

The Role of Decision Making Processes in Urban Management Systems

(Case Study of Tehran)

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Abstract

Tehran, the capital city of Iran, has grown from a small village to a giant metropolis within two centuries. The population explosion - the result of both natural growth and migration from around the country to this city- led to the growth of the city and emergence of an unplanned mega city. As a densely populated mega city (with an average 10,000 persons/square km as population density), Tehran suffers from acute problems. Undoubtedly, the task of managing a metropolis with enormous problems and challenges is complex. Some of the elements that empower city managers to address such problems include adequate political and financial power, strategic plans, long-term views for urban development, and efficient decision making processes. The present research study primarily focuses on the latter element in Tehran's city management system, particularly in Tehran Municipality as the front line organisation, investigating the interrelationship between the quality of decision making process and the performance of city management systems.

For this purpose, the research study concentrates on three distinctive periods after Iran's Islamic Revolution, i.e., the period commencing from Revolution including the Iran-Iraq War (1979-1990), the 1990's known as Tehran's reconstruction or post-war period, and the period after 1999 characterised by novice city councils during the first experience of elected bodies in Iranian urban management system. The thesis initially draws the pictures of Tehran in two snapshots of time: 1990 and 1999, i.e. the beginning and ending points of the second period of investigation, highlighting the considerable advancements in this period in terms of infrastructure development and urban facilities such as transportation network, public transit, green areas, cultural spaces, and other facilities. Then, employing a multi-criteria evaluation model, it conducts a quantitative analysis and measures the relative merit of decision making process at each period using the weighting and scoring method suggested by AHP (Analytical Hierarchy Process). Finding the highest score of decision making quality in the second investigated period, the quantitative analysis suggests a positive interrelationship between a qualified decision making process and an efficient city management system. Furthermore, it shows that the

quality of decision making has the most significant role among other investigated managerial power elements.

The outcomes of the quantitative model are supported by a qualitative analysis through which a number of key decisions made during the second period were investigated to show the instances of qualified decision making process and how they impacted the performance of city management.

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Introduction

Tehran, the capital city of Iran, has grown from a small village to a giant metropolis within two centuries. *"Its strategic location, on the main trading routes, and its symbolic location at the foot of the highest mountain in the land, made Tehran, like its predecessor Ray, a focal point in a vast country"* (Madanipour 1998: p.5). This city has experienced a tremendous growth since it was selected as the capital 200 years ago, to the extent that it is now a city of more than 7 million in an area of about 700 Km². The population explosion has been the result of both natural growth and migration from around the country to this city, which in turn led to the growth of the city and emergence of an unplanned mega city.

As a densely populated mega city (with an average 10,000 persons/square km as population density), Tehran suffers from acute problems, including traffic congestion, inadequate parking spaces, increasing housing demands, and threatening environmental problems. The shortages of cultural centres and social services have resulted in critical social problems due to lack of public awareness in the society. The severity of these problems, however, has differed from time to time; in some periods of time, particularly the years after the Iraq-Iran war, problems were more intensive than ever, to the extent that as Madanipour (1998: p.237) explains, it was expected that *"Without substantial efforts to solve these huge problems, the next generation of Tehranis will live in far worse social and environmental conditions."*

Undoubtedly, the task of managing a metropolis with such enormous problems and challenges is complex. Some of the well-known obstacles of urban management systems include inadequate political and financial power, and lack of strategic plans and long-term views for urban development. It is also recognised that inefficient decision making is one of the key reasons of poor urban governance in developing countries (Kitchen 2002; ADB 2006; Etten 2007). However, this subject has received less attention in the urban management literature.

Poor decision making particularly in managing rapidly expanding metropolises - like Tehran- needs a coherent approach for improvement. In fact, those organisations involved in urban management, e.g. municipalities at the front line, have to undergo

fundamental changes to be able to adapt to the forcing external changes, created by globalisation and urbanisation processes. The most essential step would be to bring major organisational reforms in city administration bodies. The role of decision making quality in such a process is two-fold. On one hand, management of such reforms needs an efficient decision making process to make the changes practical, and on the other hand, as the final result of such reforms, the entire organisation can benefit from an efficient decision making system. A key factor in developing such an approach is providing adequate capacity proportionate to the complexity of the challenging task of managing megacities.

Research hypothesis and strategy

The present research study is designed to assess how the quality of decision making process impacts the performance of city management systems. Moreover, since Tehran, as a problematic megacity, has not been often discussed in the international literature on urban studies, this research focuses on Tehran's city management system, particularly Tehran Municipality as the front line organisation in this regard, to offer some analytical data about this little-known city. For this purpose, the thesis concentrates on three distinguished periods after Islamic Revolution, i.e., the period commencing from Revolution including the Iran-Iraq War (1979-1990), the 1990's known as Tehran's reconstruction or post-war period, and the period after 1999 characterised by novice city councils during the first experience of elected bodies in Iranian urban management system. Considering that each period has been recognised by its unique characteristics in terms of management and decision making style, we seek to discover a relationship between the quality of decision making process in city management system and the quality of production and delivery of urban services, which in turn impacts the quality of life for citizens.

As the initiated hypothesis, this study believes in a direct relationship between the quality of decision making process and city management performance claiming that the quality of this process has the most significant role among the other managerial elements

of power such as financial resources and long-term visioning capabilities. To explore the research propositions, this study conducts both qualitative and quantitative analysis.

The quantitative analysis focuses on entire decision making process – as the unit of analysis. The aim of this analysis is to attribute a direct relationship between the quality of decision making process of these decisions and the quality of city management performance. Employing the multi-criteria evaluation model, discussed in detail in Chapter 2, the relative merit of decision making process at each period is measured. The results of the quantitative part have been supported by a qualitative analysis in Chapter 6. Choosing a number of key decisions with significant effects on city management system, the qualitative part presents the instances of decision making processes and investigates how these decisions changed the performance of city management system. The results of this qualitative analysis are in fact based on a number of selective decisions, to support the findings of the qualitative part.

As an additional note, the researcher of this study had been appointed as Tehran Mayor during the second period of investigation, i.e. the 1990's, which is known as Tehran's reconstruction or post-war period. Hence, access to some primary sources of information was an asset to this study facilitating the data collection process of this particular period. However, since as a part of the multi-criteria evaluation model we needed some judgemental assessments to weigh the criteria and score each period of investigation against them, we had to take some major steps to avoid any personal judgement to guarantee an unbiased evaluation. For this purpose, we invited a number of participants from two groups of academia and executive managers and inputted their professional opinions into our evaluation model. These participants were chosen among the university professors having teaching and research experience in related areas and/or executive managers (primarily from Tehran Municipality) being experienced in management of large organizations. The opinions of both groups were gathered to weigh the criteria. Yet, only those individuals who had been in top level management positions at least in two out of the three investigated periods were chosen for scoring part as they were supposed to be the most knowledgeable persons about the managerial and decision making processes of Tehran Municipality in different investigated periods.

The structure of the thesis

Chapter 1 starts with an overview of the required theoretical concepts, namely Urban Governance, City Governance Models, Decision Making Process, and Change Management Process, and then provides a literature review of transformation and globalisation of world megacities, including Tehran, as the main focus of this study. Chapter 2 elaborates on the research methodology of the present study, providing details of research design, including the multi-criteria evaluation model, as well as data collection and analysis methods. A historical overview of Tehran's urban management structure in different periods of time will be presented in Chapter 3. Chapter 4 provides an overview of Tehran's situation in two snapshots of time: 1990 (i.e., the year between the first and second investigated period) and 1999 (i.e., the year between the second and third investigated period). This chapter aims at highlighting how far "Tehran 1999" was from "Tehran 1990" in terms of the quantity and quality of services delivered to citizens. The reasons for this significant difference in Tehran's situation will be analysed quantitatively in Chapter 5. This chapter employs the evaluation model, presented in Chapter 2, to assess and compare the quality of decision making process in Tehran Municipality in different periods of time. The quantitative analysis will be supported by a qualitative analysis in Chapters 6 and 7.

Chapter 6 analyses the processes of making these decisions, selecting a number of crucial decisions and projects and elaborating how they impacted the city situation. This analysis will be extended in Chapter 7 to analyse the decision making process in the new era of Tehran's management system in the presence of city councils. Chapter 8 links the collected data (i.e., in chapters 3 and 4) to the results of the qualitative and quantitative analyses (i.e., in chapters 5 to 7) to present research findings. The last chapter will provide final conclusions and recommendations based on the results of this study.

The results of this research might be useful for students and scholars with general interests in urban management studies and/or decision analysis methods as well as those with a particular interest in *Iran* and *the Middle East* region. It might also be helpful for

those urban managers involved in management of problematic mega cities all around the world, as well as other big cities in Iran.

Chapter 1. Literature Review

As discussed earlier, this thesis aims to assess the role of decision making process in management of megacities, using the experience of Tehran, the capital city of Iran. To this end, we first need to develop the required theoretical framework by reviewing the relevant literature on governance and the existing urban governance models in the world, decision making and change management processes. We also need to have an overview of the transformation process of a number of emerged megacities across the globe to get a better understanding of typical problems of different megacities, including Tehran, which is the focus of this case study research.

To organise these discussions, this chapter consists of four sections. The first section provides a literature review on some basic theoretical subjects, related to the main topic of this research study, which need to be elaborated prior to initiating the analytical discussions. The second section has an overview of transformation process of a number of world megacities to figure out how they have emerged, which problems they confronted during this process, and how their city management systems responded to these problems. The third section focuses on Tehran, the capital city of Iran, reviewing the existing literature regarding the situation of this megacity in different periods of time.. The last section will summarise the discussions of the three mentioned sections and explain how these materials are applied to develop the analytical framework of the study, which will be presented in chapters 2.

1-1. An Introductory Overview of Theoretical Subjects

To build the theoretical framework, this chapter provides a literature review of four main topics as follows: (1) urban governance and its different modes and styles, (2) different city government models across the globe, (3) decision making process, its steps and types, and (4) change management process, its types and challenges.

1-1-1. Governance

This section provides a definition of governance and explains its different types (i.e. political, economic and social), distinguishing the authority of each type and how the relevant authority should act within a society. We will also review different modes and styles of governance based on the level of democratisation in decision making processes, and then explain the characteristics of good governance, according to the existing literature. These elements of good governance will form the evaluative framework of the quantitative analysis in next chapters.

The concept of governance is complex and controversial. It is so important not to reduce governance to government. Governance means the real power that exists both inside and outside the formal authority and determines how public decisions are made and how public actions are carried out. Nzongola-Ntalaja (2002) defines three main types of governance, which besides political (or public) governance, include economic and social governance as well. The processes authorised by the state, government or public sector are categorised as political governance through which social affairs can be organised and a society can be managed (Manning & Kraan 2006). Economic governance, primarily authorised by private sector, refers to the policies and procedures that are required to develop and present services and goods. Social governance, authorised by citizens and non-profit organisations, consists of all values and beliefs that are needed for happening social behaviours and making public decisions (Nzongola-Ntalaja 2002). Hence, all these three actors are needed to play their roles in a society: social governance to build a moral foundation, economic governance to provide a material foundation and political governance to ensure the order and cohesion of a society. These factors provide a more comprehensive definition for governance opening “*a new intellectual space*” (Graham, Amos and Plumtre 2003: p.6) to discuss the role of different possible contributors in public affairs (other than merely government) to address how society is managed, how public decisions are made and how public resources are spent.

In terms of forms and styles of governance, Healey (1997) explains four models that are widely employed in describing existing western governance systems, namely

representative democracy, pluralist democracy, corporatism and clientism. Healey (1997) defines representative democracy as an idealised model of a democratic state, in which a good decision is the one that best achieves the public interest. However, this model of governance is now widely challenged due to the diversity of the interests and the difficult task of aggregating up these interests (Bourgon 2009). In Contrast, the second model, i.e. pluralist democracy, recognises this significance of interest diversity and it encourages groups to articulate their concerns in adversarial forms as fixed interests and preferences, but it does not involve the institutional effort of building up new ways of mutual understanding to generate a wider basis of agreements. While pluralist democracy has been criticized for its assumption that all groups are relatively equal in the competitive game (Dunleavy and O’Leary 1987), the third model, i.e. Corporatist model, assumes a shared-power within which the good decision will achieve the public interest as defined by the corporate alliance. In spite of its advantages in developing and delivering a stable consensus, as a mode of governance, it is now strongly challenged, because it has a narrow social base (Healey 1997). The practices of the fourth model, i.e. clientism, seem to arise where the role of governance is to distribute resources acquired through taxation, or through some regional or transnational redistribution program. However, clientelist governance practices emphasise the role of personal and private networks, as well as party networks, as a way of distributing resources and other government benefits, rather than criteria of need. *“In this context, elected politicians and officials become critical gatekeepers in managing the direction of the flow of resources.”* (Healey 1997: p.228)

Susskind (1994) discusses that the process of consensus building can be considered as one of the most effective approaches to citizen participation in public decision making in the U.S. context, which contributes to representative decision making even for highly controversial issues. This approach involves cooperative seeking of data and information and cooperative arrival at agreements among representatives of government, stakeholders and other groups whose lives are affected by these decisions. Susskind (1994) also believes that each group should designate its own representatives in order to make a multidisciplinary decision making process, and suggests four considerations for this process, namely representation, consultation methods, how closure is reached, and the discourse style.

Healey (1997: p.82) refers to planning as “an approach to governance which embodies a policy-driven approach, a long term and strategic orientation and which interrelates economic, social and environmental dimensions... in ways which recognise their complex space-time dimensions”, and believes that an ideal approach to governance “would involve ‘conversations’ between stakeholders from different social worlds” (p.219). Healey (1997) also evaluates the sustainability of the above-mentioned modes of governance to facilitate such processes. Her analysis shows some linkages between planning, as defined above, and particular modes of governance including representative democracy and corporatism. Healey (1997) also indicates three trends in governance forms, i.e. criteria driven approach, entrepreneurial consensus and inclusionary argumentation.

