.8. and 7.9.). Here, all of the sectors are included within the evaluation. The GDP values by 1987 prices show that the city produces most significantly in Industry, Trade, Transportation and Communication, and Import Duties with respect the evaluation of sectors only in İzmir province. Also are Fig. 7.5. and Table 7.11. given to highlight the positioning of İzmir.

Fig. 7.5. The GDP values of İzmir (1999 by 1987 prices)



Source: Compiled from SIS

Table 7.11. The employment by kind of activity in Aegean Region and İzmir (1990)

Kind of Activity	Aegean Region		İzmir	
	Employment	Share (%)	Employment	Share (%)
Agriculture, Hunting, and Fishing	1897618	54,08	348413	32,25
Mining and Quarrying	29585	0,84	1913	0,18
Manufacturing	439968	12,54	212937	19,71
Electricity, Gas, Water	14615	0,42	4233	0,39
Construction	175475	5	68521	6,34
Wholesale, Retail Trade, Hotel S.	282197	8,04	134536	12,45
Transportation, Communication	106577	3,04	46305	4,29
Financial Inst., Ins., and Other B. S.	75677	2,16	43618	4,04
Social Services, and Personal S.	464670	13,24	207391	19,2
Non-defined Activities	22826	0,65	12479	1,16
<b>Total</b>	<b>3509209</b>	<b>100</b>	<b>1080346</b>	<b>100</b>

Source: Compiled from SIS, 2000

All of the relative values for İzmir re-announce the well-known reality: İzmir is one of the most important three leading cities of Turkey. There are several reasons to be outlined here. Throughout the industrial development period, the city had made profound investments and supported this ongoing development within its wider region by the sub-regions such as Manisa, Kütahya, and Denizli. All these contribute to a relatively strong economy in İzmir.

Furthermore, it should be noted that İzmir is not posed out of the real sector developments realized in Turkey. It may be stated that the city is positioned just

behind İstanbul, the capital city of economy in Turkey. Although the historical economic relations with İstanbul go on via the flows of capital, labor –especially the high-skilled-, innovation, and knowledge. But there is no doubt that there has been an important product, capital, and labor accumulation in İzmir since the 1980s. Besides the historical geographical factors, the city supported the investments with transportation (airports, seaports, and highways), strengthened linkages with the surrounding cities in the Aegean region, and yet seeks for new policies in order to be advantageous in the competitive spatial markets. Emerging regional potentials provided by the developments in Manisa and Denizli, Aydın and Muğla, and Balıkesir may be articulated into the integrated regional development.

As will be mentioned in the following sections of the case study, special emphasis is given to the financial sector. In relative conditions, İzmir is positioned just behind İstanbul. There will probably be no city passing İstanbul's hegemony on the financial sector and capital flows. On the other hand, what the figures given above represent is that except Ankara there exists no city relatively close to İzmir with respect to the financial sector developments. And in the near future, if the trends persists in development, it will not surprising to see İzmir in a relative higher position.

With respect to regional accounts, the cities in the Aegean geographic region have produced considerable values. Especially in the case of regional development, it should be noted that these cities and İzmir should be taken together into consideration and each city will have the opportunity to develop its potential sectors within a regional perspective. If tourism is the one potential, so industry is the other for such a regional development.

As a consequence, it should be noted that İzmir is an important city having considerable potentials and advantages. İzmir has the productivity from import to industry and competitive advantage, and is the historical candidate in commanding and controlling the second important economic wider region of the country with its surrounding field. It is obvious that there will be one İstanbul in Turkey -as there is one London in England, one New York in US, one Tokyo in Japan, or one Lagos in Nigeria, or one Bombay in India, etc.- in the near future. This form of hierarchical relations comprises also İzmir city-region. Furthermore, İzmir tries to be a leading city while its potentials lie within the sectors identified above and the within the cities in its wider region.

Bu sayfadan itibaren Fig. 7.6. - Fig. 7.7. - Fig. 7.8. ve Fig. 7.9. gelecek

#### **7.4. The Analyses on Izmir City-Region**

This section of the case study will try to explore the place of İzmir within its wider regional context. The corresponding spatial unit for this regional approach is offered to be the 'city-region', which has been the main subject of Chapter 4 of this thesis. Although İzmir has been often associated with its metropolitan area, it is the major emphasis of this study to explore the İzmir city-region, rather than its metropolitan area.

Special emphasis will be given to the previous work of national, regional, metropolitan, and city level. Accompanying the national planning efforts, much regional study has been done in 1960s and 1970s. Though outdated, they are worth of importance with respect to state of being 'unique'. Furthermore, these studies might provide historical bases for the cities and regions for the recent studies, especially on regional accounts.

It is proper here to note that the study will deal primarily with the core-city due to the lack of data within the underlying identification of city-region. Although it would be subject to detailed demarcation analysis, for the specific purposes of the study, the core-city is assumed to be the official greater municipality area. On the other hand, in order to be of use in regional accounts, the probable wider region of İzmir within the Aegean geographic region, and İzmir province are used within the study.

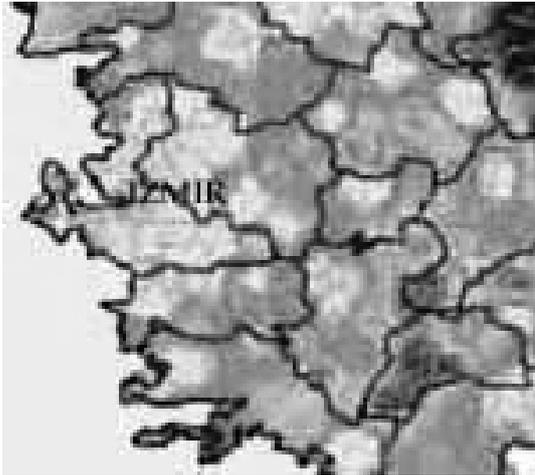
The core-city of İzmir and its region represent several important debates and issues to be considered within the restructuring processes. Furthermore, these issues might be referred within the designation of a framework for the strategic planning approach. Although the approach followed within this case study considers the core-city and the city-region of İzmir just conceptually because of time and data limits, the analyses and evaluations will try to contribute to the further defining studies on the implicit city-region and its parts. Therefore the geographic extent of the analyses comprise a wider area including the probable city-region.

Beginning with a brief historical analysis, economic and spatial restructuring processes will be explored within İzmir. Following sections will deal with the defining of city-region and core-city, and the spatial pattern to be subjected to the spatial analysis. The analyses are made on each related dimension (demographic, economic, political-administrative, and spatial), which are considered to be the fundamental debates of the restructuring processes. The major projects on İzmir will be highlighted in order to identify the locations of changes and transformations.

**7.4.1. A Brief Historical-Economic and Spatial Restructuring Analysis on the Core-City of İzmir and its City-Region since 1980**

This section of the case study mainly deals with the explorations on the restructuring processes at several levels and dimensions within especially the time period since 1980. The analysis is detailed in several identified dimensions in order to explore each restructuring in its context, but also within a perspective of considering them inter-related with each other. Much data and figures are used in order to represent the restructuring processes in both urban structure and urban form. Although the time span of analysis is between 1980 and 2000, major emphasis will be on the period after the 1990s.

Fig. 7.10. The provincial İzmir and the adjacent provinces (graduated with respect to 1997 populations)



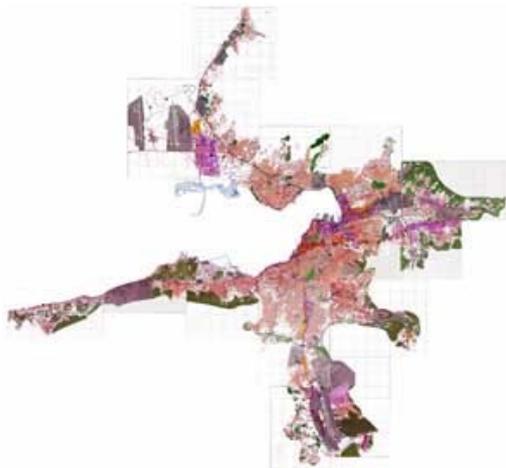
Source: <http://www.ikinokta.com>, 2000

Fig. 7.11. The provincial İzmir and the major settlements within the province



Source: İller Bankası, 1999

Fig. 7.12. The greater city settlement area – the core-city of İzmir



Source: Greater Municipality of İzmir, 1998

Fig. 7.13. An ortophoto image of the core-city of İzmir



Source: Saygın archive, 1998

#### 7.4.1.1. The Dimension of the Demographic Structure

As the third most populated province of Turkey, İzmir has been witnessing considerable demographic changes and a dynamic social structure since the immense migration flows starting in the 1960s.

In 1990, İzmir province had a population of 2,694,770 where the provincial center of 1,758,780; and in 2000, the province had a population of 3,370,866 and provincial center of 2,250,150. Between 1990 and 2000 census, annual growth rate of provincial population is 2.24 % (of greater municipality is 2.38), of urban population is 2.46, and of rural population is 1.36 (SIS, 2002).

Table 7.12. The changes in the population of İzmir (1980-2000)

Years	Province			Greater City		
	Total	Urban	Rural	Total	Urban	Rural
1980	1,976,763	1,059,183	917580	1276261	1224060	52201
1985	2,317,829	1,800,797	517032	1548927	1489772	59155
1990	2,694,770	2,134,816	559954	1780476	1757414	23062
1997	3,114,859	2,544,363	570496	2117811	2081656	36155
2000	3,370,866	2,732,669	638,197			

Source: Compiled from Greater Municipality of İzmir, 2002; SIS, 2002

İzmir is subject to proceeding urbanization and migration patterns and problems; the affects of this ongoing process have been profound. For instance, nearly 40% of the population were living in 'gecekondu's (SIS, 1990). Dismissal of public works (İmar Affi) within the period of 1985-90 legalized the gecekondu and illegal developments, and via the reformation plans (ıslah imar planı) property rights were gained. But due to insufficient provisions of technical and social infrastructure, these areas remained to be unhealthy residential districts within the city.

The total population within the Greater Municipality was 1,672,975 in 1990. According to 1997 values, the gross population density within the residential area of the greater city is 191 p/ha (Greater Municipality of İzmir, 2002), where the total residential area is 10,904 ha and population is 2,081,556. The population increased to 2,206,511 in 2000.

On the other hand, the changes in household size, migration patterns, increasing student population, and several other changes in the social structure all contribute to the formation of a new social geography within the city and its region.

As the concentrated settlement pattern reached to its limits, there has been a continuing dispersion of people and activities throughout the region. The population growth is going on as to be a continuing factor of restructuring.

Table 7.13. The selected attributes of the household structure in İzmir (1990 and 2000)

	Tot. res. pop.	Tot. Househ.	Ownership Status of Housing Unit					Other	Undef.
			Owner	Tenant	Lodge.	Not own. & ten.			
Province 1990	2,511,786	650,391	456,390	193,998	?	?	?	3	
Gr. Mun. 1990	1,672,975	434,291	279,350	154,941	?	?	?	0	
Province 2000	3,304,379	922,729	591,974 (64.1 %)	249,897 (27 %)	14,642 (1.6 %)	58,618 (6.4 %)	7,254 (0.8 %)	344 (0.1 %)	
Gr. Mun. 2000	2,207,652	623,285	367,559 (59 %)	201,319 (32.3 %)	7,971 (1.3 %)	42,976 (6.9 %)	3,172 (0.4 %)	288 (0.1)	

Source: Compiled from SIS, 2002

The mean household was 3.86 in İzmir province, and 3.85 in Greater İzmir in 1990. With respect to the values of year 2000, the mean size of the household is 3.58 in İzmir province, and 3.54 in Greater İzmir.

Table 7.14. Several attributes of the provincial districts and munic. in İzmir province (2000)

Districts	Distance to İzmir center (km)	Population (2000)			Municipal Area (ha)
		Total	Urban	Rural	
Balçova	8	66,877	66,877	0	2,676
Bornova	8	396,770	391,128	5,642	8,506
Buca	6	315,136	308,661	6,475	4,680
Çiğli	15	113,543	106,740	6,803	4,598
Gaziemir	11	87,692	70,035	17,657	4,565
Güzelbahçe	22	18,190	14,924	3,266	2,375
Karşıyaka	10	438,764	438,430	334	10,590
Konak	0	782,309	781,363	946	5,160
Narlıdere	11	54,107	54,107	0	1,637
<b>Total (Gr. M.)</b>	-	<b>2,206,511</b>	<b>2,232,265</b>	<b>41,123</b>	<b>4,957 + 7,570 (adj.)</b>
Aliağa	52.5	57,192	37,537	19,655	
Bayındır	69	47,214	15,870	31,344	
Bergama		106,536	52,173	54,363	
Beydağ		14,147	5,521	8,626	
Çeşme	72	37,372	25,257	12,115	
Dikili		30,115	12,552	17,563	
Foça	60	36,107	14,604	21,503	5,931 + 1,900 (adj.)
Karaburun	89	13,446	2,932	10,514	1,526 + 1,378 (adj.)
Kemalpaşa	32	73,114	25,448	47,666	3,453 + 2,546 (adj.)
Kınık		32,109	13,136	18,973	
Kiraz		44,910	10,001	34,909	
Menderes	17	73,002	16,792	56,210	1,525
Menemen	31	114,457	46,079	68,378	3,111
Ödemiş		128,259	61,896	66,368	
Seferihisar	41	34,761	17,526	17,235	9,597 + 2,224 (adj.)
Selçuk	72	33,594	25,414	8,180	10,632 + 329
Tire	78	78,658	42,988	35,670	
Torbalı	40	93,216	38,099	55,117	3,910
Urla	32	49,269	36,579	12,690	9,539

Source: Compiled from SIS, 2002; Greater Municipality of İzmir, 2002

Table 7.15. The changes in the population of the provincial districts in İzmir province (1990-2000)

Districts	POP-1990	City	Village	POP-2000	City	Village	Ann. Gr. Rate	City	Village	Surface Area (km2)	Pop. Density
<b>Balçova</b>	59825	59825	0	66877	66877	0	11,14	11,14	0,00	21	3185
<b>Bornova</b>	278300	274226	4074	396770	391128	5642	35,46	35,50	32,55	224	1771
<b>Buca</b>	203383	199130	4253	315136	308661	6475	43,78	43,82	42,02	134	2352
<b>Çiğli</b>	78462	73364	5098	113543	106740	6803	36,95	37,49	28,84	97	1171
<b>Gaziemir</b>	44089	39905	4184	87692	70035	17657	68,74	56,23	143,95	63	1392
<b>Güzelbahçe</b>	14269	11624	2645	18190	14924	3266	24,27	24,98	21,08	117	155
<b>Karşıyaka</b>	345734	345360	374	438764	438430	334	23,82	23,85	-11,31	66	6648
<b>Konak</b>	721570	720502	1068	782309	781363	946	8,08	8,11	-12,13	69	11338
<b>Narlıdere</b>	34844	34844	0	54107	54107	0	44,00	44,00	0,00	63	859
<i>Total Gr. M.</i>	<i>1780476</i>	<i>1758780</i>	<i>21696</i>	<i>2273388</i>	<i>2232265</i>	<i>41123</i>				<i>854</i>	
<b>Aliağa</b>	42150	25450	16700	57192	37537	19655	30,51	38,85	16,29	274	209
<b>Bayındır</b>	47126	13862	33264	47214	15870	31344	0,19	13,52	-5,94	540	87
<b>Bergama</b>	101421	42554	58867	106536	52173	54363	4,92	20,37	-7,96	1720	62
<b>Beydağ</b>	14632	5831	8801	14147	5521	8626	-3,37	-5,46	-2,01	184	77
<b>Çeşme</b>	29463	20622	8841	37372	25257	12115	23,77	20,27	31,50	257	145
<b>Dikili</b>	23219	10023	13196	30115	12552	17563	26,00	22,49	28,58	510	59
<b>Foça</b>	25222	12057	13165	36107	14604	21503	35,87	19,16	49,05	205	176
<b>Karaburun</b>	9020	2338	6682	13446	2932	10514	39,91	22,63	45,32	484	28
<b>Kemalpaşa</b>	56075	16354	39721	73114	25448	47666	26,53	44,20	18,23	655	112
<b>Kınık</b>	37617	17167	20450	32109	13136	18973	-15,83	-2676,00	-7,49	446	72
<b>Kiraz</b>	41247	7850	33397	44910	10001	34909	8,51	24,21	4,43	572	79
<b>Menderes</b>	52934	9405	43529	73002	16792	56210	32,14	57,95	25,56	775	94
<b>Menemen</b>	76043	29006	47037	114457	46079	68378	40,88	46,27	37,40	694	165
<b>Ödemiş</b>	124968	51620	73348	128259	61896	66363	2,60	18,15	-10,00	1016	126
<b>Seferihisar</b>	21406	10720	10686	34761	17526	17235	48,47	49,14	47,79	386	90
<b>Selçuk</b>	27353	19412	7941	33594	25414	8180	20,55	26,93	2,96	280	120
<b>Tire</b>	77314	37855	39459	78658	42988	35670	1,72	12,71	-10,09	891	88
<b>Torbalı</b>	71617	21167	50450	93216	38099	55117	26,35	58,76	8,85	565	165
<b>Urla</b>	35467	25648	9819	49269	36579	12690	32,86	35,49	25,64	704	70

Source: Compiled from SIS and Greater Municipality of İzmir

#### 7.4.1.2. The Dimension of the Economic Structure

As mentioned in the previous parts and will be mentioned in the following part of the study, İzmir is subject to profound economic restructuring processes afterwards the national processes and the financial developments of İstanbul. With its ongoing industrial growth, the financial restructuring demands and practices of its capital in a regional manner, the historical geographical formation of its being a regional capital, industrial and tourism developments within its wider region, etc., the city has strengthened its economic power and competitiveness with its city-region.

Although the dependency on İstanbul has been historically founded by the national policies and the immense economic attractiveness of İstanbul region itself, İzmir has produced much within the period. Major transportation developments, state supports in industry and trade, ongoing population growth, İzmir city-region has provided especially industrial (organized industrial districts, free trade zone, small industrial sites), education (universities, language schools, rising private schools, famous secondary state schools, job-skill-based secondary schools), health (unique university hospitals, private and governmental hospitals), trade (export-import, service sector), tourism (major hotels, tourism centers), construction (mass housing, second housing), etc. employment opportunities and facilities at even the national level.

Table 7.16. The changes in the employed population by economic activity in İzmir province

	Economic Activity										
	Agriculture		Industry		Construction		Services		Not ad. def.		Total
<b>1980</b>	302,516	37.4	162,464	20.1	45,720	5.7	287,539	35.5	10,724	1.3	808,963
<b>1990</b>	348,413	32.3	178,603	20.3	49,528	5.5	348,034	38.5	5,921	1.2	1,080,346
<b>2000</b>	365,627	28.5	219,083	20.6	68,521	5.3	431,850	45.5	12,479	0.1	1,281,008

Source: SIS, 2002

Although much of the growth in the high skilled labor has been grasped by the labor markets of İstanbul, Ankara, and foreign countries, the city has the competitive potentials with respect to the growing numbers of university students, high literate rates, considerable accumulation of scientific, technical, and professional, commercial and sales labor, etc. On the other hand, the high rates of agricultural workers highlight another potential for İzmir, though within the rarely invested sectors of agricultural and animal husbandry. The table below is a representation of the changes in employment by occupation since 1980.

Table 7.17. The changes in the employed population by the occupation in İzmir province

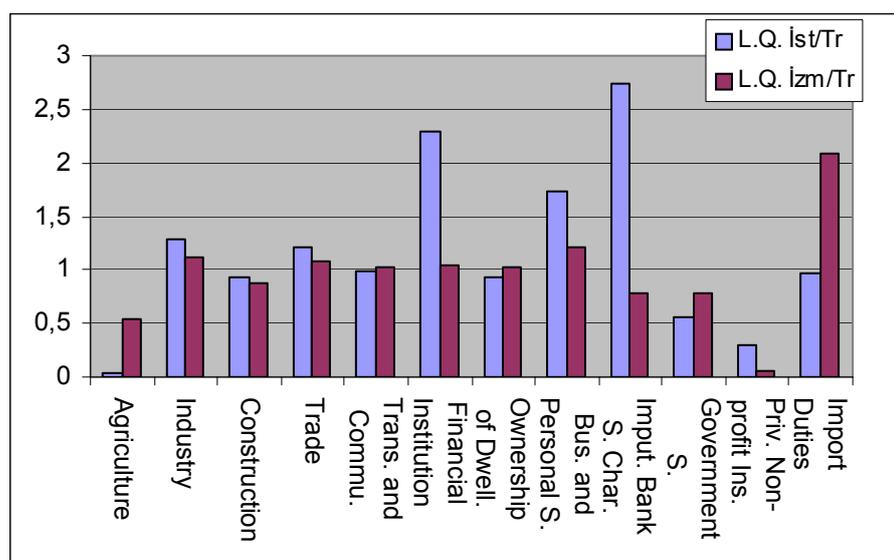
	Occupation Groups								Total
	1	2	3	4	5	6	7	8	
1980	51,217	11,977	41,908	59,476	59,591	301,404	282,962	428	808,963
1990	83,717	16,018	63,932	95,941	91,282	349,530	379,608	318	1,080,346
2000	127,291	24,140	105,182	123,231	123,280	366,573	410,564	747	1,281,008

Key to Groups: 1-Scientific, technical professional and related; 2-Administrative and managerial; 3-Clerical and related; 4-Commercial and sales; 5-Service; 6-Agricultural, animal husbandry, forestry workers, fisherman and hunters; 7-nonagricultural production and related w., transport equipment operators and laborers; 8-Workers nor classifiable by occupation

Source: SIS, 2002.

It would be proper here to state that İzmir's economy has been mainly based on its real sectors, main productive sectors. Within the restructuring processes, and especially 90s, there has been a tendency towards the financial sector in relation to investments in banking, financial institutions, etc. On the other hand, coupling with the financial restructuring of İstanbul contributed these developments provided by the command and control of the economic capital.

Fig. 7.14. The comparison of the GDP location quotients of İstanbul and İzmir (1999)



Source: Compiled from SIS, 2000

As it has been mentioned in the previous parts of the study, it would not be concerned here about the GDP values and LQs of İzmir. Instead, a comparison with İstanbul and Turkey in 1999 is given.

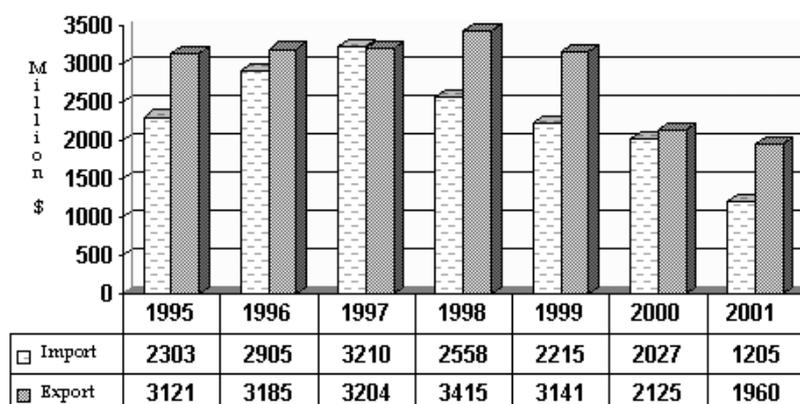
Consequently, it may be stated that the economic restructuring processes proceeding since the early 1980s, is on the run within both the city and its region. The productivity, competitiveness, and financial restructuring of the core, continues to expand its economic relations outwards its surrounding field.

Table 7.18. The comparison of GDP of İzmir with İstanbul and Turkey (1999 by 1987 prices)

Kind Of Activity	ISTANBUL			IZMIR			TURKEY	
	Value	Share	L.Q.	Value	Share	L.Q.	Value	Share
Agriculture	108051	0,4	0,03	606484	7,2	0,54	15369000	13,9
Industry	9288151	37,9	1,29	2613904	31,1	1,12	31814000	28,8
Construction	1210033	4,9	0,93	368006	4,4	0,87	5739000	5,2
Trade	6582922	26,9	1,22	1898778	22,6	1,09	23756000	21,5
Trans. and Commu.	3284581	13,4	0,98	1119448	13,3	1,03	14834000	13,4
Financial Institution	1531553	6,4	2,3	225930	2,7	1,05	2931000	2,6
Ownership of Dwell.	1201933	4,9	0,94	428764	5,1	1,03	5651000	5,1
Buss. And Personal S.	997278	4,1	1,73	224893	2,7	1,21	2533000	2,3
Imput. Bank S. Char.	1474166	6	2,73	135844	1,6	0,78	2376000	2,1
Sectoral Total	22760337	93		7350363	87,6		100251000	90,6
Government S.	594868	2,4	0,55	273509	3,3	0,78	4868000	4,4
Priv. Non-profit Ins.	26571	0,1	0,29	1726	0	0,06	407000	0,4
TOTAL	23381777	95,5		7625598	90,9		105526000	95,4
Import Duties	1101461	4,5	0,97	767956	9,1	2,08	5120000	4,6

Source: Compiled from SIS, 2000

Fig. 7.15. The changes in the foreign trade of İzmir (1995-2001)



Source: Under Secretariat of Foreign Trade cited in <http://www.izto.org.tr>

#### 7.4.1.3. The Dimension of the Political-Administrative Structure

İzmir has been a place where the democracy debate has been well established, and has been mostly cited as the potential place of democracy. Most of the municipal authorities have been selected from the left-wing parties for the last 30 years. Accompanying with the emergence and the rise of NGOs throughout the world as if reaching to be a movement, İzmir has been one of the vanguards of the process. The political atmosphere was colored with the rise of NGOs distributed all over the region.

