# ENVIRONMENTAL POLICY IN TURKEY: AN INSTITUTIONALIST CRITIQUE

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#### I. Introduction

Turkey qualifies for characterization as either a middle-income developing country, or an underdeveloped country, or as a candidate for membership of the European Union. These different characterizations only help to compound the fact that Turkey has had a prolonged exemplary experience with economic development; all the more so since the 1960s, when some institutional prerequisites of planned economic development such as the state planning organization were first created. It was but natural that the five-year economic plans prepared by this institution should also address the environmental consequences of the proposed development policies. In this paper, we will firstly trace rival theoretical and policy approaches to environment with an exclusive focus on the two variants of neoclassicism and their institutionalist alternative. We will then proceed with the identification of the emergence of an environmental concern within these national development plans. Whether and to what extent the economic development policies and environmental policies formed a coherent whole will then be assessed. We thus argue that an alternative institutionalist framework in tune with the path-breaking works of Karl Polanyi, Gunnar Myrdal, Wllliam Kapp and Nicholas Georgescu-Roegen is badly needed for the quick and effective improvement of environmental policy-making in Turkey.

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## **II. Rival Theoretical Frameworks**

Environmental policy-making is of great importance in the contemporary world where the greatest constraint on production is obviously imposed by nature. Neoclassical and institutional frameworks form formidable rivals in offering analytical schemes for, and solutions to, environmental problems. Neoclassical analyses and solutions proceed along two major wings. The first is good old neoclassical environmental economics, which contends the view that efficiency may be provided through instruments such as taxes, pollution permits and subsidies. The second is the more recent free market approach that links 'social cost' generated by production to the notion of 'private property'.

## II.1.a. Neoclassical Environmental Economics Approach

The roots of this approach extend to Marshallian-Piguvian analysis. As is well known, Pigou had argued that there exists a difference between the value of the product and costs incurred by the private and the public bodies that he referred to as 'externalities' (Pigou, 1920). In the face of this divergence, he promoted government intervention to correct market failures by way of taxes and subsidies. Within this framework, neoclassical environmental economics works through cost-benefit analysis and a social welfare function (Pearce, Atkinson and Mourato, 2006) and uses market instruments for the desired solution. These instruments are charges and taxes, which consist of emission taxes, user charges and product charges and taxes; marketable permits; deposit-refund systems and subsidies for environmental purposes (OECD, 1997: 17). The value of the good is assigned in monetary terms, and reached by the use of these instruments.

#### II.1.b. Free Market Environmentalism

In his trendsetting article, "The Problem of Social Cost" (1960), Ronald Coase argued that, if factors of production are thought of as rights, then property rights may be used to prevent harmful effects of production (Coase, 1960: 44) through a bargaining process. Free market environmentalism, inspired at first by members of the Austrian School (Hodgson, 1997: 50), is associated mostly with this view. It argues that, if there were complete commoditization of nature and markets, then the problem would be solved either via a bargaining process between the owner of the natural resource and the user, or the owner could resort to court. The main duty of the government is to define and enforce property rights for the proper functioning of the market system, and to do the monitoring in flow of pollutants (Anderson and Leal, 1991: 166). There are nevertheless certain problems with this approach. One problem is that, no matter what process is utilized in distributing property, because the rich can pay more than the poor, there will inevitably be a bias in favour of the rich in the ownership of property (Adaman, Devine and Özkaynak, 2003: 364). This will lead to problems in setting values that systematically deviate from the society's valuation. Furthermore, this approach is as much vulnerable to a general criticism of neoclassical environmentalism as its predecessor, insofar as both neoclassical approaches:

rely on individual self-interest to solve the problems of environmental degradation and resource depletion. Consistent with the underlying utilitarian philosophy, moral values and virtues such as duty to others, care for the planet, respect for other species and so on are considered only insofar as they yield utility for that individual" (Hodgson, 1997: 51).

Moreover, neither approach takes 'power' into account. For example, though being the owner of a certain river, an individual may have little bargaining power over a multinational corporation which releases waste into that very same river.

