# MEGA EVENTS AS A PLACE MARKETING STRATEGY IN ENTREPRENEURIAL CITIES: STAKEHOLDER ANALYSIS OF IZMIR EXPO 2015 CANDIDACY

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#### **ABSTRACT**

# MEGA EVENTS AS A PLACE MARKETING STRATEGY IN ENTREPRENEURIAL CITIES: STAKEHOLDER ANALYSIS OF IZMIR EXPO 2015 CANDIDACY

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Starting with the 1970s, cities have found themselves in a trouble which is caused by economic changes, technological improvements and local-global power shifts. Under the impact of these changes, cities have started to act as independent units and try to get a higher their position in the hierarchical system of the globalised world. Therefore, competition started between cities other than states and entreprenurial strategies are developed by local governments and actors for sustaing local economic development.

One of the most popular place marketing strategies, mega-events such as EXPO, Olympic Games are considered as a valuable instrument to promote a region as a tourist destination, business location, and an attractive place to live and work. This study investigates an understanding of how to use a mega event as a tool in the place marketing strategy and building up entrepreneurial governance by examining the stakeholder organization of Izmir EXPO 2015 candidacy period. The research analyzes the approaches of different stakeholders of Izmir to EXPO opportunity and the impact of bidding on the stakeholder organization of Izmir. The most important conclusion of the study is that collaborative study of stakeholders can help to build up the entrprenurial city even if the city does not host a mega event.

**Key words:** mega-event, EXPO, entreprenurial city, place marketing, stakeholder analysis

# GİRİŞİMCİ KENTLERDE CAZİBE MERKEZİ OLUŞTURMA STRATEJİSİ OLARAK DEV ETKİNLİKLER: IZMIR EXPO 2015 ADAYLIK SÜRECİ AKTÖR ANALİZİ

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1970'lerin başlarından itibaren; farklılaşan ekonomik yapı, teknolojik gelişmeler ve yerel-küresel güç dengelerindeki değişimler nedeniyle kentler sorunlar yaşamaya başladı. Bütün bu değişimler, kentlerin bağımsız birer birim olarak hareket etmesine ve küresel hiyerarşide üst konumlara gelmek için çabalamasına neden oldu. Bu nedenle, ülkeler arası değil şehirler arası rekabet başladı ve yerel ekonomik kalkınmayı sağlamak için yerel yönetimler ve aktörler girişimci politikalar geliştirmeye başladılar.

En çok kullanılan stratejilerden biri olan EXPO ve Olimpiyatlar gibi dev etkinlikler; kentlerin çekim merkezi olmak, nitelikli iş gücünü, yatırımcıyı ve turisti kente çekmek amacıyla kullandıkları önemli bi araçtır. Bu çalışma, dev etkinliklerin yerel ekonomik kalkınmayı sağlayan ve girişimci kentin oluşumuna katkıda bulunan, bir cazibe merkezi oluşturma stratejisi olarak rolünü İzmir'in EXPO 2015 adaylık sürecini inceleyerek anlamayı amaçlamaktadır. İzmir'in EXPO adaylık sürecindeki politikasının, ilgili aktörlerin bu organizasyona yaklaşımının ve adaylık sürecinin aktör ilişkilerindeki etkisinin analizi araştırmanın hedefleri arasındadır. Çalışmanın en çarpıcı sonucu, herhangibir dev etkinliğe ev sahipliği yapılmasa bile eğer aktörler adaylık sürecinde ortak bir çalışma geliştirirlerse girişimci kent olma yolunda bir adım atılmış olur.

**Anahtar Sözcükler:** dev etkinlik, EXPO, girişimci kent, cazibe merkezi, aktör analizi

To my grandfather, Emcet Edizel

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#### **CHAPTER 1**

#### **INTRODUCTION**

Mega events are determined as economic development tools by local and national actors. Hosting a mega event increases the attractiveness and promotion of both the city and country as well as contributes to the built environment and strategic organization structure of the local. At this point the local authority's eager to host a mega event can be named as a place marketing strategy. Starting with the 1970s, cities have found themselves in a trouble which is caused by economic changes, technological improvements and localglobal power shifts. While trying to adapt these changing conditions, competitiveness between cities has increased. Each city wants to position itself higher in the hierarchical system of the globalised world. Accordingly, cities have begun to think strategically about their marketing. Kotler, Haider and Rein (1993) examine this concept suggesting that cities and regions are in a 'place war'. Cities must convince tourists, residents and investors to their unique virtues and therefore becoming entrepreneurial. While developing a place marketing strategy, different decision making processes and approaches of various actors affect the fortune of cities in political, cultural and economic terms.

Comparing to other mega events such as Olympic Games or Formula Grand Prix; EXPO is a more advantageous place marketing strategy as it mostly helps the regeneration of a deprived area in the city and does not leave any overcapacity sport facilities. When examining the development of the EXPO, it is clear that host cities are increasingly leveraging the promotional opportunities through the international exposure of the event. The use of mega events to market cities is generally a part of a tourism strategy which targets to increase the awareness of the city and attract people to visit that location. Seville, Lisbon and Nagoya

EXPOs can be examples of this case as they had significant growth in tourism in the post-EXPO period.

All over the world, there is a trend towards the use of events to promote a city, encourage redevelopment, and stimulate the local economy. Most of the regions constitute event development corporations that decide, bid and manage the events that cities should host and local authorities form an events portfolio to attract events appropriate to their region (Getz, 1998, p: 13). What is important at this point is that the determined events should reflect the marketing and strategic objectives of the city.

Objectives behind hosting mega events are discussed by various researchers. Erten (2008) determined the motivations behind hosting Olympic Games which are also similar for EXPO, listed as building an international image, improving the economy, sustaining regeneration projects and developing infrastructure. In order to sustain these targets successfully, the most important thing is the organization between different actors and how they handle the event. Literature on mega events usually evaluates them from economic, touristic, spatial or socio-cultural standpoints (see Table1.1). Still absent from the literature is discussion of the use of the EXPO by host cities to foster a new organizational structure between public and private stakeholders that could continue later on as well. This new organizational structure triggers those cities who are taking slow steps in the way of being entrepreneurial by creating new relationships, enhancing existing ones by building public private partnerships. Therefore, further research is necessary related to the approaches of different actors while managing a mega event.

**Table 1.1:** Mega-event studies and selection of studies on indicated subjects (adapted from Ritchie, 1984; Fredline, 2000; Erten, 2008)

MEGA EVENT STUDIES	CONCEPTS	SELECTION OF STUDIES
	Cost benefit analysis	Buns et. al, 1986 Rey, 1987 McDonald, 1990
	Multiplier Analysis	Gratton et. al, 2002
	Wider Economic impacts with	Crompton, 2001
	several indicators	Barton, 2004
	Transit Outract Applicate	Burton, 2003
ECONOMIC	Input-Output Analysis	Blake, 2005 Kasimati, 2003
LCONOPIE	Linkage Model	Hiller, 1998
	Negative economic impact	Mules&Faulker, 1996
	(Economic risk and cost)	Wilkonson, 1994
	(Leonomic risk and cost)	Cox et. al., 1994
		Matheson&Baade, 2003
		Ritchie&Hall, 1999
		Brown&Massey, 2001
		Baade, 2004
	Showcase effect/ magnification	Hiller, 1989
	of the profile of the region which	Andranovich et al., 2001
	leads to increasing tourism	
TOURISM	Extension of tourist season	Ritchie&Beliveau, 1974
	Place Marketing/Image Creation	Roche, 2000
		Holcomb, 1999
		Smith, 2001
	Construction of new facilities	Hiller, 2004
	Regeneration of rundown areas	Hiller, 2000
		Park, 2004
SPATIAL		Essex&Chalkley(1998)
	Negative impacts (architectural	Schwarthoff, 2005
	pollution, environmental	Solberg&Preuss, 2004
	damage, noise, congestion)	
	Increase in the level of local	Ritchie, 1984
	interest	·
	Resident perception studies	Jeong&Faulkner, 1996
		Ritchie&Aitken, 1984
		Ritchie&Smith, 1991
SOCIO-CULTURAL/	Sense of belonging a community	Getz, 1991
PSYCHOLOGICAL	sharing community	Roche, 2000
	Feelings of alienation, loss of a	McCool&Martin, 1994
	sense belonging to the	
	community	Cot- 1001
	Crowding can cause rowdy	Getz, 1991
	behaviours (violence, drugs)	Hall, 1992

### 1.1. SCOPE OF THE STUDY AND RESEARCH QUESTIONS

Recently, many Turkish cities are in search of hosting international events. These events range from conferences to sport events; cultural and art events to international meetings. Istanbul has been candidate to host Olympic Games for four times and Izmir is eager to host EXPO which are both world most well known mega events.

Throughout the globe, beside some certain indicators like being major financial centres, telecommunication nodes, transportation nodes, and having corporation headquarters; global spectacles are used as an emerging pro-growth strategy of local authorities. EXPO can be considered as an important arena for corporate sponsorship and advertising and a significant way for cities to gain global recognition. Thus, hosting or bidding for the EXPO is an indicator in global positioning of a city. With the collaboration of public and private sector and promotion of pro-growth economic development strategies, cities have gained new global images and new economic opportunities.

The goal of this research is to gain a better understanding of how to use a mega event as a tool in the place marketing strategy and building up entrepreneurial governance. EXPO 2015 candidacy period of Izmir provides an insightful context in which to consider policy processes and outcomes associated with marketing places through events. In Turkey, Izmir declared its candidacy for hosting EXPO 2015, which is taught to bring a new image for the city on an international platform. Local powers together with private sector initiatives and other local actors wish to create conditions that are favourable for growth. Starting with this period Izmir targeted to become a global and therefore entrepreneurial city.

According to the hypothesis of this study, if all stakeholders work in a collaborative approach during a candidacy period of a mega-event, the basis of entrepreneurial city and therefore, local economic development would have been sustained. Thus, this study aims to analyse the approaches of different actors towards Izmir's EXPO 2015 candidacy from the entrepreneurial city frame and evaluate the strategies in relation to different interest groups and their profit-seeking behaviours.

Therefore, the major research questions are:

- What are the factors of effective stakeholder collaboration in a mega event candidacy?
- How did stakeholders respond to the EXPO 2015 opportunity?
- How to capitalize the experience gained from EXPO 2015 candidacy to build up the entrepreneurial city of Izmir?

The sub-questions questions are:

- What is entrepreneurial city/governance?
- What is a mega event?
- What strategies were adopted during EXPO 2015 candidacy?
- Who was involved in the development of the strategies?

From the perspective of place marketing, this research will provide new insight into the ways that cities can develop strategies and tactics in order increase their attractiveness. From the standpoint of the stakeholder, the study will show how the events can influence future organization structure of the cities while building an entrepreneurial approach.

#### 1.2. STRUCTURE OF THE THESIS

The study is structured in six chapters. Each chapter aims to answer different reaserach questions of this thesis (see Table 1.2). Chapter 1 explains the reasons that trigger this study as well as indicating the research questions and the scope of the study. Chapter 2 sets a theortical background of this study. This part consists of two main sections which are the reasons that lead the emergence of entrepreneurial city and the characteristics of an entrepreneurial city. The aim of the chapter is to explain the 1<sup>st</sup> research question and chapter ends up with a general evaluation leading the study to the 2<sup>nd</sup> research question of the thesis.

In the third chapter, the aim is to answer the 2<sup>nd</sup> research question. Chapter 3 explains the mega event phenomena and evaluates two latest registered EXPOs from the view of entrepreneurial city. Both Hanover and Aichi EXPOs demonstrate the significance of collaboration of different actors to get the

success in hosting. As a result, cities should manage both pre-event and event periods in an efficient way to get the fruits of the post-event period. Therefore, the indicators of an efficient candidacy period are determined in Chapter 4 as an answer to 3<sup>rd</sup> research question in order to evaluate EXPO 2015 Izmir candidacy period and the methodolological framework of the study is explained.

Chapter 5 focuses on the case study of this thesis. It answers the 4<sup>th</sup>, 5<sup>th</sup> and 6<sup>th</sup> research questions by using the indicators determined in the previous chapter. The chapter also defines the strategy and organizational structure of EXPO 2015 Izmir candidacy period. Finally, Chapter 7 discusses the main findings of this study and gives recommendations in order to answer the 7<sup>th</sup> research question of this thesis. It also gives some suggestios about the future directions of this research.

**Table 1.2:** Structure of the thesis

CHAPTER	RESEARCH QUESTION	CONTENT
Chapter 2	What is entrepreneurial city/governance?	<ul> <li>Reasons that lead places to the idea of entrepreneurial city</li> <li>Characteristics of entrepreneurial city</li> </ul>
Chapter 3	2. What is a mega event?	<ul> <li>Defining and categorizing mega events</li> <li>Analyzing EXPO with entrepreneurial approach</li> </ul>
Chapter 4	3. What are the factors of effective stakeholder collaboration in a mega event candidacy?	Integration of the drivers of effective collaboration with the characteristics of an entrepreneurial city  Commitment Conflict Resolution Representation Network

Table 1.2 (continued)

CHAPTER	RESEARCH QUESTION	CONTENT
Chapter 5	4. How did stakeholders respond to the EXPO 2015 opportunity?	Strategy and organizational structure
	5. What strategies were adopted during EXPO 2015 candidacy?	<ul><li>Roles of stakeholders</li><li>Evaluation of stakeholder</li></ul>
	6. Who was involved in the development of the strategies?	responses
Chapter 6	7. How to capitalize the experience gained from EXPO 2015 candidacy to build up the entrepreneurial city of Izmir?	Strategies and recommendations for future steps

#### **CHAPTER 2**

#### **CONCEPTUAL FRAMEWORK**

#### 2.1. PLACES ON THE HOOK

Places have faced with economic problems as a result of increasing competition in the global economy. Since the early 1970s, even highly specialized cities like Birmingham, Pittsburgh and Dortmund have started to live economic uncertainty appeared by global, national and regional economic and political restructuring which increased the competition between cities and most cities have found it difficult to maintain their competitive position in the global economy (Leitner and Steppard, 1998).

Evidently, Kotler and his colleagues (1993) examine two forces- external and internal- that lead places into trouble. External forces include; rapid technological change, global competition and intergovernmental power shifts (Kotler et. al., 1993). Similarly, Leitner and Steppard (1998) determine four kinds of challenges that increase the economic uncertainty of places which are sectoral shifts, revolution in communication technologies, globalisation of finance and restructuring of the state. In this study, reasons that put places on the hook are classified in 3 titles: changes in economic structure, technological development and rescaling urban space.

#### 2.1.1. Changes in Economic Structure

By the end of postwar Fordism, changes in the economic structure of the cities have become more obvious. Mass production of labour intensive textiles, heavy manufacturing and consumer durables demonstrated a decline in the economy while information technology related sectors and producer services such as

retailing, media and cultural industries, niche manufacturing sectors, producer and financial services and computer and information services have risen (Graham, 1995; Short and Kim, 1998).

Negative influences of this shift in the economic structure are very crucial as the main industries of cities that sustain their economic prosperity fail. In that sense, cities have to develop new strategies and economic activities. For instance, Pittsburgh and Boston have lived similar successful transformations from heavy manufacturing to information technology however; all cities are not lucky to replace their lost traditional industries with a new favourable one. Flint, Michigan is an unfortunate example of economic structure transformation. In the 1980s, Flint which was the birthplace of the General Motors (GM), found itself in a decline as GM closed down and its sales decreased. The decision makers decided to transform Flint to a short trip destination for weekend entertainment yet; all investments failed and closed down with leaving more expense than income (Kotler et. al., 1993, p: 16). Therefore, some cities experienced hard times to adapt this change and some were "highly sensitive to business cycle movement as a result of their mix of industries and growth companies" (Kotler et. al., 1993, p: 4).

The relocation of manufacturing, rising importance of knowledge/service industries and changes in division of labour have developed a new order where jobs and investment move quickly around the world (Short and Kim, 1998, p: 56). Therefore, this Post-Fordist era has represented flexibility and change. However, the uncertainty that places live can not be just attributed to the shifts in the economic structuring alone.

#### 2.1.2. Technological Development

Technological improvements in communication, transportation and manufacturing lead to important changes in the world economy. Changes in the technology transform the processes of production and distribution; create new products and new places of wealth and power in the world.

According to Kotler and his colleagues (1993, p: 9), advanced science and technology drive the market place and their applications affect the growth of job;

therefore governments inevitably become responsible for promoting, encouraging, and generating new technologies and applications. Nevertheless, while some industries benefit from technological advances, others can get damaged which Schumpeter called "creative destruction". New innovations can cause the layoffs of workers with obsolete working skills. Generating new opportunities for workers to participate in more creative and productive enterprises, creative destruction can also cause suffering for those who cannot obtain the required skills and experience. (Kotler et. al., 1993) This process may destroy a traditional industry and create a new one.

After the 1970 crisis, the production systems changed as flexible production. Technological developments increased in communication, transportation, science and so on. In the beginning, these revolutions took place in a few societies and diffused relatively in a limited geographical area, however today, new information technologies have spread throughout the globe which changes the economic attitude of cities as well.

To finalize, according to Leitner and Steppard (1998, p: 291) changes in communication and information technologies influence the uncertainties in urban economy in four ways. To start with; as a result of declining importance of transportation costs, the geographical accessibility of a location becomes less important and so, the notion of locational advantages that attracts economic growth becomes meaningless. Next, firms become less dependent to the cities resulting from the improvements in communication and flexible production. Third, flexible production improves the productivity. In the end, as a result of advancements in technology cities can become outdated if they do not adapt their physical and social environment rapidly to attract investors. To sum up, all these technological changes can lead a city to economic uncertainties and in case of not taking the necessary precautions the economy can decline eventually.

#### 2.1.3. Rescaling Urban Space

Shifts in economic structure and technological developments have increased the importance of managerial approaches to take places off the hook. Market place changes have staged faster than the government's capacity to respond (Kotler

et. al., 1993, p: 13). In the post-Fordist period the political power remained in the state but its capacity to project the power is weakened due to the internationalization and the risks emerging from the global environment. Some state capacities are transferred to other bodies with a widening range of powers and some powers are moved to restructure local or regional levels of governance in the national state and some are taken over by emerging horizontal networks of power. The "hollowing out" can be seen as a response to the various state failures which accompany the crisis in Fordist regime, and its social mode of regulation. The "hollowing out" is to "relocate important legitimacy functions to levels of political organization which are able to cope better with the symptoms of Fordist crisis" (Jessop, 1994, p.253).

The Fordist state has not only been going through a reorientation towards Schumpeterian workfare functions, but also structural transformations have been taking place. This situation can be explained as reordering of the relations among state organizations as well as reordering of relations among different levels of political organizations: the growth of supranational regimes, the resurgence of regional and local governance and emerging trend towards translocal linkages (Jessop, 1994, p.255). Besides, Leitner and Steppard (1998, p: 294) determine three trends that explains the transformations in political governance which are adoption of new modes of state intervention, changes in central-local state relations and increase in the influence of supranational institutions.

The powers of the state are delegated upwards to supra-regional or international bodies, downwards to regional or local states, or outwards to relatively autonomous cross-national alliances among local metropolitan or regional states with complementary interests. At this point, the changes in power shifts can be classified as supra-national and sub-national level. Economic uncertainty that comes with the rescaling of urban space includes three headings: supra-national, sub-national power shifts and global-local debate.

#### 2.1.3.1. Supra-national Power Shifts

Increasing the role of supranational bodies such as EU, NAFTA and IMF have contributed to the uncertainty in the economy of cities. Supra-national bodies lowered the responsibilities and power of nation states while increasing the

competitiveness of the area they manage (Leitner and Steppard, 1998). The impact of supra-national institutions can be seen on the three growth poles:"triadic" world economy; The Asian Pasific region, European Economic Space and North America (Jessop, 1994, p: 270).

There is a greater degree of cross-national investment and trade within many regions than there is between them. As national markets are replaced by supranational ones, there is less need for each nation to have its own industry concentrating production in few cities.

Despite the increasing importance of supra-national institutions, the national state still keeps important political functions especially in managing the political linkages across different territorial scales and is expected to do so in the interests of its citizens. As a result, the central political role of a state remains, but its role is redefined (Jessop, 1994, p. 256).

#### 2.1.3.2. Sub-national Power Shifts

Restructuring of central-local relations clearly demonstrates the transition of responsibilities and power of national to sub-national levels of government. As a result, national intervention and public expenditure in cities decreased while local authorities gained more responsibility (Leitner and Steppard, 1998, p: 294). Today local state's main aim is to make local and regional economies competitive in the new world economy.

Because of this shift to local level, the variety of forms and strategies of state intervention is increasing. This is related to local supply-side conditions, which are best dealt with close to the ground, but it is important that central government coordinates and supports these actions. This is especially important when economic initiatives involve business associations and private bodies (Jessop, 1994). There is renewed interest in the promotion of sub-national regional and local economies at the expanse of concern with the national economy whereas, the nation state losses its power and cannot any more guarantee full employment and growth on national scale, so the political pressure gathers more and more on the regional level (Jessop, 1994, p:273).

Although globalisation seems to produce borderless geographies; global economy and global society carry on to be "constructed in and through territorially bound communities" (Amin & Thrift, 1995, p: 96). The rise of local is obvious in most of the capitalist economies over the last decade as the increased fame of local politics and the shift of the scale level of decision making from national to local have also been observed. The increase in the number of competitive cities, local growth coalitions and locally specific policies in Frankfurt, Barcelona, Glasgow, Antwerb and Limburg also demonstrates the importance of sub-national spatial scale levels (Swyngedouw, 1992). Local states and governance institutions have more responsibility and authority whereas the nation-states transfer control from the national scale to the local and regional scales (Martin et.al, 2003, p. 115). Therefore, the nation states are devolving responsibility to urban governments for tasks such as economic development, social services, and the provision of infrastructure (Painter, 1995).

#### 2.1.3.3. Global-Local Debate

Globalisation of state power can be evaluated with the concept of scaling which is local and global sphere of activity (Martin et al., 2003; Wood, 1998). Before, while coordinating the political and economic power, national scale was dominant; however in later times, supra-national and sub-national scales gained importance and the authority shifted towards them.

"In the case of the state and governance functions, for example, this shift involves a transfer of authority and responsibility from a national-scale state both to supranational governance forms (such as the EU or the WTO) and to sub-national forms (as with the much discussed devolution of state functions over the last several years)" (Staehel et.al, 1997 in Martin et.al, 2003, p. 115).

Swyngedouw (1992, p. 40) terms this scalar shift as *glocalisation* which is "a double movement of globalisation on the one hand and devolution, decentralisation or localisation on the other".

There are two different views about the importance of local and global scales as sites for regulating capitalist development which can also be grouped as "localists" and "globalists" (Wood, 1998; Graham, 1995). According to localists, globalisation increases the concern on the local. Local agencies try to position their locality within the new global market place and locality becomes the place

of regulation and institutional organization (Swyngedouw, 1989, p: 40). Besides, "development of new high-tech industrial spaces, new sense of local political identity, shifting down to the local level of many institutional and regulatory structures" increased the local potential for policy makers to advance the economic chances of their cities through the development of local economic strategies (Graham, 1995, p. 83). On the other hand, globalists argue that the regulation of the process of accumulation becomes the issue in international terms and local strategies just deepen the dominance of global policies on local (Lovering, 1995, p: 124). Dominant actors that figure the economic future of a city are generally multinational corporations and supranational regulatory organizations, not local policy makers and local strategies just strengthens the dominance of the global compared to the local (Graham, 1995, p. 84).

This localisation-globalisation debate is important to understand the changing development of the city economies and new policy directions adopted in urban management. According to Graham (1995, p. 84), "the complex global patterning of urban economic growth and decline is seen to shape the geography of social welfare and political strategies of cities". Arguments about splitting globalists and localists are unhelpful to analyze the city economy. The reality of urban economic change involves a more complex interplay between forces of localisation and globalisation, structure and agency, fragmentation and integration, contingent and general forces and economic and political factors (Graham, 1995, p. 87).

#### 2.2. ENTREPRENURIAL APPROACH TO SOLVE THE TROUBLE

Troubled places are reacting economic, technologic and governmental changes in different ways and all cities find themselves in the middle of a global competition in order to get a sustainable position in changing conditions. The economic and political changes such as changing forms of industrial organization, developments in communication technology, urban and regional economic restructuring and growing importance of supra-national institutions since the 1970s faced cities with uncertainty in economy and lead to the emergence of global competition between cities to adapt new conditions and generate economic growth. For some cities economic uncertainty has damaged the

reliability and success of past development practices whereas, in some cases it opens up new opportunities for growth to others (Leitner and Steppard, 1998, p: 294).

Places develop various strategies to attract business and tourists and therefore increase their competitiveness. Some cities try to finance expensive attractions in the city, while some working to prevent their current business; therefore only few respond this economic uncertainty by undertaking serious *market-oriented strategic planning* (Kotler et. al, 1993, p: 16-17). Whatever strategy they develop, it is obvious that the globalisation era lead cities into competition in order to remain at a higher position in urban hierarchy.

### 2.2.1. Contesting Places

Globalisation is not only restructuring relation between spatial scales, but also reformulates the urban space by reorganising the social relations that manage the urban. In this context, city level has become a significant "site of political contestation and social struggle" (Hunt, 2001) when different scales-international, national, regional- are considered. After the 1970s' crisis, with the emergence of globalisation, cities became major players in the economic, social, political and cultural arena. By the way, a new urban hierarchy has developed and the concentration of financial, service and command functions has increased in the major cities of the world (Short et al., 1996; Thrift, 1994).