On the other hand, since the early 80s, the administrative structure has been transformed by emergence of the greater municipality, changes in its jurisdiction, and central and local government tensions witnessed in the 1990s, emerging new municipalities of 2000 population, new provincial district divisions, and changes in

adjacent areas of municipalities.

In 1990 the greater municipality of İzmir was comprised of Bornova, Buca, Karşıyaka, and Konak provincial districts. The jurisdiction of the greater municipality has been changed; recently, the area comprises Balçova, Bornova, Buca, Çiğli, Gaziemir, Güzelbahçe, Karşıyaka, Konak, and Narlıdere.

Recently, nine district municipalities are under the authority of the Greater Municipality: Konak, Buca, Bornova, Karşıyaka, Çiğli, Gaziemir, Balçova, Narlıdere and Güzelbahçe. In addition to these, the Greater Municipality comprises Sarnıç (Gaziemir), Görece (Menderes), Sasallı (Çiğli), Harmandalı (Menemen), Asarlık (Menemen), Ulukent (Menemen), and Koyundere (Menemen) municipalities. There are also several rural settlements within the adjacent area of the Greater Municipality. These villages are Çamiçi, Eğridere, Karaçam, Kavaklıdere, Kayadibi, Kurudere, Laka, Sarnıçköy, and Yeşilçam in Bornova; Kavacık, and Tırazlı in Konak; Sancaklı and Yamanlar in Karşıyaka; Kaklıç in Çiğli; and Belenbaşı, Karaağaç, Kaynaklar and Kırıklar in Buca.

The Greater Municipality jurisdiction consists of 44,000 ha, and its adjacent area is 69,400 ha of which Tahtalı Dam Watershed Basin covers 40,000 ha. So, the total jurisdiction area of the Greater Municipality is 71,400 ha. The planning jurisdiction of the Greater municipality consists of 111,400 ha.

Within İzmir, there has been an ongoing administrative partitioning of settlements both within the core and the region. The rural settlements at the fringes of the city have been gaining municipal status as they reach to the 2,000 of population. The migration towards these areas at the fringe of the İzmir city-region, presents preferable spatial advantages due to their location within the city-region. They are not so close to provide high living costs, and not so far from firstly, region's and secondly core-city's economic, social, cultural, and political environment. Without any common policies, frameworks, and guidelines these settlements produce plans independently from that of Greater City's. But the case is that the structural plans produced by the Greater Municipality cannot be sufficient with such vast regional environment with respect to its recent political status, jurisdiction, economic opportunities, and economic and technical capabilities.

On the other hand, there are considerable tensions among municipalities. For instance, most of the municipalities out of the Greater Municipality's jurisdiction do not want to be included within this legal status under the control of the Greater

Municipality. There are also several districts -such as Karabağlar and Bayraklı- demanding to gain their own municipal jurisdictions.

As a consequence, in addition to the tensions between central governments and the local, there has been a tendency towards immense localization while the regionalism is also ongoing. These processes create new tensions and struggles for autonomy, resources, taxing, and state support especially in finance and personnel.

#### **7.4.1.4. The Dimension of the Spatial Structure**

In this section, the main focus of interest is the spatial restructuring processes within İzmir. The transformation within the spatial pattern of the city, changing importance of the parts of the city and region, major employment, residence, entertainment, production, and investments areas within the city is the major concern here.

Accompanying the population growth there has been also a growth in building and population densities, and expansion of settlement areas. The city growth reached its very limits in relation to the natural thresholds, health conditions, infrastructure adequacy, etc.

Urban growth represents a linear (corridor-like) pattern and transcends the boundaries of the jurisdiction of the Greater Municipality and of the central government institutions. The growth pattern represents a harmful pattern at the expense of quite important natural and built reservation and preservation areas. The growth goes on and coerces the natural thresholds of the core city.

The proceeding growth and established speculative construction market forces the governors and institutions over the limits of growth. As the land values increase, the developers demand high construction rights within the built-up areas, on the vacant lands and buildings that are out of use. On the other hand existing technical and social infrastructure cannot afford the developments, and the reformations made by the governors cannot cope with the demands or increasing problems.

There has been a decentralization of several activities within the core city of İzmir; if industry is one, so the major commercial and residential activities the other, coupling with the spatial expansion of the city outward the administrative boundaries, natural thresholds, and physical planning limits. Informal developments, partial changes in plans, and speculation-led developments characterized these transformations. The emergence of new land uses and their locational preferences and

the new employment centers defined the new land use pattern. The removal of industrial areas from the CBD and gradually from the inner city, created large areas of decay, incongruent environments with the new adjacent lands, etc.

Fig. 7.16. A panoramic view of the city center and the outlying residential areas of İzmir: mostly filled after the 1980s



Source: Skylife, 2002: 36

Furthermore, there has been a polycentric development within the core-city of İzmir; the sub-centers were developed and increased their attractiveness at the expense of the traditional center and the larger CBD. The underlying reasons of this development were the removal of residential areas from the center to the suburbs due to both large residential projects and tenants' preferences, the spatial limits of the CBD to the land developers due to both lack of vacant land and considerable amount of conservation areas within the CBD, the improvement of technical and social infrastructure –especially access to suburbs via the public transportation–, the removal of industrial facilities from the CBD and the inner city to the outer zones, the ghettoization of residential areas within the CBD, the development of gated communities –schools, residences, entertainment facilities, etc.

In relation to the limits of development due to conservation decisions, insufficient size of parcels, traffic congestion, and inadequate communication and transportation infrastructure there emerged the urban infill projects, out-of-city developments, demands on redevelopment provided by the municipalities and central government, etc.

Within the immediate periphery of the center spatial segregation, and political ethnic divisions reshaped the urban fabric accompanying the in migration to the available lands close to the center. Contrarily, within the fringes there has been a

construction boom of luxury housing, private estates in gardens, etc. There has been a decentralization of high-income groups from the city center towards the outlying areas of the core-city of İzmir. Çeşme and Urla seem to be the most favored places of residence, offering short and fast commuting access via the highways to the city center and other activity centers within the city-region.

On the side of the planning, most developments have proceeded via the partial plans scaled from a parcel to a considerable zone, without any consideration of even the whole core-city. That is, although these partial plans and developments have quite important effects on the city, there exists no up-to-date proper macro spatial policy, decision or guideline. This debate will be evaluated in section 7.6. of the case study.

Table 7.19. represents the land use distribution within the Greater Municipality of İzmir in 1997 (also see Fig. 7.17. and 7.18.). Of the total 83,300 ha land, 26.7 % is comprised by the urban activities. Although the agricultural areas, forests, etc. comprise a considerable portion of the whole area, it should be noted that these important areas for the recent and future urban life, the expansion of the built environment within the city have been mostly realized at the expense of these areas harming the whole ecosystem.

Table 7.19. The land use distribution in the Greater Municipality Area of İzmir (1997)

<b>Land Use</b>	<b>Area (ha)</b>	<b>% of total</b>
Residential areas and Services	11,564.9	13.9
CBD and central areas	303.9	0.4
Employment Areas	2,790.9	3.4
Public Institutions	5,064.6	6.1
Tourism Facility Areas	26.3	0.0
Recreation, sports, and green areas	759.5	0.9
Transportation and Infrastructure	1,768.6	2.1
<b>Urban Activities sub-total</b>	<b>22,278.7</b>	<b>26.7</b>
Rural Settlement Area	320.0	0.4
Saltpan Area	2,275.0	2.7
Agricultural A., Forests, Unsetttable Area	58,426.3	70.1
<b>General Total</b>	<b>83,300.0</b>	<b>100.0</b>

Source: Greater Municipality of İzmir, 2002

The intensification of the capital and the investments at the core of the city-region of İzmir has caused imbalanced development patterns where strict boundaries among the segments of the city-region have been created. Furthermore, as seen in Table 7.21., Fig. 7.20. and 7.21., many of the projects could be realized at the edges of the city due to the lack of proper land and construction rights and the dynamics of the decentralization processes causing the decline of the core areas of the city-region.

Bu sayfaya Fig. 7.17. gelecek

#### 7.4.2. The Major Projects within the Spatial Restructuring Processes in İzmir

There have been quite important projects both representing the intentions on the future of the city of various actors, and highlighting key areas of investment, conservation, redevelopment, and struggle. The projects vary, from large scale to small, the stakeholders, and spatial aspects of each differ. Especially, the core-city of İzmir has been a 'construction yard' for nearly 30 years due to the ongoing constructions.

This section of the case study will evaluate them under the classification of project types within several aspects; such as location, state of realization, and stakeholders concerned. They are of special importance with respect to their state of being the demands on investments and technical infrastructure of the capital, command and control of regional capital accumulation centered in İzmir.

Table 7.20. Mass housing Projects in İzmir

Project Name	Location (sub-district)	Number of Residences
Evka 1	Buca	4.588
Evka 2	Çiğli	3.120
Evka 3	Bornova	1.438
Evka 4	Bornova	5.259
Evka 5	Çiğli	3.377
Evka 6	Çiğli	999
Evka 7	Gaziemir	999
İzyuva	Bornova	740
İzkent	Pınarbaşı	228
İzkent	Buca	964
İzkent	Çiğli	960
İzkonut	Buca	2.046
Egekent 1	Çiğli	8.548
Egekent 2	Ulukent	1.417
Egekent 3	Buca	848
Egekent 4	Ayrancılar	1.500
Egekent	Seyrek	400
Konkent	Eski İzmir	2.702
Borkop	Bornova	2.800
Buca Koop.1	Buca	2.300
Çiğli Koop.	Çiğli	2.000
Narkent	Narlıdere	860
Emlakbank	Bostanlı	6.528
Bostanlı 1,2		
Emlakbank	Gaziemir	6.425
Gaziemir 1,2,3		
<b>TOTAL</b>		<b>61.046</b>

On the other hand, these projects highlight the spatial preferences of the governors, investors, and developers; mandatory provided by plans, city structure, legal frameworks, etc.; spatial potentials, limits, and possibilities for the past and future restructuring processes brought about within the city.

Source: Greater Municipality of İzmir, 2002

Table 7.21. provides a brief summary of the identified major projects especially within the core-city of İzmir (also see Fig. 7.19. and 7.20. for the spatial mappings). There is no doubt that the project list does not cover all of the realized projects.

Table 7.21. The selected major projects and their selected attributes in İzmir since 1980

Project Field	Name & Location of the Project	Realization	Project Owners
Technical Infrastructure	The Great Channel (serving the core-city, surrounding the bay)	Almost completed	İzsu (Greater Municipality)
Transportation	Kordonyolu (city center waterfront), Çeşme-İzmir Highway (connecting the edge of core-city and western axis of the city-region), Removal of the Intercity Bus Terminal (to Işıkkent), Subway Project (east-west axis of the core-city)	Cancelled; completed; completed; main phases are completed	Regional Headquarters of Bayındırlık and Karayolları, Greater Municipality, holdings, private firms
Industry & Trade	Atatürk Organized Industrial District, Çiğli Organized Industrial District, Aegean Free Trade Zone (Gaziemir), and other 'organized industrial district' projects (distributed throughout the city-region)	Completed; other projects are running	Ministry of Industry and Trade, Aegean Chamber of Industry, private holdings and firms
Renewal	Clearance of Gecekondu areas (Narlidere, Uzundere), Konak Square and Kemeraltı, Agora, Kadifekale; International Urban Design Competition for the Port District (city center)	Completed; projects are running	Greater Municipality and district municipalities
Hotels	Hilton (city center), Sheraton (Çeşme), Özdilek (İnciraltı), Ege Palas (city center)	Completed	Private firms
Office & Trade Center	World Trade Center (city center), Heris Tower (city center), KSK Plaza, Güçbirliği Plaza (Balçova)	Construction cancelled; completed; completed; cancelled	İzmir Chamber of Commerce, holdings and private firms
Recreational	Waterfront recreation areas (surrounding the bay), Hasanağa Park (Buca)	Completed	Greater Municipality
Mass Housing	Listed in Table 7.20. (in almost every peripheral district and especially at the edges of the core-city)	Many constructions completed; and many are running	Greater Municipality, district municipalities, private cooperatives and firms
Gated Housing Est.	Villa clusters (Narlidere, Urla, Çeşme)	Many constructions completed; and many are running	Holdings, private cooperatives and firms
Shopping Centers	15 shopping centers (mostly at the edges of the core-city)	Almost completed	Holdings and private firms
University	IIT (Urla), DEU (Kuruçeşme Campus in Buca), IEU (Balçova)	Main phases are completed and constructions are running	The state, university directors, private firms
Events	Annual cultural -cinema & music- festivals (Cultural Park; French, German, and American Cultural Centers; Ephesus Amphitheatre)	Annually realized	The Greater Municipality & private organizations; the cultural centers & NGOs;
	Seasonal fairs (Cultural Park, Hilton)	Annually realized	İzfaş (Greater Municipality), private fair organizations

Source: Compiled from Greater Municipality of İzmir and various resources



Bu sayfaya Fig. 7.20 gelecek

## **7.5. Analyzing the Producer Services in İzmir**

This section of the case study deals with the 'Producer Services' in İzmir with respect to the historical-spatial concerns. It should be noted at the outset that these are the potentially identified sectors within the specific purposes of the study. That is to say, they are the selected groups/sectors that are classified distinctively as producer services referring to the statements and discussions evaluated in Chapter 5.

Although this sub-sector services, are introduced as the 'advanced' group of services and refers to highly professionalization, outsourcing of production firms, the specialized role they play within the production processes, and their proportionate earnings relative to other sectors, and their high-skilled labor, this group is identified here as to emphasize the potential grounds and developments in the formation of a 'realized' producer services specialization in İzmir. There is no doubt that İstanbul is the first potential city for such a specialized development, but on the other hand İzmir is another city subject to such a development serving its regional and transnational markets within its restructuring processes.

The analysis and discussions made in this part are considerably determined by the availability of data and previous research on the subject. As there could not be obtained any study on producer services in İzmir yet, this study established its own context, data and methodology. Previous chapters, especially Chapter 5 and the former parts of this chapter contributed to the designation of the work.

Among many, two sources of data significantly contributed to this part of the study: One is Members List of Izmir Chamber of Commerce (2001), and the other is a previous study made by Ercan (1990) - her analysis comprises the changes in the spatial and sectoral distribution of İZTO members within the time span between pre-1980 and 1988. Due to the differences between classification of sectoral groups and on spatial units of data, these two types of data evaluated separately. The mutual ground between the two was established by the selection of groups. As the referred classifications in defining producer services in the case of this study, and as the origins -both are derived from the İZTO Members List- of these two types of data are the same, the reasoning stemmed from the same source of knowledge. The following part of the study summarizes the defining process of producer services within these two types of data.

On the other hand, these firms cited as the potential producer services, are analyzed within the core-city of İzmir. This selection stemmed from two underlying

reasons: First, is that the core-city comprises the most of the firms constituting a sufficient spatial entity. Second, is that the data of the periods between pre-1980 and 1988 has a spatial limit within the core-city of its time. Therefore, the data of 2001 was limited to the recent core-city for the spatial overlapping of the two, although this data was a full list of members even out of the province.

The study was aided by the use of GIS as in the case of previous sections of the case study. Also here, the same distinction was made between mappings of the two types of data. As there could not be able to identify common spatial units for both, each was mapped with its own spatial units.

It is proper here to state that further study is required in order to explore the 'advancement' process of firms/groups within economic sectors. Such kind of studies may provide interdisciplinary approaches to the phenomenon between urban economists, economic and urban geographers, planners, etc. Furthermore, the focus on these issues should be of major concern for governors, and policy-makers. For instance, in most of the major cities throughout the world, there is a growing tendency towards identifying and analyzing locational distribution patterning of producer services in order to identify issues and special spaces for both planning and urban design projects.

#### **7.5.1. Defining the Producer Services for the Core-City of İzmir**

As seen from the overviews and discussions of the fifth chapter of this thesis, each study defines the producer services in relation to the previous economic analyses, the citations in other studies, or the official identifications on the producer services. But due to the lack of previous study on the 'producer services' identified for İzmir, they will be defined here in reference with the approaches overviewed in Chapter 5. The identified defining characteristics of 'producer services' in the core-city of İzmir are outlined as follows:

- There are several reasoning in the defining process:
  - The use of an international standard in the classification of economic sectors providing proper classes and sub-classes provided the ability to build conversions of the data gathered, and made the possibility of creating linkages (or references) to cited theoretical studies.
  - The studies made in section 7.3. of this chapter, especially the evaluations of the sectoral LQs of İzmir province, highlighted the sectoral specializations, the rising sectors in their relations to industrial development, identification of

competitively advantages of sectors.

- The studies made in section 7.4. of this chapter offered the emerging factors within the spatial restructuring processes to be of help in defining relations between space and economic sectoral tendencies.
- The studies in Chapter 5 provided a vast collection of identified and classified Producer Services where empirical analyses are made.
- It should be noted that this thesis points to the 'potential' services, which may be defined as the 'producer services'. There is no doubt that they should be defined throughout the economic analyses made within the field of economics or by the official institutions.
- There is a widespread citation that the producer services fundamentally consist of the FIRE (Finance-Insurance-Real Estate) group, Business Services, Legal Services and in some cases the Transport and Communication Services.
- Finally, three groups from the Industrial Classification of All Economic Activities (ISIC Rev3) were identified as potential producer services in the case of İzmir: Classes of I (Transport, Storage and Communications), J (Financial Intermediation), and K (Real Estate, Renting and Business Activities). The sub-classes of these classes are given in Appendix E. As it was seen that the conversion of data to these basic classes would inevitably provide deficiencies, these basic classes are just used as a defining guideline.

The following part of the study makes a historical analysis of identified potential producer services within the core-city of İzmir.

### **7.5.2. Producer Services Formation in the Core-City of İzmir since 1980**

At the outset, it should be re-marked that neither the analysis made here could implicitly correspond the properness that these special services require, nor there would be possibility in doing so with respect to the unavailability of data, professional knowledge (of the author), etc. But it is the 'potential services' to be identified as producer services that this study intends to address. Furthermore, the groups identified here comprise some other specialized economic sectors that are out of the concerns of this study. They are taken here, as their separations would cause considerable deficiencies.

What is of major emphasis is that to focus on the potentials of İzmir -being one of the two major cities behind İstanbul- and to identify several issues related with them. And it is just the empirical work on the selected data with respect to the specific

assumptions of this study.

Then comes the locational analysis of the counted groups, by sub-districts. Within this phase, the two groups of data are spatially analyzed with respect to their own spatial units. But the data of 2001 is also spatially converted to the base of districts to be of use in defining relative centralities of districts in relation to the selected service sectors. And finally, the spatial patterning of the location distributions is analyzed and is grouped. It is again the type of data that demarcated the possibilities within the analyses.

In the first level of analysis, the first group of data represents the historical change of the total members in the selected sectors, which is given in the table below.

Table 7.22. Changes in the sectoral distribution of the firms by selected groups in Greater İzmir

<b>Sectoral Distribution of Firms in Greater Izmir</b>			
<b>Groups</b>	<b>Before 1980</b>	<b>1980-85</b>	<b>1985-88</b>
Transportation Services	248	501	741
Commission Agents of Goods	193	228	256
Insurance and Commission Services	105	165	239
Real Estate and Related Services	115	135	149
Other Financial Services	289	354	396
Advertising Agents	68	140	192
Storage and Warehousing	14	14	14
Other Business Services	59	95	137
Other Professional Services	1444	2650	3738
<b>Total</b>	<b>2535</b>	<b>4282</b>	<b>5862</b>

Source: Compiled from Ercan, 1990

The number of the member firms before 1980s increased from 2535 to 4282 especially in the first half of the 1980s. Within the period, where the national policy was addressed to integrate with the foreign markets and to support the local entrepreneur, the growth rate of total number of firms in selected groups is 69 %. The vanguards of this fast growth were advertisement agencies with a growth rate of 106 % and transportation with 102 %. Then come the professional services with 84 %, business services with 61 % and 57 % insurance and commission services. On the other hand there was a profound number of added member firms (1206) in the professional services group between 1980 and 1985. And financial services with 265 added and transportation with 253 added are other significant groups with the same respects.

It was cited in section 7.2. that the period between 1980 and 1985 might be considered as a starting point of the restructuring processes. Within the economic sectoral concerns, this period has been materialized in the growth of transportation,

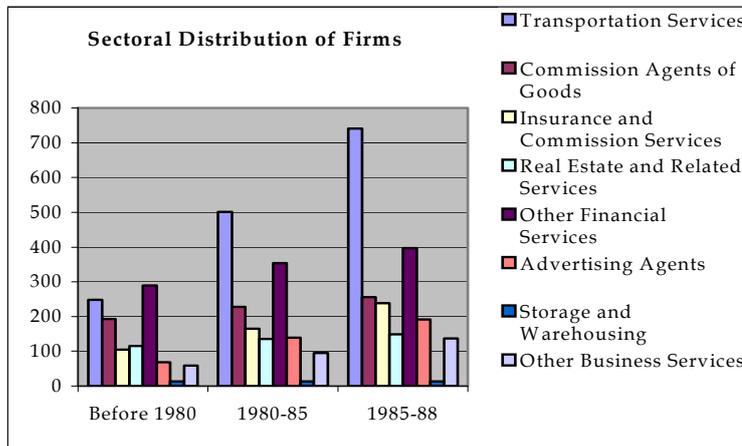
advertisement, professional and business services; and it should be noted that the specializations within these sectors were beginning in the same period. On the other hand, the only stabilized sector is the storage and warehousing. As a consequence, the sectors, which are still important in relation to the advantages and potentials they create in today's İzmir, have been historically founded. The period between 1980 and 1985 witnesses a relative jump within these sectors and might be considered that they established the grounds and relations for specialization, growth, and production in the markets.

The period between the years 1985 and 1988 represents a differing process from that of the former. The growth rate of total number of firms was 37 %; this rate is less than that of the former period but still marks a considerable increase in the number of firms. The significant feature within the process is that the decreases in the growth rates of advertising agents from 106 % to 37 and transportation services from 102 % to 48 %. Although there exist decrease in the growth rates in general, the rates in none decreased to negative acceleration except these two groups. Here, it may be stated that the relative immense growth witnessed in İstanbul, especially in relation to the national economic policy centered on the growth of the city as an economic capital and as finance center of the country, had a relation with the increases and decreases in the other major cities of the country as they have always economic dependencies with İstanbul.

The fastest growing sectors of the period are once more the transportation with 48 %, insurance with 45 %, business services with 44 %, and professional services with 41 %. With respect to the number of firms, again the group of professional services is the vanguard of the period with 1088 firms added. The others are the insurance and commission agencies with 74 firms, advertising agents with 52 firms, and business services with 42 firms. Consequently, it should be noted that the growth in the potential producer services sectors remained with relatively low numbers when compared with that of the former period. Especially the rising insurance group highlights both the changing relations within the markets and the beginning of the new period of specialization. The growth -represented in the number of firms- in the selected sectors, which are identified as potential producer services, brings about the statement that there aroused a new orientation of the capital towards several services beginning with the 1980s. The total number of firms in the selected sectors increased with a growth rate of 131 % between 1980 and 1988.

There is no doubt that further study is needed on analysis of the relations between the growth patterns of service sectors and industry. In the case of producer services, such an analysis would focus on these relations in detail, especially in relation to the locational changes and preferences in industry and producer services.

Fig. 7.21. The changes in the sectoral distribution of firms by selected groups in Greater İzmir



Source: Compiled from Ercan, 1990

The figure given above summarizes the analysis explained in the preceding pages. It should be noted that the leading sectors of the period between 1980 and 1988 are the professional services and the transportation services. Other sectors to be highlighted are the commission agents, finance, and insurance. Although less represented within the number and rate counts, the rise of finance and commissions sectors is of special importance to be paid within the historical economic and spatial analysis of the city.

After analyzing the period between 1980 and 1988, we can discuss the analysis of the 2001 data. The whole list of member groups of İZTO used in this case study (İzmir Chamber of Commerce) is given in Appendix F. The analysis made on the data of 2001 will be more detailed as the possibility is provided by the data itself when compared with that of the 1980-88 period. On the other hand, the selected groups identified here is quite different than the former, but both selections are based on the selected SIS classes (ISIC Rev3, classes of I, J, K) as mentioned at the outset of this part of the study. It is intended here to compare the two periods in relation to this base, and especially highlight the recent state in İzmir with fresh and detailed data.

Furthermore it should be noted that the data of 2001 covers an area of the whole İzmir province, where the data of 1980-88 is constrained within the greater city of the period. The locational analysis is addressed in the following section where the

detailed explanations are given.