#### II.2. The Institutionalist Alternative

The institutionalist framework is not only a critique of, but also a strong alternative to, neoclassical theories. It is also substantially different from neoclassical economics that ventured late in its 'imperialistic' career into the domain of environment:

In juxtaposition to neoclassical environmental economics which is the manifestation of the venture of microeconomic analysis after its maturation into a virgin domain, institutional economics was originally defined in such a way as to be simultaneously an institutional and environmental economics" (Özveren, 2007: 189).

It consists of many dimensions and has a strong tradition of its own extending through Thorstein Veblen, Nicholas Georgescu-Roegen, William Kapp and Karl Polanyi. Gunnar Myrdal, one of its strong advocates, explains its major criticisms directed to neoclassical economists:

In calling the holistic approach the fundamental principle of institutional economics, I imply that our main accusation against conventional economists is that they work with what Kapp calls 'closed models' with too few variables. These are chosen from conditions called 'economic factors', which regularly are more susceptible to quantification, although even this quality is often opportunistically exaggerated, and not only in regard to underdeveloped countries.

Holding down the number of variables to only a few that can be quantified makes possible the use of impressive mathematical models. Such closed models regularly presuppose a sharp restriction of vision: *Almost the entire social system is kept out of sight*. This exclusion should at least have required a clear statement of assumptions with respect to conditions and determinants not considered. Such an account of implied assumptions is regularly not given, and I have never met an economist of the conventional brand who was really aware of that basic weakness of his analysis (Myrdal, 1977: 4 [emphases added]).

In conformity with the above criticism, the institutionalist framework proposes an entirely different methodological approach than those of both neoclassical environmental economics and the free market environmentalism. Economy is seen as embedded in the nature or the ecosystem (Polanyi, 1957); and unconditional market domination and the "general dehumanization of the conditions of individual existence" (Kapp, 1977: 208) are forcefully rejected. Institutionalists link environmental problems to the domination and logic of the market system (Özveren, 2007: 189). The institutions of society must be reduced to the

requirements of the market for such a system to function (Polanyi, 1944:187), so much so, that "[i]nstead of economy being embedded in social relations, social relations are embedded in the economic system" (Polanyi, 1944/2001: 60). This creates inevitably a divergence between the interests of society and market. From this viewpoint, the idea that everything may and should be treated like a commodity has created the specific institutional setting (Swaney and Evers, 2006: 24) in which, though a priori notions of the benefits of business enterprise are continuously stressed, entrepreneurial outlays fail to take account of the social costs generated via the production process; and these costs are shifted to society at large (Kapp, 1963). Thus, prices determined via the market mechanism do not reflect the social costs and fail to provide an adequate index of the values of society; since the main systemic purpose is the maximization of the profits of private enterprise rather than contributing to social welfare. To emphasize the effects of economic processes on nature and the human environment, Georgescu-Roegen resorted to the Entropy Law, the most economic of all natural laws of thermodynamics (Georgescu-Roegen, 1971: 280). This law states that the entropy of the universe increases continuously and irreversibly, which renders inevitable a qualitative change in the long run the exact nature of which cannot be known in advance. In this sense, the economic process is entropic, such that "it neither creates nor consumes matter or energy, but only transforms low into high entropy" (Georgescu-Roegen, 1971: 281); meaning that any system of equations fails to describe fully the development of such an evolutionary process.

There exists yet another equally significant criticism of the mainstream attitude to environment grounded on its ignorance of the role of 'power'. Institutionalists argue that "individuals are subject to manipulation by corporate power and other vested interests" (Hodgson, 1997: 56). Therefore, the conflicts on the issue of environment are not so much about values in the first place, but about power and interest; and hence an unequal distribution

of power is bound to increase environmental degradation (Adaman and Özkaynak, 2007: 322). This makes the solution of environmental problems impossible without consideration of the power structures.

