

In Between Divergence and Convergence: Understanding Turkish Mass Housing Administration in the Globalized World

Havva Ezgi Dogru

York University, Canada

ezgidogru@gmail.com

Abstract

As a result of the developmental crises in the developing world at the end of 1990s, scholars and policy makers began to think on the vital role of the institutional building in economic development. The shift from Washington to post-Washington consensus was the explicit acknowledgement of the complementary relationship between market and the government. Analyzing institutional restructuring of Turkish Mass Housing Administration (TOKI) gives important analytical tools to understand the tension between convergence and divergence, and global and local in the contemporary phase of development. In the late 1980s, Turkish Mass Housing Administration (TOKI) was founded to 'enable' the housing market in order to solve the housing problem in accordance with the World Bank's key policy document titled Housing: Enabling Markets to Work (1993). Although Turkey's housing market structure was different from other developing countries, it took quite similar path with the others and relied on the private sector production to solve the problem. At the beginning of the 2000s, it became obvious that the enabling markets approach in itself was 'far too sanguine' in terms of solving the housing problem and there is a need to go beyond enablement of the private sector through restructuring state institutions in order to reach economic and social objectives. TOKI was restructured along these lines through series of legislations and it became the highest urban planning institution which caused widespread social discontent because of its unaccountable public authority on urban land. This paper aims to understand the structural restructuring of TOKI as an 'effective state' institution and asks why TOKI has eliminated mechanisms of any participation in decision making after 2000s. Does this authoritative tendency belong to the particular stage of Turkish economic development? In what ways does it converge and diverge from policy suggestions of international financial institutions?