The table above represents the number of firms in selected groups in year 2001. It is proper here to emphasize that this classification of groups are more detailed than the one of 1980-88, and that the total number of selected groups is comprised from different number and types of sectors provided by the two data group.

Table 7.23. The sectoral distribution of the firms by the selected groups in İzmir province (2001)

<b>Groups</b>	<b>Total Member</b>
Land and Air Transport	1269
Project, Engineering, and Consultants	869
Insurance Business	845
Banking	443
Tourism and Travel Agencies	394
Advertising Agents	327
Hotels and Touristic Services	311
Real Estate Commission Agents	207
Management Consultancy and Financial Advisors	172
Customs Agents	166
Software Consultancy Services	162
Stock and Exchange	133
Auto Commission Agents	128
Research Organization and Translation Agents	110
Services of Public Works	101
Water Transport	99
Shipping, Packaging, Storage	97
Other Commission Agents	63
Media	62
<b>Total</b>	<b>5958</b>

Source: Compiled from İZTO, 2001.

The vanguard of selected potential producer services is the group of land and air transport firms with a total number of 1269. If the 99 water transport firms are added, the total number of transportation firms reaches up to 1368. This profound number may be explained with the statement that the city has been subjected to a considerable investment and development throughout the 1990s. The ongoing industrial growth and significant transportation investments of the central and local governments may be highlighted as the underlying forces of this development within the sector.

Furthermore it should be stated that another profound growth is in the group of project, engineering, and consultants with a number of 869 firms. The noted rise in insurance within the period of 1980-88 is materialized in numbers: total insurance firms reaches up to 845. On the other hand, the total number of 443 banking firms is worth

special emphasis.

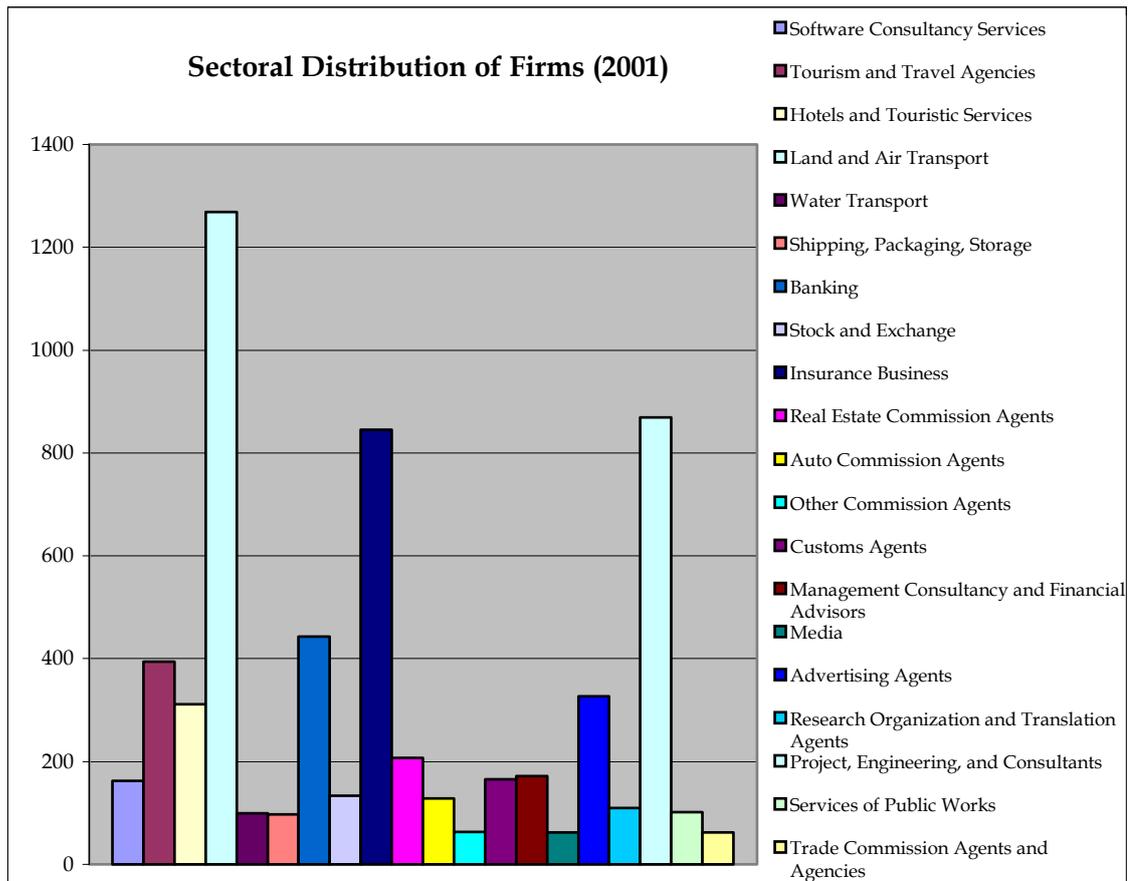
The numbers of 2001 and comparisons with the period of 1980-88, highlights the potential within these four sectors as to produce high levels of specialization, professionalization, and productivity. They are implicitly the potential producer services located in İzmir. In relation to the privatization movements and expansion of free market policies within the economic sectors expressed at the national policies, and the rise of İstanbul with its growth and development in finance and industry may be counted as the underlying reasons of this growth in İzmir. It should be noted that the regional headquarters of the firms in these four sectors are located in İzmir, where most of the national command and control centers are located recently in İstanbul. The location of regional headquarters in İzmir is closely linked with the fact that all the central governmental institutions are also located in İzmir. This factor is quite important in a country like Turkey where the role of the central government in the economy is still very important.

The next significant firms belong to the group of tourism and travel agencies with a number of 394. Closely related with this group is the group of hotels and tourism services with 311 firms. As İzmir is one of the tourism centers within the whole country, these numbers do reflect this reality. Most of the advanced firms within these groups are the regional headquarters having command and control centers in İstanbul and other cities in the world.

Advertising agents, management consultancy and financial advisors, software consultancy firms are other rising groups. It should be noted that except, financial firms having centers in İstanbul, most of the advertising agents, and the software services are originated in İzmir. Although their profits, productivity rates, and number of high-skilled labor force have not reached to a level comparable with that of İstanbul, they are worth highlighting with their potentials and capacities in local learning and innovativeness. The groups of real estate commission agents, customs agents, and research, organization and translation agents should be added to the list of potential growing sectors as to be the producer services.

Although the group of media agents is at the bottom of the list with 63 firms, these firms are worth consideration as they highlight an emerging specialization to be effective in the regional markets, broadcasts, and other kind of linkages. This development is also reflected in the opening up TV and radio channels having regional broadcasts.

Fig. 7.22. The sectoral distribution of the firms by the selected groups in Greater İzmir (2001)



Source: Compiled from İZTO, 2001

The figure above represents the relative weight of selected groups within İzmir as evaluated in the former pages. There is no doubt that the considerable relative weight of 'land and air transport' group is quite related with the economic geographical position of İzmir within the national and even the international markets. With its import and export seaport, major airports, state of being a tourism center and transfer node, and its proximity to main tourism facilities, industrial centers, and yielding agricultural areas, the city has been an advantageous place for these services to grow and develop their productivity, professionalization, specialization, and to realize regional investments.

### 7.5.3. The Locational Distribution Analysis of the Producer Services in Izmir

Following the sectoral distribution, this part of the study will analyze the locational distribution of selected service groups in İzmir. The analysis will be based on the same data used in the previous part. Therefore, it should be re-noted that the first group of data comprises the greater city, but the second group the whole province. Both are basically the locations of the member firms of İZTO (İzmir Chamber of

Comm.) in 1980-88 and 2001 in selected groups (as the potential producer services).

The analysis begins with the period of 1980-88. Spatial units provided by the data source are the identified sub-districts ('mıntıklar') in the greater city of the period. The analysis goes on spatial distribution of firms in 190 and before, 1980-85, 1985-88, and finally in 2001. The spatial mapping unit of 2001 data is different, also named as sub-districts ('semtler'). Spatial mappings of location distribution are also given in each period in the following pages. The table below comprises the whole member groups as well as the selected ones as the potential producer services.

Table 7.24. The changes in the locational distribution of the whole and selected firms

<b>Spatial Distribution of Firms in Greater İzmir</b>								
	<b>1980</b>		<b>1985</b>		<b>1988</b>		<b>TOTALS</b>	
	<b>Total</b>	<b>Selected</b>	<b>Total</b>	<b>Selected</b>	<b>Total</b>	<b>Selected</b>	<b>SELECTED</b>	<b>GENERAL</b>
Altındağ	24	7	42	8	14	7	22	80
Balçova	74	38	107	47	80	41	126	261
Bornova	155	44	228	46	167	52	142	550
Buca	71	36	90	41	58	15	92	219
Büyükçiğli	30	13	30	17	24	9	39	84
Çamdibi	50	10	74	13	65	7	30	189
Gaziemir	21	2	32	4	29	4	10	82
Gültepe	6	5	10	3	7	0	8	23
Güzelbahçe	13	3	29	8	10	3	14	52
Işıkkent	9	1	3	1	8	2	4	20
Karşıyaka	728	206	669	256	440	193	655	1837
Narlidere	23	16	5	5	16	8	29	44
Pınarbaşı	27	2	32	13	18	2	17	77
Yeşilyurt	33	13	54	16	45	20	49	132
Eşrefpaşa	360	71	218	41	167	38	150	745
Güzelyalı	413	147	329	123	314	151	421	1056
Yenişehir	242	47	125	20	170	26	93	537
Basmane	302	33	147	28	109	24	85	558
Hatay	241	105	121	33	121	39	177	483
Central	5707	1731	3434	995	2614	915	3641	11755
<b>Total</b>	<b>8529</b>	<b>2530</b>	<b>5779</b>	<b>1718</b>	<b>4476</b>	<b>1556</b>	<b>5804</b>	<b>18784</b>

Source: Compiled from Ercan, 1990

In 2001, the locational distribution of the selected groups represents several points to be highlighted. These groups are spatially concentrated in especially Alsancak, Çankaya, Karşıyaka, Bornova, Konak, Pasaport, Yenişehir, Işıkkent, Basmane. Çeşme, Çiğli, Hatay, Karabağlar, Buca, Şirinyer, Çamdibi, Kemalpaşa, Gaziemir, Balçova, Pınarbaşı, Güzelyalı, and Kahramanlar are also major concentration places for selected sectors. In addition to these centers, sub-districts such as Kemeraltı, Montrö, and Üçkuyular also are considerable centers of selected service groups.

Table 7.25. The locational distribution of the firms by the selected groups in Greater İzmir (1980 and before)

Sub-districts	Transportation Services	Commission Agents of Goods	Insurance and Commission Services	Real Estate And Related Services	Other Financial Services	Advertising Agents	Storage And Warehousing	Other Business Services	Other Professional Services	Total
Altındağ	0	1	1	0	2	0	0	0	3	7
Balçova	0	2	1	0	6	0	0	0	29	38
Bornova	0	1	0	3	8	0	0	1	31	44
Buca	1	0	0	1	12	0	0	1	21	36
Büyükçiğli	0	0	1	0	2	0	0	0	10	13
Çamdibi	0	0	0	0	6	0	1	0	3	10
Gaziemir	0	0	1	0	1	0	0	0	0	2
Gültepe	0	0	0	0	2	0	0	2	1	5
Güzelbahçe	2	0	0	0	1	0	0	0	0	3
Işıkent	0	0	0	0	-	0	0	0	1	1
Karşıyaka	15	1	12	1	44	2	0	6	125	206
Narlidere	0	1	1	5	5	1	0	0	3	16
Pınarbaşı	1	0	0	0	1	0	0	0	0	2
Yeşilyurt	0	1	0	0	1	0	0	0	11	13
Eşrefpaşa	10	0	0	5	18	0	0	1	37	71
Güzelyalı	8	2	4	1	17	2	0	0	113	147
Yenişehir	0	3	2	11	-	0	1	0	30	47
Basmane	3	2	1	5	7	3	0	1	11	33
Hatay	2	5	0	4	16	1	0	2	75	105
Central	206	174	80	88	129	59	13	43	939	1731
<b>Total</b>	248	193	104	124	278	68	15	57	1443	2530

Source: Compiled from Ercan, 1990

Table 7.26. The locational distribution of the firms by the selected groups in Greater İzmir (1980-85)

Sub-districts	Transportation Services	Commission Agents Of Goods	Insurance and Commission Services	Real Estate And Related Services	Other Financial Services	Advertising Agents	Storage And Warehousing	Other Business Services	Other Professional Services	Total
Altındağ	1	0	0	0	0	2	n.a.	0	5	8
Balçova	0	0	0	0	2	0	n.a.	2	43	47
Bornova	5	0	1	1	2	1	n.a.	1	35	46
Buca	0	0	0	1	5	1	n.a.	1	33	41
Büyükçiftlik	0	0	0	0	4	0	n.a.	1	12	17
Çamdibi	1	1	0	1	4	0	n.a.	0	6	13
Gaziemir	0	0	0	0	4	0	n.a.	0	0	4
Gültepe	0	0	0	0	3	0	n.a.	0	0	3
Güzelbahçe	3	0	1	0	3	0	n.a.	0	1	8
Işıkkent	0	0	0	0	0	0	n.a.	0	1	1
Karşıyaka	17	1	4	2	0	7	n.a.	5	220	256
Narlidere	0	1	0	0	0	0	n.a.	0	4	5
Pınarbaşı	9	0	1	0	0	0	n.a.	0	3	13
Yeşilyurt	0	1	0	0	4	3	n.a.	1	7	16
Eşrefpaşa	4	1	1	0	3	1	n.a.	0	31	41
Güzelyalı	9	0	2	0	4	1	n.a.	3	104	123
Yenişehir	1	2	4	1	1	0	n.a.	0	11	20
Basmane	3	0	0	0	2	0	n.a.	0	23	28
Hatay	2	0	0	2	2	0	n.a.	0	27	33
Central	198	28	45	12	22	60	n.a.	24	606	995
<b>Total</b>	253	35	59	20	65	76	n.a.	38	1172	1718

Source: Compiled from Ercan, 1990

Table 7.27. The locational distribution of the firms by the selected groups in Greater İzmir (1985-88)

Sub-districts	Transportation Services	Commission Agents Of Goods	Insurance and Commission Services	Real Estate And Related Services	Other Financial Services	Advertising Agents	Storage And Warehousing	Other Business Services	Other Professional Services	Total
Altındağ	1	0	0	0	1	0	n.a.	0	5	7
Balçova	1	0	0	0	1	0	n.a.	1	38	41
Bornova	6	1	3	0	3	0	n.a.	0	39	52
Buca	0	0	0	0	0	0	n.a.	0	15	15
Büyükçiftlik	2	0	0	1	1	0	n.a.	0	5	9
Çamdibi	1	1	1	1	0	0	n.a.	0	3	7
Gaziemir	1	0	0	0	1	0	n.a.	0	2	4
Gültepe	0	0	0	0	0	0	n.a.	0	0	0
Güzelbahçe	0	1	0	0	0	0	n.a.	0	2	3
Işıkent	1	0	0	0	0	0	n.a.	0	1	2
Karşıyaka	10	0	7	0	5	4	n.a.	8	159	193
Narlıdere	1	3	0	1	1	0	n.a.	0	2	8
Pınarbaşı	1	0	0	0	0	0	n.a.	0	1	2
Yeşilyurt	0	2	0	0	0	0	n.a.	1	17	20
Eşrefpaşa	5	1	3	0	0	3	n.a.	2	24	38
Güzelyalı	7	0	3	2	0	0	n.a.	3	136	151
Yenişehir	5	0	1	0	5	0	n.a.	0	15	26
Basmane	2	0	1	1	0	0	n.a.	1	19	24
Hatay	5	0	0	1	1	1	n.a.	1	30	39
Central	190	19	55	7	22	44	n.a.	25	553	915
<b>Total</b>	<b>239</b>	<b>28</b>	<b>74</b>	<b>14</b>	<b>41</b>	<b>52</b>	<b>n.a.</b>	<b>42</b>	<b>1066</b>	<b>1556</b>

Source: Compiled from Ercan, 1990

Bu sayfaya Fig. 7.23. gelecek

Table 7.28. The locational distribution of the firms by the selected groups in İzmir province (2001)

Sub-districts (semt)	Number of members by selected sectoral groups within İZTO list of members																				Selected Members	Total Members
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20		
ALSANCAK	46	107	57	219	36	17	38	21	144	22	10	10	146	39	14	111	38	151	24	1	1251	3900
CANKAYA	37	52	31	53	8	5	39	24	149	5	6	9	4	34	10	27	15	42	4	14	568	2500
KARSIYAKA	14	27	16	43		2	39	7	75	33	11	3	2	12	3	27	7	108	10		439	2671
BORNOVA	15	16	4	125	1	11	29	7	73	18	12	6	1	4	2	21	6	74	8		433	2664
KONAK	6	9	9	10	1	1	29	7	47	3		4	1	11	2	14	4	61	7	21	247	1819
PASAPORT	6	36	15	16	4	4	19	19	44	1		2	3	6	7	8	7	33		16	246	619
YENISEHIR	2	6	2	69	2	5	15	5	21	5	2	5		9	3	16	3	33	5		208	2154
ISIKKENT		2	1	159	1	6	4	2	5	1		2		1		3		1			188	700
BASMANE	3	8	15	31		1	7	2	25	1	3	1	1	6	2	6	5	3	1	1	122	605
CESME		27	39	7	9		6	1	6	3				2	2	1		18	1		122	358
CIGLI		2	6	32		4	19	5	16	9	5	2		2	1	3		14			120	1023
HATAY	5	8	3	20		1	25	1	8	5	4			1		7	1	27	3		119	722
KARABAGLAR	1	4	3	31		1	13	2	14	4	3	1		2	2	10	1	14	3		109	1803
BUCA	2	2	1	20	1	1	6	1	11	8	23				2	2	1	24	2		107	966
SIRINYER		5	5	9		1	8	1	16	7	3			6	1	4		41			107	763
CAMDIBI	2	4	4	47	2	3	5	2	10	2	5			1	1	5	2	7			102	955
KEMALPASA	1	1	2	48	11	1	7	1	4	5		2		1		2		8	2		96	534
GAZIEMIR	2	5	3	21	2	1	14	1	16	5	10	1		1		1		10			93	672
BALCOVA	2	3	6	9	2		9	2	5	9	1			2	3	3	2	27	5	1	91	641
PINARBASI			3	34		9	4	4	3		1			1		1		3	2		65	577
GUZELYALI		4	3	3			13		16	5				3			1	15		1	64	342
KAHRAMANLAR	2	5	2	8		3	3		7		4	1	2	2	2	2	3	8	5		59	405
URLA		5	10	13	2		4	1	5	3				1		1		12	1		58	324
NARLIDERE	1		4	5		1	7	1	9	2	2	1			1	5		13	1		53	373
BAYRAKLI		1	1	22	1	2	6	1	5	1	1			1	1	1		6	1		51	407

MENDERES		3	4	16	3		5		6	2	2		2		1		2	1		47	370
BOSTANLI	1	3	1	4			3		3	7				9		1	12	1		45	280
1.SANAYI SITESI		3		24			4	1	4	1	3				3		1			44	628
KEMERALTI		3	4	2			2		9					1	7	2	6	1		37	670
ALTINDAG		2		19			3	1	4				1		1	1	5			37	342
MONTRO	3	3		2			4		9	2			1	2	1	5	1	3	1	37	92
SEFERIHISAR		1	5	7	1	2	4	2	1	1					1	1	8	2		36	188
KARATAS		3	3	2			2		6	1		1		1	1	1	10	3		34	151
UCKUYULAR	3	1		3		1	4		4	7		1			1	2	6			33	175
OZDERE		8	12	1	1				2	5										29	81
YESILYURT	1			9			3		4	3	1			4		3				28	317
ESREFPASA		1		9		2	5		5			1	1			2		1		27	176
CINARLI	2			4	1	1	1	1	4	1	1			1		4		1		22	192
GUZELBAHCE		1		3	2		2	1	1	4						1	6			21	145
MERSINLI				6	1		3		1	1	4	2		1		1	1			21	115
SEMIKLER		4	1	6		1	1		2	1		1			1		1			19	145
GUMULDUR		2	7	2	2		2		1	2		1								19	52
KUCUKYALI		1		1			2		5	1						1	2	3	1	17	144
BAHCELIEVLER			1	1		1			5		2				1		4	2		17	135
2.SANAYI SITESI			1	3			1	1	4		2	1			1		1	1		16	165
UCYOL	1	1	2	3		1	2		3	1							2			16	86
KARABURUN		2	7	2	2		1										1			15	38
BOZYAKA	1			9					1							1		1		13	184
HALKAPINAR				3			1		3		2						2			11	63
GUMRUK						2	1		2										6	11	18
4.SANAYI SITESI				5			1		1								3			10	142
KISIKKOY		1		2	1										2		3			9	175
GULTEPE				1			4	1		1		1			1					9	114

GOZTEPE	1	1			3		2		1				1			9	88
SARNIC			6					1				1	1			9	61
KAPILAR	1	1			1		2				1		2			8	123
ESKIZMIR			6		1			1								8	66
KAYNAKLAR			5										1			6	95
YESILDERE		2	1				1						2			6	54
YESILOVA			4			1		1								6	52
SALHANE			2	1								1	1	1		6	39
YAGHANELER			2				3					1				6	36
DEDEBASI		1	1	1					2				1			6	20
3.SANAYI SITESI					1		1		1		1		1			5	118
DOGANLAR	2		2	1												5	88
GURCESME			2	1	1								1			5	48
ALACATI	1	3	1													5	37
ESENTEPE			1										1	3		5	20
IKICESMELIK	1		1		1								1			4	44
BASIN SITESI	1						2						1			4	39
NERGIZ			1					1	1		1					4	38
POLIGON			1										2	1		4	38
ESENDERE	1		2										1			4	34
MERKEZ		1	1				1						1			4	33
GUMUSPALA			2		1								1			4	32
MANAVKUYU							1				1	1	1			4	32
INCIRALTI	1	1	2													4	31
BUYUKCIGLI			2		1								1			4	22
OSMANGAZI								2		1			1			4	20
YAMANLAR			1				1						1			3	58
ZEYTINLIK			2										1			3	49





The main place of concentration sub-district, Alsancak will be evaluated in following pages. It should be proper here to deal with other locations of selected firms:

Çankaya sub-district is home to a wide array of selected groups. But especially the group of insurance is the relatively weighted sector with 149 firms. There is a considerable concentration of activities such as software consultancy services, tourism and travel agencies, hotels and touristic services, land and air transport, banking, management consultancy services, and public works within Çankaya.

Karşıyaka sub-district is another place of concentration of varied activities. Group of project, engineering, and consultants, and the group of insurance business are the most concentrated sectors within the sub-district. On the other hand, the group of shipping, packaging and storage, and the group of customs agents are the least concentrated activities within the sub-district, where there exists no trade commission firms.

Bornova is the concentration location for land and air transport, insurance business, project, engineering, and consultants groups, where the groups of water transport, customs agents, and media groups are the least.

Within Konak sub-district there is a considerable concentration of the group of project, engineering, and consultants, where also the group of banking, and the group of trade commission of agents and agencies are highly concentrated. There exists relatively low number of media, water transport, shipping, packaging, and storage, and customs agents firms concentrated in Konak sub-district.

Pasaport is a place of concentration of insurance business, project, engineering, and consultants, tourism and travel agencies groups. On the other hand, the group of real estate commission agents, and the group of other commission agents are the weakly concentrated firm groups in Pasaport sub-district. Furthermore, there exist no services of public works located within the sub-district.

Within Yenisehir sub-district main concentrated activity is the group of land and air transport. The groups of software consultancy services, hotels and touristic services, water transport, and other commission agents are the least concentrated groups. On the other hand, there exist no customs agents, trade commission firms located within Yenisehir sub-district.

Işıkent sub-district is a concentration place for only land and air transport firms. There is no doubt the intercity bus terminal located within the sub-district is the main reason for this concentration.

Within Basmane sub-district, the concentration of the groups of land and air transport agencies, insurance business, hotels and touristic services is high, although they are relatively weak when compared with the other sub-districts of concentration. Furthermore, the shipping, packaging and storage, real estate commission agents, auto commission agents, media, services of public works, trade commission agents and agencies are weakly located within the sub-district. There exist no water transport firms located in Basmane sub-district.

Çeşme is a place of concentration for the groups of tourism and travel agencies, hotels and touristic services, project, engineering, and consultants. Except these groups there is no significant concentration of activity within Çeşme.

Çiğli is the place of concentration for the groups of land and air transport, banking, insurance business, and project, engineering and consultants where Hatay sub-district is for land and air transport, banking, project, engineering, and consultants. Also, within Karabağlar sub-district there exists a considerable concentration of land and air transport firms, and relatively less concentration of banking, insurance business, advertising, and project, engineering, and consultants groups.

Buca is another sub-district where land and air transport firms are concentrated, in addition to auto commission agents, and project, engineering, and consultants groups. Furthermore there are considerable insurance business firms within the sub-district. Within Şirinyer sub-district, there exists a concentration of the group of project, engineering, and consultants, where the insurance business firms are relatively less concentrated within the sub-district.