The criteria driven approach converts the public interests into technical criteria with which the performance of government agencies are to be measured and monitored. Its objective is to design government programs so that they work through the ongoing flow of economic and social life, and to manage the delivery of government programs to ensure that they meet the expectations of clients. A good decision is one, which achieves agreed government objectives (targets) as accountably as possible. Entrepreneurial Consensus builds consensus through ad hoc local alliances among key players with developmental agendas and can be considered a form of local corporatism. It underlies many of the partnership-building activities. The good decision could thus become that which most promoted the interests of the mentioned elite. Finally, Inclusionary argumentation seeks a more systematic approach to including members of political communities and acts beyond the tendencies to corporatism. It emphasizes collaborative argumentation within which those who make decisions about governance matters should expect to give good reasons for their decisions in the best available attempts at inclusionary argumentation. It allows technical knowledge, drawn from various sources to be woven together through discussion with practical knowledge. A good decision would be the one that is taken in cognizance of the concerns of all members of a political community and that these members have the opportunity to express their views, and to challenge on their behalf, not just in the ballot box, but also through rights and

opportunities. Healey concludes that although inclusionary argumentation needs a massive amount of time consumed in consensus building and argumentation, it seems to be the ideal mode of governance as it seeks to widen out governance effort to include all members of community in both strategy formation and policy delivery and combines both hard and soft infrastructure, emphasizing the style of reasoning and the construction of rights (1997: pp. 219-242).

Hence, as suggested by both Susskind (1994) and Healey (1997) and mentioned above, there is more emphasis on consensus building and inclusionary argumentation approaches to achieve a higher level of citizen participation in governance and public decision making.

In this context, good urban governance describes the situations in which decision making processes facilitate the citizens' participation. There are also some more research studies defining the characteristics of good governance in this regard. Rotberg (2004) argues that good governance occurs when resources are allocated and managed to efficiently respond to citizens' needs and problems. Hence good governance means the difference between a well managed inclusive city and the one that is poorly managed and exclusive. Nzongola-Ntalaja (2002) argues that there are eight characteristics for good governance, namely participatory, consensus, accountable, transparent, responsive, effective and efficient, equitable and inclusive, and he believes that in practice, such principles of governance have to be translated into strengthening democratic institutions.

Focusing on public administration, O'Neil, Foresti & Hudson (2007) argue that voice and accountability are two "*important dimensions of governance*" (p.1) whereas voice is defined as the capacity of people to express their opinions and the ways in which they practice this capacity. Voice is important because it is an essential part of accountability, which means accountability happens only when voice is allowed to exist. However, despite the necessity of voice, it cannot deliver accountability by its own, without enforceability (Goetz & Jenkins 2002). Indeed, the extent to which voice brings accountability depends on the characteristics of societies and political contexts (Goetz & Jenkins 2004).. For example, Joas, Evans & Theobald (2005) believe that the transformation from a top-down to bottom-up governance requires a two-way flow of information between citizens and government, imposing the need for evaluation of

governance at local government level. In this context, international agencies like United Nation Governance Centre (UNGC) introduce efficiency, transparency, accountability and participation as inter-related dimensions, which seem important to be assessed. (UNGC 2007).

This section provided a review of the definitions of governance and its various modes and styles, and discussed different approaches for achieving higher level of citizen participation in public decision making. It also characterised the elements of good governance that can impact decision making processes. We will apply a number of these elements, as designated criteria for building our multi-criteria evaluation model in Chapter 2. In our quantitative analysis in Chapter 5, we will then score the city management system of three investigated periods against these criteria to quantitatively compare the performance of decision making process at these periods.

1-1-2. City Governance Models

The last section reviewed the modes and styles of governance and different approaches to achieve citizen participation in public affairs. In terms of city management or city-level governance, there are different models across the world. This section first identifies different city governance models and then has an overview of city management systems in a number of countries across the world. It also reviews the literature of how different city government structures and different levels of mayoral power impact the city management performance in terms of financial expenditures.

The International City/County Management Association (ICMA) has categorised five major forms of city government, namely council-manager, mayor-council, commission, town meeting and representative town meeting. The first two forms are the most common ones across the world (Levin & Tadelis 2010), but the last two forms are scarcely found and only exist in New England cities (Folz & French 2005). The commission form is the oldest system of city governance in U.S. in which the elected governing board of commissioners holds both legislative and executive powers (ICMA). However, this form is no longer employed in today's city government systems particularly in western countries. In the council-manager form, the council, elected by

citizens, is the governing body who provides legislative direction and usually consists of a number of members – varied widely in different cities - including a mayor who is recognised as the political head of the municipality (Smoke 2005). The manager is hired by the council to carry out the policies and lead daily operations and s/he serves as the council’s chief advisor. This form that “*arose against corruption and partisanship in the 1920’s*” is known as weak mayor system as well, “*in which the council itself generally appoints the chief officers and holds them to account*” (Pimlott & Rao 2002: p.10). In the mayor-council form, the mayor, chosen from among the council members, is designated as the head of city government (ICMA). However, the range of his/her authority may differ from merely ceremonial activities (i.e. another representation of weak-mayor system) to full-scale responsibilities (i.e. strong-mayor system). In strong-mayor system, the mayor may be elected directly by citizens, and s/he gives political leadership to both the council and its manager. In this form, city manager has administrative authority over the departmental heads, but the council has a weaker mandate (Lees, Maidment & Tappin 1982; Pimlott & Rao 2002).

To increase accountability between city managers and local communities and promote the interests of citizens, community leadership has become an integral part of city management systems to reflect historical, cultural and constitutional circumstances of different societies (Ammons and Newell 1989; Pimlott & Rao 2002). Hence, different cities of the Western world have had different experiments to involve community in city management system. In the United States, the size and institutional form of cities are vastly varied. However, the majority of cities have adopted one of the two common forms, namely council-manager or mayor-council forms. Out of these two forms, more than 71% of the cities over 50,000 population exhibit council-manager form with significant variations among different regions ranging from 29% in North-East to 93% in western states (Morse, Buss & Kinghorn 2007).

In Germany, local government has undergone significant changes since the early 1990’s adopting strong-mayor system with elected mayors in South German cities (Wolmann 2005). In this setting, the mayor is directly elected and chairs the municipal assembly and heads the administration, and at the same time, the assembly also possesses formal powers (Egner, Haus & Kong 2006; Pimlott & Rao 2002).

In France, mayors are both an elected authority – by municipal councils – and a representative of the state. Following the decentralisation reinforcement (after 1981), the scope of local initiatives dramatically increased reversing the role of mayor from the state’s agent to representative of city in the state (Newman & Thornley 1996). Hence, mayors are powerful positions and in fact mayoralty stands at the centre of local governance. However, Paris – the capital city – remained different from other cities in terms of participatory politics. In Paris, the key players in local government consist of top politicians and technocrats located at the apex of power pyramid, where all major decisions are made (Cox 2009; Borraz & Le Gales 2005; Pimlott & Rao 2002). Besides the influence on national government, the mayor of Paris is able to appoint members of the city council as deputy mayors to hold particular portfolios -transportation, urban development- and thus become extensions of mayoral authority. In this setting, key politicians “*put the decisions together, leaving little room for outside competition*” (Savitch 1988: p.249).

There has been an on-going debate over how city government structure impacts public expenditures. Booms (1966) argues that city managers are supposed to be more skilled than elected mayors in administrative functions, and concludes that mayor-council cities have higher per-capita spending compared with council-manager cities. However, Deon & Mehay (1987) believe that both mayor-council and council-manager governments are equally responsive to citizens regarding city expenditures. Their empirical study, along with others such as Mehay & Seiden (1986), Morgan & Pelissero (1980), Farnham (1990) and Reid (1991) finds no significant difference between the two models. Campbell & Turnbull (2003) broaden the scope of this discussion raising the question that how the separation of legislative and executive powers impacts government expenditures. Campbell & Turnbull (2003) conclude that spending differences between governments with separation of powers and those with unified powers only exist for Southern counties of the US, and in all other regions and time-periods, professional or elected executive management does not significantly impact either municipal or county expenditures.

There are also many studies on elements of mayoral power and how mayoral quality affects city management performance. Based on Levine & Kaufman (1974),

Bellush and Netzer (1990), Pimlott & Rao (2002), and Greasley and John (2010), mayoral power may come from many resources such as political power, financial power/autonomy, and dynamic personality of mayor. Political power is an important resource because the dominant political party can resolve disputes and enforce decisions. Financial resources and independence from the other levels of government gives more power to mayor. Finally, the strong personality of mayor, who is in the public eye and provides a focal point for the media, is also one of the most important factors of mayoral power. For instance, an attractive or even a controversial personality whose news are on headlines may help be translated into popular support. At the same time, a strong mayor with a persuasive personality may be a more successful leader, because s/he can build more and better coalitions, win allies, and attract the support of citizens, which are all the elements of urban political leadership.

As suggested by the literature, efficient decision making is associated with effective urban governance. Morgan & Watson (1995) discuss that mayors possessing greater formal and informal authority, which results in a smoother decision making processes, are more capable of controlling the budgetary processes. Avellaneda (2008) investigates the impact of managerial quality on municipal performance in the education field, revealing that mayoral qualification has a positive influence on performance, where mayors play the role of city managers with united political and administrative authorities. On the other hand, inefficient decision making is also mentioned as a key element of poor urban governance. Kitchen (2002) discusses that inefficient decision making - due to two-tire system of local government - was one of the key factors to make delays in implementation of policies in some metropolitan cities of Canada. Etten (2007), also, argues that urban management in Vietnam is characterized by an inefficient decision making due to some structure overlapping responsibilities and adhering to a complex bureaucratic process. In Indonesia, weak public sector management, systemic corruption, and low capacity in the civil service are linked to inefficient decision making (ADB 2006).

The materials reviewed in this section will be applied in different parts of this study. First, the identified city government models (i.e. council-manager vs. mayor-

council systems) will facilitate our further discussions in Chapter 7, where we focus on the third investigated period (after 1999) of Tehran management system and analyse the decision making processes of Tehran Municipality during the first experience of city councils in Tehran, which is an example of council-manager model in a Middle Eastern developing country with no (or limited) experience of democratic practices. Moreover, in chapter 8 while linking the results of the quantitative analysis (in Chapter 5) to research propositions, we will compare the changes of decision making quality with changes of other managerial power elements to find the element with the most significant role in city management performance. For this purpose, the elaborations on mayoral power reviewed in this part will be utilised in that chapter as well.

1-1-3. Decision Making Process

In this section, we will first review decision making as a process, elaborating on its different steps. Next, we introduce the two different styles (i.e. rational vs. intuitive) applied by executives to make decisions. We finally target decision making process in public organisations and explain the recent international trend on decentralisation in public administrative firms and elaborate on different modes of decentralisation. The discussions of this section will be applied in both quantitative and qualitative analyses (i.e. Chapters 5 to 7).

Executives make decisions everyday as part of their responsibilities to solve different problems of the organisation strategies, structures, performance and many other issues. Failing to make right decisions or making no decisions at all may have considerable consequences on the organisation and stakeholders. Hence, executives must be good at decision making process (Janney & Dess 2004). According to a classical understanding, decision making is the process of choosing a preferred option or a course of action from a set of available alternatives based on the possible consequences of different options (Beyth-Marom et al. 1991; Winterfeldt & Edwards 1986). Moreover, past decision making processes need to be reviewed continuously in order to refine the knowledge and experience of decision makers (Ireland & Miller 2004).

Based on these concepts, the logical process that decision-makers apply, when confronting a decision, involves six steps as follows: (1) identifying the problem, (2) gathering information to find relevant choices, (3) evaluating the information found and the potential consequences of each choice, (4) combining all this information to decide which choice is the most appealing, (5) making the behavioural changes and implementing the decision, and (6) reviewing the results (Mankins 2004). In such a process, known as rational decision making, reasoning skills are utilized, which refer to specific cognitive abilities including evaluating probability and thinking systematically or abstractly (Fischhoff, Crowell & Kipke 1999).

Rational decision making leading to a strategic plan may consume a large amount of time and effort (Mankins 2004). To minimize the time, executives may apply intuition (vs. rationality) while making decisions. Intuition in decision making process is the capacity of utilising decision maker's current asset (i.e. knowledge and feeling) without the obvious use of rational thinking as discussed above. While adopting a rational method can undoubtedly result in an effective decision making, executives apply intuition significantly to make decisions in order to turn the ideas into action and speed up the process of decision making without having to go through the time- and resource-consuming rational method (Sadler-Smith & Shefy 2004).

Mueller, Mone & Vincent (2000) review a series of previously-published case studies dealing with rational decision making, concluding that this process is associated with higher performance in stable (vs. dynamic) situations. Hence, rational decision making can be a superior method under particular circumstances (Sadler-Smith & Shefy 2004). The effectiveness of intuitive decision making depends on the characteristics of the issue on one hand, and the level of decision maker's learning on the other hand (Dane & Pratt 2004). In terms of learning, this effectiveness relies upon the extent to which feedback is utilised positively to enhance the results (Sadler-Smith & Shefy 2004).

The elaborations on decision making process will facilitate the discussions of qualitative analysis sections (i.e. Chapter 6) where we analyse the decision making processes of important decisions during the 1990's. Moreover, the main framework of the multi-criteria evaluation model, which will be designed in Chapter 2, has been founded based on the steps of decision making process, as mentioned above.

Once the concept of decision making as a cognitive process has been defined and its two styles have been discussed, we can focus on decision making process in public administrative organisations, its modes and styles and how different modes and styles can impact the performance of this process. Since a few decades ago, international development agencies have been recommending governments to propel decentralisation and citizen participation in governmental decision making processes as an essential part of democratisation. We discussed about participatory decision making processes in different modes of governance in Section 1-1-1. Now, we can focus on decentralised (vs. centralised) decision making processes in government structures.

In a centralised (top-down) decision making process, decision making authority is kept at the higher levels of organisations' hierarchy. Although centralisation allows more unity and greater control over situations, this process is too slow and ineffective, because of the centrality of decision making authority. Hence, it is recommended to push the authority to lower levels when employee commitment to decision outcomes is critical to successful performance.

