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Finance and System of Provision of Water : The Case of
Istanbul

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Abstract: Unlike many other metropolises around the world, water supply in İstanbul has been subject to commercial practices since the 19th century. The difference today, however, it is in the stage of a privatisation process of water resources, rather than the provision of water itself to the consumers. The role of the state at different levels still has an important and major role in the provision of water. Even if the water resources are started to be privatised, the financialisation of water provision is quite limited. That is why this paper focuses on the changing finance tools and the changing role of the state in water provision in Istanbul in a historical context.

Key words: İstanbul, water provision, SoP

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1 Introduction

This paper focuses on how drinking water in Istanbul is provided and how this provision changed through time by the involvement of different agents. Following the premises of systems of provision (SoP) approach, the paper examines the changing role of different institutions at different levels, from city to country, and their changing relation with each other by concentrating on “the premise that outcomes emerge from settlements between agents which are themselves embedded in historically evolved social and economic structures and processes” (Bayliss et al., 2013: 2).

Studies on the provision of water are quite limited in the Turkish literature and the existing literature is mainly focused on the privatization of water sources, thereby neglecting the broader socioeconomic context and relations between different agents of drinking water provision. This present study aims to put a special focus on how water provision is financed and how the financial agencies shaped the SoP according to their own agenda. However, the financialisation of water in Istanbul, and more generally in Turkey, is heavily under the control of different levels of the state and there is not much involvement of the agents of financialisation process in Turkey.

The paper is organised as follows. In the second section, there is a brief historical background of drinking water provision to Istanbul. The following section presents the role of the state and how different agents of the state are involved in the provision of water. The fourth section opens up the finance of drinking water provision from a historical perspective, presenting the role of foreign investment in the sector. The fifth section examines the production of water in networked systems but also bottled water under the control of private entities, which has gained saliency to reach healthy and clean water. The following section presents the labour process in networked and bottled water production and how it shapes the provision of water. The seventh section pays particular attention to the consumption of water by discussing the tariffs and pricing of water. The eighth section

presents the contested nature of water provision in Turkey in accordance with the social movements against the privatisation of water. The last section is to conclude the analysis and puts the main arguments in order.

2 The historical background of water provision in Turkey

There are three main periods in relation to water provision of İstanbul: 1868-1932 period when İstanbul waters were operated by foreign corporations; 1933-1980 period when authorities and responsibilities in the hands of foreign corporations were transferred to the Administration of İstanbul Waters (İSİ) and from 1980 to present when İstanbul Water and Sewerage Administration (İSKİ) has taken over the task. The first –very limited- water network in the city was founded following the journeys and observations of Sultan Abdulaziz to Paris, London and Vienna in 1868. In that year, French Der Saadet Water Company, which was also known as Terkos Company, was founded and started to run the catchment areas and distribution of water (Çeçen, 1995). Meanwhile, different companies built dams to provide water for İstanbul. However these efforts were not sufficient to meet the needs of the city. In 1932 the Terkos Company and in 1937 Üsküdar-Kadıköy Water Company were taken over by the newly established İstanbul Water and Sewerage Administration (İSKİ), which was under the power of the İstanbul Municipality. It should be noted that charges for water were present in all periods although coverage of water networks and tariff of charges schedules were subject to a number of changes both within each period itself and also between these periods.

3 The role of the State

In Turkey, the role of the state in water provision and management changed through time. Local governments were the main state bodies in provision of water until 1933. Since then, water provision was centralised with the foundation of different institutions (i.e. DSİ, İSKİ and Bank of Provinces) that have undertaken water provision and management. However, since the 1980s, as Turkey has become more involved with global economic dynamics along

with closer relations with the World Bank, there has been a transfer of power to the local municipalities which enabled them to borrow from international financial markets and establish public-private partnerships. This section discusses the changing role of the state in water provision in Istanbul.

the provision of clean drinking water came under the power of municipalities in 1926, with 'The law on the waters' (Law No: 831). in the wake of the Great Depression, the repercussions of which initiated the adoption of etatist economic policies in the country, the central state effectively took over the water management as new institutions had to be established to facilitate the necessary finance, planning and investment for drinking water. Bank of Municipalities was founded in 1933 (Law No: 2301) in order to finance municipality investments. Yet it became clear in due course, giving public loans to the municipalities was not enough to eliminate their financial difficulties. In order to overcome such shortcomings, Development Board of Municipalities was established in 1935 so as to realise a series of services including the provision of drinking water for the municipalities with a population more than ten thousand inhabitants under the auspices of the Ministry of Interior.