Çamdibi sub-district is the place of concentration for the land and air transport firms, where a relatively less concentration of insurance business firms exists. Kemalpaşa is another place for the land and air transport firms, where the group of water transport is relatively less. Within Gaziemir, there are considerable land and air transport firms, and there exist relatively weak concentration of insurance business, auto commission agents, project, engineering, and consultants.

Balçova and Güzelyalı sub-districts are the concentration places for the group of project, engineering, and consultants firms, where Güzelyalı is also for banking, and insurance business firms.

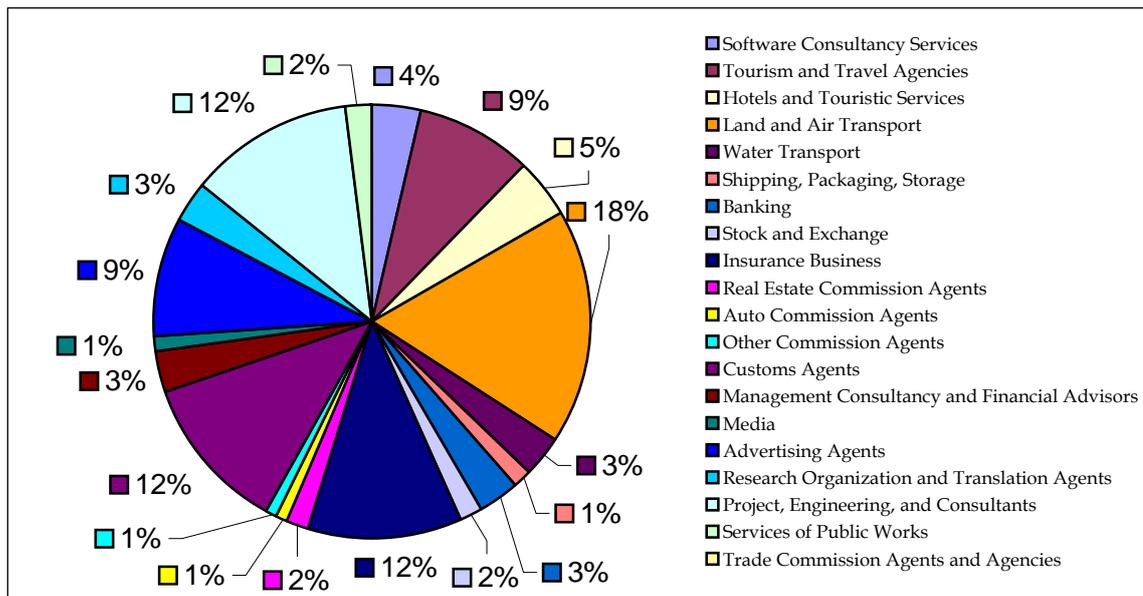
Kahramanlar sub-district is the concentration place for a wide array of groups where the relative distributions are balanced.

Within Pınarbaşı, land and air transport firms are relatively high concentrated.

And within Kemeraltı sub-district, the concentration of the groups of insurance business, advertising agents, and project, engineering, and consultants is to be highlighted although the number of firms within these groups is relatively low when compared to other concentration locations.

The other locations for the selected groups will not be mentioned here as they are wholly given in the tables and maps in the preceding pages. But Alsancak sub-district is worth detailed evaluations.

Fig. 7.24. The sectoral distribution of the firms located in Alsancak



Source: Compiled from İZTO, 2001

As seen in the figure above, there is a wide array of activities located in Alsancak sub-district. Of the total firms located within the sub-district, land and air transport group is 18 % with 219 firms; project, engineering and consultants group, customs agents group, and insurance business group is 12 %. Then comes the group of advertising agents and the group of tourism and travel agencies with 9 % shares. There exists no considerable number of firms beyond these. The closest group is the hotels and touristic services with 5 % share, and 57 firms. On the other hand, the concentration of software consultancy services is the highest within the district when compared with other sub-districts, with a share of 4 % and 46 firms. It should be noted that closest concentration place is Çankaya sub-district as the neighbor of Alsancak. With respect to the other groups located in Alsancak sub-district the numbers of firms are between 10 and 38 firms, with shares between 1% and 3 %.

Bu sayfaya Fig. 7.25. gelecek



## **7.6. The Initial Statements on the Spatial Planning Studies on İzmir City-Region**

At the outset of the 21<sup>st</sup> century, like all major cities of the world, İzmir is also placed within the globalizing urban hierarchy, as it has historically been in the preceding periods. There is no doubt that the relations of İzmir city-region with the major hubs or with the other major cities at various levels of the world cannot be compared with that of İstanbul, as it has been emphasized in the former sections of the chapter. But after an analysis of the İzmir's positioning, there emerge significant debates and issues to be considered within the spatial planning studies on the city and its region. With this respect, it should be noted that the planning studies should implicitly take the city within its proper regional context; not only for the city-level policies and spatial decision-making, but also for the national and regional accounts.

As İzmir has always been a major city of Turkey, it has always been subjected to planning under the control of both the central government and its municipality. The emergence of the act of municipalities and the establishment of the 'Greater Municipality' after 1980s has fundamentally changed the jurisdictions concerning the spatial planning. Accompanying the urban and planning policy of the state, various plans have been created for the city and the metropolitan area by various planners. Throughout the historical growth and expansion of the city, many of these plans have become outdated. Partial interventions, informal developments, incomplete large-scale projects, tensions and conflicts between several jurisdictions have all been witnessed within these processes, some of which have been explored in former sections of thesis.

Recently, İzmir is subject to various restructuring processes that have been explored in the former sections. Accompanying these processes line in line with the ones in the major cities of Turkey, there has been a tendency and several types of initiations to discuss the development of the city with respect to the political and economic spheres. Among many evidences of these processes, the uniting of capital in order to establish holding companies, development agencies, and financial institutions, and their attempts in producing regional plans for investment, formulating potentials and limitations hindering the capitalist -and often speculative- development; implementations of regional large-scale projects on transportation and infrastructure; the emergence of regional media enterprises; the reproduction of regional division of labor, etc. may be counted.

This section of the case study tries to provide some 'initial' statements on the spatial planning on İzmir, especially in a regional context. The section begins with the

historical evaluation of the previous planning studies and tries to highlight recent major debates and issues with their spatial concerns. It is this section, that a framework for 'the strategic planning' is designated referring to the theoretical studies evaluated in the former sections of the thesis, the specific analyses made within this chapter, and the intentions for future studies.

#### **7.6.1. A Brief Historical Overview of the Spatial Planning Studies on İzmir**

In relation concerns of this thesis, the period before the birth of Turkey and the establishment of the republic regime by the 1920s is not evaluated here. And the emphasis is on the period after the 1970s signaling the beginning of comprehensive plans as the predecessors of recent planning studies, and the emergence of an urban form and structure that the contemporary city-region is built on.

Like all settlements in Turkey, the establishment of the new republic regime brought about a new period with respect to planning studies accompanying the social, cultural, political and economic restructuring processes nationwide. The historical process until the establishment of the İzmir Metropolitan Area Master Plan Bureau in 1968 is briefly given below (Ünverdi, 1994: 134-56):

- The state of the big fire district and the need for new housing within called for the partial plan of Rene Danger in 1925. The plan would contribute to the rebuilding of the fire area and the provision of new housing for the increasing demand encompassing an area from Fevzi Paşa Boulevard to the Alsancak waterfront. Therefore, this plan did not consider the outer parts of the demarcated planning area. One of the most important proposals of the plan is today's Cultural Park, which was approved in 1934 referencing to this plan.
- Following the plan of Rene Danger, the Municipality of İzmir prepared a new plan comprising the main areas of decision in İzmir. Ünverdi (1994: 138) cites the consideration of the relations between the city center and touristic settlements, the reorganization proposals for İnciraltı and Agamemnon springs, the proposals on the replacement of the industrial districts and the timber factories, the identification of Alsancak harbor and its environs as the sites for spatial reorganization, and persistence decisions on settling areas of educational institutions, bus terminal, and market place.
- In response to the demands of the Ministry, the municipality had to work with a well-known expert, Le Corbusier. The plan prepared by Le Corbusier was in fact a schema proposing the distribution of major land uses within the identified zones, the

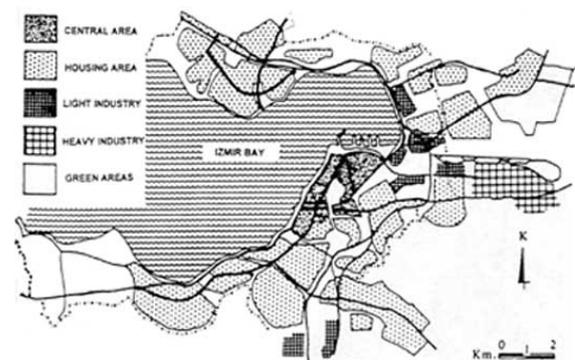
conservation decisions, and open space standards within the outdoor spaces of the housing zones. Among the proposals, a campus area of 120 ha is of importance (Ünverdi, 1994: 138). Although the plan could not be implemented, by this plan, the holistic approach was introduced for the first time.

- As the recent plans could not cope with the increasing urbanization and migration of the 1950s, the governors had to look for a new responsive approach for the period. An international project competition for Izmir city plan was opened in 1951. The winner of the competition was the group of Kemal A. Aru, G. Özdeş, and E. Canpolatkan. Although the plan of the group provided serious sectoral proposals for the segments of the city, it also became outdated in a short time and lost its validity due to immense spatial growth and emergence of gecekondu districts.
- In 1958, once more an expert, Prof. Luigi Piccinato prepared a report on the key issues –spatial development, transportation, and establishment of a planning office- to be included in a the preparation of a plan revision.
- Following the report of Piccinato, the planning studies went on under the control of a foreign expert, Albert Bodmer as he became the head of the Izmir municipality Planning Office. And this office prepared the İzmir city design plan in 1960 comprising Buca, Bornova, Çamdibi, Yeşilyurt, Örnekköy, and Şemikler (Ünverdi, 1994: 141). This plan was cited as representing one of the comprehensive approaches of this period. As Bodmer dealt seriously with the gecekondu districts, so his studies could contribute to the marking of social problems integrated with economic-spatial aspects of the city.

Fig. 7.26. The reformation of the plan of Danger



Fig. 7.27. The plan of Bodmer, 1961



Source: Ünverdi, 1994: 141

Until the establishment of central planning studies of state and the Metropolitan Planning Bureau of İzmir in 1968, there have been no regional approach or decision, and sufficient comprehensiveness on İzmir. The new period since then will be summarized in the Table 7.29. and Fig. 7.28. of the following pages.

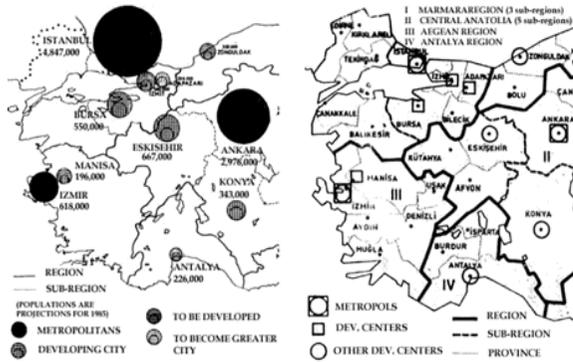
Table 7.29. The spatial planning studies on Izmir and its Region since 1970

The Plans	Analysis & Planning Boundaries	Planning Proposals	Implementations of & Interferences with the plan
<ul style="list-style-type: none"> <li>▪ Izmir Metropolitan Plan</li> <li>▪ Planner: Metropolitan Planning Bureau of Izmir</li> <li>▪ Date of Approval: 1973</li> <li>▪ Projection year: 1985</li> </ul>	<ul style="list-style-type: none"> <li>▪ Three spatial levels of planning were identified:                             <ol style="list-style-type: none"> <li>1. Aegean Region: İzmir, Manisa, Aydın, Denizli, Muğla, Uşak</li> <li>2. İzmir Metropolitan Area (İzmir Central District, Karşıyaka, Bornova, Karaburun, Çeşme, Urla, Seferihisar, Selçuk, Torbalı, Bayındır, Kemalpaşa, Menemen, Foça, Dikili, Bergama, Kuşadası, Manisa Central District)</li> <li>3. The Greater City of İzmir (13 municipalities and adjacent 31 villages)</li> </ol> </li> <li>▪ Planning Area: 74,608 ha, of 18,622 for urban activities and the rest for agriculture, forest, and forestation</li> </ul>	<ul style="list-style-type: none"> <li>▪ A 'Linear Development Pattern'</li> <li>▪ Development of Torbalı, Turgutlu-Kemalpaşa, Manisa and Aliğa as attraction centers</li> <li>▪ Development of Çeşme, Karaburun, Seferihisar-Gümüldür-Kuşadası-Foça-Dikili-Çandarlı-Bergama as tourism centers</li> <li>▪ Development of Menemen and Cumaovası, Urla-Güzelbahçe as satellite centers</li> <li>▪ Alternative scenarios for future spatial dev.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Most of the decisions could not be implemented</li> <li>▪ The Industrial districts and Free Trade Zone were realized having no reference with the plan.</li> <li>▪ Due to Tahtalı Dam and Adnan Menderes Airport, the planned development in Cumaovası could not succeed</li> <li>▪ Transportation decisions could not be implemented due to DDY , and the new projects of Light Rail transportation</li> <li>▪ Loss of agricultural areas due to industrial and residential growth and removals.</li> </ul>
<ul style="list-style-type: none"> <li>▪ Revision Plan</li> <li>▪ Planner: The Greater Mun. of İzmir</li> <li>▪ 1989</li> <li>▪ Projection year: 2005</li> </ul>	<ul style="list-style-type: none"> <li>▪ Greater City (Municipality Boundaries)</li> <li>▪ Planned development comprised the boundaries of 4 district municipalities (Karşıyaka, Konak, Bornova, Buca) of 44,075 ha and 43,000 ha adjacent area, and in total 87,000 ha.</li> <li>▪ Planning Area comprised of 37,926 ha, of 24,442 ha for urban activities and the rest for agriculture, forest, and other non-urban activities</li> </ul>	<p>Not actually a revision plan, rather a mosaic of the previous studies scaled at 1/5000 &amp; 1/1000</p> <ul style="list-style-type: none"> <li>▪ Intensified manufacturing industry developments in the eastern parts of the city</li> <li>▪ Removal of the airport to the north, and removal of Free Trade Zone from Aliğa to Gaziemir</li> <li>▪ New settlement on the end of western axis</li> <li>▪ A new university campus area in Buca</li> </ul>	<ul style="list-style-type: none"> <li>▪ Reformation decisions for gecekodu and illegal development areas</li> <li>▪ Mass housing projects</li> <li>▪ Growth limitation on the southern parts of the city due to the conservation of Tahtalı Basin</li> </ul>
<ul style="list-style-type: none"> <li>▪ Tahtalı Dam Master Plan</li> <li>▪ Strategy Plan</li> <li>▪ Greater Mun. of İzmir, DEU, İZTO</li> <li>▪ 1996</li> </ul>	<ul style="list-style-type: none"> <li>▪ Tahtalı Basin comprised 55,400 ha, of 40,000 ha is located in the adjacent area of the Greater Municipality jurisdiction</li> <li>▪ Two spatial levels of planning were identified:                             <ol style="list-style-type: none"> <li>1. İzmir Metropolitan Area</li> <li>2. Several pilot zones for Master Plan</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>▪ Decisions on the conservation belts</li> <li>▪ Decisions on the settlements within the con. areas</li> <li>▪ Strategies on major growth axis</li> <li>▪ Ongoing developments to be interfered</li> <li>▪ Major areas of conservation, etc.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Interferences and illegal physical growth within the natural and cultural conservation areas</li> <li>▪ The metropolitan area, that is the planning unit have no legal status</li> <li>▪ Conflicts and tensions between several jurisdictions</li> <li>▪ Planning Process could not be completed</li> </ul>
<ul style="list-style-type: none"> <li>▪ Effective Structure Plan (Revision)</li> <li>▪ Effective Master Plans (Revisions of 1986 approvals by İmar İskan B.)</li> <li>▪ Effective Development P.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The Structure Plan is comprised of                             <ol style="list-style-type: none"> <li>1. Master Plans are within the boundaries of the municipalities of Bornova, Çamdibi, Altındağ, Pınarbaşı, Işıkent, Doğanlar, Naldöken, Buca, Gaziemir, Balçova, Narlıdere and Güzelbahçe</li> <li>2. Development plans are within the boundaries of the municipalities of Konak, Karşıyaka and Çiğli</li> </ol> </li> </ul>	<ul style="list-style-type: none"> <li>▪ Decisions for new settlement areas</li> <li>▪ Reformation plans for the gecekodu and illegal physical growth areas</li> <li>▪ Changes in the district municipality plans</li> <li>▪ New boundaries for the changing jurisdictions of the greater municipality, district municipalities, and municipalities at the fringes of the adjacent are of the greater municipality</li> </ul>	<ul style="list-style-type: none"> <li>▪ Partial changes within the general structure of the plan</li> <li>▪ Conflicts and tensions between the district municipalities and the greater municipality</li> <li>▪ Stabilized plan decisions (only on blue-prints) versus dynamic spatial restructuring processes</li> <li>▪ Implementation problems in relation to key points</li> <li>▪ Informal housing processes; and informal planning processes</li> </ul>

Source: Compiled from Greater Municipality of İzmir, 2002 and Ünverdi, 1994: 134-56

Fig. 7.28. The spatial plans for İzmir since 1970s

*Analyses on regions, sub regions, and urban centers (1970s)*



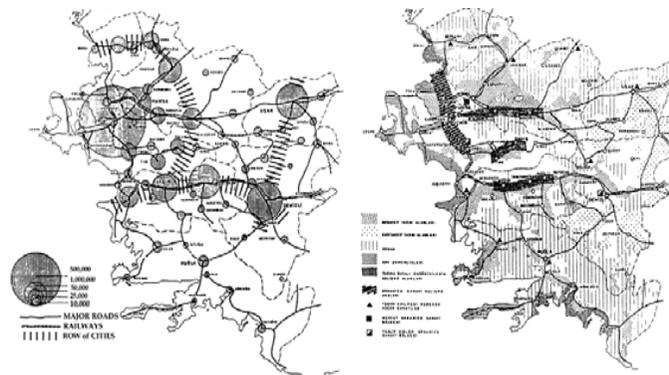
Source: NPA-DRP (National Planning Agency-Department of Regional Planning)

*The 1973 Master Plan*



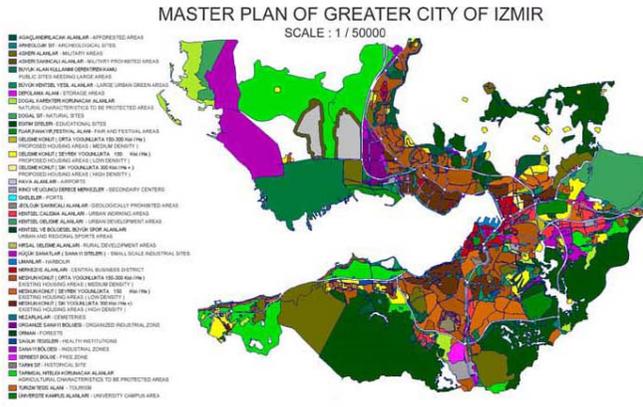
Source: Göksu Archive

*Synthesis of regional analyses (1970s)*



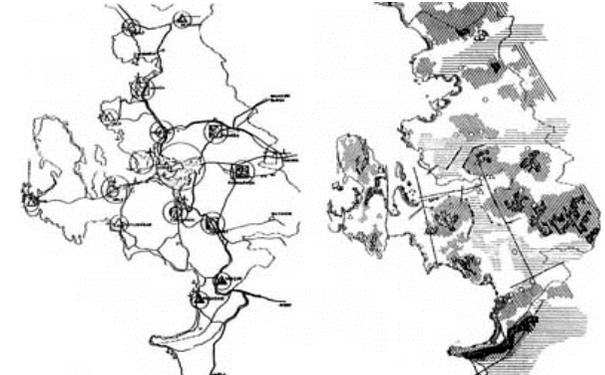
Source: Metropolitan Planning Bureau of İzmir, 1973 cited in

*Effective Master Plan of Greater City of İzmir*



Source: Greater Municipality of İzmir, 2002

*Metropolitan planning (1970s)*



Source: Metropolitan Planning Bureau of İzmir, 1973 cited in Arkon and Gülerman, 1995: 15,18

*Recent planning studies by the Greater Mun.*

Recent planning studies within the municipality are comprised of:

- İzmir Greater City and Immediate Environment Spatial Development Strategy Plan (1/100,000)
- İzmir Greater City Master Plan (1/25,000)
- İzmir Greater City Master Plan of Implementation (1/5,000)

Within the planning process several phases have been identified, and recently the initial physical analysis and the identification of the thresholds for the strategic plan have been completed.

Source: Greater Municipality of İzmir, 2002

### **7.6.2. The Major Debates and Issues for Strategic Planning on İzmir City-Region**

This section of the case study deals with highlighting the major debates and issues to be of use in further planning studies on İzmir city-region. Following the previous sections, the emphasis on a proper unit for both analysis and planning leads to the proposal of the concept of the 'city-region' with a proper planning type. As the proper macro-scale for analysis and spatial decision-making is identified as the city-region and the core-city of İzmir, the debates and issues identified or highlighted here will be in the same spatial context. And special emphasis will be on the 'governance' and 'growth management' that spatial planning is quite related with.

As mentioned before, macro-scale planning is not a new approach for İzmir. But unfortunately, after the closing of the metropolitan planning bureau in the early 1980s, there could be no proper approach and development in relation to the legal mandatory, jurisdictions within the planning and implementation process, provision of tools and mechanisms in implementation, etc. Furthermore, today's reality calls for the redefinitions of the officially defined boundaries of spatial planning units and the jurisdictions.

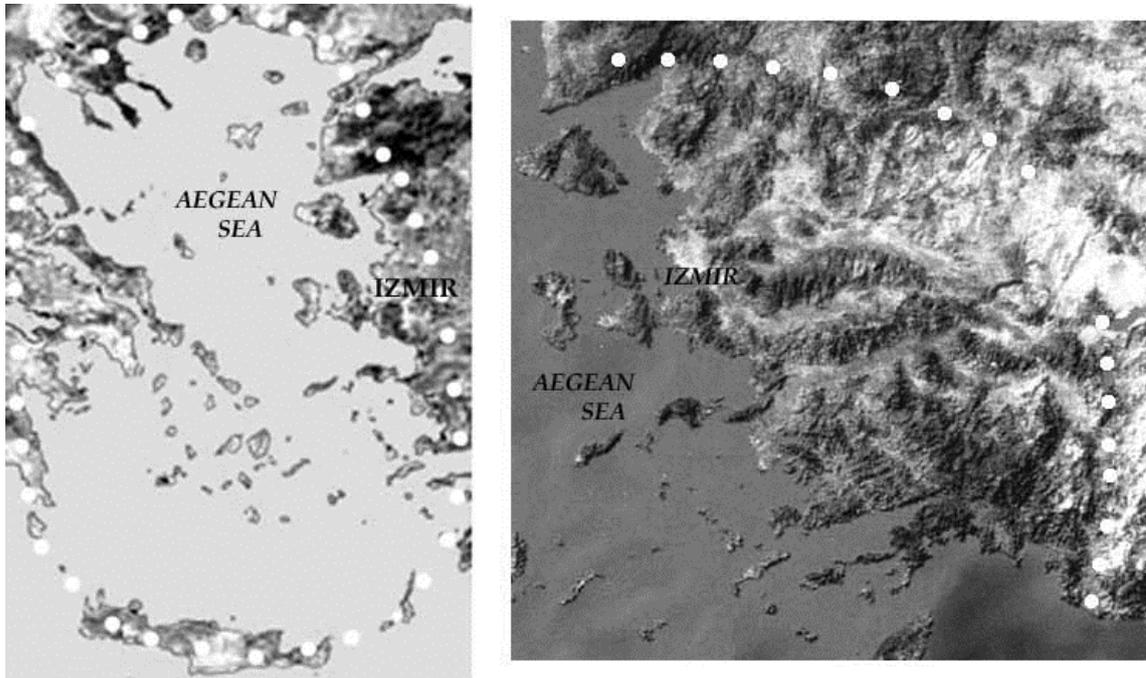
Previous planning approaches considered the Metropolitan İzmir within the regional accounts of their plans. But as the metropolitan area boundaries overlap with no jurisdiction, these plans could not carry any sanction over any institution outside of its responsibility area. Therefore the case is not only the proper scale or boundary of planning, but also the proper governance arrangements in accordance with it.

Within the previous analyses and planning studies on İzmir, the Greater City of İzmir is mostly cited as the metropolitan city. On the other hand, the metropolitan area of İzmir is identified as to comprise the metropolitan city and Karaburun, Çeşme, Urla, Seferihisar, Selçuk, Torbalı, Bayındır, Kemalpaşa, Menemen, Foça, Dikili, Bergama, Kuşadası, peripheral municipalities and Mansia central municipality. Therefore, the metropolitan area transcends its provincial boundaries and passes through the provincial areas of Manisa and Aydın.