There are various types of decentralisation, namely deconcentration, devolution, and delegation. Deconcentration refers to geographical relocation and dispersion of central organisations (Sayer et al. 2004), and transfer of some administrative responsibilities, for particular functions, (Ferguson & Chandrasekharan 2005) to lower levels. Devolution is transfer of resource management (Edmunds et al. 2003) and rights and assets (Sayer et al. 2004) to local individuals and institutions within and/or outside of government. Delegation refers to a higher level of decentralisation in which some managerial responsibilities and decision making powers are also transferred to other public organisations (outside central government) such as provincial or local government and agencies (Ferguson & Chandrasekharan 2005) and semi-autonomous organisations that are accountable to the central government, but are not totally governmental (Gregersen et al. 2004).

While Ribot (2002) in his paper argues that privatisation is not a form of decentralisation, Ferguson & Chandrasekharan (2005) believe that privatisation can be considered as a particular form of devolution to private ownership that has become prominent in recent times.

One of the most important discussions in qualitative analysis of Chapter 6 is centred on the decision made at the beginning of 1990's regarding the decentralisation of responsibilities and authority, which will be primarily based on the materials of this part. Moreover, since the level of decentralisation can affect the efficiency of decision making process, it will be considered as an important criterion to assess the quality of this process, and thus, the elaborations of different modes of decentralisation, as mentioned above, will be applied in Chapter 2 while designing the evaluation model.

1-1-4. Change Management Process

As a part of this case study research, we have an overview of Tehran's situation in two snapshots of time, i.e. 1990 and 1999, to investigate the improvements the city witnessed during the years of the 1990's. In the analysis part (i.e. Chapter 6), we also show that the main drive behind these improvements (in terms of urban indicators) was a number of fundamental changes in the form of structural reforms within the organisation of Tehran Municipality (i.e. internal changes). Although this study primarily focuses on the role of decision making process on implementing these changes, a quick overview of the concepts of change management can also help facilitate the general discussions of qualitative analysis parts.

The word 'change' in today's organisations and businesses represents different – sometimes contradictory– meanings. There are various change types and change processes. One of the most frequently used variables in the literature to designate change typologies is the scope of change. Starting from low scope, we can first define evolutionary, incremental or first order changes. These are small changes, which impact a certain part of the organisation, looking for an adaptation to external changes (Barr et al. 1992; Child & Smith 1987; Leana & Barry 2000) and/or improvement in the current situation while keeping the general framework and past values (Blumenthal & Haspeslagh 1994; Boeker 1997; Goodstein & Bruke 1991; Greiner 1972; Levy 1986; Keck & Tushman 1993; Mezias & Glynn 1993; Nadler & Tushman 1989). The second type of change is strategic, revolutionary or second orders one. In contrast with the first type, these changes include radical transformations of past values and culture, by which

the entire organisation and its essential framework will be revolutionised (Blumenthal & Haspeslagh 1994; Ghoshal & Bartlett 1996; Goodstein & Bruke 1991; Marshak 1993; Nadler & Tushman 1989). These changes cause a new competitive advantage and/or impact the basic capabilities of the organisation (Hutt et al. 1995).

According to Senge (1999), change can also be categorised into two other groups (i.e. top down vs. profound changes) based on its origins. Some changes can only be brought about by top management namely “Top-Driven Changes”. Senge (1999) classifies the top-down programs like reorganising, reengineering and many other re’s under the first category, because these change programs are typically imposed from the top, and many in the organisation feel threatened or manipulated by them- even if they support, in principle, the intent or rationale behind the management change agenda. In contrast, the new idea of profound change, which has been recently shaped in the world of organisations, combines inner shifts in people’s values, aspirations, and behaviours with outer shifts in processes, strategies, practices, and systems. In fact, profound change includes learning. It implies that organisations do not merely do something new. Rather, they first build the required capacity for outgoing changes (Senge 1999).

Senge (1999) argues that successful organisations are those that are flexible and particularly effective in introducing change and adapting to *it*. Senge (1999) has chosen to call these learning organisations, whereas Kanter (1989) believes that the organisation needs entrepreneurs and innovators of all types -in independent ventures or within already established organisations, because change involves shaking up the established ways of thinking and creating new patterns. While Senge’s and Kanter’s particular guidelines for transforming organisations to effective learning institutions are more applicable in private sector firms and the application to the public sector is not quite clear, it is believed that their analytical framework, at a minimum, is useful both as a diagnostic instrument and as an instrument to provide direction.

Focusing on public administrative organisations, Mintzberg (1994) introduces the idea of learning and customer-oriented cultures in government to develop the concept of customers in the public sector. Mintzberg (1994) emphasises that the public sector organisation essentially has one main customer – the citizens - for whom services are to be provided. In terms of successful development of profound change in public sector,

there is more emphasis on developing the democratic processes and clarifying the relationship between elected officials, public managers and citizens interacting to create a more inclusive policy process. King, Feltey & Susel (1998) suggest that the basic assumptions relating to the power and roles of administrations must be redefined to address power sharing and public participation. In this new definition of public administration, the most important ingredient is the desire of citizens to be more directly involved and engaged in the processes of governing. It means a fundamental change in the traditional ways of management, which must be redefined as a collective exercise that involves sharing in the initiation, formulation and implementation of public policy. Nalbandian (1999) argues that in order to strengthen the legitimacy of governance roles in the eyes of their citizens, city managers and administrators have become community builders and enablers of democracy through skilled facilitative leadership and building partnerships and consensus.

Once different discussions on change typology have been presented and the concept of profound change and learning organisations has been introduced for both private and public sectors, we can focus on change process and the challenges of change growth in organisations. Porras & Silvers (1991) explain four organisational components, which play important roles in change processes. These components encompass “Organising Arrangements” (i.e. features like goals, strategies, and formal structures), “Technology”, “Physical Setting” and “Social Factors”. However, they stress more on “Social Factors” rather than the other three components as the driving force, and emphasise the importance of leadership styles, as an individual attribute, as well. Senge (1999) also outlines a simple, yet powerful, three-phase and self-reinforcing growth process in profound change, which are “Personal Result”, “Networks of Committed People” and “Business Result”. “Personal Result” is the most important level of growth process. Change will not happen if it does not matter to those most directly involved. Simply put, people become more committed over time to changes that affect their lives. The second phase acknowledges the need to attract the support of others in order to disseminate learning and build networks to support implementation. The last phase addresses the reality that, for change to be worth sustaining, it must make a difference to the organisation’s resulting performance.

In terms of leadership and its role in organisational change management, although Beckhard (1969) believes in a top-down model, Senge (1999) argues that this image of a hero-leader is now outdated. Rather, it is acknowledged that more complicated tasks and roles are involved in change processes. Kanter, Stein & Jick (1992) suggest developing three groups of change makers, namely change strategists, change implementers, and change recipients. The role of change strategists is to be visionaries to identify the need for change and to decide what change is appropriate. The change implementers are those who have to manage the day-to-day process of change. The third group include people who institutionalise the change- they have to adapt to and adopt the change. Although the model of change makers suggests a much more comprehensive model compared to older ones, it still implies the top-down character.

However, many studies emphasise more on leadership communities (Korten 1980; Pigg 1999; Senge 1999; Collier & Esteban 2000; Sleet & Cole 2010) rather than top-down management. It means that assuming three layers of leadership, namely local line, network and executive leaders, in any successful change initiative, local line leaders (i.e. lower level managers with sufficient authority and accountability for results) have to be involved, and network leaders (i.e. groups with non-hierarchical, but effective powers) should be willingly participated. Despite the importance of line and network leaders, effective executive management still matters. However, the role of executive manager, in this context, might be more challenging than before due to the demands of profound change. As Klann (2007), Behn (2003), Collier & Esteban (2000), and Senge (1999) suggest, executive leaders are vital to profound change through their efforts to create an organisational environment for continual innovation and knowledge generation. They do this in many ways: through investing in new infrastructure for learning, through support and inquiry, and ultimately through leadership by example, establishing new norms and behaviours within their own teams.

However, some leaders often complain that people resist change. On the one hand, resistance to change is a phenomenon that affects the change process, delaying or slowing down its beginning, obstructing its implementation, and increasing its expenditures (Ansoff 1990). On the other hand, resistance is an attempt to conserve the status quo (Maurer 1996; Rumelt 1995; Zaltman & Duncan 1977) and is not necessarily

negative. It can show change managers certain aspects that are not properly considered in the change process (Waddell & Sohal 1998). Senge (1999) recalls this resistance as a balancing process, and he believes that leaders should address the limiting process at play while sustaining a profound change.

Rumlet (1995) divides the sources of resistance into two main groups based on the different stages of change processes, namely change formulation and change implementation. He lists distorted perception, interpretation barriers and vague strategic priorities, low motivation for change and lack of creative response as the first group of challenges related to the change formulation stage. For implementation phase, he mentions political and cultural deadlock, leadership inaction, embedded routines and capabilities gap as the main barriers.

Senge (1999) also lists ten challenges of profound change, including insufficient reflection and practice, lack of guidance and support and irrelevance of change (as challenges of initiating change); fear and anxiety about exposure, negative evaluation of progress and isolation and arrogance of pilot group (as challenges of sustaining transformation); and conflicts between pilot group and other managers, knowledge dissemination problems and organisational strategies (as the challenges of rethinking and redesigning). He not only agrees with the importance of these limiting factors on a successful change process, but also believes that since all growth in nature arises out of interplay between reinforcing growth processes and limiting processes, profound limits to growth are embedded in our prevailing system of management.

The limiting processes may appear in the form of hoarding of power, the commitment of managers to change as long as it does not impact them negatively, and the undiscussable topics that people feel are risky to talk about. We can learn to deal with these limits only by building our collective learning capabilities, namely the ability to reflect on and clarify personal aspirations, to build shared aspirations, to talk openly about complex, conflictive issues without invoking defensiveness, and to think cogently about systems and act effectively on systemic issues. Senge (1999) specifically suggests four basic strategies to address these limits, namely not pushing hard for growth, thinking ahead about the future challenges, conducting experiments and resetting the goals by examining the mental models.

1-2. Transformation and Globalisation of Mega-cities (Global Experiences)

Since the last two decades of the twentieth century, the process of globalisation has found a faster pace, becoming more evident as a part of daily lives (Sassen 1998). The global economy has profoundly been changing, and has continually been operating under a rapidly restructured and reshaped mode. The choice and availability of foreign products (vs. domestic products), the possibility of looking for a job abroad, existence of floating exchange rates, the emerging new international division of labour focusing on globally integrated productions, multinational corporations all around the world, global factories and manufacturing productions and global financial networks and producer services, all reflect aspects of the globalisation process. All of these have given new dimensions to economic processes and the way in which countries and cities can contribute to these processes (Harvey 1989; Sassen 1991; 1998; Cohen 2001). Thus, this trend has affected the understanding of urban dynamics and the capacity to manage an urban system.

In this section, we have an overview of transformation and globalisation of a number of megacities, addressing how these world cities emerged and were restructured. The major focus of this review is on the growth of these cities, as an impact of globalisation, the problems and challenges of their city government systems regarding this unplanned growth and the policies to cope with this problem. The investigated cities were chosen from different parts of the world, including Pacific Asia, Latin America, and the Middle East, selected on the basis that what can be learnt from these cities will help position Tehran in such an emerging system.

1-2-1. Pacific Asian Cities

In this section, we review the globalisation process of a number of Pacific Asian cities and countries. The critical importance of this region in the global economy has motivated researchers to systematically investigate the socio-economic transformation of the cities of this area. We chose Pacific Asia region as a part of the present literature

review of emerging megacities, since this region is recognised as the fastest growing region of the world (Lo & Yeung 1996a). The following sections present the globalisation process of megacities in Japan, South Korea, Taiwan, China and Thailand.

Japan

Tokyo has undergone a tremendous growth since a half century ago, emerging as the world's third financial centre, in addition to New York and London (Sassen 1991). This city has experienced fundamental changes in its urban structure in two major stages. As the first stage, the rapid economic growth during the post-war period (1955-1970) made drastic changes in the regional and urban system of Japan due to massive internal migrations from rural to the three major Japanese metropolitan areas (including Tokyo), causing major problems for both depopulated and populated areas. To respond to this problem, Japanese government implemented deconcentration policies (Uekusa 1977; Amsden & Singh 1994). They encouraged and financially supported industries to relocate their plants and production sites in order to decentralise the growth poles. Moreover, the government increased public spending in the micropolitan and depopulated areas in order to build the required industrial infrastructure in those areas. As a result of this deconcentration policy, a considerable proportion of manufacturing industries (mostly heavy industries) moved out and built their new plants in the depopulated micropolitan areas (Takahashi & Sugiura 1996).

The second stage of Tokyo's structural change started in 1970. At this time, the fast growing high-tech industries took over previously leading industries, causing a new wave of internal migrations to the capital. This time, however, the other two metropolitan areas (i.e. Osaka and Nagoya) turned out to be out-migration areas, leaving Tokyo the only place being attracted by migrated population (Osada 2003). This way, the Japanese urban system shifted from a hierarchical urban system to a system dominated by a huge metropolitan development corridor (Lo & Yeung 1996b). Consequently, Tokyo became dominated in essential functions such as legislative, administrative, judicial, media, banking and insurance services, and hence, international businesses, foreign diplomatic representatives, and corporate headquarters were all concentrated in this city. This trend increased the dependence of the other areas within the country upon Tokyo. As a result,

Tokyo faced many mounting problems, including environmental pollution, waste management problems for both industry and household wastes, transportation problems due to traffic congestions and inadequacy of mass-transit system, and land shortages for housing and office spaces. Above all, we can add social problems, such as becoming an ageing society due to the rise of life expectancy, and the problem of multiple ethnicities, which emerged after rapid internationalisation and the consequent unexpectedly increasing number of foreign workers (Takahashi & Sugiura 1996).