Local states and governance institutions get more responsibility and authority such as economic development, the local provision of services, facilities and benefits to urban populations; as the nation-states transfer these managerial practices from the national scale to the local and regional scales (Harvey, 1989; Painter, 1995; Martin et.al., 2003). This increase in the authority of the local governance and institutions leads to changes in their policy orientation. Martin and his colleagues explain the result of this shift as follows:

"Having been set adrift to a degree from the protection of the national state and its economy, local and urban governments have become more responsible for ensuring that the local area can compete effectively in the wider global economy. Therefore, the literature argues, the main policy shift in cities has been toward competitiveness" (Martin et.al., 2003, p. 115).

In order to remain competitive, local governance institutions increasingly concern with economic competitiveness to attract and retain investment. As a result of global competitiveness between cities, concepts such as "entrepreneurial city" (Hall and Hubbard, 1998), "world city" (Friedmann, 1986) and "global city" (Sassen, 1991) arise to theorize the link between global and local and analyze the global and local forces in shaping cities. In this thesis, the term "entrepreneurial city" will be used for competitive locales.

#### 2.2.2. Entrepreneurial City in the Global Era

In rapidly changing economic and institutional environment, entrepreneurialism is on the agenda of several cities. Parkinson, Harding and Dawson (1994, p.15) suggest that entrepreneurial cities gain importance in the 2000s and their implications apparently increase. Therefore, more intense inter-urban competition and promotion of space specific development strategies will increase in this period. The success of such strategies depends on many factors but eventually market forces determine the success.

There are different definitions of entrepreneurial city. Painter (1989) focuses on one definition in his study which mixes the other definitions as well. He defines entrepreneurial city as:

"A shift in urban politics and governance away from the management of public services and provision of local welfare services towards the promotion of economic competitiveness, place marketing to attract inward investment and support for the development of indigenous private sector firms" (Painter, 1989, p: 261).

Today, "cities are being run in a more businesslike manner" (Hubbard, Hall, 1998, p. 2) with the adoption of entrepreneurialism as capital circulation and accumulation figures the urban processes under capitalism and urban processes sequentially figure the conditions of capital accumulation later in time and space (Harvey, 1989, p. 3). Some preconditions are necessary to sustain the entrepreneurial urban economy:

- Building up new labour market institutions, or improving or elimination of existing ones, to encourage certain labour market practices,
- Developing new forms of relationships between employers and educational institutions,
- Developing industrial policies which promote competitiveness and investment,
- Provision of welfare by institutional reform,
- Adaptation of each actor to perform their roles for providing the entrepreneurial city (Painter, 1989).

The concept of "entrepreneurial city" stemmed from the dissolution of nation-based territorial economy and the emergence of competitive localities in the new global economy, and this generated an increase in interest for hosting mega-events (Harvey, 1989). In order to be involved in inter-urban competitiveness, localities seek strategies of attracting mobile investors (TNC's), consumers (tourists) and spectacles (sports and media events).

Place-based entrepreneurial initiatives have an important role to make a city global player. Specific strategies are planned to secure competitive advantages of cities, stressing that if key local economic and political actors can get their acts together and if urban management focuses on economic regeneration rather than on welfare issues, a new era of urban development may start (Lovering, 1995, 110).

While sustaining entrepreneurialism in urban governance different actors with different objectives and agendas interact. These actors include educational and religious institutions, diverse division of government, local labour organisations as well as political parties, social movements, and the local state apparatus and this entrepreneurialism depends on "public-private partnership focusing on investment and economic development with the speculative construction of place rather than amelioration of conditions within a particular territory as its immediate... political and economic goal" (Harvey, 1989, p. 8).

Since the economic destinies of cities becomes the primary issue in the local political agenda, "urban economic policy making, public-private partnerships, and place marketing are emerging as driving forces in changing approaches to

urban management" (Graham, 1994, p: 85). Two approaches are obvious in entrepreneurial approach; first group stresses "the transformation in urban governance and the involvement of business coalition in local economic development" and the other group "focuses on the detailed processes and strategies of urban marketing" (Short&Kim, 1992, p:55) In this context, two characteristics of entrepreneurial city are obvious; (1) promotion of pro-growth local economic development, (2) organisational and institutional shift from urban government to governance (Hubbard and Hall, 1998; Graham,1994; Short and Kim, 1992; Leitner and Steppard, 1998).

### 2.2.2.1. Promotion of Pro-growth Local Economic Development

Involvement of local state in developing entrepreneurial strategies to encourage local economic development is an important characteristic of entrepreneurial city. Urban entrepreneurialism is considered as improving the prosperity of the objectives of the city and growth-oriented policies such as "creating jobs, expanding the local tax base, fostering small firm growth and (crucially) attracting new forms of investment" (Hubbard and Hall, 1998, p: 5) stand in the forefront of an entrepreneurial city. These policies help cities to boost their comparative advantages against other cities competing for similar investments.

Entrepreneurial cities compete to carry their position to higher levels in the international environment for global production and investment. Thus, local governing institutions try to promote local economic growth by "global marketing, strategic planning and internal business development" (Hunt, 2001). In constructing a local strategy, a city's distinctive culture and quality of life is often emphasized to attract tourism as well as highly skilled workers and inward investment (Fainstein and Gladstone, 1999). Hence, the concept of "think global, act local" (Fletcher, 2000; Hall&Hubbard, 1998) plays an important role in promoting an entrepreneurial government.

In brief, changing structure in economy, developing technology, increased mobility of production and investment and rising power of both sub-national and supra-national institutions increased the competitiveness among cities to gain a position in the urban hierarchy. Therefore, urban governors and other actors in the city started to develop policies to sustain the attractiveness of cities. At this point, the concept of place marketing is highlighted by many researchers.

According to Ashworth and Voogd (1990) through marketing the entire location as a product, the regions could gain a competitive advantage and urban planning can be guided by the strategic vision of the region. Kotler, Haider and Rein developed this concept in their book "Marketing Places" in 1993. They stated that strategic planners need to market regions to become attractive products. Regions must communicate their special qualities to tourists, businesses, residents, and investors, becoming entrepreneurial.

#### **Place Marketing**

Although there may be crucial differences between pro-growth economic development strategies of cities, there are often significant similarities in the key elements of such policies. Most city governments are supporting market-place politics by assigning high budgets for advertising and the promotion of the city to demonstrate the city as a favourable business and leisure environment (Fainstein&Judd, 1999; Savitch&Kantor, 1995). Transformation or enhancement of the image of the city has been the most obvious attention of city governments for entrepreneurialism (Hall, 1992). Therefore, the notion of "selling cities" or "marketing cities" has been assessed by many researchers. Academics generally criticised place promotion for many reasons.

Firstly, increased attention to place promotion involves increased investment by local authorities, but advertising done by local authority departments are not prepared with specialist advertising training (Holcomb, 1994). Hence, city marketing is usually generic and repetitive (Holcomb, 1994, p: 121). As the importance of place promotion does not seem to decrease in the near future, in order to be creative further investment is needed from local authorities. Another criticism is dualism of image and reality drawn in by projects of place promotion. Place promotion leads to polarisation of populations as the audiences of place promotion are mostly wealthy people (Hall, 1992, p: 28). Next criticism sates that "place promotion also involves the appropriation and sanitation of contested place and social histories and identities, reconstructing them around notions of what constitutes an "official urban image" (Hall, 1992, p: 28).

On the other hand, the influence of place promotion in shaping and production of urban landscapes can not be ignored. Moreover, image improving initiatives trigger the economic development programmes and urban entrepreneurialism supported by place promotion is an important strategy of urban governances (Hall, 1992, p: 28).

At this point, realising the difference between "selling" and "marketing" cities is important. In the process of selling, consumer is convinced that the product is valued and needed whereas in the process of marketing, advertising shapes the product (Hall, 1998; Holcomb, 1999). To sum up, "selling is a process whereby advertising is determined by the product being sold"; on the other hand, "marketing is a process whereby advertising determines the product for sale" (Hall, 1998, p: 29). Therefore, in entrepreneurial city literature marketing cities is more important to attract tourists and companies than selling cities.

While cities are marketing themselves, their aim is to create and change their image and therefore attracting business, tourists and residents (Short&Kim, 1992, p: 55). Urban entrepreneurialism draws attention to the increased involvement of local state in the proactive encouragement of economic development. Besides, various actors take place in place marketing at local, regional, national and international level (see Table 2.1). The aim of pro-growth policies is to promote the comparative advantages of the city. Cities adapt various pro-growth economic development strategies but there are often remarkable similarities in the key elements of such place marketing policies. Kotler, Haider and Rein (1993) argue that strategic planners need to market regions to become attractive products so that potential users become aware of the distinctive advantages of the city and regions must communicate their special qualities to tourists, businesses, residents, and investors to become entrepreneurial.

**Table 2.1:** Major Actors in Place Marketing (Kotler et.al., 1993, p: 34)

#### **LOCAL ACTORS**

Public sector actors

- 1. Mayor and/or city manager
- 2. Urban planning department
- 3. Business development department
- 4. Tourist bureau
- 5. Convention bureau
- 6. Public information bureau
- 7. Infrastructure managers (transportation, education, sanitation)

#### **PRIVATE SECTOR ACTORS**

- 1. Real estate developers and agents
- 2. Financial institutions (commercial banks, mortgage banks, pension funds, etc.)
- 3. Electricity and gas utilities
- 4. Chamber of commerce and other local business organizations
- 5. Hospitality and retail industries (hotels, restaurants, department stores, other retailers)
- 6. Tour packagers and travel agencies
- 7. Unions
- 8. Taxi companies
- 9. Architects

#### **REGIONAL ACTORS**

- 1. Regional economic development agencies
- 2. Regional tourist boards
- 3. County and state government officials

#### **NATIONAL ACTORS**

- 1. Political head of government
- 2. Various ministries
- 3. National Unions

#### **INTERNATIONAL ACTORS**

- 1. Embassies and consulates
- 2. International chambers of commerce

Researchers analyze the marketing strategies of cities in different categories. Holcomb (1994) suggests that focusing on image creation, developing promotional strategies and drawing attention to historical, architectural and cultural tourism are important urban tourism marketing strategies. Ashworth and Voogd (1994) determine 3 measures in place marketing which are promotional,

spatial and organisational. On the other hand, Goodey (1994) focuses on the promotion of art and events in the city; and Ward (1998) analyses the marketing campaigns as one of the most important place marketing strategies. Finally, Kotler with his colleagues (1993) state that a successful place marketing strategy can be hold mainly in four ways –image marketing, attractions, infrastructure and people- to attract visitors and residents, build their industrial base and increase exports. It is obvious that all these researchers spotlight on similar issues as place marketing strategies. Therefore, except the organization in the governance and institutional structure that will be analyzed in the next part, following three headings are very important for a triumphant place marketing strategy; *image promotion, quality of life, urban design and attractions*.

#### Image Promotion

The concept of marketing cities has gained increasing attention as a means of enhancing their competitiveness. The objectives of marketing cities can be raising the competitiveness, attracting inward investment, improving its image and the well-being of its population (Paddison, 1993). Image-building promotions are the most frequent approaches used for city marketing (Haider, 1992) and it is the least expensive of other strategies as the place does not invest in doing attractions or building up its infrastructure but just advertise about its present features and try to disseminate a strong positive image (Kotler, et. al., 1993, p: 33). The current image of a place is important in determining the image creation strategy. Most places have a "mixed image" which is:

"... a mixture of positive and negative elements. Many people want to visit San Francisco for its many attractions, but some visitors fear it as drug-ridden and a gay centre... Visiting Italy is a distinct pleasure as long as one isn't there when worker strikes occur in airlines, railroads, police stations, hotels and museums. Places with mixed images typically emphasize the positive and avoid the negative in preparing their image campaigns" (Kotler, et. al., 1993, p: 35-36).

Image building campaigns should cover up the current deficiencies in the image of a city. Campaigns should demonstrate the transformation of the cities towards positive features. However, all campaigns can not get the same positive feedback. According to Kotler and his colleagues (1993, p: 149-150) there are five criteria for an effective image building which are the image must be suitable

for the city, convincing, simple, create a desire to visit (catchy words) and highlight the uniqueness of the city. One of the most known is the "I Love New York" advertising campaign in 1977 which increased the tourism budget of New York from 200,000 dollars to 4.3 million dollars, successfully attracted visitors and saved the city from fiscal collapse (Holcomb, 1999, p: 62). Glasgow run a similar campaign "Glasgow's Miles Better" which conveyed a good massage from all over the world and named as the biggest ever marketing campaign of Scotland, on the other hand the campaign of the London Borough of Hackney could not get the same success as its slogan carried no optimism and entrepreneurial sprit (Ward, 1998, p: 31). The creation of a powerful image is a part of a whole marketing process.

#### Quality of Life

The improvement of a place marketing strategy can not be sustained without covering up the deficiencies of the place. To maintain quality of life and support economic productivity, a place needs a good quality infrastructure such as a good transportation system, safe public spaces, and qualified recreation areas and so on. The environmental quality and physical condition of a place highly influences the residents, business and tourists (Kotler, et. al., 1993).

People prefer to live and visit places which posses at least the fundamental physical qualifications. Without sustaining the basic conditions, attractive slogans and advertisement campaigns would just disappoint the people visit the city.

## <u>Urban Design and Attractions</u>

Places need some special features to attract tourists and satisfy residents such as fairs, festivals, iconic structures and big convention centres. However, all these attractions cost a lot and often the results are unclear.

In order to provide the prosperity of a place, improving the image and building up a good quality of life are not enough. Places need some special features to attract tourists and satisfy residents and the competitiveness among cities makes them search for new attractions. Attractions can be classified in many categories such as natural beauty, history and famous personages, market places, cultural attractions, recreation and entertainment, sport arenas, events and occasions, buildings, monuments and sculptures which often cost a lot and

are "often erected from desperation rather than deliberation" as the results are unclear (Kotler et al., 1993, p. 39).

In the midst of 1980s' property boom, the large scale physical redevelopment of city took the centre stage in the process of enhancing the image of the city. Constructing land marks is one of the most used approaches to place the city on the mental map of tourists (Holcomb, 1999). Sydney's Opera House and Eiffel Tower of Paris can be shown as successful examples of iconic or landmark structures that attract tourists. Various spectacular, large scale urban setting attracted considerable attention in literature of entrepreneurial city, but the importance of mega-events should not be ignored. Hosting the Olympic Games or EXPO is believed to be a key to global recognition by policy makers (Holcomb, 1999, p: 59). Together with mega events such as EXPO, Olympics, City of Culture celebrations, this transformation of the fabric of the entrepreneurial city has been interpreted as a fundamental means by which city governors have attempted to provide previously industrial cities with a new identity geared to the needs of globalised economy and to secure a new economic role for the locale (Short et. al, 1996).

Coalition of interest in the case of a mega-event hosting is expected to bring several revenues to those of local power structure. With the help of elite networking, in a form of public-private partnership, the city of Manchester had aimed to shunt up the urban hierarchy, which is currently dominated by a small group of cities. Besides, world known cities like New York and London are still bidding to host mega events. Although, they are cultural and economic attraction centres; they bid for hosting 2012 Olympics because even though they have a global positive image, these cities don not want get behind of the competition in the global world and improve their position in the hierarchy (Shoval, 2002). In addition, global spectacles build a connection between the globalization of culture and the global urban hierarchy which is "the coverage of specific events in particular places to be consumed around the world" (Short et al., 1996, p.709).

When all indicators are considered for successful place marketing, the importance of hosting or bidding for EXPO is obvious because EXPO maintains all necessary conditions of place marketing as EXPO cities build up a theme with a

slogan which usually characterizes the city, in order to host the EXPO necessary infrastructure should be sustained and it usually leaves a landmark construction such as Eiffel Tower and Crystal Palace. Therefore, successful EXPOs such as 1988 EXPO in Brisbane, 1986 EXPO in Vancouver and 1992 EXPO in Seville attracted many visitors and left a gift in the built environment. Kindgon (1993) explains this as "opening a policy window" which is an opportunity to attract attention to special problems by another event (mega-events, legislations, etc.).

As a result, "if a place could, it would first fix its fundamentals (infrastructure), add some attractions, raise the friendliness and skills of its people, and then broadcast its distinct image" (Kotler et al., 1993, p. 40). All these strategies are important for an efficient place marketing strategy. However, place marketing strategy of a place can not succeed if stakeholders such as citizens, business firms, and local and regional government officials do not work in collaboration to shape the future of the place.

# 2.2.2.2. New Organisational Arrangements

From the previous sections, it is obvious that entrepreneurial city governments chase a combination of pro-growth strategies and policies for promoting growth. This local political action involves not only the local state but also a wide range of private and semi-private actors. As economic future of cities move to the top of the political agenda; urban economic policy making, public-private partnerships and place marketing strategies become the driving forces of changing urban management (Graham, 1995, p: 85).

Urban management has enjoyed a remarkable revival over the last 15 years. The key factor in its revival has probably been the need to distinguish between 'governance' and 'government'. Jessop defines governance as the "action or manner of governing, guiding, or steering conduct and overlapped with government" (1998, p: 30). Thus governance would refer to the modes and manner of governing and government to the institutions and agents charged with governing.

Government is one of the actors in governance. Other actors involved in governance vary depending on the level of government that is under discussion. In rural areas, for example, other actors may include influential land lords,

associations of peasant farmers, cooperatives, NGOs, research institutes, religious leaders, finance institutions political parties, the military and so on (Jessop, 1998). The situation in urban areas is much more complex.

Government regulation is started to change as governance in Post-Fordist period. Nation state is no more important for the system. Boundaries of nations have started to lose their importance. There is a networked world. The relationships are not between nations, it is between different regions in the world. Governance signifies a change in the meaning of government, referring to a new process of governing or a changed condition of ordered rule or the new method by which the society is governed.

Stoker (1998, p. 18) discuses the governance on five propositions which are complementary rather than contradictory:

- 1) governance refers to a complex set of institutions and actors that are drawn from but also beyond government
- 2) governance recognizes the blurring of boundaries and responsibilities for tackling social and economic issues
- 3) governance identifies the power dependence involved in the relationships between institutions involved in collective action.
- 4) Governance is about autonomous self governing networks of actors
- 5) Governance recognizes the capacity to get things done which does not rest on the power of government to command or use its authority. It sees government as able to use new tools and techniques to steer and guide.

Hence, the "managerial" approach of the 1960s has gradually transformed to "entrepreneurial" forms of action in the 1970s and 1980s (Harvey, 1989). Robert Goodman (1979) and Helga Leitner (1990) name both state and local governments as "the last entrepreneurs" and local powers and international authorities negotiate to attract the investments to the local. Likewise, urban entrepreneurialism has risen to sustain the transition from Fordist-Keynesian regime of capital accumulation to flexible type of accumulation (Harvey, 1989).

In 21st century, urban governments had to be much more innovative, entrepreneurial and thus competitive, in order attract business, tourists and

citizens to the city. At this point, the most important question is how urban governments can sustain this situation best.

### **Theories of Governance**

While conceptualising the government policies and structure, 2 approaches gain importance which are "urban regime theory" and "regulation theory". Urban regime theory "dispenses with the stalled debates between elite hegemony and pluralist interest politics, between economic determinism and political machination and between external or structural determinants and local or social construction" (Lauria, 1997, p: 1). Hence, urban regime theory analyses the conditions of the emergence and consolidation of different types of governing coalitions and how they become hegemonic of devolve and transform without well defined middle level concepts for the structure of capital and the role of state (Lauria, 1997). At this point, the regulation theory offers a way of connecting changes in the economy with politics at a higher level of abstraction. Therefore, regulation theory offers a set of abstractions which should be embedded in urban regime theory as they have complementary strengths and weaknesses (see Table 2.2). The urban regulation theory and regime theory have completely different approaches in terms of networking, urban politics and governance. Besides, both of them are unsuccessful to theorize the conceptualizing scales and capitalism. Hence, these two theories should be taken as complementary while explain the governance system.

**Table 2.2:** Approaches of Regulation Theory and Regime Theory to Different Issues (Lauria, 1997, p: 7, 8)

	Regime Theory	Regulation Theory
Networks Approach	Theorizes the	Underestimates the
	connections between	importance of local actors
	local agents and their	and organizations
	wider institutional	
	context	
Urban Politics Approach	Focus on schemes in	Focus on extralocal political
	political practices	and economic influences
Governance Approach	Analyzes political	Analyzes governance of
	coalitions and their	production and consumption
	capacity to govern	systems
Conceptualizing Scale	Underestimates the	Ignores the value of extra-
	spatial variations in	metropolitan spatial scales
	material and discursive	
	practices	
Capitalism Approach	Explains capitalism only	No explicit theory of about
	by discrete	the divisions between
	transformations between	market and state
	homogenous	
	accumulation regimes	

There is a close connection between the transition from Fordism to a post-Fordist accumulation regime and the development of new forms of economic and political governance. Regulation approach describes and explains changes in local governance in terms of the transition from a Fordist to a post-Fordist state and political changes are in explained primarily in terms of a shift in the dominant mode of economic growth. (Jessop, 1995; Goodwin&Painter, 1997; Lauria, 1997) The danger of this economic approach is obvious that there are not enough regulationist explanations of the structural transformation and strategic reorientation of the local state.

"For, although the regulation approach has identified important structural forms or broad regimes (such as the Keynesian welfare national state) which play a key role in securing the extra-economic conditions for capital accumulation, it has tended to neglect both the general manner in which

form problematizes function and the particular forms of strategic selectivity... of specific forms of coordination" (Jessop, 1995, p.324).

Considering all, the regulation approach leaves some holes in the theory while explaining changes in local state and governance. What is necessary is a theory of governance which considers the problems of institutional design and interorganizational coordination. In this point, the governance concept comes into agenda with regime theory explaining it.

# Characteristics of Governance

In order to understand the creation of public-private partnerships in urban areas, many researchers have focus on the regime theory. Urban regime theory was first developed in United States by Clerance Stone as an explanation of the informal aspects of politics, the reliance of the local state and local politicians and the social production and control of governance while sustaining political objectives (Painter, 1998; Hubbard&Hall, 1998). Stone (1987) defines the regime theory as an informal partnership between public and private bodies that function together while making and carrying out governing decisions. Therefore, according to regime theory the important question is not who governs the city but who has the capacity to govern.

Urban coalitions consist of loose or informal partnerships of diverse interest groups who function together for determining some governing decisions (Leitner, 1990). The regime approach thus declares that certain groups enjoy more favourable terms and draws attention to the ways in which elected public officials purposefully cooperate with the private sector to construct the capacity to govern (Hubbard&Hall, 1998, p: 10). Many coalitions are formed around the idea of realising visible policy results within a limited time span while looking to increase the prosperity of the city by attracting investment and spending (Mollenkopf, 1983). Consequently, a significant proportion of public-private partnerships are organized to develop very specific initiatives or proposals, such as mega events or mega projects. The Olympic-bid partnership of Manchester can be a good example as a short-lived collaboration of local business and property interest with local politicians to attract 1996 Olympics and the city of Manchester had aimed to get a better position in the urban hierarchy (Cochrane et al., 1996). Many coalitions demonstrate "a piecemeal approach to urban development to urban development that lacks strategic foresight or long-term

planning"; whereas some are long-lived and stable which show "a clear understanding of the objectives of the coalitions, a strong leadership capacity and (often) the presence of a visionary individual prepared to act as the figurehead of the regime" (Hubbard&Hall, 1998, p: 10).

Urban entrepreneurialism as a new kind of local economic policy becomes the hearth of new urban politics. Regeneration of Glasgow, Liverpool, Detroit, Toronto, Vancouver and Baltimore are analysed as successful examples of public-private cooperation and the notion of cities as "growth machine" (Logan & Molotch, 1987) which is the evaluation of the development of a city and its politics in relation to "different interest groups and their profit-seeking behaviours" (Erten, 2008, p: 7) is discussed in the literature starting with these urban developments. This various coalitions lead to the question of who the leader of these coalitions will be. According to Hubbard and Hall (1998) in USA business community play a key role in the coalition because of fiscal weaknesses of the local authorities whereas, local state mostly acts as the leader of the coalitions in Europe. Hence,

"What is thus evident about the changing nature of urban politics in the entrepreneurial era is that although the private sector is becoming more and more involved in the evolution and implementation of policy, the type of partnerships which underpin entrepreneurial strategies are more varied... and such regimes of interest are potentially fragile, and... coalition partners frequently become disillusioned, marginalised or redundant as the aims of the regime change or the promised rewards of entrepreneurialism fail to materialise" (Hubbard&Hall, 1998, p: 11-12).

Interest coalitions are not generally strong and coalition partners often become disappointed or redundant as the intentions of the regime change or could not become concrete. Even though, regime theory is an important approach in explaining the governance, there are several criticisms on it. When urban regime is considered as an informal coalition of political interests, regime theory explains the reason of why particular actors participate in the regime while others do not with unequal distribution of resources among potential regime participants (Painter, 1989, p: 263). At this point, business groups are more likely to be involved in regime since they control more resources and therefore more attractive partners. In order to explain how potential members become actual members, Stone uses the concept of selective incentives what "holds a

governing coalition together" (1989, p: 175). According to Painter (1998, p: 264) there can be different reasons to get involved in a regimes involvement in regimes which are emotion or reason and altruism or self-interest, modes of rationality or incomplete information.

In order to understand governing complexity, Jessop explains governance in "interpersonal, inter-organizational, and inter-systemic relations" (Jessop, 1997, 1998) and link them to the requisite variety, adaptability, and learning capacities of governance mechanisms. Governance mechanisms coordinate complex organizations and systems where the interests, targets and decisions of the actors are "reciprocally interdependent". This coordination is named as "heterarchic" (Jessop, 1997, p: 4).

