FINANCIALIZATION OF THE RENEWABLE ENERGY TRANSITION AND ITS POLITICAL AND SOCIAL IMPACTS: AKHISAR CASE

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ABSTRACT

FINANCIALIZATION OF THE RENEWABLE ENERGY TRANSITION AND ITS POLITICAL AND SOCIAL IMPACTS: AKHISAR CASE

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The exacerbating adverse effects of the climate crisis drive the political and economic actors to maneuver from the accustomed political and economic behaviors and attitudes, especially in the last two decades. Energy transition as a seventh sustainable development goal of the United Nations becomes one of the solutions offered by those actors. This thesis focuses on the financialization of the renewable energy transition and its political and social effects at the global, national, and local levels. Firstly, the thesis elucidates how the global paradigm shift in the energy transition parallels neoliberal structuring. Secondly, the effects of financialization on emerging countries and the Turkish political economy between 1980 and today are discussed with a literature review. Thirdly, the Turkish energy transition path is analyzed, and the impacts of financialization on the policy-making process are elaborated with a discursive analysis of the parliamentary minutes' records from 1996 to July 2023. Fourthly, the results of the social impact assessment of the solar energy transition process are conducted through semi-structured interviews with different sectors, and the local municipality in the Akhisar region is analyzed to see the impacts of the financialization of energy transition at the local level. The impacts at different geographical levels are discussed together in the conclusion chapter.
Keywords: financialization, renewable energy, Akhisar, Türkiye
ÖZ

YENİLENEBİLİR ENERJİ DÖNÜŞÜMÜNDE FİNANSALLAŞMA VE POLİTİK VE SOSYAL ETKİLERİ

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Anahtar Kelimeler: yenilenebilir enerji, finansallaşma, Akhisar, Türkiye
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LIST OF ABBREVIATIONS

AKP: Justice and Development Party
ANAP: Motherland Party
BDP: Peace and Democracy Party
BO: Build and Operate
BOT: Build Operate Transfer
BRICS: Brazil, Russia, India, China and South Africa
BSCD: Business Council for Sustainable Development
CDM: Clean Development Mechanism
CDO: Collateralized Debt Obligation
CER: Certified Emission Reduction
CHP: Republican People’s Party
DTP: Democratic Society Party
ECT: International Energy Charter Treaty
EEA: European Economic Area
EIA: Environmental Impact Assessment
EİEİ: General Directorate of Electric Power Resources Survey and Development Administration
EML: Electricity Market Law
EPDK: Energy Market Regulatory Authority
ESG: Environmental, Social, and Governance
EU: European Union
EÜAŞ: Electricity Generation Company
FDI: Foreign Direct Investment
GCC: Gulf Cooperation Council
GCF: Green Climate Fund
GDP: Gross Domestic Income
GNP: Gross National Income
HDP: People’s Democratic Party
HPP: Hydraulic Power Plants
IAEA: International Atomic Energy Agency
IEA: International Energy Agency
IMF: International Monetary Fund
IMKB: Istanbul Stock Exchange
INGO: international non-governmental organization
ISDS: Investor-State Dispute Settlement
IUCN: International Union for Conservation of Nature
İYİP: Good Party
LNG: liquid natural gas
MENR: Ministry of Energy and Natural Resources
MHP: Nationalist Action Party
MTA: General Directorate of Mineral Research & Exploration of Turkey
NATO: The North Atlantic Treaty Organization
NGO: non-governmental organizations
OECD: Organisation for Economic Cooperation and Development
OIZ: Organized Industrial Zone
PPP: Public Private Project
PV: photovoltaic
QE: Quantitative Easing
SDG: Sustainable Development Goals
SIA: Social Impact Assessment
SPP: Solar Power Plants
TEAŞ: Turkish Electricity Generation and Transmission Company
TEDAŞ: Turkish Electricity Distribution Company
TEİAŞ: Turkish Electricity Transmission Corporation
TEK: Turkish Electricity Authority
TETAŞ: Turkish Electricity Trade and Contracting Company
TOKİ: Public Housing Authority
TOR: Transfer Of Operating Rights
TRT: Turkish Radio and Television Corporation
TSKB: Turkish Industrial Development Bank
TÜSİAD: Turkish Industry and Business Association
UN: United Nations
UNDESA: United Nations Department of Economic and Social Affairs
UNDP: United Nations Development Programme
UNEP: United Nations Environmental Programme
UNESCO: United Nations Educational, Scientific and Cultural Organization
UNFCC: United Nations Framework Convention on Climate Change
UNGA: United Nations General Assembly
USA: United States of America
USSR: Union of Soviet Socialist Republics
WB: World Bank
WTO: World Trade Organization
WW2: First World War
CHAPTER 1

INTRODUCTION: FINANCIALIZATION OF THE TRANSITION TO RENEWABLE ENERGIES

1.1. Global Paradigm of Energy Transition

Rising carbon emissions increase the detrimental effects of the global climate crisis. On the other hand, the states have already started energy transitions from carbon energies to renewable energies. While these transitions and integration of renewable energies are tried to realize under the neoliberal capitalist system, there are debates on the functionality of these methods in mitigating or eliminating the global climate crisis. This thesis will discuss the literature on the effects of financialization of the transitions to renewable energy on state-class relations and the states' roles at global, national, and local levels. Türkiye is chosen as a case to see the effects at the national level, and Akhisar is chosen for the local level. This thesis has three main subquestions and hypotheses:

Q1: What is the place of the states and financial actors in energy transition according to the global energy paradigm? Which methods does the global paradigm offer for energy transition processes?

Q2: How does the global paradigm of the energy transition function at the national level in developing countries? How does the financialization of the energy transition shape the policymaking processes? What is the state’s role in developing countries' energy transition, especially in Türkiye?

Q3: What are the impacts of the financialized energy transition processes and policies at the local level? What can be said about the relations between the state and different classes by looking at the results of the impacts?

H1: The global paradigm plans to construct a multi-actor and democratic system for ecodevelopment. The energy transition process is one of the central branches of this
new paradigm. The two main actors of this process are the financial investors and the states under the neoliberal structure. The financial actors are responsible for providing investments for renewable energy projects. However, the system works with the voluntariness principle. So, the states are responsible for providing an economically advantageous environment for the financial actors. Thus, the states amend and implement energy transition policies according to their roles of de-risker, controller, and facilitator attained by the global ecodevelopment paradigm. They follow the financial indicators to control and derisk the processes of energy transition projects.

**H2:** The global paradigm is reluctant about power relations between different actors. Thus, the targeted aim of the democratic and multi-actor transition process does not function. In contrast, the centralized position of the financial investors on energy transition processes to attract investments for renewable energy sectors in this paradigm consolidates the hegemony of the financial actors over the states and other classes. Thus, the ecodevelopment and energy transition functions as a top-down and undemocratic mechanism.

**H3:** The undemocratic and top-down mechanism and the hegemony of the financial realm on the energy transition process exacerbates the inequalities between classes at the local level. The credit-based profit-driven mechanism of the energy transition empowers the upper classes by selectively providing credits according to the quantitative measurements. This mechanism will aggravate the dependency of the lower classes on the upper ones in the future. On the other hand, the financialization of the energy transition also means transferring a welfare provision to the financial actors. This situation also deepens the inequalities between the classes, the lower classes' dependency on the upper ones, and the state’s incentives and subsidies.

The thesis uses several methods to reveal the impacts of the financialized energy transition. The introduction chapter will explain the global paradigm of the renewable energy transition. Firstly, this chapter explores the historical paradigm emerging on sustainable development and the relations with the global renewable energy transition. Secondly, it reveals the debates on the state's role and the possibility of success in mitigating the climate crisis. The discussions and the articles of the global conferences and institutions related to renewable energy and international financial dynamics will be analyzed to see the roles and responsibilities attained by the global paradigm to the
states. Then, the effects of financialization on state-class relations and global affairs will be discussed. Thirdly, the theoretical discussions on financialization and transitions to renewable energies will be analyzed. Fourthly, the case studies on the related literature will be inspected. Fifthly, the methods used in this thesis will be explained in detail.

In the second chapter, the effects of the neoliberal political economy, especially the financialization of emerging economies, will be discussed to understand the position, situation, behaviors, and attitudes of the Turkish state against the changing conditions and the effects of the changes in the country.

The third chapter will analyze electricity policies and the political process of renewable energy transition. Firstly, the literature about the political economy of the Turkish electricity market will be reviewed. Then, critically and discursively, the policy-making process for the renewable energy transition will be analyzed. This thesis will use the records of parliamentary minutes as material for the analysis and show the relations and interrelations between the global paradigm of energy transition and Turkish policy-making processes to reveal the dependencies of the developing state on the transition issue. Parliamentary minute records are the material of analysis because the literature heavily focuses on quantitative and economic analysis and findings. Thus, the energy transition policy narratives have not sufficiently been opened to discussion. This thesis tries to understand the political economy by focusing on state-class relations and the role of the state in the process of renewable energy transformation. So, the discussions within the parliament will help to understand the priorities of the states and the deficiencies of the policies related to energy transition.

I will discuss my research conducted in Akhisar in the fourth chapter. After showing the political economy and paradigm of energy transition and the effects of financialization on this at the global and national level, this chapter explains the current and future possible impacts on local residents of the transition process and its success under the neoliberal paradigm. The conclusion chapter will summarize the whole
thesis to see the political economy and impacts of the energy transition at the global, national, and local levels from a critical and holistic framework.

1.2. The Historical Framework of Global Paradigm Shift of Sustainable Development and Renewable Energy Transition

The United Nation (UN)'s promotion has provided universalization of the phenomenon of the transition to sustainable and renewable energy with its seventh one of the United Nations' Sustainable Development Goals (SDGs). The UN defines it as "access to affordable, reliable, sustainable and modern energy for all" (UN Website, 02.07.2022). This goal has several complex and paradoxical dimensions on economic, state, environmental, societal, and cultural levels. It requires the inclusion of and cooperation between different actors with divergent and competitive aims like state, market actors, non-governmental organizations (NGOs), and individuals. This chapter critically analyzes the brief history of sustainable development and energy development to reveal the mechanisms of renewable energy proliferation and the rise of financial actors and mechanisms of sustainable energy globally.

1.2.1 Framing of Sustainability with Economic and Environmental Dimensions on the Global Level: Stockholm Conference of 1972

UNESCO administrated environmental issues on the international level before 1972. In 1948, UNESCO established the International Union for Conservation of Nature (IUCN). This international non-governmental organization (INGO) body worked for the "protection and conservation of wildlife and natural habitats," and participating in the IUCN was voluntary. There was no intent to establish global intergovernmental laws (Egelston, 2012, p.60). This voluntary, nation-based system reflected the 20th century in that globalization and regionalization processes were limited, ideological divergences between nations were vital, and so on.

The importance of the UN's initial environmental initiatives is the voluntariness principle. Even today, unlike some economic and financial-based sanctions like Carbon Tax, environmental actions still depend on the voluntariness principle, and
economic and political actors can easily violate international environmental laws and principles.

Environmental concerns were brought to world politics with the Swedish Initiative of 1972. The Swedish Initiative aimed to problematize human-environment issues on the agenda of United Nations General Assembly (UNGA), increase the environmental consciousness in developing and developed states which have deteriorated environment, especially after Second World War (WW2), through modernization and development efforts, "identify environmental problems," solve them with "international cooperation" and with the leadership and agency of the UN. (Engfeldt, 1973, p. 394). The preparatory process of the Conference led by the secretariat of Maurice Strong showed that the active participation of developing state representatives in the global partnership on the human environment needs special attention due to the "budgetary limits," their uneasiness on development issues, and the distrust against the UN. However, with the comprehensive national reports and "penetrating consideration of the development-environment issue" by the secretariat of the 1972 Conference, 90 developing countries participated in the Stockholm Conference of the UNGA, while the USSR and some other socialist states declined to participate in it due to protest against the exclusion of East Germany (Engfeldt, 1973).

Landsberg stated that when development made a dimension of the environment, it attracted states' attention (1972, p.749). The discussed issues in the Conference were the authority and autonomy of the newly founded body, the United Nations Environmental Programme (UNEP), the funding of UNEP, and the possible contradictions of the new UN body's economic growth and environmental actions (Engfeldt, 1973, p. 407).

Also, other discussions within the Conference were about the "demand for reparations from the colonial powers responsible in the past to their natural and human resources" and "environmental policies on trade, investment, and aid" (Landsberg, 1972, p. 749), G-77 states' blames on Global North countries to pollute the world, whether the new concept of Maurice Strong "ecodevelopment" which was the integration of Global
North's environmental and Global South's development concerns, is the novel naming of the neo-colonialism (Egelston, 2012, p.62); poverty-sourced environmental pollution in Global South (Egelston, 2012, p. 63). The discussions within the Conference and its preparatory processes show that environmental-social problems were initiated to discuss within the economic paradigm and the distinction between Global North and Global South or developed-developing countries.

The exacerbating discussions are generally the results of the failure of the Keynesian State structure. The economic, financial, and sovereignty-related concerns of the developing countries were the main topics of the discussions. For Global North, the environment is elaborated with physical terms. At the same time, the Global South focuses on the new green financial aids, the potential ecological trade barriers to the developing states, and the Global North's disproportional environmental degradation, both with overconsumption and colonial heritage (Egelston, 70). The conferences concluded with the "Declaration of the United Nations Conference on the Human Environment," and according to Engfeldt, this increased hope for intergovernmental mutual work "regardless of politics, ideologies or economic status" and the hope for the UN activities (1973, p. 401).

However, other scholars see that the Stockholm Conference had exaggerated expectations for the hostile world, which were divided into developed/developing and North/South, and the conclusions of the Stockholm Conference should be examined critically (Landsberg, 1972; Egelston, 2012). While there is no discussion on energy issues, the Stockholm Conference and the discussions on "ecodevelopment" created the basis of the paradigm of sustainable energy development and determined the states as the main political actors on the societal-environmental issues of the development and critical theories, especially from Club of Rome "Limits to the Development" Report of 1972 against the limitless development (Egelston, 2012, p. 69).

Shortly, the Stockholm Conference revealed the contradictions between the economic and environmental dimensions of the issue. The intersections between the ecological
concerns and the uneven global capitalist structure, which have put the Global South countries on the exploited position dominated the discussions of the Conference.

1.2.2. Holistic Framing of Sustainable Energy: Brundtland Commission and Brundtland Report of 1987

The second global primary ad hoc conference on the human environment was the Brundtland Commission in 1984. Brundtland Report, published by the physician and chairman of the World Commission on Environment and Development of the United Nations, Dr. Bundtland, in 1987 (Keeble, 1987), highlighted the discussions on the economy and environmental degradation at the Stockholm Conference. However, it presented a guideline to the states and other actors.

The objective of the report was "re-examine the critical environment and development issues and to formulate realistic proposals for dealing with them; to propose new forms of international cooperation on these issues…; and to raise the levels of understanding and commitment to action of individuals, voluntary organizations, businesses, institutes, and governments." (Brundtland Report, 1987). So, the difference between the Stockholm Conference and the Brundtland Report was to initiate the evolution of the state-centric ecodevelopment perspective to a multi-actor setting and present a policy integration on different issues from food scarcity to sustainable energy. As the 28th article of the chapter on Call for Action in the Report shows, sustainable development is framed as a "process of change in which the exploitation of resources, the direction of investments, the orientation of technological development, and institutional change are made consistent with future as well as present needs." or shortly as an institutional process.

This framing brought the discussions on sustainability a "holistic perspective" by connecting "different critical issues" (Keeble, 1987, p.209). The emphasis on population increase, the significance of social dimension on the issue, increasing environment-related international and regional issues, and increasing arms race
between states shows that the Conference was affected by the critics of the Club of Rome.¹

The chapter on energy in Brundtland Report focuses on the types of energy and the policy offerings to the states. This report is essential for the concept of sustainable energy because it frames the energy by benefitting from both advocators and critics of the UN's initiatives on sustainability. Like other sustainability issues, the policy recommendations on energy focus on economic, technological, and environmental dimensions and put the state at the center of future developments.

The main themes are the insufficient subsidies for renewable energy, the monopolies of the electricity sector and its detrimental effects on the transition to renewables, the cheapening costs of renewable technology, and the infrastructural and technological obstacles against renewable energy proliferation of the renewable energy subchapters. The report has four energy aims: "sufficient growth of energy supplies to meet human needs; energy efficiency and conservation…; public health …; protection of the biosphere and prevention of more localized forms of pollution" (Brundtland Report, 1987). However, unlike Club of Rome critics, the report expresses hope for future ecodevelopment if the requisite precautions are taken.

Moreover, it can be said that technical points on renewable energy transition are overfocused while social and cultural dimensions and Global North-South distinctions were underemphasized. For example, as Hueting states, the increase of GNPs was seen as the leading solution to the obstacles against sustainability by ignoring the economic development required the massive use of scarcity sources within the report, the technological improvements as a way of eradicating the degradation rather than slowing it down, and the massive production and consumption levels in Global North were concealed within this report (1990). Sustainable energy development is seen as

¹ The famous book “Limits to Growth” published in 1972 by the Club of Rome, has 5 essential criticisms of the economic and political structure: the excessive growth of “population, industrialization, pollution, food production, and nonrenewable resource depletion.” They claim the obsession with excessive uncontrolled growth will consume the world and finish the era of industrial and economic growth suddenly within 100 years and there is a certain necessity to alter this with a sustainable and egalitarian economy.
the economic and social change processes in the Third World (Diemer, 2019), and the
global and national inequalities are ignored within this report. So, while Brundtland
Report has a deeper and more complex understanding of environmental degradation
and sustainability and tries to generate a more comprehensive and holistic mechanism
for future global development and opens the way to the globalization of sustainable
energy mechanisms, it neglects most of the dimensions and complex relations between
economic, political, and social actors and levels.

1.2.3. The Changing Roles and Private Companies as the New Actors:
Financialization and Privatization of Sustainable Development and Energy
Transformation: Rio Conference of 1992:

The Brundtland Commission and the Brundtland Report were so effective that the
other global conference, the Rio Conference of 1992, collected "participants from 178
countries, 114 heads of state, and representatives of 1,600 NGOs, as well as a huge
number of journalists," and Rio Global Forum arranged nearly "1000 meetings"
(Danilov et al. 2009, p.107). As a result of the Conference, several documents were
published. However, the most important ones are Agenda 21 and the Rio Declaration
on Environment And Development, signed by all participant states (Danilov et al.,
2009, p.92).

The prior problems between the Global South and Global North continued during the
Conference. As stated in the journal "South" of 1990, "The cold war is over, the green
war has begun." (Cited from Patterson and Grubb, 1990, p. 296). The problems of
"how the burden of emissions should be shared," past deteriorating activities of the
Global North, technological and financial transfer, and other related issues like the
debts of Global South to Global North were debated at the Conferences. It revealed
the international political splits between Global North-Global South, "energy
producer-others," vulnerable countries due to the economically insufficient situation,
and wealthy ones and the decliners of scientific facts on environmental degradation-
others on sustainability issues (Patterson and Grubb, 1990, p.296). In other words, the
inconsistencies between environment and development were discussed deeper at the
Conference.
The main difference between prior ad hoc conferences and the Rio Conference is the participation of business leaders. Swedish billionaire Stephan Schmidheiny became the main adviser of Maurice Strong, and he then formed The Business Council for Sustainable Development (BSCD) (Diemer and Diemer, 2019). "Agenda 21," was the result of the Rio Conference. Thus the Agenda 21 put the private sector and the business dimension with the nation-states at the core of the environmental development, and the role of the states slightly changes according to neoliberal phenomena. States became the facilitator of sustainable development, which arranges new rules and procedures and push other actors to implement this new kind of development. Local governments also gained importance in implementing sustainable targets and coordinating with non-state actors. Private and individual actors named "major groups" such as farmers, women, youth, workers, and technological communities were articulated to the sustainable project with Agenda 21 (Section 3).

On the other hand, the participation of private companies opened the door to privatization and financialization of the environmental transformation with the techno-economic paradigm. Barras (1989) explained the techno-economic paradigm as a service revolution that is led by the “financial and business services industry” (p.216). The cost reduction with the new technological improvements increases the market power on public services. Also, the financial problems of the developing countries to transition to ecodevelopment brought the World Bank, regional and subregional banks, and other funding institutions to the table. By monitoring the use of funds in accordance with sustainability indicators and environmental impact analysis, Global North, the UN, and the World Bank became responsible for funding developing countries (Agenda 21, Chapter 33). So, the ecodevelopment paradigm adapted to new phenomena of privatization and financialization while new political actors of identity like women and youth integrated. The role of the state and INGOs was diffused and transformed.

The Energy Agenda was determined for the actors in the "Agenda 21" report. The dimensions of the energy on human-environment issues are framed in the subchapter "Promoting sustainable energy and transport systems in human settlements" of Chapter 7, "Providing Sustainable Human Settlement Program." The subchapter focuses on the
relations between Energy and Environment, Energy and Health, and Energy and Technology by highlighting energy use at the household level and transportation. This chapter predominantly problematizes the consumption of energy in cities and calls nation-states to generate national action programs by collaborating with the INGOs, NGOs, and private corporations to measure the side-effects of the extensive and inefficient energy use, enhance energy service professional training and support the renewable energies by commercializing them. In Chapter 9, "Promoting Sustainable Development," the first subchapter is dedicated to energy. This chapter reemphasizes the cooperation between actors at different levels for national policy amendments, states' regulatory and controlling roles, and the necessity of regional and subregional plans to transition to sustainable energy. Also, this subchapter calls for actors to create energy efficiency and emission standards. In other chapters of Agenda 21, an agenda is offered for eradicating energy poverty in developing countries' rural districts and managing energy. These new developments in the sustainable energy framework seem parallel with the general patterns of the constructing paradigm within the Conference. The state becomes the encouraging power of the diffusion of sustainable energy by attracting financial funds from developed states, INGOs, and private companies. Following this, the developing states are monitored to use funds effectively. As a result of this report, new indicators and INGOs entered the area to implement new governance policies and monitor energy production and consumption.

1.2.4. New Mechanisms and Tools for Financing Sustainable Energy and Centrality of Energy on Global Sustainable Transformations: Kyoto Protocol, MDGs, and The General Overview from the 1970s to 2000s

Other essential events on sustainability until the 2000s are the Kyoto Protocol of 1997 and the Millennium Summit in 2000. The distinction between Global North countries in tackling environmental degradation deepened at the Kyoto Conference. They were divided into "greens" and "neoliberals." The main issue of the Kyoto Protocol was the reduction of CO2 emissions. However, during the Conference, the USA rejected cutting the emissions and only advocated stabilization of emissions, and the EU advocated both. The USA's contribution to the CO2 emission was 50%, while the European Union's was %18. (Paul, 2008, p.578). The aim of CO2 emission reduction

The importance of the Kyoto Protocol is its effect on reducing environmental and economic problems to the CO2 emission issue. Thus, the European Community's adoption of the energy and environmental policy integration according to the stabilization of CO2 emission within the 1990s (Hoelting, 1994, p.121) succeeded in shifting the center of gravity of sustainability through the production and trade activities, and this overlaps other inequalities that developing countries representatives and critical scientists persistently touched on. Moreover, the Kyoto Protocol reshapes the financing of new technologies and energy transition of developing countries (Article 11, paragraph a) by monitoring the CO2 emissions reduction (Article 4, paragraph a) and by generating the method of carbon trading (Article 17).

Another essential point of the Kyoto Protocol is the declaration of the market imperfection and enhancing states' intervention in the market with new mechanisms like the "Clean Development Mechanism," which was created after Kyoto Protocol to fund developing countries for "carbon emission reduction credits" and provide a legal basis for CER trading from industrialized countries on the global level (UNFCC website, accessed in 05.07.2022); and subsidies, taxes and duty exemptions under green energy reduction at the national level. With this Protocol, the financialization of energy transition in the global context is linked with the monitoring of developing countries again. The role of the INGOs under the UN and IAEAs became conducting the monitoring activities while developed countries were made responsible for financing the developing states for energy efficiency and renewable transformation. The carbon mechanisms opened the door to greenwashing and trade barriers against developing countries. Also, as Mehmann stated, CDM became a tool to depoliticize and neoliberalize climate policies as a scientific and technical financial tool (2013, cited from Bracking, 2015).

On the other hand, the Millennium Development Goals, which focused on development like ending poverty, universal education, gender equality, and the
importance of the policy integration process of sustainable development, were highlighted in the 5th goal. The focus of sustainability shifted from the environment to economic inequalities and empowered the discourse of the "Principal 21 of the Stockholm Declaration that emphasizes the "right to development" and "eradication of poverty for the achievement of sustainable development" (Hoeting, 1994, p.128). In other words, the social inequalities worldwide were accepted as indistinguishable from environmental degradation with millennium development goals.

New international actors, like IEA and UNDESA, entered the arena, and new and complex indicators were generated from the UN and EU during the 2000s. Eurostat and EEA indicator sets are two of the most significant indicators. These indicators have been accepted globally. However, there were still no particular rules for financing sustainable energy transitions.

Jefferson (2000) summarizes the energy policy paradigm shift from the Stockholm Conference to the 2000s in Table 1 below (2000, p. 418). The accepted central position of energy on social, economic, and environmental change, limitation and reducing CO2 emissions of energy consumption, and providing energy for all as the main aims, multi-level and multilateral actions for these aims became the basis of the new paradigm of global energy governance and sustainable transformation. Jefferson's points on the paradigm shift show that the aggravation of the adverse impacts of industrial growth has pushed the international actors and INGOs to take quantitative precautions which have not hindered industrial development and stopped the reactions of the people by mitigating their vulnerabilities and masking the hegemony of industrial and financial actors with the so-called democratization of environmental works in the last thirty years of the 20th century. Thus, the energy paradigm shift shows the mechanism of a novel planned system of ecodevelopment with neoliberal restructuring, especially by globalization as a form of democratization.

Until the end of the 2000s, the financial system for sustainable energy development consisted of funding-monitoring mechanisms and newly generated carbon mechanisms. The funders in this system are World Bank, regional and local banks, and
developed countries. The funded ones are the developing countries. The global monitoring mechanisms are created and implemented by the UN, the UN's sub-organizations, and IEA, IAEA, UNDESA, and other novel INGOs on energy. Transparency and democratic mechanisms within developing states are essential to attract financial resources to their countries.

It can be said that until the Rio Conferences, the weight of the developing countries on sustainable development was higher than developed ones. Until Rio, the main actors in ecodevelopment were the states and NGOs. However, when business actors came to the scene, the conditions of the system shifted for the benefit of the developed states and business actors. Sustainable development was deeply linked with the market rather than administrative organizations. The states' role became to arrange and fix their countries' political and social issues according to the ecodevelopment criteria and sustainable indicators with the fiscal and financial tools. The power of the scientists and NGOs was diminished, and the reduction of carbon emissions and environmental degradation was accepted as a solution rather than eliminating the degradation.

Table 1: The Need For New Energy Paradigm (Jefferson, 2000, p.418)

<table>
<thead>
<tr>
<th>Traditional paradigm</th>
<th>Emerging paradigm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Energy considered primarily as a sectoral issue</td>
<td>Greater consideration of social, economic, and environmental impacts of energy use</td>
</tr>
<tr>
<td>Limitations on fossil fuels</td>
<td>Limitations on the assimilative capacity of the earth and its atmosphere</td>
</tr>
<tr>
<td>Emphasis on expanding supplies of fossil fuels</td>
<td>Emphasis on developing a wider portfolio of energy resources, and on cleaner energy technologies</td>
</tr>
<tr>
<td>External social and environmental costs of energy use largely ignored</td>
<td>Finding ways to address the negative externalities associated with energy use</td>
</tr>
<tr>
<td>Economic growth accorded highest priority (even in prosperous economies)</td>
<td>Understanding of the links between economy and ecology, and of the cost effectiveness of addressing environment impacts early on</td>
</tr>
<tr>
<td>Tendency to focus on local pollution</td>
<td>Recognition of the need to address environmental impacts of all kinds and at all scales (local to global)</td>
</tr>
<tr>
<td>Emphasis on increasing energy supply</td>
<td>Emphasis on expanding energy services, widening access, and increasing efficiency</td>
</tr>
<tr>
<td>Concern with ourselves and our present needs</td>
<td>Recognition of our common future and of the welfare of future generations</td>
</tr>
</tbody>
</table>
1.2.5. The 2010s: Consolidation of Sustainable Development Mechanism with New Tools and Institutions: SDGs, Paris Agreement and GCF example:

SDGs of the UN and the Paris Agreement of 2015 are the new determinants of the sustainable development paradigm from the 2010s to today. In this process, new actors and tools are created to enhance sustainable development mechanisms structured after the Stockholm Conference and Rio Conference. In other words, the 2010s were the deepening financialization, privatization, and globalization of the sustainable development paradigm on the local, national, and global levels. Due to the infinity of discussions and events during this decade, some crucial institutions and tools are explained to understand the sustainable development paradigm development in this subchapter.

The need for investment and funding for sustainable development is especially highlighted in this decade. The new instruments of finance like sustainability bonds, green mortgages, carbon commodities, and green investment funds were developed by corporate, investment, and retail banks and other asset management organizations due to the necessity of investment in sustainability (Filkova et al., 2018; Noh, 2019) and development of new finance sectors such as climate finance, sustainable finance, carbon finance, environmental finance is seen in this decade (Noh, 2019, p.42). One of the established new institutions is Green Climate Fund (GCF) for the same aim. After COP16 in 2010, GCF was established as one of the entities of UNFCCC. The role of the GCF was defined in COP17 as "channeling new and additional resources to recipient countries" (Bertilsson and Thörn, 2021, p.425). After the Paris Agreement, GCF held 10.3 billion funds and has the world's wealthiest funds for climate projects (Chen, 2018). GCF has four approaches to transforming the economy, environment, and society: "1) Transformational planning and programming; 2) Catalysing climate innovation; 3) De-risking investment to mobilize finance at scale; 4) Mainstreaming climate risks and opportunities into investment decision-making to align finance with sustainable development by promoting methodologies, standards, and practices that foster new norms and values" (GCF Website, accessed at 05.07.2022). While the aim of the GCF with those objectives is to create bottom-up approaches for sustainable projects, the embraced concept of "country ownership" by GCF refers to the
institutional capacity for funding projects and monitoring according to the prescriptions and the special conditions and needs of the countries and recreates the top-down approach on sustainable development (Bertilsson and Thörn, 2017, p.433).