Japanese city governance has been trying to develop effective policies to cope with these issues. As the most important initiative that took place in Japan over the latter half of the twentieth century, local governments achieved a degree of autonomy that allowed them to manage aspects of public policy in such areas, as regional development, welfare, environmental development, and government information disclosure. As these local authorities increasingly became active players in the policy making process, rather than mere central government agents, they came to influence national public policy and governance as well. Consequently, during the last decade of the twentieth century, the government of Japan reached a significant degree of delegation to the extent that the roles of state and local governments were reasonably clarified, the jurisdiction of local affairs was deregulated, and the mechanisms for mediating disputes between central and local governments were all in place. Moreover, citizen participation, or citizen engagement in decision making processes has been highly encouraging since the legislation of administrative reform, and even in many cases local leaders, including governors and mayors are often supported by citizens rather than political parties, resulting in more successful efforts at autonomous levels (Furukawa & Menju 2003).

South Korea

We chose Korea as one of the interesting cases for this literature review, because Korean cities have experienced modernisation and democratisation in parallel with rapid economic growth during the last few decades. The most distinguished feature throughout Korean history is a consistent tendency toward more centralisation of the state power. From the period of three Kingdoms to the Chosun dynasty, this tendency was reproduced and further strengthened (Henderson 1968). Moreover, the growth of industrial activities

during the 1960's was heavily focused in major metropolitan areas, including Seoul to the extent that the share of manufacturing employment in the capital region increased from 33.6% in 1960 to 49.8% in 1970. Consequently, urbanisation process intensified and the population of this city increased from 2.4 to 10.6 million and the population of the capital region (Seoul and Kyunggi Province) reached 18.6 million due to rural-urban migrations during 1960 to 1990. In 1991, about 42% of nation's population, 47% of manufacturing employees, 44% of the tangible capital assets of the nation, the majority of the skilled workers and professionals, 61% of managerial personnel, 96% of the top 50 corporations' headquarters, and 64% of research scientists were centred in Seoul (KIPH 1991).

Besides the population centrality, all global entities, including foreign embassies, stock brokerage offices and foreign banks were located in Seoul. In 1989, there were a lot of cases of inward foreign direct investment (FDI) -more than US\$7 billion- in South Korea, 75% of which in manufacturing sector, and 56.4% of FDI projects in manufacturing were located in capital region (DFFID 1989). Hence, since then this city has been introduced as a world city, ranked 17th among the major cities of the world in terms of location of the top corporate headquarters, 6th in terms of location of top banks and 23rd in holding of international conferences and events (Hong 1996).

Korean city governance developed growth control policies to cope with the centrality problems. During the 1970's, they developed the regional balance strategy emphasising on rural and regional development to deconcentrate population and industrial activities in major metropolitan areas and establish provincial industrial estates in the cities of the southern regions (Henderson 2002). In the 1980's, besides the distributional goals they shifted their emphasis towards economic stability as well. To achieve these goals, the government heavily restricted the construction of new facilities in the Capital region and relocated certain activities from Seoul. To do so, under the Capital Region Readjustment Plan, they divided the Capital region into five zones, restricting each zone for certain population-generating activities. For instance, construction of new colleges was prohibited in all five zones to decrease the number of student enrolments in the region, some zones were prohibited from establishment of new public offices and some others were banned from development of residential buildings, etc (Hong 1996; Lee 2004). However, the results of this policy turned out to be less than

satisfactory as the population growth of a few zones of Capital region was twice as fast as the national average, proving the heavily restrictive policy as an unsuccessful one. Hence, in the 1990's, these restrictive measures were reluctantly revised by the government. During these years, five large-scale new town development projects (satellite cities) were planned in order to cope with urban space shortage. The cities will all be within 20 km and one hour distance from the central business district of Seoul (Hong 1996).

Besides the growth control policy, which aimed at deconcentrating the Capital region, the Korean government developed a few more policies to reach higher levels of decentralisation. The first experience of local autonomy in Seoul dates back to a short period in 1960, when the personalised dictatorship collapsed as a result of the revolution. In that year, the members of local councils as well as the chiefs of local governments at all levels were elected by citizens. However, as soon as a military regime came to power, this democracy was destroyed and local governments again came to be appointed by the central government (Hong 1996). Around three decades later, after the democratic transitions during mid to late 1980's, the local autonomy was fully restored via local elections at both municipal and provincial levels (Kim 2000; Kwon 2003). In 1989, the directly elected local councils were established, and eventually, in 1995, which was a turning point in the modern political history of Korea, the governors and mayors, who had been appointed by the central government for a long time, came to be elected by citizens via elections (Lee 1995).

This system of local autonomy in Korea, which represents an example of strong-mayor system as discussed in 1-1-2, is more powerful compared to the formerly appointed local councils, giving more power to the mayors and governors to develop projects, allocate budgets, and manage the local bureaucracies (Lee 1995; Hong 1996; Kim 2000). Within this system, the tenure of mayors and governors is legally guaranteed for 4 years and there is no institutional way for local council to impeach them, even when they commit serious policy mistakes. This strong mayorship, however, implies a potential mechanism for collusion between mayors or governors and local councillors (Lee 1995; Kim & Chung 1997). In this context, the capacity of local autonomy should be increased

to get ordinary citizens more involved in policy making processes and make them more sensitive in monitoring the governors (Seong 1998).

In terms of citizen participation in local autonomy, the required capacity such as a high degree devolution of decision making authority has not been promoted (Adams 2010) and the institutionalised channels have not been effectively provided yet (Seong 1998). Hence, citizens cannot have much influence on decision making processes or make local governments more responsible. In terms of local autonomy, participation channels, referendum, initiative, and recall, which are essential components of local democracy, are not legalised, and governance lacks the important institutional means for strengthening local democracy (Seong 1998). In this context, although they still can influence the policies and actions of local governments through diverse channels such as petition, direct collective action like demonstration, the press, etc, these channels are still far from legalised ones (Seong 1998; Adams 2010).

In conclusion, the system of governance in Korea has to develop further – both institutionally and behaviourally - to promote actual citizen participation. Institutionally, it is necessary to introduce appropriate mechanisms to efficiently control the strong mayorship and governorship structure to prevent the potential corruptions. Moreover, appropriate channels for effective citizen participation have to be introduced in order to make local governments more open and more accountable. Behaviourally, local leaders need to consider general interests more seriously, and also, ordinary citizens should be more sensitive in monitoring them (Seong 1998; Kee 2005; Adams 2010).

Taiwan

In this section, we review the urbanisation process of Taiwan and emergence of the megacity of Taipei. We also investigate the policies that Taiwan government developed to mitigate the consequent problems of unexpected growth.

The level of urbanisation in Taiwan increased from 24% in 1950 to 74% in 1989. The number of cities with a population of more than 50,000 has increased considerably from 9 cities in 1950 to 87 cities in 1989; two of them with the population of more than 1,000,000 (CEPD 1990).

Similar to other investigated megacities, Taiwan's urban system was also affected by economic structural change and growth and globalisation. During the 1950's, after adopting a primary import-substitution policy - to save foreign exchange - industries were promoted in rural areas, which led to form cities around the industrial establishments. During the 1960's, by emphasising labour-intensive industries, export industries and export-oriented businesses were promoted, contributing to the growth of medium-sized cities. Foreign trade had the major role in Taiwan's economic growth and emerging megacities in this area. During the period of 1952-1990, the total overseas investment in Taiwan was around 13.25 billion dollars, funded by international (i.e., Japanese, Chinese, US, and European) investors. A large amount of this foreign investment was spent in large-scale manufacturing and urban infrastructure, including in Taipei (Tsai 1996).

Taipei Metropolitan Area consists of a core city (Taipei Municipality) and 24 towns, with an area of 1,896 km². The metropolitan area had a population of 1.8 million in 1961, and 5.64 million in 1989, which means 4.1% growth per year (CPED 1990). The periphery grew at the rate of 5.5%, much faster than the core city growth of 3.1%. The well-developed infrastructure of Taipei during export-promotion strategy in the 1960's, caused rapid expansion and attracted considerable foreign capital, to the extent that by 1989, more than 65% of the multinational corporations operating in Taiwan and more than 57% of their investments were concentrated in Taipei. Moreover, this process created many job opportunities in this city, which has been the driving force behind the growth of large urban areas including Taipei (CPED 1990; Tsai 1996).

As the result of this growth, the increasing demand strained housing and public facilities in overcrowded areas. The social costs attributed to traffic congestion, air and water pollution, and the improper use of natural resources increased. In contrast, the less-developed regions experienced out-migration and the consequent shrinking of the agricultural labour force, low family income, poor public facilities, and deterioration in the living environment (Tsai 1996; Robinstein 1999).

In order to respond to these problems, the government enforced a number of policies. To control the excessive urban growth, they made restrictions on constructions

through adequate zoning controls, and provided more public facilities, such as open spaces and green belts in urban areas. Moreover, they encouraged the regional growth by giving priority to new and growing towns within the context of the regional plans. To cope with transportation problems, the government implemented a large number of transportation-oriented projects, including expansion of freeways and highways, improvement of traffic flow, and mass-transit system in Taipei through the years of the 1970's and the 1980's. There were also many programs for social improvements. Prior to the 1970's, most libraries, museums, theatres, colleges, universities, and hospitals were located in two large cities, namely Taipei and Kaohsiung. To achieve a better distribution of social services and to improve the overall level of social welfare, the government of Taiwan launched a number of projects regarding the development of cultural centres, new colleges and universities, and medical care services in less populated areas (Tsai 1996).

Because of a lack of coordination among civil authorities, plans to slow the pace of urbanisation have only achieved a limited success. There has been no explicit policy to direct urban development and the rate and pattern of Taiwan's urbanisation have been influenced more by national and international trends, than by planning or public policy (Tsai 1996).

China

December 1978 was a turning point in China's development process as it was decided to focus the country's efforts not on politics, but on economics and the four modernisation plans -in agriculture, industry, national defence, and technology (Worden, Savada & Dolan 1987). Since then, economic development has been rapid. China had an average annual growth rate of 14.3% in the period of 1978-1990, which is one of the highest in Asia and the world. In addition, the globalisation of its economy was an intentional effect of the open policy adopted in 1978 (Hsu 1994). There were three major economic reforms in China, including (1) rural reform, by replacement of the communes with production contract, which caused more productivity by the new system of "more pay for more work" and giving rise to rural urbanisation, (2) the open policy, by attraction of more foreign investment in Special Economic Zones (SEZ), and (3) urban reform, by expanding the autonomy of successful enterprises in rural reform (Yeh & Xu 1996).

Urbanisation process in China is different from other countries. In most countries, governments do not directly influence the development of the urban system. Rather, urbanisation is influenced by market forces. It implies that cities producing the demanded goods and services will attract more people to live in them and hence will have faster growth than those less productive ones (Small 2002). In contrast, the Chinese government had a strong influence on urban development through population control and resource allocation (Yeh & Wu 1999). However, the importance of the government's role in shaping urban development has been reduced since the adoption of economic reforms (Xu 1984; Chan & Xu 1985; Yeh & Wu 1999). The most significant impact of these reforms was acceleration of urbanisation process to the extent that the number of cities increased from 194 in 1978 to 467 in 1990 and the city population (non-agricultural population in cities) increased from 84.1 million in 1978 to 150.38 million in 1990. At this time, the globalisation process of China's economy was started by making a major shift in trading partners and increasing their trade with western non-communist countries. As a result, imports and exports reached 30% of GNP in 1990, and consequently, the various types of foreign investment occurred, which were highly concentrated in the coastal provinces, particularly around large cities, such as Beijing, Shanghai, Guangzhou, and in the SEZs (Yeh & Xu 1996).

This trend made Chinese cities encounter many problems. First, the temporary population including temporary residents and floating population increased in large- and medium-sized cities, creating great pressures on transport and housing (Zou 1990). Second, the adoption of paid transfer of land use rights changed the structure of Chinese large cities and further opened up the urban property market to foreign investors (Philips & Yeh 1990). Third, the majority of large cities suffered from transportation problems due to rapidly increasing number of motor vehicles and inadequate infrastructural development (Yeh & Leung 1991). Fourth, environmental pollution turned out to be a serious threat coming from industrial development in small- and medium-sized cities and towns and from rural industrialisation (Chang & Kwok 1990).

To cope with these problems the Chinese government has been trying to review the national urban policy regarding city sizes. They have been increasing control over the location and timing of development projects, since the land use pattern by itself and

without these efficient controls can be chaotic, leading to improper use of land and traffic congestion. Therefore, there is an urgent need to manage the fast growing towns and cities in the Eastern Coastal region where a high level of foreign investment are concentrated. Beside in the medium and large cities, urban management is particularly needed in small towns too, as these cities are also growing rapidly without proper planning and control. Moreover, they have been developing the interior and non-coastal provinces (against the rapid growth of coastal provinces) and improving their transportation and communication systems (Yeh & Xu 1996).

We chose China as an interesting case to be reviewed in this section, because as mentioned above, this country is very different from others in terms of urbanisation process from an extreme centralism to transitional economy and the role of government in this regard. In China, decentralisation policy was very strong, but it changed fast and rapid urbanisation occurred at the centre of industrialisation process.

Thailand

As the last part of this literature review of Pacific Asian cities, we have an overview of Bangkok globalisation process, how this city turned to a megacity, and how Thailand government responded to its mounting problems.

The Thai economy has been growing well since the beginning of their first ten-year economic plan. The growth rate of GDP between 1960 and 1970 averaged about 7.9% per annum. As a result of economic growth, the population of all urban places increased from 10.1 million in 1975 to 15.8 million in 1988. Although the overall level of urbanisation in Thailand is considered relatively low, the rate of urban population growth is quite high. Within this period, the total employment increased from 25 million (50.7%) in 1975 to 29.5 million (53.9%) in 1988. In terms of foreign trade, the rate of export growth increased from 10.3% in 1984 to 34.6% in 1988. The foreign direct investment (FDI) has been growing steadily since industrialisation began in the early 1960's. It has increased about 1800-1900 million annually during the 1970's. During the 1980's the increase in FDI was more significant. In short, net FDI increased 12 times between 1985 and 1990 (krongkaew 1996).