Interpersonal networking type of heterarchic governance mechanisms has the simplest system in which "individuals represent themselves and/or their functional systems but are not mandated to commit specific agencies or organizations" (Jessop, 1998, p: 6). More complex is heterarchic governance through inter-organizational negotiation systems in which the characteristic logic of networks is negotiation directed to the realization of self-interests which are used for promotion of inter-organizational opportunities and rules. (Jessop, 1997; 1998). There are two significant mechanisms here:

"...noise reduction such as reducing mutual incomprehension in the communication between different institutional orders in and through attempts to enhance understanding and sensitivity to their distinctive rationalities, identities, and interests; and that, once agreements are reached; and negative coordination such as encouraging agents to take account of the possible adverse repercussions of their own actions on third parties or other systems and to exercise self-restraint as appropriate" (Jessop, 1997, p: 10).

Finally, positive coordination appears as more specific inter-organizational partnership where relevant activities are hold around specific objectives as an inter-systemic consensus (Jessop, 1998, p.34-35). It is obvious that different forms of governance arrangement can be supportive in different situations.

Usually, conflict is considered negatively and the reaction is to avoid it and get it over with as soon as possible however conflict can be beneficial to the performance in groups and organizations, bring creativity, decision quality and communication between work groups. Therefore, De Dreu and Van de Vliert (1997) determined four main strategies when dealing with conflicts: contending, yielding, problem solving and avoidance. Problem solving behaviours produce more constructive interaction, greater mutual satisfaction and better outcomes than contending and avoiding, with yielding taking an intermediate position. In problem solving; parties seek to integrate their own and the other's interests to achieve mutually satisfying outcomes. Pruitt and Carnevale (1993, p: 15) discuss a variety of problem solving behaviours in the context of negotiation and mediation. Examples are enhancing information about priorities and preferences, looking for mutually promising alternatives and focusing on underlying interests rather than superficial goals and aspirations.

## 2.3. EVALUATION

While trying to adapt changing economic, technological and power shifts, places find themselves in a competition. The entrepreneurial city concept emerges as the collaboration of different actors including both public and private sectors in order to increase the competitiveness of the city (Painter, 1989; Hubbard&Hall, 1998, Graham, 1994). While defining the entrepreneurial city two key characteristics appear as important which are promotion of pro-growth local economic development and organisational shift from urban government to governance. At this point mega events emerge as a significant tool as they both considered as a pro-growth strategy and trigger the partnership of different actos. Especially EXPOs come up as the most important entrepreneurial city strategy among other mega events. Therefore, next chapter will evaluate the mega event phenomena in the entrepreneurial city context.

### **CHAPTER 3**

## **MEGA EVENTS IN ENTREPRENEURIAL GOVERNANCE**

The emergence of urban entrepreneurialism leads to changes in regimes and a new form of city governance which depends on collaboration with the private sector and promotion of pro-growth economic development strategies shaped the character of cities. Painter (1989, p: 265) defines the entrepreneurial urban regime as the co-operation of different interest groups including both public and private sectors and the target of these groups is increasing the competitiveness of the urban region regarding "(a) the location of production and consumption activities and command and control functions and (b) the spatial redistribution of surpluses by the state and quasi-state bodies such as the European Union". Therefore, shift to entrepreneurial governance does not automatically appear, but socially, politically, culturally and economically shaped (Hubbard&Hall, 1998; Painter, 1998).

The role of mega events is critical at this point. Local actors consider the mega event idea as a pro-growth strategy for the development of the city and by the way, collaboration between different actors is sustained in order to host the mega event. Therefore, understanding the mega event concept by defining different mega event categories is important. In this study, the focus will be on EXPO which is one of the most significant mega events. Thus, how last two registered EXPOs- Hannover EXPO 2000 and Aichi EXPO 2005- handled will be analyzed in detail. Finally, the indicators will be determined for understanding the approaches and collaboration strategies of actors during EXPO candidacy in the way of being an entrepreneurial city.

## 3.1. DEFINING AND CATEGORISING MEGA-EVENTS

There is a wide range of events and this diversity makes it difficult to provide a single definition to include all. Therefore, the categorization and definition of mega events change accordingly. Ritchie (1984, p:2) defines hallmark events as important one time or habitual events that take place in limited period, aim mainly to improve the awareness and profitability of a tourism destination in the short and/or long term and these events get their success from uniqueness, status or timely significance to create interest and attraction. Getz also explains hallmark events in a similar way as being "yield extraordinarily high levels of tourism, media coverage, prestige, or economic impact for the host community or destination" (Getz, 1997, p: 6).

Based on his definition, Riche (1984) categorized mega events in 7 categories (see table 3.1). According to Ritchie, World Fairs are one of the first forms of events developed to increase the attractiveness of a specific location. Moreover, generally the theme of the EXPO are supported by an architectural symbol or land mark such as construction of Eiffel Tower in Paris, Space Needle in Seattle and Energy Tower in Knoxville.

**Table 3.1:** Ritchie's Classification of Mega events (source: Ritchie, 1984, p:2)

Classification	Examples and Location
World fairs/expositions	Knoxville'82, New Orleans'84
	Expo'67/ Montreal, Vancouver'80
Unique carnivals	Quebec Winter Carnival/Quebec City
and festivals	Stampede/Calgary
Major sports events	Summer Olympics/Los Angeles 1984
	Winter Olympics/Calgary 1988
	World Cup Soccer/Spain 1982
	Marathons/Boston
	Grand Prix Racing/Monza

**Table 3.1** (continued)

Classification	Examples and Location
Significant cultural	Oberammergau/Germany
and religious events	Papal coronation/Rome
	Royal Wedding/London
Historical milestones	Anniversaries
Thistorical inflictiones	Centennials
	Bicentennials
	Royal weddings
Classical commercial	Royal Winter Fair/Toronto
And agricultural events	Wine Purchasing/France
	Floriade'82/Amsterdam
Major political	Presidential inaugurations
personage events	Funerals of head of state
	Papal visits
	Major political leadership conventions

According to Getz (1991) mega events can only be explained by its attractive when considered from the tourism perspective and he thinks that the definition must focus on the proportion and number of international visitors. Similarly, Travis and Croize (1987) state that mega-events should be defined in terms of the scale of visitor numbers but not only international ones; at least 500,000 visitors should come.

However these definitions can be misleading and the diversity of definitions can create problems for event research. Throughout a detailed examination of usage of different terms in event literature, Jago and Shaw (1998 in Fredline, 2000) developed a hierarchical event framework (see Figure 3.1). They categorized hallmark and mega events as major events.

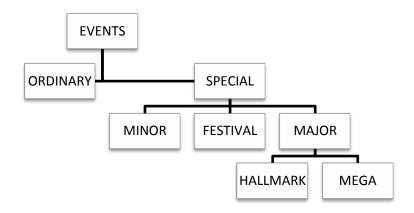


Figure 3.1: Jago and Shaw's Event Framework (source: Fredline, 2000)

Most used definition of mega events in the literature is done by Maurice Roche. Roche (2000) considered three events that can be defined as "mega": The Olympic Games, the World Fairs (EXPOs) and the World Football Cup. Roche described mega-events as "...large-scale cultural (including commercial and sporting) events, which have a dramatic character, mass popular appeal and international significance" (2000, p.1).

**Table 3.2:** Roche's classification of public events (source Roche, 2000, p: 4)

Type of event	Example of event	Target attendance/market	Type of media interest
Mega-event	Expos	Global	Global TV
	Olympics		
	World Cup (Soccer)		
Special Event	Grand Prix (F1)	World Regional/	International/
	World Regional Sport	National	National TV
	(e.g. Pan-Am Games)		
Hallmark Event	National sport event	National	National TV
	(e.g. Australian Games)	Regional	Local TV
	Big City Sport/Festival		
Community	Rural Town Event	Regional/Local	Local TV/Press
Event	Local Community Event	Local	Local Press

Beside all, Fredline analyzes mega events in a different approach; not according to definitions but "different dimensions such as frequency, size, theme, authenticity, type of tourist attracted, age, spatial concentration and facility and infrastructure requirements"(1992, p: 23). Also, Kammeier combines the characteristics of the mega-event with the properties of the place that hosts (or is eager to host). These characteristics are "city's population size, resource base, previous experience with big events, or adaptive institutional structure" (2002, p: 2).

Considering above all, mega events can be defined as one time, high profile organization hold in a limited time, changing built environment and have global significance and attract national and international interest to the city. Mega events can best be pictured as EXPOs (world fairs) and Olympic Games. Olympics are organized by International Olympic Committee and EXPOs by Bureau of International Exhibitions. Both organizations determine the criteria that host cities must poses and "create competitiveness between bidding cities as a levering device to ensure that the event secures the most favourable terms from host city and from different levels of government" (Hiller, 2000, p: 182). There are also other events such as World Cup in football, Universiade or Commonwealth Games but they use pre-existing facilities and do not create the same media attraction.

# 3.1.1. Olympic Games

Although its history goes ancient times, first Olympics was held in 1896 in Athens where Greece is accepted as the homeland of the Ancient Games. The 1896 Olympic Game considered as modern Olympics, as athletic contests took place in Athens between teams representing different nations. Since then the Games have been held every four years except for world wars. Jeong (1992) name the Olympic Games as "global publicity machine" as the size of the games has increased highly during the twentieth century. First Olympic Games which is held in Athens in 1896, 14 nations attended with 241 athletes in total. This numbers have increased year by year and finally in 2008 Beijing Olympics 204 nations joined and around 10, 500 athletes and 28 summer sports took part (see Appendix C).

Olympic Games bring together thousands of athletes, millions of spectators and media from all over the world. The increase in the number of media personnel during years proves the increasing interest and global attraction on Olympic Games (see Table 3.4).

Table 3.3: Number of media personnel in Olympic Games

Year	Venue	Number of media personnel
1984	Los Angeles	919
1988	Seoul	11,331
1992	Barcelona	13,082
1996	Atlanta	15,108
2000	Sydney	16,033
2004	Athens	21,5
2008	Beijing	Over 20,000

(source: http://www.olympic.org)

In hosting Olympics, existing infrastructure and new infrastructure investments are quite important where International Olympic Committee(IOC) which "is an international non-governmental organization that conducts, promotes and regulates the modern Olympic Games", aims to comfort the athletes and guests with Olympic Villages (Erten, 2008, p: 56). IOC selects the host city in accordance with some criteria. Therefore, cities should meet a certain level of physical, organisational and institutional capacity to host the event.

# 3.1.2. EXPO

World EXPOs target to display ideas, cultures and projects for the future of the world rather than products. They are organized in chosen countries in order to share their specialist knowledge for creating a better world. Invited countries attend and share their knowledge with the other world citizens. Therefore, new ideas are reproduced and new projections can be made for the future of humanity (Tracing File, 2007). EXPOs can have significant positive world,

regional, local impact and increase attention on significant global issues through their themes such as the theme of Zaragoza Expo 2008 is "Water & Sustainable Development" and the theme of Shanghai Expo 2010 is "Better Cities, Better Life".

Bureau of International Expositions (BIE) is an international and intergovernmental organisation created by the Convention of Paris. Currently, BIE consists of 152 member states. Other participants include provinces or states of the host country, corporations and NGOs. The pavilions and exhibits are the main attraction for an EXPO's millions of visitors. For example, Expo 2010 Shanghai organizers expect some 70 million visits to the exhibits of about 200 participants; both of these goals, if achieved, will represent world's records for EXPOs (Linden, 2008).

After World War II, BIE developed a classification system promoting generally two types of EXPOs: registered and recognized. Registered (Universal) EXPOs are considered as the largest and most important of BIE events. They generally take six months' duration and can be staged every five years. They attract tens of millions of visitors from around the world to attractions covering an area of at least 1,500,000 square metres. The alternate format is the Recognized (International or Specialized) EXPO – a smaller, three-month, regional expo that can be staged in the intervals between the Registered events. Their total area should not be more than 25 ha (see table 3.5).

Table 3.4: Historical evaluation in the categorization of EXPOs

1931-1980 period	1st Category General Exhibition	2 <sup>nd</sup> Category General Exhibition	Special Exhibition
Frequence	Every 6 years	Every 4 years in the	No time in
		same category	
Maximum duration	12 months	12 months	6 months
Participation	States	States	States
Construction	The participants	The organizers	The organizers
	conceive and	conceive and	conceive and
	construct their	construct their	construct their
pavilions		pavilions	pavilions
Dimension of site Unlimited		Unlimited	Unlimited

1980 - 1996 period	World Exhibiton	Specialised Exhibition
Frequence	Every 10 years*	Every 2 years **
Maximum duration	6 months	6 months
Participation	States, international	States, international
	organizations, civil society,	organizations, civil society,
	enterprises	enterprises
Construction	The participants conceive	The organizers make available
	and construct the pavilions	to the participants the modules
		of pavilions
Dimension of site	Unlimited	Unlimited
official	Universal International	Specialized International
denomination	Exhibition	Exhibition

<sup>\*</sup> may be reduced to 7 years by a two-third majority vote at the BIE \*\* may be reduced without limit by a two-third majority vote at the BIE

1996 to present Registered Exhibition		Recognized Exhibition	
Frequence	Every 5 years	Between two Universal	
		Exhibitions	
Maxiumu duration	6 months	3 months	
Participation	States, international	States, international	
	organizations, civil society,	organizations, civil society,	
	corporations	corporations	
Construction	The participants conceive	The Organizer makes available	
	and construct their	to the participants the modules	
	pavilions	for pavilions	
Dimension of site	Unlimited	25 ha maximum	

(source:www.bie-paris.org)

EXPO has significant regional benefits, including land development, infrastructure and improvements, business development, enhanced international relations and increased tourism. For those who design buildings and exhibits and create guest experiences, there is great potential for personal achievement and international career advancement at a world EXPO.

The 150 year EXPO history shows the richness of EXPO heritage for a city in terms of quantity and quality. The first EXPO was held in London in 1851 and contributed to the creation of the Crystal Palace. The Eiffel Tower, erected for the 1889 Paris EXPO became a unique icon, embedding the image of the city and generating a financial return that lasted for more than 100 years.

Table 3.5: List of Registered and Recognized EXPOs\*

Date	Place	Duration (Month)	Surface Area	Participating Countries	Number of Visitors (Million)
1851	London, UK	6	10,4	25	6
1855	Paris, France	6	15,2	27	5,1
1862	London, UK	6	15,2	39	6
1867	Paris, France	7	68,7	42	15
1873	Vienna, Austria	6	233	35	7,2
1876	Philadelphia, USA	6	115	35	10
1878	Paris, France	6	75	36	16,1
1880	Melbourne	7	25	33	1,3
1888	Barcelona, Spain	8	46,5	30	2,3
1889	Paris, France	6	96	35	32,2
1893	Chicago, USA	5	290	19	27,5
1897	Brussels, Belgium	6	36	27	6
1900	Paris, France	7	120	40	50,8
1904	Saint-Louis, USA	7	500	60	19,6
1905	Liege, Belgium	7	70	35	7
1906	Milan, Italy	7	100	31	10
1910	Brussels, Belgium	7	90	26	13
1911	Turin, Italy	7	120	37	7,4
1913	Ghent, Belgium	7	130	24	9,5

Table 3.5 (continued)

Date	Place	Duration (Month)	Surface Area	Participating Countries	Number of Visitors (Million)
1915	San Francisco, USA	11	635	30	19
1929	Barcelona, Spain	8	118	29	
1933	Chicago, USA	4	170	21	38,8
1935	Brussels, Belgium	6	140	35	20
1936	Stockholm, Sweden	0,5	0,5	-	-
1937	Paris, France	6	105	45	31
1938	Helsinki, Finland	0,5	15,2	25	15
1939	Liege, Belgium	2	50	-	-
1939	New York, USA	11,5	500	55	44,9
1949	Stockholm, Sweden	0,5	-	37	-
1951	Lille-Paris, France	1	15	22	1,5
1953	Jerusalem, Israel	1	15	13	1,5
1958	Brussels, Belgium	6	200	39	41,4
1962	Seattle, USA	6	30	50	9,6
1965	Munich, Germany	3	5	31	2,5
1967	Montreal, Canada	6	400	62	50,3
1968	San Antonio, USA	6	37	23	6,4
1970	Osaka, Japan	6	330	78	64,2
1971	Budapest, Hungary	1	35	52	-
1974	Spokane, USA	6	40	10	5,6
1975	Okinawa, Japan	6	100	35	3,4
1982	Knoxville, USA	6	29	16	11,1
1984	New Orleans, USA	6	34	15	7,3
1985	Tsukuba, Japan	6	100	48	20,3
1985	Plovdiv, Bulgaria	1	5,8	73	1
1986	Vancouver, Canada	5	70	53	20,1
1988	Brisbane, Australia	6	40	36	18,5
1992	Genoa, Italy	3	6	54	1,6
1992	Seville, Spain	6	215	112	41,8
1993	Taejon, S.Korea	3	90,1	141	14
1998	Lisbon, Portugal	4	50	155	10 1
2000	Hannover , Germany	5	160	155	18,1
2005	Aichi, Japan	6	173	121	22
2008	Zaragoza, Spain	3	105	25	5,6

<sup>\*</sup> Bold structured EXPOs are registered ones (source: www.bie-paris.org)

### 3.2. ANALYZING EXPO WITH THE ENTREPRENEURIAL CITY CONCEPT

Throughout the world, cities are the centres for mega events and draw people like magnets from within and beyond the city. The attractiveness of mega events not only comes from international or large scale participation but also the concern of mass media carries the event to the world (Hiller, 2000). Vicente Gonzalez Loscertales, Secretary-General of the BIE names EXPOs as 'a unique place of encounter for the world' as they are neither ordinary events nor commercial fairs. BIE declares 6 objectives of EXPO as follows:

# 1. Strengthen International Relations

An exhibition is a declaration of trust between nations and a vital tool of public and cultural diplomacy. The participating states and the host country as well as NGOs and companies show an example of global democracy by applying common rules, contributing to the development of the theme of the EXPO, disseminating the knowledge gained and collaborating with each other.

## 2. Share Culture and Education

Each exhibition triggers a dialogue between citizens and states around a theme that is both contemporary and visionary. Each pavilion demonstrates different perspectives and innovations on a theme of universal scope and they are unique place of meeting for the citizens of the host country as well.

# 3. Encourage Development

EXPOs are powerful catalysts for economic development for the host city and the region and helps international exchanges. New industries are created and the host city becomes a popular destination to live and to visit.

# 4. Work For the Environment

Each exhibition raises and uses the most advanced technologies to manage the site in the most environmentally-sound manner. The production and use of energy and water, as well as the recycling systems, are conceived to have the least impact on the environment and from the perspective of sustainable development.

# 5. Renew the City

The EXPOs are major projects of urban renewal. The architecture flourishes, new living spaces are integrated in the city, and transportations are improved to the benefit of the quality of urban life in the medium and long term.

# 6. Experiment with the Future

The EXPOs are laboratories of innovation for all their participants: a sneak preview of technological and scientific innovations to imagine possible futures and the progress to come. For instance, an expo can help to focus attention on issues of global importance.

Therefore, there has been a high competitiveness between cities to host the EXPOs in their city and obtain the maximum benefits from it. Registered EXPOs have always attracted more attention than recognized ones as they have bigger revenues and interest. EXPO history can be analyzed in 2 parts when themes are considered (see Table 3.7 and 3.8). Until 1930, industrial development, inventions and discoveries were the focus of EXPOs; however starting with 1933 Chicago EXPO, themes shifted towards limits of progress with the consideration of sustainable development (Zelef, 2007 in Erten, 2008).

**Table 3.6:** Themes of Registered (Universal) EXPOs in 1851-1929

Date	Place	Theme	
1851	London, England	Industry for all Nations	
1855	Paris, France	Agriculture, Industry and Arts	
1862	London, England	Agriculture, Industry and Arts	
1867	Paris, France	Agriculture, Industry and Arts	
1873	Vienna, Australia	Culture and Education	
1876	Philadelphia, USA	Celeb. of Centennial of US Independence	
1878	Paris, France	Agriculture, Arts and Industry	
		Arts, manufactures, agricultural and industrial	
1880	Melbourne, Australia	products of all nations	
1888	Barcelona, Spain	-	
1889	Paris, France	Celebration of centennial of French Revolution	
1893	Chicago, USA	Fourth Centennial of discovery of America	

(source: www.bie-paris.org)

Table 3.6 (continued)

Date	Place	Theme
1897	Brussels, Belgium	-
1900	Paris, France	Evaluation of a century
1904	St. Louis, USA	Celeb. Of Centennial of Louisiana
		Commemoration of 75th anniversary of Belgium
1905	Liege, Belgium	Independence
1906	Milan, Italy	Transport
1910	Brussels, Belgium	-
1911	Turin, Italy	Industry and Labor
1913	Ghent, Belgium	-
1915	San Francisco, USA	Inauguration of Panama Canal
1929	Barcelona, Spain	-

**Table 3.7:** Themes of Registered (Universal) EXPOs in 1933-2010

Date	Place	Theme
1933	Chicago, USA	A century of progress
1935	Brussels, Belgium	Transports, Colonisation
1937	Paris, France	Arts and technology in modern life
1939	New York, USA	The world of tomorrow
1949	Port-Au-Prince, Haiti	Foundation of Port-au-Prince
1958	Brussels, Belgium	A more human world
1967	Montréal, Canada	Man and his world land
1970	Osaka, Japan	Progress and harmony for mankind
1992	Seville, Spain	Space age
2000	Hanover, Germany	Human, nature, technology
2005	Aichi, Japan	Nature's wisdom
2010	Shanghai, China	Better Cities, Better Life

(source: www.bie-paris.org)

Previous categorization is also suitable for organisational structure of EXPO during years. During the previous periods, EXPOs continued in an unregulated basis and non-standard frequency. When organisational structure is analyzed,

the increasing interest to host the event and the uncertainty in the selection of the host location generated a need to establish regulations to improve relations between organisers, participants and inviting governments and to control the frequency (Erten, 2008). Since 1995, the interval between two registered expositions has been at least five years and EXPO started to more widely and more strongly used as a platform to improve their national images by countries. Starting with this new era, 2 registered EXPOs took place so far; Hannover EXPO 2000 and Aichi EXPO 2005. These two EXPOs are important examples to demonstrate how to use of EXPO as a tool to improve the region. Both EXPO 2000 and 2005 show the significance of participation and collaboration of different actors to get the success in hosting this mega event as Hannover could not succeed and Aichi achieved a triumph.

### 3.2.1. Hanover EXPO 2000

EXPO 2000 took place in Hanover, Germany from June 1st to October 31st 2000. Hanover EXPO was important especially for its two new features. Firstly, Hanover EXPO developed the idea of global dialogue which joined together theme ideas from all over the world, and therefore carried the EXPO out off its borders towards the globe. Besides, idea of the Thematic Area was created by EXPO 2000. EXPO 2000 concentrated on solutions for the future about environment and development, while previous EXPOs concentrated on presenting advances in technology. The theme of EXPO 2000 was "Humankind-Nature-Technology" which demonstrates how the major challenges of the 21st century can be met and mastered.¹ EXPO gave the region of Hannover the chance to optimise the traffic infrastructure, especially the motorways after the unification of Germany. Another aim of the EXPO was the participation of the regional population and making EXPO buildings sustainable. Hannover also had the aim of an international conference about questions of the future of the globe and an international network of sustainable projects all over the world.

Despite all its innovative and enthusiastic approach, EXPO 200 was not successful in financial terms. In May, 1987 the idea of hosting EXPO 2000 emerged by Germany. In June 1990, B.I.E. gave a green light to the Federal Republic of Germany to host world exposition in Hanover in the year 2000. Later

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<sup>&</sup>lt;sup>1</sup> Further information is available at the website http://www.expo2000.de

on, as a result of the survey conducted by the city council, it was clear that the area residents supported hosting the expo as well.

On May 1995, the government of Germany created a new company named as Gesellschaft zur Vorbereitung und Durchführung der Weltausstellung EXPO 2000 in Hannover (EXPO 2000 Hanover GmbH) which was responsible for the construction and management of the fair. Thus, on December 7th the first World Exposition in Germany was registered officially.

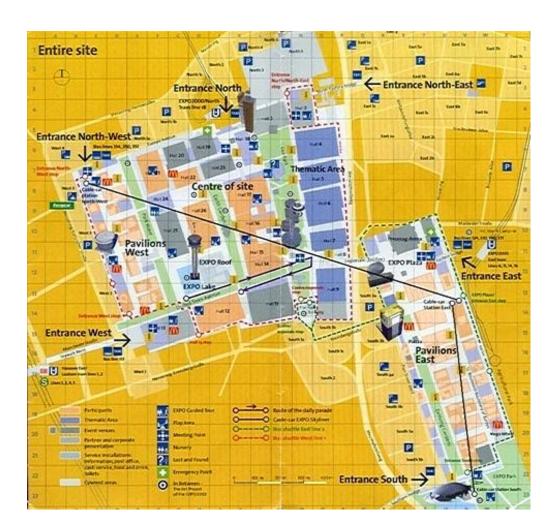


Figure 3.2: Map of the EXPO 2000 Hannover fair site

At the end of 1995 the supervisory board agreed on the concept of the Thematic Area. Construction finally began on April 22, 1996. The fair's master plan was designed in a joint venture with Studio d'Arnaboldi / Cavadini, Locarno and AS&P (Albert Speer und Partner GmbH).<sup>2</sup> More than 180 countries and 40 million visits were estimated. The fair area covered 100 hectares Hanover Trade Fair site and a further 60 hectares newly-developed ground (see Figure 3.2).

However things did not go as expected. 40 million visitors were expected to visit EXPO 2000, but only, 18 million people came to see the event that led to a financial deficit of about \$600 million. One of the reasons for that was the expense of the tickets. Other financial deficits came from a lack of corporate sponsorship for the event. Although, organizers fired hundreds of workers and cut ticket prices, the event still left the German government in debt (Goldstein, 2000). Even though the organizers advertised the EXPO as the first to be financed by private sector investment alone and not by public funds, that deficit eventually had to be paid by the federal government and the state of Lower Saxony, which are quarantors.