In the post-war era, there was further institutional restructuring as a new financial institution came into existence with enhanced capability to provide drinking water for municipalities irrespective of the number of their inhabitants. Development Board of Municipalities and Bank of Municipalities were merged to establish the Bank of Provinces in 1945 (Law No: 4759). The Bank assumed the responsibility not only for the provision of finance to municipalities for infrastructural investments including water and sewage systems, but also provision of technical support for such projects. The establishment of the Bank was followed by the foundation of the Municipalities Fund two years later, which augmented the financing capability of the Bank and remained as the main source of financing of the water systems by the municipalities. In fact, investments for water and sewage systems constituted the major portion of the allocations made by the Bank in the

following decades. Moreover, Water Administration units were established in 1947 within the municipal administrations of three major cities, İstanbul, Ankara and İzmir.

General Directorate of State Hydraulic Works (DSİ) was established in 1953 (Law no: 6200) and in 1960 the General Directorate has assumed the task of developing water systems and its financing for municipalities with a population of under 3000 inhabitants and all villages. DSİ became the central institution that could use the financial sources directly from the Treasury. But municipal administrations were still expected to contribute in cash or in kind (equipment and labour force supply) which was to be given priority by DSİ investment programmes in water systems. Development of the water systems was to be taken over by the newly established Ministry of Village Affairs from 1964 onwards. With the sharp rise in urban population of major cities due to increased migration from the rural areas, given the inadequate financial capabilities of the municipal administrations, DSİ had to reassume the water provision for major cities with more than one hundred thousand inhabitants, concerned. This meant a centralisation of water provision as DSİ also assumed the responsibility for the planning and construction of water and purification systems for households as well as for the industry. In 1968, the financing of these activities would entail the provision of loans to the municipalities with 30-year maturity with no interest (Law no: 1053). However, the management of the water and purification systems were to be undertaken by the municipalities once they were completed by DSİ. (Çınar, 2006a; 2006b).

With the transition to neoliberalism from 1980 onwards, another round of institutional restructuring was initiated. This entailed a new division of labour among the concerned institutions, namely, Ministry of Village Affairs, the Bank of Provinces, DSİ and municipal administrations. The restructuring would bring in due course qualitative changes in the financing of water and sewage systems and price mechanisms based on the market set prices rather than state subsidised rates. In 1984, the Greater City Municipalities for big cities were established and İstanbul was one of them. As the newly empowered greater municipalities were founded, the role of the Bank of Provinces had significantly diminished for the provision of water systems and transferred its powers to this new model of

municipalities. This signalled the transition from Water Administration units to a new model called 'İSKİ model water management', initiated first in İstanbul, to be subsequently reproduced by other Greater City Municipalities. İSKİ was initially established as a separate institution to meet one of the conditions to get loans from the World Bank in 1981. Then in 1984, İSKİ became an institution under the Greater İstanbul Municipality. The main feature of the "İSKİ model" was its water pricing policy, 'the user pays for it'. So, İSKİ would set the price to receive at least 10% profit. This was in contrast with the old pricing model, which had been undertaken by the local councils without any profit seeking. All the other relevant water services were transferred to İSKİ, which also meant that the central state subsidies would be cut and the whole water provision process would become market-led (Çınar, 2006a).

Although, the role of the DSİ and Bank of Provinces had become very limited while local governments had gained power through the 1980s, with a new round of institutional reorganisation after the 2000s, the power was recentralised back in DSİ and Bank of Provinces. An important difference between the period before the 2000s and afterwards is the change in the form of finance. In the period before the 2000s, both sets of institutions were using state subsidies to fund water provision, but in the 2000s, the institutions of the state as well as those of the municipal authorities started to resort to borrowing from international financial markets for the financing of their investment in water provision (Çınar, 2006b).