The combined effect of above criticisms is to reinforce the need for an alternative 'holistic' framework, in fact an 'open systems' approach, which takes account of 'cumulative causation' effects between economic processes, society and the environment—which are inextricably linked. Moreover, this approach must shift priority in favor of the valuation of society from the interests of private enterprise. In accordance, Kapp argued that the invisible hand did not work; free markets and consumer choice were not able to create efficient resource allocation even with corrected market failures by the government; and therefore a participatory planning process must take the lead in resource allocation where the guiding social values and goals are to be identified by way of an interdisciplinary holistic scientific research (Swaney and Evers, 2006: 20). According to Kapp, successful environmental strategies can only be achieved:

- 1. If we recognize that environmental disruption and social costs are important causal factors that play a significant negative role in the cumulative process of development,
- 2. If we abandon the false dichotomy of economic and socioenvironmental objectives,
- 3. If social theory and particularly developmental economics begin to treat many of the socioeconomic factors such as technologies so far regarded as given or constant as dependent variables that need and must be changed and adapted to the new goals to be attained.
- 4. If the search for alternative strategies is based upon a radically empirical (i.e. factual basis) and diagnostic analysis. (Kapp, 1977: 209)

This appropriate approach must involve the social construction of an institutional framework based on participatory and democratic processes. Simply put, institutionalists reject that values can be reduced to pleasure and pain (Swaney, 1987: 1740); and 'deliberative democratic process' is the key for building strategies that reflect social values, rather than assigning values only respective to either individual or community utility functions. In short, the institutionalist approach proposes as a solution to our environmental ills the re-embedding

of the economy, society and nature by way of a participatory mechanism; and the social construction of an alternative institutional set-up accordingly. Since it is the unbound market mechanism that created the environmental problem in the first place; the panacea is to be found in the reversal of its basic principle, namely, the subordination of society to economic means.

# III. Torn between Two Ends: Turkey's Dilemma with Development & Environment

Turkey has had the aim of achieving economic development at *any cost* since the foundation of Republic in 1923, but this process gained a further momentum with the establishment of the State Planning Organization (SPO) against the backdrop of favourable world-economic circumstances of the 1960's. Given the obsessive and myopic focus on attaining economic development as soon as possible, it was but inevitable that certain important matters be either overlooked or shelved for the time being; the most important of all being environmental considerations. Development plans in Turkey reflect this attitude well. The considerations of industrialization in earlier plans as well as European integration especially after the signing of the Additional Protocol (1970) with the then European Community occupy the central place, whereas environmental degradation is seen as an inevitable side-effect of economic development. The first time that a separate section is devoted to environmental problems is as late as the Third Plan that covers the years between 1973 and 1977.

As of the 1990s, Turkey came under increasing pressure from the environmental consequences of the growth of economic sectors such as energy, industry, transport and

tourism (OECD, 1999: 19). The main problems are considered to be air quality, water quality, waste management, protection of nature, industrial pollution control and risk management, chemicals, genetically-modified organisms (GMOs); and the intolerable levels of noise attained especially in metropolitan urban centers. There are also problems with administrative capacity when it comes to recognizing and addressing these problems (Progress Report, 2007: 69). Mostly, but not exclusively, because of external pressures, Turkey achieved certain improvements in environmental regulation and headed finally to 'sustainable development' in the 1990s (OECD, 1999: 19).

The Special Ad Hoc Committee Report on Environment published in 2006 report summarizes the threats that Turkey face (SAHC Report, 59-60) as follows: The increase in industrial chemicals which cannot be properly controlled; population increase and migration; the 'use' of natural resources to procure revenue to the Treasury by political decisions; lack of city planning; lack of policies and laws to promote private investment in environmental infrastructure; the increase in agriculture-based pollutants; the increase in the number of oil tankers crossing the Dardanelles and the Bosphorus straits, the changing of consumption habits and patterns; the production and use of genetically-modified organisms and lack of knowledge about their side-effects; lobbying against the use of alternative renewable resources; environmental non-tariff barriers in international trade; and the inhibition of international trade due to the absence of a transition process in environmental regulation. In the face of such threats, the two major characteristics of the Turkish environmental policymaking system consist of the weaknesses of its institutional supports as well as lack of coordination. These are the inevitable consequences of an inadequately-planned development strategy combined with populist policies, with crucial dependence upon external borrowing in a politicized economic bipolar world order (Boratav, 2007).