Part of the failure of the EXPO 2000 was a lack of a rational, clear advertising campaign to explain what the EXPO was for. Sebastian Turner, managing partner of Berlin-based marketing firm Scholz & Friends states that the unwillingness of corporate sponsors to invest is because "the organizers have failed to convey to the public a clear image of what Expo 2000 is going to be: an entertainment park, a blown-up museum, or a nature reserve" (Sautter, 2000). The fair's green motto has also confused some participants. "For a long time, companies were unsure if they would be putting money in an eco-show or a showcase for their latest inventions," says Ralf Strobach, secretary of Hanover's Citizens' Initiative for Environment Protection (Sautter, 2000). Only after the fair was open and clearly not meeting expectations was a new advertising campaign created stressing the fun side of the Expo, under the slogan "This only happens once, it's never coming back".

To summarize, Herbert Schmalstieg, Lord Mayor & Chief Executive Hannover – Capital of Lower Saxony (2005), stated that

<sup>&</sup>lt;sup>2</sup> Chronologic information is available at the website http://www.expo2000.de

"We reached our aims for the renewing of the infrastructure in our region. The fairground was totally modernised to the needs of the 21st century. The infrastructure for traffic is now one of the best in Europe. The sustainable new housing area near the fairground now has a living area, and tourism also increased in Hannover and its region after the EXPO".

However, although Schmalstieg explained that they had reached their target, the revenue from EXPO could not meet the investments done. EXPO 2000 was an important example of the significance of marketing the place and the event through the right campaign. Although the idea of hosting EXPO 2000 was a good choice for Hannover, because of deficiencies in the organization the event could not create the expected luck for the future of the city.

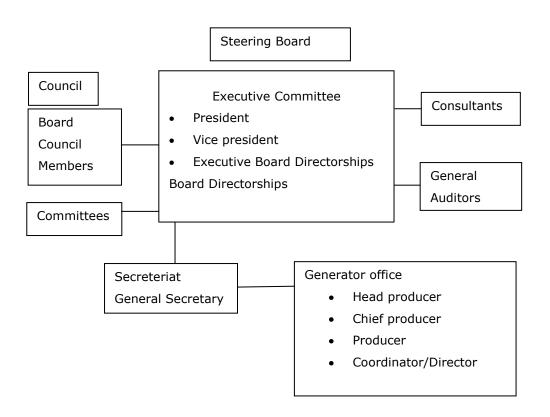
#### 3.2.2. Aichi EXPO 2005

EXPO 2005 was held in Aichi, east of the city of Nagoya, Japan. The Expo ran for 185 days between March 25 and September 25, 2005. Aichi 2005 was the second Registered Exposition, the first being Osaka EXPO 1970 and fifth EXPO in Japan. The theme of the Expo was "Nature's Wisdom," which is the first Exposition to experience an environmental impact assessment. The "three Rs" - reduce, reuse, recycle - were applied during construction of the EXPO site in order to promote efforts toward a "Recycling Society" to Japanese and international visitors (Christine, 2005). At EXPO Aichi, the use of new energy systems, such as photo voltaic, was demonstrated, providing an example of a new life-style and society focussing on the environment.

Ever since the start of bidding for EXPO Aichi in 1988, Aichi Prefecture has been working on regional development and community improvement. Hard infrastructure such as Chubu International Airport and the Linimo (Tobu Kyuryo Line), Japan's first maglev train, were developed, as well soft infrastructure such as the promotion of active participation of citizens in volunteer activities and Non-Political Organization activities. Due to EXPO Aichi, this region has gained tremendous international recognition and attention. Since the Aichi International Campaign for Hometown Interchange and Hospitality garnered high praise, they also plan to further develop the efforts made during the EXPO, such as international exchanges at the grass root level (Christine, 2005).

121 countries demonstrated their pavilions in a 173 hectare EXPO area. 15 million visitors were expected to visit EXPO 2005 whereas; 22 million visitors came to the site. Besides, Aichi EXPO received great interest from the international media. 1800 media personnel from 75 counties and 308 different media channels visited the EXPO.<sup>3</sup>

EXPO 2005 was organized by the Japan Association for the 2005 World Exposition. The organization was founded in 1997. Toyota Motor Corporation (TMC) and Global Industrial and Social Progress Research Institute (GISPRI), a Japanese think tank had important roles in the organization of EXPO 2005 (see Figure 3.3). The task of the Japan Association for the 2005 World Exposition was handled by GISPRI from March, 2007.



**Figure 3.3:** Steering Board and Japan Council for the 2005 World Exposition (source: Sabuncu, 2006)

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<sup>&</sup>lt;sup>3</sup> Statistics are available in the report of Ahmet Sabuncu, Dünya Fuarları ve İzmir Uygulaması.

In the organization of EXPO 2005, Non-Profit Organizations (NPO's), Non-Governmental Organizations (NGO's), and private citizens were participated as well as foreign nations, international organizations, the Japanese government, local governments, corporations, and industry organizations (Christine, 2005). Mari Christine (2005), Public Relations Producer of EXPO 2005 Aichi states that "during the 20th century, EXPOs consisted mainly of exhibitions to show and see, while EXPO Aichi has provided diverse ways of participation, and it has evolved into an event based on the experience of participation".

The cost of the Aichi EXPO has been estimated around \$3 billion. Whereas, 22,049,544 visitors greatly exceeded the target of 15,000,000 and EXPO 2005 made a profit of over \$97 million. EXPO Aichi introduced the most advanced technologies in every field, including the environment, energy, biotechnology, information, telecommunications, transportation, and robotics. The region gained international recognition and attention by hosting EXPO 2005. Chubu International Airport created the advantage of the publicity to attract many talented people, companies and conventions to the region from overseas and domestically, so that the region can develop as an active international base of interchange (Christine, 2005).

## 3.3. EVALUATION

Mega events like EXPOs, Olympic Games and World Football Cup are promoted as an economic boom for both the local and national economies. They attract global attendance and media. Considering all defininitions of different researchers, mega events can be defined as one time, high profile organization hold in a limited time, changing built environment, have global significance and attract national and international interest to the city. Therfore, EXPOs and Olympic Games best describe the mega event phenomena.

<sup>&</sup>lt;sup>4</sup> Further nformation is available in the report of Ahmet Sabuncu, Dünya Fuarları ve İzmir Uygulaması.

EXPOs have regained their significance in the mid 1980s. It is obvious that hosting an EXPO is not a simple task. Undertaking such a project requires the participation of a whole society. Each country use different organization structures while organizing or bidding for a mega event. Since 1995, starting with new legislation system of BIE, 2 registered EXPOs took place so far which are Hannover EXPO 2000 and Aichi EXPO 2005 and these EXPOs are important examples to demonstrate how to use of EXPO as a tool to improve the region.

Both EXPOs show the significance of participation and collaboration of different actors to get the success in hosting this mega event as Hannover could not succeed and Aichi handled it quite well. This result highlights that cities should manage both pre-event and event periods in an efficient way to get the fruits of the post-event period. Therefore, the indicators of an efficient candidacy period are determined in the next chapter.

## **CHAPTER 4**

## **METHODOLOGY**

Case study methodology attracts growing interest while investigating research problems as they allow in-depth examination of social phenomena (Yin, 1994). Eisenhardt (1989) argued that case study research generally answers one or more questions which begin with "how" or "why." The questions are targeted to a limited number of events or conditions and their inter-relationships. Therefore, case study research can offer new approaches and develop theoretical frameworks for understanding social manners. Case study research can include both quantitative and qualitative data and they generally involve a combination of data collection methods, including archival analysis, interviews, experiments, questionnaires, and observations and the type of data collected should reflect the specific objectives of the research (Eisenhardt, 1989).

#### 4.1. RESEARCH STRATEGY

In the study of Izmir EXPO 2015 candidacy, the data was qualitative. Interviews and several documents are used as source of data. Through interviews, the interior experience of the person and information about how the person perceives and integrates the period is investigated. Documents also form an important part of case study data collection, and used singularly or in combination with other data. Finally, obtained documents about candidacy are cross-referenced with interview data in order to reach a "multilayered interpretation" (Yin, 1994). In this study, several sources of data were collected such as reports, press releases and several informants were used to provide insight into different perspectives of the research problem.

The interviews are organized in a semi-structured way and conducted face-to-face in working environments of the interviewees. 25 interviews are hold in the total, 5 conducted in Ankara and 20 conducted in Izmir during June and July of 2008 (see Table 4.1, Appendix A). Interviews are done with the persons in the Izmir EXPO 2015 Steering Board and Executive Committee as well as institutions which are excluded from the candidacy period. Their members represent a diverse array of organisational backgrounds from public and non-profit to the private sector. Most of the interviews are type recorded and the frame of the interviews include questions about their general opinion about EXPO, the role of their institution during the candidacy period, working strategies in the institution and between institutions, the effects of EXPO on the city and institution (see Appendix B).

**Table 4.1:** List of interviews, their institutions and titles

Name	Institution	
Fahri Aykırı	Governorship of Izmir	
Uğur Bozkurt	Izmir Institute of Technology	
Mengü Büyükdavras	Ministry of Foreign Affairs	
Tolga Çilingir	Izmir Chamber of City Planners	
Geza Dologh	Izmir Chamber of Shipping	
Mustafa Dündar Murat Işıl M. Bahattin Gürsöz Tuncay Karaçorlu Assit. Prof. Dr. Nursen Kaya Aydın Kesen	Bornova District Authority Izmir Provincial Health Directorate Ministry of Foreign Affairs Natural and Cultural Protection of Life Izmir Institute of Technology Izmir Commodity Exchange	
Ertan Koyuncu	IZFAS (Izmir Fair Management Company)	
Zekeriya Mutlu	Izmir Union of Tradesman and Craftsman	
Ali Muhsin Nakiboğlu	Konak District Authority	
Hande Öktem	Izmir Chamber of Commerce	
Kamuran Özden	Ministry of Health	
Ahmet Sabuncu	Izmir Chamber of Commerce	
Tunç Soyer	General Secretary of Izmir EXPO 2015	
Yılmaz Temizocak	Aegean Foundation for Economic Development	
Ali Muzaffer Tunçağ	Municipality of Konak	
Mustafa Türkmenoğlu	Aegean Exporters' Union	
Suna Yaşar	Izmir Development Agency	
İbrahim Yazar	Ministry of Culture and Tourism	
Ayhan Yılmaz	Ministry of Industry and Trade	
Reşat Yörük	Izmir Metropolitan Municipality	

### 4.1.1. Determination of Research Indicators

Before preparing the questionnaires, indicators are determined and related questions are decided to reach the information about the indicators of this research. Literature review has highlighted the emergence of entrepreneurial cities and their competition to carry their position higher levels in the international environment for global production and investment. Entrepreneurial cities adapt various pro-growth strategies and mega events appear to be one of the most significant place marketing strategies whereas, deciding on hosting a mega event is not enough to gain attractiveness. Previous examples of Hannover and Aichi EXPOs clearly show the importance of the approaches and collaboration of different stakeholders in order to manage the event in a successful way. Cities should manage both pre-event and event periods in an efficient way to get the fruits of the post-event period. Kotler and his colleagues analyze the image of Turkey in a drastic way:

"What comes to mind when you hear of the country of Turkey? For those who have seen the film Midnight Express, Turkey's image is of a country that violates human rights, is vehemently antidrugs, and is poor and dirty... most people have little or no image of Turkey as a travel or investment site. Few travellers think of Turkey as a potential vocation destination because it rarely appears in the mix of potential choices. A traveller looking for sun and antiquities is much more likely to think first of Greece, which is similar to Turkey and a great rival.... Greece outdraws Turkey for tourists at an overwhelming rate and the image of this Islamic country remains clouded at best" (1993, p: 139-140).

Turkish public and private institutions develop various strategies and plans in several areas to overcome this negative image of the country. Especially economically and socially more developed cities of Turkey such as Istanbul, Ankara, Izmir, Antalya and so on, put a step forward to attract the investors, tourists and human capital to their cities in the way of being entrepreneurial cities. Istanbul has been hosting Formula Grand Prix since 2005, and declared as the 2010 City of Culture by EU. Besides, the city applied to host Olympic Games for 4 times but could not succeed. On the other hand, Izmir, one of the most attractive coastline cities of Turkey, hosted 23<sup>rd</sup> World University Summer Games (Universiade) in 2005 which bring an international image to the city in the world stage and it also applied to host the EXPO 2015 which ended up with a disappointment in 2008 as Milan is declared to host EXPO 2015. However, EXPO

candidacy period is considered as a start for Izmir on the way of being an entrepreneurial city. Therefore, analyzing the period in an efficient way is very important for the future steps of Izmir.

According to the thesis of this study, if all stakeholders work in a collaborative approach during a candidacy period of a mega-event, the basis of entrepreneurial city and therefore, local economic development would have been sustained. Thus, while determining the indicators to evaluate the candidacy period drivers of effective collaboration should be harmonized with the characteristics of an entrepreneurial city.

Wood and Gray (2001 in Fyall&Garrod, 2005, p: 134) collaboration arises when a group of independent stakeholders of a subject engage in an interactive process using shared rules, norms and structures to operate or decide on issues related to the subject. Drivers of effective collaboration change according to different researchers. Main drivers are listed in Table 4.2 which also determines the indicators of this study: *commitment, conflict resolution, representativeness* and *network*. Considering the literature under the entrepreneurial umbrella, the approaches of different stakeholders and how they handle the candidacy period can be analyzed by these criteria (see Table 4.3).

Table 4.2: Drivers of effective collaboration (adapted from Fyall& Garrod, 2005)

INDICATOR	CONTENT	REFERENCE
	Inclusive management style and organizational culture	Fyall (2003)
	Balance of management resources and power	Fyall (2003)
COMMITMENT	Well planned project carefully chosen partners, balanced structure	Fyall (2003)
COMMITMENT		Spyriadis (2002)
	Sound administrative support	Fyall (2003)
	Collaborative objectives should be clear and well defined	Waddock and Bannister(1991)
		Fyall (2003)
	An equity share agreement	Fyall (2003)
	Transparent implementation of policy	Fyall (2003)
	Participants need to sense that there will be benefits to all as a result of	Waddock and Bannister(1991)
	collaboration	Fyall (2003)
CONFLICT RESOLUTION	Issues being dealt with need to be salient to participants	Waddock and Bannister (1991) Spyriadis (2002)
	Power needs to be balanced among the participant organizations	Waddock and Bannister(1991)
	Representativeness need to have adequate power to make decisions for their organizations	Waddock and Bannister(1991) Spyriadis (2002)
	The appropriate participant organizations need to be included in the collaboration	Waddock and Bannister(1991)
		Fyall (2003)
REPRESENTATIVENESS	Staff responsible for implementation must be competent	Waddock and Bannister(1991)
	Leaders must articulate a strong vision about the purpose of the collaboration	Waddock and Bannister(1991)
		Fyall (2003)
	Strong leadership must exist within the collaboration	Waddock and Bannister(1991)

Table 4.2 (continued)

CONTENT	REFERENCE
Good interpersonal relationships and	Fyall (2003)
development of trust between participants	Waddock and Bannister(1991)
Feedback to participants has to be adequate	Waddock and Bannister(1991) Spyriadis (2002)
	Good interpersonal relationships and development of trust between participants  Feedback to participants has to be

## Commitment

While evaluating the approaches of different stakeholders, creating a common action and commitment on a common objective by developing the right organization structure is very important. If the members of a group have a common interest or objective, and if they would all be better off if that objective were achieved, it has been thought that the individuals in that group would act collectively to achieve that objective (Olson, 1971). Development of city is not possible only with the endeavours of local state but central government; private and semi-private actors should participate for leveraging a region. Commitment is necessary in order to build up a sustainable collaboration.

Active involvement, donation of time and money, knowledge on current affairs on the subject increase the efficiency and effectiveness of the coalition. The reasons of commitment vary due to different interests of the stakeholders. When a clear strategic plan is developed by a suitable methodology, the efficiency of the coalition is sustained. Organizations can perform a function when there are common or group interests, and although organizations often serve purely personal interests; their primary function is to advance the common interests of groups of individuals (Olson, 1971). Besides, the approaches and organization strategies of stakeholders, 2 main issues appear which are the new levels of coordination among different institutions and level and reason of involvement.

## **Conflict Resolution**

Conflict occurs when an individual or group feels negatively affected by another individual or group and organizational conflict may appear between groups and temporary coalitions such as mega event organization (De Dreu&Van de Vliert, 1997, p:2). Commitment cannot always sustained even a common goal is determined. When different actors come together and collaborate in a specific issue, conflicts and negotiations are unavoidable. However, the important thing is using these conflicts in order to reach positive and effective ways by suitable negotiation and mediation processes (De Dreu&Van de Vliert, 1997). Problem solving approach and several characteristics of hetearachic governance can help to overcome the conflicts (Jessop, 1997).

## Representativeness

Representation is increasingly significant for urban politics, as it supplies a framework for examining the role of values, stories, and ideals in shaping the social world and reflecting change and conflict. The diversity of the coalition allows more efficient solutions in decision making and representation of all community. Besides the diversity, the coordinator in the coalition is very important in order to handle the process in an effective manner. A good coordinator could use time more effectively decreasing transactions and therefore, increase the success of the coalition.

#### Network

Involvement of different groups in decision making leads to different trends which are sometimes formal, involving unelected local institutions and sometimes informal involving networks of influence (Stoker, 1990). Sharing knowledge and information created during a short term coalition is very important as this experience should be used when needed in former steps. Even the coalition ends up; the experience gained by this collaboration should be disseminated by final reports or further projects. While analyzing the relations between stakeholders social network analysis is used by UCINET software which focuses on the relations among actors, and not individual actors and their attributes. Network analysis often describes the way that an actor is embedded in a relational network as imposing constraints on the actor, and offering the actor opportunities (Hanneman and Riddle, 2005). In Izmir EXPO candidacy three analyses are used in order to understand the network relations in the area:

<u>Degree centrality</u>: Actors having more ties to other actors have an advantageous position as they have "alternative ways to satisfy needs, and hence are less dependent on other individuals" (Hanneman and Riddle, 2005, p: 63). Degree centrality analysis shows the actors which have more ties to others and it offers a valuable measure of the centrality of an actor and power potential.

<u>Blocks and Cutpoints</u>: This analysis questions if a node were removed, would the structure become divided into un-connected parts and such nodes are called "cutpoints" (Hanneman and Riddle, 2005, p: 86). Cutpoints are mainly important actors who may act as connection among disconnected groups. The divisions into which cut-points divide a graph are called "blocks". Therefore, cut point analysis highlights parts of the graph that would become disconnected components if either one node or one relation were removed.

<u>Factions</u>: A "faction" is a part of a graph in which the nodes are more tightly connected to one another than they are to members of other "factions" (Hanneman and Riddle, 2005, p: 88). This is analysis is a way of determining clusters or sub-structures.

**Table 4.3:** Indicators for analyzing the approaches of different stakeholders during Izmir EXPO 2015 candidacy period

INDICATOR		CONTENT	REFERENCE
СО	OMMITMENT		
•	new levels of coordination among different institutions Level and reason of involvement	Public-private partnerships Organization structure of the coalition Active involvement Selective incentives Common goal	Graham, 1995 Hall&Hubbard, 19998 Harvey, 1989 Painter, 1989 Olson, 1971 Stone, 1989
СС	ONFLICT RESOLUTION		
•	Negotiation and mediation	Taking action with others to solve problems Resolving conflict through discussion Willingness to seek mediation	Olson, 1971 Painter, 1989 Stone, 1987 De Dreu&Van de Vliert, 1997 Jessop, 1997,1998
RE	PRESENTATIVENESS		
•	Diversity of the committee and isolation	Representativeness of the committee	De Dreu&Van de Vliert, 1997 Hall&Hubbard, 1998
•	Coordinator institution	Leadership Key actors in decision making	Blakely, 1994 Hall&Hubbard, 1998
NE	TWORK		
•	network dynamics/ network analysis	Density of formal/informal networks Knowledge about the process Dissemination of knowledge among different actors	Stoker, 1990 Leitner, 1990, Mollenkopf, 1983

## 4.1.2. Research Design

Designing the questionnaires constitute one of the most important parts of this research. Interview questions are determined after deciding on the research indicators while analyzing the case study. Questionnaires are prepared accordingly with the indicators of the evaluation period. The interviews are organized in a semi-structured way and held with 25 interviews, 5 conducted in Ankara and 20 conducted in Izmir during June and July of 2008. Interviews are done with the persons in the Izmir EXPO 2015 Steering Board and Executive Committee as well as institutions which are excluded from the candidacy period.

Interviews include questions about in 7 headings; their general opinion about EXPO, conflict management strategies, the role of their institution during the candidacy period, working strategies in the institution and between institutions, representativeness of EXPO committees, public awerness about EXPO and stratgeies to increase the awereness, the effects of EXPO on the city and institutional development (see Appendix B). Each question coincides with an indicator and aims to analyze that indicator (see Table 4.4).

Most of the interview questions are also asked to institutions that are member of neither Steering Board nor Executive Commitee. Moreover, all informants filled in the network analysis table which questions the most collaborated institutions before, during and after EXPO candidacy. The data recived from this table is analyzed in UCINET software for the network analysis (see Table B.1).

**Table 4.4:** Reseach questions accordingly with indicators

INDICATOR	QUESTIONS	
	Approach of the Institution towards EXPO What benefits of EXPO were expecting for the city if hosted in Izmir?	
COMMITMENT	What benefits of EXPO were expecting for your institution if hosted in Izmir?	
	Does EXPO lead your institution to new policies and strategies? Are there any weaknesses determined by the way?	
	Conflict Management Strategies	
CONFLICT RESOLUTION	Was there any conflict between the committee members or with other institutions during the candidacy?	
	How do these conflicts solved out?	
	Representativeness of the Committee	
	Do you think that EXPO committee had represented the whole institutions and people in Izmir? What other institutions could be in the committee?	
	Was there any coordinator institution or person during the candidacy period?	
REPRESENTATIVENESS	Which institutions were the main ones that lead the period?	
	Role of Institution during Candidacy	
	Did your institution have a defined role during the candidacy?	
	Were there any strategic plan that lead the period?	
	How were the decisions taken?	
	Awereness of Public	
	Was there any study to make people aware of EXPO?	
	Did EXPO candidacy period change the approaches of people towards this kind of mega events?	

Table 4.4 (continued)

INDICATOR	QUESTIONS
NETWORK	Working Strategies in the Institution and Between Institutions <sup>5</sup> Do you think that all institutions get benefit from EXPO candidacy on the same level?
	Did EXPO candidacy strengthen the relations between institutions or build up new ties?
	Did institutions continue to work together after the candidacy period ended up?
	Effects of EXPO on the City and Institutional Development
	Did all stakeholders contribute and informed about all stages of the period or informed about only stages related with them?
	Is any report prepared about the candidacy period after it ended up?
	Is the experience gained from EXPO candidacy disseminated to all local actors?
	Which lessons and outcomes gained from this experience can help to lead other future organizations?
	How do you evaluate your institution and general attempts during this candidacy period? Was it enough? What were the deficiencies? How could it be better?

Beside the information obtained from interviews, several documents are used for the evaluation of the Izmir EXPO 2015 candidacy period. Some official documents are obtained during the field trip to Izmir such as Izmir EXPO 2015 bidding dossier, tracing and information files, documents about former EXPOs held in all over the world and so on. Also, press releases are studied about the candidacy period of Izmir.

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<sup>&</sup>lt;sup>5</sup> Network analysis is done with the Network Analysis Table in Appendix B.

Obtained data is analyzed with regard to the research objectives. As the questionnaires prepared accordingly with the indicators of evaluation period, the assessment is done efficiently. Through iterating between the data and the theory, key theoretical constructs are recognized and data are interpreted in this frame (Yin, 1994).

#### **CHAPTER 5**

# CONSTRUCTING THE ENTREPRENEURIAL CITY: IZMIR EXPO 2015 CANDIDACY

In order to become a global and entrepreneurial player, cities adapt different policies. Organizing mega-events like EXPO is one of the most popular strategies to increase the competiveness of a city in the global economy. Besides their economic return, EXPOs are mainly famous with their contribution to the built environment such as landmark structures like Eiffel Tower in Paris EXPO 1889, Atomium in Brussels EXPO 1958, convention centres in Spokane EXPO 1974, subway lines in Montreal EXPO 1967 and restoration of historic buildings in San Antonio EXPO 1968 (Smith, 1996). Moreover, building the city as an entrepreneurial one requires the collaboration of stakeholders and even bidding for an EXPO can be used as an effective tool for this goal.

Izmir EXPO 2015 candidacy case study focuses on the stakeholder responses when EXPO is considered from the perspective of local economic development. This chapter will discuss the use of EXPO 2015 candidacy of Izmir to build relationships between tourism, health, business and administrative stakeholders. Izmir stakeholders targeted to use the EXPO candidacy to establish a worldwide known image for the city to attract investors, tourists and events. Each stakeholder had different approaches and roles during the EXPO 2015 candidacy period. The impacts of these reference points are reviewed in relation to the response and linkages between stakeholders.

#### **5.1. CONTEXT OF EXPO 2015 IZMIR CANDIDACY**

Evaluation of the candidacy period of Izmir EXPO 2015 necessitates the knowledge about the socio economic structure of Izmir as well as the strategy and organizational structure during the candidacy period. Moreover, approaches of each stakeholder towards EXPO 2015 are very important for the evaluation of the response.