The growth of Bangkok, in size and importance, has been more striking in the past few years. The benefits were greater employment opportunities, higher wages and

salaries, a lower cost of living owing to developed economy, higher productive capacities, more and better social services, more varied cultural and spiritual opportunities, and so on. Like many other emerging megacities, the cost was transportation problems, air and water pollution, and land-use problems (Webster 2004; Henderson 2002; Krongkaew 1996).

To respond to these problems, the government re-emphasised the concept of regional city centres in their 6th urban plan. However, the outcome of this plan was only partially successful. Although there were some improvements in the provision of public utilities in many of core cities, many other regional development objectives were not met. As a reason, the component of critical regional development policy was virtually absent in this plan, at least in the part related to the role of the small and medium-scale industries characterising rural industries. In fact, the interest in small-scale and rural industries became overshadowed by the promise of large-scale investment projects (Krongkaew 1996).

To mitigate traffic problems, they have been working on increasing the roads' capacities, developing and improving public mass transit systems, improving the traffic control systems, and controlling the volume of traffic (Rujopakarn 2003). To reduce air pollution, they have been using lead-free gasoline in all new cars (Faiz and Gautam 2004), and for water pollution they have been providing the initial setup for a proper wastewater treatment and better solid waste management. On land-use issues, the solutions have been to preserve the agricultural areas for their original purpose, to move industrial factories, to enforce flood prevention and soil subsidence measures, and to develop Bangkok in a polycentric fashion (Krongkaew 1996).

There were three major urban development policies in Thailand: (1) Rather than making a single large city, the government changed the regional development strategy, relying on the network concept and clustering the settlements based on the specialisations and localised hinterland relationships. This strategy would enable the government to target the corridors between major urban centres as sites for industrial parks as well as other higher order services in the nearby towns to attract skilled labour from metropolitan areas. The approach was designed to enhance the coordinated expansion of regional clusters of cities and inter-urban corridors, rather than simply focusing on a single

municipality. (2) They established a new national-level committee charged with the responsibility of setting policy and overseeing the implementation of policies, including planning the integrated development, coordinating various agencies responsible for urban development and evaluating major infrastructure projects. This change might be even more difficult than the delegation of power to local governments referred to earlier. (3) As the most important change, they defined the role of local authorities and private sector in their new plans. Some of the recommended changes are as follow: improving the efficiency of tax collection and widening the tax base, improving service fees, restructuring the present municipal lending organisation, establishing a regional development grant, modernizing the grant allocation mechanism and other financial strategies (Nijkamp & Vreeker 2000; . Krongkaew 1996)

1-2-2. Middle East Cities

In the last section, we focused on Pacific Asian cases as this area is known as the fastest grown region in the world, in terms of emerging megacities. Now, we switch to Middle East to study the experience of megacities in that region. We were interested in a Middle Eastern case, since Tehran is also located in this region and we can benefit from learning the experience of megacities of the same region. We chose Cairo as our focus in Middle East since this city is the most populated and largest urban area in this region - While Istanbul and Tehran are ranked as the second and third largest Middle Eastern megacities. In this section, we investigate how Cairo turned to a megacity through its economic growth and globalisation process.

Cairo: Egypt

Cairo's metropolitan area includes three cities, namely Cairo, Giza and Shubra. Being the capital of Egypt for more than six centuries, this city has turned to be the first economic centre of the country, attracting most political and administrative power of the country. The population of Cairo metropolitan area was around 5 million in 1970 (El-Shakhs 1971), and by 1980, it reached 8 million, showing a 60% rate of growth in less than 10 years. In the 1990's one fifth of the Egyptian population was in the Greater Cairo region (El-Khishin 2003).

The political economy of this megacity falls into four periods, namely Arab-Socialist era (1952-1974), transitions toward free-market economy or the so-called “open-door” policy (1975-1987), initiation of privatisation (1987-2000) and privatisation and globalisation (from 2001 and onwards) (Bayoumi 2009). The open-door policy made the government move from a socialist, centrally planned, and public-sector-dominated to a decentralised and privatised economy. The latter aimed at encouraging the private sector and attracting international and Arab investment. A large part of such investment was directed to Cairo and its region, fostering further rapid urban development.

Internal rural-urban migrations have been the major driving force behind the urbanisation process of Egypt, resulting in the deterioration of rural areas as well as the concentration of economic activities, employment opportunities, services, political power, and wealth in major urban centres, primarily in Cairo. Most rural migrants have kept their traditional way of life at their urban destination, creating the phenomenon of ruralisation of urban areas (UN 1961).

As the result of open door policy in the second half of the 1970's, the housing market started to grow to the extent that the annual number of units built increased steadily reaching more than 180,000 in 1990. Moreover, the role of the public sector decreased and became restricted to the provision of low- and medium-cost units, primarily in the new towns and settlements around the Cairo metropolitan area. Informal housing began to develop on the outskirts of the city, in the form of illegal subdivisions constructed on privately owned land (generally agricultural land) without informing the local authorities and then sold to buyers without any legal documents (Yousry & Aboul Atta 1996). In 1993, around 5.88 million people – with the density of 685 persons per hectare - were living in informal settlements in the Greater Cairo Region (El-Batran & Arandel 1998). The efforts of the government to control the growth of the city have not been sufficient and it kept growing in most directions, particularly to the west and north, to reach an estimated population of over 12 million in 1994 (Yousry & Aboul Atta 1996).

Besides the illegal settlements, this emerged megacity has been suffering from many other problems. The transportation network in Egypt was very limited for much of its history. In the late 1970's, the length of roads in the entire country amounted to 16,139 kms, of which only 25% were paved, with a rate of 1 km for every 8,000 inhabitants. In

the late 1980's and 1990's, this rate increased to 1 km per 2,000 inhabitants, which was still less than that of the developed countries. This limited capacity was the source of traffic congestions (Yousry & Aboul Atta 1996).

The city government of Cairo tried to perform a number of policies to mitigate the impacts of these problems at city and national levels. As the first attempt, they formulated a master plan at city level in 1970, focusing on controlling the urban growth of Cairo, stopping the invasion of agricultural areas, and establishing new self-sufficient communities at suitable distances from the city to attract additional expected growth. At the national level, the country was divided into eight homogeneous planning regions in 1975, with the aim of developing peripheral regions in order to absorb the additional expected growth of the urbanized areas. In 1982, a national urban policy study identified several goals for the future planning of the Greater Cairo Region, focusing on deconcentration of central Cairo (Raymond 2000; Yousry & Aboul Atta 1996).

In 1983, they developed the Greater Cairo Region structural plan aiming to develop new cities or satellite towns to turn Cairo to a manageable city. The problem was that the city government could not manage this emerged megacity as one unit and from a single core any more. The main suggestion of this plan was subdividing the city into smaller units, within which development could be directed to ensure better living conditions, particularly in terms of the provision of job opportunities and the upgrading of existing service standards. To motivate people for such relocations, they offered cheap housing and emphasised healthy environment in new towns (Peel 1998). These new cities were originally conceived as a solution to Cairo's overcrowding and congestion and they were intended to be developed as growth centres in order to attract economic activities and population from the core region (Stewart 1996). Moreover, the program also aimed at decreasing development on arable land in the Nile Valley, where 95% of Egypt's population lives on 5% of its land (Economist 1999; Yousry & Abdoul Atta 1996), and the ideology behind that reflected "*a desire for order and social control*" (Denis 1997: p.10).

The central criticism of Egyptian new town planning is that while new towns had been aimed at creating self-contained growth poles in the desert to absorb and redistribute population and activities from Cairo metropolitan area, their success in encouraging

people to relocate to the new towns has been limited in practice, and most employees in new towns commute from Cairo (Economist 1996; Stewart 1996). Statistically, all new towns have absorbed a maximum of 20% of population growth altogether, thus not even providing a medium-term solution to population growth (Feiler 1992). This is despite considerable financial investment which could have been more effectively invested in improving conditions in Cairo (Stewart 1996).

The second criticism of this program is centred on the fact that urban justice was ignored in this Egyptian program, while it is usually expected to use new town planning as a tool to create new and ideal urban societies, where social equipments are distributed among all inhabitants. The analysis of some of the Egyptian new towns against this criterion has shown that the goal of distributive justice has not been met in these new towns. Bayoumi (2009), in a study focused on one of these new towns (i.e., New Cairo City) discusses that the open-door and its accompanied policies, particularly the adopted privatisation policy, intensified the exclusion of the poor from the housing market of this city, failing to achieve the anticipated goal for socially balanced accommodation of the vast majority of the poor and low-income classes. In housing, for instance, they designed a layout that resulted in inequitable physical accessibilities. The differences between plans and implementations could be another reason for this problem (Hobson 1999).

The last criticism of Egyptian satellite towns refers to the absence of inclusive planning as introduced in 1-1-2. As discussed in that section, inclusive planning can only be achieved through some forms of public participation. Because of no inhabitants living in those designated areas at the initial planning stages, it was not possible to develop an inclusive planning in such areas. Hence, the towns have been often created based on the ideals of planners, architects and politicians, excluding the diversified desires and needs of other social groups (Hobson 1999).

All these problems resulted in achieving very low occupancy rate in the established housing units compared to the targeted rates due to unaffordability for the poor and low-income classes. In New Cairo City, for instance, they failed to accommodate more than 9% of the anticipated population of their resettlement plan (Bayoumi 2009). Many researchers have attributed this problem to the fact that the adopted urban governance model in the wake of open-door policy is the least

participatory model, which merely seeks to structure the public-private actions based on the shared interests between the central and local governments and the business elite (Pierre 1999). This model has eliminated the role of other stakeholders, particularly citizens, from participating in decision making processes. Hence, such an incomplete adaptation of privatisation in Cairo's urban governance has benefited the rich rather than poor and low-income classes (Bayoumi 2009).

1-2-3. Latin American Cities

The population of Latin America increased from 152 million to 430 million between 1950 and 1990, growing annually at 2.5%. The urban population increased from 59 million to 306 million, at an annual growth rate of 4.2%. The region's urban population, which in 1970 represented 57.2% of total population (Chackiel & Villa 1992), reached 75% in 2005 (Sayler & Bloom 2007). Predictions suggest by 2050, the urban population in Latin America is expected to reach 800 million, posing many potential challenges for this region (Brea 2003). As a new demographic reality and a growing phenomenon in the 1990's, the poor in Latin America were concentrated in cities, deepening the problem of socio-economic inequalities in this society. Although the total percentage of poor in the region has only slightly increased, according to Pieterse (2000), the poor increased from 29% of the urban population in 1970, to 59% in 1990. In contrast, over the same period, the poor rural population decreased from 67 to 61%. This concentration of poverty in urban areas has created an increasing unsatisfied demand for stable employment, housing, infrastructure, services, integration, and participation. Moreover, it has reinforced the traditional spatial segregation characteristic in the region as we can find less physical distance between poor districts and richer areas (Angotti 1996; Pieterse 2000; Irazabal 2009).

Most Latin American cities were suffering from inefficient city government structures from many aspects. First, there was a general lack of a metropolitan authority in this area and no major city had a single authority to administer the entire urban area. In fact, authority had been divided between second-tier layers, and the lack of overall planning authority to coordinate their functions often caused conflicts among them (Ward

1999; Ward 1996). Second, the structure of Latin American city government was a clear example of strong mayor models (as discussed in 1-1-2). As a common feature of this model of local government, in most large cities the power of the executive was superior to the legislature, leading to the weakness of councils and limitation of the authorities of this elected body to merely nominal powers. As an exception to this fact, just in Santiago the municipal councils wielded real power (Ward 1996). Third, unlike the U.S., where a candidate's individual quality is preferred rather than any allegiance to a political group, in Latin America, party membership was much more important than the candidates' ability to do the job (Ward 1996;). Fourth, several megacities were still in the process of privatising public utilities and they were suffering from the instabilities of this transition phase (Ward 1996; World Bank 1994). Fifth, the majority of Latin American local governments were highly dependent upon central government and they lacked fiscal responsibilities (Ward 1996). Sixth, public participation in government was very limited in Latin America (Ward 1996; Rodringues & Winchester 1996; Ward 1990).

As the immediate response to the fast growing megacities, Latin America developed regional plans to slow down the emergence of giant cities, since these cities were draining resources from the rest of the country and life supporting systems were too complex in large cities. Moreover, to cope with city governance inefficiencies, as discussed above, they developed some political reforms to establish new governments or regional municipal administrations, and additionally, new systems of political representation and participation of civil society. Consequently, the number of countries that has established the direct election of local authorities has increased, as well as those that have implemented mechanisms for promoting more citizen participation in local affairs. Through these political reforms, municipalities and local governments were granted more authority, finding greater attributions, functions, and responsibilities (Adams 2003; Pieterse 2000). While traditionally the action of local governments has been restricted to the administration of basic public services (water, sewage, electricity, garbage collection, etc.), the new attributions have permitted these levels of government to widen their area of intervention to include other state functions. In addition to political reforms, they went through some budgetary reforms in form of fiscal delegation (as

discussed in 1-1-3), and transferred the resources from central government to the regions (Pieterse 2000).

The regional planning policies has not been a huge success in Latin America, since with the exception of Cuba, government action has never been able to manage the wave of migrations to the major cities, to stimulate growth in most poor regions, or to help the poor, even in regions where economic growth occurred (Pieterse 2000; Irazabal 2009). In spite of electoral systems of municipal administrations, which do not necessarily guarantee an acceptable level of representation, there are centralised structures consolidating major political party, with little representation of the citizenry and little control by the electorate over elected public offices (Pieterse 2000). Although in almost all of the political constitutions of the region municipal autonomy is legally recognised, true autonomy of local government does not occur, due to the persistent centralist character of Latin American political culture (Esteva & Prakash 1998; Pieterse 2000).

In terms of participatory governance, many Latin American cities were attracted to deliberative processes and provided some facilities to engage citizens in decision making processes. The organization of community involvement in local governance in city of Esteli in Nicaragua (Howard 2002), mobilizing citizens to participate in decision making, construction and maintenance activities in Natal, Brazil (Nance & Ortolano 2007). However, these efforts scarcely mobilized more than a minority of eligible citizens, and hence, were not that successful. It is vital to find a balance between a representative democracy that guarantees political equality and the appropriate channels that encourages citizen participation. This requires a well-designed structure as well as a good implementation process (Pieterse 2000).

