Country: TURKEY Policy Reform: Implementation of new Private Education Institutions Act (PEIA) No.5580

Implementation of New Private Instruction Institutions Act (PIIA) No.5580: Institutional Contexts for Policy Reform

| Organizational /inter- organizational arena | What actors have access to this arena? | What "rules of the game" within the arena are particularly relevant to your policy reform? ¹ | What resources of power/influence are relevant in this arena? ² | How important is this arena to the outcome of your policy reform? ³ |
|--|--|---|--|--|
| Ministry of | Mainly bureaucrat-driven | Consensus building including | Strong ties with | High. |
| National | apart from the Minister | the "personal" preferences of | mainstream media; | No action can be taken |
| Education | himself. | the Minister and, to some | therefore, the ability for - | on the implementation |
| (following the | Minister of National | extent, the Undersecretary | so to speak- social | of the new law without |
| very recent | Education, Undersecretary, | (current Minister is the | engineering or the | the consent, |
| passing of | Deputy Undersecretaries, | student of Undersecretary | manipulation of | persuasion, and/or will |
| PEIA No.5580, | General Director of Private | from college years; so the | educational community, | of this group. Unless |
| the phase of | Education Institutions, | latter has a fair amount of | depending on the lenses of | the group provides a |
| preparing the | Chairman of Board of | personal leverage on the | the reader. Strong | decentralized climate |
| related | Education. While not a | former). Conservative and | experiential capital of | and produces liberal |
| regulations and | direct member of the group, | status quotic traditions of the | staff; thus, strong | by-laws which would |
| by-laws to | naturally, strong influence of | Ministry greatly influence | technical (educational) | leave many daily |
| complement the | Prime Minister from outside | virtually all ministers; hence, | arguments. Very strong | educational decisions |
| new law) | when he is willing to send | the unwritten rule is the | financial resources (the | at the discretion of the |
| | messages prior or after | persuasion of the Ministry | governmental agency with | schools, many parts of |
| | agenda-setting or building a | bureaucracy. No reform has | the highest budget). | the law would have |
| | policy. | any chance of realization | Strong | been overshadowed |
| | | without the persuasion of | network/connections with | thanks to the -probably |
| | | institutionalized civil service, | conservative NGOs. As | deliberate- |

¹ For example, majority vote wins, political "friends" receive priority treatment, military considers itself arbiter of civilian politics, presidential preferences usually win, congressional committees have considerable power over legislation, etc.

² For example, the ability to sway public opinion, the ability to make a good technical argument, the use of money for campaign contributions, ability to put together winning coalitions, the capacity to appoint supporters to important positions, having enough money to use for bribes, etc.

³ High, medium, low. Explain.

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| | | which is more like Indian | many public and private | vaguenesses. Such a |
|---------------|------------------------------|--------------------------------|------------------------------|-------------------------|
| | | system (as compared to | figures, including | deficiency would |
| | | Mexican sexenio). Long- | Ministers, judges, | render the new law an |
| | | standing affiliation of the | journalists, have many | ineffective legislation |
| | | Minister with the religious | teachers around them | and cause the |
| | | groups might bring priority | (total nation-wide | legislative success (of |
| | | treatment for faith-based | population exceeds | creating a new law |
| | | foundations' schools, in | 600,000), teacher | after 42 years) to end |
| | | particular, during the agenda- | appointments for the | up with inefficacy. |
| | | setting stage of regulations. | most-desired schools are | |
| | | Indirect, yet strong influence | used as a leverage (could | |
| | | of military on major policy | also be seen as some sort | |
| | | changes, mainly because of | of a political bribe). | |
| | | its concerns on strengthening | | |
| | | religious groups and the | | |
| | | increasing number of private | | |
| | | schools of those groups, | | |
| | | arising from military's | | |
| | | republican and secularistic | | |
| | | values. Critical: Federal | | |
| | | Court of Appeals has the | | |
| | | final say no matter if the | | |
| | | regulations are the product | | |
| | | of the Ministry; indeed, in | | |
| | | various cases, the Court | | |
| | | annulled Ministry's by- | | |
| | | laws. | | |
| Ministry of | Prime Minister, Minister and | Consensus building with | The main resource of | High. |
| Finance (PEIA | similar to the first arena, | quite some impact of the | influence is the traditional | The mindset and |
| No.5580 | many bureaucrats, such as | Minister. General Director | weight of Finance | decisions of this group |
| includes a | Undersecretary, General | of Income has been generally | Ministry within the public | directly influence all |

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number of financial issues that require Ministry of Finance to reregulate or rephrase some of its internal directives binding for all private institutions) Director of Income. Thanks to personal relationships and, to some extent, mutual dependence and connectedness, indirect access of various private sector organizations, such as **Turkish Private Schools** Association, Union of Chambers of Commerce. Industry, Maritime Trade and Commodity Exchanges of Turkey (TOBB), and Turkish Industrialists' and Businessmen's Association (TÜSİAD).

very influential with his/her respected bureaucratic background. The Ministry is arguably one of the most orthodox public agencies among the governmental organizations and, hence, it is a very challenging task to extract private sector favoring decisions. IMFsupported economic program makes it even harder to materialize business-friendly tax decisions (reduction or deduction) as the Ministry's motivation is budget success (increasing revenue and/or spending control). A debatable belief (not a direct rule, though) could be the traditionally business-averse attitude of this Ministry visà-vis private sector. Some bureaucrats have an implicit feeling against business owners with the prejudice that businesses do their best to be as parsimonious as possible with their tax and other liabilities.

agencies. The fact that all the governmental organizations must persuade the Finance bureaucracy provides a tremendous influence. Members of this group have a very strong loyalty to the "State": each Turkish Lira spent has been the concern of those with high integrity and commitment (to the State). Very close ties with media as the media bosses have somewhat dependence on the Ministry. Even if the Prime Minister or a minister gives a commitment to the constituents, the bureaucrats of the Ministry often find a way to convince the politicians, mainly thanks to their expertise and

political savvy to

situations.

manipulate the complex

Increasing credit on the

financial issues for businesses; thus, a financial relief -as implicitly included in the new law- for private schools and private school parents (such as governmental assistance) arising from the implementation of the new law will first and foremost depend on the persuasion of them. **Complication: This** arena internationalizes a domestic issue since virtually all financial policies and changes are closely scrutinized by IMF and foreign investors.

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| | part of IMF and |
| | international financial |
| | arena (because of budget |
| | performance successes |
| | over the last five years) |
| | helps them to be able to |
| | maintain an upright stance |
| | with even more power. |

Definitions: **Institutions** are the "rules of the game" that shape social, political, and economic interactions (see Douglass North, 1991, for more on this definition). Institutions can be a set of rules like those found in a constitution, a regulatory or trade regime, a political regime, executive-judicial relations, elections, a political party system, a civil service system, etc. They can also be common ways of doing things, such as clientelism or various forms of corruption. **Organizational/Interorganizational arenas** are where such rules are exercised, such as in a parliament, a ministry, an independent regulatory body, or in the interactions among such organizations.