#### 5.1.1. Profile

Izmir, as the third most developed city of Turkey, is situated on the West Coast of Anatolia in Aegean Region. Being a metropolitan city with a population of 3.7<sup>6</sup> million, Izmir is positioned as one of the leading tourist destinations of Turkey.

The Aegean Region has the second biggest economy in industry after the Marmara Region. Agriculture based industry is highly developed in the Aegean region as textile, apparel, food, tobacco and feeding industries are leading sectors. Industry, trade, transportation and communication services and agriculture have important shares in the economy of Izmir. According to 2001 statistics, the share of following sectors in GDP of Izmir are as follows: %30.5 industry, % 22.9 trade, %13.5 transportation-communication, %7.8 agricultural production. When 1995 and 2001 statistics are compared, it is obvious that the share of industry decreases and trade increases (see Table 5.1).

Besides being a port city; raw material resources, qualified labour market and developed transportation web provide the basic facilities for the improvement of industry and positioning Izmir as a finance and business centre in the region. Industrial commodities produced in Izmir are mostly fit the universal standards. Automotive, hardware, chemistry, ceramic, textile, cement, tobacco and olive oil industries are highly developed in Izmir. In addition, Izmir has the biggest export harbour in Turkey.<sup>7</sup>

<sup>7</sup> Izmir Metropolitan Municipality, <a href="http://www.izmir.bel.tr">http://www.izmir.bel.tr</a> and Governorship of Izmir, <a href="http://www.izmir.gov.tr">http://www.izmir.gov.tr</a>

Turkish Statistical Institute, Population by province, age group and sex, 2008

**Table 5.1:** Changes in the Share of Different Activities in the GDP of Izmir between 1995 and 2001

	1995	2001
	%	%
1. Agriculture	7,7	7,8
a. Agriculture and livestock	7,0	7,2
b. Forestry	0,2	0,2
c. Fishing	0,6	0,3
2. Industry	32,5	30,5
a. Mining	0,6	0,5
b. Manufacturing	30,5	27,1
c. Electric, gas, water	1,4	3,0
3. Construction	4,9	3,5
4. Trade	19,8	22,9
a. Wholesale and Retail Trade	17,2	19,4
b. Hotel&Restaurant Services	2,6	3,5
5. Transportation and Communication	13,5	13,5
6. Financial Institutions	4,1	2,2
7. Ownership of Dwelling	2,9	5,3
8. Business and Individual Services	4,4	2,7
9. (Less) imputed bank service charges	3,6	1,3
10. Sectoral Total (1-9)	86,2	87,1
11. Government Services	6,3	3,7
12. Total	92,5	90,7
13. Import duties	7,5	9,3
TOTAL	100,0	100,0

(source: Turkish Statistical Institute)

As well as being the most strategic port city of Turkey, Izmir has various cultural, touristic places and natural beauty. Izmir is the host place of countless civilizations in history and still has many architectural works and archaeological sites. As being a centre of culture, trade and civilization; Izmir presents its services to cultural tourism with various historical sites, works and buildings, museums, typical Mediterranean kitchen, handicrafts, festivals, and other local cultural specialties, as well as its importance in faith tourism with a large collection of sacred places. According to the statistics, 970.772 tourist visited

Izmir in 2007 which is a high ratio when compared to total number tourists arrived Turkey in 2007 (23.341.074) (see Table 5.2). Besides, according to the statistics, in Izmir foreign visitors are more than domestic tourist and in 2008, Izmir attracted around 20 % of its foreign tourists from Germany; and France, USA and United Kingdom follow the list (see Table 5.3). During 6 months, 16 million<sup>8</sup> visitors were expected to visit Izmir EXPO 2015 which is almost the same amount with the number of visitors come Turkey in one year and around 16 times more than the visitor number that come Izmir per year.

Table 5.2: Number of tourist arrivals between 2005 and 2007

	2005	2006	2007
IZMIR	763.468	777.148	970.772
%	4	4	4
TURKEY	21.124.886	19.819.833	23.341.074

(source:Provincial Director of Culture and Tourism, <a href="www.izmirturizm.gov.tr">www.izmirturizm.gov.tr</a>)

**Table 5.3:** Number and Nationality of Tourists arrived Izmir in 2008

	2008		800
	NATIONALITY	NUMBER	SHARE (%)
1	GERMANY	253.370	23,59
2	FRANCE	97.934	9,12
3	USA	44.719	4,16
4	UNITED KINGDOM	93.212	8,68
5	HOLLANDA	71.597	6,67
6	SWETZERLAND	11.710	1,09
7	DENMARK	9.495	0,88
8	FINLAND	778	0,07
9	GREECE	26.729	2,49
10	SWEDEN	10.709	1,00
OTHER N	ATIONALITIES TOTAL	390.856	36,39
FOREIGN TOURISTS TOTAL		1.074.088	100,00
DOMESTIC TOURISTS TOTAL		390.970	
GRAND TOTAL		1.465.058	

(source: Provincial Director of Culture and Tourism, www.izmirturizm.gov.tr)

 $<sup>^{\</sup>rm 8}$  "World EXPO 2015 Bid Dossier Izmir Turkey : New Routes to a Better World -Health for All . (2006).

Besides its cultural and natural beauty, Izmir is a city of fairs and congresses with almost 80 years of experience in organizing the "Izmir International Fair" (IIF) the general trade fair of Turkey. Other than IFF, today more than 35 specialized fairs are organized in Izmir annually. IZFAS has been organizing Izmir International Fair and various specialized fairs since 1990 with the collaboration of Izmir Metropolitan Municipality, Izmir Chamber of Commerce, Aegean Region Chamber of Industry, Turkish Union of Chambers of Commerce and Industry, Aegean Exporters Union and Izmir Stock Exchange. Being the first fair of Turkey, IIF also demonstrates Turkey in International Fair Industry Association. Each year IIF welcomes around 60 countries, thousand firms and 1.5 million visitors. Within this experience, stakeholders of Izmir wanted to host a registered EXPO which is held in every 5 years, not a recognized one organized between two registered EXPOs for 3 months.

Izmir also hosted the 23rd World University Summer Games (Universiade) in 2005<sup>10</sup>, which has been the largest sports event organised in Turkey. The Universiade is held every two years in a different city as an international sporting and cultural festival and considered as the second significant sport event after Olympic Games.

In order to organize the World University Summer Games in the city of Izmir, "Universiade Law (no. 5255) legislated constituting the Universiade Supreme Board (Preparation and Organization Board) and its associated Organizing Committee and Executive Committee.

Supreme Board; under the chairmanship of Minister of State Responsible for Sports, included the Ministry of Transport-Undersecretary, General Director of Youth and Sports, General Director of Turkish Radio and Television (TRT), General Director of Turkish Airlines (THY), Governor of Izmir, Mayor of Metropolitan Municipality of Izmir, President of Turkish Olympic Committee, Rector of Ege University, consisting of totally nine members.

<sup>. .</sup> 

<sup>&</sup>lt;sup>9</sup> IZFAS, http://www.izfas.com.tr

<sup>&</sup>lt;sup>10</sup> The information about Universiade 2005 Izmir is referred from the official webpage of Universiade 2005 Izmir, <a href="http://www.universiadeizmir.org.tr">http://www.universiadeizmir.org.tr</a> and Izmir Metropolitan Municipality, <a href="http://www.izmir.bel.tr">http://www.izmir.bel.tr</a>

The Executive Committee was responsible to complete services and activities and carry out the tasks decided by Supreme Board which was chaired by the General Coordinator and composed of the following members: Deputy Governor of Izmir Responsible for Sports, Provincial Chief of Police (Izmir), Metropolitan Municipality of Izmir-Deputy Secretary General, Provincial Director of Youth and Sports (Izmir), Provincial Director of Culture and Tourism (Izmir), Metropolitan Municipality of Izmir – Head of Social and Cultural Services Department, a Member of National Olympic Committee, a Faculty Member of Izmir Institute of Technology, consisting of totally nine members.

The Organizing Committee performed duties granted by Supreme Board and sustained the coordination between related units oriented to the Organization of the Games and officiates as the authorized body in international relations. The Committee composed under the presidency of Mayor of Metropolitan Municipality of Izmir consisted of an Ambassador designated by Ministry of Foreign Affairs, President of the Turkish University Sports Federation, Rectors of Ege University, Dokuz Eylül University, Izmir Institute of Technology, Izmir University of Economics, Yasar University, Celal Bayar University, Adnan Menderes University, Deputy Governor of Izmir (Responsible for Sports), Provincial Chief of Police (Izmir), Provincial Director of Youth and Sports (Izmir), Provincial Director of Culture and Tourism (Izmir), Metropolitan Municipality of Izmir-Secretary General, Metropolitan Municipality of Izmir-Deputy Secretary General, the General Coordinator, a University Athlete, totalling eighteen members.

23<sup>rd</sup> Universiade 2005 Izmir, inspired with the slogan of "World Unity on the Aegean Blue", is a success story as national government, local government and local institutions with citizens worked in collaboration for the same goal. Nearly 8,000 people, athletes and delegates, from 131 countries participated in Universiade Izmir.<sup>11</sup> Therefore, 23<sup>rd</sup> Universiade 2005 proved the capability of Turkey and Izmir to organize such mega events. Besides, Izmir hosted European Seniors Fencing Championship and U20 European Basketball Championship for Men in 2006.

Within this atmosphere, Izmir became the first candidate city in Turkey applied for hosting EXPO with the theme of "New Routes to a Better World/Health for All"

<sup>11</sup> Izmir Metropolitan Municipality, http://www.izmir.bel.tr

as the city and the region have important position in health sector with various thermal facilities, climate and geography. There are many thermal facilities in the region; Balcova being 8 km from the city centre and Bayındır, Begama, Dikili, Menemen, Tire, Cesme, Seferihisar and Urla thermal health resorts around Izmir. Therefore, Izmir is a highly prestigious city in Turkey with its industry, fair and port to host an EXPO. The idea of hosting an EXPO in Izmir firstly appeared in the Strategic Plan of Izmir Chamber of Commerce in 1992 and Turkey became the member of Bureau of International Expositions (BIE) in October 2004 which is the prerequisite of hosting an EXPO.

# 5.1.2. Strategy and Organizational Structure

The local stakeholders of Izmir EXPO 2015 aimed to host the event for developing the image of city, region and country. The strategic objective was to increase the awareness of Izmir in all over the world and attract as many visitors and investors as possible to the city to generate the largest economic return. Although tourism is an important sector in the economy of Izmir, the city is hindered by an image problem and its brand needed to be repositioned in the eyes of the customers. Therefore, hosting EXPO was determined to be an excellent opportunity to build a good image for Izmir and increase awareness of the city and its key markets by maximising the media interest of Izmir in the candidacy period (Informant 11, 18). The motivation of informants to host EXPO 2015 can be explained with two different reasons. <sup>13</sup>

Firstly, there has not been an EXPO in the Eastern Mediterranean Region yet. Therefore, hosting EXPO in Izmir would be an opportunity to understand different cultures and built up a bridge between Europe and Asia. As Representative of IZFAS (Informant 12) stressed, Izmir represents a special structure among other cities of Turkey and it is "the city of civilizations" during the history. Thus, Izmir was entirely well-matched with the global goals of EXPO.

Next, the economic return of successful EXPOs is obvious (Smith, 1996; Hiller, 1998). Izmir expected to benefit from this characteristic of EXPO by refurbishing

<sup>13</sup> "World EXPO 2015 Bid Dossier Izmir Turkey: New Routes to a Better World -Health for All . (2006).

<sup>&</sup>lt;sup>12</sup> Provincial Director of Culture and Tourism, <a href="http://www.izmirturizm.gov.tr">http://www.izmirturizm.gov.tr</a>

its infrastructure, creating job opportunities, improving the quality of urban life and providing many new buildings. Many projects gained momentum by the candidacy to EXPO 2015 such as, increasing the capacity of airports and hotels, investment in "fast train" which would make Izmir closer to Ankara and Istanbul, regeneration of city and restoration and conservation of cultural heritage, increasing the quality of life and enhancing the image of Izmir as a world city in the international arena.

Both national and local government identified attracting investors, tourists, and media as major opportunities for the region. Candidacy of Izmir to EXPO and the leadership of the Ministry of Foreign Affairs during the processes of EXPO candidacy were declared by the Council of Ministers Decree in 23.10.2005 dated, 2602 numbered Official Gazette and finally, Izmir submitted its official application on 3 May 2006 with the hope that increased awareness of the city would attract future tourism and stakeholders started to implement strategies that would capitalise on this opportunity.

Izmir EXPO 2015 candidacy period organized through two temporary groups: Steering Board and Executive Committee. This new organisational model has been established in order to ensure the involvement of different national and local units. In order to form this model; the legal arrangements have been completed with 3 Council of Ministers Decrees (30.11.2006/11341, 01/06/2007/12324 and 22.01.2008/13189). With these decrees; an Executive Committee has been established from the selected members of the Steering Board. In the following period, EXPO Committee appointed IZEXPO Consortium along with the companies Meteksan Systems, J.C. Communication, ZED Event Management, Landor, and Albert Speer and Izmir Economics University for the selection of theme, logo and EXPO area under the lead of Meteksan Systems.

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<sup>&</sup>lt;sup>14</sup> "World EXPO 2015 Bid Dossier Izmir Turkey: New Routes to a Better World -Health for All. (2006). (see Appendix D for full texts of 3 Council of Ministers Decrees)

The EXPO 2015 Izmir Steering Board was formed with the following members:

- Minister of Foreign Affairs or the Undersecretary of the Ministry of Foreign Affairs ,
- 2. The Governor of Izmir
- 3. Izmir Metropolitan Mayor
- 4. Ministry of Culture and Tourism
- 5. Ministry of Industry and Trade
- 6. Ministry of Transportation
- 7. Ministry of Health
- 8. Ministry of Environment and Forestry
- 9. Undersecretariat of Foreign Trade
- 10. Directorate General of Press and Information
- 11. Representatives of the TRT Directorate General
- 12. President of the Izmir Chamber of Commerce
- 13. Chairman of the Provincial General Assembly
- 14. President of the Aegean Chamber of Industry
- 15. President of the Izmir Commodity Exchange
- 16. President of the Exporters' Union
- 17. President of the Izmir Chamber of Shipping
- 18. President of the Aegean Foundation for Economic Development
- 19. President of the Association of Junior Businessmen
- 20. Representative of IZFAS (Izmir Fair Management Company)
- 21. Turkey's Chamber of Export
- 22. The Union of Chambers and Commodity Exchanges of Turkey
- 23. State Planning Organisation
- 24. Izmir Union of Tradesman and Craftsman

11 members were selected from Steering Board members and EXPO 2015 Izmir Executive Committee has been established.

- 1. Ministry of Foreign Affairs
- 2. Ministry of Industry and Trade
- 3. Ministry of Culture and Tourism
- 4. Ministry of Health
- 5. Ministry of Environment and Forestry

- 6. Governorship of Izmir
- 7. Izmir Metropolitan Municipality
- 8. Chairman of the Provincial General Assembly
- 9. President of Izmir Chamber of Commerce
- 10. President of the Aegean Chamber of Industry
- 11. President of Izmir Commodity Exchange
- 12. President of Exporters' Union
- 13. President of Chamber of Shipping

#### 4.1.3. Roles of Stakeholders

Various stakeholders from the local and national government, tourism, health and business take part in the EXPO 2105 Izmir candidacy period. In the following sub-sections, the approaches and roles of these stakeholders are explained.

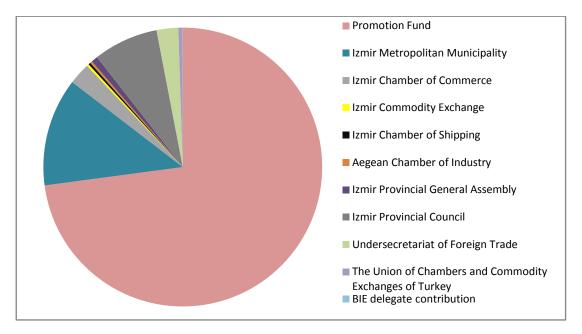
#### **National Government**

The Government of the Republic of Turkey submitted the candidacy of Izmir to BIE for a Registered EXPO in 2015 with the theme of "New Routes to a Better World / Health for All" on 3 May 2006. As of that day, the Turkish Government supported Izmir to host EXPO 2015 by providing a financial guarantee for the operation of the Exhibition as well as considering all the necessary legislative and organizational measures. The budget of the candidacy period was 17.932.334 € and additionally Izmir Metropolitan Municipality made a 2 million € contribution.¹5 Around %70 of this spending was covered by the government (see Figure 5.1). Ministry of Foreign Affairs resembled the national government as it was also the leader of both Steering Board and Executive Committee.

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<sup>&</sup>lt;sup>15</sup> Izmir EXPO 2015 Peformance Report-2008

**Figure 5.1:** Financial contribution distributions of stakeholders in Izmir EXPO 2015



# **Steering Board and Executive Committee**

Members of Steering Board were finalized Council of Ministers Decree (22.01.2008/13189). Local actors in the Steering Board were mostly from the "Presidents Committee of Izmir"<sup>16</sup> which is an informal organization of local actors including the Governor of Izmir, President of the Foundation for the Promotion of the Aegean Economy, Izmir Metropolitan Mayor, President of the Izmir Chamber of Commerce, President of the Aegean Foundation for Economic Development, The Union of Commodity Exchanges of Izmir, President of the Exporters' Union, Izmir Chamber of Agriculture, Izmir Union of Tradesman and Craftsman, President of the Association of Junior Businessmen, Aegean Union of Tradesman and Craftsman and so on. Steering Board determined the members of Executive Committee.

Steering Board was the organization responsible from the determination of the necessary activities to host EXPO and sustain the coordination between public institutions and NGOs. In real terms, the role of this committee was to supervise the Executive Committee. It was obvious that the formation of the Steering

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<sup>&</sup>lt;sup>16</sup> Informant 19

Board was just a formality as the Executive Committee was managing all the process (Informant 3).

From the beginning of the candidacy period, national government provided the necessary financial and human resources and set up an organization to carry out the bidding process for the EXPO called Executive Committee. Members of Executive committee were selected from Steering Board. Executive Committee involved public as well as NGOs and it mostly included the regional actors. As the key players in Executive Committee, Ministry of Foreign Affairs in national level and Izmir Chamber of Commerce, Aegean Foundation for Economic Development, Governorship of Izmir and Izmir Metropolitan Municipality in local level played important roles in the organizational period of EXPO 2015 candidacy of Izmir.

The coordinator was the Ministry of Foreign Affairs during the candidacy period. The Ministry of Foreign Affairs was the president of both Steering Board and Executive Committee. Decisions were taken with the majority of votes in the committee however; the Ministry had the leading role during the EXPO candidacy period of Izmir.

The local actors in Izmir including Izmir Metropolitan Municipality and the Governorship played a key role convincing the central government to nominate Izmir, instead of Istanbul or Antalya. Besides, Izmir Chamber of Commerce was one of the leading institutions during the candidacy period. As mentioned before, it initiated the idea of organizing an international EXPO into its strategic plan prepared in 1992 and continued its activities for hosting an EXPO in Izmir.

#### **IZEXPO Consortium**

As the main focus of the EXPO committee is getting the votes of delegations during the candidacy period, they became aware that hosting and visiting international delegations required a great deal of their time (Informant 15). As a result, the EXPO Committee appointed IZEXPO Consortium along with the companies Meteksan Systems, J.C. Communication, ZED Event Management, Landor, and Albert Speer and Izmir Economics University for the selection of logo, theme and EXPO area (Informant 8, 18).

Firstly, for the selection of appropriate logo for Izmir EXPO 2015, 17 Logo designs developed by Landor Company have been decreased to 5 after being evaluated by the EXPO Executive Committee. After the surveys published at the web sites of EXPO 2015 Izmir and by the newspaper and the voting boxes placed at the ground floor of the Izmir Chamber of Commerce; the olive tree has chosen as a logo of Izmir EXPO 2015 (Tracing File, 2007). However during this period the votes of public were not sufficient as they were not aware of EXPO yet (Informant 15, 17).

Next, in order to identify the theme for Izmir EXPO 2015, the companies ZED and Landor, the Izmir Economics University and Dokuz Eylül University built up a programme. As a result of this study eight theme categories were selected from among 503 ideas. Yet, from the beginning of this period, "health" was determined as the theme for Izmir EXPO 2015 as BIE suggested this theme to Izmir in a personal meeting with Izmir Chamber of Commerce (Informant 15, 17). The theme of health is very original as none of the EXPO before has taken up this theme. It highlights the historical and cultural asset of Aegean geography and Izmir with its thousands of years of experience in the field of health is the most appropriate place for this theme. After being evaluated by the EXPO 2015 Executive Committee the theme was submitted to the Ministry of Foreign Affairs and on 2nd May 2006 the Foreign Minister held a press conference to announce that the theme would be: "New Routes to a Better World / Health for All". After the adoption of the theme "New Routes to a Better World / Health for All", the Ministry of Health joined the EXPO 2015 Izmir Executive Committee. However, both the ministry and provincial health directorate stated that they did not have any authority to effect the decision making process in the candidacy period (Informant 7, 16).

Thirdly, the site selection studies for Izmir EXPO 2015 are completed by the Albert Speer Company in IZEXPO consortium. The 9 sites proposed were dropped to two (Inciralti and Urla) after the evaluation of the EXPO 2015 Executive Committee and then, submitted to the approval of the Ministry of Foreign Affairs (Tracing File, 2007). At last, the site for Izmir EXPO 2015 has declared to be Inciralti by the Ministry of Foreign Affairs which created discussion among stakeholders.

## Media

Besides the selection of logo, theme and EXPO area; the publicity and promotion of Izmir was very important because mega events can be used effectively as several actors in the world media network attempt to exceed each other in getting coverage and attracting attention to causes (Getz, 1997). Maximising the media interest of Izmir during the EXPO 2015 candidacy period was vital in order to increase the awareness of Izmir and its key markets. Yet, EXPO committee understood the importance of the media in the latter stages. There was no strategy for attracting the interest of media to Izmir during the candidacy period. EXPO candidacy period was only followed by local media and in the last few months, Izmir started to make its promotion in international TVs and magazines (Informant 7, 9, 22). The Ministry of Tourism has not taken a full role in the EXPO candidacy period, only tried to organize some promotional activities and contact with artisans in the latter stages.

#### **Public**

The participation of public was not enough in Izmir 2015 EXPO candidacy period. Getz (1997, p: 47) states that "to succeed in gaining support and resources from the host community, event managers must pay attention to local benefits and costs". Therefore, actors should demonstrate the events they are bidding to build a network with public. People should feel inclusive and they should feel the event would give back something tangible to the community. However, there was no clear strategy to make people aware of EXPO. Most of the people still do not have an idea about what EXPO is (Informant 10, 24). Although host community do not know what EXPO is, when Izmir lost the opportunity to host it actors received support from them about their annoyance (Informant 19). Yet, most of the EXPO committee members think that it is not important that people know about EXPO now as they can learn about it after EXPO is decided to be made in Izmir. The president of Izmir Chamber of Shipping (Informant 5) states that "EXPO candidacy period is a competition. For that reason, during this competition period it does not change anything even the public or other municipalities know about EXPO or not". Committee members think that people can participate the process after Izmir has taken the EXPO (Informant 5, 8, 11).

## 5.1.4. Evaluation

In previous section, roles of different stakeholders are explained and their approach towards EXPO is analyzed. Figure 5.2 displays the stakeholder organization scheme during the EXPO 2015 candidacy period. During the EXPO 2015 candidacy period, decisions were taken by 3 main channels which are national government, local government and local actors. The Ministry of Foreign Affairs represented the national government. There were also other ministries in both Steering Board and Executive Committee but they were not involved in the period deeply and their contribution was low.

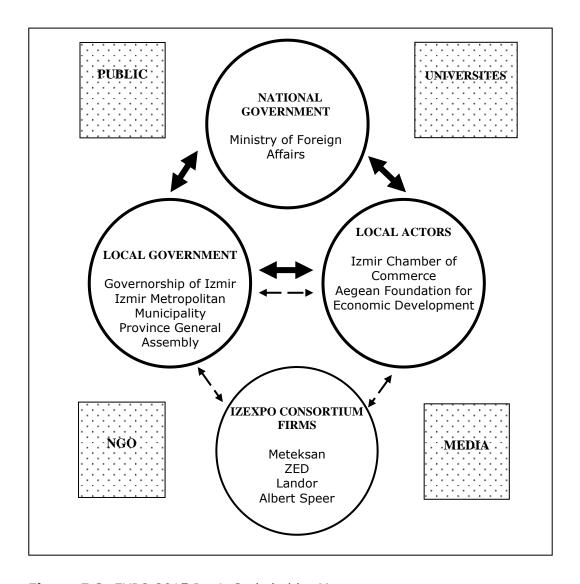


Figure 5.2: EXPO 2015 Izmir Stakeholder Map

Governorship of Izmir, Izmir Metropolitan Municipality and Izmir Province General Assembly were local government actors that participated the decision making actively during the candidacy on the other hand other municipalities and districts did not take part. Stakeholders from national and local government work with local actors in a collaborative manner. Active local actors were Izmir Chamber of Commerce and Aegean Foundation for Economic Development in the first place and Aegean Chamber of Industry, Exporters' Union and President of Chamber of Shipping also spent their time and effort for the success of the candidacy period.

Other actors were mostly the members of Presidents Committee of Izmir and included only chambers related with business leaving other related NGOs out. Executive Committee made a consortium with some well known private firms for the determination of logo, theme and EXPO site. Each one was decided by local stakeholders and firms in the consortium. Although, Izmir Economics University was in the consortium and Dokuz Eylül University took part while determining the EXPO theme, they were voiceless. In addition, media and public were not actively involved in the candidacy period.