4 Finance of water provision

The involvement of private sector in water provision has started in the middle of 1990s through foreign finance. For example, some of the biggest water companies in the world made an agreement for the management and provision of water with Antalya Municipality for 10 years; for a dam in İzmit for 16 years; and for Çeşme and Bursa as well. The World Bank, Europe Investment Bank and Kreditanstalt für Wiederaufbau (German Technical Cooperation) had an important role in the involvement of private sector in water

management in Turkey. The banks and financial corporations, multi-national firms, i.e. Suez, Thames and Serco consortiums provided foreign loans to the water sector. Involvement of private firms in the management and provision of water was made by the 'build-operate-transfer' model (Çınar, 2006b), which is a form of project financing, in which a private company gets a concession from private or public sector in order to design, construct, finance and also operate for the time agreed in the concession contract. Despite these initiatives, there has not been any direct private sector involvement in İstanbul for water provision.

Between 1998 and 2000, the investments of local governments in drinking water were as high as the investments of DSI and Bank of Provinces. However, almost half of the rising capacity of local government spending was gained from foreign finance. It was evident in DSI's finance sources as well, that almost quarter of its investment were foreign finance and in 2003 it has risen to the half of the investments. However, the investments of Bank of Provinces remained in its equities. While the local government investments declined after 2000, central state institutions' investment rose. Bank of Provinces, similar to the DSI, started to increase its investment by getting foreign borrowing. For example, the Bank has signed a 213 million Euros-worth project with the World Bank in 2006 (Çınar, 2006a). However the involvement of private sector and foreign investment was mediated through the changing role of municipalities via three ways: concession agreements with private sector; infrastructure development by foreign finance; and World Bank (WB) and the EU credit grants.

The first way of involving private firms into water provision is to hand over the service units of water and sewage to private companies for a limited time (on average 15-year-term) through making concession agreements. Those agreements are made to provide finance for new infrastructure; however agreements allow the private firm to run the services after establishing the new development. So, the income gained from the consumers because of their usage of the services is transferred to the private companies during the agreement period and leaves out the municipalities from one of their income sources (Tamer, 2007).

The second way of financing water provision is the infrastructure development by foreign finance. The majority of investment in water and sewage systems is run by loans provided by the German state through different project agreements between municipalities in Turkey and the German state and the KfW, which is an international cooperation enterprise for sustainable development with worldwide operations, organised as a private company owned by the German Federal Government. The KfW provides the loans for the projects, but also EIB is one of the financiers. This model is used for smaller municipalities, having population 100,000 to 300,000 (Tamer, 2007).

The third way of financing infrastructure development of water and sewage is loans from the EU and credit grants from the WB. Some middle-scale cities of Turkey (i.e. Ağrı, Kayseri, Konya, Malatya) got EU loans. WB loans are in parallel with the EU ones; however WB loans are also used to restructure the institutional structure of Bank of Provinces and the municipalities. The WB has given 2.6 billion dollars loan between 2000 and 2005. These loans have provided development of municipalities' management and technical support to manage water and sewage departments in the municipalities. The technical support loans are not only limited with the WB loans, but also from development banks of the countries, which have big companies in the water sector and regional development agencies (Tamer, 2007).

At the city level, İSKİ provides its income from the payments of the users. This income is used to cover the expenses and also to invest in new infrastructure. In 2014, the total budget of İSKİ was 2 billion 65 million TL and 1 billion 525 million TL of the whole amount was used for new investment. The 2015 budget is expected to be 5 billion 762 million TL and 2 billion 811 million of it will be spending for investment

1.

5 Production

The access to drinking water in İstanbul is provided by two ways: networked and packaged water. The former is produced by the state-owned company at the city level, İSKİ. The packaged water production has two forms. The first one the bottled water sold in the supermarkets for daily usage of drinking water from a small glass-size to a gallon size bottle. The second form of packaged water is produced for domestic use in larger volume of bottled water typically in 5 gallon-bottles.