The GCF also generates and uses new financial mechanisms to provide financial flow to developing countries. For example, when the Trump government withheld its support to GCF, the institution succeeded in finding funds from different private and public actors like America's Climate Fund with new financial mechanisms (Chen, 2018, p.4). However, as Bertilsson and Thörn claimed, GCF behaves like banks rather than Fund organizations, enhancing market conditions rather than accelerating sustainable transformation in developing countries. The reason for the "top-down financialization" of GCF is the lack of "appetite in Global North for making sacrifices in the spirit of solidarity with the Global South." For example, Trump's withdrawal of support from GCF greatly burdened other stakeholders (Chen, 2018). Also, green investment still has high risks and dangers for shareholders (Noh, 2019). This situation financialized developing countries further for attracting funds due to the deprivations from climate degradation and states' attitudes (2017). The new roles of the states thus "design and drive national development strategy, "stimulate market function," "build new economic system to create and expand the green job market," "support green technology and business…", "increase energy efficiency," "reorganize… capital infrastructure to pursue green growth," "reorganize tax and finance system to pursue green growth," and, "cooperate with local government, companies, civic organizations… to adopt green growth." (Noh, 2019, p.56). In other words, the states became de-risking states (Gabor, 2021). So, by moderating the financial projects according to the interests of investors or shareholders from the Global North, GCF serves to the diffusion of the neoliberal financial capitalism to the Global South and, like CDM, it depoliticizes by transforming the funding process technical and neoliberalize the financial flows of the climate funds by moderating according to the market interests (Bracking, 2015).

The International Energy Charter Treaty was another rising actor in sustainable development. The Energy Charter Treaty (ECT) was established in 1994 to realize the target of "promoting energy security through the operation of more open and
competitive energy markets while respecting the principles of sustainable development and sovereignty over energy resources." It has 51 members (Behl and Arora, 2021). In 2015 and 2017, the modernization process of ECT started. ECT is older than both the Paris Agreement and SDGs, and its mechanism of "invoked treaty-based investor-state dispute settlement (ISDS) mechanism." (Brauch, 2021). It is a valuable actor to evaluate for understanding the global energy paradigm since it is the "most developed trade and investment treaty in the global energy architecture," and it has the capacity to turn investment flow into renewable energies (Tienharaa and Downie, 2018, p.452). ISDS system is an international legal system that targets solving disputes between states and energy business companies with an arbitration method (Behl and Arora, 2021). Thus, the main aim of ECT in the new global energy paradigm is to reduce political risks for the market actors. However, the decisions of ECT on the cases are harshly criticized by critics because of the incompatible decisions between similar cases. This situation blunted the function of reducing political risks in the market (Tienharaa and Downie, 2018).

On the other hand, despite the modernization of ECT according to SDGs and the Paris Agreement, the case decisions can prohibit the political actions of the states against carbon emissions, such as the 2017 case decision in which the USA government lost the sue against TransCanada Corporation that established the pipelines to bring oil from Alberta to the different parts of the USA (Tienharaa and Downie, 2018, p.452). So, ECT depoliticizes the renewable energy transition and the energy on sustainable development to decrease political risks for the market. In contrast, the unsustainable energy markets can easily benefit from and sabotage the political regulations of the states on the way of green development.

To sum up, the paradigm shift of the 2010s focused on financial attraction to the sustainable transformation of the world. The risks for finance and sustainability thus integrated within the global architecture and new institutions and tools were involved in the last ten years. GFC and ECT are established and regulated to reduce shareholders' financial and political risks in investing in renewable energy or sustainable development. Also, the role of the states became de-risking the environment for financial actors. The acceleration of the financialization was thus
boosted by the new international system. The financialization of the energy transition is discussed in the next section in detail.

1.3. Ecology and the State

One of the main discussions around the global climate crisis is the state's role in and the possibility of success in stopping or mitigating carbon emissions. As Patterson (2016) shows, there are two main perspectives on this issue in the literature: Green State defenders and Eco-Marxists. Green state defenders like Eckersley (2003) and Meadowcroft (2004) analyze the state with the historical sociology and institutionalist outlooks and claim that states can increase their institutions and transform the current institutions according to the necessities of the historical period so states can respond to the climate change and modernize itself in the ecological sense by integrating the ecological problems to the "core state imperative" (Dryzek et al., 2003, cited in Patterson, 2016) by producing ecological democracies (Eckersley, 2004, 241, cited in Patterson, 2016). On the other hand, eco-Marxists who inspect the state with the tools of the political economy claim that the capitalist economy, which puts capital accumulation in the center, could not succeed in stopping or mitigating carbon emissions and climate change. Eco-Marxists highlight the problems of the necessity of capital to reform the market system according to ecology. (Patterson, 2016).

1.3.1. Financialization and its Effects on Political and Social Realms:

Financialization is a term that tries to explain the rise of the financial market's role in the political and social realms within the neoliberal capitalist system, especially with globalization and privatization. Financialization presents a broad and meaningful framework for understanding the changing roles of the state and its relations with corporations and households. Epstein defines financialization as "the increasing role of financial motives, financial markets, financial actors, and financial institutions in the operation of the domestic and international economies." (2005, p.3).

The literature on financialization, primarily written before and during the 2008 financial crisis, shows the expansion of financial markets after the 1990s (Epstein,
The rising power and influence of financial markets and actors have affected the changing role of the state in the neoliberal period. So, as Krippner (2004) argued, financialization cannot be reduced to the financial market's role and position in the economic realm. Financialization generates a "new regime of accumulation," "the ascendancy of the shareholder value orientation," and "the financialization of the everyday life" after the weakening of the welfare regimes in the neoliberal era (Fine, 2010; Mazzucato 2013; Zwan, 2014).

The difference between the old types of capitalism and neoliberalism's mode of financial accumulation is that with the "democratization of finance," the finance bubble spreads to the proletariat and under-proletariat parts of society (Lapavitsas, 2012, p. 16). The abandonment of the welfare policies by states and the encouragement of the citizens to debt from the banks (Lapavitsas, 2012) and the commercial banks' turn to the citizens created new tools and tactics to escape from liquidity crisis, which caused by the shifting the financial relations of corporations with the banks to the each other or to investment banking methods, such as commercial papers, Collateralized Debt Obligations (CDO), Credit Default Systems force on the households and workers to enter the financial markets that they do not know much and causes "the financialization of everyday life" from housing like mortgage systems, to the university fees to the energy consumption (Lapavitsas, 2012; Zwan, 2014). However, like all capitalist modes of accumulation, the financial one is also open to crises like the 2008 financial crisis. States generate creative methods to eliminate crises and rescue the capitalist economy.

On the other hand, these methods of the states, such as quantitative easing (QE), Treasury Bonds, Sovereign Wealth Funds, and infrastructure bonds, leave the burden on the households' and workers' shoulders (Knuth, 2018; Mawdsley, 2018; Braun, 2020; Bryan et al. 2020). The financialization regime also has international effects on the system. The financial sector leader, the USA, tries to handle the perpetual liquidity problem within the market by imposing the dollarization of the system. The dollarization, in which the states are encouraged to use the dollar for market interactions and save dollars on their treasuries in the most basic sense, and the new tactics like "exchange-traded funds" by the economically hegemonic states, opens new
global exploitation spaces for these hegemonic powers (Mawdsley, 2018; Gabor, 2020). So, the economic regime of financialization transformed the state as the protector of the capitalist market from the crisis and freed the market from the regulations that made the economic actors more subordinate to the capitalist market and opened new ways for "financial expropriation" that put the workers and households in a very insecure environment while developing and undeveloped countries on the global area and households and workers within the countries had to bear the burden of the financial crisis (Epstein, 2005; Lapavitsas, 2012; Zwan, 2014; Bryan et al., 2020; Gabor, 2020) and workers and poor section of the society are not only known but also feel this burden and arrange their lives according to the financialization (Gonzalez, 2020).

1.3.2. Financialization of the transition to renewable energy and the state:

Carbon energies, as the primary drivers of carbon emissions, are at the center of climate change discussions. Whether discussed within the ecological modernization or ecological mode of accumulation, the states and the market forces are pushed for the transition to renewable energies. The transition within the current economic system requires new financial sources, further technologies, and "substantial reforms to institutions and policy-making processes" (Newell and Mulvaney, 2012). So, financialization is significant to understanding the nature of transitions to renewable energies because of its capability to create new methods, actors, and policies as "the key drivers of the contemporary global economy" (Helleiner, 2011, cited in Hiss, 2012).

The power of financial actors, which is sourced to their capacity to put some rules on the firms to invest, can push the market to ecological modernization. The side effects of climate change on insurance companies include increasing physical risks such as floods, hurricanes and "negative transition risks" like less inclination to non-electrical cars by consumers and "positive transition risks" like an increase in vegan food consumption (Caselli and Figueira, 2020); and weather-related declining banking activities prompt the financial actors to exert pressures on the firms for ecological
modernization and transition to the renewable energies. (Newell and Paterson, 2010, p.29).

Moreover, the pressures of international agreements such as the Kyoto Protocol, the Paris Agreement, the UN's SDG agenda, WB's Action Agenda (2020), and zero-carbon policies promote sustainable financial activities within the global market (Migliorelli, 2020). These international efforts to enthrone the financial actors on the renewable energy issue can be explained by Gabor's (2021) Global North's "Wall Street Consensus," which replaces the Washington Consensus that is banal, failed in middle emerging and developing regions and negatively criticized even by liberal economists of the WB and WTO (Soederberg, 2007; Sheppard and Leitner, 2010) and aims to sell the development to the market and eliminate the global problems like world hunger and climate crisis by putting capital accumulation to the center with the cover of the "derisking" again.

Thus, the prior position of the financial actors is not a natural process; instead, it is the result of the states' and market actors' efforts. It can be said that the current last stage of financialization transformed the state's purpose to derisking the world with the new systems of "thwarting mechanisms and supercycles" (Dafermos, Gabor, and Michell, 2021). The derisking programs and policies also regulate the transition to renewable energy. For example, UNDP's Report was published for the purpose of "releasing a financial tool for policymakers to accompany the framework" of comparing "the impact of different public instruments to promote renewable energy" (2013). The Wall Street Consensus consolidated the state's "facilitator" role rather than "controller" on the transition to renewable energy and sustainability and the role of private governance in sustainability (Newell and Mulvaney, 2012). While financialization as a phenomenon of neoliberalism with the "new mode of accumulation" and "Wall Street Consensus" put the states' role and function to the road, it should be highlighted that every state has a different position and economic capacity within capitalism and the contests between themselves creates differences on how to handle the crisis of capitalism and other crisis such as climate change or pandemic (Harvey, 2006; Soederberg, 2007; Harman, 2009; Shepperd and Leitner, 2010).
1.4. Case Studies in the Literature and Conclusion:

There is a need to explain better how the different pathways of renewable energy transitions affect the roles of the state and state-class relations in different states. Both topics are essential to understanding financialization in the international realm and everyday life (Knuth, 2018; Gabor, 2020; Elsner et al., 2021). For the developed countries, we can see that Knuth (2018) tries to explain how different financial tools of the USA work hand-in-hand with the financial actors' demands, and the author tries to understand the functionality of these tools in mitigating the climate crisis. Lahiani et al. show in their research that financial tools do not benefit the spread of renewable energies in the USA (2021). Destek and Manga (2021) found that financialization increases big emerging countries' ecological footprint and carbon emissions. Alfalih and Hadj (2022) show the ineffectiveness of green energy transitions with the financialization in Saudi Arabia. Furnaro (2019) looks at the interactions between the transition to green energy from mining in Chile and shows the relations between financial actors, the renewable energy boom, and the rescuing of the capital accumulation of mining. Elsner et al. (2021) show how the green energy transition's financialization recreates Zambia's dependency on the international actors and the dominant powers in the market with the cover of derisking.

So, it can be said that the financialization of energy transitions is a new concept within the literature on financialization and the political economy. While we can see theoretical discussions before 2018, the case studies have occurred after 2018. However, the papers of the case studies before 2021 focus on how climate change is affected by financialization; with Gabor's "Wall Street Consensus" concept, the scholars who work on political economy and renewable energies started to analyze the effects of the financialization of the green energy transitions to state's policies; the subordinate relations between states and state-class relations.

On the other hand, there is a lack of research on the financialization of renewable energy in Türkiye. As an energy-dependent and middle-income country, Türkiye is an excellent case to understand both middle-income countries' positions and situations and see the state's policies and state-class relations regarding the financialization of
green energy in an authoritarian neoliberal regime. This paper plans to analyze the politics and discourses on the renewable energy transition in Türkiye. This thesis, firstly, will review the literature on the financialization of middle-income countries; secondly, briefly explain the political economy of Türkiye as a case to the theoretical literature review. Then, it will focus on the electricity market in Türkiye. Fourthly, the third chapter will analyze the politics and political economy of the renewable energy transition in Türkiye. This chapter will conduct a discursive analysis of parliamentary minutes from 1996 to 2023 to see the narrative and pattern of renewable energy policies. In the last chapter, to elaborate on the local aspects of the policies and discourses of energy transition in Türkiye, the findings from the socio-economic impact analysis in the Manisa Akhisar region will be shared and discussed with the financialization of energy transition.

Consequently, it can be said that this chapter approved the claims of the Marxist theories that the ecodevelopment paradigm cannot function. The problems rooted from climate change is the problems rooted from the capitalist growth regime that excludes the societal and environmental concerns outside of the political and economic realm. Thus, even the international organizations like the UN or the leader economic and political actors claim that they try to organize world economic and political order in order to democratic and egalitarian rules, it seems impossible under the neoliberal economic structure. The neoliberalism prioritizes the capital accumulation and the interests of the hegemonic market actors. Owing to this fact, the democratization of the mitigation and adaptation policies only create illusions which seems not sufficient to hide the fatal consequences of harsh capitalism. Neither natural sustainability nor social equality cannot be provided under this structure.
CHAPTER 2

FINANCIALIZATION IN EMERGING COUNTRIES

2.1. Introduction

The literature on financialization is enormous and expanding very rapidly. Even the definition of financialization is always under the change that Lapavitsas and Soydan argue that "informative reviews...could be soon outdated" (2022, p.1), and McCarthy (2021) tried to explain the term with Lacanian non-all. However, the academic literature on heterodox political economy\(^2\) on financialization in emerging economies

\(^2\) I am concerned with heterodox approaches because mainstream political economists do not discuss finance as financialization. Rather they are related to financial globalization and financial liberalization (Lapavitsas and Soydan, 2022), which brings to mind the rise of finance as a positive phenomenon that brings prosperity, production increase, mobilization of capital, economic liberty, the comparative advantage of nation-states, and so on, and, put the economic development on the center of the discussions that exclude political and social sides of it (Balassa, 1990; Bekaert et al., 2005) However, to follow the ethical-philosophical outlooks on money from Aristotle (1998, p.14) to Kant (Caranti and Pizzani, 2022) and to Marx (Wang, 2019), money itself should be a facilitatory tool of exchange; means of hoarding, payment, value, and universal currency and it is a neutral and necessary tool (at least for trade and capitalism). So, if financial tools such as speculative means, interest rates, money creation of Central Banks, and others serve to love of money (for some classes or elites like oligopolies and monopolies), which puts the money in the positive realm for the beneficiaries, rather than production and survival means, then the financialization process itself becomes parasitic and crisis-ridden which makes the finance as gambling or legitimized fraud, and distribute the harms of it to all society rather than only financial investors. Even one of the orthodox economists in their era, like Tobin, criticized the concentration of finance as creating a casino-like economy and hampers investments (Foster, 2007, p.4). The mainstream approach also discusses illegitimate financial activities such as insider trading. However, the separation of finance as good finance and bad finance according to the legitimization of states and international rules seems nonsense from a philosophical point. For example, some claims on insider trading should be legal because the information about the firms’ future activities is the firm’s intellectual property, and they have to be free to trade it (Stanford Encyclopedia of Philosophy). So, as laws differ, the definition of bad and good finance also differs. Moreover, this perception is based on a presupposition that there is a just way of financialization, and this process can be regulated with legislative arrangements and tight rules.

Furthermore, the narratives of the mainstream approaches to finance-capital present finance as “the master of the society” (Hansen, p. 610). So, they put finance at the center, making it an inescapable phenomenon. I would rather not think that financialization is a “necessary evil” and that the only thing we have to do is live under this reality. The rather Keynesian narrative presents finance as the “servant of the society” and calls the state to act to limit financialization (Hansen, p. 610). This perspective is also problematic because it presupposes the state as a neutral institution. For instance, the Tobin tax to strengthen investments put the state in a referee position that protects the economy’s functionality. State
seems comparatively weaker than the situation in developed countries. One of the causes of this, as McCarthy claims with Lacanian non-all (2021), is the structure of the financialization of neoliberalism that can be easily shaped according to the conditions of the economic, political, or social geographical distinctions. Also, the concept is used for “many processes, structures, practices, and outcomes at different scales and in different time frames,” and sometimes, it functions as an “explanandum” and sometimes as “explanans” (Aalbers, 2019, p.3).

Moreover, the over-diversification of financialization because of the different compositions of the "enterprises, banks, households" (Lapavitsas and Soydan, 2022, p.2) and government institutions in emerging economies makes it harder to investigate it in a matrix. Due to this fact, much of the research on the issue focuses on national and geographical cases. So, as Lapavitsas and Soydan indicate, the theoretical perspective of the financialization of emerging economies or developing countries is left unconcerned by academic scholars, and there is an "implicit assumption that financialization has certain general characteristics which could be further explored and tested in the context of developing countries." Despite the difficulties and divergent patterns, some theories theorize financialization in developing or emerging countries, according to Lapavitsas and Soydan (2022). The Marxist perspective tries to explain it with subordinated or dependent financialization (Sotiropoulos and Hillig, 2020); Regulationist School looks at it from center-peripheral relations in the global order and analyzes the structural change of accumulation from Fordism to finance-led accumulation in developing countries and names it dependent or peripheral financialization (Becker et al. 2010; Bonizzi, 2013); and variegated financialization and varieties-of financialization approaches focus on the differences of financialization patterns according to the national and geographical differences; the

either as an area of conflict or as an apparatus for classes, is not neutral, and the domination wars of narratives is a piece of evidence. So, to see financialization as the area of conflicts and compromises between different narratives within society opens a path to investigate the social impacts of it, which I will conduct in the next chapter.

Also, heterodox perspectives link financialization with the discussions on democratization and authoritarization (Erturk et al., 2007; Nölke, 2020), imperialism (Sweezy, 2004; Hilferding, 2019), uneven social relations via financial contracts (Lazzarato, 2012) and political-economic justice in national level through central bank activities, and international level (Valentini, 2011; Fontan et al., 2021), etc., which helps me to discuss social impacts of financialization of green energy transition.
interrelations between different institutions and the strategic behaviors of institutions (Dixon, 2011).

2.2. A Brief Survey on Financialization Theories from Heterodox Perspectives:

Although it is nearly impossible to integrate most Marxist arguments on financialization, these theories can be categorized under two arguments. Both interpretations are based on the inability to absorb "potential productive output" (Foster, 2007; Sotiropoulos and Hillig, 2020, p.129). The first interpretation claims that hoarded "high capitalist profitability" and low wages hamper investments. Thus, financial innovations such as mortgage credits solve "the problem of surplus capital without jeopardizing capitalists' interests and income position" (Sotiropoulos and Hillig, 2020, p.129). The other interpretation focuses on low wages and underconsumption rather than investment and sees financialization as the easiest way to melt the surplus capital against declining production (Sotiropoulos and Hillig, 2020, p.130) and provide credits to the low-wage owners and create inflation on financial assets by selling these debts (Harvey, 2011). Also, Marx's organic composition of capital, which is the ratio of constant capital to variable capital, is used to explain the underconsumption of products and over-investment of the constant capital (due to the competition between capitalists and technological changes) in the capitalist economic system. So, overcapacity and overinvestment appear as a cause of financialization to compensate for the rising costs of constant capital and declining rate of profit in this interpretation.

These general theoretical interpretations that focus on financialization as the easiest solution for capitalists to the problem of underconsumption and under-investment are integrated into the hierarchical world economic order and are generally portrayed as the hegemony of the Global North over the Global South or named imperialism in the Marxist sense. The hegemonic currency system and dollarization (and euroization) are accepted as necessary acts to keep liquidity and continue debt cycles in emerging economies, imposing high-interest rates on developing countries3 (Lapavitsas and

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3 Keynes and his followers also discuss the currency hierarchy. The inverse proportion between the value of the currency and the interest rate and its “exorbitant privilege” coming from the high liquidity
Soydan, 2022). Moreover, the globalization of production puts the firms of developing countries in a subcontractor position and opens ways for the firms of developed countries to make profits from "mark-ups" and deepens the financialization with more financial investments. Furthermore, the changing structure of production with globalization accompanies the increasing role of foreign investors as creditors or financial asset traders in export-led developing economies, which deepens the exploitation and vulnerability at the global level (Bonizzi et al., 2020, p.129; Lapavitsas and Soydan, 2022, p.431).

French Regulationist School tries to investigate "how capitalist economies are able to preserve a regime of accumulation" and the economic crisis with the delinking of prices and values of commodities with "pseudo-validation" (Paulani, 2010, p.363; Lipietz and Patterson, 1995). The valorization process in the second circuit of capital pulls the values away from prices by supposing the price of goods before social validation, creating an unending chain of financial crisis (Lipietz and Patterson, 1995). The distinction between neoliberal financialization and the expansion of finance before the 1970s is caused by the hierarchical change between "intermediate finance," which is operated for accelerating the process of productive capital accumulation, and "direct finance," which "only deals with existing assets" (Paulani, 2010, p.365). Financialization from this perspective is the rise of fictitious capital over the first circuit of capital or transition to the finance-led accumulation regime from the Fordist one due to the inflation of financial assets that attract economic actors to the financial realm and increase the crisis and shortening the intervals between crisis due to the excessive increase of pseudo-validation and the conflict between the "slow process" of accumulation and "insatiable" finance (Becker et al., 2010; Paulani, 2010; Bonizzi, 2013). The preponderance of the financial realm overproduction is shared with the Marxist approach. Even though it is affected by Marxism and Post-Keynesianism, the novel approach in the Regulationist School is the pseudo-validation in this issue. Pseudo-validation is not specific to the era of financialization either. It is widely explained by Regulationist scholars such as Aglietta, Lipietz, and Patterson for theorizing the inflationary crisis of the 1970s. However, looking at financialization and low-interest rates of higher currencies stabilize the subordinated position of lower currencies (Bortz and Kaltenbrunner, 2017).
from this perspective helps create a crisp explanation of neoliberalism's crisis-driven political and economic regimes.

Another central claim of Regulationist theory about financialization centered upon the interest-bearing capital and the distinction between extraverted and intraverted accumulation types. Becker et al. (2010) claim that the financialization of developing countries is based on this type because of the dependent character of emerging economies on global financial assets, and to attract them, policies of these governments create "usually a rather rigid and overvalued exchange rate and high-interest rates," and, as a consequence, the erosion of productive capital generate huge external imbalances which cause the flight of capital from the dependent country (p. 229). This situation also deepens income inequality within the dependent countries. The state maintains high-interest rates. Thus, it blocks the private sector from taking credit for productive activities, and the government becomes the primary debtor. This debt is "concentrated in few hands, a highly unequal distribution of income usually characterizes this model of financialization" (Becker et al., 2010, p.230)

The interpretation of variegated capitalism and varieties of capitalism theories look at financialization as a generally operating process. However, the operational tools and techniques differ. For the variegated capitalism approach, the relations between firms and other actors are the central feature that creates the different trajectories for financialization (Dixon, 2011; Muellerleile et al., 2022). The varieties of capitalism, on the other hand, explain this difference with the specific characteristics of different geographical scales from local to global: the behaviors of institutions, "the strategic interactions" between the institutions, the power relations between institutions, and "matrix of sanctions and incentives" that put the state to the realm of the debate (Hall and Soskice in Hall and Soskice, 2001, p.5). This perspective is affected by the theories written before and the arguments of institutionalist political economy perspectives. This does not mean these perspectives deny the general pattern of financialization that Marxists and Regulationist Schools portray. However, according to their claims, their outlooks integrate the actor-based and structure-based perspectives within institutional, comparative, and geographical views. Various researches have been conducted for diverse geographical areas on varieties of financialization and
variegated financialization. For example, Karwowski (2020) inspects the financialization of emerging economies by looking at different indexes to understand the differences in the level of financialization and categorize them according to different types and different geographical scales from cities with "the global financial center index" and "global command and control centers" to international with "Ito-Chinn openness index" and "stock of foreign liabilities." Lai and Daniels (2017) analyze the financialization of the Singaporean banking system by inspecting the changes in the behaviors of banks' attitudes and their relations in Singapore.

Also, some authors applied Dixon's call to integrate these two approaches. For example, Hanieh (2022) looks for financialization with Islamic Finance as a divergent tool and type of financialization of Gulf countries and tries to map this process in the sub-region by looking at the oil firms' economic attitudes and how they financialize their oil revenues. On the issue of emerging economies, these theories do not present a common argument. However, their focus is on the changing gravity of capitalism from the so-called Western countries to the East Asian countries, BRICS, and others. The analysis of Karwowski (2020), for example, shows that financialization is deepening on all of the geographical levels in East Asian emerging economies according to the various indexes; Karkowski (2022) typifies financialization in emerging economies according to the regional differences; interrelations of these regions with the advanced capitalist economies and the behaviors of "internal elites."

So, while Marxism and Regulationist school analyzes financialization as a tool for imperialist exploitation, the latter approaches do not see financialization as a purely evil phenomenon -this does not mean all of the scholars of Marxists, Post-Keynesians, and Regulationist school see financialization as purely evil- and try to portray the differences and divergencies of the processes.

As said before, many approaches do not conform to one of these primary schemes explained above. Discussing the advantages, disadvantages, or problematic sides of these theories for emerging economies is not the aim of this chapter. These different theories define and discuss the undefined concept and process of financialization from different perspectives, and those divergent aims and critical explanations together
present us with a holistic approach. Neither Marxism's imperialism concept, Regulationists’ dependency theories, nor the latter approaches' focus on different institutional behaviors cannot be reduced when understanding financialization. Whether Türkiye or any other nation-state is unique or not, their position in the international realm and geographical position, historical development characteristics, external relations, or internal class and elite relations within them all is essential to understand the financialization and the opportunities and detrimental effects for these emerging (or advanced) economies.

2.3. Brief History of Political Economy in Türkiye:

2.3.1: Türkiye in the 1980s: Rise of Capital and Demise of Labor

The 1970s in Türkiye were generally the successful movements of trade and labor unions with strikes. The share of wages in the added value in the private sector rose to 34.1% between 1975-79 from 32.1% between 1970-74 (Boratav, p.144). Also, the lost workdays due to the strikes, the stagflation, and the new rising bourgeoisie classes and their new methods like “black marketing and illegal stockpiling, put the capitalist classes, especially the traditional ones, under hard conditions. The economic and political conditions also were unstable. Turkish Lira devalued by 66% in 1970; the deepening of the ISI program increased public deficits and a sharp inflation rate (Öniş and Şenses, 2022, p. 201-2). Also, the oil shocks, the invasion of Afghanistan by the USSR, and the Iranian revolution destabilized the region. Despite Türkiye was a NATO ally, it could not take effective financial support from the West until the 1980s (Öniş and Şenses, 2022, p.202). The standby agreements with the IMF brought “systematically imposed… conditionalities” (Bedirhanoğlu, 2021a, p.362). There was a very repressed financial system that consisted of: ceilings on deposit and lending rates and negative real interest rates; credit rationing and subsidized credits to priority sectors; excessive taxation of financial incomes and transactions; high liquidity and reserve requirements and intermediation costs; a high degree of interlocking ownership between banks and non-financial corporations; excessive reliance of corporations on...

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credits rather than equity finance and direct security issues, and low-quality bank portfolios; undeveloped capital markets; excessive reliance of the public sector on Central Bank for deficit financing; entry barriers to foreign banks; restrictions on external financial operations, foreign asset holdings and so on. (Akyüz, 1990, p.98).

Table 2: Major Developments in the 1980s (Yalman, 2019, p.54)

- 1980: January 24, Stabilization Program
- 1980 June Three-year Stand-by Agreement with the IMF and the start of Structural Adjustment Loans by World Bank
- 1980 June 4 Decree and July Banking
- 1980 September 12, military coup
- 1981 Capital Markets Law no. 2499
- 1982 Bankers’ Crisis
- 1983 Decree of Law on Banks no. 70 effectively replacing Banking Law 7129 dated 1958
- 1983 Establishment of Saving Deposit Insurance Fund by Decree 70
- 1983 Decree 90 setting the rules for Lending Operations
- 1983 Decree 91 for Stock Exchange Market, replacing Law for Stock
- Market enacted in 1929
- 1983 November 6, return to civilian rule with parliamentary elections
- 1983 December–July 1984: Decrees 28 and 30 important steps for financial liberalization via 1930 Law Protecting the Value of Turkish Currency
- 1984 Establishment of the Housing and Public Partnership Directorate
- 1985 Shift of the financing of public sector deficit from the Central Bank to Government Debt Instruments by the Treasury, including foreign currency-denominated bonds, thus giving rise to substantial increases of interest burden on public finance
- 1985 Banking Law no. 3182. Mainly converting Decree 70 into a Law, with some modifications to bring Türkiye in line with Bank of International Settlements requirements, capital adequacy, non-performing loan provisions, accounting/reporting standards, deposit insurance
- 1986 World Bank Financial Sector Adjustment Credit Agreement
- 1986 Istanbul Stock Exchange started trading
- 1986 Establishment of Interbank Money Market
- 1988 World Bank Second Financial Sector Adjustment Credit Agreement
- 1989 Decree 32 Convertibility of Turkish Lira, capital account liberalization
- 1989 World Bank ceases new adjustment loans

The Ecevit government resigned, and the new government of Demirel gave Turgut Özal the responsibility of stabilizing the economy. Özal’s January 24 Stabilization Program initiated the neo-liberalization process in Türkiye (Boratav, 2003, p.145-6). The main aim of this stabilization program was to empower foreign and national capitalists against labor in Türkiye. In other words, the program targeted minimizing state intervention, the effects of trade unions in the market and the banking system, and liberalization of the trade structure (Boratav, 2003; Yalman, 2019, p.53). The main
points of the restructuring program of Özal can be seen in Table 2 (Yalman, 2019) below, completed in approximately ten years. The Coup d’état 1980 brought the labor power under control and provided the proper conditions for implementing Özal’s stabilization program (Boratav, 2003, p.148). Boratav (2003) showed that the stabilization program of Özal is a typical Bretton Woods program, which was imposed on emerging economies, especially in Latin America, against the stagflation of the 1970s. It consisted of

a foreign exchange policy with real devaluations, liberalization of imports, the prioritization of exports at the national level with subsidies and incentives like expensive foreign currency, cheap credit, and tax refunds, canceling the price controls and subsidies for basic goods and the macroeconomic policies targeted the contraction of domestic demand (p. 149).

The exclusive characteristic of Özal’s stabilization program is that it used income policies to reduce domestic demands rather than monetary and fiscal policies (Boratav, 2003, p.149). This era can be separated into the military regime and years of the Motherland Party (ANAP). The initial era was shaped by attacks against worker classes like “banning the activities of trade unions, banning strikes, giving the responsibility to the Supreme Arbitration Board of determining the wages rather than collective bargaining.” In the second era of the stabilization program, ANAP years, Özal governments maintained policies against labor. The economic populism of the governments within these years, like the legalization of gecekondus and zoning amnesties, created poor populations in the crowded cities who supported the neoliberal programs of ANAP (Boratav, p.150-3; Öniş and Şenses, 2022, p.206 ). Furthermore, export booms provided economic development, especially between 1983 and 1987 (Bedirhanoğlu, 2021, p.363).