# 5.2. EXPO 2015 IZMIR CANDIDACY EVALUATION MODEL

EXPO candidacy period is considered as a start for Izmir on the way of being an entrepreneurial and global city. However, it is obvious that entrepreneurial policies could not be applied strategically during the candidacy period. In order to become an entrepreneurial city, collective action among stakeholders targeting economic growth of the city is important. The diversity of interests, the level of involvement and competition among stakeholders suggest that the approaches of stakeholders can influence the agenda in different ways. Thus, the candidacy period is analyzed with the following indicators which aim to evaluate the approaches and strategies of different actors.

#### 5.2.1. Commitment

Commitment indicator evaluates new levels of coordination among different institutions and level and reason of involvement in a partnership. In order to sustain commitment collaborative objectives should be clear and well defined, balanced structure of partners should be sustained (Fyall, 2003).

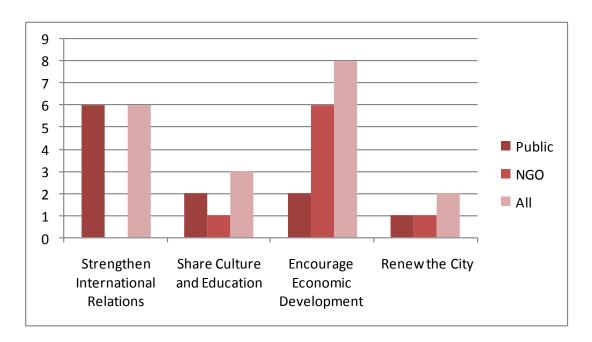
EXPO candidacy period was a learning process for national and local actors, and provided a channel for new levels of coordination among different institutions of Izmir. Furthermore the candidacy also triggered the organization of links and partnerships among public and private bodies in Izmir like many other cities that have experienced such mega events with significant proportions of public-private partnerships (Hall and Hubbard, 1998, p: 10). The local government realised the value of creating a common goal (in this case, EXPO) to stimulate coordination between institutions (Informant 1, 25).

The reason of involvement varies among actors. Behind the goal of hosting EXPO 2015, actors of Izmir aimed to make its promotion in business and tourism sector during the candidacy period. Although, this period could not operated efficiently, in a part EXPO 2015 candidacy provided the momentum to build up cooperation and to increase the domestic and international awareness of Izmir as a tourism destination. After one of the presentations about Izmir, the Slovenian Economics Minister stated that "one thing is sure; I will come for holiday to Izmir" (Informant 5). This means, even Izmir would not be hosting EXPO 2015, many people who did not know about Izmir seems to have had the opportunity to learn the cultural and natural beauty of the city and would apparently come to visit or invest to Izmir after this candidacy period.

The concept of selective incentives explains the reasons that "hold a governing coalition together" by two channels of motivation "emotion" or "reason" and "altruism" or "self-interest" (Painter, 1989, p: 264). In Izmir 2015 candidacy case, actors wanted to be involved in the period because they wanted to protect their own interests and promote activities that boosted their interests onto the agenda such as Chamber of Shipping supported the development of the port (Informant 5), Ministry of Culture and Tourism focused on conservation and maintenance of cultural assets in Izmir (Informant 23) and Chamber of

Commerce and Exporters' Union more concentrated on the promotion of Izmir to attract more investors in the future (Informant 17, 21).

EXPO 2015 Steering Board and Executive Committee aimed to coordinate a state-wide approach to maximise the benefits of EXPO. Objectives were identified to achieve this goal such as maximising tourism opportunities, attracting investors and business, promoting Izmir as a "health capital" on the world stage and an ideal destination for mega events. These targets can be achieved only if actors act in a collective manner with a well-developed strategic plan. Rational and self-interested actors in a group act collectively in order to achieve the common objective of the group if that objective would make them better off when achieved thus; hosting EXPO 2015 in Izmir was a common objective for all actors in the committees and they were all expecting to fall their optimal amount of collective benefit farther for their institutions when it is achieved (Olson, 1971, p: 1). However, no business plan developed for any of these objectives and these objectives negotiated with the related actors on tenuous basis.



**Figure 5.3:** Possible benefits of EXPO if hosted in Izmir according to the stakeholders of Izmir

Thus, organizations can perform for common or group interests only when organization interest coincides with the common interests of groups of individuals (Olson, 1971, p: 7) which means on the surface a collaborative approach was presented, while beneath the surface each actor was protecting its own interests on the agenda.

Actors have various expectations from hosting EXPO 2015 in Izmir. Public institutions mostly think that EXPO would lead to strengthening of international relationships whereas NGOs and chambers focus on the economic development that would improve through hosting EXPO (see Figure 5.3). Some institutions also think that EXPO could be a useful tool for the regeneration of the city and lead to cultural and sociological transfers between different nations that visit EXPO and local residents. Vice Governor of Izmir (Informant 1) states that,

"Several projects were planned to start if EXPO 2015 was determined to be hosted in Izmir. The capacity of the Izmir Airport and the number of accommodation units would be increased, inner city transportation system would be strengthen with new railway systems, subways and water transportation systems, infrastructure and quality of life would be improved, regeneration of squatter areas and modern urban designs would be sustained if Izmir would have hosted EXPO 2015. All these projects are still on the agenda however EXPO would make this period quicker".

It is obvious that id Izmir would have determined to host EXPO 2015, all projects determined would came into life until 2015 however, now it is for sure that it will take more time which will slow down the process of Izmir on the way of being an entrepreneurial city.

When the degree of commitment is analyzed, because of not having a well defined agenda, stakeholders could not create an effective collective response. A well defined agenda leads to several benefits such as focusing the attention of the group, offering an optimal series of steps, enabling group members to be better prepared for the meeting, triggering better problem formulation, encouraging goal setting activity, generating more commitment to the precise agenda items, signaling the importance of the agenda items, and, ultimately, indicating what will not be covered in the meeting (Niederman&Volkema, 1999). Focusing the attention of the group helps group members to work together more effective on the same issue and use time efficiently which is very important in

the case of Izmir EXPO 2015 candidacy as the members of both Steering Board and Executive Committee fulfil their time with their business.

There were no sub-committees of the EXPO 2015 Executive Committee during the candidacy period. Thus, stakeholders had no defined role. <sup>17</sup> They all tried to focus on the whole process without a solid organisational plan for division of labour whereas it would be better if tourism stakeholders focused on tourism activities, health stakeholders focused on health activities and so on. The ministries did not firmly involve in the candidacy period. They were just informed about EXPO 2015 Izmir candidacy initiatives, particularly for their areas, yet this strategy was not part of a collaborative approach.

#### **5.2.2. Conflict Resolution**

Painter (1989, p: 261) defines entrepreneurial governance as a process of "negotiation, coalition formation, direct influence, multi-institution working and public-private partnership". Therefore, on the way of being an entrepreneurial city, the way actors take action with others to solve problems, resolve conflict through discussion and seek mediation during EXPO candidacy period is very important. Actually, in intra-group cases conflict can be considered positive to realize the benefits of collaborative work and conflict management can influence "organizational problem-solving and individual attitudes towards team-work" in a positive way (De Dreu&Van de Vliert, 1997, p: 28). When EXPO candidacy period considered both intra-group and inter-group conflict observed.

There are two kinds of intra-group conflict: task conflict and relationship conflict. Intra-organizational task conflict which is "a perception of disagreement among group members or individuals about the content of their decisions, and involves differences in viewpoints, ideas and opinions" appeared while determining about procedures and about the interpretation of facts (Medina et al., 2005, p: 220). Yet, task related conflicts solved out easily as all the members of the committees have personal relations before this candidacy period and trust each other (Informant 8).

Nevertheless, close to the end of the candidacy period a personal relationship conflict occurred between the president of Chamber of Commerce and other

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<sup>&</sup>lt;sup>17</sup> This information is gained from the interviews

Committee members. Although the president of Izmir Chamber of Commerce is the leading person who first gave the idea of hosting an EXPO in Izmir, during last 2 months of the candidacy period he did not contribute to the meetings (Informant 8). This conflict is not a task one but a relationship conflict which "includes personality differences as well as differences of opinion and preferences regarding nontask issues" (Jehn&Bendersky, 2003, p: 200). The leader approach of the president of Izmir Chamber of Commerce created a problem and no mediation adapted which resulted with the disconnection of the organization in the end.

Besides, determination of the EXPO 2015 site in Izmir created a inter-group conflict between Izmir Metropolitan Municipality and Chamber of City Planners on one side and the other members of the committee on the other, as organizational conflicts can arise in the committees about various issues which may occur "between two individuals, within small groups and work teams, or between groups and (temporary) coalitions" (De Dreu&Van de Vliert, 1997, p:2). The site for Izmir EXPO 2015 declared as Inciralti by the Ministry of Foreign Affairs. According to EXPO committee, Inciralti was the site which fit best the criteria of BIE among all other proposed EXPO sites. It is highly accessible and placed nearby the sea.

In the beginning both Izmir Metropolitan Municipality and Chamber of City Planners objected Inciralti. Later on, Izmir Metropolitan Municipality receded and Chamber of City Planners continued this discussion alone. The area was denoted as an agricultural site in the report of provincial agriculture directorate in 2005 and also there was second and third degree natural protected sites in the area as well as ownership problems. Chamber of City Planners states that, "the area is the green hearth of Izmir and EXPO scenarios will increase the prices in the area in a speculative manner and therefore, make bigger confusions". Therefore, Chamber of City Planners sued the EXPO area decision of Inciralti. The President of Chamber of City Planners declared that;

"As the Chamber of City Planners, we were ready to discuss every possibility for EXPO site; however we haven't been involved in any step and finally the committee decided on a very vulnerable area as EXPO site. We also tried to convince them about this fault and suggested another area which would be more suitable for EXPO site but they did not step back. We hadn't had the chance to make an efficient negotiation about

this issue and mediation was not possible so we had to sue this decision by legal channels" (Informant 4).

It is obvious that this conflict was not managed by a problem solving approach which could produce "more constructive interaction, greater mutual satisfaction and better outcomes" (De Dreu&Van de Vliert, 1997, p: 14).

In heterarchic governance through inter-organizational negotiation systems, the characteristic logic of networks is negotiation directed to the realization of self-interests which are used for promotion of inter-organizational opportunities and rules (Jessop, 1997). When Izmir Metropolitan Municipality objected to the place of EXPO site, the situation was solved out by interpersonal trust that facilitates inter-organizational negotiation.

However, neither noise reduction (reducing mutual incomprehension in the communication between different institutional orders in and through attempts to enhance understanding and sensitivity to their distinctive rationalities, identities, and interests) nor negative coordination (encouraging agents to take account of the possible adverse consequences of their own actions on third parties or other systems and to exercise self-restraint as appropriate) is observed during EXPO 2015 candidacy period (Jessop, 1997). Because the lack of sub committees or advisor groups members of the committee could not understand the concerns of each other clearly and no mediation strategy observed. This situation leads to disconnections between members. Members of the Steering Board and Executive Committee just focus on the lobbying activities, therefore problems about the coordination and tasks did not discussed in detailed. As a result of this approach, after the candidacy period ended up no further steps for Izmir being an entrepreneurial city has taken.

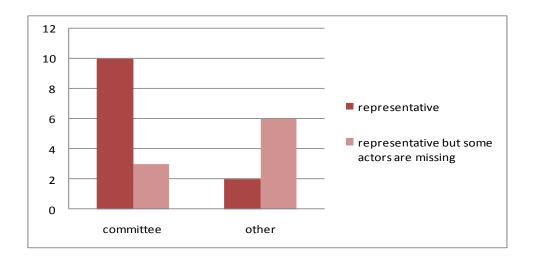
## 5.2.3. Representativeness

After the adoption of the theme "New Routes to a Better World / Health for All", the Ministry of Health joined the EXPO 2015 Izmir Executive Committee. However, both the ministry and provincial health directorate stated that they did not have any authority to effect the decision making process in the candidacy period. They could not join the collective decision making which is ironic for an EXPO with health theme. Also, provincial tourism directorate, universities and

some important chambers did not involve in both and Steering Board and Executive Committee. However, Vice Governor of Izmir explained this situation as

"Both committees involved the significant actors in local and national level. In order to take efficient decisions, the number of members in these committees should not be more. However, the deficiency is we couldn't constitute sub-committees and take the advices of other actors during the candidacy period" (Informant 1).

Olson (1971, p: 36) also supports this approach stating that "... the larger the group, the less it will further its common interests". According to the interviews, %77 of the EXPO Steering Board and Executive Committee members thinks that the representativeness of the committees was enough, on the other hand the other actors which were not members of the committees support that some organizations were absent with %75. Finally, when overall interviews considered; %59 thinks that the representativeness of the committees were enough for the candidacy period (see Figure 5.4). The representativeness problem could be solved by sub-committees which enable the participation of actors from different sectors and by this way, the process could be leaded in a more competent manner which was not the case in Izmir EXPO 2015 candidacy period. Representation is increasingly important for urban politics, as it supplies a framework for examining the role of values, stories, and ideals in shaping the social world and reflecting change and conflict.



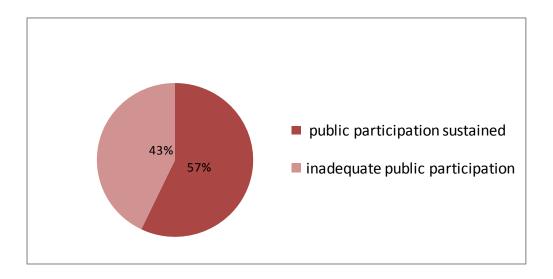
**Figure 5.4:** Representativeness of the EXPO 2015 committee according to different stakeholders

Various institutions from different sectors involved in the candidacy process and this period leaded through two committees. Members of Executive Committee were selected from the members of Steering Board and Executive Committee was more active during the period while decisions were taken on various issues. As different actors from a range of fields were involved in the committees, "heterarchy" which can be defined as ruling through diversity (Jessop, 1997) was sustained during the candidacy period. However, involved actors were not sufficient. During the candidacy period, the focus of the stakeholders was tourism. However, the EXPO candidacy period was assigned to business-oriented stakeholders and although the theme of Izmir was health, the stakeholders on this field could not contribute to the period. Hence, a disconnection existed between the needs of the city and the orientation of the stakeholders who were assigned the problem.

How to lead the period and sustain connection between institutions is as vital as the determination of a common goal for the success of different institutions' partnership. Leadership means "creating a vision, establishing related strategies and goals, and inspiring the rest of the organization to pursue the vision" (Getz, 1997, p: 73). The coordinator of Izmir EXPO 2015 candidacy period was the Ministry of Foreign Affairs. The ministry has all the qualifications to inspire strong group collaboration and its leadership created a good impression on international platform. However, Izmir Chamber of Commerce wanted to lead this candidacy process in local and this created negotiations in decision making in later stages (Informant 3). When bidding period for a mega event is considered, the project management team consists of a general manager and different managers from range professions that reflect the nature of the project in many cities as this is the case in Izmir as well (Getz, 1997). The project manager should have skills and experience in event or general project management.

The Ministry of Foreign Affairs being a single coordinator accelerated the process and decision making in many aspects however, the ministry did not have the exact focus of developing the local economy therefore, did not build a cross organizational link and converge the goals of various stakeholders and sectors to ensure a coordinated approach to local economic development (Blakely, 1994). From this central position, the Ministry of Foreign Affairs tried facilitate the relationships required to act collectively, thereby reducing the resources required

by each individual and the overall transaction cost. Nevertheless, as the ministry is not a local actor, its being the coordinator created a disconnection and decelerated the process in some stages (Informant 11,17).



**Figure 5.5:** The opinion of stakeholders about public participation in EXPO candidacy period

Besides, the participation of public was not enough in Izmir 2015 EXPO candidacy period. There was no clear strategy to make people aware of EXPO. Most people still do not have an idea about what EXPO is. Yet, most of the EXPO committee members think that it is not important that people know about EXPO now as they can learn about it after EXPO is decided to be made in Izmir. Therefore, committee members think that people could participate the process after Izmir has taken the EXPO (see Figure 5.5).

## 5.2.4. Network

The target of hosting EXPO 2015 created a common goal and coordination between institutions sustained in a formal way. Executive Committee and Steering Board were built up by a special legislation so this created a more institutionalized structure. However, after the candidacy period ended and Milan

is determined to be the host of EXPO 2015, the Executive Committee and Steering Board disbanded, leaving no formal links. On the other hand, the network between stakeholders continued in an informal way which was the case also before the candidacy period. Therefore, this period did not create new relationships but just strengthen the existing ones in a part. Izmir EXPO 2015 coalition was a loose partnership of diverse interest groups who were trying to function together for determining some governing decisions within a limited time span while looking to increase the prosperity of the city by attracting investment and spending (Leitner, 1990, Mollenkopf, 1983).

In order to analyze the relations between stakeholders before, during and after EXPO candidacy period of Izmir social network analysis is done using UCINET which focuses on the relations among actors and often describes the way that an actor is embedded in a relational network as imposing constraints on the actor, and offering the actor opportunities.

Before EXPO candidacy period it is obvious that local stakeholders compose a cluster and national stakeholders compose another cluster according to faction analysis (see Figure 5.5). In national cluster, Ministry of Foreign Affairs have the highest degree as it has connections with all other ministries and also some of the local actors in Izmir as well. Ministries have connections with each other mostly and provincial directorates of Culture and Tourism or Health built up a tie between related ministries and local authorities. When local cluster is considered, Izmir Metropolitan Municipality, Governorship of Izmir and Izmir Chamber of Commerce appear as the main stakeholders. Other stakeholders who have high degree are the members of "Presidents Committee of Izmir" which is an informal organization of local actors of Izmir. Moreover, Izmir Metropolitan Municipality and Governorship of Izmir have connections with some of the ministries before EXPO candidacy period of Izmir.

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<sup>&</sup>lt;sup>18</sup> Presidents Committee of Izmir includes Governor of Izmir, President of the Foundation for the Promotion of the Aegean Economy, Izmir Metropolitan Mayor, President of the Izmir Chamber of Commerce, President of the Aegean Foundation for Economic Development, The Union of Commodity Exchanges of Izmir, President of the Exporters' Union, Izmir Chamber of Agriculture, Izmir Union of Tradesman and Craftsman, President of the Association of Junior Businessmen, Aegean Union of Tradesman and Craftsman and so on.

During the EXPO candidacy period of Izmir, Ministry of Foreign Affairs has the highest degree as this situation supports the idea of its being leader of the EXPO committees was a right choice. Ministry of Foreign Affairs had close connections with all national and local actors during the candidacy period (Informant 1). Same 3 actors before the candidacy period - Izmir Metropolitan Municipality, Governorship of Izmir and Izmir Chamber of Commerce- continued their key position during the candidacy as well. According to Blocks and Cutpoints Analysis, Ministry of Foreign Affairs and Izmir Chamber of Commerce act as cutpoints which means if these actors are removed, the structure become divided into un-connected parts (see Figure 5.7).

Although it is not enough, Izmir Chamber of Commerce made a connection with some other chambers such as Chamber of City Planners, universities and Izmir Development Agency. Since Izmir Chamber of Commerce leaded the period before EXPO candidacy and triggered all actors to apply for EXPO, it acted as a leader in the beginning of the candidacy period (Informant 15, 17). However, this did not last long as the Ministry of Foreign Affairs determined as the leader and Izmir Metropolitan Municipality and Governorship of Izmir contributed to the period as much as Izmir Chamber of Commerce (Informant 18). On the other side, other ministries in the EXPO committees did not contribute to the candidacy period. Ministry of Culture and Tourism and Ministry of Health connected with their provincial directorates and representatives from directorates tried to join the EXPO meetings but it was not sufficient (Informant 7, 16). In addition, none of the municipalities and district authorities received information about the candidacy period which damages the integrity of the city towards EXPO (Informant 6, 7, 14, 20).

After the candidacy period ended up and Izmir could not succeed, the relationships turn back to a similar position as it was before (see Figure 5.8). The Presidents Committee of Izmir continued its efforts for a better economic situation. It is obvious that no new ties build up during the candidacy period but according to most of the informants this candidacy period strengthen their relation and created the idea of working together for future projects in Izmir to develop the tourism and economy.

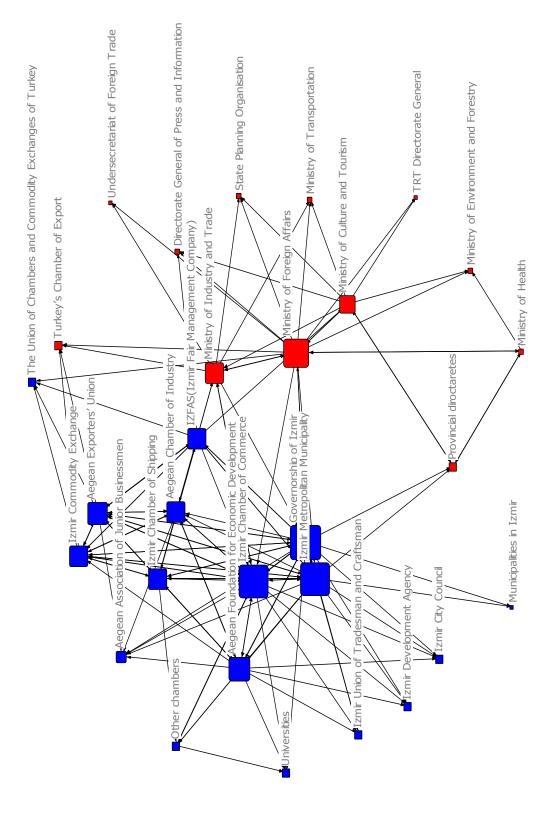


Figure 5.6: Network Analysis before EXPO candidacy period (degree centrality and faction analysis)

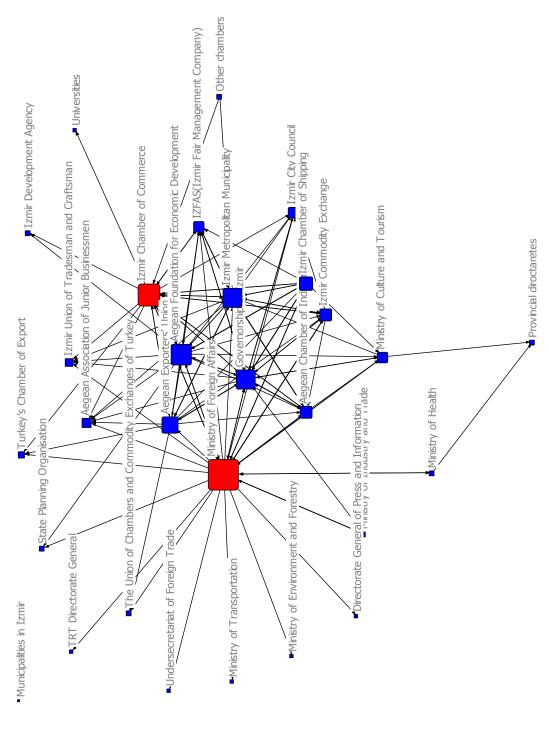


Figure 5.7: Network Analysis during EXPO candidacy period (degree centrality and block-cut point analysis)

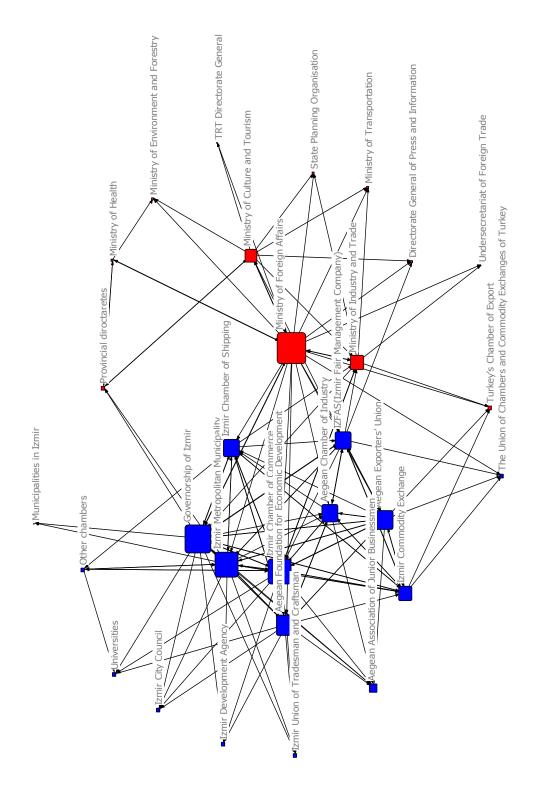


Figure 5.8: Network Analysis after EXPO candidacy period (degree centrality and faction analysis)

At central state level, although coordination between key stakeholders formed a forum where ideas and challenges across institutions could be exchanged; group learning was individual and personalised to group members. At the local level, planning was undertaken by a small group of like-minded stakeholders. Three key institutions were involved in the majority of the planning: Governorship of Izmir, Izmir Metropolitan Municipality and Izmir Chamber of Commerce. As the lessons gained from the candidacy experience remained in individuals, when another big event comes along and different stakeholders are involved; a new group would have to start over and reinvent everything again. Mechanisms to retain the knowledge and lessons derived from EXPO candidacy are essential to ensuring that mistakes do not recur and that planners learn from the experiences of others. However, in Izmir case learning remained vested in these individuals, and was not anchored into the city as a whole. Consequently, there is potential to lose this knowledge and experience.

In the end of this period, the Ministry of Foreign Affairs prepared a detailed final report (Informant 3, 8). However, this report was not shared with any of the institutions of the EXPO 2015 Steering Board and Executive Committee as well as other actors and public. EXPO 2015 candidacy of Izmir provided a learning experience that can be carried forward to leverage future events. Yet, it is questionable whether this learning had been institutionalised or remained with individuals who implemented the strategy.