5.1 Networked water

Natural freshwater resources of İstanbul consist of rivers, lakes and ground waters. In İstanbul, there is one natural lagoon, eight dams, and eight regulators to collect water. İSKİ is the main institution that provides water to İstanbul. The source of water provision by İSKİ is the surface water, which is 98% of the sources. The water coming from rain is collected in the dams and natural lagoons and then transferred to purification facilities. In a month drinking water collected is almost 3 million 500 thousand m³. 60% of water sources are in the Anatolian side of İstanbul and the rest is located in the European side of the city. The water serviced to the city is 2 million 449 thousand 153 m³ per day for 14 million 377 thousand people (İSKİc).

Due to fluctuations in the rainfall, there has been years when there was a dramatic decline in amount of water to be provided. It is also to be noted that the basins which harbour shallow ground waters and spring waters almost precisely overlap with newly constructed human and industrial settlements at the outskirts of the city (Öztaş, 2008: 78-79). In other words, fresh water resources of İstanbul have been intensively under pressure of human and industrial settlements. Hence the need to provide alternative sources of water for the ever expanding city of İstanbul. Other than the sources located in and around İstanbul, Melen stream, located in the Black Sea Region, are decided to be the new source of

drinking water for İstanbul until 2060. The Melen System project was first decided to be realised in 1991. The Japanese firm Nippon has prepared a feasibility report analysing the potential of Melen stream. According to this report Turkish parliament applied for loans from Japanese parliament. Undersecretary of Treasury and Foreign Trade of Turkey and Japanese Overseas Economic Cooperation Fund made an agreement in 1993. For the first phase of the project 52 billion 400 million Japanese yen was taken as loan². The first phase of Melen System was completed in 2012 and started to provide 268 million m³ per year. The first phase of the system cost 2 billion TL. The Turkish state contracted out the project to a private firm. The next phases of the system will be finalised in 2016 and will provide 1 billion 77 million m³. DSI, İstanbul Greater Municipality and İSKİ are in charge of investment in the Melen System.

5.2 Bottled and gallon water production

Turkey met with gallon water first in 1998 (www.kobiden.com , 30th October 2013) and through the first years its share in total packaged industry was remarkably high: 80% in 2008. Annual trade volume of bottled water increased to 10.3 billion litres in 2013 (<http://www.suder.org.tr/> August 2014) from 8 billion litres in 2007 in Turkey (Çetin, 2008:224). İsmail Özdemir, the head of Packaged Water Manufacturers Association (SUDER)³ states that more than a hundred international and domestic firms are active in packaged water industry in Turkey, which are using 323 water plants located in the country. 250 of them produce spring water, 59 produce mineral water and 14 produce drinking water. Production mainly condenses in İstanbul, İzmir, İzmit, Adapazari and Bursa (www.kobiden.com , 30th October 2013). The leading consumer of bottled water was İstanbul, where 400 thousand gallons of water is consumed per day and 80% of bottled water is consumed (Metin, 2008). There are three main sources of packaged water industry in İstanbul: Hamidiye - Kemerburgaz, Mahmudiye - Akdamla and Vakıf Taşdelen - Taşdelen Forests (Çokal, 2012). They all utilise natural sources of drinking water which were accessible by the inhabitants of İstanbul for many decades, but now appropriated by the private sector companies.

The growth of bottled water industry in Turkey is much faster than the average rate in other countries. While the annual growth in the world was 6% from 2007 to 2012, it is 25% in Turkey in one year, between 2011 and 2012. Market volume of bottled water industry has reached to 10 billion litres, which means 3.6 billion TL (Dünya Gıda, 2013). According to the statistics of the Ministry of Health, 288 domestic and foreign firms have been competing in the Turkish water market in which the first eight firms, which are foreign, occupies the 30% of the whole market.

The labour process in the bottled water is quite different from the network water. There are nearly 11 thousand workers and staffs who have been employed in the production, sale and marketing of bottled water in Turkey and the figure goes up to 96 thousand when we include the water distribution networks in 2014 (www.matriksdata.com 8th October 2014). While the employment rates are high in number, there is a serious scarcity in qualified staff. The basic reason behind the scarcity is the location of production plants. Since most plants are located on the mountains, it is extremely challenging to employ and to keep qualified employees in the workforce (Metin, 2008).