## IV. Environmental Considerations in Development Plans

In spite of its one-time obsessive and myopic commitment to economic development by way of integration with the Western World that still holds true albeit with greater realism of the constraints in effect, Turkey cannot be said to have no specific motives for environmental concern. In fact, nowadays the main thrust behind regulations concerning environmental protection is the need for compliance with the European Union *acquis*. The Special Ad Hoc Committee Report on Environment states that the attitude of Turkey towards the issue of environment will form an increasingly important basis of the country's international relations in general, but especially with the European Union in particular(SAHC report, 2006: 6). A quick perusal at Development Plans over time with specific reference to the environmental issues also confirm the point that external orientation of the country and the pressures originating thereof have been a major determinant of the development of an environmental awareness. In the beginning, there was a total neglect of this area. The first two plans as well as the fifteen-year perspective planning proposed in the First Five-Year Development Plan (1963-1967) show no signs of environmental concern.

It was only in the Third Five-Year Development Plan, corresponding to the years between 1973 and 1977, that a separate section was devoted to environmental problems for the first time. This plan is noted for the new perspective planning it brought with it; and provides evidence for the strong connection between concerns about accession to the then European Community and environmental problems. It is emphasized that, although the Third Plan was meant to be prepared within the perspective planning proposed in the First Plan, due to major changes in the international and national arena, there emerged an urgent need for a different perspective planning. The main reason for this change was the signing of the

Additional Protocol with the European Economic Community in 1970. The first step towards integration with Europe had been made with the Ankara Treaty in 1963. The Additional Protocol, forming the second step, brought new responsibilities to be fulfilled before access to Customs Union in 1995. So the new perspective had to cover the twenty-two years (1973-1995) this process was anticipated to take.

Within this context, the Third Plan defines as well as identifying the scope of the environmental problem. Accordingly, it is claimed that environmental problems occur because of departures from the 'optimum distance' between society and nature; and in developing countries, this balance is distorted by "deficiencies in organization, technological backwardness, underutilization of resources, deficiencies in education and income distribution" (Third Development Plan, 866). With this rather abstract definition in mind, it is no surprise that explicit statements such as efforts of development would not be decelerated with justifications relying on environmental problems; and that "no responsibilities in international studies and legal arrangements about environmental problems (would) be accepted that would cause Turkey to deviate from its goal of development through industrialization" can easily be asserted (Third Development Plan, 866). This statement shows us the insistence of SPO to treat environment and the economy separately within the context of development planning. From this very beginning, therefore, the dominant approach fails to be holistic, and, though it considers the negative effects of industrialization on environment in a unidirectional way, it fails to recognize the circular cumulative causation effects between the environment, economy and society. In fact, environmental problems in general are considered as inevitable side-effects of industrialization, and their solutions an obstacle on the way of achieving further economic development. With this attitude, environmental goals were subordinated to their industrial counterparts, if not totally neglected.

The Fourth Five-Year Development Plan (1979-1983) adopts more or less the same superficial stance vis-à-vis environmental policy by reiterating that the main policy had already been set in the previous plan as the solution of environmental problems "without abstracting from industrialization and development" (Fourth Development Plan, 83). But this point is meaningless because solving environmental problems without abstracting from industrialization and development is not feasible unless measures that appear as restrictive to industrialization are accepted as part of the solutions. In the plan, environmental problems of Turkey are listed as water pollution, air pollution, land erosion and pollution, noise pollution and the problems of promenades. It is stated that while important legislation has been made, there nevertheless remain important shortcomings in their implementation.

Considerations about the ecological balance come into the picture only with the Fifth Five-Year Development Plan (1985-1989): "In the utilisation of the natural resources in Turkey, importance will be attached to the conservation and development of these resources, taking into account the ecologic balance and to enable the future generations to make use of them" (Fifth Plan, 190). This mentioning of the principle of intergenerational optimization of the use of natural resources is a discursive novelty. It is far fully elaborated or supported with the proper policy priorities and instruments and, as such, remains as wishful thinking. In any case, this consideration is limited to resource management only and has not yet been applied to any other field.