The financial liberalization and the deregulation of interest rates were other consequences of the stabilization program. This program was financially aimed at liberalizing the repressed financial environment. Bretton Woods institutions monitored the implementation of the program because of Structural Adjustment Loans borrowed from the IMF (Akyüz, 1990, p.98; Yalman, 2019, p.55; Öniş and Şenses, 2022, p. 207). Initially, the ceilings on deposit rates were lifted. The “gentlemen’s agreement” resulted in negative interest rates despite the excessive need for credit owing to
inflation. The gentlemen’s agreement was considered an “interest rate cartel” (Yalman, 2019, p.55). However, the increase in smaller banks, the competition between them, the issuance of Certificates of Deposits, and the deregulation of the system allowed them to sell to high-risk businesses and caused the creation of Ponzi finance and the acceleration of interest rates (Akyüz, 1990, p.99). This mechanism generated a bankers crisis and led many bankers to bankruptcy due to the failure of Ponzi Finance (Boratav, 2003, p.151). As a result, the government had to liquidate five banks and “transfer their liabilities to public banks.” It was estimated that rescue operations cost no less than 200 billion TL, or about 2.5 percent of GNP” (Artun, 1985, p.51 cited from Akyüz, 1990, p.99).

This failure pushed Özal governments in the future to be prudent in financial liberalization (Boratav, 2003, p.153). Another consequence of this was the control of the Central Bank on interest rates, the largest nine banks’ right to “set deposit rates,” and the deregulation of deposit rates would not come back until 1987; the rejection of banks to increase deposit rates again caused to control of the Central Bank on the rates (Akyüz, 1990, p. 99). The establishment of the Capital Market Board and the Central Bank implementations, such as the policies purposed to keep short-term rates higher than long-term rates, were focused on reducing inflation, as Monetarists and Bretton Woods Institutions suggested (Akyüz, 1990, p.100).

Also, in the ANAP years, we witnessed the dispersion of credit card and consumer credit use and an increase in the options of placements for rentiers after the İstanbul Stock Exchange (IMKB) got functionality again in 1987. Also, the tax system was re-established. Taxes with value-added taxes and payroll deductions changed the state tax income composition to the disadvantage of workers and consumers (Boratav, 2003, 153). Furthermore, the capping on the prices was stopped, which caused rising prices of goods by the private sector (Yalman, 2019, p.56). Also, the subsidies for Government Business Enterprises from the Treasury were contracted in this era, which pushed them to domestic and foreign debts, and due to the increasing debt interests, these enterprises went bust (Boratav, 2003, p.154).
The consequences of these structural adjustments became the deepening of finance in the economy, a decrease in real wages, the growth of the banking system against non-banking activities, rising public deficits and public financing, a decline in the share of private direct securities in total, liberalization of finance, increasing exports, stagnation in private production and investments and interest rate deregulation that made more sensible to the time lags, high levels of interest rates and increase of forex deposits. However, the share of commercial banks in finance was higher than investment and development banks during those years. Akyüz (1990) saw this situation as the rise of short-term commercial loans rather than long-term investments. The environment for financial deepening was prepared in the 1980s. The superiority of banks in the economic realm was re-established. The state’s role as savior of the banks and risk-disperser, with new taxes and taking the liabilities of bankrupted brokers, was highlighted in this era. However, we cannot claim that during the 1980s, the financialization was successfully completed. The lack of privatization due to the etatist tradition of Türkiye (Öniş and Şenses, 2022, p. 207), the bankers’ crisis, the hegemony of commercial banks on investment activities, and thus the investors’ insufficient attraction to financial activities were the main characteristics of the era between 1980 and 1990.

2.3.2: Financial Deepening in Türkiye between 1989-2002:

The main developments in the 1990s were the full liberalization of capital circulation and foreign trade, the lifting of political restrictions against the political parties prior to the 1980s, and the adaptation process to the EU. The prior ones made the Turkish economy more vulnerable to global financial irregularities and crises, increasing foreign debts, and they contracted the national income, especially in the financial crises of 1994, 1999, and 2001. Those crises resulted from the financial cycles that started with the inflow of foreign capital with high arbitrage expectations and continued with increasing deficits in cash-balance holdings, rising risks, and confusion within the anticipations, then huge cash flow-outs and taking the liabilities of bankrupted institutions by the state (Boratav, 2003, p.180). The result of the 1994 crisis was the alignment of national policies to the “hot-money driven speculation-led growth,” and
the 1997 Asian flu-based crisis caused the implementation of “the IMF disinflation program” (Yeldan, 2022, p. 235).

Another consequence of this was the financial deepening, which can be seen in the rising expansion of financial securities from 7.8% in 1988 to 24.8% in 1994. However, the leading cause of this was the issuing of securities by the public sector. Securities shares rose in total to %6.5 in 1990 to %40 in 2000. Time deposits were doubled, and banking transactions were excessively increased because of the dollarization and the issuance of Government Debt Instruments. This situation created “a new form of deficit financing by government” (Yeldan, 2022). The financial deepening created boom and bust cycles and short-term business cycles that caused highly fluctuated investment and consumption. As a result, inflation became uncontrollable, and the fluctuation of the value of Turkish currency in this decade caused a decrease in the “export revenues” (Yeldan, 2022, p.235).

Moreover, we witnessed the rise of cronyism or kleptocracy, as TÜSİAD named, and the unjust biddings of energy infrastructure, privatizations, and financial siphoning were other notable characteristics of this era like in other developing countries that were financially and economically liberalized (Boratav, 2003, p.172-3; Bedirhanoğlu, 2021, p. 363). Bedirhanoğlu (2021, p.363) stated that Özal’s cronyism was “a necessary risk in order to put the neoliberal agenda into effect and reduce the power of neoliberalism’s opponents.”

The privatizations also function as a resource transfer mechanism for business classes that were close to the government. Also, Bedirhanoğlu’s argument shows privatization is open to abuse. For example, it is used as a bribe mechanism to persuade the opponents of neoliberalism within the capitalist classes in Türkiye. The return of bankrupted privatized banks to the public sector indicates this situation in this era (Boratav, 2003, p. 177). The methods such as “back-to-back credits, offshore banking, and improper banking” were used to disperse those liabilities to the public and “transfer of resources to corporations” (Ergüneş, 2008, p. 313-320; cited from Güngen, 2012, p.173). One of the definite consequences of this corruption was the decline of
production in economic activities and the rise of the housing sector, “speculation-led growth,” a foreign-debt-based economy, and the deepening of the financial market with state protection to the banks (Güngen, 2012; Yeldan 2022).

Moreover, the policies against labor ended with the workers’ movements and strikes. Parties needed populist propaganda to gain elections. For example, wages in the public sector increased by 42% in 1989. However, the mechanisms against laborers, like de-unionization practices, privatizations in the public sector, and the increase of subcontract works, also became prevalent in this decade (Boratav, 2003, p. 76). The comparison of unit wages between 1993 and 2001 showed that the wages decreased by 25% at the end of the decade (Yeldan, 2022, p. 239).

The increasing social inequalities, on the other hand, were also discussed, and the governments tried to solve them by firstly increasing the budget for primary education or by investing in human resources and transferring the budget to the economically marginalized parts of society like the implementation of the “poor laws” in the British Empire two hundred years ago (Boratav, 2003, p. 174). Those charity mechanisms were established five years ago. The Fund for Encouragement of Social Assistance and Solidarity was established in 1986 (Öniş and Şenses, 2022, p. 207).

Another step was against cronyism and corruption in economic activities. Independent controlling and monitoring organizations were established to provide accountability. As Boratav (2003) claimed, the independent characteristics of these organizations made them immune to the controls of legislation and jurisdiction; this brought danger when they entered corrupt relations. Also, the positions of the IMF and World Bank in developing countries decreased the impact of the government on economic and social policies in this era (Boratav, 2003, p.177). The increase in value-added taxes and private consumption taxes to pay the interest rates of the debts borrowed from the IMF can be shown as an example of reducing the ability to control those policies (Boratav, 2003, p.178). More than half of those tax incomes were spent to pay foreign debts. As a result, the Staff Monitoring Agreement was signed with the IMF in 1998 to provide “exchange rate-based disinflation” and fiscal stability with monetary controls like
“austerity in public expenditures” in Türkiye, and the IMF planned to gain accountability with this agreement, after the failure of austerity policies during Asian flu. (Güngen, 2012; Yeldan, 2022, p. 240-246). Moreover, as Yeldan (2022, p.234) stated, the financial deepening and dollarization created an open-economy trilemma in which the state cannot control independent monetary policy, the foreign exchange regime, and capital accounts together. This was even nearly impossible for economically dependent countries like Türkiye (Yeldan, 2022). These conditions caused the financial crisis in 2001.

In quantitative terms, the developments within these two decades can be summarized in Table 3. This table clearly shows the rise of the export regime and speculation-led economy in Türkiye.

| Table 3: Primary Macroeconomic Indicators (Boratav, 2003, p.159, 185) |
|---------------------------------|------|------|------|
| National Income (Index)        | 100.0 | 145.1 | 221.4 |
| Inflation Rate (%)             | 58.0  | 70.5  | 50.1  |
| Rate of Accumulation (%)       | 21.1  | 26.1  | 16.4  |
| Exports (Million $)            | 2275  | 11662 | 39147 |
| Imports (Million $)            | 4834  | 13545 | 47782 |
| Current Account Balance/National Income | -1.8  | +1.8  | -1.0  |
| External Debt (Million $)      | 13699 | 40722 | 133196 |
| External Debt Burden (%)       | 20.7  | 37.1  | 52.4  |
| Public Sector Borrowing Requirement / National Income | 5.2  | 4.8  | 10.3  |

The transition to neoliberalism in Türkiye also transformed the structure of the trade deficit. Before the 1980s, the structure functioned as “policy-linked or autonomous domestic demand expansion → growth → current account deficits → capital inflows.” After the structural reformation with Özal governments, it changed as this: “capital inflows → domestic demand expansion → growth → current account deficit.” The increase in dependency on domestic demand and “the foreign capital inflows” were
the leading causes of this economic transformation. As the dependency on external debts increased, non-financial firms were also involved in financial activities because of the deindustrialization policies after the 2008 crisis to benefit from the Fed policies to increase global liquidity (Boratav and Orhangazi, 2022, p.294).

2.3.3. 2001-8: Rise of Foreign Dependence

The consequences of the November 2000 and February 2001 crises were the 7.4% contraction in the GDP, devaluation of the Turkish Lira by 51% (100% depreciation between 2000 and 2001 against the US dollar), inflation rate of 53%, increase of unemployment from %2 to 8.9% in 2001, and 10.8% in 2002; decrease of real wages by %20, and the implementation of Transition to the Strong Economy Program of IMF (Yeldan, 2007, p.3; Ünsal, 2021, p. 110; Voyvoda and Taymaz, 2022, p. 266). Those economic crises occurred in parallel with the global transformation, including Türkiye, with the Post-Washington Consensus. In other words, the regulatory role of the market stabilized with the “politics-free” governance, and the active role of the state on the basis of “social protection and welfare to some extent” was highlighted. Kemal Derviş, as the technocrat of the World Bank, played the role of mediator between internal and external constituencies and implemented these new economic policies (Öniş, 2019, p.205). In the political realm, we witnessed the rise of the AKP government. The political party gained support from both inside and outside with its promises to finish the chaos of coalition governments in the domestic area with anti-poverty and anti-coalition policies and to apply Copenhagen and Maastricht criteria to democratize the country. As a result, the USA declared a “strategic alliance” with Türkiye in the Middle East (Taymaz and Voyvoda, 2022, p.258; Bedirhanoğlu- 2021, p.365). Furthermore, after the Asian flu, the effects of the inclusion of the real sector to the financial realm, the rise of high technology and globalization, asset prices inflated, and the boom period maintained until the 2007 financial crisis (Taymaz and Voyvoda, 2022, p.258). Another global pattern of this era was the flow of international liquidity to developing countries, which created a chance for economic growth in speculative-led growth economies like Türkiye (Taymaz and Voyvoda, 2022; p. 259). Türkiye entered the new millennium in these conditions. Structural weaknesses and financial globalization were the main determinants of Türkiye in this era.
Transition to the Strong Economy Program also declared that Türkiye conformed to the post-Washington consensus, which is explained above. The central differences between this program and the previous agreements with the IMF were the structural adjustment in the banking sector and the target of reaching 6.5% of GDP surplus to increase the credibility of Türkiye in the market. Kemal Derviş managed the adjustment program. To provide this, the Banking Sector Restructuring Program was prepared, and the Banking Regulation and Supervision Agency (BDDK) was established for “reforming the state banks, resolution of the banks under the management of Savings Deposit Insurance Fund (SDIF), strengthening the private banks and strengthening the relevant legal and institutional environment” (Ünsal, 2021, p.110; Voyvoda and Taymaz 2022, p.267). The newly independent and immune-to-the-legislation and jurisdiction institutions enhanced the danger of “what about these institutions corrupts?” problem that Boratav (2003) indicated. Also, the consequence of this program was the reduction of the state's welfare policies that raised the vulnerabilities of the underclasses and workers’ classes (Taymaz and Voyvoda, 2022). This opened the way for the new AKP government that rooted its populism in the networks of the Islamist charity organizations from the era of the Welfare Party (Bedirhanoğlu, 2021).

The era between 2002 and 2007 can be described as “jobless growth” with a maintained average of 9.9% of annual unemployment rates, rise of agricultural production decline with domestic migrations to the cities, decline in the proportion of wages in total national income while productive activities rising; and “deterioration… in social rights and working conditions”; and the proliferation of flexible works or precariat jobs (Taymaz and Voyvoda, 2022, p. 269). The economic environment responded to the post-Washington conformities and market-led policies rapidly, with a 7.2% expansion in the GDP with the international financial flows and a rise of the share of exports in the GDP.

However, the trade deficit also increased, which was compensated with FDI and foreign debts. FDI stocks increased from 19 billion US dollars in 2001 to 152 billion US dollars in 2007, and foreign debts increased from 114 billion to 292 billion between 2002 and 2008. The composition of the foreign debt stock changed, and the gravity of
debts shifted to the private sector, which made them more vulnerable to the adverse effects of global exchange rate fluctuations and the 2007-2008 crises. Moreover, the appreciation of the Turkish lira was compensated by declining labor costs in this era. The composition of production also changed in favor of the service sector or of non-tradable goods. The imports held the prices of goods down by creating a more competitive environment, while services and financial activities maintained their high costs (Taymaz and Voyvoda, 2022, p.272). So, the conditions changed in favor of foreign capitalist classes and finance capitalists during this time, and Turkish economic growth became more dependent on FDIs and foreign debts.

In the production sector, construction was the champion of this era by expanding its size by more than double, and the manufacturing industry grew by 8.2% due to the support policies of AKP to the construction sector (Taymaz and Voyvoda, 2022, p.274). Public Housing Authority (TOKİ) was established in 1984 to generate finance from housing infrastructure. This institution dispersed the income generated from the housing economy to the clients of the government through selective bidding processes and Public-Private Projects. Also, the migration to the cities due to the decrease in profit in the agricultural sector supported the growth of the construction economy. Also, long-term housing loans to the people provided the demand necessary for meeting the increase in the supply. The construction sector has been deeply connected with foreign debts, which have been paid by the incomes from the domestic market of those businesses close to the government (Boratav and Orhangazi, 2022, p.302).

These indicators showed that Türkiye's rapid economic growth in this era was based on intensive cheap labor, FDIs, and foreign debts that the private sector borrowed (Boratav and Orhangazi, 2022). The private indebtedness rescued Türkiye from IMF control and austerity policies (Bedirhanoğlu, 2021). Financial deepening was provided with the post-Washington rules that made the international market a primary ruler of economic and social policies, and there was a lack of industrial policies. The unproductive activities like the construction sector expanded, and financial activities strengthened its position in the composition of the national economy. Also, this era constructed an economic base for AKP to realize its ideological targets with a “nontransparent budget” consisting of extreme privatization and private
financialization. Moreover, the government declined the “petty corruption”; they succeeded in channeling the money with the mechanism of clientelist top-down distribution (Bedirhanoğlu, 2021, p.369).

### 2.3.4. From 2008 Crisis to Today: Cronyism Before Economic Sustainability

The complicated and interrelated financial assets and the sold risky mortgage credits spread the 2008 financial crisis worldwide. The USA started “The Trouble Assets Relief Program and invested 760 billion dollars to save the economy, and the American Recovery and Reinvestment Act was enacted to spend 800 billion dollars on the economy in 2009. Also, the Fed decreased the interest rates to 0% and initiated a quantitative easing program to provide investments and consumption against the effects of the crisis. This method was applied in other countries and regions like the European Union and Japan. As a consequence, global liquidity rose, and the boom period of the boom-bust cycle restarted in the world, which reflowed the liquidity to developing countries.

On the other hand, the decline of the USA hegemony was one of the critical points of this era. The rise of Chinese state capitalism with the BRICS as a competitor against Western liberal capitalism started to change the global context and policy paradigms, and the dependency of the Global South on the Bretton Woods institutions decreased because of the Chinese alternatives. The rise of Chinese authoritarian and state capitalism rekindled the debates of populism, authoritarianism, and illiberal democracy in the 2010s (Öniş, 2019). Türkiye, in this decade, was faced with de-democratization, especially after the Gezi Park movement, the coup d’état trial of the Gülen movement, and the presidential referendum. The structural constitutional changes weakened the effects of the Turkish parliament on the check-balance system and the role of the opposition in politics. The coalition between the construction capitalists and Erdoğan deteriorated the transparency of the contracts between the State and capitalists, and the inequality between classes has widened. (Öniş, 2019). Another consequence of the “new developmentalism was the ambitious national targets, especially for the national military industry. The Turkish New Sovereign Wealth Fund
was established to finance those mega construction and military projects. This also made Turkish economic transfers more non-transparent (Öniş, 2019, p.211).

Türkiye was in recession not because of the failure of the mortgage credits - because the mortgage financing was underdeveloped during those years - but because of the economic structure's dependency on external capital flows. Furthermore, Yeşilbağ (2020) claimed that because of the external debt restructuring and bank-based financial system, the Turkish housing sector’s integration with financialization was “impeded,” the Turkish government’s persistent support mechanisms through the construction sector have been to compensate for the impediments. However, after 2009, the economy flourished again with the increasing global liquidity. 250 billion dollars flowed to Türkiye in the four years after 2009. Turkish government deregulated the financial mechanisms further for non-financial firms, and the Central Bank started a reserve option mechanism that let “domestic banks use foreign currency as part of their required reserves.” As a result, the non-financial firms’ portfolio was involved with external debts.

Also, domestic debts were expanded, and the construction sector and non-productive economic activities gained hegemony in the GDP (Boratav and Orhangazi, 2022). So, the economic structure excessively penetrated the external debts, the unemployment rate increased, and the fragile characters of the unstable, uneven Turkish economic development deepened between 2009 and 2013. The external dependency shaped the consumption and investment patterns much more than before after the 2008 crisis. Turkish economic structure, which can be formulated as “capital inflows → domestic demand expansion → growth → current account deficit,” became stricter.

In 2013, the Fed announced the end of the quantitative easing program and planned to increase interest rates in 2015. The capital flow to Türkiye decreased from 70.4 billion dollars in 2013 to 33 billion dollars in 2015 (Boratav and Orhangazi, 2022, p.293). This declining process sharpened with Trump’s presidency and his government’s aim to slow capital flight to the Global South. Declining capital inflows depreciated the Turkish currency more after 2016 (Bedirhanoğlu, 2021, p. 370). The government’s
reaction was to keep interest rates low to keep the majority in the elections. This also deteriorated the independence of the Central Bank, and the Turkish lira started to depreciate. The interest rates were lowered in 2017 to keep economic growth, and the Credit Guarantee Fund was established to encourage SMEs. The Turkish economy was relieved with 48.8 billion US dollars in capital inflows in 2017. (Boratav and Orhangazi, 2022, p.293).

From 2018 to today, the Turkish economic situation can be defined as a long-lasting currency crisis. To handle the crisis, the Government and the Central Bank tried to control the capital flows by limiting the swap operations and taxing the purchase of foreign currency. Those hesitant and unplanned movements were in vain. The Turkish lira has continued to depreciate. The Fed decided to decrease the interest rates to provide global liquidity in 2019. The Turkish economy started to recover with capital inflows and increasing public spending. However, the breakdown of the supply-demand chain and the increasing dependency on external debts put Türkiye into a recession in COVID-19 years. Turkish government’s response was again expanding the credit opportunities. Turkish lira depreciated more, and the Central Bank was changed to stop the recession with austerity policies in November 2020. However, this did not function. Bedirhanoğlu (2021, p. 371) claimed that the Government put ideological priorities before economic sustainability, and because of that, the private debt payment structure failed; the actions against the economic problems did not function well, and the presidential and personalized crony regime aimed to derisk the business groups close to the government (Bedirhanoğlu, 2021; Boratav and Orhangazi 2022). Due to this, the Central Bank decided to use foreign currency at extreme levels to keep the Turkish lira stable in 2020. However, this did not work also. The recession in the economy is still continuing.

The 2010s were shortly summarized with the economy of construction and external debt led by currency depreciation, unstable financial markets, the rise of the state’s role to protect businesses with the Credit Guarantee Fund, and other institutional and non-institutional methods. The AKP government created its business class with the construction and energy sectors. Öniş (2019) explained cronyism as “the domestic coalition with the conservative, political, business and bureaucratic elites associated with the rise of AKP,” and it is the center of the transformation of Türkiye according
to the new paradigm of “authoritarian neo-developmentalism.” Also, the labor and trade unions were made unfunctional, the privatization was enhanced, and the social welfare was marketized. The contract-based works expanded, and the precariatization was rooted in the labor sector. Moreover, social aid became commercialized by Islamist charity organizations (Bedirhanoğlu, 2022).

This chapter claims that the Turkish political and economic structure developments show typical developing economic structures. After the January 24 decisions and restructuring of the economy based on cheap labor and exports to arrange supply side and on imports to supply demand, competition with cheap commodities has been deepened in the last forty years. A vital political consequence of this situation is the rise of crony capitalism with the creation of the extractive and non-productive industry bourgeoisie. Energy is one of the sectors which rises in the country with state support. Thus, energy transformation is one of the contradictionary topics for developing countries like Türkiye owing to the claim of the UN that the democratic and multi-partner transition aimed with SGD 7 has not matched with the economic and political processes in Türkiye. This situation can be interpreted not with the failure of the global energy transition paradigm but with the critical analysis of this paradigm in Chapter 1 that the transition process, which put the business classes and states at the center within the neoliberal economy, undermines the roles of local groups, citizens and scholars by mainly focusing on the economic development. In this situation, even if the energy transition and zero carbon target are reached in the future, the energy distribution and production will not provide equal or fair conditions. The need for a clean environment and energy will not be provided under the auspices of the leaders of the neoliberal structure. As we will see in the next Chapter, the essential role of energy in economic development will cause energy policies to securitize and technocratize, especially in energy-dependent countries like Türkiye. When securitization and crony capitalism combine, the consequence is deepening spatial energy inequality between the national and local levels, the big industries and SMEs, and the industrial producers and the other classes. Shortly, the brief history of the Turkish political economy approved the claims of scholars who approach critical against financialization. It is a crisis-driven economic structure that deepens the dependencies and inequalities on different levels.
3.1. Introduction

To understand the energy sector, we need to look at the political economy of energy. However, energy has a more complex nature than most other commodities. It is not only a commodity but also the driver of capitalism. There is always a need for energy, which is a public need. In other words, energy has inelastic demand— the excessive public need requires interruptions from legislative and juridictive branches to sustain energy flow. Also, the energy market obligates high-cost infrastructure. It has substantial sink costs. So, the financialization of the energy and electricity market is more problematic than other sectors due to the nature of short-term gains in finance, while infrastructure needs long-term investments and has much more risks, such as coordination problems, than other sectors.

Moreover, energy production means generation, transmission, and distribution, which creates a complex supply chain. On the political side, energy is securitized due to its essentiality in national and global economies. This brought a technocratic outlook to the energy sector that externalizes the democratic institutions and mechanisms from the energy market and amendments related to energy. The securitization process also deepened in the last decades with neoliberalism. The new institutions in Türkiye, like the Energy Market Regulatory Authority, increased the externalization of politics from the energy decisions. The natural cause of this is, of course, the non-transparency of national decisions on energy and the rise of cronyism in the sector. The discourse of Turkish exceptionalism and the geopolitical position as a transit country also served to the technocratization of the energy.
Moreover, the problematic relations between Türkiye and its neighbors due to the hydropower dams in the Tigris and Euphrates, the essential pipelines that transmit the energy between the countries, “the asymmetric relations with Russia on energy that Türkiye bought 36.7% of its fossil energy, hindered political participation in the energy policies and economy (Özkaynak et al., 2022; p.230). As a consequence of this nature of energy, the regulation of the state is always in the market, even if its role and degree of intervention are constantly changing according to the maturity of the financial and non-financial actors, the geopolitical complexities, the nationalist fetishism, and the type of composition of the sector.

The paradoxical nature of the energy sector as a long-term investment and never-ending driver of capitalism thus requires understanding its political economy to understand the functioning of capitalism in the neoliberal era well. Thus, we can see that neo-liberalization of the energy sector is a challenging and complex process; for example, in Türkiye, the liberalization of the electricity sector started in 1984 and ended in 2014 (Atiyas, 2012; Ünsal, 2021; Özkaynak et al., 2022).

I will start to analyze the political economy of the energy market with historical policy analysis. I will briefly mention the changes in the market after Özal’s structural adjustment by looking at changes in energy market laws. The changes in the electricity market structure in Türkiye have been a very conflictual issue, so I will take it as a primary case to analyze the energy markets. Then, I will focus on renewable energy. The rise of renewable energy in Türkiye is not an old phenomenon, so to understand it, looking at the whole energy market from the electricity sector would be beneficial to see the effects of financialization on the transition process. Also, there is a lack of literature on the financialization of renewable energy transition in Türkiye. So, to enter a novel realm in political economy, the general structure and the position of the economic and political actors should be understood. To see the attitudes and behaviors of political actors and the effects of the global sustainability paradigm on them, I will conduct a discourse analysis of parliamentary minutes in the Turkish Grand National Assembly. I will discuss the analysis with the general political economy scheme of Türkiye and the paradigm of financialization of renewable energy transition that is explained above. Shortly, the contradictory process of short-term favored
neoliberalism in the long-term transition process is very complex to understand without understanding the history of their unhappy marriage into the economy.

3.1: Privatization of Electricity Market

As discussed in Chapter 2, the financialization of the energy sector and the transition process cannot be discussed without privatization. The privatization process, either with PPPs or direct privatizations, is the primary way of unleashing financial means for production. The main basis of the Washington Consensus was the advantages of privatization with competition and cost reduction. The energy and electricity sector started to become privatized in the initial era of neoliberalism. Türkiye is not the exception since Law No. 4628 in 2001 liberalized the electricity sector.

<table>
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<tr>
<th>Privatisation Of Electricity Industry Timeline</th>
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<tbody>
<tr>
<td>1984 Law No: 3096, Authorization for Build-Operate-Transfer (Bot) and Transfer of Rights (Tor)</td>
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<tr>
<td>1994 Law No: 3996, Unbundling of Generation and Transmission from Distribution and Retail, Introduction of Bot and Tor</td>
</tr>
<tr>
<td>1997 Law No: 4283, Introduction of Build-Operate (Bo) Scheme</td>
</tr>
<tr>
<td>2001 Law No: 4628 (Electricity Market Law), Unbundling of Generation and Wholesale from Transmission</td>
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<tr>
<td>2004 Privatisation Strategy Paper</td>
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<tr>
<td>2008 Privatisation of Distribution Started</td>
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<tr>
<td>2012 Sector Openness Reached 84%</td>
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<tr>
<td>2013 Law No: 6446 (New Eml), Privatisation of Distribution Completed</td>
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However, this was not the first trial of the privatization of the electricity provider. The first step was taken in 1984 with Law No. 3096, which let “BOT (build-and-operate-transfer) contracts for new generation facilities and TOR (transfer of operating rights) for existing generation and distribution facilities” and allowed consumers to open plants for self-consumption. Law No. 3996 brought tax exemptions and state guarantees to the BOT contracts (Atiyas et al., 2012, p.23; Erensü, 2018). These privatizations were adapted due to the financial burden and frequent blackouts of electricity in the hands of the state. Also, the oil crisis of 1973 and 1974 raised energy costs. The population increase, the economic growth, and the inefficient use of energy exacerbated the inability of the state to provide energy supply. (Bağdadioğlu, 2011, p. 123; Özkaynak et al., 2022; p. 225).
Law No. 4283 introduced the BO contracts to the Turkish market, which is also guaranteed (Atiyas et al., 2012, p.23). The BO and BOT agreements have limits; for example, “about 4000 MW started operating between 1997 and 2004” (Atiyas et al., 2012, p.22). Also, it should be added that foreign actors entered the Turkish energy market with these privatization attempts. For Aliağa and Akkuyu, the contracts were signed with foreign investors. However, those privatization activities did not successfully provide cheap and sufficient energy. Moreover, the lack of incentives and political conflicts between bureaucracy and the government on privatizations kept the investors away from the BOT, BO, and TOR agreements and the operation of new power plants. Only 22 power plants opened with BO agreements at the end of the millennium (Erensü, 2018, p.3). The Constitutional Court was important in obstructing privatization activities. For example, Law No. 3974 planned to privatize the Turkish Electricity Authority (TEK), but the Constitutional Court annulled this law. According to Atiyas et al. (2012), the Constitutional Court determined the “boundaries of privatization policies” to stop the privatization of strategic industries “to prevent monopolization or cartelization” (p.22).

Moreover, the Council of State (Sayıştay) was made responsible for reviewing the BO and BOT agreements that lengthened the processes of privatization of the electricity market until 1999, and the constitutional amendment in 1999 by allowing the private sectors to provide public services resolved the conflict between the execution and jurisdiction on the issue. This conflict between bureaucracy and the market in Türkiye reflects conflicts between classes and in-class and between the foreign and national bourgeoisie after 1980. For example, Oğuz and Çetin (2006, p.1766) blamed both labor unions, the Constitutional Court, and the Council of the State for hindering privatization attempts, and the reason for the “public decision” for annulling privatizations seems to them as a conflictual and controversial. The courts “take an ideological stance on the issue of public interest and see themselves as the protector of the welfare of the state.” The bureaucracy was still looking for alternative solutions for the economic insufficiencies. Especially the jurisdiction was not keen on privatizations in favor of foreign capitalists (Öniş, 2011; Erensü, 2018). Energy was one of the main sites of political and economic contestations (Atiyas, 2012; Turhan, Özkaynak, and Aydin, 2019). Non-transparency of the bidding process between preselected firms and
the irregularities of the implementations (Atiyas et al., 2012, p.22) in BO and BOT agreements were also signs of class conflicts and cronyism under the Özlal governments. Cronyism can be seen as a requirement of the developing country structure with no capitalist classes to tackle the complex and riskier energy processes. Quantitatively, less than 10% of electricity generation was transferred to the private sector until the 2000s. Moreover, BOT and BO agreements were not aimed at competition and minimizing electricity costs; the state still took risks, and there were no cost savings.