6 Labour

The people working in water services are at different levels of municipalities' water departments. 51% of workers are employed at greater municipalities, 19% at smaller municipalities' water departments, 15% at smaller municipalities' water firms, 15% at development departments of municipalities. Those employees also work in the infrastructure, sewage and other departments related to water provision; however the highest number of employment is in water services. Most of the employees are hired as workers and ones who are working in the sewerage services are mainly temporary workers (TMMOB Su Komisyonu, 2007).

When we consider the labour force in Istanbul, İSKİ is composed of four assistant general directors, presidency of auditing committee, legal advisory, presidency of internal auditing unit, 21 departmental presidencies, and 103 directorates by 2014. The institution employs 7,494 workers in total. 4,553 of them are workers and 2,941 are technicians and administrative staff (İSKİc, 2015).

Currently there are three trade unions active at İSKİ and its branches: MemurSen/BEMBİRSEN, KESK/TümBelSen are for civil servants, Türk-İş/TES-İŞ is for the workers. With its 2300 members as the most representative trade union in İSKİ, BEMBİRSEN was founded in 1996. However, its members declined to 330 from 2300 in the last decade. TümBelSen, which is a KESK affiliated trade union was founded in 1990 to undertake its activities with a strong militant perspective since the beginning. TES-İŞ is the only trade union which is entitled to organise blue-collar workers in İSKİ. The membership in TES-İŞ fell down from 6000 in 2005 to 4400 in 2015, because of high level of subcontracting in the water services. According to the data provided by TES-İŞ, the number of workers employed in subcontracting firms in water sector is around 2300⁴. Many essential works of İSKİ, i.e. renovation of canals, repairs, cleaning of the pools and canals, restoration and maintenance of İSKİ buildings, painting of metal equipment, opening and closures of meters and maintenance of fiber-optic networks, have been transferred to subcontractor firms (İSKİa, 2014). Workers in subcontracting firms work under poor conditions, as it is evident in one of the interviews made with a worker of İSKİ in a subcontractor firm: "We have not been paid for two months. We do not have money even to go to work, to meet most basic needs such as food. All of us are in such a trouble that most of my friends are not able to pay for electricity and education for their children. Subcontractor ignores us; however, we do not want an increase in our wages, we just demand the sweat of our brow. The boss says "either work or leave", but we have been working in these workplaces for 8 or 10 years. Subcontractor receives progress payments from İSKİ latest on 4th or 5th of every month and uses our share in the auctions that he involves in other cities (ETHA/Etkin Press Agency, 26th February 2014).

7 Consumption: water pricing, access to water network and affordability

The main water consumption types in İstanbul are agriculture, urban and manufacturing industry. However, as 91 per cent of water is used for urban (household water), 8.9 per cent for manufacturing and 0.5 per cent for irrigation⁵, this report will be confining itself with the sop for drinking water.

Water tariff in Turkey uses the 'pay as much as you consume' way of payment. Accordingly tariffs would cover operation and maintenance, amortization expanding costs and a profit rate of not less than 10 per cent of all expenditures and some of the investments. The water tariff fare are set by municipalities according to the rates of Wholesale Price Indices defined by DİE together with the Metropolitan Municipality Council "Tariff Regulations" (İSKİ, 2011:14; EMWIS, 2005:6). Almost all the revenue of the İSKİ comes from water sales. Furthermore, virtually all İSKİ investment on water-related activities has been carried out through the income generated from water sales (İSKİc, 2015).

In İstanbul those who need water services must sign a contract with İSKİ to become water and/or drain water subscriber. There is no data specifically on İstanbul, but the percentage of households who have access water via Municipality networks in Turkey is 97.4% (TÜİK, 2011). Water usage is measured either via mechanically designed old style meters or by pre-paid meters. Contracts are classified according to the status of the place, i.e. a house, workplace, public institution. As of January 2015, İSKİ has 4,955,891 subscribers based in İstanbul (İSKİc, 2015) and there is not any rate difference applied on subscribers according to the location. Table 1 below may give an idea about prices and categorisations of İSKİ tariff system although it does not reflect the characteristics of gradual tariff schedule.