The 1990's bring a more sophisticated approach to the domain of environmental consciousness and policy formulation. The Sixth Five-Year Development Plan (1990-1994) already represents a certain departure from the previous tradition insofar as recognizing the

importance of the environmental dimension of every economic policy (Sixth Plan, 312) and the need for their co-integration, thereby adopting for the first time a sustainable development approach without making it explicit.<sup>1</sup> Regulations about the organization of the environmental policy-making system are also included in the plan. The Seventh Five-Year Development Plan (1996-2000) gives an overview of the existing situation in environmental regulation and implementation. The Ministry of Environment, first established in 1991, is found to be ineffective in providing regional and national coordination (Seventh Plan, 189), as well as the coordination with other related institutions. The main problem in this arena is identified as concerning the institutional setup: Because new institutions were periodically inserted in a piecemeal fashion into the previously existing institutional setup, conflicts among various institutions in terms of authority and responsibility for regulation have inevitably emerged (Seventh Plan, 190).<sup>2</sup> Institutional problems together with the problems of coordination were also emphasized in the Eighth Five-Year Development Plan (2001-2005). The plan was strongly critical of both the record and the prospects of environmental policy by stating that the integration of economic and social policies with environmental policies had not been achieved and no progress had been made towards sustainable development (Eighth Plan, 187).

# V. The Special Ad Hoc Committee Report on Environment (2006)

The SAHC report on environment prepared within the framework of the Ninth Five-Year Development Plan (2007-2013) gives a detailed analysis of problems and offers solutions. One such problem brought to the foreground in this report concerns the influences

<sup>&</sup>lt;sup>1</sup> Although there is no explicit statement about sustainable development in the Sixth Plan itself, it is retrospectively identified as such in the Seventh Five-Year Development Plan (Seventh Plan, 189).

<sup>&</sup>lt;sup>2</sup> During this period, the National Environment Action Plan (NEAP) was also prepared.

of both politics and the private sector over the environmental decision-making process. Vested interest is thus recognized as an important factor in both policy design and implementation. For example, as a result of pressures exerted by special interest groups, the Environmental Impact Assessment process was reduced from 117 to 35 days in 2003. Without a corresponding increase in the staff and infrastructure of the ministry concerned, this meant in effect a bypassing of certain crucial steps in evaluation and reduced the policy in question to a mere rubber-stamping. Also, with the new regulation introduced, critical sectors such as oil resources, geothermal resources and mining activities mere excluded from the coverage of EIA process; hence another instance of selective bypassing (SAHC report, 2006: 51). As if these were not enough, increased authority extended to foreign companies on the conducting of the EIA studies caused substantial deficiencies in the reporting of socioeconomic impacts (SAHC report, 2006: 52).

Another major problem enlisted was the increased tendency towards international borrowing for the sake of environmental improvement. The report states that, international borrowing was originally intended to increase the independence of environmental services from direct domestic political intrusion. However, this new policy created an even more fundamental kind of dependency, namely, dependency to international borrowing organizations; and led to their own interference with the administration of environmental policy (SAHC report, 2006: 50).

Lobbying against renewable energy sources is mentioned in the report as yet another problem (2006: 60). This was mainly carried out under the auspices of the private sector that had a vested interest in certain kinds of lucrative investment no matter what their social costs might be. In general, corporate business structures usually are more powerful than the

government and could thus influence major decisions regarding the direction environmental policies will take and thus launch on a path-dependence. Consequently, such important decisions are taken by way of behind-the-scene negotiations among the government and large corporations, before the public actually becomes aware of them and voices its own say (Hayden, 2003: 467). To prevent this from happening, public bodies may act early to guide corporate activity by way of their pressure, because "once institutional practices and technological practices are put in place, they become rigid and resistant to change" (Hayden, 2003: 485). But this requires both a relatively strong and autonomous public authority and effective grassroots organizations of civil society, neither of which Turkey possessed.