There is no doubt that all the previous efforts will shed some light on defining demarcations, inclusions - exclusions, and crucial points for the implementations. But the recent -and continuous- detailed economic analyses integrated with the physical one on İzmir city-region would probably provide the most guiding reference for the spatial planning studies on the city-region. Because, the whole functional-economic space and its parts to be brought about would point out the characteristic features and

the reasons of the inter-relations, the inequalities and the dependencies among the settlements of the city-region, the economic outcomes of the locational distribution of employment and activity centers, external linkages to other settlements out of the city-region, etc.

Fig. 7.29. Two probable macro regions for the analyses and spatial planning on İzmir city-region



It should be noted that İzmir city-region is to be placed within the sub-national policies referenced with the regional economic analysis at the national level. As each city-region is posed with the economic, social, political, and cultural interrelations among the complex interrelationships, so the strategies and the planning decisions would include these wider regions transcending each city-region and referencing the wider unity. Therefore, the issue of 'regionalism' and the 'regional economic development' should be taken into consideration in coherence with the spatial planning studies on İzmir city-region.

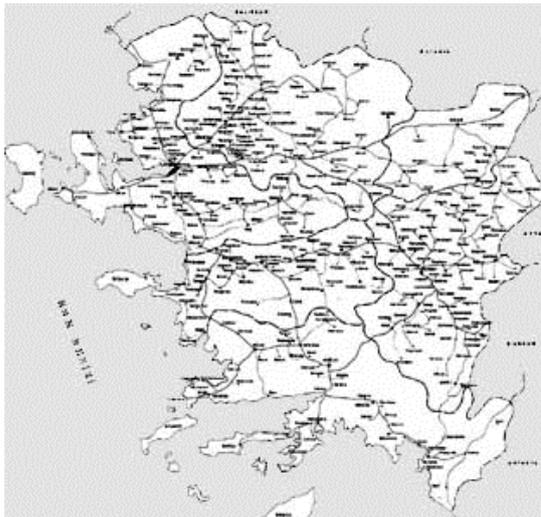
Another key issue is the 'governance' to be established at the sub-national and city-region level. Although the government of the local and the national has always been problematic in Turkey, there are some key points to be addressed while establishing the governance regimes. With its implicit reference to the integration of the representations of different social groups, and negotiation to be addressed among them in decision-making process, at the outset, 'governance' implies the identification of these groups.

"In the post-1980 period, the legislation of the development regulations such as the Act

numbered 3030 of Metropolitan and Sub-Province Municipalities, which deals with the responsibilities, authorities and relations of municipalities, together with the Act numbered 3194, which assigns the local governments to make their own plans, did not actually mean that the central government, having voluntarily left their authorities aside, considered decentralization as a democracy project. It would be later understood that, in reality, this was a programme of compliance to the new times and system and was an intervention which suited the spatial demands of the new liberalism” (Çilingir, 2001: 200).

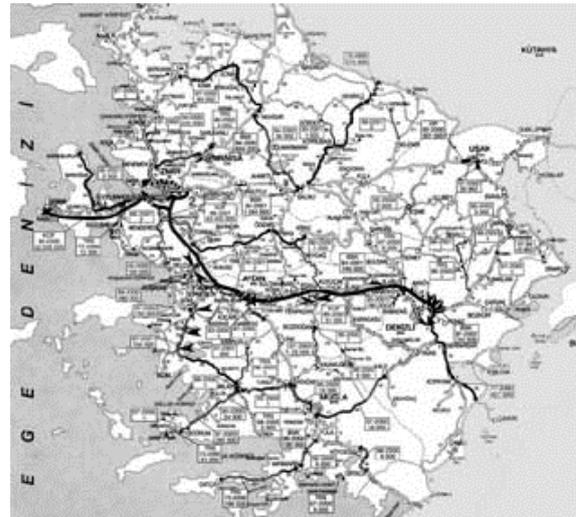
The need for responsive juridical arrangements for regional governance, the solutions to be created for the territory/boundary problems, and the acts and legislations to be prepared and enacted are the urgent issues. Furthermore, the well experienced conflicts and tensions between ‘governors’ of İzmir –the central government and its institutions, the Greater Municipality and district municipalities-, uncertainty in authority and responsibility on several subjects and areas of decision-making are the crucial subjects. There are also some adjacent municipalities that want to get out of the greater municipality jurisdictions and to become independent in the decision-making processes, as mentioned in section 7.4.

Fig. 7.30. The map of the jurisdiction boundaries of Reg. Headq. of İller Bankası



Source: Regional H. of İller Bankası, 2002

Fig. 7.31. The map of the jurisdiction boundaries of Reg. Headquarters of Karayolları



Source: Regional H. of Karayolları, 2002

The recent political administrative units and boundaries do not overlap with the functional economic space. On the other hand, the tensions among central government institutions, the municipalities, NGOs, and capital groups; conflicts in jurisdictions and implementations of these groups are all to be re-evaluated. Therefore, substantial rearrangements in the political administrative space for governance are needed.

The rise of the NGOs and democratic movements are other potential factors signaling the demands for the establishment of governance. And yet, ‘negotiation-like’

approaches should be carried towards real negotiations among the municipalities, central government institutions, investors, and the actual users of space.

On the other hand, the contemporary competitive environments –to say, the markets- require the cities and city-regions to be competitive candidates and the improvement of entrepreneurship if they demand to be included in the spatial markets. For instance, the recent competition between İstanbul, İzmir (Selçuk), and Antalya for taking part in the Formula 1 organizations is a quite good example. The official requests for admissions and acceptance, and what these cities could have offered seems to represent future trends within such a competition.

Fig. 7.32. The news announcing the cities 'racing' for 'F1 racing' and that 'Selçuk is ready!'



Source: Yeni Asır newspaper, 31<sup>st</sup> of July, and 13<sup>th</sup> of August, 2002

Another good example is that İzmir could have got the right to be the home of 'Universiade 2005' international organization and won the competition against the other competing cities. These kinds of 'events' taking place in İzmir city-region are expected to develop the regional economy both during and after the organizations, and to improve the competitiveness of the city-region. Moreover, the provision of cultural festivals, fairs, congresses, meetings, etc. focusing on the historical and cultural aspects of the city-region, designing and redesigning the urban imagery – 'World City İzmir', 'Global City İzmir'- are also some additional efforts stemming from the city-marketing and selling strategies.

İzmir means much to its inhabitants. For instance, to region's investor and developer the city deserves the 'world city' status though lacking enough governmental priority and investment, to politicians it is a place of democracy and of a moderate political atmosphere, to its settlers a city where much has been changed, to

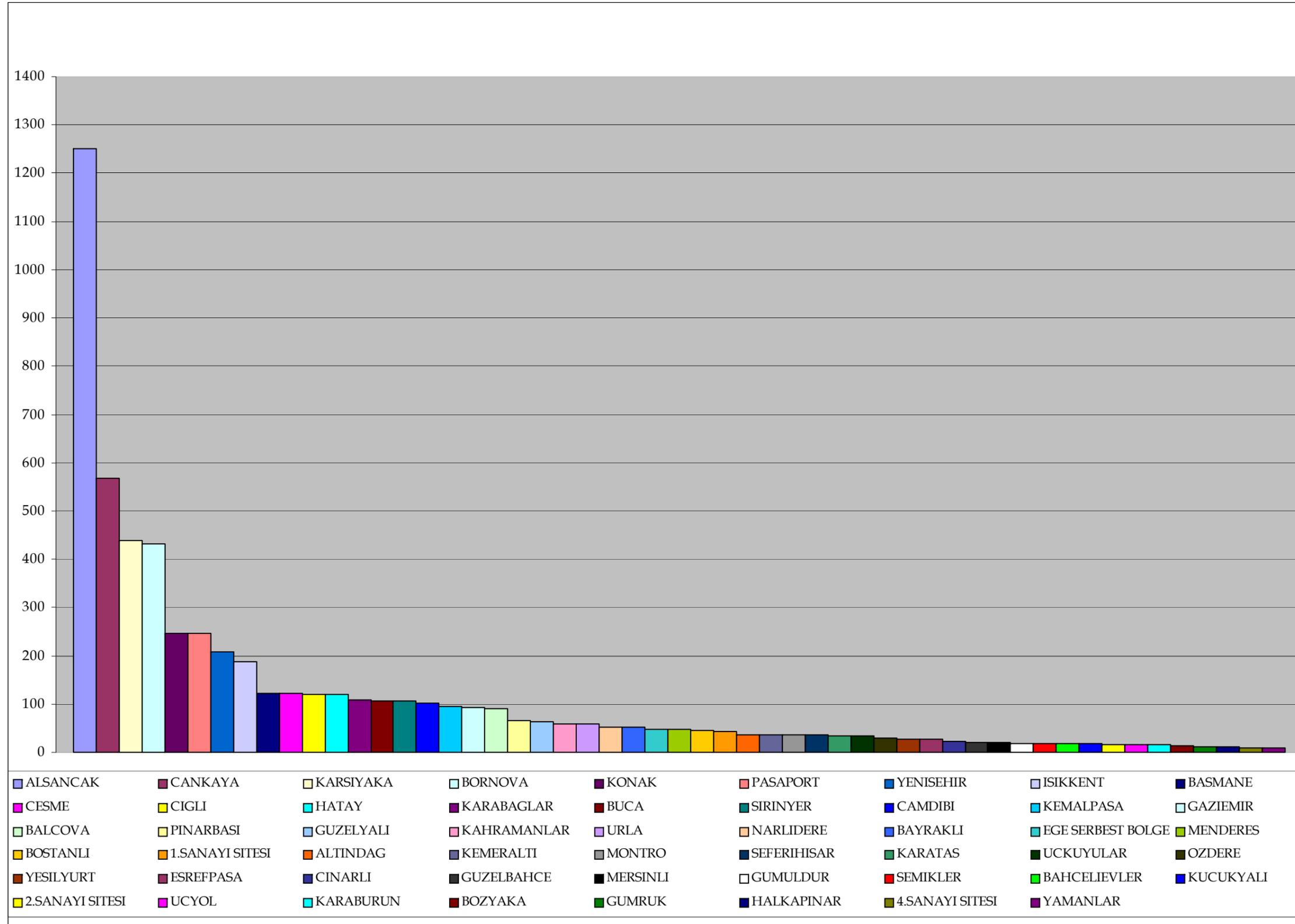
its migrants it provides less opportunity but less chaos than Istanbul, to planners and designers a city providing less than its capacity to materialize their skills... On the other hand, the city -with its economic, social, cultural, geographical and historical potentials- is of importance to more than its inhabitants and internal processes. Therefore,

There is no doubt that the physical growth, the natural, economic, and social limits of -vertical or horizontal- expansion of the built environment, the quality of urban form and its constituting parts, the distribution of land uses, activity and employment centers, the efficiency of transportation and technical infrastructure, healthy housing, the conservation of culture and environment, the responsive regeneration of declining areas, etc. are all to be well considered and integrated with the governance, growth management, and spatial planning debates and issues mentioned above.

Consequently, it should be noted that the key strategic debates and issues to be considered within the future planning process should be identified, discussed, and evaluated with alternative scenarios for the future of the city and its region. This chapter, and in general this thesis, offers the city-region as the proper scale/level of spatial decision-making. And in addition to the strategic type of planning suggested with respect to the city-region, and large-scale projects on especially infrastructure and transportation, also the integrated district plans for special areas are suggested. And it should be noted that the political, economic, social, cultural, and hence, the spatial restructuring processes are regarded as shaping the basis of all these statements.

With its ongoing spatial growth and expansion; in and out-migration patterns; intensified problems of human life within sustainability, ecology, and human flourishing; capitalist uneven development; improper and outdated planning tools, mechanisms and implementations; various social groups struggling on the space; and consequently, with its very limits and potentials, İzmir needs to be planned within a regional context to be of help in seeking for and responding the 'common good' within its region.

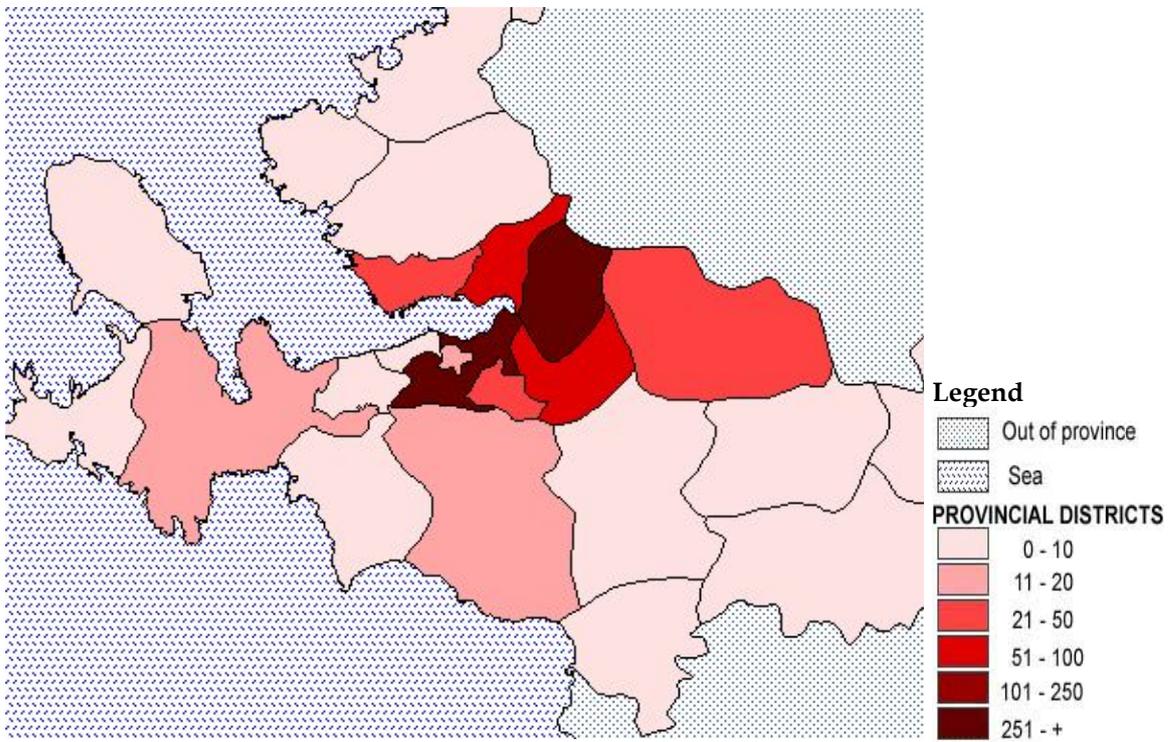
Fig. 7.23. The locational distribution of the firms by the selected groups in İzmir province (2001)



Source: The data used is compiled from İZTO, 2001

Fig. 7.25. The locational distribution of the selected groups of firms in provincial districts of İzmir (2001)

**THE GROUP of 'LAND & AIR TRANSPORT' FIRMS**



**THE GROUP OF 'INSURANCE BUSINESS' FIRMS**

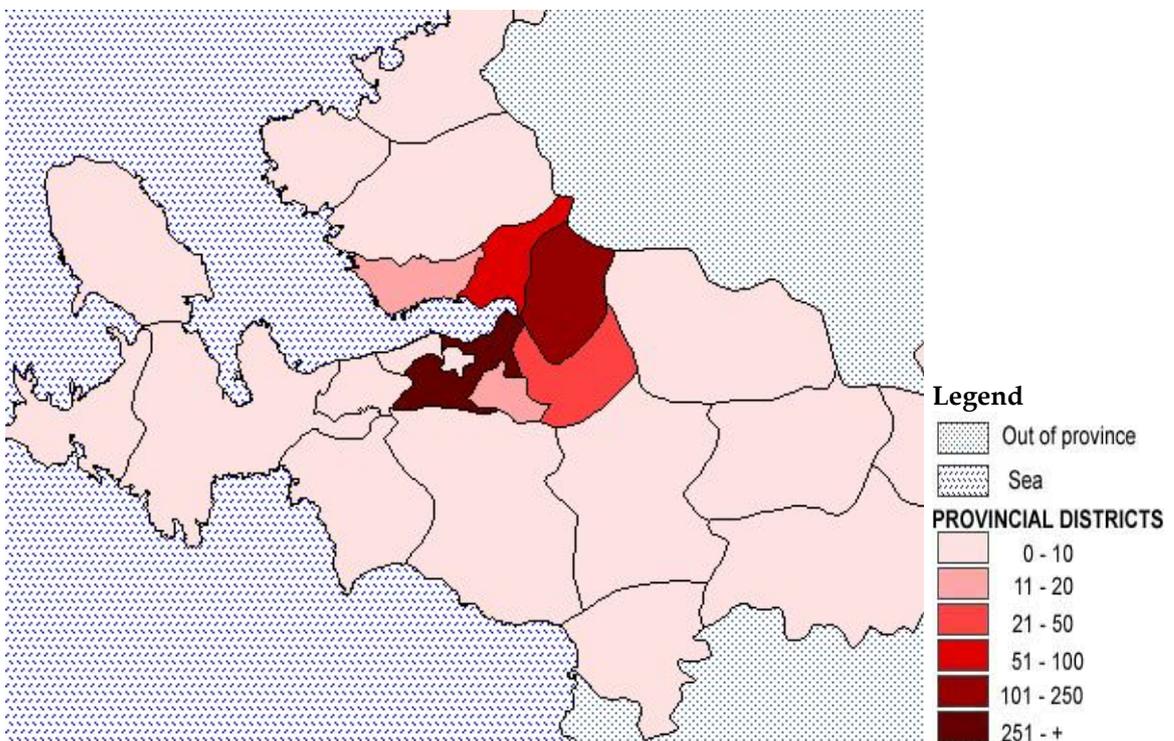
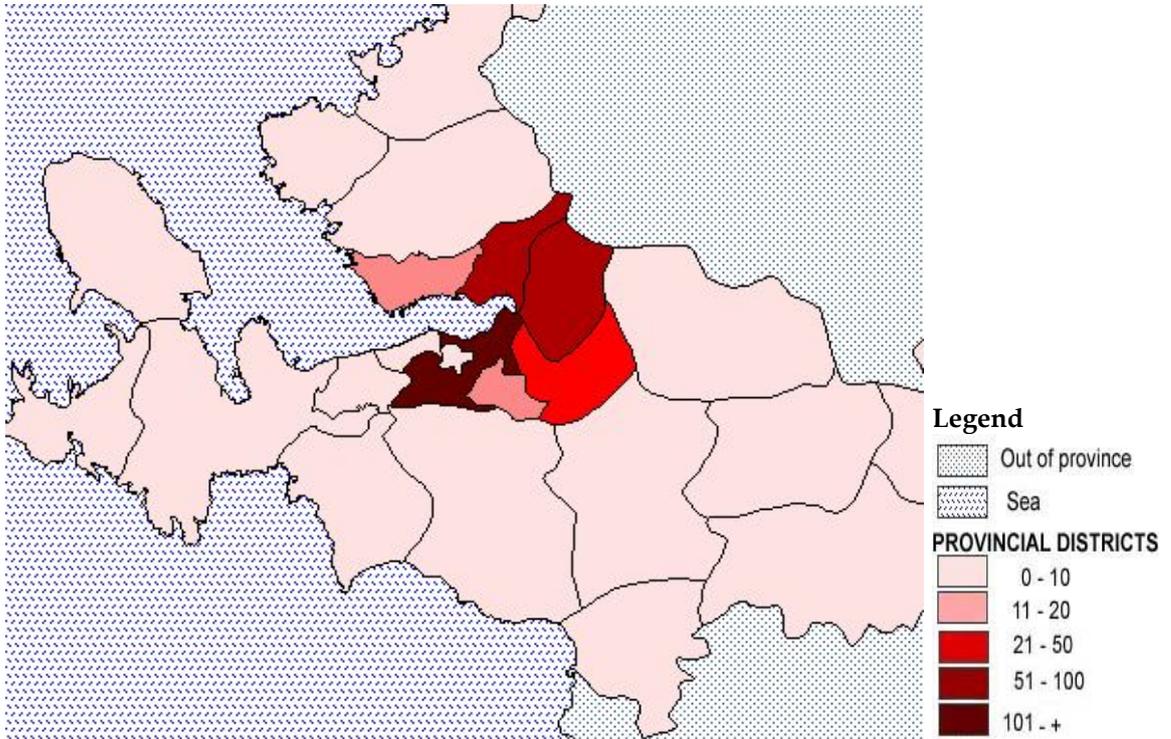
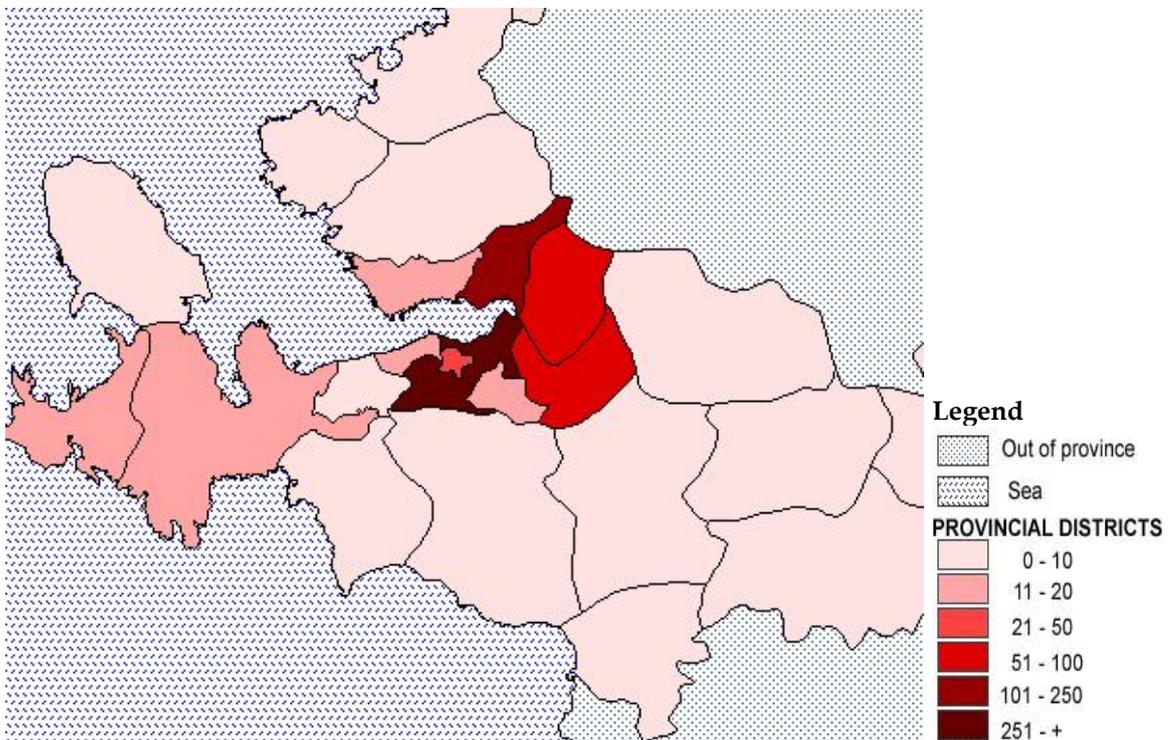


Fig. 7.25. (cont.)