On the other hand, the secretariat of EXPO 2015 Executive Committee prepared a final evaluation report which included recommendations for capitalising on the momentum from the EXPO candidacy. The Final Evaluation Report of the EXPO secretariat (2008) recommended that the promotion and marketing of Izmir should continue branding Izmir as a health city otherwise all these work done up to know can be forgotten. Izmir should continue to work with an increasing acceleration towards its vision. One of the opportunities identified in the report was the possible spin off effect of EXPO candidacy. Further development and promotion of Izmir as a centre for mega events and related activities were also recommended.

At present, there is no signal of future implantation of these recommendations except the conference organized by the Aegean Chamber of Industry and Izmir

Development Agency named "The Road Map Study to Sustain the Synergy Gained from Izmir EXPO 2015". In this conference 5 areas, which are (1) marketing, (2) restoration and urban regeneration, (3) diversity of tourism with developed transportation, (4) education and technology, and (5) alternative applications, are highlighted for the future development of Izmir and several decisions are taken in these areas (Informant 22). However, no further steps are taken after the candidacy period.

#### 5.2.5. Evaluation

An assessment of the case exposes that there were three central clusters of opportunities to obtain beneficial outcomes from the candidacy of EXPO 2015. Figure 5.9 demonstrates that the clusters include building the strategic roadmap of the city, awareness created by advertisements and relationships that can be built or enhanced through collaboration during candidacy. Gardiner and Chalip (2006) adds economic outcomes in case of strategic one however as Izmir has not experienced the event hosting no economic outcomes observed but the determination of a vision for the city sustained. By its "Health for All" theme Izmir targets to become the "health capital of the world". This vision determined for the city is supported by almost all stakeholders and works on this vision can go on without EXPO.

Besides building the vision of the city, various strategies were implemented to create positive publicity about the city during EXPO candidacy. Even though the importance of media was realized in later stages, EXPO candidacy period helped to reposition the city's tourist brand. According to the stakeholders this candidacy period would lead to an increase in the tourism movements of the city. Therefore, provision of goods and services will increase. This candidacy would evidently be useful for the city to host other mega event or EXPO in following years. Gardiner and Chalip (2006, p: 80) states that leveraging activities should lead to long-term place marketing plans, not only short-term tactical responses and so "the types of events and the creation of awareness should be intimately tied to the long-term agenda of the region". Finally, EXPO 2015 candidacy give Izmir the opportunity to create new and build on existing relationships. Collaboration between local and national public-private firms and NGOs sustained through candidacy. Some of the most important relationships

generated were among stakeholders within the city. Inter-organizational conflicts during the candidacy are handled targeting the benefits of the city. Competitiveness between stakeholders left its place to collaboration for the regeneration of the city towards its vision.

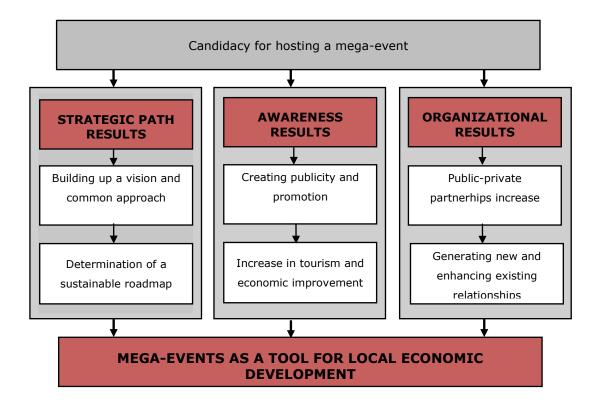


Figure 5.9: Opportunities obtained from EXPO 2015 candidacy

Besides, mostly local stakeholders determined the needs of Izmir during the candidacy period and by this way central government became aware of these needs and priorities. Key problems received attention from central government; therefore Izmir's needs to receive additional funding, more tourism promotion and qualified human resources have come up on the agenda of government. Kingdon (2003, p: 165) defines this situation as opening a "policy window" which means when an item builds momentum or is promoted on the agenda, there is a chance to point out some special problems of other actors. In Izmir case; while

working on how to handle EXPO, actors also realized the deficiencies on other issues.

Several institutions collaborated to handle EXPO 2015 candidacy of Izmir. These institutions were made up from a collection of stakeholders, and their goals and actions represent compromises among the collection of member stakeholders. Actors from tourism, business and health as well as public institutions collaborated however; some important institutions were isolated during the candidacy period which is one of the reasons of the failure of the candidacy in a part.

#### **CHAPTER 6**

#### **CONCLUSION**

From international relations to school studies, actors need to work in collaboration in various stages of a task to get effective results. If coalitions that build up for a specific target work efficiently, tasks are completed in a shorter way and even lead these coalitions to further studies. This study investigates the efficiency of the coalition in Izmir EXPO 2015 candidacy while building the entreprenurial city. The objective of this study is to gain a better understanding of how to use a mega event as a tool in the place marketing strategy and building up entrepreneurial governance. Stakeholder organization strategies and factors that account for successful leveraging of EXPO 2015 candidacy period were investigated. Findings from this study can be used to inform the use of mega events as part of the product in place marketing while sustaining entrepreneurial city.

In each chapter determined research questions of the study are explained (see Table 6.1). Second chapter explained the entrepreneurial city and its characteristics. Third chapter clarify the mega event phenomena as an important strategy in entrepreneurial city which also triggers the changes in organizational structure besides being a place marketing strategy to increase the competitivenesss of the city. Following chapter explains the methodological framework of the study and determine the indicators to analyze the case and fifth chapter describes the strategies adopted, the stakeholders involved in the strategies and their efforts to undertake Izmir EXPO 2015 candidacy. In this chapter, findings from the case study are discussed. In addition, policy process is examined and recommendations given. Finally, future research directions are examined.

**Table 6.1:** Research Quesitions and Results of the Thesis

CHAPTER	RESEARCH QUESTION	CONTENT	RESULTS
Chapter 2	What is entrepreneurial city/governance?	<ul> <li>Reasons that lead places to the idea of entrepreneurial city</li> <li>Characteristics of entrepreneurial city</li> </ul>	<ul> <li>Shift in urban governance away from the provision of local welfare services towards the promotion of economic competitiveness</li> <li>Partnerships between public and private sector</li> <li>Encouragement of place marketing strategies</li> </ul>
Chapter 3	2. What is a mega event?	<ul> <li>Defining and categorizing mega events</li> <li>Analyzing EXPO with entrepreneurial approach</li> </ul>	<ul> <li>mega events have global significance and attract national and international interest to the city</li> <li>Olympic Games and EXPO are the main mega events</li> <li>Organization structure is very important for an effective mega event hosting</li> </ul>
Chapter 4	3. What are the factors of effective stakeholder collaboration in a mega event candidacy?	Integration of the drivers of effective collaboration with the characteristics of an entrepreneurial city	<ul> <li>4 indicators determined for analyzing a mega event candidacy period:         <ul> <li>Commitment</li> <li>Conflict Resolution</li> <li>Representation</li> <li>Network</li> </ul> </li> </ul>
Chapter 5	<ul><li>4. How did stakeholders respond to the EXPO 2015 opportunity?</li><li>5. What strategies were adopted during EXPO 2015 candidacy?</li><li>6. Who was involved in the development of the strategies?</li></ul>	<ul> <li>Strategy and organizational structure</li> <li>Roles of stakeholders</li> <li>Evaluation of stakeholder responses</li> </ul>	<ul> <li>Determination of the vision of the city</li> <li>Creating a positive publicity</li> <li>Opportunity to create new and build on existing relationships</li> </ul>
Chapter 6	7. How to capitalize the experience gained from EXPO 2015 candidacy to build up the entrepreneurial city of Izmir?	Strategies and recommendations for future steps	<ul><li>Fostering linkages</li><li>Shared vision and learning</li><li>Strategic planning</li></ul>

#### **6.1. MAJOR FINDINGS**

Findings of this research point out that the roles of different stakeholders while building the entrepreneurial city emerge as one of the most important component of the competitiveness. Hence, structural and coordination issues are discussed and recommendations presented.

Stakeholders of Izmir EXPO 2015 candidacy wanted to use the candidacy as a start to attract events to the city and using EXPO to catalyse the establishment of the city's events corporation. These stakeholders managed the evolution of the EXPO candidacy agenda by promoting their own proposals. Through this structure, the common approached created could not get focused by all in an effective way. No sub-committees sustained and there was not a well defined strategic plan to guide the actors which cause a non-effective coordination between stakeholders most of the time. During the whole period of the candidacy there were delays and coordination problems.

EXPO 2015 Steering Board and Executive Committee represented stakeholders with diverse backgrounds and interests. Each invested its resources, time, and energy during the candidacy period to get a personal return in the future. As the commitment of actors was high, not too many conflicts appeared during the candidacy period. Intra-group conflicts solved out with personal trust between actors but the leader approach of some institutions caused disconnection in the end and this problem was not mediated by a problem solving approach. The Ministry of Foreign Affairs was the leader of the candidacy period and it worked efficiently across organisations but in some stages its being a national actor decelerated the process. On the other hand, inter-group conflicts were not solved out. As there were no scientific or advisory committees the contribution of some related organizations was low and this lead to conflicts. Therefore, intergroup conflicts should be solved out with sub-committees which also would increase the representativeness of the committee as well.

Besides, the participation of public was not enough in Izmir 2015 EXPO candidacy period and there was no clear strategy to make people aware of EXPO. Moreover, after candidacy period is not handled efficiently. Generating lessons from an event or candidacy is one of the most vital stages of the process, but also one of the most neglected. After Izmir EXPO 2015 candidacy

ended up, government stakeholders moved onto new projects, and lessons are not generated in an effective way. The knowledge transferred to the policy process consists only of formal, standardised reports, which can reflect on what should have happened, as opposed to what actually took place. The final report of Executive Committee fail to capture the complexity and details of the process and the report prepared by the Ministry of Foreign Affairs can not be reached. Usually, post-event reports provide organisational summaries of a mega- event, but fail to include lessons for future host cities (Gardiner and Chalip, 2006, p: 90). The experiences of stakeholders did not take part in the final reports therefore, these will lapse into obscurity. Consequently, the knowledge remains embedded in the groups and individuals involved in the candidacy period, rather than in the city as a whole.

Through the EXPO candidacy, a common purpose and a perspective of how to complement the efforts of stakeholders were developed. Among four indicators which are commitment, conflict resolution, representativeness and network; commitment apprear as the strongest part of Izmir EXPO 2015 candidacy. Also network fom the view or relations was strength for Izmir as all stakeholders had connections before the candidacy. EXPO candidacy triggered these actors to work together for increasing the competitiveness of Izmir in the world stage however both Steering Board and Executive Committee formed to prepare the EXPO response have now disbanded with the legislation. In some cases, individuals may continue to work together without a top goal such as EXPO however, keeping the group together may be difficult and even impossible, which is the case in Izmir as well.

#### **6.2. RECOMMENDATIONS**

Despite all deficiencies in organization structure during the candidacy period, stakeholders worked in collaboration and promotion of Izmir done in an efficient way. People even not knowing the place of Turkey in the map started to talk and wonder about Izmir. Especially during the final week of the candidacy period, marketing of Izmir was done in Paris with billboard advertisements, handbooks and so on. Besides promotion, stakeholders earned experience on mega event hosting and this candidacy triggered the collaboration between different stakeholders. Izmir should continue on its way of being a brand city in health tourism and transfer this experience to further projects. Therefore;

- The experience gained during the candidacy should be transferred to other projects in a beneficial way
- The synergy created for the regeneration of the city by EXPO should continue increasingly
- Collaboration between stakeholders and participation of public should be sustained
- Izmir should use the opportunity of being a world wide known city and keep on working.

In order to reach these targets and become an entrepreneurial city, Izmir should characterise a place marketing strategy in 3 aspects which are "fostering linkages", "shared vision and learning" and "strategic planning" (Gardiner and Chalip, 2006, p: 7).

In the context of place marketing, the importance of working together can not be ignored. Forming partnerships and fostering linkages among different actors of a city leads to collaborative planning and contribute to economic growth. In Izmir, both public and private organizations should collaborate for developing place marketing strategies and sustaining local economic development. Different stakeholders from various backgrounds lead to coordination and timing problems in decision making in Izmir EXPO 2015 candidacy period. In future organizations, there should be a central executive body with determined authorities and effective experts and the leader of this body should be the leader of the executive committee as well. The leader should be a local actor taking the support of Ministry of Foregn Affairs and sub committees should be sustained.

Secondly, without shared vision and learning stakeholder groups can not succeed in long term. Stakeholders must have a common purpose and shared vision however; they do not concentrate on solving problems and clarified their goal to strategic planning for that goal (Kingdon, 1995; Senge, 1990). EXPO candidacy period of Izmir was a short-term collaboration whereas it should be long-term and proactive to build up the entrepreneurial city. A commonality of purpose, a shared vision, and a common action of completion one another's effort is developed by learning teams as well as learning across groups fosters (Senge, 1990). By developing knowledge-sharing routines, relation specific assets, complementary resources and capabilities, and effective governance and abolishing single-component strategies; organisations can incorporate several

strategies to produce an integrated approach (Dyer& Singh, 1998; Gardiner& Chalip, 2006).

Finally, strategic planning is one of the most significant components for effective place marketing. Once the vision, goals and objectives are defined for a city, the strategies to accomplish the goals should be identified. For a sustainable local economic development strategic planning should foresee the long-term planning of the city. Strategic planning should not only solve the problem of the moment but consider the future. Furthermore, local economic development strategies should consider the needs of the city and community. Briefly, as Gardiner & Chalip (2006, p: 9) state, stakeholders of Izmir should also collaborate in a strategic plan considering initiatives and structures that are unique to the specific needs of the region, not a generic, broad-brush approach.

#### **6.3. GENERAL EVALUATION**

This study does not question the reasons of failure not to host EXPO 2015 in Izmir beacuse it is not mainly related with the success of the city but political reasons are very effective on this selection. Candidate cities promise to make various things to member states of BIE if they vote for that city. Therefore, when a city could not succeed in EXPO bidding, it does not mean that the city is not occupied enough to host the event. It is obvious that evaluating the success of the city while using mega event hosting as a tool to trigger entrepreneurial governance is more meaningfull.

Mega event candidacy period evaluation is done with four indicators which are commitment, conflict resolution, representativeness and network. These indicators are not only important for evaluating a mega event candidacy period but also they are the main basis of every coalition. While questioning the efficiency of any coalition, considering these indicators help to develop a better understanding of the handling capacity of that work.

The findings of this study suggest that mega events become part of the local economic development strategy and to be used effectively to market the city, they should be considered in the city's long-term strategic plan as opposed to receiving short-term tactical responses and mega events should not be seen as "independent jolts to the system, but rather part of the continual learning

process" (Gardiner and Chalip, 2006, p: 90). It is clear that targeted strategies should be implemented in order to maximise the impact and opportunities created from hosting mega events. However, bidding for a mega event is as important as hosting it, if planned in a correct manner.

Through integrating mega events into the strategic plan of the city; events can bring more benefits and opportunities. Mega event is just a tool for fastening the development period of the city. If the stakeholders work in a collaboration, be aware of the approaches, activities and focuses of each other and therefore for a whole perspective; then the basis of entrepreneurial city is sustained even though the mega event does not hold in the city. The city's stakeholders must enhance their capacity to create and expand their patterns of thinking, learn from past experiences and generate new lessons from hosting events in a city. These processes can promote collaboration, learning, and understanding, leaving a positive contribution for the community of the city and local economy.

#### **6.4. DIRECTIONS OF FUTURE STUDY**

Since the beginning of the 21<sup>st</sup> century, governments have been investing huge amounts of public money for marketing their cities and stimulate local economies. This study has demonstrated that mega-events can provide an opportunity to strengthen and build on the initiatives to place marketing on the way of being an entrepreneurial city. Throughout EXPO candidacy period, a framework for analysing the collaboration between actors and challenges of the process has been offered.

Accordingly with the objectives of the study, the approaches of different stakeholders during the candidacy are analyzed and how to better this period while building the entrepreneurial governance is identified. Yet, examining the long-term results of stakeholder strategies is beyond the objectives of this study. Therefore, further research can be handled to assess the long-term effectiveness of these strategies. Moreover, although this study has provided a picture of the response of different stakeholders to a mega-event, the need exists for further research on the politics and processes that strengthen the success of mega-events to develop a local economy and sustain entrepreneurial city. Future research can improve these findings and provide a better understanding of this experience.

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# **APPENDIX A**

# **LIST OF INFORMANTS**

Informant No	Name	Institution	Title
1	Fahri Aykırı	Governorship of Izmir	Vice Governor
2	Uğur Bozkurt	Izmir Institute of Technology	Research Assistant
3	Mengü Büyükdavras	Ministry of Foreign Affairs	Ambassador
4	Tolga Çilingir	Izmir Chamber of City Planners	President of Izmir Chamber of City Planners
5	Geza Dologh	Izmir Chamber of Shipping	President of Izmir Chamber of Shipping
6	Mustafa Dündar	Bornova District Authority	District Authority
7	Murat Işıl	Izmir Provincial Health Directorate	Deputy General Manager
8	M.Bahattin Gürsöz	Ministry of Foreign Affairs	Ambassador
9	Tuncay Karaçorlu	Natural and Cultural Protection of Life	Spokesmen of Natural and Cultural Protection of Life and Former President of Izmir Chamber of City Planners
10	Assit. Prof. Dr. Nursen Kaya	Izmir Institute of Technology	Academic Member
11	Aydın Kesen	Izmir Commodity Exchange	President of Izmir Commodity Exchange
12	Ertan Koyuncu	IZFAS (Izmir Fair Management Company)	Deputy General Manager

13	Zekeriya Mutlu	Izmir Union of Tradesman and Craftsman	President of Izmir Union of Tradesman and Craftsman
14	Ali Muhsin Nakiboğlu	Konak District Authority	District Authority
15	Hande Öktem	Izmir Chamber of Commerce	Expert
16	Kamuran Özden	Ministry of Health	Director of International Relations Department
17	Ahmet Sabuncu	Izmir Chamber of Commerce	Expert
18	Tunç Soyer		Secretary General of Izmir EXPO 2015
19	Yılmaz Temizocak	Aegean Foundation for Economic Development	President of the Aegean Foundation for Economic Development
20 21	Ali Muzaffer Tunçağ Mustafa Türkmenoğlu	Municipality of Konak Aegean Exporters' Union	Major of Konak President of Aegean Exporters' Union
22	Suna Yaşar	Izmir Development Agency	Expert
23	İbrahim Yazar	Ministry of Culture and Tourism	Promotion Director General
24	Ayhan Yılmaz	Ministry of Industry and Trade	Deputy General Director
25	Reşat Yörük	Izmir Metropolitan Municipality	Director of Media and Public Relations

#### **APPENDIX B**

#### **INTERVIEW FORM**

Kurumun EXPO'ya yaklaşımı
EXPOnun kente nasıl bir fayda getirecegini düsünüyorsunuz?
Turist sayısı artardı Yatırım artardı Tanıtımı olurdu Altyapısı gelişirdi Değişiklik olmazdı Diğer
<ul> <li>EXPOnun kuruma nasıl bir fayda getirecegini düsünüyorsunuz?</li> <li>EXPO sayesinde kurum yeni politikalara ve stratejilere yöneldi mi?</li> <li>evet hayır</li> <li>Kurumda eksik olan ya da geliştirilmesi gereken noktalar belirledi mi?</li> </ul>
nitelikli iş gücü eksikligi finansal kaynak eksikliği Tanıtım eksikliği Diğer
Fikir Ayrılıklarının Çözümlenmesi
Adaylık süreci boyunca komite içinde ya da diğer aktörle herhangibir fikir ayrılığı yaşandı mı?

# Kurumun EXPO adaylık sürecindeki rolü

• Kurumun adaylık sürecinde tam tanımlı bir rolü var mıydı?.....

Bu anlaşmazlıklar nasıl çözüldü?.....

Süreç belli bir stratejik plana göre mi yönlendirildi?......

Kurumiçi ve Kurumlararası Çalışma ve Hazırlık stratejileri Bütün kurumların EXPOdan aynı derecede faydalandıgı düşünülüyor musunuz?..... EXPO dolayısıyla kurumlar arası ilişkler güçlendi mi? Kurumun kendi içindeki birimleri arası ilişkler güçlendi mi?..... Kurumlar daha sonraki süreçte de ortak çalışmaya devam ediyor mu? .... Komitenin farklı tarafları temsiliyeti EXPO komitesinin bütün kurumları ve toplumu yeterince temsil ettiğini düşünüyor musunuz? Başka hangi kurumlar komitede olabilirdi?..... EXPO sürecinde bir koordinator kurum ya da kişi var mıydı?..... EXPO süreci esas olarak hangi kurumlar arasında yönlendirildi? ..... Halkın EXPO'ya Bakışı ve EXPO'nun Halka Tanıtılması Halkın EXPOyu tanıması ve sahiplenmesi için bir hazırlık ya da çalışma yapıldı mı?..... EXPO adaylık süreci bölgede yaşayan insanların bu tür dev organizasyonlara olan yaklaşımını değiştirdi mi?..... **EXPO Hazırlık Sürecinin Kurumsal Gelişime Etkisi** Bütün paydaşlar projenin her basamağında yer aldı ya da bilgilendirildi mi yoksa sadece kendileriyle ilgili olan kısımlarda mı yer aldı?..... EXPO sürecinden edinilen deneyim yerelde diğer kurumlara yayıldı mı yoksa sadece yerel yönetimde mi kaldı?..... • EXPO süreci bittikten sonra süreçle ilgili bir rapor hazırlandı mı? İleriki politikalar ya da yatırımlar hakkında halk bilgilendirildi mi?..... Bu tecrübeden edinlen hangi dersler ve sonuçlar gelecekte olabilecek

organzasyonlara yol gösterebilir?...... Bütün bu süreçte kurumunuzu ve genel çabayı siz nasıl

olabilirdi?.....

degerlendriyorsunuz? Yeterli miydi? Eksikleri var mıydı? Daha iyi nasıl

Kararlar nasıl bir yol izlenerek alınıyordu? .....

**Table B.1:** Network Analysis Table

EXPO Adaylık süreci öncesinde/sırasında/sonrasında: Lüten secilen kutuya (x) koyunuz		En çok ilişki, işbirliği kurulanlar		
		Öncesi	Sırası	Sonrası
	YÖNLENDİRME VE YÜRÜTME KOMİTESİ			
1	Dışişleri Bakanlığı			
2	İzmir Valilği			
3	İzmir Büyükşehir Belediyesi			
4	Kültür ve Turizm Bakanlığı			
5	Sanayi ve Ticaret Bakanlığı			
6	Ulaştırma Bakanlığı			
7	Sağlık Bakanlığı			
8	Çevre ve Orman Bakanlığı			
9	Dış Ticaret Müsteşarlığı			
10	Basın Yayın ve Enformasyon Genel Müdürlüğü			
11	TRT Genel Müdürlüğü			
12	İzmir Ticaret Odası			
13	İzmir İl Genel Meclisi			
14	Ege Bölgesi Sanayi Odası			
15	İzmir Ticaret Borsası			
16	Ege İhracatçı Birlikleri			
17	Deniz Ticaret Odası İzmir Şubesi			
18	Ege Ekonomiyi Geliştirme Vakfı			
19	Ege Genç İş adamları Derneği			
20	İzmir Fuarcılık A.Ş.			
21	TİM(Türkiye İhracatçılar Meclisi)			
22	TOBB			
23	Devlet Planlama Teşkilatı			
24	İzmir Esnaf ve Sanatkârlar Odaları Birliği			
	DİĞER			
25	Dokuz Eylül Üniversitesi			
26	İzmir Yüksek Teknoloji Enst.			
27	Meslek odaları (Şehir Plancıları, ziraat)			
28	İzmir il, ilçe belediyeleri			
31	İl müdürlükleri(turizm, çevre-orman)			
32	Doğa ve Çevre Vakıfları/Dernek(ÇEKÜL)			
33	Turizm, altyapı ve tanıtma dernekleri			
34	İzmir Kalkınma Ajansı			
34	Diğer dernek/vakıflar			

# **APPENDIX C**

# **STATISTICS ABOUT OLYMPIC GAMES**

Table C.1: Number of nations and athletes attended to Olympic Games

		Number of	
Year	Venue	Nations	Number of Athletes
1896	Athens	14	241
1900	Paris	24	997
1904	St Louis	12	651
1908	London	22	2,008
1912	Stockholm	28	2,407
1920	Antwerp	29	2,626
1924	Paris	44	3,089
1928	Amsterdam	46	2,883
1932	Los Angeles	37	1,332
1936	Berlin	49	3,963
1948	London	59	4,104
1952	Helsinki	69	4,955
1956	Melbourne / Stockholm	72	3,314
1960	Rome	83	5,338
1964	Tokyo	93	5,151
1968	Mexico	112	5,516
1972	Munich	121	7,134
1976	Montreal	92	6,084
1980	Moscow	80	5,179
1984	Los Angeles	140	9,19
1988	Seoul	159	8,391
1992	Barcelona	169	9,356
1996	Atlanta	197	10,318
2000	Sydney	199	10,651
2004	Athens	201	10,625
2008	Beijing	204	10,500 (around)
	t .		1

(source: http://www.olympic.org)

#### **APPENDIX D**

# COUNCIL of MINISTERS DECREES and LAWS ABOUT IZMIR EXPO 2015

T.C. Resmi Gazete 19 Aralık 2006 SALI

Resmi Gazete

Sayı: 26381 26381

#### **BAKANLAR KURULU KARARI**

Karar Sayısı: 2006/11341

Enerji ve Tabii Kaynaklar Bakanı

Ekli "EXPO 2015 İzmir Yönlendirme Kurulu ile Yürütme Komitesinin Teşkiline Dair Karar"ın yürürlüğe konulması; Dışişleri Bakanlığı'nın 8/11/2006 tarihli ve 437836 sayılı yazısı üzerine, 24/6/1994 tarihli ve 4009 sayılı Kanunun 2 nci maddesi ile 16/4/2003 tarihli ve 4848 sayılı Kanunun 2 nci maddesine göre, Bakanlar Kurulu'nca 30/11/2006 tarihinde kararlaştırılmıştır.