Furthermore, distribution losses became a problem in the 1990s. The distribution loss in Türkiye reached %21.6 in 2001 (Atiyas et al., 2012, p. 19). This failure showed that the management of the energy sector market was inefficient in Türkiye in this era. So, in the premature phase of neoliberalism in Türkiye, those BO and BOT agreements were only a load on the economy and the state and needed to be reformed, especially with the IMF program in 2001. The new regulations were also needed because of the contradictions in the market structure sourced from the political conflicts on privatization (Erenstü, 2018, p.3). However, the neoliberal hegemonic discourse in Türkiye, with the IMF, showed the problems in the energy market as insufficient neoliberalism and nepotism. This discourse, especially with the crises of 1994, 1999, and 2001, caused the elimination of the resistance on the bureaucratic level (Erenstü, 2018; Okaynak et al., 2022). Nevertheless, after the failures, the BO and BOT agreements were left as time passed in Türkiye. The distribution of installed capacity in 2021 can be seen in Figure 1.

Figure 1: The distribution of installed electricity capacity in Türkiye 2021 (EPDK website)
3.1.1. Electricity Market Law and Transformation of Neoliberal Structuring to Authoritarian Neoliberalization (EPDK)

The Electricity Market Law (EML) no:4628 was amended in 2001. The law's purpose was to restructure the energy and electricity market according to the IMF program of 2001 and the EU adaptation program and to provide a competitive and transparent market (Çetin and Oğuz, 2006; p.1764; Çetin, 2010). One of the direct recommendations of the IMF was the full liberalization of the energy market (Erensü, 2018; p.4). The restructuring or unbundling of the energy market was planned to regulate the supply side, so the demand side or consumers’ choices were ignored. In other words, the energy market was restructured with techno-economic priorities rather than in a democratic way (Serencam and Serencam, 2013, p. 330). The Electricity Market Regulatory Authority (EPDK) was established to technocratize energy policies. The institution was renamed the Energy Market Regulatory Authority in 2003 and became responsible for regulating all energy markets and “protecting the market from political influence and ensuring impartial distribution of valuable energy production permits.” (Özkaynak et al., 2022). So, the aim of the post-Washington consensus of providing governance and a regulatory state with the exclusion of the populist decisions of the democratic institutions would be provided on the institutional level in the energy market with EPDK in Türkiye. Its responsibilities have been the issuance of licenses for market activities, determination of tariffs, monitoring of the market, and determination of eligibility limits on access to markets, and it has the power to impose fines and sanctions on the actors in the market (Ünsal, 2021, p. 150). The EPDK had nine members appointed by the Council of Ministers, and the Council of State still had the right to appeal the EPDK's decisions after the law's amendment (Atiyas et al., 2012, p.24).

However, at the beginning of the 2000s, the power of EPDK was contradictory. The EPDK loosened the power of the Ministry of Energy and Natural Resources (MENR) on the market; however, the political priorities had occasionally prevailed. As Oğuz (2009) indicated, energy is not only an economic but also a “political good”; while the economic perspective looks at energy from the Kaldor-Hicks criterion, which prioritizes the cost-benefit analysis, the policy-makers behavior can be explained with the Pareto criterion, which highlights the voter behavior on decision-making processes.
For example, when EPDK intended to apply a region and cost-based pricing system to punish the regions with higher levels of electricity thefts. However, the government prevented this implementation because of the vote concern (Çetin and Oğuz, 2006). The main realms of conflict between these two angles are pricing, market power, and market entry; the neoliberal economic theories suggest that privatization lowered the prices, but the cases of electricity show the opposite.

An interesting example is the delay in the privatization of electricity distribution. Prime Minister Erdoğan caused delays by saying, “Now they (the privatized companies) raised the electricity prices, and we had to pay it” (EMO, 05.01.2007). Also, market power means the political power of monopolies and oligopolies with political pressures on policy-makers and their lobbying activities, and independent institutions like EPDK can be insufficient to prevent this power. Entry into the energy market is also problematic. Since the market has a strict structure, other companies cannot benefit from the demand in the market—also, the discrimination in favor of the state companies is another obstacle for others (Oğuz, 2009). For instance, preventing the market from the hegemony of foreign investors was also the aim of bureaucratic authorities, which was contradictory to economic liberalism (Çetin and Oğuz, 2006; p.1764).

Moreover, in Türkiye, we saw many examples of independent state organizations and judiciary trying to stop nepotist privatizations and protect the environment against the companies close to the government, especially in the 2000s and the first five years of 2010s. Furthermore, another institution, the Higher Planning Council, that gave authority for investment for electricity to MENR also weakened the sole authority of EPDK. Also, the judiciary's statist position and the Competition Authority's power in the market generated legal conflicts (Çetin and Oğuz, 2006; p. 176-9).

The conflicts between economic and political perspectives reveal the inconsistencies within the post-Washington consensus. In an environment where the governments pursue the majority of votes, the governments had to follow the populist preferences, especially on the inelastic public-demanded markets like energy. The short-termism of
neoliberalism is another factor because the energy infrastructure, especially in developing countries, is too costly for the private sector. Due to this, the pricing mechanisms, at least in the short and medium run, do not function on behalf of the consumers. So, these contradictions, which came to light in the 2008 Financial Crisis and “Too Big to Fail” policies, pushed the state’s role from regulatory to de-risking state.

The long-term investment necessities and energy supply security strengthened and maintained the derisking role of the state in the energy market. For example, the state disperses the investors' costs to the public and incentivizes them indirectly with the taxation of electricity through TRT taxes, value-added taxes, and by taxing municipalities' consumption (Çetin, 2010). The taxation mechanism after 2001 also shows how the state apparatus was used to the advantage of the capitalist classes in Türkiye.

The other example in the energy market to function of the state as a class apparatus is the consumer-retail pricing mechanism, which loaded the burden of the large-industry electricity consumption to the household and small-scale commercial customers by providing low-cost energy to the prior ones (Serencam and Serencam, 2013; p.331). Another example from the Turkish energy market is the autonomy of the EPDK with other independent institutions melting down; the institution started to de-risk the business groups close to the AKP government and degraded the liberal market mechanism. For instance, the declaration of the EPDK on 2 May 2014 dismantled the licenses of projects that were maintained longer than the schedule and harmed the energy market. The decision of the EPDK was revised, and the institution started to allow the investors to delay their projects if the cause was beyond the investors' will. This decision pushed the investors to lobby due to the regained central authority of the government (Erensü, 2018).

Moreover, Erensü (2018) stated that the investment projects should be compatible with government discourses like “National Energy.” We can see this discourse on renewable energy, too. The National Energy Strategy was published with a “More Domestic,
More Renewable” approach (Telli et al., 2020). The primary cause of the renewable energy transition is to provide energy security by diversifying the resources rather than environmental causes. Much news from the agencies close to the government shows Solar and Wind Energy Plants in the framework of “National Energy.” For instance, the megaproject of Kalyon PV in Konya Karapınar is presented within the framework of “National Energy” discourse, especially with the increasing risks of energy security with the Russia-Ukraine War (Sabah Online News, 02 May 2023; Anadolu Agency Online News, 05 July 2023).

Another preparation of neoliberalism for the energy market was the division of TEK into two different institutions, Turkish Electricity Generation and Transmission Company (TEAŞ) and Turkish Electricity Distribution Company (TEDAŞ), in 1993 (Atiyas, 2012). With the EML, TEAŞ was reorganized and divided into three companies: EÜAŞ for generation, TEİAŞ for transmission, and TETAŞ for wholesale. EÜAŞ and TEDAŞ were planned to be privatized, while TETAŞ was planned to remain public. EÜAŞ aimed to cheapen the electricity retail prices due to the high prices of BOT, BO, and TOR agreements. TEDAŞ remained a regulator of distribution and retail (Atyias, 2012, p.24; Ünsal, 2021). Public entities like Petrol Ofisi and Türkiye Petrol Rafinerileri Anonim Şirketi were privatized under this law, and BO, BOT, and TOR agreements with private actors increased (Özkaynak et al., 2022). Another aim of the EML was to balance electricity supply and demand in real-time equality. National Load Dispatch Center was established in TEİAŞ to provide this (Atiyas et al., 2012; p.24).

The Implementation of the EML for privatization was scheduled and planned In 2004 with a Strategy document. The privatization was planned to start with the distribution side. For Atiyas et al. (2012, p. 29), the reason for prioritizing privatization of distribution is due to the lack of willingness to make contracts of bureaucracy with private sectors and the belief in the lack of the capability of civil servants to stop loss theft. However, this strategy did not work to stop theft losses. For example, in 2012, the costs of theft losses reached 5.9 billion TL. The reason behind this is the freedom of the private sector to decide where they work and the state guarantee to compensate transmission costs that reduce the efficiency in the market and prevent the provision
of electricity to the less developed regions like Southern Eastern Anatolia and Black Sea regions (Ünsal, 2021, p.161).

![Distribution of Installed Capacity in Türkiye](image)

**Figure 2: Distribution of Installed Capacity in Türkiye between 2011-2021 (EPDK website)**

Another cause of the acceleration of privatization activities under the licensing agreements was the AKP’s construction-based economy, which is discussed above. 32% of the privatizations belonged to the energy sector, and the energy sector in Türkiye in AKP years was always in the top three of the FDI attraction list with manufacturing, insurance, and finance. The installed capacity was reached from 129,400-gigawatt-hour (GWh) to 251,964 GWh. (Erenstä, 2018). The increase in privatization in the last ten years can also be seen in Figure 2.

The capital inflows to the developing countries in the last 20 years created a chance for developments in the construction, energy, and other extraction sectors for the AKP regime and its close business group. As discussed above, the effects of this choice created “jobless growth” in the economy. Moreover, with the developments in international relations after the dissolution of the USSR, Türkiye maintained its geopolitical importance by deepening interrelations with the Middle Eastern countries. On this issue, one of the main elements of the geopolitical policies was the energy with strategic transcontinental pipelines. This diplomacy securitized the energy policies on
an extreme level and made it a “national” issue. The securitization opened the path for breaking down the bureaucratic and social tensions relating to energy projects.

On the other hand, the transition to construction and extractive-industry-led jobless economic development did not occur smoothly. Many local and national protests have erupted against the inequalities and the social and economic deterioration of energy and extraction activities. The most tragic social protests against the energy sector were the protests after the Soma coal mine disaster, which occurred in 2014. The government’s reckless attitudes and behaviors and Erdogan’s fatalistic speeches on the issue revealed the cronyism in Türkiye very well. Also, the bureaucratic conflicts continued until the 2010 Constitutional Referendum that limited the judiciary's power to review the form of administrative actions, including energy investments (Erensü, 2018; Özkaynak et al., 2022). The same pattern of privatization with cronyism has also been implemented in the renewable energy sector. Analyzing these issues will continue on the law and law modifications related to renewable energy and its support policies below.

3.2. Renewable Energy Policies and Discourse Analysis

3.2.1. Method: Critical Discursive Analysis of Parliamentary Minutes Recording

This subchapter will analyze the top-down policy mechanism of energy transition in Türkiye. I will try to find the effectiveness and the problems of the transition policies by analyzing the parliamentary minutes related to the renewable energy transition and conducting critical discourse analysis to see the impacts of neoliberalism and financialization processes on the discursive realm in Turkish politics.

The purpose of the choice of the analysis of the parliamentary minutes rather than quantitative and legal documents is that the literature on energy policies in Türkiye is very technical and quantitative. However, there is no study related to the discourses of policy-makers on energy transition. It can be said that the technical language, securitization, and approach to energy as a vital business comprehended not only the politics but also the academic works in Türkiye. Both politics and academia generally
view energy issues as supra-politics. In other words, rather than focusing on numerical measures of the effects of Feed-In-Tariff policies and the financial scheme of the energy transition, which have been studied many times in the literature,

This chapter studies the narratives of political actors on energy transition: firstly revealing the general history of renewables in legislative politics, then looking for the ideological values, goals, means, and action claims of the government, the critical comments of the opposition parties and the impacts of neoliberalism, especially the financialization on the political discourses of energy transition in Türkiye. Those findings are visualized with the tables and charts at the end of the chapter. The political and discursive analysis of the parliamentary minutes also helps to reveal the relations between the affairs of financialization and energy transition on different geographical and institutional levels, and it is discussed in the last chapter, which focuses on the socio-economic impact assessment of the solar energy transition in Akhisar.

It can be said that the Turkish political adventure in the energy transition can be separated into two: From 1996 to 2010 and from 2010 to today. In the first period, the discussions mainly focused on the neoliberal methods of energy policies, especially privatization, which was the main issue in this era. The conflicts between the bureaucracy and governments on privatization cases filled the political realm. On the other hand, the essential core of the energy transition process in Türkiye was determined as energy supply security and reducing energy imports. The environmental issues degraded to the secondary level. The parameters of discourses about the energy transition in the parliamentary minutes were determined in this period. The national interests and interests of the capitalist classes prioritized the supply necessity before the problems of the demand side. Privatization of energy, especially electricity distribution and transmission, and the financialization of the energy projects were the main goals and means of the policy-decision mechanisms. There was no powerful opposition against those priorities in this period. The main opposition party, CHP, even supported and contributed to the law-making processes. However, the slight differences between priorities were also seen. The most troubled point on the policy decision-making parameters was excessive privatization, the in-party conflicts of the government, and insufficient incentives and subsidies, according to the CHP.
Therefore, the rapidity of the neoliberalization of energy as a strategic national resource disturbed the opposition side.

In the second period, the detrimental effects of the unplanned energy transition and its insufficiency, even for the central values and goals of the Turkish state of national and sufficient energy supply, occurred. Asserting the conditions of the developing and energy-dependent situation of the country, the Turkish government repressed the opposition within the bureaucracy and curbed the judiciary's power to enhance the quantitative amount of energy projects. The pressure on the political realm moved the opposition to the streets and energy project lands. Environmental local movements increased, and the harsh treatment against the protesters showed the consequences of the government's authoritarian way of attracting financial investors to the country. The state's vulnerability without a national energy strategy and the dependency on maintaining short-term investments for long-term infrastructure and research and development projects (R&D) like the energy transition process fluctuated these transformations. The fluctuations and lack of energy strategy generated uncertainty in policymaking and implementation. The priority of energy supply polluted the path of energy transformation with the rise of non-environmental hydroelectricity power plants, geothermal, and increasing thermal power plants. The neoliberal ecodevelopment paradigm has not functioned as planned by the UN and other international organizations. The mask of democratization with the contribution of the private institutions to the energy transition aggravated the dependency of the privately indebted Turkish economy on international economic actors. The short-termist and quantitative interests of the investors deteriorated the interests of the national political and economic actors. Hence, the dependency of the policy-making mechanism in Türkiye on energy transition issues made this adventure much more dangerous, unstable, undemocratic, and precarious.


The discussions on renewable energy in Türkiye were started primarily based on the discussions on the insufficiency of electricity supply and security. To investigate the
possibilities of renewable energy in Türkiye, the Renewable Energy Directorate was established in 1993. The issue was initiated to gain importance in the political arena with the 7th 5-Year Development Program of 1996-2000. The main target was to solve the electricity demand on an energy issue, and the dissemination of renewable energy was presented as one of the ways of this solution (p.138). In the program, there was no plan for how to disseminate renewable energy. The program left the issue to the legislation. Also, the parliament started to discuss renewable energy on 20.04.1996. The arguments presented renewable energies as a solution to the rising demand for electricity and energy security. On 04.06.1996, a motion was made on the leadership of Hakan Tartar for parliamentary research on disseminating renewables, especially solar and wind energy. It seems that all parties of the parliament accepted the necessity for green energy.

However, conflicts were seen in the method of dissemination and the abolitions of the Constitutional Court on the BO and BOT agreements on renewable energy that had been continued in the first decade of the new millennium (Pamukçu S., 1997; Polat A., 1997; Yaşar, 2000; Örs M., 2000; Gökbulut, 2001). Also, agricultural land extraction for renewable energy plantations was another issue of conflict between the judiciary and execution and between the government and the opposition parties. While the government offered this as a solution to the obstacles against investments in renewables, the opposition defined this as another “Cargill Law.” (Parliamentary Minutes, 19.03.2008; 20.03.2008). Other discussions were about whether priority was given to nuclear energy or renewables and the lack of a target to increase the share of renewables in electricity production, insufficient operation of capacities of renewables, lack of a limit on pricing mechanism in nuclear energy law no: 5710, and other issues discussed above like the control of foreign investors by the state on energy (Polat A., 2001; Bodur, A.R., 2003; Kılıçdaroğlu K., 2007; Tütüncü E., 2007).

However, there were no Turkish policies that started to regulate and weigh on renewable energy if we excluded hydropower from this category until EML, before EML, the Mandatory Renewable Energy Target that aimed to reach the consumption of renewable energy to 9500 GWh in a year until 2010. This target was set in 1997. However, the excessive increase of fossil energy use in power generation at the
beginning of the new millennium laid the target aside (Serencam and Serencam, 2013, p. 331).

EML had some points related to renewable energy. The purposes of the EML related to renewable energy were the target of diversifying resources to reduce energy dependence and enhance public and environmental health. Also, in the initial years of Turkish adventure in renewable energy development, the initial costs were high, and as we already discussed, the energy sector overall is known for high initial costs. Thus, the Turkish pricing system, in which the state buys from private companies and sells electricity to consumers at the same determined prices, incentivized the investors for renewable energy (Kaya, 2004). Also, the parliament first discussed the feed-in-tariff system during the discussions on the draft law of EML. The MENR rejected this (parliamentary moments, 20.02.2001). However, the focus on renewable energy was low; the share of renewable energy within electricity generation was under %1 until 2009, as we have seen in the share of renewable energy table below.

The fundamental reason for this was the reluctance of the government to increase the goal of increasing renewable energy in the first decade of the twenty-first century (Serencam and Serencam, 2013, p. 332). One of the causes of the reluctance is the lack of international and EU funds for renewable energy. The Minister of the Treasury Ali Babacan, for example, claimed in 2004 that renewable energy is a burden for the state treasury and the developed countries did not support the renewable energy market and explained: “I met with the heads of companies like Shell and BP and the American Energy Agency in America; Renewable energy is unnecessary, they said. Many companies bring feasibility and offer very low prices.” (Hürriyat, 17.10.2004). Also, Afif Demirkiran, one of the PMs of the AKP, stated on 20.03.2003 that the World Bank allocated 200 million US dollars fund for renewable energy for Türkiye, and Türkiye should amend a law to benefit from it. This argument was reiterated by the Minister of MENR Hilmi Gülter on 03.02.2005 before the amendment of Law No. 5346 related to renewable energy. Also, as we can see in the parliamentary moments on 24.12.2004, the main opposition party, CHP PM Tacidar Seyhan, criticized AKP for not discussing funding for the renewable energy transition with the EU Parliament. This example is evidence of the functioning of short-termism, the dependent position of the Global
South, the financialization of renewable energy in developing countries, and the controller and de-risking role of the state for investments and the economy.

The first important legislation focusing on renewable energy was amended on 10 May 2005 and published in the Official Gazette on 18 May 2005. The law was planned to be amended one year before. The draft was proposed to the Parliament on 15.06.2004. However, as stated before, the Minister of Treasury ignored the law due to the burden on the Treasury. Even the Minister of MENR complained about this delay. The law purposed to regulate the licensing of electricity generation from renewable energy, its

<table>
<thead>
<tr>
<th>Year</th>
<th>Total (GWh)</th>
<th>Coal (%)</th>
<th>Liquid fuels (%)</th>
<th>Natural Gas (%)</th>
<th>Hydro (%)</th>
<th>Renewable Energy and wastes</th>
</tr>
</thead>
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<tr>
<td>2001</td>
<td>122 725</td>
<td>31,3</td>
<td>8,4</td>
<td>40,4</td>
<td>19,6</td>
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<tr>
<td>2002</td>
<td>129 400</td>
<td>24,8</td>
<td>8,3</td>
<td>40,6</td>
<td>26,0</td>
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<tr>
<td>2003</td>
<td>140 581</td>
<td>22,9</td>
<td>6,6</td>
<td>45,2</td>
<td>25,1</td>
<td>0,2</td>
</tr>
<tr>
<td>2004</td>
<td>150 698</td>
<td>22,8</td>
<td>5,0</td>
<td>41,3</td>
<td>30,6</td>
<td>0,3</td>
</tr>
<tr>
<td>2005</td>
<td>161 956</td>
<td>26,6</td>
<td>3,4</td>
<td>45,3</td>
<td>24,4</td>
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</tr>
<tr>
<td>2006</td>
<td>176 300</td>
<td>26,4</td>
<td>2,4</td>
<td>45,8</td>
<td>25,1</td>
<td>0,3</td>
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<tr>
<td>2007</td>
<td>191 558</td>
<td>27,9</td>
<td>3,4</td>
<td>49,6</td>
<td>18,7</td>
<td>0,4</td>
</tr>
<tr>
<td>2008</td>
<td>198 418</td>
<td>29,1</td>
<td>3,8</td>
<td>49,7</td>
<td>16,8</td>
<td>0,6</td>
</tr>
<tr>
<td>2009</td>
<td>194 813</td>
<td>28,6</td>
<td>2,5</td>
<td>49,3</td>
<td>18,5</td>
<td>1,2</td>
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<tr>
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<td>46,5</td>
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</tr>
<tr>
<td>2011</td>
<td>229 395</td>
<td>28,8</td>
<td>0,4</td>
<td>45,4</td>
<td>22,8</td>
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</tr>
<tr>
<td>2012</td>
<td>239 497</td>
<td>28,4</td>
<td>0,7</td>
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<td>24,2</td>
<td>3,1</td>
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<td>2016</td>
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<td>2018</td>
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<tr>
<td>2019</td>
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<td>37,1</td>
<td>0,1</td>
<td>18,9</td>
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<td>14,7</td>
</tr>
<tr>
<td>2020</td>
<td>306 703</td>
<td>34,5</td>
<td>0,1</td>
<td>23,1</td>
<td>25,5</td>
<td>16,8</td>
</tr>
<tr>
<td>2021</td>
<td>334 723</td>
<td>30,9</td>
<td>0,1</td>
<td>33,2</td>
<td>16,7</td>
<td>19,1</td>
</tr>
</tbody>
</table>

The first important legislation focusing on renewable energy was amended on 10 May 2005 and published in the Official Gazette on 18 May 2005. The law was planned to be amended one year before. The draft was proposed to the Parliament on 15.06.2004. However, as stated before, the Minister of Treasury ignored the law due to the burden on the Treasury. Even the Minister of MENR complained about this delay. The law purposed to regulate the licensing of electricity generation from renewable energy, its
usage, the incentives and subsidies for renewable energy plantations, and the pricing model for renewable energy. The discussions on drafting the laws focused on energy supply security, which was sparked by agreements with Russia for a 60% share of natural gas in total national energy imports; the sole focus of electricity and insufficient regulation about heating; lack of incentives for technological development; the inequality of subsidies and incentives between renewables for the favor of wind energy investors; lack of regulation and control on foreign investors; the share of 20% of the right to change in pricing of electricity of renewables of the Cabinet and its possible adverse effects on national renewable energy market and the possible instabilities because of that right in the future; guarantee of purchase as an incentive mechanism; feed-in-tariffs as an imperfection in the energy market; lack of target for renewable energy dissemination in the law; lack of regulation for preventing the current fluctuations with possible excessive renewable plantation; the right and responsibilities of Ministry of Environment and Forest to determine the land for renewable investments as a path of the corruption and cronyism. There was a lack of discussion on the burden of those incentives on the people. The arguments about selling prices were not discussed either. Other central issues of the debates were the high electricity prices and energy dependency on foreign states and businesses. These absences indicated that the policymakers’ main targets on renewable energy are energy security and representation of the interests of the investors. The securitization of energy functioned to draw attention to the supply side and the economic actors on there and disappear the demand side. Also, the reluctance to unlicensed and off-grid renewable energies and renewable heating systems re-highlighted the hegemonic discourses and concerns on electricity supply security and the efficient use of financial resources to provide enough supply to the demand in Turkish politics (World Bank Report, 2020).

The law defines renewable energies as hydraulic, wind, solar, geothermal, biomass, biogas, wave, flow, and tidal energies. The concept and scope of renewable energy have been continuing after the amendment of the law. For example, whether biodiesel is renewable or not was debated in the discussions of the changes in private consumption tax Law no: 4760 on 29.03.2006. Also, hydroelectric power plants (HPP) were defined as a type of renewable energy. The categorization of HPP as renewable
energy legitimized the use of a larger area for HPPs than defined in Law No. 5346 and provided the crony capitalists to benefit from the subsidies and incentives for the renewables sector with Energy Efficiency Law No. 5627. Also, the definition of HPPs as a type of renewable energy provided the incumbent government the advantage of showing the rates of renewable energy on higher levels and strengthened their national, local, and independent energy discourses. The opposition against HPPs was raised by the environmentalists and the victims of the HPP projects, especially in the Black Sea and Southern Eastern Anatolia in the late years of the 2000s, and we have witnessed today local environmental movements against them. We also have been witnessing several local movements against geothermal energy and even solar energy plants today. However, the opposition parties did not show powerful opposition against this definition until the second half of the 2010s. On the other hand, the government defined landfill gas, including plastic wastes, as renewable energy sources with law modification no: 6719 on 04.06.2016. This modification was canceled in 2020 with law no. 7257. Those cases show that the types of energies should be defined and regulated one by one with different articles or different laws rather than collectively. In this law, the only thing that was regulated separately was the purchase prices and guarantees. In other words, the only thing the incumbent government is interested in is the prices and strengthening of the hands of crony capitalists.

The guarantee of purchase implementation is approved with this law, and the purchase price is determined as 5.5 Euro cents per kWh. The purchase price was raised to 5.5 Euro cents with the amendment of law no. 5627. The strike price was determined as the same price as the EPDK price for the generated electricity with fossil fuels. The purchase prices were modified to 7.3-dollar cents per kWh with the law modification in 2010. This is nearly the same price as 5.5 Euro cents, and this was the main discussion of the law modification within the parliamentary discussions. The opposition saw the price as insufficient, and the discussions were exacerbated by the much higher rate of purchase guarantees provided to the nuclear plant agreements with Russia.

On the other hand, starting with the authoritarianism in Türkiye and the hegemony of the SDG paradigm in the world, the purchase guarantees were criticized as being a
way of income transfer by opposition parties. The power of the government over
energy policies increased in the second half of the 2010s. The government chose to
support big projects with a bidding system and excluded the small and medium
to
enterprises from gaining the right to benefit from those purchase agreements with
tendering.

The exemption from remunerations and discounts on taxes were also provided.
However, those subsidies and incentives seem insufficient. The share of renewables in
whole installed capacity in Türkiye did not reach 1% until 2009. On the other hand,
the installed wind energy capacity was raised from 20.1 MW in 2005 to 1329,15 MW
in 2010, while the installed solar energy capacity was under 1 MW until 2014 (EPDK
website accessed in June 2023). The critics of opposition parties during the discussions
on the law draft seem sound. The law created inequality within the renewable investors
by applying the same incentives and subsidies to all. Although the technological
developments differed in the level of advantages of renewable energies, the effect of
cronyism cannot be discarded on the issue. The conflicts in the parliament were mainly
mirroring the conflicts within capitalist classes. For example, as floor leader of CHP
on renewable energy law, Tacidar Seyhan stated that the attitude of the Minister of
Treasury was the representation of fossil fuel capitalists and foreign investors, as we
have seen clearly in his words mentioned above. The impact of crony capitalism in the
renewable energy sector has been increasing in the following years, as shown below.
Also, the lack of incentives and subsidies for national technological investments in
renewable energy caused the rise of foreign dependency on foreign renewable energy
companies in the first years after the amendment of the law. Altuntaşoğlu (2011) shows
that until 2011, wind energy technology was too heavily imported from foreign
industries.

The Initial phase of the renewable energy political supporting mechanism of Türkiye
can be summarized as the neoliberal restructuring of the energy market that requires
eliminating the inefficiencies and market failures to flourish investments in renewable
energies. However, the first attempt is not detailed, and the little touch of the hand of
the state brought inequalities and other market failures, such as a lack of technological
investment and the lack of investment in solar energy plantations, which required the
rise of state intervention in the national market. Another main result of this first step was the rising cronyism and the decrease of the independence of the EPDK in the energy sector. The law gave the right of land distribution and regulation for renewable energy plantations to the Ministry of Environment and Forests, and the purchase price could be changed by 20% of the price determined by the EPDK. So, the disequilibrium between the market and the state generated by the post-Washington consensus after the 2001 IMF program was still seen clearly in this era. Also, the seeds of authoritarian neoliberalism with the excessive power of the execution of government on renewable energy market were planted with this law. For example, Hakkı Ülkü, a PM of CHP, in the discussions about the law draft about geothermal energy on 03.07.2007, claimed that:

…Then, after everything was over after the tenders were dispersed, on May 10, 2005, Law No. 5346 on the Use of Renewable Energy Resources for the Purpose of Electricity Generation was passed in Parliament. We are glad. Because of this Law, "Geothermal is the priority in heating." he was saying. I was still curious, and I asked a parliamentary question to the Minister of Energy and Natural Resources, Hilmi Güler. "What will happen now in geothermal-rich places where natural gas tenders have been made or even started to operate?" I asked. Such a response came from the Minister that it was officially mocking the rule of law, the bindingness of the laws, the will of the nation, democracy, and the poor people of our country. Look what the Minister said about the use of geothermal, even though the law explicitly ordered it: "The administrations will determine the priority by making the necessary economic and technical analyses on this issue." In other words, the Minister delegated the authority to the executive branch and the administration in the matter ordered by the law. Rarely have you passed a law for the benefit of our country from this Assembly, and you destroyed it in this way. Later, MTA (General Directorate of Mineral Research and Exploration) General Directorate decided to transfer the geothermal fields and the use of wells to the private sector… Your aim was not to expand the use of geothermal, to use it for heating, or to make maximum use of it. It was already too late; you surrounded the country with natural gas lines... What you are doing does not fit into the seriousness of the state, the understanding of public interest, or the understanding of respect for the nation’s will. It is a pity; it is a sin to these poor people… (Hakkı Ülkü, 03.07.2007).”