**THE GROUP OF 'BANKING' FIRMS**



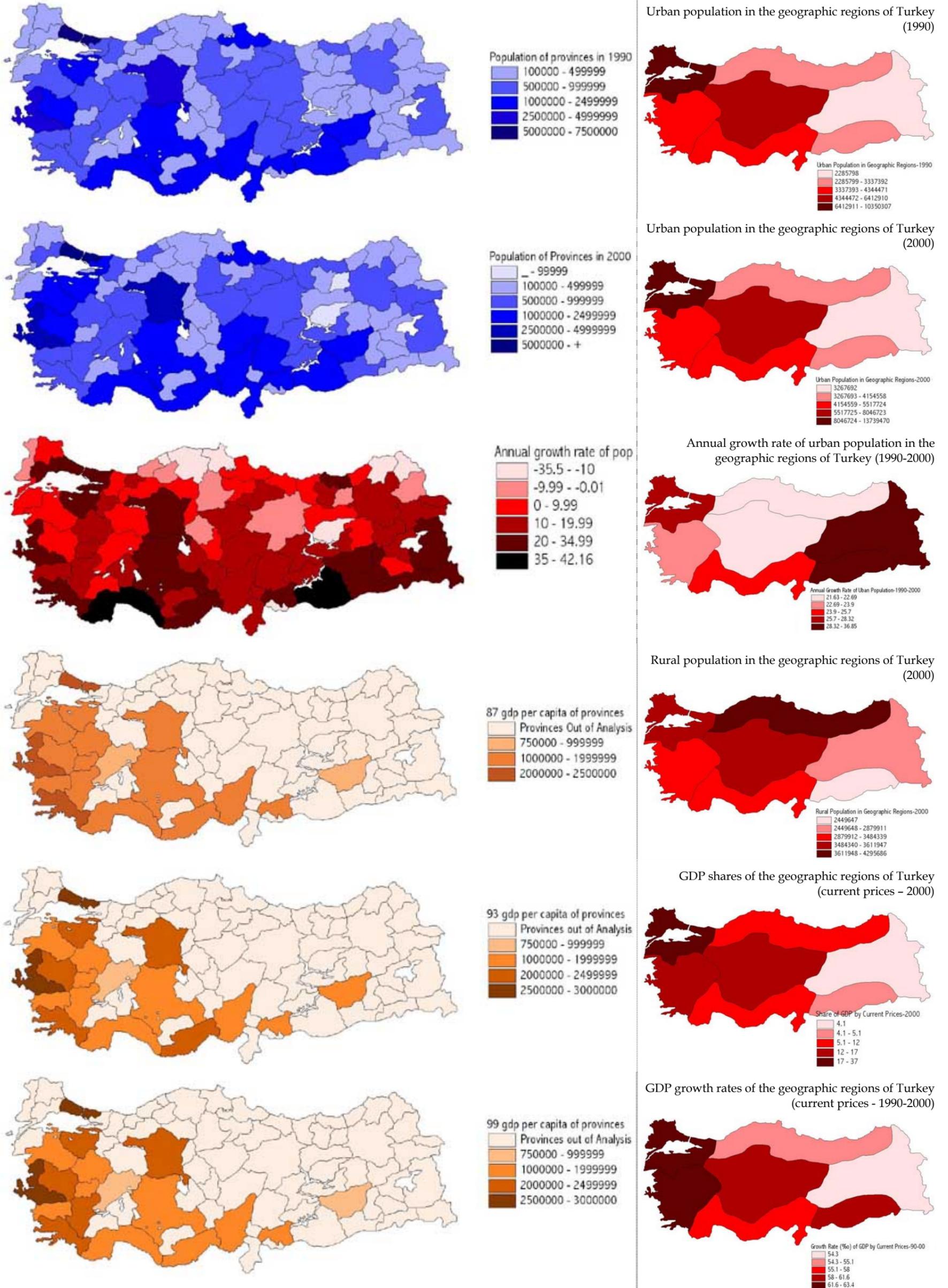
**THE GROUP OF 'PROJECT, ENGINEERING, CONSULTANTS' FIRMS**



Source: The data used is compiled from İZTO, 2001

Fig. 7.6. The analyses on the cities (provinces) of Turkey - the national level

Comparison of population and GDP



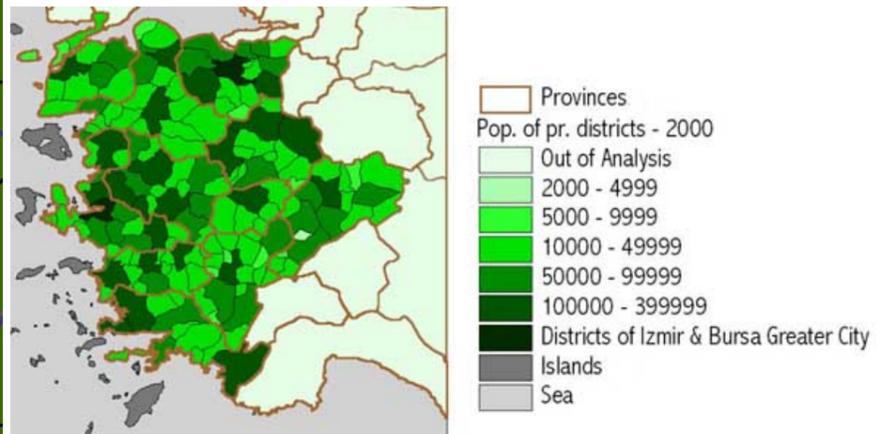
Source: The data used is compiled from SIS

Fig. 7.7. The analyses on the selected major cities of Turkey – the regional and city level

The distribution of the major settlements within Aegean region (2000)

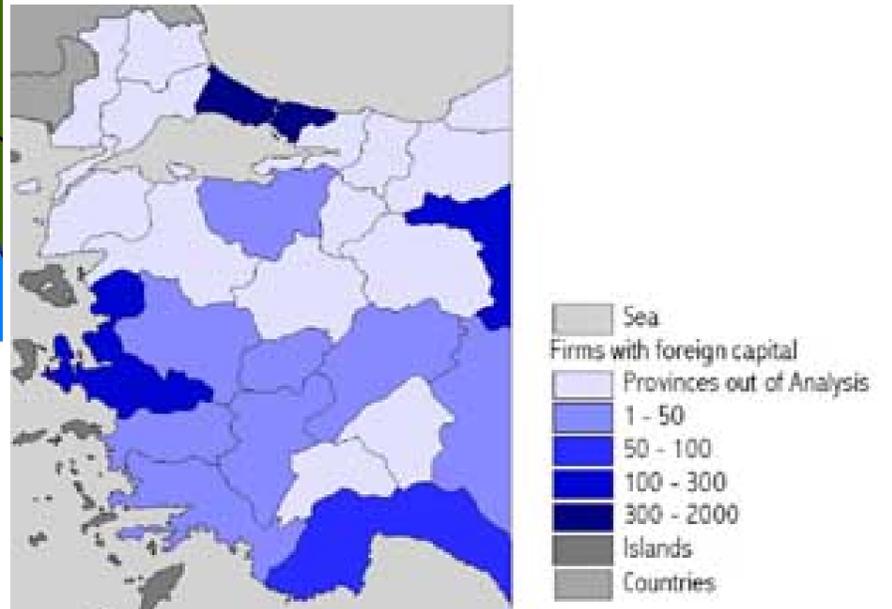


The distribution of population in provincial districts of Aegean Region (2000)



Source: The data used is compiled from SIS

The distribution of the firms with foreign capital in the selected provinces (2002)



Source: The data used is compiled from Ministry of Treasury

The geographies of industrial specialization and clustering (1970s)



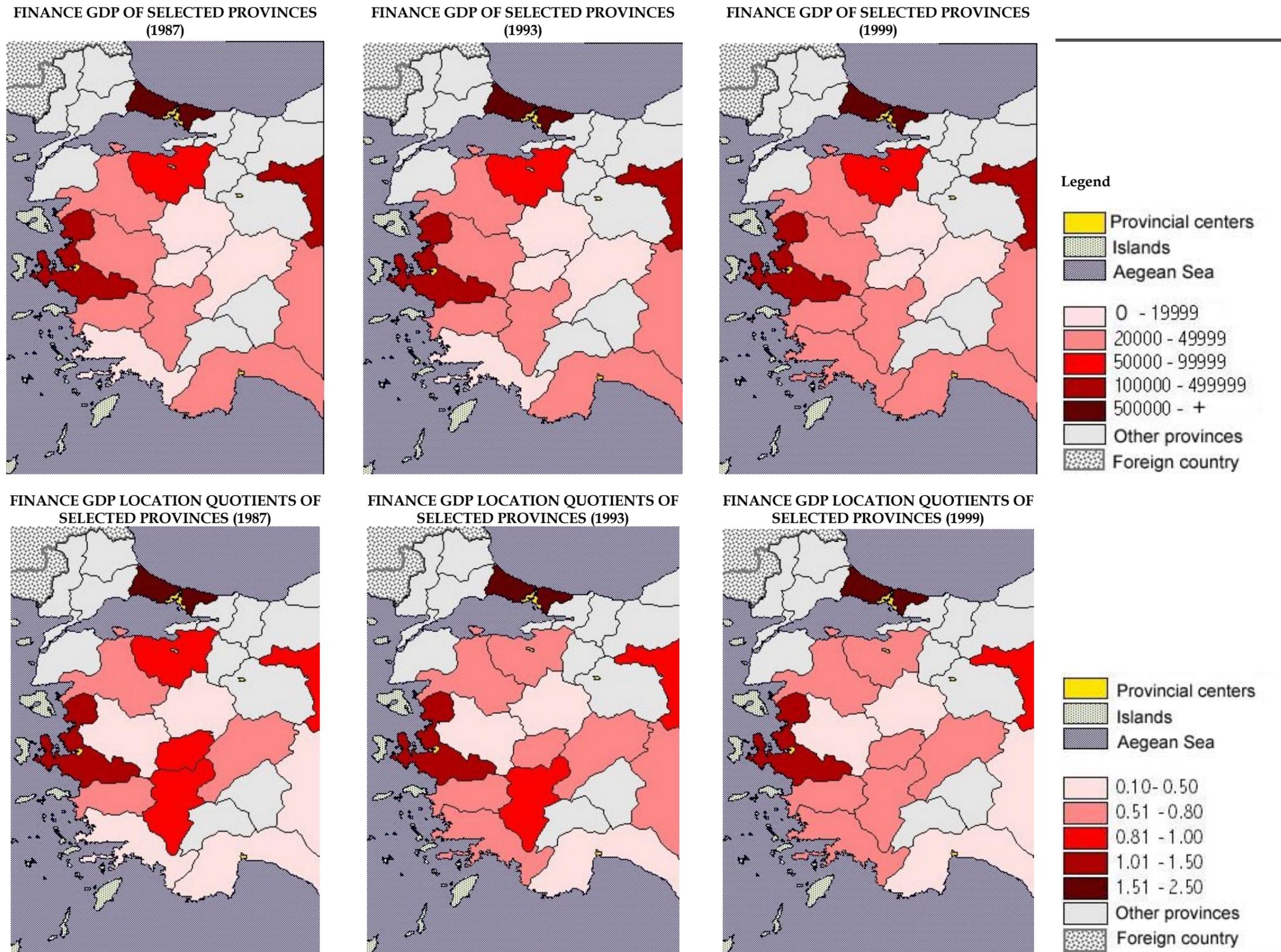
Source: Avci, 2000: 51

The geographies of industrial specialization and clustering (1990s)



Source: Avci, 2000: 58

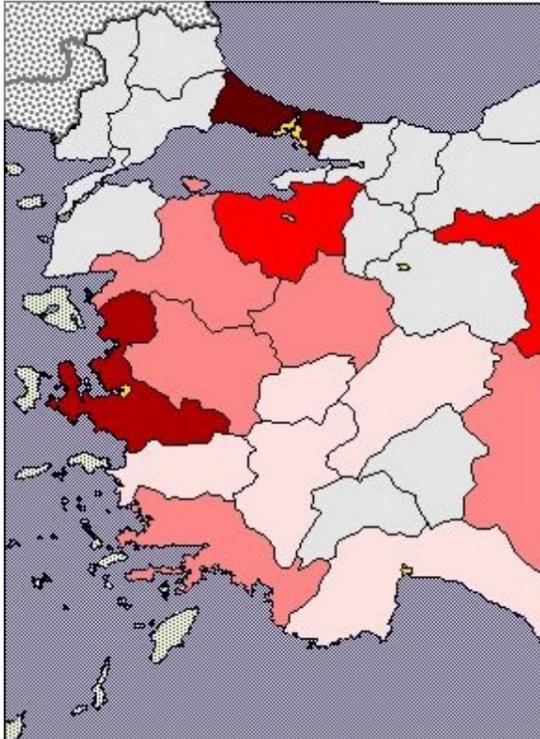
Fig. 7.8. The comparison of the GDP values and location quotients for 'Finance' sector of the selected provinces (1987, 1993, 1999)



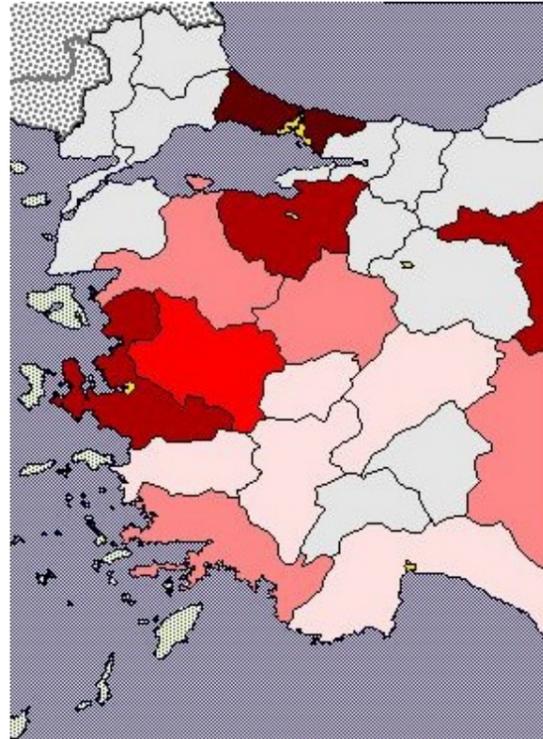
Source: The data used is compiled from SIS

Fig. 7.9. The comparison of the GDP values and location quotients for 'Industry' sector of the selected provinces (1987, 1993, 1999)

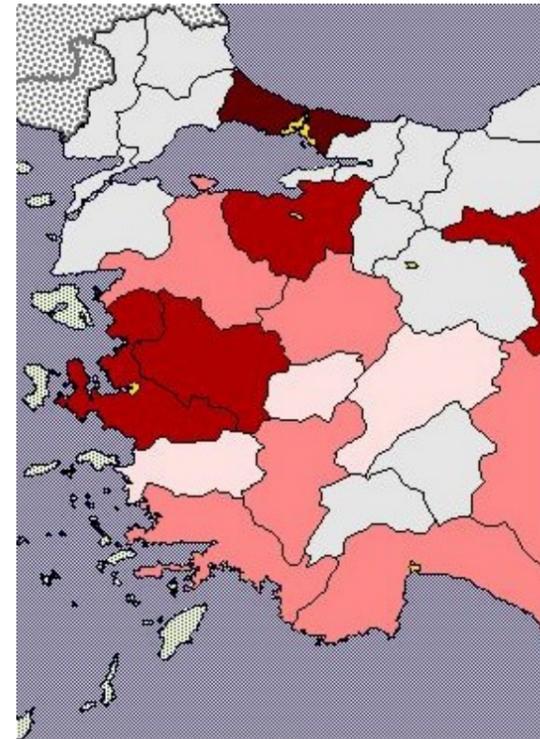
INDUSTRY GDP OF SELECTED PROVINCES  
(1987)



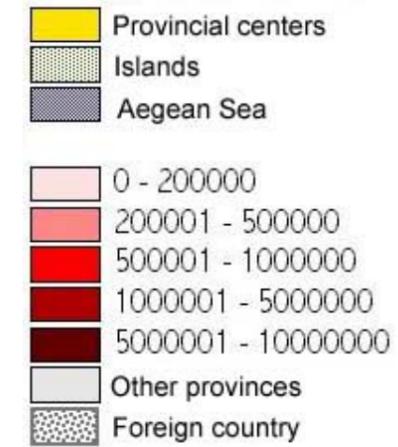
INDUSTRY GDP OF SELECTED PROVINCES  
(1993)



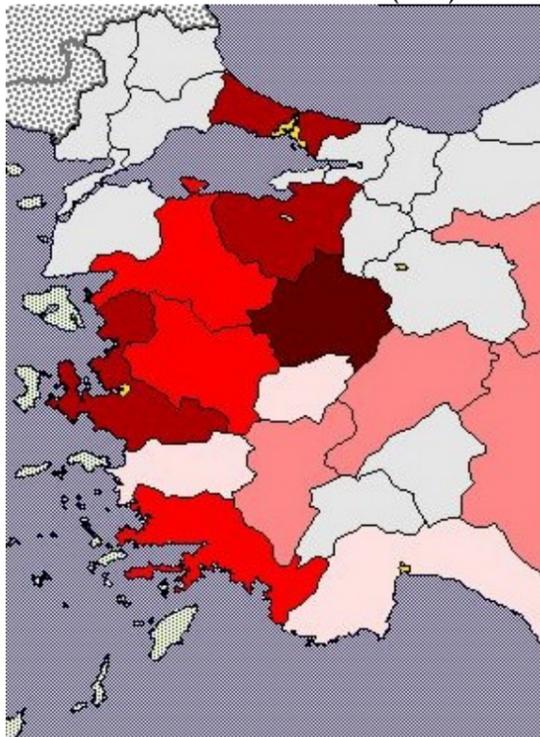
INDUSTRY GDP OF SELECTED PROVINCES  
(1999)



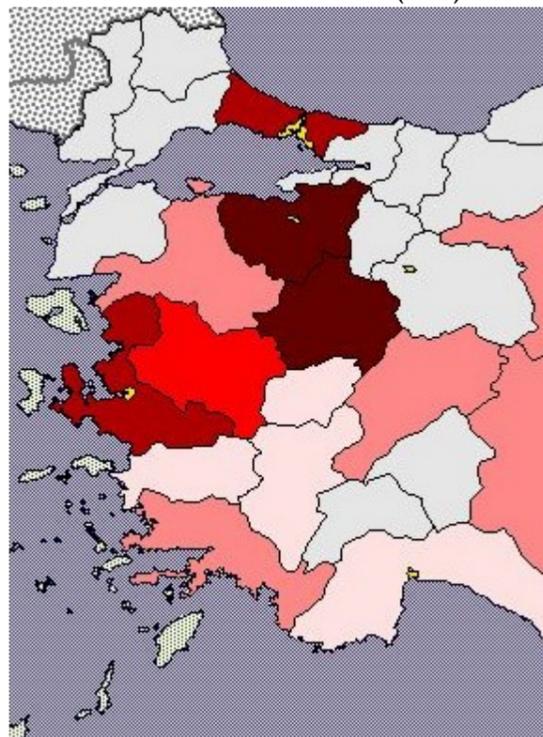
Legend



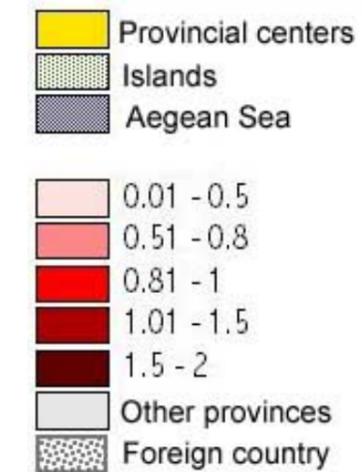
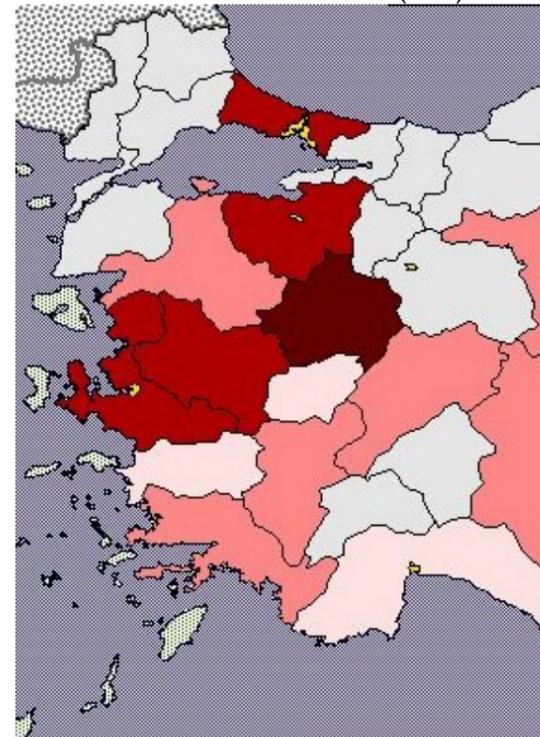
INDUSTRY GDP LOCATION QUOTIENTS OF  
SELECTED PROVINCES (1987)



INDUSTRY GDP LOCATION QUOTIENTS OF  
SELECTED PROVINCES (1993)



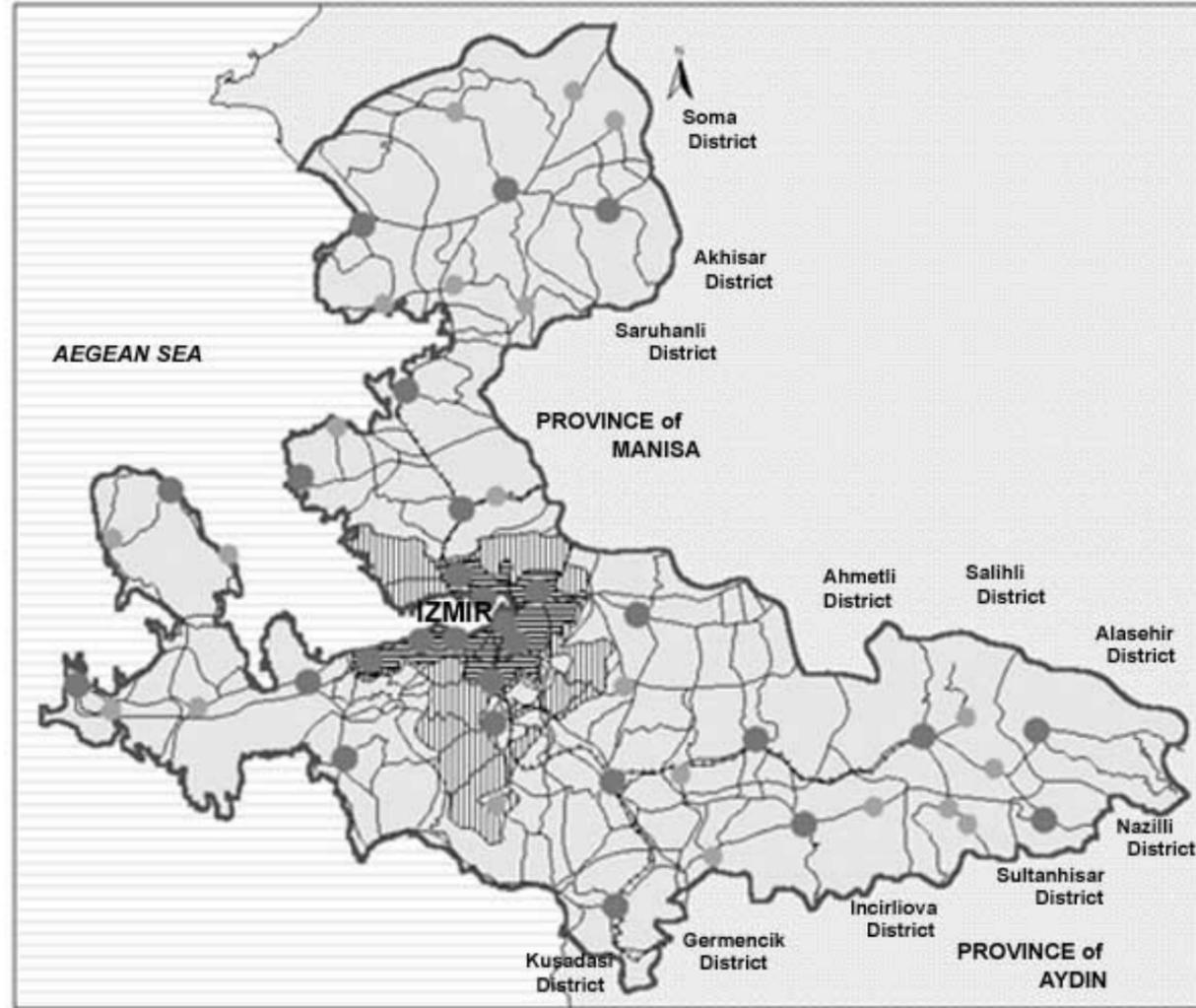
INDUSTRY GDP LOCATION QUOTIENTS OF  
SELECTED PROVINCES (1999)