#### **Ahmet Necdet SEZER**

CUMHURBAŞKANI

Recep Tayyip ERDOĞAN			
Başbakan			
A. GÜL	B. YILDIRIM	M. A. ŞAHİN	B. ATALAY
Dışişleri Bak, ve Başb, Yrd. Bakanı	Devlet Bak, ve Başb, Yrd, V.	Devlet Bak, ve Başı	b. Yrd. Devlet
K. UNAKITAN	M. AYDIN	N. ÇUBUKÇU	K. TÜZMEN
Devlet Bakanı V.	Devlet Bakanı	Devlet Bakanı	Devlet Bakanı
C. ÇİÇEK	M. V.GÖNÜL	A.AKSU	K. UNAKITAN
Adalet Bakanı	Milli Savunma Bakanı	İçişleri Bakanı	Maliye Bakanı
H. ÇELİK	F. N.ÖZAK	R.AKDAĞ	B. YILDIRIM
Milli Eğitim Bakanı Bakanı	Bayındırlık ve İskan Bakanı	Sağlık Bakanı	Ulaştırma
M. M. EKER	M. BAŞESGİOĞL	u c. çiç	EK
Tarım ve Köyişleri	Bakanı Çalışma ve Sos.	Güv. Bakanı Sanayi	ve Ticaret Bakanı V.
M.H.GÜLER	A. KOÇ	O. PE	PE

Kültür ve Turizm Bakanı

Çevre ve Orman Bakanı

# EXPO 2015 İZMİR YÖNLENDİRME KURULU İLE YÜRÜTME KOMİTESİNİN TEŞKİLİNE DAİR KARAR

#### Amaç ve kapsam

**MADDE 1** –(1) Bu Kararın amacı, 2008 yılında yapılacak Expo 2015'e ev sahipliği yapacak kentin belirleneceği seçimlere kadar, İzmir'in Ülkemiz adına sürdürdüğü adaylığının başarıyla sonuçlandırılması amacıyla Expo 2015 İzmir Yönlendirme Kurulu ile Yürütme Komitesinin teşkil edilmesi ile bunların çalışmalarına, gelir ve harcamalarına ilişkin usul ve esasların belirlenmesidir.

# Dayanak

#### MADDE 2 –(1) Bu Karar,

- a) 4009 sayılı Dışişleri Bakanlığının Kuruluş ve Görevleri Hakkında Kanunun 2 nci maddesine,
- b) 4848 sayılı Kültür ve Turizm Bakanlığı Teşkilat ve Görevleri Hakkında Kanunun 2 nci maddesine,

istinaden hazırlanmıştır.

# Expo 2015 İzmir Yönlendirme Kurulu

- **MADDE 3** –(1) Expo 2015 İzmir adaylık sürecinde; Expo'nun düzenleneceği alanı belirlemek, söz konusu alan üzerinde gereken proje, plan ve imalat çalışmalarını tamamlayarak ülkelerin katılımını temin etmek ve Expo'yu başarıyla gerçekleştirmek amacı doğrultusunda gerekli girişimlerde bulunmak, yapılacak çalışmaları belirlemek ve kamu kurum ve kuruluşları ve sivil toplum örgütleri arasında koordinasyonu sağlamak üzere Expo 2015 Yönlendirme Kurulu teşkil edilmiştir.
- (2) Expo 2015 İzmir Yönlendirme Kurulu; Dışişleri Bakanı veya görevlendirilmesi halinde Dışişleri Bakanlığı Müsteşarının başkanlığında, İzmir Valisi, İzmir Büyükşehir Belediye Başkanı, Kültür ve Turizm Bakanlığı, Sanayi ve Ticaret Bakanlığı, Ulaştırma Bakanlığı, Dış Ticaret Müsteşarlığı, Basın Yayın ve Enformasyon Genel Müdürlüğü, TRT Genel Müdürlüğü temsilcileriyle, İzmir Ticaret Odası Başkanı, İzmir İl Genel Meclisi Başkanı, Ege Bölgesi Sanayi Odası Başkanı, İzmir Ticaret Borsası Başkanı, Ege İhracatçı Birlikleri Başkanı, Deniz Ticaret Odası İzmir Şubesi Başkanı, Ege Ekonomiyi Geliştirme Vakfı Yönetim Kurulu Başkanı ile Ege Genç İş adamları Derneği Yönetim Kurulu Başkanlığı ve İzmir Fuarcılık A.Ş.'nin birer temsilcisi olmak üzere toplam 18 kişiden oluşur.
- (3) Expo 2015 İzmir adaylık sürecine ilişkin yapılacak çalışmaların usulü ve temel esasları Yönlendirme Kurulunca belirlenir.
  - (4) Yönlendirme Kurulu; ilk toplantısını Dışişleri Bakanlığının çağrısı

üzerine, daha sonraki toplantılarını ise Yürütme Komitesinin ihtiyaç duyması halinde, Yönlendirme Kurulu Başkanının daveti üzerine yapar.

(5) Yönlendirme Kurulu, toplantı çağrısına göre Ankara ya da İzmir'de toplanır.

#### Yürütme Komitesi

- **MADDE 4** –(1) Yürütme Komitesi, Dışişleri Bakanlığı temsilcisinin başkanlığında, Yönlendirme Kurulunda yer alan kamu kurumları temsilcilerinin kendi aralarından seçecekleri başkan dahil 4 kişi ve kamu kurumu dışında kalan kurumların kendi aralarından seçecekleri 3 kişi olmak üzere toplam 7 kişiden oluşur.
- (2) Yürütme Komitesi; Yönlendirme Kurulunca belirlenen usul ve esaslar çerçevesinde, İzmir'in Expo 2015'e Ülkemiz adına ev sahipliği yapması için gerekli çalışmaları yapmak, Uluslararası Sergiler Bürosu (BIE) tarafından yapılacak denetimlerin gereklerini yerine getirmek, projeyi BIE norm ve kriterlerine uygun olarak hazırlamak, oluşturulan bütçenin ilgili mevzuat çerçevesinde amacına uygun olarak kullanılmasını sağlamakla görevlidir.
- (3) Yürütme Komitesi ihtiyaca göre Başkanın belirlediği tarihlerde toplanır ve kararlarını salt çoğunlukla alır.

#### İl içi koordinasyon

**MADDE 5** –(1) İzmir Valisi kendi görev alanına ilişkin idari konularda koordinasyonu sağlamakla ve Yürütme Komitesinin çalışmalarını denetlemekle görevlidir.

#### Gelirler ve bütçe

- **MADDE 6** –(1) Yönlendirme Kurulunun bütçesi, kamu kurum ve kuruluşları tarafından ilgili mevzuat uyarınca aktarılacak tutarlar ile kamu kurumu niteliğindeki meslek kuruluşları, vakıflar, dernekler, sivil toplum örgütleri ve diğer kişi ve kuruluşlarca yapılan ayni ve nakdi yardımlar, sponsorluk gelirleri, reklam gelirleri, faiz gelirleri ve diğer gelirlerden oluşur.
- (2) Gelirler bu amaçla ulusal bankalardan birinde açılacak hesapta toplanır. Kamu kurum ve kuruluşlarının bütçesinden aktarılacak nakitler doğrudan bu hesaba aktarılır. Hesap açmaya veya daha önce açılmış hesapları tek bir hesap altında toplamaya Yürütme Komitesi yetkilidir. Başkan, her türlü bankacılık işlemlerini yapmak üzere Yürütme Komitesi üyeleri arasından iki kişiyi görevlendirebilir.

#### Harcamalar

**MADDE 7** –(1) Expo 2015 İzmir adaylık sürecinde yapılacak her türlü toplantı, sempozyum, tanıtım ve personel giderleri, yolluklar, temsil ağırlama, ilan,

reklam, demirbaş, hizmet alımı ve benzeri harcamalar bütçeden yapılır.

- (2) Yürütme Komitesince belirlenen sınırlar dahilinde ilgili mevzuata göre avans kullanılabilir.
- (3) Yönlendirme Kurulu bütçesinden yapılan her türlü harcamada, harcama kararına kanıtlayıcı belgeler eklenir.
- (4) Harcamaların en düşük maliyetle en yüksek verimi elde edecek şekilde yapılması esastır.
- (5) 25.000 YTL üzerindeki yurtiçi harcamalarda piyasa araştırması yapmak üzere Yürütme Komitesi Başkanı tarafından Yürütme Komitesi üyeleri arasından iki kişi görevlendirilir ve piyasa araştırma tutanağı düzenlenir. Piyasa araştırma tutanağı harcama kararına eklenir.
  - (6) Bütçe mevcudundan fazla harcama yapılamaz.

#### Sona erme

- **MADDE 8** –(1) 2008 yılında yapılacak BIE Genel Kurulu toplantısında alınacak karar üzerine Yönlendirme Kurulu ve Yürütme Komitesi feshedilerek faaliyetlerine son verilir.
- (2) Bu maddenin uygulanmasına ilişkin usul ve esaslar ile Expo 2015 İzmir Yönlendirme Kurulunun mali varlığının ne şekilde değerlendirileceği Dışişleri Bakanlığı, Maliye Bakanlığı ile Kültür ve Turizm Bakanlığı tarafından belirlenir.

# **Denetim ve sorumluluk**

**MADDE 9** –(1) Bu Karar kapsamında yapılacak iş ve işlemlerden Yürütme Komitesi sorumlu olup bu iş ve işlemler ilgili mevzuat hükümleri saklı kalmak kaydıyla Dışişleri Bakanlığı tarafından denetlenir.

#### Yürürlükten kaldırılan mevzuat

**MADDE 10** –(1) 7/11/2005 tarihli ve 2005/9616 sayılı Bakanlar Kurulu Kararı yürürlükten kaldırılmıştır.

#### Yürürlük

**MADDE 11** –(1) Bu Karar yayımı tarihinde yürürlüğe girer.

#### Yürütme

MADDE 12 –(1) Bu Kararı Bakanlar Kurulu yürütür.

#### Resmi Gazete

#### **BAKANLAR KURULU KARARI**

Karar Sayısı: 2007/12324

Ekli "Expo 2015 İzmir Yönlendirme Kurulu ile Yürütme Komitesinin Teşkiline Dair Kararda Değişiklik Yapılması Hakkında Karar"ın yürürlüğe konulması; Dışişleri Bakanlığının 24/4/2007 tarihli ve ÇKGY-85013 sayılı yazısı üzerine, 24/6/1994 tarihli ve 4009 sayılı Kanunun 2 nci maddesi ile 16/4/2003 tarihli ve 4848 sayılı Kanunun 2 nci maddesine göre, Bakanlar Kurulu'nca 1/6/2007 tarihinde kararlaştırılmıştır.

#### **Ahmet Necdet SEZER**

Sayı: 26572 26572

#### CUMHURBAŞKANI

Recep Tayyip ERDOĞAN						
Başbakan						
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Dışişleri Bak, ve Başb, Yrd. Bakanı			Devlet Bak	. ve Başb. Y	rd. Devlet	
K. UNAKITAN	M. AYDIN	1	N. ÇUBUKÇU		K. TÜZMEN	
Devlet Bakanı V.	İÇEK M. V.GÖNÜL		Devlet Bakanı A.AKSU İçişleri Bakanı		Devlet Bakanı	
C. ÇİÇEK					K. UNAKITAN	
Adalet Bakanı					Maliye Bakanı	
H. ÇELİK	F. N.ÖZAK		R.AKDAĞ	;	B. YILDIRIM	
Millî Eğitim Bakanı Bayındırlık Bakanı		an Bakanı	Sağlık	Bakanı	Ulaştırma	
M. M. EKER		AŞESGİOĞLU		C. ÇİÇEK	:	
Tarım ve Köyişleri Bakanı M.H.GÜLER		ma ve Sos. G(	üv. Bakanı	Sanayi ve	Ticaret Bakanı V.	
		A. KOÇ		O. PEPE	:	
Enerji ve Tabii Kaynakl	ar Bakanı Kü	ltür ve Turizm I	Bakanı	Çevre ve (	Orman Bakanı	

# EXPO 2015 İZMİR YÖNLENDİRME KURULU İLE YÜRÜTME KOMİTESİNİN TEŞKİLİNE DAİR KARARDA DEĞİŞİKLİK YAPILMASI HAKKINDA KARAR

**MADDE 1-** 30/11/2006 tarihli ve 2006/11341 sayılı Bakanlar Kurulu Kararı ile yürürlüğe konulan EXPO 2015 İzmir Yönlendirme Kurulu ile Yürütme Komitesinin Teşkiline Dair Kararın 3 üncü maddesinin ikinci, üçüncü ve beşinci fikraları asağıdaki sekilde değistirilmistir.

- "(2) Expo 2015 İzmir Yönlendirme Kurulu; Dışişleri Bakanı veya görevlendirilmesi halinde Dışişleri Bakanlığı Müsteşarının veya temsilcisinin başkanlığında, İzmir Valisi, İzmir Büyükşehir Belediye Başkanı, Kültür ve Turizm Bakanlığı, Sanayi ve Ticaret Bakanlığı, Ulaştırma Bakanlığı, Dış Ticaret Müsteşarlığı, Devlet Planlama Teşkilatı Müsteşarlığı, Basın-Yayın ve Enformasyon Genel Müdürlüğü, TRT Genel Müdürlüğü temsilcileriyle, Türkiye Odalar ve Borsalar Birliği Başkanı, Türkiye İhracatçılar Meclisi Başkanı, İzmir Ticaret Odası Başkanı, İzmir İl Genel Meclisi Başkanı, Ege Bölgesi Sanayi Odası Başkanı, İzmir Ticaret Borsası Başkanı, Ege İhracatçı Birlikleri Başkanı, Deniz Ticaret Odası İzmir Şubesi Başkanı, Ege Ekonomiyi Geliştirme Vakfı Yönetim Kurulu Başkanı, Ege Genç İşadamları Derneği Yönetim Kurulu Başkanı, İzmir Esnaf ve Sanatkarlar Odaları Birliği Başkanı, İzmir Fuarcılık A.Ş. Genel Müdürü olmak üzere toplam 22 üyeden oluşur.
- (3) EXPO 2015 İzmir adaylık sürecine ilişkin yapılacak çalışmaların usulü ve temel esasları Yönlendirme Kurulunca belirlenir. Bu çerçevede Tanıtma Kurulu, Danışma Kurulu, Onur Kurulu, Denetleme Kurulu gibi uygun görülecek alt kurullar Yönlendirme Kurulunca oluşturulabilir."
- "(5) Yönlendirme Kurulunca yapılan iş ve işlemler özel hukuk hükümlerine tabidir."
- **MADDE 2-**Aynı Kararın 4 üncü maddesinin birinci fikrası aşağıdaki şekilde değiştirilmiş, maddeye ikinci fikradan sonra gelmek üzere aşağıdaki fikra eklenmiş ve mevcut üçüncü fikranın numarası (4) olarak teselsül ettirilmiştir.
- "(1)Yürütme Komitesi, Dışişleri Bakanlığı temsilcisinin başkanlığında, Yönlendirme Kurulunda yer alan kamu kurumları temsilcilerinin kendi aralarından seçecekleri, başkan dahil en fazla 6 kişi ve kamu kurumu dışında kalan kurumların kendi aralarından seçecekleri en fazla 5 kişi olmak üzere toplam en fazla 11 kişiden oluşur."
- "(3) Yürütme Komitesi, Expo 2015 İzmir adaylık süreciyle ilgili olarak sözleşme yapmaya ve imzalamaya, bu sözleşmenin icaplarını yerine getirmeye yetkilidir. Bu çerçevede yapılan iş ve işlemler hakkında Yönlendirme Kurulu düzenli olarak bilgilendirilir."
- **MADDE 3-**Aynı Kararın 5 inci maddesi başlığı ile birlikte aşağıdaki şekilde değiştirilmiştir.

"Sekreterya

MADDE 5- (1) EXPO 2015 İzmir Yönlendirme Kurulu ile Yürütme Komitesine çalışmalarında gerekli desteği sağlamak üzere, Yönlendirme Kurulu Başkanı tarafından görevlendirilecek bir Genel Sekreter başkanlığında ve yeterli sayıda personelden oluşan bir Sekreterya teşkil edilmiştir. Sekreterya, EXPO 2015

İzmir Yönlendirme Kurulu ile Yürütme Komitesi tarafından verilecek görevleri yerine getirmek, Yürütme Komitesi Başkanı adına bütçeyi hazırlayarak Yürütme Komitesinin onayına sunmak, bütçeyi uygulamak, gerekli yazışmaları yapmak, ilgili kurumlar arasında koordinasyonu sağlamak, toplantı tutanaklarını hazırlamak ve dağıtımını sağlamakla yükümlüdür."

**MADDE 4-**Aynı Kararın 6 ncı maddesinin birinci ve ikinci fıkraları aşağıdaki şekilde değiştirilmiştir.

- "(1) Yönlendirme Kurulunun bütçesi; Yönlendirme Kurulu üyesi kamu kurum ve kuruluşları tarafından, ilgili mevzuat uyarınca aktarılacak tutarlar ile kamu kurumu niteliğindeki meslek kuruluşları, vakıflar, dernekler, sivil toplum örgütleri ile diğer özel hukuk tüzel kişileri ve gerçek kişilerce yapılan ayni ve nakdi yardımlar, sponsorluk gelirleri, faiz gelirleri ve diğer gelirlerden oluşur.
- (2) Gelirler ulusal bankalardan birinde bu amaçla açılacak vadeli ve vadesiz hesaplarda toplanır. Hesap açmaya, kapamaya veya daha önce açılmış hesapları tek bir hesap altında toplamaya Yürütme Komitesi Başkanı yetkilidir. Başkan, bu yetkilerini kısmen veya tamamen Yürütme Komitesinin diğer üyelerinden birine ya da birkaçına devredebilir. Başkan, Genel Sekreterin bütçeden yapacağı harcamaları denetlemek üzere, Yürütme Komitesi üyeleri arasından iki kişiyi görevlendirebilir."

**MADDE 5-**Aynı Kararın 8 inci maddesinin birinci fıkrası aşağıdaki şekilde değiştirilmiştir.

"(1) 2008 yılında yapılacak BIE Genel Kurulu toplantısında İzmir'in adaylığının kabulü halinde, Yönlendirme Kurulu ve Yürütme Komitesi ile Sekreterya, İzmir EXPO 2015 İzmir Sergisi ile ilgili işlemleri yürütecek yeni oluşumun faaliyete geçmesine kadar görevlerini sürdürür. BIE Genel Kurulu toplantısında İzmir'in adaylığının kabul edilmemesi durumunda ise, ikinci fikra uyarınca yapılacak düzenleme çerçevesinde Yönlendirme Kurulu ve Yürütme Komitesi ile Sekreterya feshedilerek faaliyetlerine son verilir."

**MADDE 6-**(1) Bu Karar yayımı tarihinde yürürlüğe girer.

**MADDE 7-**(1) Bu Kararı Bakanlar Kurulu yürütür.

#### Resmi Gazete

#### **BAKANLAR KURULU KARARI**

Karar Sayısı: 2008/13189

Recep Tayyip ERDOĞAN

Ekli "Expo 2015 İzmir Yönlendirme Kurulu ile Yürütme Komitesinin Teşkiline Dair Kararda Değişiklik Yapılması Hakkında Karar"ın yürürlüğe konulması; Dışişleri Bakanlığının 2/1/2008 tarihli ve ÇKGY-3 sayılı yazısı üzerine, 24/6/1994 tarihli ve 4009 sayılı Kanunun 2 nci maddesi ile 16/4/2003 tarihli ve 4848 sayılı Kanunun 2 nci maddesine göre, Bakanlar Kurulu'nca 22/1/2008 tarihinde kararlaştırılmıştır.

#### Abdullah GÜL

Sayı: 26786

# CUMHURBAŞKANI

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Başbakan			
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Sanayi ve Ticaret Bakanı Bakanı	Enerji ve Tabii Kaynaklar Bakanı	Kültür ve Turizm Bakanı	Çevre ve Orman

# EXPO 2015 İZMİR YÖNLENDİRME KURULU İLE YÜRÜTME KOMİTESİNİN TEŞKİLİNE DAİR KARARDA DEĞİŞİKLİK YAPILMASI

HAKKINDA KARAR

MADDE 1 –30/11/2006 tarihli ve 2006/11341 sayılı Bakanlar Kurulu Kararı ile yürürlüğe konulan EXPO 2015 İzmir Yönlendirme Kurulu ile Yürütme Komitesinin Teşkiline Dair Kararın 3 üncü maddesinin ikinci fikrasına "Ulaştırma Bakanlığı" ibaresinden sonra gelmek üzere "Sağlık Bakanlığı, Çevre ve Orman Bakanlığı" ibareleri eklenmiş ve bu fikrada yer alan "22" ibaresi "24" olarak değiştirilmiştir.

**MADDE 2** –Aynı Kararın 4 üncü maddesinin birinci fikrasında yer alan "6" ibaresi "8" olarak ve "11" ibaresi de "13" olarak değiştirilmiştir.

MADDE 3 –Bu Karar yayımı tarihinde yürürlüğe girer.

MADDE 4 -Bu Kararı Bakanlar Kurulu yürütür.

# 5750 SAYILI EXPO 2015 İZMİR YÖNLENDİRME KURULUNUN TÜZEL KİŞİLİK KAZANMASI, GELİR VE HARCAMALARI İLE DENETİMİ VE TASFİYESİ HAKKINDA KANUN

Resmi Gazete Tarihi: 2008-03-22 Resmi Gazete Sayisi: 26824/Mükerrer

Kabul Tarihi: 19/3/2008

#### Expo 2015 Yönlendirme Kurulu

- **MADDE 1** (1) 30/11/2006 tarihli ve 2006/11341 sayılı Bakanlar Kurulu Kararı ile oluşturulan EXPO 2015 İzmir Yönlendirme Kurulu tüzel kişiliğe sahip olup, iş ve işlemleri özel hukuk hükümlerine tabidir.
- (2) Yönlendirme Kurulu, Yürütme Komitesi ile Sekretarya bu Kanun ve Bakanlar Kurulu kararları çerçevesinde faaliyetlerini yürütmeye devam eder.

#### Gelirler, harcamalar ve denetim

- MADDE 2 (1) Yönlendirme Kurulunun gelirleri, Yönlendirme Kurulu üyesi kamu kurum ve kuruluşları tarafından aktarılacak tutarlar ile kamu kurumu niteliğindeki meslek kuruluşları, vakıflar, dernekler, sivil toplum örgütleri ile diğer özel hukuk tüzel kişileri ve gerçek kişilerce yapılan ayni ve nakdi yardımlar, sponsorluk gelirleri, faiz gelirleri ve diğer gelirlerden oluşur. Gelirler, ulusal bir banka nezdinde açılacak hesapta toplanır. Hesapta toplanan tutarlar Yönlendirme Kurulunca nemalandırılır.
- (2) İzmir'in adaylık sürecinde yapılacak her türlü toplantı, sempozyum, tanıtım ve personel giderleri ile temsil, ağırlama, ilân, reklâm, taşınır, hizmet alımı ve benzeri harcamalar birinci fıkrada belirtilen hesaptan karşılanır.
- (3) Bu Kanun kapsamına giren mal ve hizmet alımları ile satım, kira ve her türlü işlemlerde 8/9/1983 tarihli ve 2886 sayılı Devlet İhale Kanunu ile 4/1/2002 tarihli ve 4734 sayılı Kamu İhale Kanunu hükümleri uygulanmaz.
- (4) Alım, satım ve kiralama işlemleri ile yapılacak harcamalarda uygulanacak usul ve esaslar Yönlendirme Kurulunca belirlenir.
- (5) Bu Kanun kapsamında yapılacak iş ve işlemler ile bu iş ve işlemlerle ilgili harcamalar hakkında 2/4/1987 tarihli ve 3346 sayılı Kanun hükümleri uygulanır.

#### Tasfiye işlemleri

MADDE 3 – (1) İzmir'in adaylığının Uluslararası Sergiler Bürosu Genel Kurulunca kabulü halinde 30/11/2006 tarihli ve 2006/11341 sayılı Bakanlar Kurulu Kararı ile oluşturulan Yönlendirme Kurulu ve Yürütme Komitesi ile Sekretarya, Expo 2015

İzmir ile ilgili işlemleri yürütecek yeni kurumun faaliyete geçtiği tarihe kadar görevlerini sürdürür.

(2) Uluslararası Sergiler Bürosu Genel Kurulu toplantısında İzmir'in adaylığının kabul edilmemesi durumunda ise Yönlendirme Kurulunun hesaplarında bulunan tutarlar ile taşınırlar, kültür ve sanat etkinliklerinde kullanılmak üzere İzmir İl Özel İdaresi ve İzmir Büyükşehir Belediyesine üç ay içerisinde eşit olarak devredilir.

#### Yürürlük

**MADDE 4** – (1) Bu Kanun yayımı tarihinde yürürlüğe girer.

#### Yürütme

**MADDE 5** – (1) Bu Kanun hükümlerini Bakanlar Kurulu yürütür.

22/3/2008