Furthermore, there is no optimal energy planning that should be sensitive to the local resources and technological developments in this law. The responsibility of planning was transmitted to independent institutions like EPDK, MTA, and EIIEI. The democratic institutions were excluded from the implementation and control of the implementation, like in the decisions on the whole electricity and energy sector, as we have seen in the explanation of Hilmi Güler to the parliamentary question of Hakkı Ülkü shared above. The market seemed to prevail on political regulation, and the uneven development of the types of renewables is proof of this. Also, the discourses of “ecology as a supra-parties and supra-politics issue,” “uniqueness of Türkiye,” and
“Global North caused the environmental degradation” effectively excluded democratic institutions from the system by scapegoating the complexity of the issue with all geographical levels and with Turkish position in the world system. For example, in the parliamentary minutes for the Commission about questioning for environmental damages in Türkiye on 13.02.2007, the Minister of Environment, Osman Pepe, stated that the reason for the lack of target for renewables in Türkiye and rejection of signing Kyoto Protocol is OECD membership of Türkiye that brings many responsibilities and rejection of the Global North countries like the USA that generates much harm for the environment. These contradictory discourses fit together well in neoliberalism. In the same discussions, Fatma Şahin, a PM of AKP, explained the absence of investments in renewables by scapegoating the complexity of the environmental issues that make it supra-parties and supra-political issues, which require very complicated interrelations between ministries and other institutions. However, as we see in the 2010s, the policies of the government have not elaborately looked at the environmental effects and interests of the NGOs, people, and other institutions. In other words, the energy transition has been realized without a multi-actor approach, or the interpretation of multi-actor as the state and the capitalist classes is dominant in Turkish politics.

So, we saw a kind of unity in the ideas of political parties on renewables in the era between 2005 and 2010. While the opposition parties looked at the acts of the government with suspicion, they both supported and actively joined the policy-making processes. The central reason that the government supports the energy transition seems to attract international investments. Also, their discourses tried to normalize the dependency on the international financial environment with similar claims of Global South states in international conferences related to energy. Moreover, the government started to establish its crony capitalism, as we have seen in the allowance to the close business groups for the hydraulic and geothermal plants. The anxieties of the opposition were rooted mainly in the in-party conflicts of the incumbent government, low incentives and subsidies to the investors, and the possibility of lobbying of investors like oil firms that were against the diffusion of the renewables, the aggressive privatization, and lack of proper energy strategy. Almost all political preferences for energy transition were shaped around the problem of energy supply security and the
dependency on other countries' energies. The climate crisis and its detrimental effects were not discussed in a detailed way.

3.2.3. Renewables but not so Environmentally Friendly and Not for People

Energy Transition: More Aggressive and Authoritarian Way (2010-2023)

The law was modified with Law no. 6094 on 29.12.2010. This modification went into effect on 8.01.2011. The discussions in the parliament on this law started on 04.11.2010. The reason behind the modification was insufficient incentives and subsidies to attract investors to the national renewable energy market. New technological developments that reduced the prices of renewable energy technology and the electricity generated from them also seem effective in the law modification. Actually, the law draft was proposed to the Parliamentary nearly one and half years ago; however, the Commission related that the law had not joined the congresses, so it started later. Speakers of the CHP Hüsnü Çöllü on 04.11.2010 and M. Ali Susam on 29.12.2010 claimed that the conflicts within AKP about feed-in-tariffs were the cause of this delay. A PM of AKP, Bayramoğlu, on 04.11.2010, on the other hand, stated that the 2007-8 global financial crisis pushed them to think about the law draft slowly and surely.

In the process of the law modification of energy supply security and energy dependency to Russia and Middle Eastern countries, the corrupt privatization processes, insufficient purchase guarantees, and the governments’ last-minute acts without informing the commission whether the public organizations should join or not the renewable energy transitions, and whether nuclear energy is an alternative or not were again the main topics of the parliamentary debates. This time, detrimental social and environmental effects of hydroelectrical plants, local environmental movements, and allowance of power plants in forests and protected areas were also at the heart of the discussions. The other significant debates were around limiting solar energy plants to 600 megawatts. A PM of CHP, Osman Coşkunoğlu, accused the government of protecting some investors from possible future developments within the solar energy sector. Shortly, the difference between the 2000s and 2010s parliamentary discussions were mainly the corrupted crony mechanisms, the environmental movements and
disasters of non-planned hydroelectrical and geothermal plants, and the insufficient support to R&D on renewable energy.

The speeches of floor leaders, like Alim Işık from MHP and Soner Aksoy from AKP, show no reconciliation between parties in the Parliament on the methods for attracting investors to the renewable energy market. The government looked at the issue differently than the opposition parties. CHP supported public investments in the energy sector, and MHP presented the solution as increasing subsidies and incentives. BDP, on the other hand, highlighted the necessity to decrease value-added taxes on electricity consumption and to protect the people and environment from the possible disasters sourced from the energy plants by giving an example of the Ilısu River Hydroelectrical Energy Plants and their adverse effects. However, the AKP government claimed that the diversification of the resources and deepening liberalization of the market by increasing the extraction of the national resources and enhancing the competitive environment in the market is sufficient to handle the problem of supply security. There was no necessity to open public enterprises or decrease the dependency on LNG imports if the government reached those aims (04.11.2010).

Moreover, the discussions show the consent-taking mechanism in Türkiye. The government answered with quantitative statistics to almost all of the accusations about the energy issues. Quantitative numbers and statistics are, of course, essential for the energy supply issues. However, the highly dense use of statistics is purposeful, and it aims to gain consent from the voters with the growth discourse. The quantification of the discourses can be discussed with the financialization, too. The credit-based evaluation system in the banks and financial assessments operates politically. The hegemony of using quantitative data hides problems like environmental deterioration, authoritarianism, and lack of investigation on renewable energy plants. Significantly, the quantitative data heavily directs the discussions around nuclear energy to the possible energy supply crises in the future and the high amount of energy that nuclear plants can gain. However, there is no clear answer to the rising energy dependency on Russia with a nuclear agreement or how to provide security against nuclear accidents. On the other hand, the government has accused independent institutions and judiciary
mechanisms with quantitative data. PMs and ministers from the government always share the stopped energy projects from the judiciary to show them as parasites, and they rarely talk about the reasons behind the annulments.

The thought-provoking expression of the incumbent government is the frequent repetition of the “Water flows, Turk looks. However, we changed this situation; now Turk does not look to the water and generates electricity from it.” They defended the increase of HPPs with phrases like this. This discourse firstly shows how the extraction and exploitation-based political economy polluted the politics and policies of renewable energy. While this phrase accused the predecessors of Turkish politics who did not use the natural resources sufficiently for the growth of the economy, it also reveals that to create or empower a Turkish capitalist class with all kinds of resources and tactics is the central target of the Turkish government and gain consent by continuing the obsession of economic growth before the eyes of voters. The discussions around HPPs, the local environmental movements against the deterioration, and the attacks of the Turkish government against protesters, which have been toughened after the Gezi Park Movement, showed this issue. The quintessential example is the protests against HPPs in Ilısu River and Hasankeyf at the beginning of 2010s. Cengiz Holding constructed these HPPs. They are known as a close business group to the AKP government. The threat of the HPPs to the historically significant area of Hasankeyf and the violation of the local public's water rights were the primary causes of the local protesters, who are ethnically minority in Türkiye. The intersections of class, cronyism, ethnicity, and environment are not unique, and from this day until today's Akbelen local protests that are against the mining licensing of Limak Holding, which is also another business group close to the government, and deforestation in Akbelen forests. So, renewable energy in Türkiye should be understood not only as an environmental issue but also as a central political and economic issue with other elements of mine, coal, and construction materials extraction. As Adaman et al. (2022) stated, the politics related to environmental issues is closely related to the growth regime, demonization of environmentalists, and de-democratization of relations between the state and society in Türkiye.

Another effect of financialization is short-termism on the decisions. For example, in the parliamentary discussions about the nuclear agreement with Russia on 14.07.2010,
the Minister of MENR Taner Yıldız responded to the questions about the delay of law modification of renewable energy by showing the failures of Spain and Portugal and the effects of the financial crisis. He claimed that solar energy is still expensive for energy generation, so while renewable technology is developing, nuclear energy is essential to solve the energy crisis and diversify resources.

On the one hand, this answer shows the dependency of policy-making processes on international financial developments during the 2007-8 financial crisis; on the other hand, it shows how the logic of short-termism operates on the decision-making processes. Before explaining the effects of short-termism, it should be added that solar energy plant capacity was limited to 600 MW with law no. 6094 due to the fear of high and volatile prices of electricity from solar energy and the threat of competition from solar energy companies in the future. Those examples show the insufficiency of risk-mitigation and credit-providing mechanisms for energy transition in emerging countries until the second half of the 2010s. The lack of institutions can be seen clearly as the first green bond was issued in 2016 by the Turkish Industrial Development Bank (TSKB) and regulated by the Capital Board Market in 2020 (Kemahlı and Kemahlı, 2022).

The incumbent state authorities ignored the green financial mechanisms until 2016 because of the delay of international activities, as discussed chronologically before. Green bonds and securitizations operate in financial markets and aim to support green investments with classical financial debt mechanisms. While financial mechanisms like green bonds push the risks to the secondary market, they also accelerate the spread of the construction of renewable energy infrastructures by increasing the values of the bonds with less-risky assets and driving long-term infrastructure economy with short-term financial assets that pseudo-validated those infrastructures. This system shifts the focus of investors from the risks and delayed profits from the infrastructure projects to the short-term profits of finance. Also, green bonds were presented to investors according to the ESGs of the United Nations and expanded the definition of the risk with social and environmental perspectives. Mechanisms like green bonds are necessary to provide project financing that splits the required capital and risks, especially for new technologies like renewable energy infrastructures.
On the other hand, states became the guarantors of the financing debts. The state guarantee increases the quality and confidence of the investors in the green financial assets and securities. It seems natural for the failure of the renewable energy transition until the latter half of the 2010s without those mechanisms in Türkiye, especially with the volatility of cashflows with boom-and-bust cycles and the weak support of the market and developed states to the energy transition.

Moreover, planning land use for energy generation is also an impact of short-termism. The government refused to prepare a comprehensive plan to arrange the land; it only allowed the investors to use lands as wide as possible for energy. The discussions on HPPs above and the attempts to open olive groves to renewable energy plantations showed this. These amendments are instances of political choices between alternatives according to which one serves to short-term profits of capitalists. Also, the claims of government representatives like “Solar energy is too expensive” and “Wind energy is not continuous energy” show why the government chose dense plantations of HPPs and is persistent on nuclear energy. Small river hydraulics, which are not so proper for environmental concerns, are the vehicles of short-term profiting. So, with the hegemony of the logic of finance, rather than supporting R&D and enhancing electricity infrastructure, policymakers choose rapid and ineffective solutions against energy and environmental issues. While the government representatives claim that they diversify the energy resources, the rapid increase of HPPs, according to the quantitative data and coal until today, showed that short-termism determined the political priorities. The consequence of the short-termist policy choices is the always-changing priorities on types of energy. While HPPs were the best alternative according to short-termist financial ideology, the drought hit the share of those plants in energy production since 2015, and the government increased support for solar energy, biogas, and of course, nuclear energy. The lack of long-term planning is still one of the main problems in national energy politics. Today, insufficient infrastructure hit the energy transition in Türkiye. The effects of the Turkish economy and inflationary situation can worsen the conditions of the energy transition, and international investors will change their route from Türkiye to others in the near future.
Furthermore, in the last couple of years, the impacts of the idiosyncratic economic adventure of the Turkish government and the results of the multi-polarization of the world by declining the hegemony of the US on the world economy, such as the Russian-Ukrainian War, the withdrawal of the US and more necessity of regionalization in the Middle East were seen clearly in the parliamentary discussions. Firstly, the inflationary impacts of the Turkish economic model have increased the weight of electricity and heating prices, increased class inequality, and put people in more vulnerable economic and social situations. So, the quantitatively constructed consent mechanism of the incumbent government necessitates more extractivist economic policies and suppression of the sensitivity to environmental issues. The privatized electricity plants became one of the primary materials of the national pride and election campaigns of the government. For example, the government is the guarantor of the financing of the 1000 MW Konya Karapınar Solar Energy Plant Mega Project of Kalyon PV, and they support it with incentives and subsidies. However, the financing mainly came from international banks like JP Morgan and European Bank for Reconstruction and Development. However, the news related to the process of this project presented the solar power plant system as the government’s success and a source of national pride. The representation of Karapınar Solar Energy Plant is a case that shows the relations between private companies and the state in the era of crony capitalism and the use of quantitative amounts as a means of discourse. The news in the last couple of years showed the securitization and nationalization of renewable energy from the individual household to the national level. The extreme economic conditions and lack of public and environmental sensitivity on megaprojects in Türkiye weakened the political consent of the government, and this case is an example of depoliticization of the issues with the nationalization of the energy in the discursive realm. At the same time, the privatization of energy as a commodity deepens from day to day.

On the other hand, the critics of opposition parties against the energy transition policies decreased, and the critics became less fruitful in the last years. The energy crisis in the world and Putin’s aggression is probably the first reason for this result. The discussions around nuclear energy and hydraulics have centered on high energy prices and harsh interventions to environmental movements. They were more capable of criticizing the
government's energy policies in the first half of the 2010s. They showed the defects of those policies from various perspectives. Also, the opposition left to generate policy alternatives. Their contribution to energy policies declined after the transition to the presidential regime and authoritarianism in Türkiye, but their voices have been silenced in the 2020s. Nevertheless, the voices of the local people against government policies and privatized renewable energy projects continue to rise. This shows that the government’s political decisions and the irrelevant behaviors and attitudes of opposition parties de-democratized the energy transition processes. In other words, the illusionary clouds of the political realm are lifted. The detrimental effects of neoliberalism and the political and economic choices to attune with the neoliberal world show themselves on social life under the authoritarian regime of Türkiye.

3.2.4. Conclusion and Results of The Discourse Analysis:

If we look at the Turkish political economy and assess the delay of renewable energy policies, we see the decision of the Fed to slow down the capital flow to developing countries as a primary cause. The effects of dollarization and the external-debt-led and speculative-led economic structure of Türkiye caused the state to abandon the main decisions about the strategic markets like energy to the FDI and weakened the political will of the Parliament. The government had to see a guarantee of the capital inflows from international financial actors and institutions to enhance the renewable energy transition. The dependency showed the other side of the de-risking state—the de-risking process functions as two-sided. While the state guarantees the financial actors' investments, the states also look for a guarantee of capital inflows to support energy transition. That system brought hegemony to the developed economies that decided the degree of capital flows to the developing ones. In other words, the two-sidedness is not an interdependency between finance and the states, but it is a double dependency for the state: to the financial investors and the developed states- and also to the people in a lesser degree because of the vote concern and inelastic demand that always should be provided by the governments. However, the incumbent government eliminates the latter dependency by quantifying the consent mechanism with the speculated statistical data on economic growth and nationalist discourses. The World Bank's financial credits started the renewable energy transition process in 2005, and the Fed decision
slowed down the process after the 2007 financial crisis, and another Fed decision accelerated the process in 2010. This relation between the transition process and the Fed decisions reveals the former dependencies of developing states on political choices.

Financialization and its secondary effects, like boom and bust cycles, strengthened the globalization and the vulnerabilities of the developing states in the neoliberal world order. Figure 4 shows the international elements that shape the energy transition policies in developing countries. The transformations led by international hegemonic institutions like the UN and discourses and unending conflicts between those discourses and institutions put the state in a central role. The states become more dependent on the decisions of internationally influential actors and international NGOs, making the countries more vulnerable to those conflicts. The ever-changing discourses and their effects on the global paradigm create another vulnerability for developing states. They cannot construct a long-term strategy, as we have seen in the energy transition in Türkiye.

Moreover, the results of the world's multi-polarization starting in the 2000s and exacerbating with the 2007 financial crisis put the emerging economies in constant doubt about international issues like energy. In the last few years, the Russian-Ukrainian war pushed developed countries like Germany to reconsider their energy policies and polluted the clean energy transition by reopening coal mining due to Russia’s threat of cutting LNG transfer to Europe. Türkiye also followed the same way. To diversify its resources, Türkiye prompted the extractive industries of mining and oil and LNG research programs in the Mediterranean Sea and Southern Eastern Anatolian Region. Also, the government empowered the relations between GCC countries, China and Russia. The topic of this thesis is not the perspective of international relations, and the details of the issue are beyond the scope. However, the discourse analysis shows the consequences of the changing world order and the rise of imperialist neoliberalism on the energy policies in emerging economies. Furthermore, the competition between the investors enhanced the dependency on the investors and put an obstacle against the coherent national energy policy. Babacan’s confession of the dependency on the investments of petroleum companies, the Minister of MENR,
brought up the necessity for renewable energy market regulation after the World Bank investments showed this clearly. The statements of the Turkish government show that even in the privatized debt structure, the states still cannot guarantee complete independence from international institutions on economic, political, and social decisions.

The main drivers of the conflicts between investors were the class and in-class conflicts to take a higher share of the credits and subsidies. For example, the bidding system for renewable energy generation rights in Türkiye limited the opportunities of small and medium-sized enterprises, and the exemptions from the environmental impact assessment reports provided to the close business groups enhanced the advantages of big business groups. There are 73,210 decisions of the exemption from environmental assessment between 1993 and 2022; 48% of exemptions are for the oil and mining sector; 14% of them for the agriculture and food sector; 13% of them are for the industrial sector; %9 of them is for waste and chemical sector and 7% of them for the energy sector (çsb.gov.tr accessed in 27th July 2023). So, the primary beneficiaries of the renewable energy support mechanisms and the international credits given to Türkiye became the business groups in the extraction sector and close to the government. This choice also shows the relationship between political choices and hegemonic discourses. The quantification of economic growth and the securitization of energy to gain consent from the citizens required a rapid increase of domestic energy production in the statistics. Thus, big companies are more capable than SMEs of realizing mega energy projects.

The prioritization of big companies over SMEs generates another result of the neoliberal energy transition in developing countries. The inequalities arose not only between different sizes of business classes—the neoliberal system creates inequalities between classes at different spatial levels. The government's approach to the energy transition process from the perspective of national security also means prioritizing the national aims over the interests of the citizens at the local level. For example, the decisions about energy projects that cancel the requirement of EIA became chronic. Thus, the interests of the citizens, like farmers, and the harms of the excessive HPP plantations on nature are ignored. This issue will be elaborated on in the next chapter,
which discusses the social impacts of the solar energy transition in the Akhisar region. Moreover, the obsession with the rapid economic rise and energy supply caused unplanned projects that created further problems like inefficient hydraulics. This obsession also made Türkiye more dependent on imports because of a lack of R&D support. Another effect of this was the insufficient infrastructure for renewable energies that hindered the energy transition in the last years, as seen in the social impact assessment in Akhisar, explained in the next chapter.

The effects of neoliberalist economic and political structure on discourses and policy actions are presented in the figures below. The ideological values of the government on energy transition are economic growth, national security, supporting the bourgeoisie close to the government, and maintaining consent from voters. Those ideological nationalist and neoliberal values shaped the government's goals as energy supply security, decreasing the energy imports and electricity prices, at least at the discursive level. To reach those goals, the incumbent government uses the neoliberal means of privatization to increase competition and decrease energy prices, project-based energy diversification for constructing energy plants rapidly, and mega-projects to maintain public consent. In the end, the claim for the government's action is diversification of the energy resources with privatization and state guarantee to international organizations for crediting the projects of crony capitalists. (Figure 3)

The discourses of the opposition on the energy transition issue are analyzed above. It can be summarized that the opposition parties' ideological values determine the alternative policies they offer in the Parliament. Firstly, energy supply security is the chief driver of the policy-making process for all political parties. Secondly, we see that the central ideological value of the nationalist opposition parties, MHP in the first era and then İYİP after the transition to the presidential system, is creating the national capitalist class in the energy market to decrease energy imports and provide energy security. So, the divergence between the government and the nationalist opposition is rooted in the choice of the capitalist classes or groups to support with political means. Also, we see more attention from the nationalist opposition parties for the necessity of R&D studies. The main opposition party, CHP’s ideological core values and goals on the energy transition issue are democracy, the balance between different classes, and
long-term strategies for vital public services. The policy actions offered by CHP thus have environmental sensitivities due to the detrimental effects of energy projects on the state and the people. The alternative policies CHP offers are compatible with the Keynesian state. The state should balance classes, protect national classes' interests against international institutions and companies, tax the people less, and govern the energy transition with cleaner policies by canceling nuclear and hydraulic projects. On the other hand, DTP/BDP/HDP shares the same concerns with CHP, but their discourses are more leftist than the latter. They defend the increase of the state's role by nationalizing energy companies and offer policies for a more decentralized energy system. These findings are summarized in Table 8 below.

This chapter answers the subquestion of “How the financialized energy transition paradigm is functioning at the national level?” by analyzing the policy-making mechanism with a critical discursive analysis of Turkish parliamentary minutes records. The findings show that the multi-actor and democratic approach of the UN did not function in the energy-dependent, privately indebted, and developing Turkish economy. On the other hand, the financialized paradigm generated a top-down and authoritarian mechanism in Türkiye. The reluctance of the UN to the inequalities between different actors and the power structures enhanced the hegemony of the international financial actors. The hegemony creates short-term profit-driven policy-making structures. The effects of financialization and the main pillars of Turkish politics in the neoliberal process or the Turkish state's values in the last 20 years resulted in a selective de-risking and controlling role. The state protects the interests of the financial investors and those who are able to take credit from those investors. Also, the credits are channeled to the business groups close to the government. The sensitive points related to environmental security and democratization are skipped to de-risk those selected actors and their businesses. The people who are against those deregulated energy projects are excluded from politics. The interests of the classes are also changed according to the economic growth obsession by securitization of energy issues. Shortly, the state-class relations are regulated according to the interests of financial investors. Neoliberal structure deteriorated economic and political democracy in the Turkish energy transition adventure. The capitalist world system deepens the inequalities between different classes and between different spatial levels.
The results of the discourse analysis support the critical political economy theories about financialization in developing countries. The dependency on external credits to amend and implement energy transition policies in Türkiye shows how the global neoliberal structure exploits the dependent economies' financialization and indebted structure. The dependency on developed countries and financial investors obstructs the country's production sector because of the state's short-termist choices to maintain cash flows from the hegemonic economic actors. Thus, the national capitalist classes suffer from the choices of international financial investors and developed states. Moreover, the choices of the developing state in policy-making processes transmit the inequalities between the bourgeoisie classes. The limited source of funds is distributed for the advantage of the crony capitalists and big businesses. The inequalities between different classes are also exacerbated by crony capitalism. The government silences the political opposition and oppresses social movements with sheer force in an authoritarian way. Thus, the financialized energy transition, authoritarianism, and deepened exploitations at different levels develop together and interrelationally.

Table 6: The effects of financialization on policy-making processes and political discourses on renewable energy transition

<table>
<thead>
<tr>
<th>Short-Termism</th>
<th>Privately Indebted Economy</th>
<th>Big is better</th>
<th>Credit-Based Mechanism</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Project-based short-run solutions</td>
<td>• Increasing and normalizing dependency on international cashflows for the energy transition</td>
<td>• Rise of mega-projects for charming huge financial investments</td>
<td>• Quantitative over qualitative for increasing credits of the projects</td>
</tr>
<tr>
<td>• Inattentive approach to the social and environmental consequences</td>
<td>• Fluctuated energy transition due to the fluctuated cashflows</td>
<td>• Neglect of local policies and support for local investors to canalize investments to the national capitalist classes and their projects</td>
<td>• Consent-taking over quantitative amounts of projects and energy generation</td>
</tr>
<tr>
<td>• More authoritarian approach and policy of weakening independent institutions for the acceleration of reaching the results of the projects in the short-run.</td>
<td></td>
<td></td>
<td>• Measuring the magnitude of the nation with quantitative data</td>
</tr>
<tr>
<td>• Increasing environmental disasters and movements against the state’s energy and environmental policies</td>
<td></td>
<td></td>
<td>• More aggressive extractivist energy transition for rapid growth</td>
</tr>
<tr>
<td>• Weak planning and inefficient energy projects like little hydroelectricity energy plants on rivers</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Everchanging energy strategies according to the prices and lack of R&amp;D and infrastructure long-term investments</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Figure 3: Policy Making Mechanism of the Turkish Government about Renewable Energy

Means-Goals:
- Energy supply security rapidly
  - Decreasing energy supply security rapidly
  - Decreasing energy demand
  - Increasing energy supply
  - Increasing energy demand
  - Decreasing energy security
  - Increasing energy security

Circumstances:
- Decreasing energy imports
- Increasing energy security
- Decreasing energy demand
- Increasing energy demand
- Decreasing energy supply
- Increasing energy supply

Goals:
- National purpose
  - Creating public concern
  - Economic growth

Values:
- Conservative and supporting
- Renewable energy resources
- Rising environmental disaster
- Middle East and increasing aggression in international realm
- Wars with removal of the USA from secondary areas
- Russian and uranium monopolyization of the world and their decline of US hegemony and SDG paradigm

Claim for Action:
- Diversity energy resources rapidly with state guarantee to the huge business groups close to the government
Figure 4: The Global Paradigm of Energy Transition and The Impacts on National Policies in Türkiye
Table 7: The Summary of Discourse Analysis of the Opposition Parties in the Turkish Grand National Assembly (2002-2023)

<table>
<thead>
<tr>
<th>Political Parties</th>
<th>Values and Goals</th>
<th>Means-Goals and Possible Actions</th>
</tr>
</thead>
</table>
| MHP and İyi Party | • Energy Supply Security  
• The interests of national capitalist classes against international capitalist classes                                                                                                          | • More state support to national R&D studies and more subsidies and incentives for energy transition with national technology  
• More support for national investors in coal mining                                                                                                             |
| CHP               | • Democratic processes  
• Energy Security  
• Environmental sensitivity  
• The balance between the interests of people and investors  
• Energy Strategy  
• State as leader of the people                                                                                                                                  | • Changing legal definitions and regulations of renewable energy according to their social and environmental impacts  
• More authority to independent institutions, local people, and NGOs on energy transition processes  
• Canceling nuclear energy support and reducing the support to coal mines and hydraulic energy  
• Stricter environmental impact assessment reports  
• National energy planning  
• More Keynesian behavior of the state on energy issues  
• Less taxation for energy                                                                                                                                       |
| HDP               | • Democratic processes  
• Interests of local people  
• Environmental Sensitivity  
• Energy Security                                                                                                                                               | • Changing legal definitions and regulations of renewable energy according to their social and environmental impacts  
• More authority to independent institutions, local people, and NGOs on energy transition processes  
• Canceling nuclear energy support and reducing the incentives and subsidies for coal mines and hydraulic energy  
• Stricter environmental impact assessment reports  
• National energy planning  
• Nationalization of energy  
• Less taxation for energy  
• More decentralized energy policies                                                                                                                                |
CHAPTER 4

SOCIAL IMPACT ANALYSIS OF RENEWABLE ENERGY TRANSITION:
SOLAR ENERGY TRANSITION IN THE AKHISAR REGION

4.1. Introduction: Social Impact Assessment

The rapid pace of technological innovations and increasing environmental degradation created new political and social techniques known as impact assessments. Becker defined impact assessment as “the process of identifying the future consequences of a current proposed action” (2001, p. 310). The most loved ones among these children of politics and technology are environmental impact assessment (EIA) and social impact assessment (SIA) or socio-economic impact assessment. While the former focuses on the environmental consequences of new technologies and new projects like infrastructural or energy projects, the latter focuses on the effects of those technologies and projects on different social groups. There are many definitions for social impact assessment. For example, Craig (1990, p.37) methodologically defined it as an “interdisciplinary approach to applied policy analysis and planning activity. Vanclay (2003, p.6) also has another different methodological definition for the SIA “is analyzing, monitoring and managing the social consequences of development.” Freudenburg (1986) presents a definition according to the purposes of the SIA: “an attempt to predict the future effects of policy decisions…upon people, their physical and psychological health, well-being and welfare, their traditions, lifestyles, institutions and interpersonal relationships.” Dietz (1987, p.58) defined it according to the steps of the SIA process: “identification, analysis, and evaluation.” On the other hand, Finsterbuch (1985, p.95) differs policy research techniques according to the questions that those techniques answer and claims that impact assessment answers the question “Which alternative is the best?” Lane et al. (2001, p.5) see the SIA as a specialized category of social assessment and define the former as “an assessment tool designed to facilitate understanding…cost and benefits of particular resource developments, policies, and plans at local and regional level.” Also, Freudenburg
(1986) claims that SIA looks like political evaluation research. However, it has at least three differences from it:

“First, SIA tends to focus on the consequences of technological developments—usually developments that lead to alterations in the biophysical environment—while evaluation research tends to focus on programs or policies, especially social policies. Second, while evaluation research commonly focuses on stated or intended goals of public policy initiatives, SIA generally focuses on unintended consequences of developments that are often initiated by private, profit-oriented firms (cf Merton 1936). Third, under most definitions, SIA is a planning tool, prospective rather than retrospective, an attempt to foresee and hence avoid or minimize unwanted impacts while evaluation research tends to take place after a policy has been set into motion.” (Freudenburg, 1986, p.452)

So, the SIA aims to determine the prospective effects and unintended consequences of the policies and projects on societies, according to Freudenburg.

Methods of the SIA differ according to the purpose of the implementation of it. The purpose of the SIA is to change over time with new political, social, economic, and environmental developments, according to the projects and policies, according to the geographical level, and also according to the ideological perspective of the person or group who conducts or who order to conduct it. During the time environmental degradation increases, the environmental impact also added to the SIA. For example, Craig claimed that at the beginning of the 1970s, environmental impacts were seen as “soft variables” and were not added to the SIA of projects, and the top-down approach to the policy-making process started to change and democratize (1990, p.39). Finsterbusch (1985) categorizes the purposes of the SIA under five categories: “new technologies, constructed facilities, environment use plans, environmental designs, and development projects in the third world and offers different methods for all of them while presents three common steps “profiling, projecting and assessing.” Burdge et al. (1995), on the other hand, present three types of project or policy settings: hazardous waste site, industrial plant, forest service to park service management and show how the parameters of the SIA -planning, construction, operation, decommission- change according to those types of projects or policy settings. Vanclay, on the other hand, determines the purpose of the SIA as a cost-benefit analysis based on “ecological, socio-cultural, and economic concerns” and with a “proactive stance to development and better development outcomes.” (2003, p.6). However, Cramer and Dietz (2004) are against this approach. They find this approach as “the need to translate
all relevant benefits and costs into dollar values.” (p. 65). Buchan (2003) proposes a three-legged method combining technical, consultative, and participatory parts to increase “communicatively rational deliberation” in local projects.

Another factor that shaped the method of the SIA is the tangible and intangible sources allocated for the SIA. Buchan (2003, p.169) claimed that five sources are necessary for a successful community participatory approach: “adequate funding, sufficient time, flexibility, willingness to involve the community, and a skilled SIA practitioner.” All SIAs aim to understand the future unintended effects of policies or projects on the local or regional communities. So, the efficient use of the resources is the primary determining factor of those methods. Buchan highlighted the significance of reaching all parts of the target society with the SIA.