In order to countervail this imbalance of rival powers in the determination of policy course, the report also mentions the lack of coordination between the government and the nongovernmental organizations (NGOs) and insists that the role of NGOs in decision-making process should be increased in order to introduce a democratic process in environmental policy-making, and decisions should accordingly be taken with the coordination of public and private bodies and the NGOs. A further concern raised in this report is the issue of environmental education. There is a proposal to advance environmental consciousness by introducing compulsory courses in primary, middle and high schools; and by way of mass media (SAHC report, 2006: 80).<sup>3</sup>

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<sup>&</sup>lt;sup>3</sup>Raising this point in itself deserves credit, however, it remained incomplete as long as it was not supported by additional specific policy proposals. Given the importance of informal learning in the internalization of environmental education as well as education in general, it is essential to find additional ways for increasing environmental consciousness. For example, one way to achieve this end might be placing waste separation cans to popular places of worship. Given that many people with lesser access to public education actually visit such places on a regular basis, this may be an effective way to reach people when other mechanisms prove to be weak. Nowadays, waste separation cans are only placed in select university campuses and higher-income group neighborhoods. As such, the policy reaches only the tip of the social pyramid as far as access to knowledge and money as the two major sources of social power are concerned.

Last but not least, another problem brought to attention in this report concerns the insufficient impact-analysis of the transposition process of the EU environmental *acquis* communitaire that remains at the root of uncertainty about the likely changes to be encountered in specific sectors in the medium and long run.

In short, problems already mentioned in the Seventh Development Plan due to conflicts of responsibility and authority of the institutions as well as the weakness and incoherence of the institutional infrastructure are further elaborated in many parts of the SAHC report. For example, it is stated that, because of the existence of not one but several legal regulations regarding a certain field of environmental policy, there exist more than one authorized institution, thereby causing a conflict in responsibilities. In some important fields, there are several responsible institutions with conflicting priorities whereas in many other fields there is not a single responsible institution at work (SAHC report, 2006: 46). Furthermore, this institutional conflict characteristic of the overall setup causes major deficiencies and incoherence in policy application; thereby leaving nicely worded ambitious plans on paper without further realization (SAHC report, 2006: 47).

In the wake of the twentieth century, the SAHC report made its objective explicit:

a Turkey in which basic needs of today's and future generations are satisfied, life quality is improved, biological diversity is protected, natural resources are rationally managed with sustainable development approach, and the dominant political-administrative conception respects the right of living in a healthy and balanced environment (SAHC report, 2006: 6-7).

Interestingly enough, however, the report goes on to declare that the ultimate purpose of environmental investment is to contribute to the Turkish economy (SAHC report, 2006: 53); and thus reveals the good old contradiction between the professed economic and

<sup>4</sup> These are also repeated in the Ninth Development Plan along with the fact that the regulation for GMOs still waits to be formulated (Ninth Plan, 28).

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environmental ends that has remained a constant characteristic of Turkish policy-making over the past half a century.

## VI. Conclusion

We have now surveyed the main attributes of environmental considerations in the development planning experience of Turkey that covers a period of almost half a century. This is indeed a sufficiently long period for yielding its results if not for improvement by a process of learning by doing by way of trial and error. Despite the efforts to attain a sustainable development course because of the overarching concern for, and commitment to, the integration with the European Union, there remain significant problems with the outcome so far achieved. In short, performance has not so far measured up to targets. Moreover, the *cul-de-sac* characteristic of the conflict of priorities stemming from developmental and environmental priorities has not been surmounted. In addition, policy record has been plagued with problems due to institutional weaknesses as well as coordination problems among the responsible institutions, lack of an effective environmental education mechanism and environmental consciousness-raising, and the absence of a democratic process in the environmental goal-setting and decision-making system.

Behind these policy problems we identify as a prime cause the deficiency in the correct perception of environmental problems. In this respect, the dominant approach to environmental problems fails to be holistic and, though it considers the negative effects of industrialization on environment, it falls short of recognizing the circular cumulative causation effects between the environment, the economy and society. Environmental

problems are still considered as inevitable side-effects of industrialization as the only route to economic development, and solutions are seen as a costly potential obstacle on this way. It is no surprise that with such an overall assessment, environmental goals have been placed subordinate to their industrial counterparts, if not totally neglected.