Table.1: Water prices per m³ (TL; VAT excluded) in İstanbul (04.12.2014)

Category of purchaser	Price
Household Consumption	4.13
Industrial Consumption	8.66
Enterprises with government and supplementary budgets	6.27
Consumption of construction areas out of industry	8.99
Consumption in housing constructions	5.10
Consumption of those who consume recycled waters	0.81
Waters allocated to municipalities	4.08
Tariffs for villages (household)	1.08
Tariffs for villages (workplaces)	2.78

Source: İSKİb, 2014

Together with the latest increase in water tariffs made by İSKİ as of December 2014, a subscriber who consumes water i.e. 20 m³ monthly will pay 5.40 TL for each m³ for the consumption over 10 m³. Accordingly a subscriber has to pay 91TL if he/she consumes 20 m³ (Zaman Daily Newspaper, 22 January 2015), which is an amount equal to 10% of minimum wage as of January 2015. Against these claims, Greater İstanbul Municipality argues that İSKİ has applied a complete gradual tariff schedule between 1998 and 2010; and a partly gradual tariff schedule since 2010. İSKİ set up three basic tariff categories based on monthly amounts of consumed water per subscribers. With reference to this categories water consumptions less than 10 m³ are calculated from 3.70 TL; consumptions from 11 to 20 m³ are calculated from 5.40 TL (İBBa, 2015). The best way to see any change in affordability of family budgets might be to make a comparison between 2006 and 2015 via

the share of water bills in minimum wage. When we make these calculations for 20 m³ we see that the share of water bills in minimum wage increased from 9.22% in 2006 to 10% in 2015⁶. Although it seems that there is a slight increase in the prices of water provided by İSKİ in comparison with the increases in minimum wage. We should remind that household subscribers' expenditure for water is not limited only with these payments since many of them are also paying to private sellers for gallon waters especially since 2005. The market prices of gallon waters change between 3 TL and 11 TL per gallon (19 liters) that a medium-sized family have to buy minimum 6 to 7 gallons monthly. Consuming gallon waters adds an extra 50 TL to water spending of the household by increasing the share of water bills in minimum wage to 15% with a total 141 TL payment monthly.

Delay penalties, moratory interests and discouraging fines applied on subscribers who fail to pay their bills on time have been detailed in concerned legislation under Article 61. Accordingly the water meters of the subscribers who are not able to pay bills would not be allowed to access network water and debts are collected via legislative ways. If the subscriber does not pay his/her debt even after water cut off and the debt is not paid within six months following that date the account would be cancelled and water meter would be removed (İSKİ, 2011:35).

8 Contestation: water movements in İstanbul⁷

Water provision in İstanbul is a contested arena for the corporate sector; between different levels of the state in power of water management and for the civil society. The contestation for the corporate sector, including bottled, packaged and ground waters lie on the informal relations and unfair price competition because of this informality. Secondly, different interests pursued at different levels of the state in the management of water provision create conflicts between them. Lastly, the involvements of private corporations to water provision and water sources created water movements in İstanbul in the last decade that will be examined in more detail in this section.