There are many methods to conduct SIA: principal component analysis (Bornmann, 2013; Roddis et al., 2020), cluster analysis (Wolsink, 1988), case study analysis (Roddis et al., 2020), comparative study analysis, input-output analysis, life cycle analysis, principal component analysis, and interviews. The principal component analysis is beneficial to determine the different parameters, such as public values, and reveal the possible future outcomes of the projects or policies by explaining those parameters. So, this method measures social or local acceptance with a high amount of qualitative data. The principal component analysis aims to reach the most people possible to measure the social impact. For example, Bhowmik et al. (2018) use principal component analysis and benefit from surveys and face-to-face interviews in Tripura to gather data for analyzing the acceptance of green energy in the local area. Cluster analysis, on the other hand, is based on re-clustering the people according to the effects of projects or policies. Perez and Nadal (2004) use cluster analysis to reveal the perceptions of the local people against tourism in the Balearic Islands of Spain, and they use a 12-paper questionnaire for this analysis.

On the other hand, Batey et al. (1993) use input-output analysis to measure the socioeconomic impacts of a large-scale airport project in Spain. Richter et al. (2019) conducted an input-output analysis for the socioeconomic impact analysis of advanced
manufacturing in the USA by integrating economic output with worker safety and basic needs. Asselin and Parkins (2009) analyzed the socio-economic impacts of the Mackenzie Gas Project in the Northwest Territories of the USA and the Trans-Alaska Pipeline System by using the comparative diachronic method or comparative case studies methods.

Semi-structured in-depth interviews are also used as a qualitative method for social impact analysis. For example, Schnitzler et al. (2023) use this method in the online platform to understand the social impacts of sexual health issues in the OECD member countries to reveal the intersectional costs and benefits of those issues. Opoku-Ware (2014) also uses semi-structured interviews to reveal the social impacts of the mining operations of Newmont Gold Mining Company in Ghana.

The design of the SIA is generally arranged according to the questions that are expected to be responded to with the results of the SIA. Finsterbusch (1985) quotes Wolf (1983) and presents a broad and detailed methodology to determine the questions with the steps of scoping, problem identification, formulation alternatives, profiling, projection, assessment, evaluation, mitigation, monitoring, and management of the projects. Vanclay (2003) summarizes the principles of SIA from the International Association for Impact Assessment as

- Assist in the development of legislation and policy at the national level;
- Provide standards for SIA practice in international contexts (transboundary projects, development cooperation, foreign investments, international banking);
- Increase the appeal of SIA to a wider range of audiences, through increasing its legitimacy/standing;
- Establish minimum standards for SIA practice;
- Provide an articulation of best practice in SIA as a model to aspire to;
- Remove confusion over terminology by establishing a definitive glossary;
- Establish the appropriate scope of the social component of impact assessments;
- Promote the integration of SIA in all impact assessments (especially environmental impact assessment and strategic environmental assessment). (p.5)

Shortly, the SIA is used chiefly for policies and project assessments. However, As we have seen from Schnitzler et al., the research area that the SIA conducted widens. There
is no common opinion on the methodology of the SIA, and various qualitative and quantitative methods are used for different SIAs, especially according to the target problems, the types of projects and policies, the amount of tangible and intangible sources, and the purpose of the researchers.

The SIA is used to answer the question: How do the financialized energy transition process and the policy-making mechanisms in Türkiye impact the different classes, and what are the results of those impacts on the state-class relations and the energy transition processes? The SIA with semi-structured interviews is suited to the target of the thesis because the financialization of the energy transition is actualized with the social impacts of the policies regarding renewable energy, and in the authoritarian neoliberal environment, SIA seems proper to reveal the complex hidden state-class relations and the excluded interests of the classes and residents. Moreover, as an example of both technological transformation and policy implementation, SIA is one of the most proper techniques to see the social and political impacts of the financialized energy transition process at the local level.

4.2. The Study and Results of The Field Research

4.2.1. The Sampling, Method, and Interview Questions of the Research

In the last chapter, the policies related to energy transition were evaluated by conducting a discursive analysis and integrating them with the analysis of the political economy of Türkiye and the financialization of the global paradigm. This chapter focuses on the local impacts of the energy transition to complete the geographical levels and to reveal the attitudes and behaviors of de-risking states against different classes. The social impact assessment method is conducted in the Manisa Akhisar region to reach the local impacts of the financialization of the energy transition in Türkiye.

Akhisar is selected as a case for the SIA because of several reasons. Firstly, the SIA purposed to conduct local sectoral analysis for energy transition. Akhisar is a rich and developed local town economically, and residents have various livelihoods from
agriculture and industries. Secondly, the geographical and environmental conditions of Akhisar, with high sunshine duration, the density of wind, and many proper marginal lands, show that Akhisar residents will be directed to solar or wind energy. Moreover, the neighboring districts of Akhisar have different energy sources, like geothermal energy in Alaşehir and coal mines in Soma. So, understanding the potential of the directions is essential to see the effects of neoliberal national energy policies on local levels that have rich energy sources.

Thirdly, the first step of interviews in 2021 reveals that the citizens in Akhisar met with solar energy for a long time for heating, and many tradespeople and artisans sell or plant solar panels for heating and electricity.

Fourthly, Akhisar Municipality is one of the first local state authorities to benefit from renewable transition for public services and profit of the state institutions in Türkiye.

Fifthly, olive production in agriculture needs lots of water. Because of the drought, the farmers of the Aegean region use well water, which necessitates a high amount of electricity that increases the expectancy of rapid energy transition in the region.

Sixthly, the scope of the research should be small due to the limitations on tangible and intangible sources of the research. Akhisar is suitable for this research because of the cost-effectiveness of conducting research with cheap alternatives of transportation and closeness and the tight relationships between rural, urban, and industrial spheres and state institutions of the town. So, it is a proper field for this study.

Two-stepped field research was conducted to assess the social impacts of the solar energy transition at the local level in the Manisa Akhisar region. The first field study was conducted between 17 and 24 October 2021. Interviews were chosen as the method. In the first field study, I conducted semi-structured interviews with 20 people from different sectors and institutions. The sampling of interviewees is determined according to reach all of the segments of the Akhisar society. Firstly, I contacted municipality officials and some artisans and tradespeople of solar power plants before
conducting interviews, and then, by benefitting their networks, I reached other ones. So, I used the snowballing method in both interview research. Eight of the interviewees are civil servants from different institutions; two of them are senior officials in Akhisar Organized Industrial Zone (OIZ), one of them is the engineer in charge of electricity of the OIZ, four of them are artisans and tradespeople of solar energy plants and their components and four of them are agricultural olive producers. 20 interviewees are enough for study because the answers started to reiterate in the last interviews. There would be no new answers to the questions if I was continuing to interview.

Eight questions were asked to reveal the socio-economic aspects of the solar energy transition in Akhisar. The questions were focused on to understand a) the potential of energy transition in Akhisar, b) the knowledge of residents about renewable energies and environmental concerns c) the reachability to the financial and material sources of the residents from different classes, d) the obstacles and advantages of the region for energy transition, and e) the effects of policies on energy transition at the region. Those questions were shared in Appendix A. The table of the interviewees is shared in Appendix C.

The second field study was conducted between 17 and 24 December 2022. The interviews are conducted with 20 people from different sectors: Six of the interviewees are civil servants from different institutions, four of them are senior officials in several companies in Akhisar IOS, and of them are artisans and tradespeople of solar energy and its components, one of them is the engineer in charge of electricity of Akhisar OIZ, one of them is the electrical engineer in charge of electricity in Akhisar Specialized Olive OIZ, three of them agricultural olive producers and one of them is a senior official of Akhisar GDZ Private Electricity Distribution Company. In the interviews, eight questions and 22 sub-questions related to the former ones were asked. The questions are shared in Appendix B. The table of interviewees is shared in Appendix D.

The questions are determined to understand the effects of neoliberal-type energy transition policy-making processes in the local region. The first questions measure the awareness of the residents on renewable energy and the potential of renewables in Akhisar. Then, the social and economic conditions of the local citizens and the
demographic characteristics are tried to understand to assess their capacity to transform their energy resources for generating electricity. Then, the social and economic solar energy opportunities for residents are questioned. Then, political, economic, and environmental obstacles are inquired to understand the future of the energy transition there. Another focus of the questions is to assess whether energy transition increases the social and economic well-being of the residents.

4.2.2. Akhisar:

The town of Akhisar is located north of Manisa City in Türkiye. The survey of the city is 1750 km². It is environed by the districts of Gölçuk, Soma, and Sındırığı. The distance to the İzmir harbor is 92 km, and it is 80 km far away from İzmir. The town's main advantage is the railway connecting Akhisar with the metropolises of Türkiye, like İzmir, Ankara, and İstanbul. The geopolitical importance of the town is its transit character between Marmara and the Aegean region. Also, geologically, the town is on the vast lowland and Kumçayı River and Gürdük River. Akhisar lowlands are separated from Manisa lowlands with Yunt Mountain, which is located in the southeastern boundaries of the Akhisar. Görenz Mountain environs the town, which is on the east and northern east of the town, and Kadídağ, which is on the west and southern west of the town. (Tiryakioğlu, 2011). These characteristics made Akhisar an essential point for trade, agriculture, and industrial activities from the beginning of the city's foundation by Lydians (Emecan, from the online Islam Encyclopedia of Turkish Religious Foundation). The Mediterranean climate type is seen in the town. In the last years, drought has become very effective in the town. According to the data shared by the Turkish State Meteorological Service, Manisa is categorized as extremely dry or exceptionally dry (Turkish State Meteorological Service website). Moreover, Akhisar has rich potential for solar and wind energy capacity. The installed capacity of wind is 542,05 MW, hydraulic is 69 MW, and geothermal is 57,73 MW in Manisa. Also, 283 days of the year, the city is sunny and has a high solar energy capacity (investinmanisa.ka.gov.tr).

According to the TurkStat 2018 census, the population of Akhisar is about 171,000. There are nine districts and eighty-six villages in Akhisar. More than 100,000 people live in the county town. The characteristics that are indicated above made Akhisar an
immigrant-receiving region (akhisar.bel.tr.). Six thousand people migrated after the First World War. Those people were the Turkish population who had lived in the Ottoman Balkans, which the Ottoman state lost in its last years with the Balkan Wars and WW1. Before the exchange agreement between Türkiye and Greece after WW1, the town’s population was very colorful in ethnicity. The agreement changed the pattern of the population to the advantage of Muslim Turks. In the years after the foundation of the Turkish Republic, the city maintained the position of an immigrant-receiving town (Kahraman, 2018; p. 86-7).

![Figure 5: Akhisar Political Map (from Turkish General Directorate of Mapping)](image)

Due to the historical and geographical composition of the town, the central economic sector is agriculture. According to the statistics of 2022, the agricultural field was 818,944 decares. Until 2020, the field was expanded in the town; however, the agricultural fields started to decrease due to the environmental and economic conditions. For example, the irrigation rate of agricultural fields was 41.7 % in 2020, while the rate is 48 % for Manisa (Manisa İl Tarım Orman Müdürlüğü, Briefing 2020).

The drought map also shows the region's environmental effects of climate change. Still, the town has the largest agricultural field in the Aegean Region (TurkStat). The main agricultural product was tobacco; however, due to political modifications in the 2000s, today, olive is the central means of living in the region. The residents had the
know-how of the agriculture of the olive before the transformation of the main product. So, the process was realized smoothly (Tiryakioğlu, 2011). Approximately 448,600 decares of agricultural fields are used for olive production, and 175,000 tonnes of olives are produced yearly (Manisa Agriculture and Forestry Management, 2019 Briefing).

This transformation also pushes the industrial sector to benefit from the olive. Today, there is a specialized organized industrial zone for olive-based commodities in Akhisar. In other words, Akhisar is the lifeblood of the olive sector in Türkiye. Other agricultural products grown in Akhisar are wheat, barley, maize, legumes, cotton, and horticultural products. On the other hand, egg production is an essential sector in the town (Şahin, 2021). In 2018, 7,064,358 egg was produced, according to TurkStat, but this number decreased to 3,189,000 in 2022 (TurkStat, Geographical Statistics Portal).

Figure 6: Physical Map of Akhisar (from the Turkish General Directorate of Mapping)
The industrial sector in Akhisar is also well-developed for a rural province in Türkiye. The data about exports is shared in the Table 8. There is two OIZ in Akhisar: Akhisar OIZ and Akhisar Specialized Olive OIZ. The former was founded in 1991. It has 80 factories in its field. Twenty-nine of them are related to the food industry, 9 of them are related to the construction sector, 7 of them are in the machinery sector, 5 of them are in the packaging sector, 4 of them are in the chemical sector, 4 of them are in the wood sector, one of them is in the recycling sector, 4 of them are in the textile sector, 2 of them are transportation, 4 of them are automotive, one of them is tobacco and 8 of them are related with other industries. 60 of those factories are maintaining their production, while 13 of them are closed or paused manufacturing, and 5 of them are under construction. 1500 women and 3,500 men are employed in the factories of the OIZ. In 2018, the OIZ consumed 149,406,757 kw/h of electricity, 71,577,386.09 m$^3$ LNG, and 1,065,933 m$^3$ water (osbder.org). The latter was founded in 2012; there are 11 factories, and all of the factories manufacture products from the olive. 1000 people are employed in the OIZ.

So, Akhisar is well-suited for the social impact assessment of solar energy transition as a developed rural town with high energy needs, improved agriculture and industry, and high capacity for solar energy.

Figure 7: Solar Radiation Map of Manisa
Figure 8: The Map of Wind Density (100 meters) Manisa (enerji.gov.tr)

Figure 9: Yearly Drought Map between January 2022 and December 2022 of Türkiye (Turkish State Meteorological Service)
Table 8: Export in Akhisar with Free On-Board Price (USD) in 2023 (akhisarbel.tr)

<table>
<thead>
<tr>
<th>SECTORS</th>
<th>FOBUSD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wood and Forestry Sector</td>
<td>266,087.38</td>
</tr>
<tr>
<td>Iron and Other Metals Manufacturing</td>
<td>126,825.06</td>
</tr>
<tr>
<td>Leather and Leather Products</td>
<td>265.74</td>
</tr>
<tr>
<td>Other Industrial Products</td>
<td>16.12</td>
</tr>
<tr>
<td>Electricity-Electronics</td>
<td>75,480.02</td>
</tr>
<tr>
<td>Ship and Yacht</td>
<td>102,906.87</td>
</tr>
<tr>
<td>Garment and Confectionary</td>
<td>161,859.06</td>
</tr>
<tr>
<td>Cereals, Legumes, Oilseeds, and Products</td>
<td>632,736.49</td>
</tr>
<tr>
<td>Chemicals and Chemical Products</td>
<td>252,517.84</td>
</tr>
<tr>
<td>Dried Fruit and its products</td>
<td>7,200,505.42</td>
</tr>
<tr>
<td>Mining and Metals</td>
<td>45,879.54</td>
</tr>
<tr>
<td>Machinery</td>
<td>1,790,583.06</td>
</tr>
<tr>
<td>Fruit and Vegetable and their products</td>
<td>15,771.399.11</td>
</tr>
<tr>
<td>Fishery and Animal Products</td>
<td>16,282,967.25</td>
</tr>
<tr>
<td>Vehicles and Sub-Industry</td>
<td>764,888.91</td>
</tr>
<tr>
<td>Textile and Its Raw Materials</td>
<td>195,565.19</td>
</tr>
<tr>
<td>Tobacco</td>
<td>434,784.93</td>
</tr>
<tr>
<td>Fresh Fruits and Vegetables</td>
<td>19,171.22</td>
</tr>
<tr>
<td>Olive and Olive Oil</td>
<td>28,824,000.96</td>
</tr>
<tr>
<td>Steel</td>
<td>1,814,880.80</td>
</tr>
<tr>
<td>Cement, Glass, Ceramics, and Earth Products</td>
<td>411,815.74</td>
</tr>
<tr>
<td>Conditioning Industry</td>
<td>3,986,186.36</td>
</tr>
<tr>
<td>General Total</td>
<td>79,161,331.07</td>
</tr>
</tbody>
</table>

4.2.3. Results of First Study (October 2021)

The first field study and semi-conducted interviews in October 2021 were purposed to identify the Akhisar and determine whether the region is suitable for SIA of solar energy transition. The research and interviews with different people from different sectors and the municipality reveal that the citizens in Akhisar have known solar energy for a long time. They have benefited from solar energy for heating purposes in the last 30-40 years, and electricity generation from solar energy has been popular in the last 6-7 years. Hasan Kirazcoglu, an agricultural producer in Akhisar, first started the process of solar energy plantation for his irrigation purposes, and he became a local opinion leader on energy transition in the region.

Also, the solar energy plant projects of Akhisar municipality, which were presented in 2017 and projected in 2019, enhanced the awareness of the people on environmental issues and the need for renewable energies. On the other hand, the interviews with
Akhisar OIZ show that electricity from solar energy started to become widespread, especially in 2019 in the industrial sector. There is no quantitative data on this, but the local authorities claimed that the share of solar energy in electricity production was 5% in the industrial sector and 1% in agriculture.

Akhisar Municipality had two photovoltaic solar energy plant projects. The capacity of them is 1mw/h. One of the projects, which is planted in 20 decares of marginal land in Boyalilar Neighborhood, started to generate electricity in the first quarter of 2021. The municipality authorities claim that they intended to plant PV panels for more energy; however, the legal restriction of 1 Mw/h stopped them from doing this. However, they indicated that the legal regulations permit electricity generation with 100% efficiency from PV panels. If the laws are regulated to allow the industrial and agricultural sectors to benefit from the same standards as municipalities, then the solar energy transition would be accelerated further. On the other hand, the authorities believed that Akhisar had sufficient marginal land for solar energy transition. However, the prohibition of netting for households, the long periods of redemption of installation charges, which can last 8 to 10 years for households, the lack of qualified technicians in the solar energy industry, the lack of public information works on solar energy; the diffusion of wrong information by tradespeople and artisans for more profit and the negative experiences of people because of inefficiently installed PV panels.

The interviews with agricultural producers and the authorities related to local agriculture revealed that the primary purpose of solar energy transition in agriculture in Akhisar is the necessity of high electricity for water pumping from deep wells, especially in the summer. To get rid of high electricity bills, the agricultural producers started to change their electricity options, and they wanted to get rid of their dependency on private electricity distribution companies of AYDEM and GDZ A.Ş. The other reason for choosing solar energy for electricity generation for rural people is the lack of electricity service from private electricity distribution companies and their high-priced and long-lasting projects for grid connection. So, drought and climate crisis, the high need for water for olive agriculture, and the negative impacts of privatization and transferring the electricity providing services to private companies that focus on their profits rather than prioritizing the needs of the citizens caused the
acceleration of solar energy transition in the local agriculture sector in Akhisar. However, there are negative parameters that slow down the process of solar energy transition. The high installation prices of PV panel systems and the theft experiences of some PV panel users created suspects in the minds of rural people. On the other hand, solar energy transition started to be a requirement for agricultural producers because of the high electricity bills and higher installation prices of other energy plants like wind energy that can be compared with solar energy for Akhisar due to its climatic and environmental conditions. The people of Akhisar have extremely negative opinions on geothermal and coal plants due to the incidents of coal mining in Soma and the environmentally damaging results of geothermal energy in Alaşehir. These towns are the neighbors of Akhisar.

The interview study in Akhisar OIZ showed that four firms installed and benefited from PV panels. Four other factories started projecting PV installations for their companies' self-use. This shows that the solar energy transition will be furthered at a higher pace in the future. The authorities of the OIZ and the factories are aware of the benefits and profits of solar energy. The management of the OIZ approved the necessary agreements for PV panel installation processes. The factory interviewees were pleased with benefitting from solar energy because the price of electricity decreased. They preferred solar energy over wind plants because of their higher installation and care prices.

Lastly, the solar energy transition on the household level was too low at the end of 2021. The primary reason for this negative result is the high retail prices of PV panels for households and long-lasting periods of redemption of installation prices. Also, the irregular architectural structure of the urban sphere of Akhisar made the possible solar plantations on buildings inefficient.

To sum up, the first interview and field study reveals that the use of solar energy for electricity generation was low in 2021. However, it will become widespread in the future in the industrial and agricultural sectors due to rising prices of electricity bills because of inflation, the difficulties with projecting grid connection, the negative
impacts of climate change such as drought, and the necessity to use more electricity for irrigation of olives, the negative opinions about the privatized distribution firms, On the other hand, there will be a slower process of solar energy transition on household level especially in urban sphere of the town because of high retail prices of PV panels, high installation costs of solar energy plants installation, limited solar exposure of the buildings due to the urbanization. As a result, Akhisar was recognized as a suitable place for social impact analysis for the solar energy transition at the local level.

4.2.4. Results of Second Study (December 2022)

The second study was conducted in Akhisar between the 17th and 24th of October 2022. It was seen that the solar energy transition reached a rapid pace in the year between field studies. The primary reason for the acceleration of the transition is the higher electricity prices due to the chronic and unstable inflation in Türkiye. The higher electricity prices decreased the time of redemption process for solar energy plants and made them more attractive to the people. Solar energy is more attractive than the main competent, wind energy, because of the negative results of wind energy like costly installation and care prices, the requirement of enormous area, and the inappropriateness in the OIZs of wind energy plants. Also, it is seen that the increase of solar energy is mainly realized in industrial and agriculture, but it is witnessed for household use. Also, Akhisar municipality’s second PV project started to function in 2022. However, while the solar energy transition accelerates, the chronic national problems of continuously amended legal regulations on renewable energy law no. 5264, the inefficient infrastructure for renewable energy and the lack of national energy strategy and subsidies and incentives for R&D became tremendous obstacles against the energy transition in the town.

Akhisar municipality finished the second project of PV panels, which is located in the Hanpaşalar Neighborhood, in 2022, and it started to function in the same year. According to shared data by authorities in the municipality, they profited 1,333,757,23 TLs with the PV panels in 2021, and according to their accounts, the profit doubled in October 2022. The authorities said that the main driver for the municipality is the profit
from electricity generation and decreasing the electricity prices. Also, they claimed they have a sensitivity for public services and climate mitigation, so they supported other projects related to energy transition and the environment, such as the ORKÖY Project, which aims to support the village persons in the forestry areas to reach public services and develop their agricultural works.

The authorities' claims about solar energy transition are unhopeful primarily due to legal reasons. Firstly, the law regulations in August 2021 are for the benefits of the industrial use of renewable energy. With the regulation, the companies can buy and use marginal lands for electricity generation from solar energy, and there is no limitation for marginal land purchase. They can purchase wherever they want. The land is a limited source of solar energy. Due to the environmental and geographical conditions, the company owners from different locations densely use the marginal lands of Akhisar. The municipality authorities see this as a violation of the rights of the local people benefitting from their resources. This geographical deregulation for the sake of industrial use of electricity generation from solar energy made, especially the rural people, vulnerable and limited their use of solar energy. This deregulation also created a scarcity of marginal lands in the local area. The law with this version cannot be maintained according to the municipality authorities. This deregulation opened marginal lands to capitalist competition, and whoever can offer higher amounts of money for lands can buy and benefit from renewable energy. Also, the reluctance of TEİAŞ to improve infrastructure and electricity capacity for renewable energy is the other leading cause that can hinder the energy transition in the future, according to authorities.

The interviews with agricultural producers and the authorities about agriculture firstly show that the use of PV for electricity generation for agricultural production has increased rapidly in the last year. There is no quantitative specific data about the increase in PV panel use because of the unlicensed off-grid PV panels and the PV panels that were installed with DC current by farmers’ own efforts. However, a certified agriculture engineer from Akhisar District Directorate of Agriculture and Forestry indicated that from his field studies, the PV panel use is ten times more than a year before. The cause of this increase is primarily resulted from the rise in electricity
bill prices. Also, the pattern of behaviors of the agricultural producers shapes other agricultural producers. When one starts to use PV panel, his or her neighbor also decide to install PV panels, and this pattern of behavior accelerates the pace of the energy transition in the rural area. The other driver of energy transition in agriculture is the incentive of the Ministry of Agriculture and Forestry that approves zero percent interest rate credits for irrigation projects with solar energy plants. Irrigation projects are a condition for credit. This credit mechanism made both energy and irrigation in agriculture more environmentally friendly. Thirdly, the reluctance of TEİAŞ and electricity distribution companies against the electricity and infrastructure needs of the rural people pushes the people to the solar energy use for electricity generation.

Moreover, the main technological obstacle to solar energy transition is the lack of a proper energy storage system. Solar energy panels produce electricity whenever they are exposed to the sun. The energy storage systems are still expensive for the energy market, and agricultural producers cannot cover the prices. However, the farmers can find creative solutions for that in Akhisar. Especially the ones who use an irrigation system at night use a system known as a pool system to store electricity generated from solar energy. This system pushes the water to a pool in the upper position, with electricity from solar energy when the Sun is in the sky. Then, the potential energy of the water in the pool is transformed to kinetical energy to work irrigation systems. Creative solutions like this enhanced solar energy transition in agriculture. However, it should be added that this storage system is not so efficient; there are substantial energy losses, so it is unsuitable for industrial use.

There are also obstacles against the agricultural use of solar energy in Akhisar. Firstly, the subsidies and incentives are enough; however, the mechanism hindered small farmers from reaching low interest-rate credits. The credit-based mechanism that I named “bigger is better” in the last chapter is functioning in the private and public banking systems, too. Banks and bureaucratic processes allow agricultural producers with huge lands to benefit from the credits rather than small producers. Also, the interviews showed that the farmers do not have sufficient information and networks to reach credits. In other words, small farmers do not have the cognitive, social, and environmental capital to reach credits easily and quickly.
Secondly, there are structural limits for small farmers, too. The farmers who do not register to the Farmer Registration System do not have farmer certification, which becomes another obstacle to reaching credits. Also, the lack of irrigation projects for small farmers because of structural obstacles and lack of social and environmental capital hindered them from benefiting from farmer credits. The last cause also hindered the farmers who registered the farmer cooperatives. The farmer cooperatives use collective irrigation systems. The farmers do not have their own irrigation system and cannot project the irrigation on their own. The law regulations do not account for this problem. So, these farmers cannot benefit from the credits individually for solar energy plants due to the condition of irrigation projects.

Also, the cooperatives do not agree on solar energy plant installation because of the issues related to the financial burden of PV panel installation and the necessity of huge marginal lands for PV panels. The latter problem is exacerbated by the allowance of the use of marginal lands from industrial sectors, as discussed above.

Fourthly, the prohibition of establishing immovable SPPs on agricultural land of fewer than 200 decares, as of this date, within the scope of the Amendment to the Implementation Instructions for the Protection and Establishment of Agricultural Lands regarding the Mobile SPPs for Irrigation Purposes sent to the state institutions and organizations related to agriculture on 13.10.2022. The interest in SPPs has decreased, especially in small and medium-sized agricultural producers, due to the possibility of being left behind, and the trailers and parts used to transport portable SPPs significantly increase the initial payment of the agricultural producers and the lack of credit and incentives for these mobile parts.

Fifthly, the bureaucratic mechanism that requires high fees to project solar panel plants becomes another obstacle against the solar energy transition, especially for small farmers. Sixthly, another financial burden for agriculturalists is the requirements for insurance of PV panels. The theft experiences of PV panels, throwing stones, or using these panels as gunsight by some people create anxiety for PV panel owners. So, insurance became a necessity for them. Lastly, the lack of capable technicians for
efficient solar PV panel installation and the tendency to use cheap and old panels decreases the efficiency of solar energy. It harms the intentions of the farmers who think of installing solar power plants in the future.

The increase in the use of solar power plants is seen in the industrial sector, too. The interviews with the authorities of Akhisar OIZ, Akhisar Olive-Specialized OIZ, and the factories in them show this. In Akhisar OIZ, 12 firms use solar power plants actively, and there are approximately 30 factories that apply to the OIZ management for SPP projects. However, four of them canceled the application due to the law modification on 11th August 2022 that limited the purchase of electricity generated from renewables to the electricity distribution companies. In Akhisar Olive-Specialized OIZ, four of thirty companies actively use solar power plants, and there are three applications to the OIZ management for SPP projects.

The primary cause of energy transition in the industrial sector is the same as the agriculture sector: higher electricity prices and shorter time of redemption due to inflation. Another reason is the expectations of factory and firm owners of rising problems of electricity cuts and LNG cuts due to the Russian-Ukrainian War and the possible decision of Iran to cut LNG transfer to Türkiye. The second cause is interesting. The OIZ management indicated that the electricity system is controlled in a centralized way. If the OIZ management of Turkish authorities decides to cut the electricity, then solar power plants cannot generate electricity. If the system allows using the electricity generated from solar energy, then there is a higher chance of risks like fire in the OIZs and power distribution units and secondary effects of this, like increasing the possibility of industrial accidents. So, the precaution of factory owners against international conflicts seems to be in vain. From my observations, I can claim that the OIZ authorities do not inform the factory owners and managers about that, and the factories do not have employees who are experts on solar energy. That is why this false information becomes a powerful reason for energy transition.

The effectiveness of the policy-decision mechanism “bigger is better” is functioning well in the industrial sector, too. The ones who canceled the SPP project applications
due to the law modification on 11 August 2022 are small factory or firm owners in the OIZ. Their energy needs are low, and they do not want to grant electricity to distribution companies with more solar energy plants. However, this law modification encouraged the big firms and factories to the energy transition. Generally, solar power plants are installed on the rooftops of factories and firms. This law modification allows the industry owners to use marginal lands for renewable power plants, as discussed above. So, to meet their electricity need, they used this advantage and accelerated the energy transition quantitatively. Also, the self-consumption of big industries is much higher than that of small factories, so they can profit from selling electricity to distribution companies. This law modification empowers the market powers in the energy transition process. The policy-making mechanism works for the interests of the big capitalists rather than small ones and for the national capitalists rather than local ones.

We witness conflicts of interest between OIZ management (and the officials of Zafer Development Agency) and factory managers and owners on this law modification. The former claims that it is better to finish the purchase guarantee for renewable policies. For them, this feed-in-tariff system harms the energy market and makes the companies and firms dependent on state subsidies and incentives. They believe there is a mature energy market in Türkiye, and there is no need for incentives. Renewables, from now on, can flourish in the market without any push factor. However, factory owners and managers do not think in the same way. They think energy and environmental health is a government service and the state should support energy transition more. Another obstacle against solar energy transition for the industry is the uncertainty of state decisions. Everchanging articles of law, especially about the purchase guarantees, the amount of price support, and the incentives of credits and grants, reduce the will of the factory owners on energy transition and create other problems for firms and companies that use solar power plants. For example, one of the co-owners of Ekofood, a food factory in Akhisar OIZ, stated that they planted two different solar power plants. The process between them is the law modified, and while the first solar power plant was installed under the rule of hourly settlement according to old legislation, the second one was installed with monthly settlement. There is a legal deficiency that hinders combining these two solar power panel systems under one.
The deflation of the PV panels and the increase of panel efficiency with technological innovations can be a factor in slowing down the energy transition in the industrial sector. The interviews with the factory owners who use solar power plants show that they plan to change the old PV panels with new, more efficient ones. While there is no direct indication, it is a possibility that some factory owners or managers wait for the cheapening of PV panels and for the generation of more efficient ones. This is a weak argument, especially for Türkiye. As discussed before, Turkish policy-makers do not give more importance to the long-term necessities for energy transition, so R&D is weak in Türkiye. So, both the prices of old and new technological products depend highly on inflation today. It is necessary to conduct an economic analysis that reveals whether inflation or technological change is more effective on the economic behaviors of the capitalist producers in Türkiye to understand the impacts of technological change better.