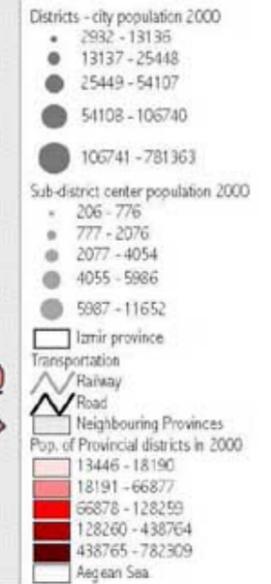
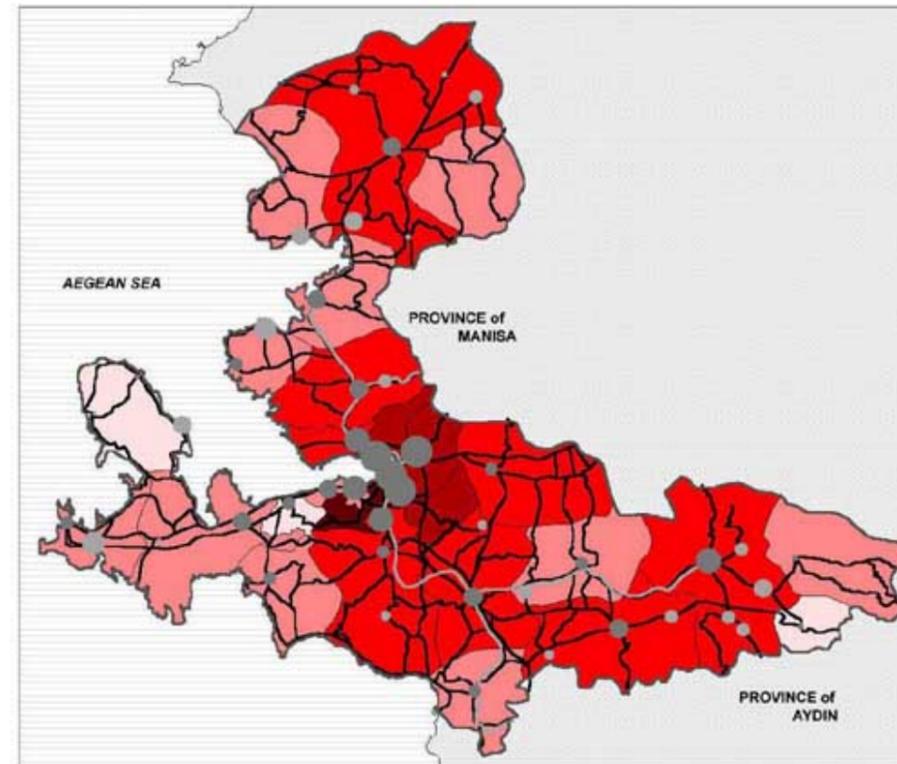
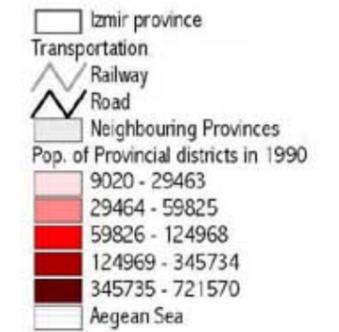
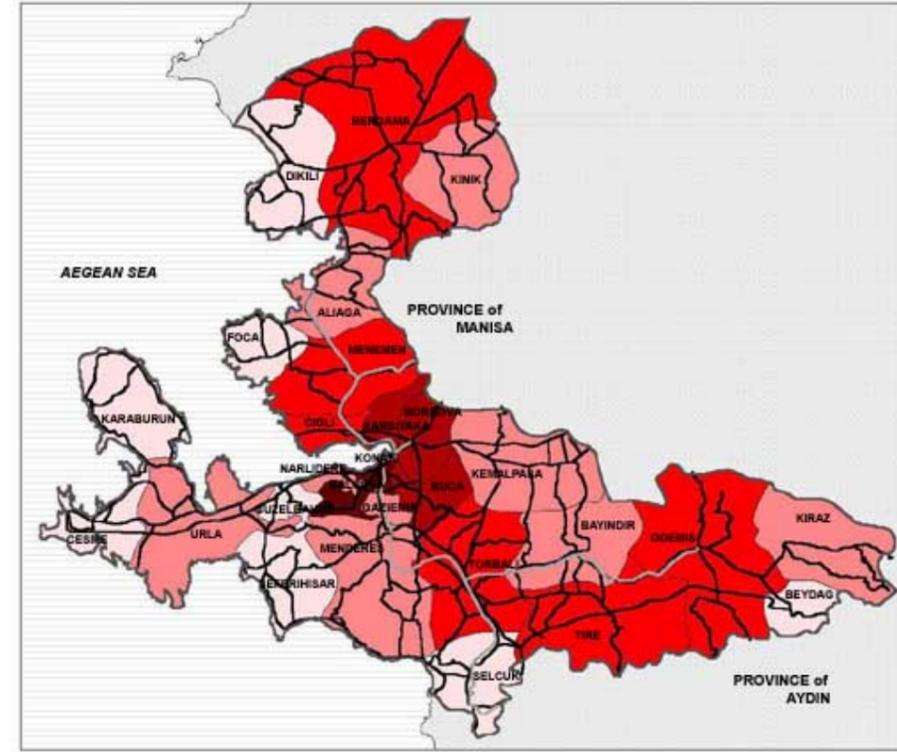
Source: The data used is compiled from SIS

Fig. 7.17. The analyses on İzmir province - the provincial, provincial-district, and greater city level

PROVINCIAL İZMİR



Population (1990 - 2000)



Source: The data used is compiled from SIS



## CHAPTER 8

### CONCLUSION

This thesis has aimed to make an exploration on the debates, issues, and emerging agendas stemming from the recent historical geographic state of the human civilization, his/her actions, and settlements. It has concerned mainly with the profound economic, social, political, and cultural changes and transformations that has been drastically experienced within the human life and settlements, and are still flourishing on the reproduced 'capitalistic' grounds.

Throughout the thesis, the 'restructuring' theorizations and conceptions on the constituting structures of this recent state, has been preferred with respect to the explanatory and exploratory power they provide by shedding the critical scientific light on the past, now, and the future. The cities, the wider city-regions, and the regions have been considered as the spaces of both the origin and the house of the intensive restructuring processes of the period especially after the end of the 1970s.

The materializations of the intensive and rapid changes and transformations of the restructuring processes have been regarded as the representative new directions of the power, the capitalist class, and respectfully constituting the formation of the human civilization with their various aspects. By restructuring, it has been taken as to refer to an ongoing historical process, rather than a historical or a geographical departure. The distinguishing of the recent restructuring processes from the former restructurings have been identified as their dense, intensified, globally spreading, and capitalistic characters. Mainly the processes themselves has what the thesis been dealt with; especially of the economic restructuring, and the historical geographies with which they co-exist. In a case study, statements derived from the evaluations of and the concerns selected from the thesis have been explored on İzmir and its probable region.

#### **8.1. The Concluding Remarks**

- Following the introduction, the second chapter dealt mainly with the debates, issues, and agendas on the 'restructuring processes'. The immense population and urbanization growth, increasing poverty, and the migration patterns especially in the third world regions and countries were addressed among the most important world-level trends represented in the regional 'codings' of the international institutions. The

evaluations on the statements of Beauregard (1989), Soja (1998), and Fainstein (1990) provided the basic explanations on the 'restructuring' conception and its dimensions.

Within the debates of economic restructuring, the recent tendencies of the capitalism were searched in relation to labor relations, capital flows, declining and rising economic sectors by their geographic concerns. It was stated here that the northern economy had entered a new phase of capitalist development in response to the tensions of the ongoing economic crises. The transition from the fordist mode of production to the post-fordist was emphasized as one of the major debates of industrial, and hence economic restructuring. The de-industrialization processes coupled with the rise of the finance-capital and flexible production systems, the changing role of the state and supranational institutions, the growth of the transnational and supranational corporations were cited as the most representative evidences of the economic restructuring processes.

The role of the developments in the information and communication technologies (ICT) within the economic restructuring, and the emergence of the so-called network society were of major importance in the chapter. It was argued that the ICT has been drastically reshaping the human daily lives as well as the economic geography. The political debate comprised the rise of the regionalism -cited as the 'New Regionalism'-, the changing role of state in the governing processes, the transition from the 'government' to the 'governance', the tensions between the local and global political developments, the rise of the civil society and its institutions, etc.

The two popular debates of the contemporary world, the 'globalization' and the 'postmodernism' were of major concerns within the chapter. Overlapping with the three former debates, the debate on the globalization processes was rather centered on the varying approaches of the scholars dealing with its various aspects. The works of Sklair (1999) was compiled as to give a comprehensive classification and evaluation on the globalization studies in the social sciences. Furthermore, the origins and the aspects of postmodernist thinking, the issues stemming from it were evaluated at the end of the chapter. As a complementary part of the restructuring whole, postmodernism was considered to form the cultural, aesthetical, critical, and philosophical basis of the restructuring processes in relation to its challenges to the modernism.

- The restructuring of the cities and regions, and the issues stemming from constituted the major area of interest of the third chapter. The concentration of population in the major cities and regions of the third world, the immense

urbanization rates and exploding settlements were marked at the outset of the chapter.

It was stated that the migration flows to the particular geographies, the increasing poverty, informality, and inequality issues had given rise to the emerging agendas imposed especially by the supranational institutions such as WB and UN and emphasizing the role of local governments to cope with these tremendous growth of settlements. The issues of ecological devastations, emerging sustainability programs, the cultural and environmental conservation and regeneration mechanisms were cited coupling with the favored 'growth management' and the new 'governance' schemes.

The debate on city and regional restructuring was evaluated in reference to the statements of Beauregard (1989), Hall (1999), Fainstein (1997), and Soja (2000). Special emphasis was given to the ways of research on the restructuring processes and the implications on the cities and regions were identified. The emerging land use types and patterns, transformation of the spatial order of cities and regions, new images of space and place are considered in relation to restructuring processes at several levels.

One of the contributions of this chapter was the identification of the selected research agendas of various scholars and institutions related with the city and regional restructuring processes. The main study areas highlighted within this section were: The settlement systems comprising the inter-relationships and the hierarchical tendencies among the cities and regions of the world; the responsive governance proposals and implementations where planning plays a critical but transformed role; the restructuring of the urban form and the internal structure of the cities and regions. The selected case studies of Ekistics, GaWC, and ESDP were of use in representing the fundamental studies on the recent identified research agendas. The major concerns on the subjects and geographies, the favored and developed methodologies, and the perspective offered were pointed out within these cases.

The last section of the chapter evaluated the major city conceptions on the recent configuration of settlements and mainly referring to the restructuring debates mentioned in the former parts of the thesis. They were lined up from the world level concerns -for instance, the world city and the global city- to the particular geographic levels of the city space -edge city and the gated communities- emphasizing several distinguishing aspects compared with that of the past settlement formations. These conceptions and the related debates offered the explanations and interpretations of the contemporary environments especially within the northern countries.

- The fourth chapter identified the 'city-region' as a proper spatial unit by its use

in the comprehensive and integrated approaches to the cities of the contemporary urban environments. Emphasizing the conception of the 'functional-economic space', and the 'political-administrative space' (Friedmann, 1988: 2000) and its representation within the contemporary city-region, this chapter tried to make a detailed exploration on the subject. The related conceptualizations, theoretical foundations, empirical analyses on the city-regions of the world were evaluated throughout the chapter.

The theoretical and analytical contributions offered by an earlier work of Dickinson (1967) and by a contemporary work of Scott (2001) were the cited main references within the chapter. Furthermore, this chapter dealt with the spatial aspects the analyses on the internal and external relations of the city region, its relation with the emerging governance, regionalism, and spatial planning. The city-region is offered to be contemporary integrated spatial entity on where the restructuring processes are placed and reproduced within its various segments and dimensions.

- The fifth chapter emphasized the rise of the producer services throughout the economic restructuring processes and tried to explore this economic sub-sector in reference to the selected classification and geographic analysis studies (Castells, 1994; Coffey, 2000; O'Connor, 1996; Hutton, 2000). In an effort to place the role of the producer services through the restructuring process, their job generating, productivity accelerating, and professionalization producing implementations within the economic environments were highlighted.

The global spread of producer services and the hierarchical orders they bring about within the complex economic interrelations among the settlements, the spatial distribution patterning they represent, and their spatial implications on the urban restructuring were of major concerns of this chapter. Selected case studies of various spatial levels provided the evidences of the debates concerned within the chapter.

- The condition of the planning, planning policy, and the planner were the subjects of the sixth chapter. It was aimed to make a general evaluation of the recent tendencies within the field and profession of spatial planning in reference to the changing subjects, goals, and perspectives evident on the recent implementations. The changes within the planning policy in relation to the economic, political, and spatial restructuring processes, and the comparison of the planner with his/her changing position in the restructuring division of labor were evaluated. The chapter dealt with these three core subjects while emphasizing the uncertain, dynamic, competitive, and flexible grounds on which they were placed.

The chapter highlighted the emerging and favored planning types at the expense of the modern planning approaches. In response to the restructuring processes, it was declared that the planning, its policy, and its labor force were forced to change. Emerging strategic planning approaches, the large-scale projects that the cities and regions are subjected, the demands on the new type of planner, and the evolving planning education were evaluated in comparison with the former ones. Selected case studies shed light on the evidences of these debates.

- And finally, the fundamental statements and evaluations derived from the former chapters were explored in the case study on İzmir and its region at the seventh chapter. The case study analyzed İzmir city-region in relation to its positioning within the national and regional economic and spatial system, the restructuring processes that have been at work since 1980, and the producer services formation and its spatial attributes. Special emphasis was given to the restructuring processes that have been experienced in Turkey and in the major cities of the country, such as İstanbul. Besides the economic and spatial restructuring processes of İzmir city-region, the demographic, political-administrative, and planning debates were analyzed at several levels.

The planning studies, and the selected major projects on İzmir were historically evaluated to make contributory statements on the future studies. The city-region of İzmir was the conceptual spatial unit of analysis although much economic and spatial analysis was based on the provincial, district, and greater municipality jurisdiction level due to the data provisions. The potential producer services were identified and their historical geographic attributes features were analyzed. Most of the analyses were geographically mapped and presented throughout the chapter and the use of GIS contributed all these works. The need for –especial economic geographical- further analysis on İzmir city-region was emphasized.

In addition to these remarks, there are some general conclusions that should be briefly given here. Among them, one is worth primary importance: It should be noted that throughout the restructuring processes, the ‘geography’ and ‘history’ goes nowhere, nor the state as a political-economic actor, and ‘planning’ as an act of spatial decision-making, although quite contrary arguments are rising. But for sure, they are not the same, as we knew them. Contrary to the view that cities are interlinked with each other in a transnational manner and that the world has become ‘just’ a web of these linkages, it is stated here that there are still major underlying historical geographical continuums with the so-called ‘past’ formation of cities. Neither history,

nor geography; neither state, nor tensions between local and central governments, and finally neither the need for planning nor the regulations go anywhere. And there is no borderless world today; and there will no unless there is a property-less human habitats. There has been the re-territorialization, rather than the de-territorialization.

It is now a world of competitive actors acting on the poly-centered stages forming the 'imperfect' free market(s). The city and its region play a crucial role within these processes becoming both as the subject and the object of various restructuring. It is the capitalist mode of production and capitalist crisis that form the basis of those restructuring processes. The city and the region is not just the objects of such processes, instead the main subjects, within competitive markets. There is urgency for the struggles against poverty, inequality, in favor of justice and the common good. It is a prerequisite for the governors and planners to develop proper policies including new objectives and instruments within planning approaches, rather than to designate immediate projects to be integrated within the competitive environments both as a response and challenge to the ongoing restructuring processes.

## **8.2. The Suggestions for the Further Work**

- The spatial-economic conceptions mentioned in this thesis mainly refer to the particular urban environments of the so-called 'developed world', They also shed light on vanguards of recent urbanization patterns throughout the world, but further research is needed focusing on the geographies of the third world. There is a need for the further work on the restructuring of the cities and regions of the third world where the restructuring processes are selectively at work. There is no doubt that Turkey represents one of the most important cases with its distinguishing historical geographical factors and the constituting cities and regions. Contrarily, it should be noted that there is yet few studies on the major geographies of this country, except İstanbul, and that the ones at hand lack regional perspectives.
- The state of the city and regional planning should be explored and evaluated. As mentioned in Chapter 6 of this thesis, it may provide considerable contributions to study on the recent and historical condition of spatial planning in the social division of labor. The emerging subjects, fundamental issues, and agendas may also provide responsive areas of inquiry on planning. It is crucial to point out to the state of the profession and the scientific discipline separately in relation to the differing placement of each in the division of labor.

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## APPENDIX A

Table A.1. A representation of the global urban hierarchy

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### 1. Global financial articulations

*London*<sup>a</sup> A (also national articulation)

*New York* A

*Tokyo*<sup>a</sup> A (also multinational articulation)

### 2. Multinational articulations

*Miami* C (Caribbean, Latin America)

*Los Angeles* A (Pacific Rim)

*Frankfurt* C (Western Europe)

*Amsterdam* C or *Ranstadt* B

*Singapore*<sup>a</sup> C (SE Asia)

### 3. Important national articulations (1989 GDP > \$200 billion)

*Paris*<sup>a</sup> B

*Zürich* C

*Madrid*<sup>a</sup> C

*Mexico City*<sup>a</sup> A

*Sao Paulo* A

*Seoul*<sup>a</sup> A

*Sydney* B

### 4. Subnational/regional articulations

*Osaka-Kobe* (Kansai region) B

*San Francisco* C

*Seattle* C

*Houston* C

*Chicago* B

*Boston* C

*Vancouver* C

*Toronto* C

*Montreal* C

*Hong Kong* (Pearl river delta) B

*Milan* C

*Lyon* C

*Barcelona* C

*Munich* C

*Düsseldorf-Köln-Essen-Dortmund* (Rhine Ruhr Region) B

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<sup>a</sup> National capital

Major immigration targets are listed in italics

Population (1980s): A 10-20 million; B 5-10 million; C 1-5 million

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Source: Friedmann, 1995: 24 cited in Short and Kim, 1999: 25

## APPENDIX B

Table B.1. The list of citations of major cities of the world by various authors

Authors	Major Cities Identified <sup>1</sup>
Budd (1995) <sup>2</sup>	Tokyo, London, New York, Paris, Frankfurt
Cohen (1981)	Tokyo, London, Osaka, Paris, Rhine-Ruhr
Drennan (1995) <sup>2</sup>	London, New York, Tokyo
The Economist (1992) <sup>2</sup>	New York, Tokyo, London
The Economist (1998) <sup>2</sup>	London, New York, Tokyo
Feagin and Smith (1987)	New York, London, Tokyo
Friedmann (1986)	London, Paris, New York, Chicago, Los Angeles
Friedmann (1995)	London, New York, Tokyo
Friedmann and Wolff (1982)	Tokyo, Los Angeles, San Francisco, Miami, New York
Glickman (1986)	New York, Tokyo, London, Paris
Hall (1966)	London, Paris, Randstand, Rhine-Ruhr, Moscow, New York, Tokyo
Heenan (1977)	Coral Gables (Miami), Paris, Honolulu
Hymer (1972)	New York, London, Paris, Bonn, Tokyo
Knox (1995a-b)	London, New York, Tokyo
Lee & Schmidt-Marwede (1993) <sup>2</sup>	London, New York, Tokyo
Llewelyn-Davies (1996)	London, Paris, New York, Tokyo
Martin (1994) <sup>2</sup>	London, New York, Tokyo, Osaka, Chicago
Meyer (1986) <sup>2</sup>	New York, London, Paris, Zurich, Tokyo
Muller (1997)	London, New York, Tokyo
O'Brien (1992) <sup>2</sup>	London, Frankfurt, Paris, Hong Kong, Singapore
Reed (1981) <sup>2</sup>	London
Reed (1989) <sup>2</sup>	New York, London
Sassen (1991)	New York, London, Tokyo
Sassen (1994a-b <sup>2</sup> )	New York, London, Tokyo, Paris, Frankfurt
Short <i>et al.</i> (1996)	Tokyo, London, New York, Paris, Frankfurt
Thrift (1989)	New York, London, Tokyo
Warf (1989) <sup>2</sup>	New York, London, Tokyo

<sup>1</sup> Limited to the top five cities identified in the global urban hierarchy except for Hall (1966) who focuses on 7 cities

<sup>2</sup> Specific studies identifying International Financial Centers

Source: <http://www.lboro.ac.uk/departments/gy/research/gawc/rb/5>

Table B.2. The list of the cities used in the World City Research and the sources of city citations

City	Source															
	F1	F2	PK	DK	SS	FG	NO	RP	HY	CO	TH	KA	LP	RE	SK	Sum
Amsterdam	0	X	X	X	X	X	X	X	0	0	0	0	X	X	X	10
Atlanta	0	0	X	0	0	X	0	0	0	0	0	0	0	0	0	2
Bahrain	0	0	0	0	0	0	0	0	0	0	0	0	0	X	0	1
Bangkok	X	0	0	X	0	0	0	0	0	0	0	X	0	0	0	3
Basel	0	0	0	0	0	0	0	0	0	0	0	0	0	X	0	1
Barcelona	0	X	0	0	0	0	0	X	0	0	0	0	0	0	0	2
Berlin	0	0	0	0	0	0	0	0	0	0	0	0	X	0	0	1

Beijing	0	0	0	0	0	X	0	0	X	0	0	0	0	0	X	3
Boston	0	X	0	0	0	0	0	0	0	0	0	0	0	0	X	2
Bonn	0	0	0	0	0	0	0	0	X	0	0	0	X	0	0	2
Brussels	X	0	X	0	0	X	X	0	0	0	0	X	X	X	X	8
Buenos Aires	X	0	0	X	0	0	0	0	0	0	0	X	0	X	0	4
Cairo	0	0	0	X	0	0	0	0	0	0	0	0	0	0	0	1
Cape Town	0	0	0	0	0	0	0	X	0	0	0	0	0	0	0	1
Caracas	X	0	0	0	0	0	0	0	0	0	0	X	0	0	0	2
Charlotte	0	0	0	0	0	0	0	0	0	0	0	0	0	0	X	1
Chicago	X	X	X	0	0	X	X	X	0	X	X	X	X	X	X	12
Cologne	0	X	X	0	0	0	0	0	0	X	0	0	0	0	0	3
Copenhagen	0	0	0	0	0	0	0	X	0	0	0	0	X	0	0	2
Dallas	0	0	X	0	0	0	0	0	0	0	X	0	0	0	0	2
Detroit	0	0	0	0	0	0	0	0	0	0	0	0	0	0	X	1
Dusseldorf	0	X	X	0	0	0	X	X	0	X	0	0	0	X	X	7
Frankfurt	X	X	X	X	X	X	X	X	0	X	0	X	X	X	X	13
Geneva	0	0	0	0	0	0	X	X	0	0	0	0	0	0	0	2
Hamburg	0	0	X	0	0	0	X	0	0	0	0	0	0	X	0	3
Hartford	0	0	X	0	0	0	0	0	0	0	0	0	0	0	0	1
Hong Kong	X	X	0	X	X	X	X	X	0	0	X	X	X	X	0	11
Honolulu	0	0	0	0	0	0	0	0	0	0	X	0	0	0	0	1
Houston	X	X	X	0	0	0	X	0	0	0	0	X	0	0	0	5
Istanbul	0	0	0	0	0	0	0	X	0	0	0	0	0	0	0	1
Jakarta	0	0	0	0	0	0	0	X	0	0	0	0	0	0	0	1
Johannesburg	X	0	0	X	0	X	0	X	0	0	0	X	0	0	0	5
Kobe	0	0	0	0	0	0	0	0	0	0	0	0	0	X	0	1
Kuala Lumpur	0	0	0	0	X	0	X	0	0	0	0	0	0	0	0	2
Lisbon	0	0	0	0	0	0	0	0	0	0	0	0	X	0	0	1
London	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	15
Los Angeles	X	X	X	X	X	X	X	X	0	0	X	X	0	X	X	12
Luxembourg	0	0	0	0	0	0	0	0	0	0	0	0	0	X	0	1
Lyon	0	X	0	0	0	0	0	X	0	0	0	0	0	0	0	2
Madrid	X	X	X	0	0	0	0	0	0	0	0	X	X	X	X	7
Manila	X	0	0	0	0	0	X	0	0	0	0	X	0	0	0	3
Melbourne	0	0	0	0	0	0	X	0	0	0	0	0	0	0	X	2
Mexico City	X	X	0	0	X	X	0	0	0	0	0	X	0	X	0	6
Miami	X	X	0	X	X	0	0	X	0	0	X	X	0	0	0	7
Milan	X	X	X	0	0	X	X	0	0	0	0	X	X	X	X	9
Minneapolis	0	0	0	0	0	0	0	0	0	0	0	0	0	0	X	1
Montreal	0	X	X	0	0	0	X	X	0	0	0	0	0	X	X	6
Moscow	0	0	0	X	0	X	0	0	X	0	0	0	0	0	0	3
Mumbai	0	0	0	X	0	0	0	0	0	0	0	X	0	X	0	3
Munich	0	X	X	0	0	0	0	X	0	0	0	0	0	0	X	4
New York	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	15
Nagoya	0	0	X	0	0	0	0	0	0	0	0	0	0	0	0	1

Osaka	0	X	X	0	0	0	0	X	0	X	0	X	0	X	X	7
Panama City	0	0	0	0	0	0	0	0	0	0	0	0	0	X	0	1
Paris	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	15
Philadelphia	0	0	X	0	0	0	X	0	0	0	0	0	0	0	0	2
Portland	0	0	0	0	0	0	X	0	0	0	0	0	0	0	0	1
Rio de Janeiro	X	0	0	X	0	0	0	0	0	0	0	X	0	X	0	4
Rome	0	0	X	0	0	0	0	0	0	0	0	0	X	X	X	4
Rotterdam	X	0	0	0	0	0	0	X	0	0	0	X	0	0	0	3
San Francisco	X	X	X	0	0	X	X	0	0	0	X	X	0	X	X	9
Santiago	0	0	0	0	0	0	X	0	0	0	0	0	0	0	0	1
Sao Paulo	X	X	0	X	X	X	X	X	0	0	0	X	0	X	X	10
Seattle	0	X	0	0	0	0	X	0	0	0	0	0	0	0	0	2
Seoul	X	X	0	0	0	0	X	0	0	0	0	X	0	X	X	6
Shanghai	0	0	0	0	0	0	0	X	0	0	0	0	0	0	0	1
Singapore	X	X	0	X	0	X	X	X	0	0	X	X	0	X	0	9
Stockholm	0	0	X	0	0	X	X	0	0	0	0	0	0	0	0	3
Stuttgart	0	0	0	0	0	0	0	X	0	0	0	0	0	0	X	2
Sydney	X	X	0	X	X	X	X	X	0	0	X	X	0	X	X	11
Taipei	X	0	0	0	0	0	0	0	0	0	0	X	0	X	0	3
Tel Aviv	0	0	0	0	0	X	0	0	0	0	0	0	0	0	0	1
The Hague	0	0	0	0	0	0	0	0	0	0	0	0	0	0	X	1
Tokyo	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	15
Toronto	X	X	X	0	X	X	X	X	0	0	0	X	0	X	X	10
Vancouver	0	X	0	0	0	0	X	X	0	0	0	0	0	0	0	3
Vienna	X	0	0	0	0	0	X	0	0	0	0	X	0	X	0	4
Washington DC	0	0	X	0	0	0	0	0	0	0	0	0	0	0	0	1
Zurich	X	X	X	X	X	X	X	X	0	X	0	X	X	X	X	13

F1: Friedmann (1986, Table 1); F2: Friedmann (1995, Table 2.1); PK: Knox (1995, Figure 1.1); DK: Keeling (1995, Table 7.1); SS: Sassen (1994a, from chapters 1 and 2); FG: Finnie (1998) adapted in Graham (1999, Figure 1); NO: Nomura (in Rimmer, 1991, Figure 4.1); RP: Petrella (1995, p. 21); HY: Hymer (1972, p. 50); CO: Cohen (1981, p. 308); TH: Thrift (1989, p. 70); KA: Knox and Agnew (1989, Figure 2.18); LP: The London Planning Advisory Council (1991, p. Figure 1.2); RE: Reed (1981, p. 59-60); SK: Short and Kim (1999, Table 3.10).