Regarding deconcentration of social services (health, education, social programs), although these are all new functions of local government according to political administrative reform, they are still shared with other levels of government and generally have not been completely assumed as local responsibilities. In terms of fiscal delegation, although there have been important advances in many Latin American countries due to budgetary reform, the participation of local governments in national public finances is still very low (between 10% and 15%). The structure of municipal finances is very fragile

and municipalities generate a very small proportion of their budget. Scarce fiscal autonomy and dependence on external resources, like intergovernmental transfers, characterise municipal fiscal structures. Municipalities have little access to debt instruments and there is a generalised lack of co-ordination mechanisms with other levels of government. Consequently, local governments are usually suffering from a permanent financial deficit (Pieterse 2000; Rodriguez & Winchester 1996).

Hence, the process of decentralisation has not been straightforward. In spite of deconcentration of functions, real decision-making power in government and society is highly centralised on a national level. Municipalities are generally weak with limited attributions in urban policy. Urban service delivery institutions are fragmented and uncoordinated and generally not present at a municipal level. Moreover, government—on a local level—is bureaucratic and inefficient in its management functions (Pieterse 2000).

Latin American governments should revise their policies from many aspects as follows: (1) decentralisation in the region must be interpreted in the context of globalisation processes, the reform of the Latin American State, democratisation processes, and the struggle against social exclusion, inequality and poverty, (2) local government must seek the involvement of its constituency in decision making through direct or semi-direct democratic practices, via representation, or by a combination of deconcentration, advisory councils, development committees, public assemblies, and participatory budgeting, (3) democratisation processes usually tend to focus on improving levels of transparency, responsibility, equity, and accountability as well as effectiveness and efficiency. A key strategic area in this regard is the sharing of reliable, understandable, and useful information using media such as civic education campaigns during election periods, local TV, media campaigns to communicate local government vision and image, expanding public knowledge of criteria to access public funds, etc, and (4) civil society and local government should be trained and educated in the culture of participation, democratic practices and in effective management. They should also be educated to work together (Pieterse 2000).

In this section, we reviewed a number of megacities across the world and learned some lessons from their transformation processes. In Pacific Asia, recognised as the

fastest-grown region of the world, we focused on Tokyo, Seoul and Bangkok cities, and China and Taiwan countries. In Tokyo, we studied how this city underwent an extremely rapid growth, turning to the world's third financial centre in less than 15 years during its post-war period (1955-1970). We also learned about the successful experience of decentralisation in this city starting from deconcentration and achieving high degrees of delegation to local governments. In Seoul, we reviewed how modernisation of this city happened simultaneously with democratisation processes. As discussed, China's urbanisation was very different from other countries in this region due to the role of government in it. In this country, decentralisation happened with a deliberate neglect of urban areas. However, it has now been changing, and a very rapid urbanisation is occurring. Taiwan's case study showed how despite the plans to control the pace of urbanisation, they achieved a limited success due to the absence of explicit policies and lack of coordination among authorities.

From Cairo's review, we learned how an incomplete adoption of privatisation resulted in eliminating the role of citizens in decision making processes, which finally caused the exclusion of the poor and low-income classes from their housing projects. As reviewed, there were also some political and budgetary reforms in Latin America, which although legally recognised municipal autonomy, it failed to happen in reality due to persistent centralist character of Latin American political culture – another example of incomplete adoption of policies. Hence, the most important lesson, particularly from the latter two cases, is that incomplete implementation of recommended policies (such as decentralisation and privatisation) may cause huge problems in practice. These problems can be avoided by learning from feedback and improving the methods accordingly.

1-3. Tehran, an Unplanned Megacity

Since the primary focus of this research study is on Tehran, in this section we will have an overview of the growth of this city and its emergence as a megacity. Tehran is situated on the southern slopes of Alborz Mountains and on the northern part of the Namak Desert. It lies at an elevation of 1400 meters above the sea level. Apart from the southern and south-western parts, which are nearly surrounded by mountains and have a

stable weather, it is subject to the desert dust of the southern desert. The maximum temperature is 40 degrees Centigrade and the minimum is -4. The average rainfall in Tehran is 219 ml. pa and the humidity fluctuates between 34 and 52. Because of the mountains, in the East, North and North-west, and also the desert in the South, the only direction for possible development is the west. Tehran is located on the earthquake line, and some very intensive earthquakes had happened in it before. Because of Alborz Mountains, there are several dry river beds throughout the city from north to south (TMRPC 1993e; TMRPC 2001).

In the past, Tehran was a small residential area in the north of City of Ray (Shahr-e Ray with an old history on urbanization). The population of the city of Tehran was around 15,000 in an area less than 10 km² about 200 years ago. The city had been gradually extended within 150 years: its extension has been 23.4 km², 24.4 km² and 100 km² in 100, 70 and 50 years ago respectively. Since then its development had been speeded, as it became 181 km² in 1966, 370² km in 1976 and 558.7² km in 1986. The initial core in the city was the Bazaar area, which had been the centre of trading, and also, a residential area of Tehran (TMRPC 1993e; TMRPC 2001).

The royal, official, and political divisions were located in the north of Bazaar and they were generally compatible to the performing requirements of that time in the early stages of the urban development. With the rapid growth of the city, the residential areas had been expanded in all directions of the Bazaar, at the beginning to the north and south (toward Shahr-e-Ray and Shemiranat) and then to the east and west directions. Because of physical obstacles and lack of lands for the development of residential neighbourhoods, a large area of farms and gardens, 20-70 km², far from the city centre, had been utilized for unplanned constructions. A large part of these areas including 170 housing complexes had no plan even for the minimum basic urban services. They were some improper and non-technical residential houses, used just as shelters for sleeping of the immigrant families who were mostly poor. The rapid population growth in Tehran had accelerated this procedure particularly after the Islamic Revolution in 1979.

Research on Tehran's city management system is too limited in the existing literature. The most relevant academic study about this city has been carried out by

Madanipour (1998), which shapes the major parts of our literature review on Tehran in this section.

Madanipour (1998) has two distinctive contributions to our knowledge, namely detailed information on Tehran, and the trace of social and physical transformation of the city during the last 200 years. This latter study concentrates on three key notions: (1) social and spatial dimensions of cities are intertwined, (2) urban space is best studied by tracing urban development process of cities, and (3) urban development, in turn, is best understood through individual actions, the social and physical contexts as well as the framing structures of these actions. To this end, Madanipour (1998) provides a profile of Tehran emphasising its urban economy, management, society, space, problems, and quality of life, in general. It also investigates how urban landscape is shaped in Tehran, focusing on planning and development resources as well as political and social forces.

According to Madanipour (1998) the tremendous population growth and centralisation of resources in Tehran, which led to the emergence of an unplanned mega city, has occurred within two centuries. This study discusses that the rapid population growth and the expanding urbanisation experienced by Tehran have resulted in a number of economic, social, and environmental problems, which can be categorised as below:

- 1 **Housing problems**, such as providing housing for an increasing population in acute shortage of urban spaces, the change in pattern of household structures, increasing living standards and rising expectations, the lack of municipal services in locations with high density of population, regularising informal housing development, and dealing with informal settlements and sprawl phenomenon.
- 2 **Environmental problems**, such as shortage of green space in the city and air pollution, mainly produced by motor vehicles (by 70%), and household fuels and polluting industries (by 30%), which have become a threat to Tehranis' lives.
- 3 **Transportation problems**, such as shortage of road and highway networks, traffic congestion, shortage of parking spaces, lack of public transportation facilities, and people's erratic driving habits.
- 4 **Social problems**, such as poverty, high rate of unemployment, cultural diversity, and lack of cultural centres.
- 5 **Shortage of other infrastructures**, such as absence of sewage collection system

and lack of established systems for disaster prevention in case of natural events, like earthquakes.

Madanipour (1999) suggests that Tehran's increasing problems might best be solved through citizens' participation in providing required resources, and more generally, in decision making process of urban-related problems.

In another study, Fanni (2006) investigates the geographical and spatial distribution of Iranian cities, including the capital city. Investigating their urbanisation and size changes, he provides an analytical comparison among them. This study shows that the significant cultural and economical differences between Tehran and other cities (e.g. differences in type of employment and economic base) are attributed to its urban management system.

1-4. Summary and Conclusion

This chapter provided a literature review in three major parts, including theoretical material required for this study, transformation of a number of megacities across the globe and their experiences, and the growth of Tehran -the focus of this study- as an unplanned megacity.

As one of the required theoretical subjects, we started (in 1-1-1) with studying the definition of governance, and its various types, modes, and styles based on the level of democratisation in different systems. We also identified the main principles of good governance, including citizen participation and government accountability and transparency, all of which can be best achieved through consensus building and inclusionary argumentation approaches. Next (in 1-1-2), we had an overview of different categories of city government models, including weak- and strong-mayor structures, explaining how these models are applied in a number of Western countries, which have a long history of elective councils and democratic management of cities. Furthermore, we introduced the major components of mayoral power (i.e. political power, fiscal power/autonomy, and dynamic personality) and reviewed a number of studies trying to discover an interrelationship between mayoral quality and city management performance. Although the reviewed studies suggest mayors having more formal and informal authority and better managerial qualities can positively impact municipal performance

(and vice versa), these studies do not distinguish the level of importance of each component in comparison with others, which we intend to show in this research study.

Since this thesis primarily focuses on the role of decision making process in Tehran's management system, we needed to shift the discussions from urban governance to management science to define decision making processes from the management science literature. Hence (in 1-1-3), we explained different styles of decision making and elaborated on its multiple steps from which we can conclude that the decision making process is not merely making decisions. Rather, it is a logical process accomplished in successive phases, including decision implementation and decision support phases, followed by decision taking phase. Hence, the quality of decision making process depends on the quality of all phases entirely not just the quality of decision, itself. We will discuss this matter in more details in Chapter 2 when we introduce our multi-criteria evaluative framework, which will be applied to quantitatively measure the performance of decision making processes in different eras of Tehran Municipality's management system. In section 1-1-3, we also moved the discussions into public administrative organisations and local governments, identifying different levels of decentralised decision making (i.e. deconcentration, devolution, delegation, and privatisation). All these form the base of our discussions in the qualitative analysis of Chapter 6, particularly when we analyse one of the most important decisions made at the beginning of the 1990's on delegation of authority in Tehran Municipality.

As a major part of the qualitative analysis in Chapter 6, we will discuss Tehran Municipality's organisational reforms – through analysing a number of important decisions – during the years of the 1990's, explaining the management processes of these reforms. Hence, as the last part of the theoretical subjects, we had an overview – again from the management science literature – on definitions of change and change management processes. From this discussion, we learned that according to the new idea of profound change, organisations are recommended to start major organisational changes when the required capacity for doing things in a new way is built. It means change will be much smoother when those people whose lives will be affected by that change accept the necessity of change. It forms the new definition of leadership in which there is an effective interplay between executive leaders, line leaders, and network

leaders. Hence, in terms of city management systems, in an idealised situation based on the reviewed literature, there must be the desire of change in both external (citizens) and internal groups of people (city management organisations' staff), which complements our previous discussions on citizen participation as a main component of good city governance, and the necessity of decentralised decision making processes as it helps include the ideas of lower level managers in making decisions.

In the second part of this literature review, we chose a number of megacities from different regions across the world, including Pacific Asia (as the region with the fastest grown megacities), Middle East (as the region in which Tehran is also located), and Latin America (as a less developed region experiencing democratisation and decentralisation practices). As we argued, the rapid economic growth and globalisation process commenced from a few decades ago has brought about drastic changes on urban systems resulting in population and resource centrality in some major cities. As we reviewed different investigated cases, the immediate result of such centrality was that all these cities encountered acute problems, such as inadequacy of transportation network and public transit, housing shortages, environmental pollutions, and social problems. We also discussed in the third part of this chapter (i.e. 1-3) that Tehran was no exception, experiencing the similar process and facing the typical problems as other megacities.

Facing all these problems, city managers have the challenging task of improving their services and boosting the life quality of their citizens. We can understand that there are many obstacles in front of urban managers, and that without resolving difficult issues urban managers and planners cannot progress in their work. Some of the main obstacles are as follows: (1) Insufficient power resources, including financial powers as suggested by Levine & Kaufman (1974), Bellush and Netzer (1990), Pimlott & Rao (2002), and Greasley and John (2010), (2) The absence of inclusive strategic plans while these plans can benefit the process of urban development in several different ways and foster commitment to accomplish planned urban development activities (Healey 1997), and also provide community leadership with some guidelines for decision-making (Mintzberg 1994), and (3) Inefficient decision making processes, which cause poor urban governance as suggested by Kitchen (2002), ADB (2006) and Etten (2007).

Each of these three elements listed above have been suggested as playing an important role on urban management problems, and hence, on the performance of urban managers and planners in delivering services to citizens as their main customers. The next chapter explains describes the design of the research study for reaching this purpose.

Chapter 2. Research Methodology

Although Tehran is one of the largest metropolitan areas of the world, ranking the second place in the Middle East after Cairo, this city has not been often discussed in the international literature on urban studies. Hence, one of the main concerns of this study was to offer analytical data about the important, but little-known, city of Tehran. Moreover, this case study research was intended to investigate how the quality of decision making process impacts the performance of city governance.

As discussed in Sections 1-1-1, 1-1-2, and 1-4, some of the main obstacles of urban management systems include inadequate financial power, lack of strategic plans and long-term views for urban development, and poor decision making structures and styles. Although it is recognised that more mayoral power and decision making authority may positively impact city management performance (Morgan & Watson 1995; Avellaneda 2008), and on the other hand, inefficient decision making is a common problem of poor urban governance (Kitchen 2002; ADB 2006; Etten 2007), this subject has received less attention in urban management studies. With regard to city management of Tehran, the Municipality of Tehran is among the oldest public sector institutions in Iran (TMRPC 1993c; TMRPC 1993e), with a working history in hierarchical structures and centralised management systems. Such systems usually suffer from inefficient decision making processes, because they need to authorise all decisions by the top managers. Considering this fact, the present case study research also aims at investigating the interrelationship between the quality of decision making process in city management systems and the quality of services received by citizens.