Lastly, the factory owners and managers stated that they do not choose local artisans, tradespeople, and technicians for solar power plant installation. They make agreements with installation companies from metropolitan cities. The reason for this is the lack of capacity of local technicians, tradespeople, and engineers to manage sizable solar power plant projects. The agriculturalists, on the other hand, generally choose local ones to install PV panels. The general view of the agriculturalists on local technicians and engineers is positive. The attitude of factory owners and managers toward local employees on solar power plant installation can be prejudiced.

However, whether it is accurate or prejudiced, it is clear that the number of technicians and engineers at the local level is not enough. The technical capacity of technicians and engineers is not enough, but it can also be said for the national level. The explanations of an engineer from the Akhisar Municipality revealed that the employees who installed the PV panels of Akhisar Municipality were not sensitive to the panels' health and used them as ladders and tread on them to plant other PV panels in the beginning. He had to warn the employees not to do this. So, we can reach a couple of results from that.
The impact of the solar energy transition on employment is positive on the national level, while it is small on the local level. The prejudices and the lack of proper education programs for new energy technologies, especially at the local level, and the hardness of reaching the education programs in the metropolises is another result of the short-term policy-making process and neoliberal ideology. The lack of a comprehensive energy transition strategy reduced the positive impacts of this new market and the transition processes. The market needs specialized technicians and engineers. However, this gap cannot be closed quickly without comprehensive policies. If the educational side is not regulated and the people are not encouraged to gain this specific intellectual and technical qualification, then Türkiye can be more dependent on the other countries in the energy transition process, as we have seen in the results of insufficient R&D on renewable energies.

The interviews demonstrate that against the expectations of the first interviews, the use of solar energy at the household level started to increase. The ones who have detached houses joined this transition process, especially for self-consumption. Also, the agriculturalists initiated using rooftop PV panels and are benefiting from the electricity in their fields for their electricity needs for housework. Also, one interviewee stated that he uses solar energy for charging his car. So, the electricity generated from PV panels is used for different purposes at the household level. The first reason for this rising energy transition at the household level is the encouragement of local artisans and tradesmen of agriculturalists to install solar power plants on their rooftops for mutual use of agricultural and house needs.

However, the pace of energy transition at the household level is below other sectors. The interviewees claim that there are enough subsidies and incentives to support energy transition at the household level. Nevertheless, there is a lack of awareness-raising programs for them, and the households are informed wrongly by others. Another reason is the rejection of solar power plant projects for old houses and apartments that do not have proper PV panels and other architectural inadequacies. Moreover, the same problem we see in agricultural cooperatives hinders energy transition. The residents of the apartments cannot agree on the solar energy projects due to financial reasons. Heavily, people live in apartments, especially in the urban
sphere of Akhisar. So, the solar energy transition in the urban of Akhisar seems to be very low, especially considering these reasons for the lack of energy capacity in grids.

4.3. Conclusion: Financialization and the Social Impact Assessment Results

4.3.1. Summary of the SIA

To sum up, there are both negative and positive elements that will affect the energy transition in Akhisar in the future. These parameters are listed in Table 9. If the right policies are applied, Akhisar can rapidly transform its energy resources from fossil fuel to renewable energy in a short time. However, there are formidable obstacles that the residents of the town cannot handle on their own. We can talk about three main obstacles that the government should tackle for the locally accepted energy transition:

The electricity infrastructure is not enough and not proper for renewable energies. The distribution and transmission companies, on the other hand, seem stubborn to develop the electricity infrastructure. In Akhisar, the main infrastructural problem is the limited capacity of power distribution units. In 2021, this was not a problem, but after the opening of marginal lands in the local geography for renewable energy power plants by legal modification on 11 August 2022, this became a central problem in a short time. This incapacity should be handled with strict regulations and controls for the electricity companies or with the re-nationalization of these companies. If not, this will be the hugest obstacle against energy transition, not only for Akhisar but at the national level.

Secondly, while the effectiveness of the use of marginal lands rises with this law due to the competition, this reduces the possibility of benefitting from the energy transition of the local people, especially the agricultural producers. The law should be remodified according to the interests of the local residents, and at least the government should create a balance between capitalists and other classes on this issue. If this is not realized, then it is highly possible that local residents in Akhisar and other regions will be against the renewable energy transition in the near future. Also, to consider the weak
controls and exemptions of EIA reports, the non-marginal lands can be marginalized with some decisions of the authorities, and renewable energy can become another type of dirty energy. So, the process of energy transition should be regulated to maintain smoothly, especially for land extraction processes.

Table 9: Positive and Negative Parameters for Solar Energy Transition in Akhisar

<table>
<thead>
<tr>
<th>Positive Parameters for Solar Energy Transition</th>
<th>Negative Parameters for Solar Energy Transition</th>
</tr>
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<tbody>
<tr>
<td>Inflation:</td>
<td>Inflation:</td>
</tr>
<tr>
<td>• Decreasing period of redemption</td>
<td>• Increasing prices of Solar Power Plants</td>
</tr>
<tr>
<td>• Increasing electricity prices</td>
<td></td>
</tr>
<tr>
<td>Policy Changes</td>
<td>Policy and Legal Changes:</td>
</tr>
<tr>
<td>• The permission for marginal land use for SPP</td>
<td>• The limit on the purchase of electricity</td>
</tr>
<tr>
<td>• Feed-In-Tariffs</td>
<td>generated from renewables.</td>
</tr>
<tr>
<td>• Incentives and Subsidies</td>
<td>• The permission of marginal land use for SPP</td>
</tr>
<tr>
<td></td>
<td>creates scarcity of marginal land at the local level.</td>
</tr>
<tr>
<td></td>
<td>• The prohibition for unmovable SPP projects for agricultural lands of fewer than 200 decares</td>
</tr>
<tr>
<td></td>
<td>• Everchanging policies related to feed-in tariffs reduce the will for the energy transition.</td>
</tr>
<tr>
<td>The behavior of Electricity Distribution and Transmission Companies:</td>
<td>The behavior of Electricity Distribution and Transmission Companies:</td>
</tr>
<tr>
<td>• Challenging conditions and high prices for grid connections in rural areas</td>
<td>• The limited capacity of power distribution units</td>
</tr>
<tr>
<td>Bank and Credit-Based Incentives and Subsidies and Feed-In-Tariffs</td>
<td>Decreasing the incentives and subsidies</td>
</tr>
<tr>
<td>Misinformation Effect:</td>
<td>Misinformation Effect:</td>
</tr>
<tr>
<td>• The expectation of increasing electricity cuts and preparing themselves with SPPs of the managers of the OIZs</td>
<td>• Lack of knowledge about the incentives and subsidies for the energy transition at household and rural levels</td>
</tr>
<tr>
<td>Public Attitudes and Behaviors:</td>
<td>Public Attitudes and Behaviors:</td>
</tr>
<tr>
<td>• Apply the method that the neighbor used in agriculture</td>
<td>• Farmer Cooperatives and Apartment Members could not agree on the financial burden and other hardships of the SPP projecting.</td>
</tr>
<tr>
<td>• The municipality’s Solar Power Plant is a persuasive example for people</td>
<td></td>
</tr>
<tr>
<td>International developments in energy politics</td>
<td>International developments in energy politics</td>
</tr>
<tr>
<td>• Environmentally suitable conditions for the renewable energy transition</td>
<td>The high costs of projecting the process</td>
</tr>
<tr>
<td>• Lower prices of SPP plantation than Wind Power Plants and other</td>
<td>Architectural limits:</td>
</tr>
<tr>
<td>• The high awareness of the local residents on renewable energy and the harms of fossil energy sources and unplanned use of geothermal energy</td>
<td>• Not proper architectural structure in the urban sphere</td>
</tr>
<tr>
<td></td>
<td>• Old apartments are not proper for SPP</td>
</tr>
<tr>
<td></td>
<td>The Crediting System of the Banks allocates financial credits to the people.</td>
</tr>
</tbody>
</table>

Thirdly, the legal regulations are clearly realized according to the interests of the capitalist classes. The local residents of Akhisar generally are workers and farmers.
Those regulations may accelerate the process of transition. However, this quantitative rise of renewable energy construction and use cannot reach the capillary vessels of the communities, the households, and the agriculturalists if the insufficiency of power distribution units and marginal lands remains in the future.

Fourthly, the responses of the interviewees show that while Akhisar residents have a high awareness of environmental sensitivity and renewable energy, there is a limit of social and cognitive capital that hinders them from reaching the credit options presented by commercial banks and the state. So, the state should cooperate with banks to inform the local people about financial alternatives for the energy transition.

Fifthly, another infrastructural obstacle against the energy transition is the architectural structure. The narrow streets hinder the apartments from sun-soaking. So, both local and central state authorities work together on architectural transformation in local areas to make them more suitable for the energy transition.

Sixthly, legal gaps make the apartment residents and farmer cooperative members vulnerable to reaching the credits for renewable energy and in the projecting process of those energy plants. The policy-makers skip over the community-based regulations and only focus on individual energy transformation. However, energy is a public service and is related to everyone in a society or community. So, the policy decision-makers should rethink the laws and regulate them to arrange them accordingly for community purposes.

### 4.3.2. Financialization and Local Impacts

The results are matched with the discursive and policy analysis in the previous chapter. It can be claimed that the legal regulations on renewable energy became far more for the capitalist classes', firstly for providing more rapid energy transition by creating a competitive market for the energy transition to mitigate the problem of national energy supply security, which can be exacerbated with the imperialist attitudes of Russia and multi-polarization, and to support nationalist capitalist classes especially close to the
government—the de-democratization of environmental policies and the securitization of energy policies generated losses for local people. The state put the national benefits and the benefits of the government and capitalists over the needs and benefits of the local people. Also, this deregulation results from the short-termist policy-making process that plans to attract national and international investments to Türkiye. Moreover, the priority of quantitative results over qualitative to channel the investments to Türkiye is a cause of this result of the deregulation. As it is shown above, short-termist policies without a national energy strategy frequently cause legal changes. National investors and other classes, especially the agriculturalists, look at the energy transition with suspicion due to this fact. The SIA shows that the neoliberalist privatization and finance-based quantitative focusing policies create two local problems: Scarcity and competition on marginal lands and incapacity of power distribution units. These problems were discussed in detail above. Shortly, the local resources are shared with national and international classes and create vulnerability with these energy policies.

These scarcities at the beginning of the energy transition processes show that the policy implementation process is top-down and non-democratic. We can talk about three main problems with this. Firstly, green capitalism discourses on the international level, as explained in Chapter 1, “The Green War between Global North and Global South,” and the conflicts between Green Keynesians and Neoliberals hindered the production of long-term energy planning for developing countries who wait for the determination of the direction of the international political wind to benefit from the international political, economic changes and financial investments.

Secondly, the obsession of the Turkish state with energy supply security to maintain the consent of the public pushes them to implement short-run effective policies rapidly, and the approaches and interests of local people are ignored in this situation. Also, reconstruction of the infrastructure for energy transition requires maybe trillions of dollars and long projections. So, it is necessary to have strict cooperation and consensus between the state authorities, private energy companies, and international institutions to do this. However, the hegemony of individualistic ideology, which we can see even in the agricultural cooperatives in small-scale and apartment residents,
hinders this until it becomes a certain emergent need. For example, GCF’s reluctant behavior against the Global South shows that the possibility of substantial international investments in the restructuring of infrastructure is very low if the restructuring process is not proper to the rules of the international market. Those causes push the states to implement strategically essential policies in a more authoritarian way and search for cheap and short-run options and de-risks for attracting investments to the nation. Thus, the exploitation of the sources for capitalists increases without long-term planning, and the development policies do not care about the situation of the citizens, especially at the local level.

To sum up, this chapter focuses on the impacts of the financialized energy transition policies and processes on different classes at the local level and to test hypothesis 3. The results discussed above show that the impacts of financialization on different classes and at the local level are heavily disastrous for political and economic equality between classes in Türkiye. The selective de-risking role of the state excludes households and small agriculturalists with new legal implementations. The state prefers to defend the interests of rich parts of the sectors, and the bank-based financial system maintains its hegemony by controlling and selecting the ones who can reach the credits for energy transition projects. Moreover, not only the economic structure but also the inequalities between classes in terms of social, cultural, and environmental capital complicate the success of the energy transition process. Therefore, the secondary position of environmental and democratic sensitivities on energy issues is seen very clearly at the local level. So, as claimed by hypothesis 3, the energy transition as a privatized welfare provision under the conditions of climate change aggravates the inequalities between classes and the dependencies of lower classes to both the state and the upper international and national bank-based national financial classes.
CHAPTER 5

CONCLUSION

5.1. Short and General Summary of the Thesis

The three decades between the 1970s and 2000s were the years of transformation and the beginning of the world order's new economic and political structure. Environmental degradation, the rise of financial innovation, the boom of technological developments, the failure of the Keynesian state with inflationary and recessionary crises in the different parts of the world, and the fragmentation and breakdown of the USSR (1991) were the central events that reshaped the world. The world started to globalize more, and the crises of the different spheres began to intertwine more. One of the intersections between these global problems is the climate crisis with the rapid acceleration of pollution reasoned by dense capitalist competition with the participation of the Global South countries during the 20th century. This problem descended from the Keynesian era with other issues that provoked structural changes in the international political and economic structure. On the other hand, neoliberalist discourses and claims prevailed, and the economies started to be restructured according to the neoliberalist order. Technological and financial innovations were also added to the solution department in constructing the neoliberal system. One of the fundamental solutions to the climate crisis is the renewable energy transition. As time passes, technological developments enable to sell this solution in the market. In contrast, despite this solution being presented at least 50 years ago, whether the transition was successful or not is still discussed in the academic literature.

This thesis answers the question, "How does financialization of renewable energy transition function, and what are the results of the financialized methods of energy transition on the global, national, and local levels?" More specifically, this thesis looks at the changing role of the states and state-class relations with the solutions offered by
neoliberalism to environmental degradation and the effects of the actions and discourses through neoliberal ecodevelopment in different geographical scales from the global dimension to the local socio-economic impacts in developing countries by taking financialization of renewable energy transition in Türkiye as a case. The deepening of finance in the transformational changes and its intensifying effects on the ideological stance in the political realm since the 1980s are discussed to combine the financialization theories with the cases. Thus, the main contribution of the thesis is to provide cross-fertilization between the rivers of views of financialization and rivers of the practices of energy transition in Türkiye.

The thesis shows that the neoliberal economic and political system affects the methods of the energy transition in emerging economies in a top-down way. The global institutions claim that their approach, especially the UN's sustainable development goals program, aims to democratize the methods that target to solve the problems of the world like hunger, energy, environment, and health from a holistic perspective and with the contribution of the institutions from different geographical level. However, this system does work differently in emerging economies like Türkiye. The rising power and hegemony of the financial realm on the political and economic sphere de-democratized the process of energy transition in those countries. The new roles of the states, facilitation and de-risking, shifted the focus to the financial investors from the citizens. Thus, due to the position of the developing countries in the global system, the dependency of those states on the international institutions and financial actors for economic development enhanced with the financialization. The inequality between classes and between the foreign investors and national bourgeoisie increased both economically and politically. Hence, the energy transition process also depends on the direction of the cashflows and FDIs of foreign and national investors. This dependency polluted the path to green energy. The principles that should be taken as a precaution in the transition process, like the EIA reporting, do not function properly. The land, water, and other sources for energy transition are extracted and appropriated mercilessly without rule due to the anxiety of increasing the quantitative number of green projects to attract financial investments to the country and support the national bourgeoisie close to the incumbent government. Also, energy-dependent countries like Türkiye must consider energy supply security and imports in policy-making processes.
These are the main reasons for political changes and discussions in the Turkish Example.

In this conclusion chapter, firstly, the primary findings of the thesis are summarized, and the contributions to the literature are explained. Then, the limitations of the research process are discussed with further recommendations.

5.2. The Primary Findings and Contribution of the Thesis

5.2.1: Theories of Financialization and Energy Transition Policy-Making Structure

The main concern of the thesis is to understand the intersection of financialization and renewable energy transition to reveal the impacts of neoliberalism on political and economic changes from critical perspectives. The first thing to do for this is to reveal the historical developments of the deepening finance on the global political level. Many academic works inspect the changes in economic structure and the intersections of different transformations at the international level. However, analysis of energy transition from the approaches of financialization theories is a novel issue. Heavily, the academic works look to the energy transition as a type of infrastructure and the financialization of public provision. However, in this chapter, the effects of financialization on policy decision-making level on the international level. Hence, this chapter tries to open the issue of international policy-making to the discussions in financialization literature.

Paterson (2016) shows that two central perspectives are emerging around the issue: Eco-Marxists and the Green State defenders. The latter looks from the historical sociological and institutionalist perspective and claims that the capitalist system can succeed in environmental transition by adding an ecological core state imperative and creating new institutions and functions for the state. This new imperative can transform the states as ecological democracies. The former rejects this idea by stating that the central driver of capitalism and capitalist states is to raise the profit and accumulation
of capital that does not let ecological concerns prevail over the hegemonic ideology of economic development. We see that the discussions on the theories of financialization support the Marxist scholars on arguments related to ecodevelopment.

There is no compromise on the definition of financialization in academic literature. However, the most widely used definition is the definition of Epstein (2005): "the increasing role of financial motives, financial markets, financial actors and financial institutions in the operation of the domestic and international economies." The primary outcome of financialization is the expansion of finance by spreading to the proletariat and under-proletariat parts of the societies through the generation of new financial tools like CDOs, Credit Default Systems, and the direction of commercial banks to the households and workers mainly to sell mortgage bonds and pension funds. Secondly, the financial crisis of 2008 enhanced the financialization process by using new financial tools like QE to save the big companies and banks from the crisis by loading the hardships of the situation onto the households and workers. Thirdly, the condensation of dollarization and euroization processes keeps the liquidity enough for market transactions and enhances the process of economic exploitation of the developing countries who have to have dollars in their treasuries.

The global political-economic changes on the international level are discussed chronologically by analyzing the international conferences of the Stockholm Conference of 1972, the Brundtland Report of 1987, the Rio Conference of 1992, the Kyoto Protocol of 1997, the Millennium Development Goals of 2000, the Sustainable Development Goals, the Paris Agreement and the cases of Green Climate Fund and The International Energy Charter Treaty to see the transformation of the international paradigm, in the first chapter. The 1970s were the era in which the failures of the Keynesian welfare state were seen with the economic and political crises in the world, like the oil crises of 1973 and 1974, as mentioned above. The economic and political system started to change from a state-centric, welfare-focused system to a privatized, financialized, and globalized neoliberal system, and environmental degradation with financial and technological innovation also became the main ingredients of this political and economic transformation. As follows, the financial international and national investors joined the political and economic processes much more actively, and
they were supported and encouraged by the states that chose the path of neoliberalism. The primary results of this economic system on energy transition and environmental mitigation processes on the international level can be listed as follows:

1. Global South- Global North discussions on the burdens of environmental degradation and the necessity of financial support of Global North countries for others,
2. The conflicts between the ones who prefer neoliberal development and ecodevelopment in the Global North, especially between the USA and the European countries,
3. the conflicts between energy producers and others,
4. multi-institutional perspective from international institutions to local ones on the issues,
5. the changing role of the state from the main actors of the environmental mitigation and energy transition process to the facilitator and de-riskers for financial investors within the boundaries of their countries,
6. rise of new financial institutions and tools like GCF, International Energy Charter Treaty, green bonds, carbon taxes, and new sustainability indicators,
7. heavily quantitative perspective on the environmental transformation in the political realm, which measures ecological degradation by looking at the amount of carbon in the atmosphere with quantitative monitoring systems and carbon trading schemes,
8. shifting the focus from the environmental and social aspects of environmental degradation to the trading and other economic activities as a secondary impact of the seventh point,
9. reducing the effects of the activities of the scientists, NGOs, and other individuals and institutions other than the states, business groups, and financial institutions,
10. as a consequence of those points, the shifting of the targets from the mitigation of the climate crisis to the adaptation policies.

The results show that the aftermath of the financialization on energy transition and environmental issues quantifies the ecological problems with credit-based
mechanisms and the ideology of reducing the financial risks. The physical risks like drought, negative transition risks like the non-integration of electric cars into the market, and the positive risks like the rise of vegan food consumption are examples of the risk mechanism driven by financial investors' will to make a profit from investments. Credit-based ideology, on the other hand, shaped the measurement of the negative impacts of the climate crisis with carbon monitoring that reduced the complexities and effects of the results of climate change to the numbers. The risks and quantitative carbon monitoring system means, on the other hand, the market is not perfectly functioning, so the states and international organizations like Bretton Woods institutions should eliminate those risks and channel the sources to mitigate the risks and reduce the carbon. Thus, renewable energy transition becomes an instrument for this target, and the state's role is determined as a de-risker and facilitator for the functioning of those tools for the sake of the financial investor's profits and development. The result of this mechanism, which puts financial risk mitigation at the center, is generally seen as harmful to the process of the renewable energy transition in the case studies in the USA, Saudi Arabia, Chile, Zambia, and big emerging countries (Furnaro, 2019; Lahiani et al., 2021; Destek & Manga, 2021; Elsner et al., 2021; Alfalih & Hadj, 2022).

5.2.2. Financialization of Renewable Energy Transition and Policy-Making Mechanism in Developing Countries: Turkish Example

The thesis scrutinized the financialization in developing countries and its effects on energy transition. The second and third chapters analyze the political impacts of financialization in the renewable energy transformation in Türkiye by benefitting from the theories of financialization in emerging economies. Türkiye is chosen as a case to inspect those effects because of its energy dependency, its position as an emerging economy, and the rising neoliberal authoritarian regime. Energy dependency transformed energy transition into a vital national politics and economics aspect. The country's economic position uncovers the facets of dependent financialization in the Global South and makes Türkiye a paradigmatic choice for the financialization of renewable energy in emerging economies. Lastly, the rising authoritarian regime in Türkiye clearly shows the methods of the non-democratic energy transition of
neoliberalism. It provides us with a bright example to analyze the effects of financialization and how the ascending position of international and financial investors in the politics of transformation shapes the role of the state and state-class relations. So, in the second chapter, the financialization of emerging economies is discussed on a theoretical level from different heterodox and critical approaches.

There is a growing literature on the financialization of emerging economies. However, Lapavitsas and Soydan (2022) claimed that the theoretical literature is underdeveloped. The term financialization is defined and conceptualized by heterodox political economy perspectives. The mainstream approaches conceptualize the issue as financial liberalization or financial globalization and explain it as a positive concept for economic development and democratization. The heterodox approaches, on the other hand, take the financial deepening processes critically.

The interpretation of financialization from Marxist approaches differs in a wide range. However, there are two main theories of financialization in the Marxist literature. First, one claims that the increasing investments because of the "high capitalist profitability and lowering of the wages day by day decrease the number of investments, and the solution to this is the deepening finance with new financial innovations like mortgage credits that pushes the savings to the production sectors (Sotiropoulos & Hillig, 2020).

The second Marxist view asserts that the underconsumption resulting from the lowering of wages is the root of the financialization to provide credits for wage owners to spend and keep the capitalist economy (Harvey, 2011). The organic composition of the capital and the declining rate of profit hypotheses are used to explain the underconsumption and overinvestment and the need to finance in both theories. The situation in emerging economies is explained by the dollarization that expands the debt cycles of developing countries, the markup system, and the rising power of foreign investors on the fate of the export-led developing countries with the deepening financialization.

French Regulationist school sees financialization as the hegemony of fictitious capital and pseudo-validation process over commodities' production and primary market. The
effect of financialization in developing countries is the rise of interest-bearing capital
due to its dependent character. The hegemony of interest-bearing capital in developing
countries causes a rise in the level of inequality because the high-interest rates of the
developing states hinder the investment of the private sector and cause capital accumulation in a few rentier capitalist people.

The theories of varieties of capitalism look to the different levels of geography and the interactions between those different geographical levels to explain the divergent effects of financialization. On the other hand, variegated capitalism focuses on the relations between different actors and institutions to explain the financialization in developing countries. There are various studies that combine these two approaches (Karkowski, 2020; Karkowski, 2022; Hanieh, 2022). Those theories use institutional approaches to understand the role of actors in financialization and differing effects according to the geographies and societies.

The Turkish Example of neoliberal transformation is similar to other emerging economies, especially Latin American ones. The export-led economy with state incentives and subsidies and the deregulated market engendered the backbone of the economic transformation of Özal's 24 January decisions. After several failures, like Banker's crisis in 1982, financialization got involved in the neoliberal restructuring and became functional in the 1990s.

The results of this neoliberal restructuring are a) the increasing inequalities between the classes, b) fall in welfare policies, c) the increasing control of independent state institutions and private institutions on political and social policies, d) dependency on foreign debts and FDIs in the first twenty years from the IMF as a state-indebted economy, and from the private companies in the last half as a privately-indebted economy -which become much more sensitive to the financial global fluctuations and boom-bust cycles; e) reduce of the employment especially after 2007 in jobless growth era; f) rise of crony capitalism and authoritarian neoliberalism after 2008; g) interest-bearing and bank-based financialization, h) and long-lasting currency crisis after 2018.
The historical developments mentioned are compatible with the theories related to the financialization of emerging economies. The increasing dependency on financial investors and developed states is approved in the case and seems to be the most potent effect of financialization on the economic structure of Türkiye. On the other hand, the hegemony of interest-bearing capital and the outcomes of the decrease in the production sector are seen clearly in the situation on employment and crony capitalism that caused capital accumulation in a few hands. Thus, it can be said that the Turkish adventure in the way of neoliberalism bolsters the arguments of the critical theories of financialization, especially of the Marxist and French Regulationist schools. The vulnerability of the Turkish economy was exacerbated because of global financial fluctuations. The political decisions have depended on the short-term profit-driven attitudes and behaviors of financial investors. The privatization of the debt cycles and short-termism curbed the capability of generating long-term strategies of the state and have not allowed it much room for maneuver to take precautions against critical problems like climate change. The support to the national capitalist classes by the state is also conditioned to foreign investments. Changing the power structure with dependent financialization not only reduced the political impacts of the national classes but also transformed those interests according to the profits of the foreign financial investors.

The political and economic mechanism of the energy market in Türkiye began to restructure with Law No. 2096 in 1984, which regulates the BO and BOT in the electricity sector. The process of neoliberalization in the electricity sector was completed in 2013 with the accomplishment of 100% privatization of distribution provision. The literature review at the beginning of Chapter 3 shows that the neoliberalism of the electricity market is a field of conflict, especially between neoliberal governments and jurisdictional authorities. It can be stated that these conflicts expressed the conflicts between classes and in-classes. Other reasons for the long-lasting process of the neoliberal restructuring energy market in Türkiye are the characteristics of energy that require long-term investment, its strict relations with the national security for an energy-dependent country, its nature of elastic demand, and the complicated supply chain of energy. The main reason for the privatization of the electricity market was to increase the efficiency in the market by playing with the
structure of the supply side. However, the first trials of privatization with the BO, BOT, and TOR agreements failed and resulted in a less efficient system. Then, in 2001, Law No. 4628 was amended to deregulate the electricity market. This Law regulated the energy market according to the post-Washington consensus that put the state as a facilitator and controller of the market with independent institutions. The conflicts between the state institutions and between the jurisdictional and executive functions continued in this process. They were relieved in the authoritarian and crony neoliberal epoch of Türkiye after 2013. The rising authority of the government over other state institutions pushed the conflicts to the ground, and we witnessed a sharp increase in environmental movements in Türkiye.

The reconstruction of the electricity market in Türkiye shows both the differences and similarities between countries on the issue of neoliberal restructuring of the energy market. The energy dependency, extract-based economic aims of the government, and the composition of state institutions generate the different pathways from other countries on neoliberal processes. However, the effects of the post-Washington consensus seem similar to other developing countries. Bird's eye view of neoliberal structuring supports the Marxist and French Regulationist theories that suppose similar processes of financialization in the world. However, the energy market, especially the electricity market structuring, reveals the differences rooted in geographical and institutional divergencies.

The novel contribution of the third chapter in the literature is the critical discursive analysis of the Turkish parliamentary minutes to understand the effects of financialization on the discursive level and national policy-making mechanism. The necessary knowledge for completing this thesis is qualitative knowledge, like the narrative of the energy transition process in the political realm, to understand the effects of the global paradigm of the financialized energy transformation at the national level. However, the academic literature about the renewable energy transition is too technical and quantitative. In other words, the ideological shift of neoliberalism succeeds in renewable energy literature, and the works heavily look at the cost-benefit analysis of the energy transition policies—the lack of qualitative research in the Turkish case of energy transition seems to be required to fill this gap.
The choice of parliamentary minutes for the material of the discursive analysis is their rich content and their characters, which reveal the historical change of the discourses and the advantage of seeing the conflicts and compromises on the ideological values, goals, mean-goals, policy actions of different parties in them more clearly than other primary sources like the news or the legal documents. The policymakers' discursive analysis results show that the political parties' common value in the Turkish Grand National Assembly is economic growth and national security. Those shared values ease the securitization of the energy transition and the vulgar politics of this process by the incumbent government by excluding the NGOs and civil society. This parallels the academic literature's claims about the energy market's political economy in Türkiye. However, the goals and means differ between the government and the opposition parties. The ideological value of creation and support for the national bourgeoisie is also shared with the nationalist parties in Türkiye and the incumbent government.

However, the difference occurs in the means: While the AKP government supports the businesses close to it, the nationalist parties try to represent all national capitalist classes in the amount of the Feed-In-Tariff discussions. Another considerable divergence between the government and the opposition parties is the government's economic policies. The financialization of Türkiye made it more dependent on international cashflows and FDIs. Thus, the government mainly considers economic growth by attracting international financial investments. The fluctuations of those investments because of the international and national circumstances cause the fluctuation of renewable energy transition and hinder the government from following a national energy transformation strategy. The lack of an energy strategy and short-termism also hindered the focus on R&D studies and infrastructure development. This is one of the most criticized points by the opposition parties.

Moreover, the effects of the ideology of deepening finance in political actions are categorized under short-termism, privately indebted economy, big is the better, and credit-based mechanism in Chapter 3. Then, the links between the global neoliberal paradigm and the Turkish national political economy of the renewable energy transformation are explained with a graphic in this chapter.
5.2.3 Social Impact Assessment of the Solar Energy Transition at the Local Level: Akhisar Case

Chapter 4 discusses the results of the two-stepped field research with semi-conducted interviews conducted in Akhisar to assess the social impacts of the renewable energy transition with the financialized methods of the policy-making scheme, which is portrayed in Chapter 3. The Social Impact Analysis is suited to the aim of this thesis. The thesis aims to understand the effects of the financialization of energy transition at all levels and how those levels are related to others. Hence, the social impact analysis at the local level reflects the effects of the global paradigm on the people in different sectors. Applying social impact assessment to the energy transition policies at the local level is another contribution of this thesis. Several studies analyze the social impacts of renewable energy projects. However, the links between the global paradigm and national policies and social impacts on the energy transition process are not discussed well in the literature. Studies from the holistic perspective at all geographical levels are necessary to demonstrate the impacts of neoliberalism. Chapter 4, like all chapters of the thesis, focuses on the effects of financialization when assessing the social impacts in Akhisar.