Source: <http://www.lboro.ac.uk/departments/gy/research/gawc/rb/5>

## APPENDIX C

Table C.1. The cited global city-regions

1	3
Abidjan, Ivory Coast or Côte d'Ivoire	Madrid, Spain
Abu Dhabi, United Arab Emirates	Majuro, Marshall Islands
Abuja, Nigeria	Malabo, Equatorial Guinea
Accra, Ghana	Male, Maldives
Adamstown, Pitcairn Island	Managua, Nicaragua
Addis Ababa, Ethiopia	Manama, Bahrain
Aden, South Yemen	Manila, Philippines
Agana, Guam	Maputo, Mozambique
Alexandria or Alejandria, Egypt	Maseru, Lesotho
Algiers, Algeria	Mata-Utu, Wallis/Futuna Islands
Almaty, Kazakhstan	Mbabane, Swaziland
Amman, Jordan	Melbourne, VIC, Australia
Amsterdam, Netherlands	Mexico City, Mexico
Andorra la Vella, Andorra	Minsk, Belarus
Ankara, Turkey	Mogadishu, Somalia
Antananarivo, Macau	Monaco, Monaco
Apia, Western Samoa	Monrovia, Liberia
Ashkhabad, Turkmenistan	Montevideo, Uruguay
Asuncion, Paraguay	Montréal, PQ, Canada
Athens, Greece	Montréal Ville, PQ, Canada
Atlanta, GA (USA)	Moroni, Comoros
Avarua, Cook Islands	Moscow, Russia
Baghdad, Iraq	Muscat, Oman
Baku, Azerbaijan	Nairobi, Kenya
Bamako, Mali	Nassau, Bahamas
Bandar Seri Begawan, Brunei	N'djamena, Chad
Bangkok, Thailand	New Delhi, India
Bangui, Central African Republic	New York, NY (USA)
Banjul, Gambia	Niamey, Niger
Barcelona, Spain	Nicosia, Cyprus
Basseterre, St. Kitts/Nevis	Nouakchott, Mauritania
Beijing or Peking, China	Nuku'alofa, Tonga
Beirut, Lebanon	Omsk, Western Siberia, Russia
Belgrade, Yugoslavia	Oslo, Norway
Belmopan, Belize	Ottawa, ON -- Ottawa, Canada
Belo Horizonte, Brazil	Ouagadougou, Burkina Faso
Berlin, Germany	Panama Canal, Panama
Bern, Switzerland	Paramaribo, Suriname
Bishkek, Kyrgyzstan	Paris, France
Bissau, Guinea-Bissau	Phnom Penh, Kampuchea
Bogota, Colombia	Plymouth, Montserrat
Boston, MA (USA)	Port Louis, Mauritius
Brasilia, Brazil	Port Moresby, Papua New Guinea
Brazzaville, Congo	Port of Spain, Trinidad/Tobago
Bridgetown, Barbados	Port Stanley, Falkland Islands
Brussels or Bruxelles, Belgium	Port-au-Prince, Haiti
Bucharest, Romania	Porto Novo, Benin
Budapest, Hungary	Prague, Czech Republic
Buenos Aires, Argentina	Praia, Cape Verde
Bujumbura, Burundi	Pretoria, South Africa
Cairo, Egypt	Pusan, South Korea
Canberra, Australia	Pyongyang, North Korea
Caracas, Venezuela	Quito, Ecuador
Castries, St. Lucia	Rabat, Morocco
Casablanca, Morocco	Rangoon, Burma
Cayenne, French Guinea	Reykjavik, Iceland
Charlotte Amalie, Virgin Islands (US)	Riga, Latvia
Chicago, IL (USA)	Rio de Janeiro, Brazil
Chongqing or Chungking, Zhg (China)	Riyadh, Saudi Arabia

Colombo, Sri Lanka  
 Conakry, Guinea  
 Copenhagen, Denmark  
 Córdoba or Cordova, Argentina  
 Dacca, Bangladesh  
 Dakar, Senegal Republic  
 Damascus, Syria  
 Djibouti, Djibouti  
 Dodoma, Tanzania  
 Doha, Qatar  
 Douala, Littoral  
 Dublin, Ireland  
 Dushanbe, Tajikistan  
 Esfahan, Iran  
 Fongafale, Tuvalu  
 Fort-de-France, Martinique  
 Freetown, Sierra Leone  
 Gaborone, Botswana  
 Geneva, Switzerland  
 George Town, Cayman Islands  
 Georgetown, Guyana  
 Gibraltar, Gibraltar  
 Godthaab, Greenland  
 Guadalajara, Jalisco (Mexico)  
 Guatemala City, Guatemala  
 Guangzhou, Guangdong Province (China)  
 Hanoi, Vietnam  
 Harare, Zimbabwe  
 Havana, Cuba  
 Helsinki, Finland  
 Honiara, Solomon Islands  
 Islamabad, Pakistan  
 Istanbul, Turkey  
 Jakarta, Indonesia  
 Jerusalem, Israel  
 Johannesburg, South Africa  
 Kabul, Afghanistan  
 Kampala, Uganda  
 Katmandu, Nepal  
 Khartoum, Sudan  
 Kiev, Ukraine  
 Kigali, Rwanda  
 Kingston, Jamaica  
 Kingstown, St. Vincent/The Grenadines  
 Kinshasa, Zaire  
 Kishinev, Moldova  
 Kolonia, Micronesia  
 Koror, Belau  
 Kuala Lumpur, Malaysia  
 Kuwait, Kuwait  
 La Paz, Bolivia  
 Libreville, Gabon  
 Lilongwe, Malawi  
 Lima, Peru  
 Lisbon, Portugal  
 Lome, Togo  
 London, England (UK)  
 Los Angeles, CA (USA)  
 Luanda, Angola  
 Lusaka, Zambia  
 Luxembourg, Luxembourg

Road Town, Virgin Islands (British)  
 Rome, Italy  
 Roseau, Dominica  
 Saint-Denis, Reunion Island  
 San José, Costa Rica  
 San Juan, Puerto Rico  
 San Marino, San Marino  
 San Salvador, El Salvador  
 Sana, Yemen (North) Arab Republic  
 San Francisco, CA (USA)  
 Santiago, Chile  
 Santo Domingo, Dominican Republic  
 Sao Tome, Sao Tome/Principe  
 Sarajevo, Bosnia/Herzegovina  
 Seoul, South Korea  
 Shenyang, Liaoning Province, China  
 Shijiazhuang, Hebie Province, China  
 Sydney, NSW, Australia  
 Singapore, Singapore  
 Sofia, Bulgaria  
 St. George's, Grenada  
 St. John's, Antigua/Barbuda  
 St. Petersburg, Russia  
 St. Pierre, St. Pierre/Miquelon  
 Stockholm, Sweden  
 Suva, Fiji  
 Taipei, Taiwan  
 Tallinn, Estonia  
 Tarawa, Kiribati Republic  
 Tashkent, Uzbekistan  
 Tbilisi, Georgia  
 Tegucigalpa, Honduras  
 Tehran, Iran  
 Tel Aviv-Yafo, Israel  
 The Valley, Anguilla  
 Thimphu, Bhutan  
 Tirana, Albania  
 Tokyo, Japan  
 Toronto, ON (Canada)  
 Tripoli, Libya  
 Tunis, Tunisia  
 Ulan Bator, Mongolia  
 Vadux, Liechtenstein  
 Valletta, Malta  
 Victoria, Hong Kong  
 Victoria, Seychelle Islands  
 Vienna or Wien, Austria  
 Vientiane, Laos  
 Vila, Vanuatu  
 Vilnius, Lithuania  
 Warsaw or Varsoviaa, Poland  
 Washington, DC (USA)  
 Wellington, New Zealand  
 Willemstad, Netherlands Antilles  
 Windhoek, Namibia  
 Yamoussoukro, Ivory Coast  
 Yaounde, Cameroon  
 Yaren, Nauru  
 Yerevan, Armenia  
 Zagreb, Croatia

Source: <http://www.findmehere.com/search/cityregions/globalist.htm>

## APPENDIX D

Table D.1. The breakdown of the authorized FDI in Turkey according to home countries by year  
(million \$) (as of the end of June 2001)

Country	1980-84	1985	1990	1995	2000
France	43.1	14.9	669.1	476.1	37.8
Germany	144.7	22.5	145.9	392.1	583.0
Holland	39.3	8.7	34.1	559.3	696.0
USA	268.2	21.7	127.8	231.4	296.1
Switzerland	233.3	20.0	127.7	327.8	35.4
UK	28.7	26.5	286.4	161.4	167.0
Italy	22.4	0.1	65.9	98.6	271.7
Japan	0.1	3.5	102.7	283.8	192.1
Belgium	14.0	0.2	18.1	36.2	71.8
Saudi Arabia	5.0	4.4	4.6	11.8	9.1
South Korea	0.0	0.0	17.3	15.9	91.3
Canada	7.5	0.0	2.2	41.3	2.4
Luxemburg			28.0	33.3	24.1
Bahrain	3.3	6.0	4.4	6.4	0.0
Sweden	0.7	0.9	15.7	11.8	8.7
Austria	2.8	0.2	6.5	32.9	29.4
Denmark	21.4	6.9	15.8	3.6	10.5
Singapore	0.0	0.0	25.8	18.1	2.8
Panama	0.9	0.7	3.0	17.5	50.7
Iran	12.6	2.8	5.5	5.6	2.1
IFC	4.5	0.0	8.6	9.8	0.3
Spain			8.3	2.8	6.3
Syria	4.4	1.7	11.1	1.5	0.5
Russia			1.8	11.3	2.3
Finland			3.4	25.9	3.1
Greece			0.4	3.0	32.7
Israel			0.7	0.2	34.6
UAE	16.1	0.0	6.0	0.2	0.0
Other	102.8	93.0	114.5	118.6	398.1
<b>Total</b>	<b>975.6</b>	<b>234.5</b>	<b>1,861.2</b>	<b>2,938.4</b>	<b>3,059.9</b>

Source: Ministry of Treasury (<http://www.treasury.gov.tr>)

## APPENDIX E

In order to analyze the spatial distribution and patterning of producer services in Izmir, the Industrial Standard Classification of All Economic Activities (ISIC Rev3) was used in the case study. Below are given the several groups (I, J, K) of this classification that were identified as a base in defining the potential producer services category for the specific purposes of the case study:

Table E.1. Selected industrial classes as a base of defining potential producer services for İzmir

CLASS	DEFINITION
<b>I</b>	<b>TRANSPORT, STORAGE AND COMMUNICATIONS</b>
DIV 60	LAND TRANSPORT; TRANSPORT VIA PIPELINES
601	6010 Transport via railways
602	Other land transport
	6021 Other scheduled passenger land transport
	6022 Other non-scheduled passenger land transport
	6023 Freight transport by road
603	6030 Transport via pipelines
DIV 61	WATER TRANSPORT
611	6110 Sea and coastal water transport
612	6120 Inland water transport
DIV 62	AIR TRANSPORT
621	6210 Scheduled air transport
622	6220 Non-scheduled air transport
DIV 63	SUPPORTING AND AUXILIARY TRANSPORT ACTIVITIES; ACTIVITIES OF TRAVEL AGENCIES
630	Supporting and auxiliary transport activities; activities of travel agencies
	6301 Cargo handling
	6302 Storage and warehousing
	6303 Other supporting transport activities
	6304 Activities of travel agencies and tour operators; tourist assistance activities n.e.c.
	6309 Activities of other transport agencies
DIV 64	POST AND TELECOMMUNICATIONS
641	Post and courier activities
	6411 National post activities
	6412 Courier activities other than national post activities
642	6420 Telecommunications

<b>J</b>		<b>FINANCIAL INTERMEDIATION</b>
DIV	65	ACTIVITIES OF FINANCIAL INTERMEDIATION, EXCEPT INSURANCE AND PENSION FUNDING
	651	Activities of monetary intermediation (banks and other credit institutions)
	6511	Activities of central banking
	6519	Other monetary intermediation (trade banks, saving banks and other credit institutions)
	659	Other financial intermediation
	6591	Financial leasing
	6592	Other credit granting activities
	6599	The activities of other financial intermediation n.e.c.
DIV	66	INSURANCE AND PENSION FUNDING, EXCEPT COMPULSORY SOCIAL SECURITY
	660	Insurance and pension funding, except compulsory social security
	6601	Life insurance
	6602	Pension Funding
	6603	Non-life insurance
DIV	67	ACTIVITIES AUXILIARY TO FINANCIAL INTERMEDIATION
	671	Activities auxiliary to financial intermediation, expert insurance and pension funding
	6711	Administration of financial markets
	6712	Security dealing activities
	6719	Activities auxiliary to financial intermediation n.e.c.
	672	6720 Activities auxiliary to insurance and pension funding
<b>K</b>		<b>REAL ESTATE, RENTING AND BUSINESS ACTIVITIES</b>
DIV	70	REAL ESTATE ACTIVITIES
	701	7010 Real estate activities with own or leased property
	702	7020 Real estate activities on a free or contract basis
DIV	71	RENTING OF MACHINERY AND EQUIPMENT WITHOUT OPERATOR AND OF PERSONAL AND HOUSEHOLD GOODS
	711	Renting of transport equipment without operator
	7111	Renting of land transport equipment without operator
	7112	Renting of water transport equipment without captain
	7113	Renting of air transport equipment without pilot
	712	Renting of other machinery and equipment without operator
	7121	Renting of agricultural machinery and equipment without operator
	7122	Renting of construction and civil engineering machinery and equipment without operator
	7123	Renting of office machinery and equipment (including computers)
	7129	Renting of other machinery and equipment n.e.c.
	713	7130 Renting of personal and household goods n.e.c.
DIV	72	COMPUTER AND RELATED ACTIVITIES

721	7210	Hardware consultancy
722	7220	Software consultancy and supply
723	7230	Data processing
724	7240	Data base activities
725	7250	Maintenance and repair of office, accounting and computing machinery
729	7290	Other computer related activities
DIV	73	RESEARCH AND DEVELOPMENT
731	7310	Activities of research and experimental development on natural sciences and engineering (NSE)
732	7320	Activities of research and experimental development on social sciences and humanities (SSH)
DIV	74	OTHER BUSINESS ACTIVITIES
741		Activities of legal, accounting, book-keeping and auditing; tax consultancy, market research and public opinion polling; business and management consultancy
	7411	Legal activities
	7412	Activities of accounting, book-keeping and auditing activities; tax consultancy
	7413	Activities of market research and public opinion polling
	7414	Activities of business and management consultancy
742		Architectural, engineering and other technical activities
	7421	Architectural, engineering activities and related technical consultancy
	7422	Technical testing and analysis activities
743	7430	Advertising services
749		Business activities n.e.c.
	7491	Labour recruitment and provision of personnel
	7492	Investigation and security activities
	7493	Building-cleaning activities
	7494	Photographic activities
	7495	Packaging activities
	7499	Other business activities n.e.c.

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Source: SIS

## APPENDIX F

Table F.1. The groupings list of the members of İZTO (İzmir Chamber of Commerce)

No.	Name of the group
1	GROUP OF TRADERS OF FRESH FRUIT, VEGETABLE, AND FLOWER
1	Yaş Meyve, Sebze ve Çiçek Ticareti Grubu
2	GROUP OF TRADERS, PRODUCERS AND EXPORTERS OF RAISINS AND DRIED FIGS
2	Kuru Üzüm, Kuru İncir Ticareti İmalat ve İhracat Grubu
3	GROUP OF TRADERS, PRODUCERS AND EXPORTERS OF DRIED FRUITS AND NUTS
3	Kurutulmuş Meyve Çerezler Ticareti İmalat, İhracat Grubu
4	GROUP OF CEREALS AND PULSES
4	Hububat ve Bakliyat Grubu
5	GROUP OF WHOLESALERS OF COTTON
5	Pamuk Toptan Ticareti Grubu
6	GROUP OF TOBACCO
6	Tütün Grubu
7	GROUP OF PLANT PRODUCTS NOT INVOLVED IN AGRICULTURE
7	Ziraatı Yapılmayan Bitki Grubu
8	GROUP OF MILK AND PRODUCTS OF MILK
8	Süt ve Süt Ürünleri Grubu
9	GROUP OF MEAT, SEA PRODUCTS AND POULTRY
9	Et, Deniz Ürünleri ve Kümes Hayvanları Grubu
10	GROUP OF ANIMAL BYPRODUCTS
10	Hayvansal Yan Ürünler Grubu
11	GROUP OF PRODUCTS CONTAINING FLOUR AND CONFECTIONARY
11	Unlu Mamuller-Şekerleme Grubu
12	GROUP OF OLIVE, OLIVE OIL AND OTHER VEGETABLE OILS
12	Zeytin, Zeytinyağı ve Diğer Bitkisel Yağlar Grubu
13	GROUP OF PRODUCERS, WHOLESALERS AND EXPORTERS OF FOODSTUFF AND CONSUMER GOODS
13	Gıda ve Tüketim Maddeleri İmalat ve İhracatı grubu
14	GROUP OF SELLERS OF FOODSTUFF AND CONSUMER GOODS
14	Gıda ve Tüketim Maddeleri Satış Yerleri Grubu
15	GROUP OF DRAPERY
15	Manifatura Grubu
16	GROUP OF SUNDRIES
16	Tuhafiye Grubu
17	GROUP OF MASS MANUFACTURE AND EXPORT OF CONFECTION
17	Konfeksiyon Toptan İmalat ve İhracatı Grubu
18	GROUP OF SELLERS OF CONFECTION
18	Konfeksiyon Satış Yerleri Grubu
19	GROUP OF KNITTING AND CONFECTION AUXILIARY MATERIALS
19	Trikotaj ve Konfeksiyon Yan Malzemeleri Grubu
20	GROUP OF LEATHER CONFECTION
20	Deri Konfeksiyon Grubu
21	GROUP OF MASS MANUFACTURE AND EXPORT OF SHOES
21	Ayakkabı, Toptan İmalat ve İhracatı Grubu
22	GROUP OF SELLERS OF SHOES
22	Ayakkabı Satış Yerleri Grubu
23	GROUP OF SHOE MATERIALS
23	Ayakkabı Malzemeleri Grubu
24	GROUP OF PARFUMERY
24	Parfümeri Grubu
25	GROUP OF JEWELLERS
25	Kuyumcular Grubu
26	GROUP OF CARPETS
26	Halı Grubu
27	GROUP OF FURNITURE

27	Mobilya Grubu
28	GROUP OF UPHOLSTERY
28	Mefruşat Grubu
29	GROUP OF TRADE NOT CLASSIFIED UNDER OTHER CAPTION
29	Başka Yerde Sınıflandırılmayan Ticaret Grubu
30	GROUP OF DURABLE CONSUMER GOODS
30	Dayanıklı Tüketim Malları Grubu
31	GROUP OF SELLERS OF ELECTRICAL DEVICES AND MATERIALS
31	Elektrikli Alet ve Gereç.Satış Grubu
32	GROUP OF ELECTRONIC PRODUCTS
32	Elektronik Grubu
33	GROUP OF GLASSWARE
33	Züccaciye Grubu
34	GROUP OF PHARMACIES
34	Eczaneler Grubu
35	GROUP OF MEDICAL INSTRUMENTS AND MATERIALS
35	Tıbbi Aygıtlar-Malzeme Grubu
36	GROUP OF SERVICES RELATED WITH EDUCATION, HEALTH TEETH AND EYE
36	Eğitim-Sağlık-Diş-Göz İle İlgili Hizmetler Grubu
37	GROUP OF PRINTING AND PUBLISHING INDUSTRY
37	Basım, Yayın Sanayi Grubu
38	GROUP OF PAPER AND PAPER PRODUCTS
38	Kağıt ve Kağıt Ürünleri Grubu
39	GROUP OF OFFICE MACHINERIES AND STATIONARY ITEMS
39	Büro Makinaları -Kırtasiye Grubu
40	GROUP OF COMPUTER SERVICE
40	Bilgisayar Hizmetleri Grubu
41	GROUP OF TOURISM AND TRAVEL AGENCIES
41	Turizm-Seyahat Acentaları Grubu
42	GROUP OF RESTAURANTS AND HOTELS
42	Lokanta ve Konaklama Tesisleri Grubu
43	GROUP OF TRANSPORTATION AND STORAGE
43	Taşıma ve Depolama Grubu
44	GROUP OF ESTABLISHMENTS RELATED WITH MONEY TRANSACTIONS
44	Para İşlemleri ile İlgili Kuruluşlar Grubu
45	GROUP OF INSURANCE BUSINESS
45	Sigortacılık Grubu
46	GROUP OF VARIOUS COMMISSION AGENTS
46	Aracılık Hizmetleri Grubu
47	GROUP OF CUSTOMS AGENTS AND ADVISERS
47	Kuruluşlara Yardımcı İç Hizm.Grubu
48	GROUP OF MEDIA, ADVERTISING AGENTS AND SERVICE OF RESEARCH
48	Medya, Reklam ve Araştırma Hizmetleri Grubu
49	GROUP OF PHOTOGRAPHERS AND CINEMA
49	Fotoğrafçılık ve Sinema Grubu
50	GROUP OF MANUFACTURE WHOSALE AND EXPORT OF AUTOMOBILE SPARE PARTS
50	Oto Yedek Parça İmalat, Toptan ve İhracat Grubu
51	GROUP OF SELLERS OF AUTOMOBILE SPARE PARTS
51	Oto Yedek Parça Satış Yerleri Grubu
52	GROUP OF SELLERS OF AGRICULTURAL AND INDUSTRIAL
52	Tarım ve Sanayi Makinaları Satış Yerleri Grubu
53	GROUP OF AUTO SERVICES
53	Oto Servis Hizmetleri Grubu
54	GROUP OF FUEL AND MINERAL OILS
54	Akaryakıt ve Madeni Yağlar Grubu
55	GROUP OF SMALLWARES AND INDUSTRIAL MATERIALS
55	Hırdavat ve Sanayi Malzemesi Grubu
56	GROUP OF METALWARES AND HARDWARES
56	Metal Eşya ve Nalburiye Grubu
57	GROUP OF FOREST PRODUCTS
57	Orman Ürünleri Grubu
58	GROUP OF SANITARY INSTALLATIONS

58	Sihhi Tesisat Grubu
59	GROUP OF IRON AND STEEL
59	Demir ve Çelik Grubu
60	GROUP OF BUILDING MATERIALS
60	Yapı Malzemeleri Grubu
61	GROUP OF BUILDING CONSTRUCTION AND RESTORATION
61	Bina Yapım Onarım Grubu
62	GROUP OF PROJECT, ENGINEERING AND CONSULTANTS
62	Proje, Mühendislik ve Müşavirlik Grubu
63	GROUP OF SERVICES OF PUBLIC WORKS
63	Bayındırlık Hizmetleri Grubu
64	GROUP OF LIFTS, ELECTRIC, HEATING AND COOLING PLANTS CONSTRUCTION, MAINTENANCE AND REPAIRS
64	Asansör, Elektrik, Isıtma Soğutma ve Klima Tesisleri Yapım Bakım Onarım Grubu
65	GROUP OF MINES
65	Maden Grubu
66	GROUP OF INDUSTRIAL MATERIALS AND CHEMICALS
66	Sınai ve Kimyevi Maddeler Grubu
67	GROUP OF PLASTIC AND SYNTHETIC FIBRES
67	Plastik ve Sentetik Lifler Grubu
68	GROUP OF FOREIGN TRADE
68	Çeşitli Maddeler İthalatı Grubu
69	GROUP OF TRADE COMMISSION-AGENTS AND AGENCIES
69	Ticaret Komisyoncuları-Ajanlığı Grubu

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Source: İZTO, 2001