The importation of European approaches to environmental problems without acquiring the necessary institutional infrastructure for their implementation,—not only in the political and economic field but also in the corresponding social field at large,—has helped develop structural problems in the Turkish environmental policy-making system. The failure of environmental policy-making and implementation is the result of (1) a failure to reform existing institutions so that better coordination can be achieved among the formal institutions, (2) to foster favorable informal institutions and (3) to create the preconditions for the ultimate functioning of a democratic process that will truly take into account the valuation of society at the expense of corporate power and the vested interests. In retrospect we can say that, almost all of the problems listed in the Third Development Plan still persist, and Turkey has a long road ahead to achieve sustainability, even in the narrow sense of the neoclassical approach that covers merely resource management.

In the meantime, the government in power in Turkey comes under increasing international pressure for (1) remaining as one of the very few countries not to undersign the Kyoto Agreement, and (2) fine tuning its environmental policy in accordance with the EU criteria that it has to comply with as a prospective member. Had it not been for these international as well as domestic grassroots pressures, things could have changed for the worse because the official neoliberal government policy opts for cashing the environment as a capital asset, and the sooner the better. The sacrifice of forests in Belek and sorgun districts

of Antalya for the sake of expanding the foreign-currency earning golf-tourism industry is a case in point. This governmental attitude is most manifest in the merger of the once separate ministries of environment and forestry, both endowed with very mediocre budgets, for the sake of economizing in tune with neoliberal balanced budget orthodoxy. Overall, against such a backdrop, the stronger vested interests of tourism sector marginalize the environmental concerns.

In this paper we focused on the dominant characteristic of Turkish environmental policy- making which is highly centralized and works from top to bottom, and only to the mediocre extent that it can practically penetrate the bottom. As such, it is unidirectional in a very specific way. Irrespective of the European influence in redefining the goals and acceptable minima in certain areas of environmental policy-making, this basic attribute remains strong. Even so, this picture has been complicated by a host of nascent factors since the 1980s. First and foremost in this respect, in addition to the national level of environmental policy-making, a local level of environmental policy implementation has emerged around the axis of metropolitan municipal organizations. For example, these municipalities engaged themselves in large-scale specific policies for the badly polluted Golden Horn in the case of Istanbul, and the Smyrna Bay in the case İzmir with considerable results, less so in the first and more so in the second case. Furthermore, over the last two decades, nongovernmental organizations<sup>5</sup> for the protection of environment have developed in parallel with the grassroots opposition to ecologically harmful economic undertakings of (1)

<sup>&</sup>lt;sup>5</sup> Contrary to popular belief, NGOs do not necessarily represent the social interest at large. There is no automatic congruence between the NGOs and democracy (Aydın, 2005: 54), because it is sometimes the case that the NGOs defend special interests, and therefore choose to stand close to the government. One such case is TÜSİAD (Turkish Industralists' and Businessmen's Association) (Aydın, 2005: 56). However, in the case of environment, because the governmental attitude has been alienating and socially exclusive, existing NGO's and grassroots organizations coincide with the social interest at least for the time being and foreseeable future.

the government in setting up a number of dams and energy plants in the Firtina Valley in northeast Turkey noted for its unique fauna and flora, and (2) the transnational companies and their local extensions searching for gold first in the historic city of Bergama and then in the deservedly natural park of the mythological Ida Mountains. The growth of this grassroots environmental consciousness and organizational capacity is a positive and promising part of the new picture. As with any picture it also comes with a negative side. The interaction of the above three spheres has often been ad hoc and far from complementary and synchronized. Given the pace with which overall environmental destruction proceeds, it is far from certain that the intended outcomes in countervailing the tendency will be achieved before it becomes too late.

Irrespectively of these horizontal and bottom-up processes at work, we insist that ultimately the dominant line of policy design and implementation needs a new supportive paradigm. It is our contention that whereas economic policy choices have on the whole been ex ante, environmental policy propositions remained largely ex post in Turkey. They have been piecemeal, contradictory, and at best mainstream-economics minded. Instead, what we need is an alternative holistic approach that addresses the environmental problem in all its dimensions and complexity. In short, reciprocal interaction between the economy and environment by way of a principle of circular and cumulative causation in conformity with a sustainable economic development have to find their way back into the analysis and policy design at the ex ante level.

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