Thus, from all the discussions above we defined two main goals for this study: (1) providing detailed information on Tehran's city management system, (2) investigating the effects of decision making process (as a dominant process in a management system) in Tehran Municipality (as the front line organisation in Tehran's management system) on performance of this organisation in providing better services to Tehrani citizens (as the main users of Tehran Municipality's services).

Based on these goals, this chapter provides in depth information on research design, data analysis, and data collection methods in the following sections. Section 2-1

explains the scope of the study and defines the research questions and propositions and discusses why case study was chosen as research strategy. Section 2-2 explains research analysis methods and elaborates Analytical Hierarchy Process (AHP) that is one of the most common multi-criteria analysis methods and the one we chose as analysis method for quantitative analysis of this study. Then, the designed evaluation model - using AHP method - will be elaborated. In Section 2-3, the required data will be explained, and based on the selected analysis tools, data collection methods will be discussed. Regarding the required data for the built evaluation model, data collection tools, including questionnaires, will be also designed.

2-1. Research Design

This section discusses the design of our research study for achieving the two above mentioned goals. We first identify the scope of the study introducing the organisation(s) that was investigated as the main focus of this research and the time frame(s) of our study. Then we define the general and specific questions that this study was intended to reply and introduce our research propositions. We finally explain why a case study approach was more suited for this research, and based on this strategy we designed our study elaborating on the units of analysis in this research.

As discussed earlier, this research aims at studying the role of decision making process as a key element in city management systems. It primarily focused on Tehran Municipality as the front line of city management responsibilities in Tehran and investigated its management system, particularly its decision making processes in different periods of time. To narrow down the scope of the study, we concentrated on three distinguished periods after the Islamic Revolution of Iran and evaluated the quality of decision making process at each period. These three periods are as follows:

- 1 The period after the Islamic Revolution during the Iraq-Iran War (1979-1990):** This period represents the time when Tehran Municipality was an organisation entirely dependent on governmental funds, suffering from a pyramidal bureaucratic structure with centralised power and authority at the top and an inflated and indifferent layer of workforce, especially the unskilled, at the middle and bottom. Its inadequate financial resources, combined with critical

conditions under Iraq-Iran war, resulted in a neglect of urban development requirements, which were overshadowed by other severe problems specific to that time (TMRPC 1993d; TMRPC 1995a).

2 The 1990's (known as Tehran's reconstruction or post-war period): At the end of Iran-Iraq war, planning for Tehran renovation projects was expected to start. That is why this period is known as *reconstruction period*. On the other hand, it was obvious that various expectations of the wide range of stakeholders (citizens and government) could not be addressed before radical changes in the Municipality's mentioned centralised bureaucratic structure. As will be presented in further chapters, in this period, Tehran Municipality experienced some management reform, including autonomy and self-sufficiency, delegation of decision making authorities, development of detailed strategic plans, privatisation, and outsourcing; activities more widely practiced in the developed countries. As a result, Tehran Municipality transformed from a financially dependent centralised structure with an unskilled indifferent layer of workforce to a self-sufficient organisation with an efficient and productive pool of experts, committed to upgrade the activities of their organisation (Amirshahi 1997). The decision making process was decentralised by assigning authority to the lower levels of management structure. All regional mayors and management teams and affiliated companies were assigned with full authority and responsibility for decision making processes (TMRPC 1993f). In such an atmosphere, the local urban development projects speeded up in order to make a better environment for Tehrani citizens. In terms of citizens' participation, Tehran Municipality played an important role in increasing the awareness of residents and attracting their attentions to city problems (TMRPC 1993a). However, in the absence of elected urban management structures such as city councils, the citizens did not have enough opportunities to perform a participative decision making process and make full use of their detailed knowledge; the citizens were actually in the context of the problems. Thus it was not possible to make them more responsible for their actions within the society (TMRPC 1993e).

3 The period after 1999 (the first experience of city councils in Iran): The first

city council elections in Iran was held in 1999 in order to ensure people's participation in the public affairs. According to the laws of Islamic city councils, most of the important decisions, concerning municipal budgets and projects, should be made by the majority of council members. Although the primary focus of this study is on Tehran Municipality, in order to evaluate the decision making process of this particular period, we must have an overview of the first Tehran City Council as well, discussing its organisation, tasks, rules, and regulations. This overview is an integral part of our discussions of this period since the decision making processes of Tehran Municipality has drastically been changed after establishing the councils (TICC 2000b).

Within this framework, the present research study investigated the problems created by ineffective decision making processes and non-participative structures in urban management and sought to answer the following questions:

Research Questions Specific to Tehran

- 1 How did the megacity of Tehran change (in terms of quantity and quality of services delivered to Tehranis) over the time?
- 2 What were the important decisions - about Tehran and its management structure- that made drastic changes in this city? Why were they taken? How were they implemented, and with what result?
- 3 How qualified were the decision making processes of different periods? Is there any meaningful interrelationship between the quality of decision making process and the performance of city management systems in the investigated periods?

General Research Questions

- 4 How does the quality of decision making process impact the city management performance of megacities?
- 5 Among different elements of managerial power (i.e. financial power, strategic plans, and qualified decision making process), which element has the most significant impact on city management performance, particularly in developing countries?

Now that the research questions are introduced, we can define the proposition of this study as below:

Proposition: The quality of decision making process has been directly affecting the performance of Tehran Municipality organisation in regard to delivering qualified services to Tehranis. Also compared to other managerial powers, namely financial power, existence of urban strategic and comprehensive plans, inefficiency of this element has the most destructive effect on urban management systems. It has been suggested by the literature that successful urban management depends on all the above-mentioned elements. These elements are variables that have changed more or less from one management structure to the other, impacting the performance of urban management systems in fulfilling their responsibilities. However, this performance is mostly being affected by the quality of decision-making process.

Besides stating the research questions and organizing proposition, we had to choose the most appropriate research strategy as a part of this research design. This requires a decision to be made whether to use experimentation, survey methods, archival analysis, histories, or case studies. In this research study, the issues to be investigated are a combination of social, urban planning, management, and organisational studies. Regarding case studies, Yin (2002: p.1) explains: "*As a research strategy, the case study is used in many situations, including:*

- *Policy, political science, and public administration research,*
- *Community psychology and sociology,*
- *Organizational and management studies,*
- *City and regional planning research, such as studies of plans, neighbourhoods, or public agencies,*
- *The conduct of dissertations and theses in the social sciences – the academic disciplines as well as professional fields such as business administration, management science, and social work."*

Moreover, Yin (2002) proposes that three conditions can help determine the type of research strategy, namely the nature of research questions, the degree of researchers' control over events, and the level of concentration on contemporary (vs. historical) events.

Regarding the first condition, our research questions, as mentioned above, are typically ‘how’ and ‘why’ questions. Yin (2002) suggests that since ‘how’ and ‘why’ are more explanatory by nature, among all strategies, experiment, history, and case study are more favored for these types of questions. Among these strategies, since experiment is most suited for research studies needing control over events and we did not need such a control in our study, we could limit our options to history and case study research strategies. As to the last condition, since this research study investigated contemporary events over three periods of time after the Islamic Revolution of Iran in 1979, case study was more preferred, because researchers using this strategy not only access the historian's primary and secondary documentation as resources, they can also add direct observation as well as systematic interviews to their data collection methods. As advised by Yin (2002) and Gummesson (1991), this capability of detailed observations in a case study strategy provides greater opportunities to study different aspects and examine the relationships between them to reach a deep understanding and obtain a holistic view of a specific case. Hence, this approach enabled us to study and explain detailed decision making processes within their total environment, which we needed for the purpose of this research project.

Despite the common misconception that case studies are limited to just qualitative analysis, this research strategy can be applied for both qualitative and quantitative analyses (Yin 2002), as we did in the present case study research. This means that we intended to analyse the decision making process within Tehran Municipality’s organisation both qualitatively and quantitatively. Before designing our unit(s) of analysis, we refer to the steps of decision making process as explained in Section 1-1-3. As we reviewed in that section, decision-making process involves different steps to understand the underlying causes of a problem and implement an effective solution. According to these steps, we can define three different phases in decision making process as below:

- **Decision Taking Phase:** this phase involves developing alternative courses of action and then choosing among them to decide which action to take. Rational decision making, as discussed in 1-1-3, requires making a rational description of performance goals and then taking a decision. It means selecting the best possible

solution among different alternatives by either optimising (selecting the optimally best solution) or satisfying (selecting the first alternative that meets minimum criteria). An important issue in this phase is to diagnose the problem and understand its real causes before attempting to form possible solutions. Another important key to effective decision taking is sensitivity to those who will be impacted by the decision. With regard to this fact, participatory decision making is more preferred in city management context as we discussed in 1-1-2.

- **Decision Implementation Phase:** this phase means putting the solution into practice and establishing controls to ascertain that it works the way it is expected to work. Other keys to successful implementation include proper planning and scheduling and consideration of the resources necessary to carry out the decision.
- **Decision Support Phase:** despite its importance, this phase is often overlooked in decision making processes. However, managers must observe the impact of the decision as objectively as possible and take corrective actions if it becomes necessary. This phase involves gathering information and learning if the decision is on target to reach its goals and has solved (or helped to solve) the defined problem. If yes, it is useful to stay with the decision. If not, modifications should be made to ensure the goals are reached. The evaluation of past decisions along with other information should drive future decision-making as part of an ongoing decision-making feedback loop.

The framework of both qualitative and quantitative analyses is primarily based on these phases. In qualitative analysis, we focused on a number of key important decisions (as units of analysis) and analysed the entire process of decision making, including all these three phases. In case of decision taking phase, we elaborate on the circumstances under which the decisions were made, the primary goals, the possible alternative ways and why these specific decisions were made from among other alternatives. As to the second phase, it is explained how these decisions were implemented, and what the challenges were. We finally investigated if decision implementation phases had been followed by support phases or not. For those decisions with a support phase, we investigated how they were justified based on the feedback of their outcomes. Despite

the fact that qualified decision making is influenced by effective leadership styles, management skills, and even the leader's characteristics and personality, the present research does not intend to analyse the leaders' efficiency as the main goal of the study. Rather, it focused on analysis of decision making process, as a whole.

The qualitative analysis was followed by a quantitative model to support the results of qualitative discussions. Instead of focusing on some selective decisions, the quantitative analysis, which framework will be explained in Section 2-2, aimed at evaluating the quality of decision making process in general, not the specific decisions in different investigated periods. As will be seen, it first formulated an evaluation model, developing a hierarchy of criteria and weighting each criterion based on its importance in the hierarchy. Using an inclusive scoring method, each criterion was scored based on its quality in each investigated period. The model finally calculated the total score of decision making process for each period, developing an evidence-based basis to compare the quality of decision making process in different periods.

Hence, while in our qualitative analysis the units of analysis were decisions, in the quantitative model, the entire decision making process was considered as the unit of analysis. In the next section, we will elaborate on the analysis methods that are required to conduct the quantitative analysis part.

2-2. Analysis Methods

As a part of the research methodology, we had to elaborate on the analysis methods through which we are going to prove our research proposition (Yin 2002). In the last section, while designing our research approach, we explained how this case study research applies a qualitative method to investigate some key decisions as the units of analysis. In this section, however, we will focus on the quantitative analysis part explaining more details about its required analysis methods.

As discussed earlier, the main emphasis in the quantitative analysis of this study was concentrated on evaluation of decision making processes in investigated periods. Decision making process (as the unit of analysis) is not a quantitative variable and its quality cannot be calculated by ordinary quantitative methods of measurement. Hence, we needed an approach for quantifying this non-quantitative variable. It means that we

required some numerical values to compute the performance of decision making process in different periods. For this purpose, we applied the Multi-Criteria Analysis Method to design an evaluative model for calculating the deserved score of decision making process in each period.

Multi-Criteria Analysis is a methodology by which the relative merit of different alternatives can be compared using a range of quantitative and qualitative criteria. This method is most helpful when problems involve multiple variables (criteria). Techniques in multi-criteria analysis can be applied to do comparisons and evaluations among several alternatives in complex environments, and to support decision makers in choosing between a set of alternative courses of action. There are different techniques of multi-criteria analysis (Saaty 2000). Yet, all of them follow a similar process to do comparisons and evaluations. Briefly, the steps are as follows:

1. Identify the alternatives to be compared;
2. Identify the hierarchy of criteria for evaluating the alternatives;
3. Identify the importance of each criterion (weighting);
4. Score the alternatives against each criterion (scoring);
5. Calculate the total score of each alternative using the weights of criteria and rank alternatives based on the total scores.

According to Triantaphyllou (2000), some well-known multi-criteria analysis methods can be listed as: Simple Multi-Attribute Rating Technique (SMART), Multiple Attribute Utility Theory (MAUT), and Analytic Hierarchy Process (AHP). MAUT requires a decision maker to specify the best and the worst case for each criterion in order to generate the utility function (Olson 1996). SMART is a simplified form of MAUT (Edwards & Newman 1982) and the user has to follow the same procedure as in MAUT. At the core of AHP lies an efficient weighting/scoring method that allows users to determine the weights of criteria in an intuitive manner. AHP uses a simple method of pair-wise comparison of alternatives against criterion. For this reason, AHP seems the easiest and one of the most popular multi-criteria analysis methods, which has proved its worth in many domains (Saaty 2000).

The pair-wise comparison technique utilises a 9-point scale as defined in the preference index shown in table 2-1, to help users rank their preferences between two objects within each level of the hierarchy. This rating scale is easy to understand and easy to deploy in evaluating alternatives and making decisions. In this method, the decision maker does not need to calculate the absolute value of the scores; rather, just the relative scores among different alternatives are needed. This ability simplifies the process of reasonable scoring.