Although emergence of first green movements in Turkey goes quite back to the 1970s - except a few organisations, i.e. Halk Evleri who included water problems in its political agenda beside many other actions like housing, health and education-, Global Action Group, Campaign Right To Water or the campaign called Don't Touch My Water, are in collective struggle for water since 2007 soon after the persistent impulsion mainly from European water movements⁸. Of course there was an understandable logic behind the claims of European NGOs that they wanted to see a common struggle in İstanbul before the 5th World Water Forum (WWF), which was held in İstanbul on 16th-22nd March 2009. However this did not mean that there wouldn't be any resistance against 5th WWF. Even if the European NGOs did not encourage unions and professional chambers to get organised a collective and united struggle. Nevertheless the effects of European NGOs cannot be ignored in the process of getting organised against commodification of water in Turkey. The first product of this was an international conference which was organised at Yıldız Technical University/İstanbul on 22nd-23rd March 2008 under the title "WATER: Under the Yoke of Capitalism" by the initiative of newly established working group named "SUPOLİTİK" ([SuPolitik](#), 2008). Also this international event itself witnessed a deep split off among local organisations in which they have all refused to participate the event, except Halkevleri. Throughout 2008 mutual email conversations, skype conferences and workshops, which were organised in different European capital cities aiming to prepare organisations in Turkey to act together against 5th WWF, continued. At the end, two organisations in Turkey, Supolitik and the Campaign Right to Water, were active in the struggle. In all these activities the main slogan of Northern NGOs was "open space" that they warned their partners to include different organisations as much as possible and this was typically what they did during previous WWF meetings held in Mexico City and other capital cities around the world. However, since there were quite significant perspective differences between those organisations, unions, professional chambers and revolutionary associations in Turkey, working and acting together had severe limitations. Despite all these facts, more than 80 organisations including 15 international NGOs signed final declaration of the conference that this was the first and very important success for a newly born struggle⁹.

The only failure of this struggle was that it caused another split between the Union of Chambers of Turkish Engineers and Architects (TMMOB)¹⁰ and its affiliate chambers. This conflict was based on the political differences and the organisational conflicts in leading the struggle.

However, TMMOB got involved in the initiative after for a while and in June 2008 all opposition movements, except Campaign Right To Water, agreed on to get organised a collective struggle against 5th WWF in 2009. This new organisation called itself Platform against Commercialization of Water (STHP). However, because of focusing the issues and debates among STHP members, the STHP missed that there was a deep divergence among international water movements. It was only a week ago from official 5th WWF when international movements informed STHP that they wouldn't take part in the counter events of STHP only because of anticapitalist stand of the organisation (Yılmaz, 2011). Another manifestation of this stand of international NGOs is evident in one of the speeches of a Canadian Blue Planet activist:

"We don't think that private corporations should not have any role, of course they should have some specific tasks in water management. For instance private corporations should take responsibility in distribution of water to people, but the control and property on water resources cannot be delivered to corporations"(Naidoo, 2008:132).

During the 5th WWF meeting in İstanbul, water movement organisations showed a quite weak participation. However, the 5th WWF turn into a corner stone in both starting and ending international relations with STHP and international NGOs.

Although STHP and the Campaign Right to Water are still active, again it should be noted that both attendance and interest of the components have lessened mainly depending on changing political agenda of Turkey. Since water is not in the priority of their agenda for almost all member organisations they have neither considered attending regular meetings of STHP nor given importance to water relate problems since 2009 despite they continue to

define themselves as a part of water struggle. The Campaign Right to Water seems more active especially on following and publishing water related events both inside and outside Turkey on their webpage. The Campaign Right to Water has more stable contacts abroad probably because it shares the idea of international organisations that an anti-capitalist stand would be counter-productive for any struggle for water.

Beyond these two big organisations, another movement in İstanbul is Northern Forests Defense (KOS), which has been struggling against deforestation around İstanbul and indirectly deal with water related concerns since 2013. KOS defines itself as an organisation embracing self-governance and rejecting all kinds of hierarchies (Kuzeyormanları, 2014). There are also numbers of local water movements in Turkey that they struggle against new dam constructions and hydroelectric plants on the agriculture land and villages where they live in Black Sea, Aegean, Mediterranean, Southern and Eastern regions.

9. Conclusion

As summarised above, water provision of İstanbul has gone through several phases dating back to the pre-Republican era. Between 1868-1932 İstanbul waters were operated by foreign corporations. With the establishment of Administration of İstanbul Waters (İSİ) In 1933, a process of institutional developments were set on train. However, the establishment of İSKİ as a part and parcel of the structural adjustment process supported by the structural adjustment loans (SALs) has given rise to "İSKİ management model", thus signalling a qualitative shift in the sop for drinking water in İstanbul. It would soon be accompanied by the emergence of packaged water industry. Yet, İSKİ remains the only water provider that gives licence to water sources for the private sector.