To sum up, the social impacts of the solar energy transition in Akhisar display that the primary aim of the energy transition policies in Türkiye is not sensitive to the different sectors. Solar energy use is expanding in Akhisar. However, the capacity to reach renewable energy is limited, especially for small producers with legal regulations. The approach of the government that is conceptualized in this thesis as big is the better, and the credit-based mechanisms of the projects hindered reaching sufficient sources to the solar power plants of lower classes. Moreover, the short-termist approach to the energy transition, which rules out the long-term energy policies, causes continuous changes in the Renewable Energy Support Mechanism Law and the codes related to renewable energy. The local impact of this is the decrease in the people's will to install solar power plants. Furthermore, the dependency on energy import, the unending national energy supply necessity, and the cronyism pushes the government to allow the use of the national resources by the national capitalists in a deregulated way and insensitive to
the local residents. This situation causes scarcity of marginal lands and insufficient capacity of electricity infrastructure.

These results show that the financialization of the renewable energy transformation has reduced the sensitivity of the policies to the divergent interests of the different classes and the local residents dramatically. Despite the fact that the energy transition will be accelerated in the future depending on the direction of international and national financial investments, there will be substantial negative impacts of the transition, especially at the local and individual levels in the Turkish case.

5.3. Limitations of the Research and Further Discussions

The thesis tries to portray the intervention of the financialization on the procedures of the energy transition mechanism in policy making and implementation on different geographical scales. Financialization is a rich topic detailed in the literature for different cases and from different perspectives. However, the political economy of the energy transition is a novel topic, and the scholarly sources massively inspect this process at national levels or from comparative approaches to see the effectiveness of the subsidies and incentives or the reasons behind the imperfection of the renewables market. Apparently, the literature review revealed that the relationship between neoliberalism and energy transition is a new concern at both national and global levels.

On the other hand, the energy transition is generally accepted *ipso facto* as an inescapable and right movement both in scholarly studies and practices. I think this is one of the causes that delay the studies on the political economy of energy transition from critical perspectives and only looking from the windows of the cost-benefit analysis for a long time. In Marxist terms, the energy transition is fetishized by global discourses, environmental capitalist ideologies, and international organizations. This fetishism hides what is happening behind the transition processes. The delay in the scholarly studies was the first limitation of this thesis. For both to understand the global paradigm and the policy-making process at the national level, it is necessary to collect, select, and analyze lots of primary resources in a short time.
The theoretical studies of dependent financialization or financialization in emerging economies also should be furthered in the future. The relations between the pressures of the financial investors and the international institutional authorities with the Global South countries should be analyzed further. This thesis shows that the dependency on financial investments is the primary cause of the de-democratization of the policy-making process and authoritarian ways of implementation in the case of the energy transition. The fetishism of the eco-development of international institutions and conferences is one of the main determinators of the behaviors of financial investors. Thus, those institutions even planning comprehensive strategies for both the Global North and the Global South, the short-termist behaviors of the financial investors, who are raised to the knighthood of the 21st century by the international institutions, constrain the alternatives of the dependent and emerging economies under the scheme of the neoliberal indebted and export-dependent economy. The so-called rapidity of the authoritarian systems compared to the bureaucratic and democratic way of rule and the dependencies of those countries can easily be used as propaganda by the governments. The policy decision-making mechanism can easily be shifted to an authoritarian way with the pretexts of dependencies and rapidity. While mainstream literature is generally inclined to separate the economic order and political structure and analyze democracy-authoritarianism discussions with the national parameters, this thesis asserts the contrary, at least for the procedure of the energy transition in Türkiye. The arguments of the political parties clearly show that the securitization of energy and the authoritarian method of the policy-making process on energy transition is rooted in the dependency on energy and financial investors for transformation processes. However, due to the tangible limitations of time and human resources, the thesis cannot look at implementing the policies and the effects of financialization on energy transition projects. To provide progress on the literature on authoritarian neoliberalism in emerging economies and theorize these issues better, they should be studied with different cases and from different geographical levels.

The thesis focuses on the national level of the policy-making processes, as explained above. However, the state has different institutions and branches besides legislation and policy-making mechanisms. The activities of the so-called independent institutions like the Central Bank or EPDK in Türkiye should be analyzed well to see
the variances and the switches of the roles of the states and the financialization's role in these changes. Türkiye has bank-based and interest-bearing financialization. Thus, the energy transition process in Türkiye is also dependent on the acts and decisions of the banks and their integration procedures to the green financial schemes in the world. As mentioned briefly in Chapter 3, Türkiye has integrated into this new green financial scheme a bit lately, and due to this, the policy-making mechanisms and the subsidies and incentives like Feed-In-Tariffs have not functioned well. The measurement of the risks of the projects and the shareholders of the projects in this capitalist system belongs to the banks. Hence, there is a need to study qualitatively the financialized attitudes and behaviors of the banks when approving or rejecting open credit for those projects in developing countries and the relationship between the banks, private business institutions, and state institutions.

One of the central cores of this research is conducting the SIA at the local level in Akhisar. Generally, the SIAs look to the cost-benefit analysis of the policies and projects. Contrary to the trend, this thesis prefers to analyze the impacts of the financialized policy decision-making process in different sectors at the local level. Moreover, SIAs are very technical assessments that try to grasp future problems that can result from the implemented policies or projects. This thesis tries to combine the political economy theories with the social impacts of the solar energy transition process in Akhisar. Accordingly, the social impact assessment method is used to look at the policy-making processes from critical political economy perspectives rather than to offer solutions to possible problems. I think the use of impact assessment methods should increase by political economists to flourish the theoretical roots. In this issue, the extreme abstraction of the concept of financialization requires concrete cases, especially from daily life, to better understand and conceptualize the term and its impacts. Also, it is necessary to generate new impact assessment methods for critical perspectives. The techniques of the current impact assessment methods may not be proper for the target of better theorization.

To conclude, this thesis tries to analyze the effects of financialization on the energy transition process at different geographical scales by using different qualitative methods and link the results of these various qualitative studies to critically portray the
mechanism of the financialized process of the transition. The analysis of the energy transformation with different qualitative methods by analyzing it for macro, meso-, and micro levels and benefitting from the theories of the financialization literature is the novel contribution of this thesis to the academic literature. In other words, this thesis tries to break the effects of the short-termist, myopic, and quantitative ideological impacts of neoliberal financialization in the scholarly works about the energy transition processes by seeking to answer its research question with different qualitative methods which screen both the whole scheme and from the diverse range of angles at the same time.

On the other hand, the tangible and intangible limitations in the research process cause this thesis to have significant deficiencies in better understanding, explaining, and criticizing the neoliberal energy transformation processes. Further research, novel methods, and interdisciplinary studies are necessary to deeply comprehend financialization's effects and impacts.

From the results of this thesis, I claim that the neoliberal economic and political structure of the world order prevents achieving the aims of the UN SDGs. While the UN and other hegemonic international institutions and actors highlight the necessity of multi-actor, democratic, equal, and green paths to mitigate environmental degradation, the thesis shows that it is nearly impossible within the financialized structure. The obsession with the economic growth of the economic actors and the states, the top-down political hierarchy and the contests between these actors, the dominance of financial interests, and other secondary detrimental effects of capitalism block reaching positive results. The efforts of the capitalist actors and states from the Stockholm Conference in 1972 until today have not brought any meaningful solution to the climate crisis. These international attempts created an illusion. The illusions of the democratic and egalitarian discourses generated by the hegemonic actors cannot shape reality. The long-term fatal consequences of capitalism thus cannot be hidden with those discourses anymore. The world needs a more egalitarian economic and political system. Otherwise, the discussions and illusionary acts of the dominant hegemonic actors continue to reproduce the inequalities between classes. The thesis shows that neoliberal renewable energy transition methods reproduces the class
inequalities and spatial inequalities with the dominant position of financial investors, selective credit providing scheme, de-risking of the concerns capitalist classes in defiance of farmers and households and securitization of national aims in defiance of local people’s interests. The green mask of capitalism will be able to hide its destructive activities within the world in the future. However, the capitalist system cannot be saturated with the available amount of labor and nature in the world.
REFERENCES


HGM | Harita Genel Müdürlüğü - Ulusal Haritaçılık Kurumu


KENTSEL DÖNÜŞÜM YÖNTEMLERİ ODAĞINDA KENTSEL TASARIMIN ROLÜ: AKHİSAR ORNEĞİ YÜKSEK LİSANS TEZİ Simge ŞAHİN


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Parliamentary Sources:


APPENDICES

A: The Questions of the First Interview in Akhisar (December 2021)

1. How long has there been activity about solar energy in Akhisar? How long have the residents there discussed the ability they benefit from this form of energy (utilization, putting a barrel on the roof and painting it black and relatively water heating is also solar energy at one point, but it is more focused on production and meeting general energy needs)
2. What do you think is the potential of Akhisar in solar energy? They say that there is also wind energy. Do you think the sun or wind is more advantageous for Akhisar? Why?
3. What is the current situation of solar energy use in Akhisar? Where and by whom is it used (individual producer, more industrial producer, etc.)?
4. Are there any obstacles to the more widespread use of solar energy? Why do you think not everyone is switching to using this energy today?
5. What do you think should be done to make solar energy widespread?
6. Who do you think can take responsibility and take responsibility for these things?
7. What will be the benefits for Akhisar when solar energy becomes widespread?
8. Is there anything you would like to add?

B: The Questions of the Second Interview in Akhisar (October 2021)

1. How long has there been activity related to solar energy in Akhisar, and how long has it been talked about that we can benefit from this form of energy? (don't take advantage of it; put a barrel on the roof and paint it black, and then heat water relatively. However, solar energy is at one point, but it's more focused on production and meeting general energy needs).
   a. Do you think there is a problem in accessing energy, especially electrical energy, in the Akhisar region? If there is such a problem, what are your ideas about the size and source of this problem? Since when and which social segments have difficulties in accessing energy?
   b. Does SPP create an alternative for the Akhisar region in terms of the difficulty of accessing energy?
   c. Which variants of SPP do you think are the better alternatives? (Battery SPP, non-battery SPP, portable SPP, fixed SPP, etc.)
2. What do you think is the potential of Akhisar in solar energy? They say that there is also wind energy. Do you think solar energy or wind energy is more advantageous for Akhisar? Why?
3. What are the situations that encourage the use of SPP in the current economic, political, and social conditions, and to what extent?
a. Do the municipality's solar power plants encourage the people of Akhisar for energy transition?
b. Have the new regulations regarding the SPP installation increased the interest in SPP in Akhisar?
c. Do rising electricity bills offer SPP as an alternative?
d. Does the increasing use of SPP in Akhisar encourage the use of SPP in neighboring districts and regions?
e. Are the financial supports and loans related to the SPP installation sufficient for SPP incentives?

4. What is the current situation of solar energy use in Akhisar? And where is it used (individual producer, more industrial producer, etc.)?
a. What do you know about the environmental impact of SPP? Are there any other actions you take on the basis of environmental sensitivity? (Especially for industries)
b. What do you think about the economic advantages and disadvantages of SPP?

5. Are there any obstacles to the more widespread use of solar energy? Why do you think not everyone is switching to using this energy today?
a. Are there technological barriers to the spread of SPP? If so, what are they?
b. Are there local barriers to the spread of SPP? If so, what are they?
I. Are there any technicians/craftsmen who install SPP in the region?
ii. Do you think the technicians are expert enough on SPP? Are there people who do this job in the region, although they are not experts? Did you suffer from a lack of efficiency after the installation of the SPP or problems during the installation phase? Are there people around you who have experienced such a situation?
iii. What kind of obstacles do you think exist in the increase of individual use in the urban area? Are there any structural or infrastructural barriers?
iv. Are there national or global political, economic, or social barriers to the spread of SPP? If so, what are they?
I. What are the costs of installing and operating solar-powered systems?

6. What do you think should be done to make solar energy widespread?
7. Who do you think can take responsibility and take responsibility for these things?
8. What will be the benefits for Akhisar when solar energy becomes widespread?
I. Will installing and operating solar power systems create job opportunities among members of the local community?
ii. Will installing and operating solar power systems result in a reduction in the electricity bills of members of the local community?
iii. Will installing and operating solar power systems have a positive or negative impact on the environmental situation of the local community?
iv. How will installing and operating solar power systems affect the quality of life of members of the local community?

9. What do you think about AgroPV? What are your thoughts on its use in Akhisar?
10. What do you think about the Russian-Ukrainian crisis and Iran's cutoff of natural gas at the beginning of 2022? (Especially to be asked to the industry)
11. If you were a policy maker, would you like the spread of SPPs? What would you do to spread it?

Is there anything you want to add?

C: The Interviewees in the First Field Study

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<thead>
<tr>
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D: The Interviewees in the Second Field Study (December 2022)

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E. APPROVAL OF THE METU HUMAN SUBJECTS ETHICS COMMITTEE

Sayı: 28620816 / 26 Temmuz 2021
Konsol. Đoğrulandırma Sonucu
Gönderen: ODTÜ İnsan Araştırmaları Etik Kurulu (IAEK)
İlgili: İnsan Araştırmaları Etik Kurulu Başvurusu

Sayın Pınar Derin Göre


Saygılarımızla bilgilerinize sunuz.

Prof. Dr. Mine MISIRLISOY
IAEK Başkan
Giriş


unsuru olarak ortaya çıkan çevresel sorunlar ve bunların ele alınması da finansallaşmanın yarattığı yapısal değişikliklerden etkilenmektedir.

**Araştırma Soruları ve Hipotezler:**

Bu tezin araştırma sorusu finansallaşma ve yenilenebilir enerji dönüşümü süreçlerinin kesişimini; finansallaşmanın enerji dönüşümü paradigmasındaki etkisini, finansal aktörlerin Paradigmanın içerisindeki yerini, finansal yapı ve devlet ilişkilerini, bu ilişkilerin küresel, ulusal ve yerel etkilerini ve finansın hakimiyeti altında dönüşen devletin sınıflarla ilişkisini enerji dönüşüm süreci içerisinde incelemeyi hedeflemektedir. Diğer bir deyişle bu tez şu soruyu cevaplama çalışmaktadır: Finansallaşma altında gerçekleştirilen enerji dönüşümünde devletin rolü ve devlet-sınıf ilişkileri nasıl gerçekleşmektedir? Araştırma sorusunu daha da aydınlatmak amacıyla üç alt soru daha cevaplanmaya çalışılmaktadır:

S1: Küresel enerji paradigmasında devletlerin ve finansal aktörlerin yeri nedir? Enerji geçiş sürece küresel paradigma hangi metotları önermektedir?

S2: Enerji geçişinin küresel paradigma ulusal seviyede eğilme ülkelerde nasıl işlemektedir? Enerji geçiş sürecinin finansallaşması politika yapımı süreçlerini nasıl şekillendirmektedir? Enerji geçişinde gelişen devletlerin, özellikle de Türkiye’nin, rolü nedir?

S3: Finansallaşmış enerji geçiş sürecinin ve politikalarının yerel düzeydeki etkileri nelerdir? Bu sorulara cevap olarak üç tane hipotez önerilmektedir:

**H1:** Küresel paradigma içerisinde ekolojik kalkınma için çok aktörülü ve demokratik bir sistemin inşası planlanmaktadır. Bu yeni kalkınma modelinin önemli ayaklarından biri de enerji geçişi sürecidir. Neoliberal politik ekonomik yapı altında finansal yatırımcılar ve devletler enerji geçiş sürecinin en önemli iki aktörü olarak karşıлимiza


**Metotlar:**

Hipotezleri test etmek ve sorulara cevap vermek amacıyla çeşitli yöntemler tez içinde kullanılmaktadır. Tezin ilk bölümü enerji geçişi sürecinin küresel paradigmasının tarihsel süreç içerisinde nasıl kurulduğunu ve finansallaşmanın bu geçiş sürecindeki rolünü kritik perspektiflerden anlamaya çalışmaktadır. Bu amaçla aşağıdaki uluslararası konferanslar, anlaşmalar ve uluslararası kurumlar, enerji geçişi sürecinde konulan kuralları, süreç aşamalarını ve uygulamaları görmek amacıyla analiz edilmiştir:

1. 1972 Stockholm Konferansı
2. 1987 Brundtland Raporu
3. 1992 Rio Konferansı
4. 1997 Kyoto Protokolü
5. 2000 Milenyum Kalkınma Hedefleri
6. Sürdürülebilir Kalkınma Hedefleri
7. Paris Anlaşması
8. Yeşil İklim Fonu
9. Uluslararası Enerji Sözleşmesi Anlaşması

İkinci bölüm gelişen ülkelerde finansallaşma başta olmak üzere neoliberal politik ekonomi gelişmelerinin gelişen ülkelerde etkisini anlamayı amaçlamaktadır. Öncelikle finansallaşmayı kritik perspektiflerden ele alan literatür özetlenmektedir. Ardından Türkiye’nin 1980 yılından günümüze politik ekonomisi anlatılmaktadır. Gelişen ülke örneği olarak Türkiye seçilmiştir çünkü Türkiye’nin yükselen ekonomi olması, enerji bağımlılığı ve son yıllarda yoğunlaştırmak güncellenerek otoriter neoliberal karakteri enerji dönüşümü sürecinde Türkiye’yı paradigmatic bir ülke haline getirmektedir.

Üçüncü bölümde Türkiye’deki enerji politikaları ve enerji geçişi süreci elektrik politikaları üzerinden incelenmektedir. İlk olarak Türkiye’deki elektrik piyasasının politik ekonomisi gözden geçirilmektedir. Ardından TBMM’deki 1996-2023 yılları arasındaki meclis oturum tutanaklarında yeşil enerji geçişi süreci tartışmaları


Sonuç bölümünde tüm tez bütüncül bir şekilde özetlenerek enerji geçişinin finansallaşmasınıın küresel ulusal ve yerel düzeylerdeki etkileri arasındaki ilişkiler tartışılmaktadır ve gelecekteki araştırmalar için öneriler sunulmaktadır.
Bölüm 1: Enerji Geçiş Sürecinin Finansallaşması


Finansallaşma kavramının tanımı üzerine literatürde bir birlikten bahsetmek söz konusu değildir. Finansallaşma yoğunlaştıkça evrilen ve toplumsal ilişkileri de kendisiyle birlikte dönüşüören nitelikte bir süreçtir. Bu yüzden finansallaşmaya dair birçok tanım farklı perspektiflerden ortaya konulmaktadır. Finansallaşmanın
birincil sonucu finansın proletarya ve proletarya altı sınıflara yayılarak borç sistemini genişletmesi, dış faizli kredilerle ev sahibi olma, emeklilik fonları gibi birçok aracyla tüm topluma genişlemesidir. 2008 finansal krizinde birlikte devletlerin uyguladığı parasal gevşeme modelleri, burjuva sınıflarının kapitalist rekabet ve finansal krizler sonunda batmaları birlikte üstlendiği yükün devlet aracılığıyla işçi sınıflarına yüklenmesini sağlamıştır. Ayrıca, likitidite oranlarını korumak isteyen gelişen ülke devletlerinin uluslararası arenada dolarlaşma ve eurolaşma süreçleriyle birlikte gelişmiş ülkeler ve finansal sınıfların sömürüsüne daha açık hale gelmesi de literatürde en çok tartışulan konulardan biri olarak karşımıza çıkmaktadır.

1970 sonrasında Keynesyen refah devletinin çökmesiyle ortaya çıkan kriz ortamı refah odaklı devlet merkezli sistemin özelleşme, finansallaşma ve küreselleşme üzerine kurulu neoliberal sisteme geçişine tanık olmuştur. Yeni finansal ve teknolojik gelişmeler ve çevresel bozulma tartışmaları da yeni kurulan politik ve ekonomik sistemin ana elementleri haline gelmişlerdir. Neoliberalleşmenin enerji dönüşümüne etkisi yukarıda belirtilen uluslararası konferanslar, anlaşmalar ve kurumların analizi sonrasında şu maddelerle özetlenebilir:

2. Küresel Kuzey ülkeleri arasında neoliberal dönüşüm içerisinde ekolojik kalkınmanın önemine dair tartışmalar Küresel Kuzeyi Avrupa ve Amerika Birleşik Devletleri temelli iki kutba ayırmuştur.
3. Enerji üreten devletler ve diğerleri arasındaki uluslararası kutuplaşma enerji dönüşümü tartışmalarının başka bir önemli boyutu olarak ortaya çıkmıştır.
4. Çok kurumlu bir perspektifle beraber yerel kurumların da ekolojik kalkınma ve enerji dönüşümü sürecinde pay alması hedeflenmiştir.
5. Devletin merkezi rolü risk azaltıcı ve kolaylaştırıcı rol olarak dönüştüktedir.
6. Yeni finansal araçların ve kurumlar sürdürülebilir kalkınma amacı doğrultusunda Küresel İklim Fonu, karbon vergisi, yeşil bonolar ve sürdürülebilir ölçüm araçlarının ortaya çıkmasına ve nicel bir şekilde ölçülmesine sebep olmuştur.
7. İklim krizinin çevresel ve sosyal problemlerinden daha çok ekonomik ve finansal aktivitelere olan etkisi öncelenmektedir.

8. Karbon miktarı üzerinden ekolojik bozulmanın ölçülmemesi ve karbon ticareti şemaları iklim krizini ve enerji dönüşüm süreçlerini nicel bir boyuta indirgemektedir.


10. Önceki dokuz maddenin bir sonucu olarak iklim krizinin etkilerinin azaltılması hedefinden vazgeçilmekte ve iklimsel adaptasyon hedefleri konulmaya başlamıştır.


Zambiya ve diğer birkaç gelişen ülkede yapılan çalışmalar bu zararlı etkileri doğrulamaktadır (Furnaro, 2019; Lahiani et al., 2021; Destek & Manga, 2021; Elsner et al., 2021; Alfalih & Hadj, 2022)

Yenilenebilir Enerji Dönüşümünün ve Politika Yapımı Sürecinin Finansallaşması: Türkiye Örneği

İkinci ve üçüncü bölüm yenilenebilir enerji dönüşümü üzerinde finansallaşmanın gelişen ülkelerdeki ulusal etkisini ortaya çıkarmayı amaçlamaktadır. İlk olarak gelişen ülkelerde finansallaşma teorileri üzerinde kısa bir literatür analizi yapılmaktadır. Daha sonra Türkiye’nin neoliberalleşme sürecindeki politik ekonomik gelişmeleri tarihi ve eleştirel bir şekilde ortaya konmaktadır.


Gelişen Ülkelerde Finansallaşma Teorileri


Fransız Düzenleme Okulu ise önceden değer biçme (pseudo-validation) ile metanın gerçek değeri ile piyasa değeri arasındaki uzaklaştırmayı odaklanmaktadır. Bu durum finansal krizlerin ana sebebi olarak nitelendirilmektedir (Paulani, 2010; Lipietz and Patterson, 1995). Neoliberal finansallaşma ve finansın genişlemesi 1970’ler öncesi için finansın üretken sermayeye harekete geçiren bir işlev olarak ele alınması ve finansın bugünkü haliyle sadece var olan menkul kıymetlerle ilgilenmesi arasındaki hiyerarşik değişim olarak nitelendirilmektedir. Diğer bir deyişle, finansallaşma hayali sermayenin birinci sermaye devresi üzerindeki hakimiyeti veya finans
Alanındaki sermaye birikiminin Fordist tipi ekonomik üretimden daha çok önem kazanması olarak da yorumlanabilmektedir. Finansallaşma ile birlikte krizler arasındaki zamanlar kısalmaktadır. Çünkü finansal alanda metalara önceden değer biçme işlemi çok daha yaygın ve hızlı bir şekilde gerçekleşmektedir.


Bu teoriler birbirleriyle çatışmamak aksine birbirini tamamlamaktadır. Tezin amacı bu teoriler arasındaki tezatlıkları ve benzerlikleri tespit etmek değildir. Türkiye örneği incelenirken bu teoriler kullanılabaktır.

Türkiye'nin Politik Ekonomisi: 1980'den Günümüze

Neoliberal dönüşüm Türkiye’de diğer gelişen ülkelerle benzer bir değişim göstermektedir. İthalat odaklı ekonomi, düzensizleştirilen piyasa Özal’ın 24
Ocak kararlarıyla birlikte yürürlüğe girmiştir. 1982 yılında ortaya çıkan Bankerler Krizi gibi problemlerle birlikte finansallaşma geç de olsa 1990’larda sistem için yerleştirilmiştir. Bu neoliberal yeni sistem şunlara sebep olmuştur: a) sınıflar arası eşitsizliklerin derinleşmesi, b) refah politikalarında düşüş, c) politik ve sosyal konularda özel kurumların ve bağımsız devlet kuruluşlarının artan kontrolü, d) dış borca ve doğrudan dış yatırımlara artan bağımlılık, e) özel sektörün borçlanmasının ekonomik temeli son 20 senede oluşturulması ve dış finansal aktörlere bağımlı bir özel sektörün yaratılması, f) istihdamda düşüş ve işsiz büyüme ekonomisi, g) ahbap-çavuş kapitalizminin ve otoriter neoliberalizmin 2008 kriziyile birlikte ortaya çıkması, h) faiz ve banka temelli finansal yapı, i) 2018den beri süregelen kur krizi.

Türkiye’nin politik ekonomisinde gerçekleşen tarihsel gelişmeler finansallaşma teorileri destekler niteliktedir. Finansal aktörlere ve gelişmiş devletlere artan bağımlılık Türkiye’nin en temel problemlerinden biri olarak karşıma çıkmaktadır. Öte yandan faiz temelli sermayenin hegemonyası ve bu hegemonik değişim sonucunda biri olarak ürvtim sektörünün yaşadığı uzun süreli kriz de Türkiye’nin politik ekonomik karakteri içerisinde görülmektedir. Bu durumlar Türkiye’nin sınıf karakterinde eşitsizliğin aşırı derecede artmasına, sermayenin birkaç elde birikmesine, ahbap-çavuş kapitalizminin yükselmesine ve yüksek işsizliğin kronikleşmesine sebep olmaktadır. Türkiye ekonomisinin kırılganlığının artması, borç çevirimlerinin özel sektörde devredilmesi ve kısa dönemcilik de devletin uzun dönemli ekonomik ve kalkınma stratejileri geliştirilmesine engel olmaktadır. İklim krizi meselesi tam da uzun dönemli stratejilerin geliştirilmeye muhtaç olduğu bir problemdir. Finansallaşma rejimi altında gelişen ülkeler için böyle bir uzun süreli ve bağımsız bir strateji geliştirilmenin mümkün olduğunu söylemek zordur. Kapitalizmin yarattığı emperyalist yeni yöntemler uzak bakılınca demokratik ve eşitlikçi gibi görünse de gerçeklik düzleminde eşitsizliğin, sömürünün ve bağımlılıkların billurlaştığı bir sistem görülmektedir. Dış yatırımları çekmek için devletler arasında gerçeğesen çekişmeler, tıpkı diğer ekonomik aktörler gibi devletlerin de esnek olmasını ve kar odaklı otoriter bir bakış açısıyla, sosyal ve çevresel meseleleri göz ardı ederek politika

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yapmalarını gerektirmekteyd. Böyle bir sistem içerisinde enerji dönüşümünün başarılı olma ihtimali küresel piyasadaki sermaye birikirme savaşlarına bağlı görünmektedir. Enerji dönüşümünün çevresel bir şekilde gerçekleşme ihtimali içerisinde bile dahi iklim krizinin ve fosil enerjinin yarattığı sosyal ve sınıf meselelerin çözüleceğine dair bir ihtimali görmek, neoliberal finansallaşmış bir sistem altında zor görülmektedir.

Türkiye’de Elektrik Piyasasının Politik Ekonomisi


Elektrik piyasasında gerçekleştirilen neoliberalleşme süreci Türkiye’nin dış enerji bağımlılığı, ekstraktivist ekonomik karakter ve devlet kurumları

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Ayrıca finansallaşmanın politika yapımı üzerindeki etkisi bu bölümde 4 alt kategori altında; özeleşmiş borçluluk, büyük olana daha çok yatırım, kredi merkezli mekanizma ve kısa dönemcilik başlıkları ile incelenmektedir. Aynı zamanda küresel neoliberal paradigma ve Türkiye ulusal yenilenebilir enerji dönüşümü politikası arasındaki ilişkiler de bu bölümde anlatılmaktadır.
Güneş Enerjisine Geçişin Yerel Sosyal Etkileri: Akhisar Örneği:


Sonuç

Bu tezde elde edilen bilgi ve bulguları şu sun göstermektedir: Neoliberal ekonomik ve politik yapı içerisinde her ne kadar Birleşmiş Milletler ve diğer uluslararası kuruluşlar demokratik ve eşitlikçi bir ekonomik dönüşüm utopyasını bize sunsa da bunun gerçekleşmesi mümkün görünmemektedir. İklim krizinin etkisini azaltma amaçları aslen ekonomik aktörlere olan
etkilerine odaklanmaktadır. İklim krizinden doğan finansal riskleri azaltmak
ana amacı olduğu gibi bu sistemın merkezine yerleşmiş olan finansal aktörler de
demokrasiden uzak, son derece teknokratik ve sosyal ve çevresel meselelere
duyarsız bir kapitalizmin kurulmasına aracılık etmektedir. Ekonomik
kalkınmaya olan takvimi da devletlerin yukarıdan aşağıya politik bir yaklaşım
benimsemesine, var olan üst sınıfların gücünün sağlamlaştırılması, finansal
çıkarların hakimiyetine ve bu.sigmoidların ürettiği tali ölümcül sebeplere
neden olmaktadır. 1972 yılında gerçekleşen Stockholm Konferansından
bugüne hiçbir anlamlı gelişmenin gerçekleşmemesi, ekolojik zarar
azaltmaktan ekolojik değişiklere adapté olma politikalarına geçilmesine de
neoliberalizm altında ekolojik bir kalkınmanın gerçekleşmesi ihtimalinin ne
kadar düşük olduğunu, gerçekleşse bile sosyal ve çevresel zararlara duyarlı
bir şekilde gerçekleşeceğini şeklindeki Marksist teorileri doğrulamaktadır. Diğer
bir deyişle iklim krizine karşı duyarlı olduğunu iddia eden bu finansal sistem
sadece vahşi neoliberal kapitalizmin insancıl bir maskesi olarak karşımıza
cıkmaktadır. Tezin de gösterdiği gibi neoliberal enerji dönüşümü metotları
sınıflar arası eşitsizliği tekrardan üretmek ve devletler arası dış yatırım
müradeleşi yerel sakinlerin zararına güvenlikleştirilen ve teknikleştirilen
polítikalari öne sürmektedir. Bu şekilde elde edilecek tüm başarlılar kapitalist
sistemde doymak bilmez emek ve doğa sömürüsü ihtiyacı karşısında anlamlı
ve nitel bir başarıya ulaşamayacaktır. Nicel bir maske altında doğa ve işçi
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