One of the most distinguishing aspects of water provision in İstanbul has been the commodification of bottled and gallon water, while the provision of network water is still undertaken by İSKİ. Regarding the finance of provision of water, there is a major involvement of the state, despite the involvement of private corporations in the

management of water resources. The state at its different levels has played a major role in getting loans from the EU, WB or other countries, which can be considered as an indicator of the financialisation of water provision.

Considering the context of water provision of İstanbul, there is a contradictory process that needs a special attention. While water transfers from other regions are proceeding at the fastest speed by the state on the ground of water scarcity in İstanbul, city waters are ironically subject to exportation abroad by İSKİ and packaged water industry. Additionally, as İstanbul is getting dispersed immensely, urban development has spread to the water basins of the city under the approval of state authorities. As an example of the ongoing process, projects under construction of the Third Bridge across the Bosphorous and Third Airport on the European side near the Black Sea coast are clearly endangering the remaining forest areas of the city, which contain the water basins that are main suppliers of drinking water.

Endnotes

¹ http://www.ibb.gov.tr/tr-TR/Pages/Haber.aspx?NewsID=22321#.VXA2M_tIHw

² https://www.tbmm.gov.tr/develop/owa/tutanak_b_sd.birlesim_baslangic?P4=575&P5=T&page1=24&page2=24

³ SUDER, Packaged Water Manufacturers Association is the unique organization of packaged water industrialists founded in 2000

<http://www.suder.org.tr/ingilizceweb/history.html>

⁴ Information given in this paragraph has been provided both by Saadet Aydın who is one of the executives of TümBelSen/İSKİ and Ferdal Erdoğan who is İSKİ branch president of TES-İŞ during interviews made in January 2015.

⁵ *Ministry of Food, Agriculture and Livestock and İstanbul Directory of Food, Agriculture and Livestock 2013:54*

⁶ Minimum wage in December 2006: 531 TL; in 2015: 949 TL ;

see

http://www.csgeb.gov.tr/csgebPortal/ShowProperty/WLP%20Repository/csgeb/dosyalar/istatistikler/net_brut_asgari_uc (ÇGSB, 2014)

Water Price in December 2006: (16+33)= 49TL; in 2015: (37+54)=91TL. ;

see <http://www.iski.gov.tr/web/statik.aspx?KID=1000484>

⁷ The researcher was one of the founders for both SuPolitik and STHP who worked as international contact person between 2007-2011. Therefore, beside very rich observations and information about happenings the researcher had have this part of the study is composed by biletaral talks, email communications and archive works made in both organizations.

⁸ See following web sites for a more detailed information on above mentioned organizations and campaigns: <http://www.suhakki.org/>; <http://www.kureseylem.org/su/ne-stiyoruz/63-suyuma-dokunma-kampanyas-car-metni-.html>; <http://www.halkevleri.org.tr/>

⁹ See final declaration and signatories : http://www.supolitik.org/deklarasyon_eng.htm

¹⁰ TMMOB: Union Of Chambers Of Turkish Engineers And Architects- See more at: <http://www.tmmob.org.tr/sayfa/english#sthash.pixJMddj.dpuf>

TABLES

1. Water prices per m³ (TL; VAT excluded) in İstanbul (04.12.2014)

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THE ABSTRACT OF THE PROJECT IS:

The research programme will integrate diverse levels, methods and disciplinary traditions with the aim of developing a comprehensive policy agenda for changing the role of the financial system to help achieve a future which is sustainable in environmental, social and economic terms. The programme involves an integrated and balanced consortium involving partners from 14 countries that has unsurpassed experience of deploying diverse perspectives both within economics and across disciplines inclusive of economics. The programme is distinctively pluralistic, and aims to forge alliances across the social sciences, so as to understand how finance can better serve economic, social and environmental needs. The central issues addressed are the ways in which the growth and performance of economies in the last 30 years have been dependent on the characteristics of the processes of financialisation; how has financialisation impacted on the achievement of specific economic, social, and environmental objectives?; the nature of the relationship between financialisation and the sustainability of the financial system, economic development and the environment?; the lessons to be drawn from the crisis about the nature and impacts of financialisation? ; what are the requisites of a financial system able to support a process of sustainable development, broadly conceived?'

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