Table 2- 1. The Preference Index in AHP Method

How important is A relative to B?	Preference index assigned
Equally important	1
Moderately more important	3
Strongly more important	5
Very strongly more important	7
Overwhelmingly more important	9
Intermediate values	2,4,6,8

Hence, the fundamental input to AHP is the users' answers to a series of questions of the general form, 'how important is criterion "A" relative to criterion "B"?' allowing users to express their objectives in relative terms versus absolute values. (Saaty 2000; Hanne 2001). This way is more preferable when the information is inadequate and we cannot access the absolute value of some attributes. In contrast, the disadvantage is that the user's objectives are dependent on the state of the current set of alternative course of action. It means adding or removing an alternative might thus change the decision maker's associated scores for all the other alternatives (Saaty 2000).

Regarding the present case study research, since we aimed at evaluating the quality of decision making process as a whole against the quality of certain decisions as well as their outcomes, the evaluation model had to be able to reflect all phases of decision making process (i.e. decision taking, decision implementation, decision support)

and assess the quality of each phase separately. To do so, we had to consider the quality of each phase as a criterion at the first layer of the evaluation hierarchy and included the criteria of each phase at lower layers. That is why we needed a multi-criteria analysis model for the purpose of quantitative analysis. As discussed before, in a typical multi-criteria analysis model a set of alternatives will be evaluating against a number of criteria in a hierarchical structure. In our targeted model, alternatives are different periods of Tehran's city management system for which we will design our evaluative model in the remaining of this section, elaborating on the hierarchy of criteria for alternatives, and the weighting and scoring methods.

The Hierarchy of Criteria

As discussed earlier, at the first layer of hierarchy of criteria, we have different phases of decision making process, and further assessment criteria, which have to be considered to evaluate the quality of each phase, will be placed in lower levels of the hierarchy. Applying the discussions of chapter 1 on principles of good urban governance and effective decision making process, we define the hierarchy of criteria as below:

- **Layer 1-1, the Quality of Decision Taking Phase:** Decision taking phase encompasses the process of diagnosing and defining the encountered problems, identifying the related objectives, generating alternative solutions to the defined problems, evaluating the generated alternatives and choosing the best (or satisfying) one. In this part of evaluation, the effectiveness of decision taking work flow in each period will be examined. The assessment criteria include the efficiency of decision making structure and clarity of roles, the quality and level of decentralisation and participation in this phase, and speed of taking decisions, which are defined as follows:

⇒ **Layer 1-1-1, the Efficiency of Decision Making Structure:** According to the principles of good governance reviewed in Section 1-1-1, city management systems are no longer seen as a hierarchical, government-controlled chain of commands; rather it is an open process in which transparency, participation, pluralism, and accountability become the key elements. Accordingly, we can evaluate the quality of decision making structure based on the following criteria: (1) the level of democratisation

in these structures, which can be examined by investigating whether the key positions, i.e., city council members, Tehran Mayor, and regional mayors are elective or not, (2) the level of clarity of roles and responsibilities among different organisations involved in city management systems. To assess the second criterion, we investigated conflict in Tehran Municipality, both internally among Tehran Municipality's different subdivisions and externally between Tehran Municipality and other organisations involved in city management system. For the internal part, we considered regional districts as line, and affiliated offices, organisations, and companies as staff, and assessed the degree of line-staff conflicts and/or conflicting parallel structures at each period. For the external part, we considered the most relevant organisations to Tehran Municipality, namely Tehran City Council and Interior Ministry as the main bodies of Tehran's management system, and assessed the conflicts between Tehran Municipality and City Council (or Deputy City Council in the absence of City Council), as well as City Council and Interior Ministry at each period. The assessment has been done by participants using the designed questionnaire, which will be explained later in this chapter.

⇒ **Layer 1-1-2, the Level of Decentralisation in Decision Taking Phase:** It means to investigate if the lower levels of managers in Tehran Municipality were involved in decision taking stage or not, and if so, how much authority was delegated to them. The effectiveness of decentralisation in decision taking phase could be evaluated by two sub-criteria. We first assessed the level of decentralisation and investigated who had the primary responsibility for decision taking phase (central municipality vs. districts), and in case of decentralised structure, we investigated the level of devolution (i.e. minor or substantial devolutions) to lower levels of management. Moreover, since a disadvantageous side-effect of decentralisation is lack of coordination and a unified approach among different organisations, it had to be investigated whether there were any standards regarding decision taking of some common decisions or not.

In fact, the existence of such standards could be assumed as evidence showing a qualified decision taking phase. As the second sub-criterion, we had to identify the level of fiscal delegation in Tehran Municipality. For this purpose, an indicator was utilised representing the share of public expenditures which are locally decided (out of the total costs). In terms of scoring these criteria, we assumed that a higher degree of devolution and fiscal authority in lower levels of management results in a better decentralised process, since local managers have more power to decide about the problems of their own region.

⇒ **Layer 1-1-3, the Level of Participation in Decision Taking Phase:** As discussed in Chapter 1, in a participatory decision making process, those affected by a decision are able to make their concerns known and offer their insights and possible solutions in the process of making decisions. Thus, as the first criterion to evaluate the level of participation in the decision taking processes of investigated periods, we had to study if there was any voice of citizens in decision taking stage or not. For this purpose, we considered three sub-criteria as follows: (1) we first investigated how qualified the elections had been. To do so, we used an indicator representing the degree of turnout (low vs. reasonable) and also investigated the quality of fairness in the elections. For the latter, we referred to the opinion of the participants of this study to see how they had evaluated the elections. The participants had to judge if the elections were definitely fair or unfair or there were questions about the fairness of elections, (2) as the second sub-criterion, we investigated the level of citizens' participation in related decisions. We categorised different levels of participation as “no participation”, “ad hoc participation with individuals”, “ad hoc participation with groups and NGO's” and “formalised participation”. In terms of scoring, according to the principles of good urban governance discussed in Chapter 1, we assumed the greater level of participation results in a more qualified decision taking phase, and (3) as the last sub-criterion for the quality of participation we

investigated the level of citizens' influence on municipal budgets at each period. Starting from the greatest level of influence, we could consider a number of possible situations, including holding a public hearing or forum on municipal budget, publishing the draft of budget before approvals, discussing the planned budget with some civic organisations, and finally, no discussions or information about municipal budget (implying no influence by citizens). In terms of scoring for this sub-criterion, as we learned from Chapter 1 regarding principles of good governance, we assumed that a greater degree of citizens' influence on budgeting processes results in a more qualified decision taking phase.

⇒ **Layer 1-1-4, Speed of Decision Taking Phase:** the average time of decision taking stage, especially in important and urgent decisions, is an important criterion for evaluating the quality of this stage. To assess this criterion, we considered two further sub-criteria, namely the level of decisiveness, and the speed of decision making in various decisions with different priorities. For the former we benefited from the judgement of participants of this study who determined how decisively the decisions had been taken at each period of investigation. The participants indicated whether there had been undecided cases at each period or not, and if so, the undecided cases had been scarce and/or non-important, or included a large number of important problems. Regarding the latter criterion, the participants had to evaluate how fast the high and low priority cases had been decided (slow vs. reasonable). In terms of scoring, less undecided cases and higher speed in important decisions obviously result in a more qualified decision taking phase.

- **Layer 1-2, the Quality of Implementation Phase:** in this part, the quality of decision implementation phase had to be evaluated regardless of the quality of decisions. Evaluation of this phase was important, because when decisions had been implemented improperly, the outcome would have not been satisfactory even for sound decisions. To reach such an evaluation, we assessed the quality of decision implementation structure investigating the overall efficiency of linear

parts and the clarity of their roles and responsibilities, the quality of management styles applied during the implementation phases, the level of decentralisation in implementing bodies, and the quality of organisation in meeting schedules. These criteria can be categorised and defined as follows:

⇒ **Layer 1-2-1, the Quality of Implementation Structure:** in a large organisation like Tehran Municipality with great numbers of line and staff management, conflicts between these two and other parallel structures were inevitable. However, these conflicts could be minimised by having clearly defined legal frameworks regarding authority relationships between them, and implementing and being committed to this framework within the entire organisation. To evaluate the overall efficiency of implementation structure, we investigated how much the roles among different subdivisions of Tehran Municipality (including regional districts and affiliated organisations and companies) had been well-defined. In terms of scoring, the least score was given to the period in which there were no clear legal framework to distinguish the roles of line and staff and other parallel divisions, and these divisions were suffering from conflicts as well.

⇒ **Layer 1-2-2, the Quality of Management Styles in implementation Phase:** it means to investigate how much the advanced innovating management practices (like modernisation and privatisation) had been applied in implementation phase of decisions in different periods. To assess the effectiveness of management styles in decision implementation phase, we applied three indicators as the desired criteria: (1) the level of advanced innovating management practices, (2) the level of privatisation in projects and services (the proportion of contracts of the private sector to the total expenditures), and (3) the increase of private sector projects in each period compared to its previous period. In terms of scoring, we believe that more advanced innovating management practices resulted in major reforms throughout the organisation, as well as the higher degree of

privatisation that can be assumed as evidence for a more qualified implementation.

⇒ **Layer 1-2-3, the Quality and Level of Decentralisation in Implementation Phase:** it means to evaluate the degree of decentralisation in decision implementation phase in different periods of Tehran Municipality management. It had to be investigated if there had been enough delegated authority in regional municipalities and other affiliated organisations and companies according to the rules and regulations. To evaluate the effectiveness of decentralisation in decision implementation phase, we investigated two criteria, namely the quality of deconcentration of primary responsibilities for implementation phase, and the quality of fiscal delegation. For the first criterion, similar to Layer 1-2, we again assessed how much authority had been transferred to lower levels (i.e. little, some or substantial devolution), but this time with regard to implementation tasks. We also investigated if standards and monitoring tools had been provided in parallel with deconcentration of tasks. To assess the second criterion, we investigated if the transfer of fiscal authority (if any) had merely been ad hoc and erratic or it had been based on an approved formula. In case of formulised transfer, we further investigated if the formula had just been in theory or it had been implemented in practice too.

⇒ **Layer 1-2-4, Meeting the Schedules:** it means to assess how projects had met their planned budgets and schedules at each period. To assess the effectiveness of this criterion, we identified two indicators, including the percentage of on-budget projects (with actual costs close to planned costs) and the percentage of on-time projects (met the planned deadlines of their schedules).

- **Layer 1-3, the Quality of Decision Support:** it should be noted that even after the implementation of a decision, there may be some doubt about whether the main problem has been addressed appropriately or not. It requires that policies and programmes be monitored and tracked to obtain feedback, even after the

implementation phase. This is for the following reasons: (1) to assure that they have not been changed unintentionally, (2) to monitor their unintended consequences, (3) to measure their impact, (4) to determine that they are having the intended impacts, (5) to decide whether they should be continued, modified, or terminated. To evaluate the qualification of decision support in each period, we considered two criteria as follows:

⇒ **Layer 1-3-1, the Existence and Quality of Support Structure:** for assessing the quality of support structure, as the first sub-criterion, the organisational chart of Tehran Municipality had to be studied in order to investigate if there had been any department dedicated to evaluating the outcomes of decisions via monitoring and tracking the implementation of decisions and measuring their impacts. In case of existence of such a structure, it was so important to know how qualified these activities had been upheld by the law. It means to investigate that these evaluations had merely been ad hoc, or rather they had been kinds of formalised and systematic evaluation processes. As the second sub-criterion, we had to assess the intentions and benefits of such evaluations. Sometimes these evaluations had just been done for the purpose of political battles. This kind of evaluation had sometimes been biased, and thus unreliable, since it had initially been designed to benefit the political group(s) intending to negatively advertise against their rivals who had been in power. Hence, it was important to investigate if evaluations had been intended for just political battles, for an experience to use in future endeavours, or for corrective actions based on the feedback of these evaluations. In terms of scoring, having a particular department dedicated for this purpose as well as the existence of a systematic procedure for monitoring and evaluating the decision outcomes aiming at doing corrective actions and adjust the past mistakes had to obtain the best score.

⇒ **Layer 1-3-2, the Quality of Citizen Participation:** it means to investigate if citizens had any scrutinising role to measure the impacts of the decisions regarding their urban lives. To evaluate such a criterion, we

considered three sub-criteria. As the first sub-criterion, we investigated if citizens had been allowed to access information about Tehran Municipality's activities or not. In case of accessible information, we studied how much this accessibility had been facilitated for them. For instance, had there been any website to obtain information from? And/or had there been any particular service through which citizens or companies could request information via email or other means of communication? The second sub-criterion includes the quality of transparency. Starting from the bottom, we investigated if there had been no transparency, there had been just ad hoc information about projects, or there had been special media such as municipal publications, daily newspapers, TV, radio stations, and/or regular independent reviews. As the third sub-criterion we evaluated the level of facilities existed for citizens enabling them to raise their voice on Municipality's activities (e.g. to complain against Municipality's quality of services and functions if the citizens had not been satisfied).

The hierarchy of criteria has been drawn in Appendix 4. As shown in this hierarchy and according to discussions above, the criteria for such an evaluation is a combination of both quantitative and qualitative criteria. Hence, our evaluative model had to be able to quantify the qualitative variables as well. Obviously, such variables are not easily quantifiable and we cannot measure an absolute value for them. In such a situation, the AHP can help quantify these qualitative variables, using its simple pair-wise comparison method.

The Weighting Method

As the next step and before scoring the criteria, we needed to assign a weight to each criterion based on their importance within the above-mentioned hierarchy. For this purpose, we applied the weighting algorithm of AHP, which has been explained in

Appendix 5. Based on this algorithm, we needed some pair-wise judgments to find the relative importance of each criterion - over the other criteria - at each layer of hierarchy.

Since it was preferred to make such assessments based on the judgements of a group of people - rather than a single person - the preference indices of criteria have been found by the assistance of a number of professors who have had teaching and research experience in related areas, including urban planning, management, and decision making science. The details on how these professors were chosen have been explained in Section 5-2. For the purpose of weighting, we designed a questionnaire, as will be shown in the next section, containing questions on pair-wise comparisons to collect the relative preferences based on their opinions. As will be discussed in Chapter 5, we will use the average of the received responses to develop the overall preference matrix at each layer.

The Scoring Method

The next step after weighting is scoring the criteria for each alternative. As explained earlier, there is a variety of both quantitative and qualitative variables in the designed hierarchy of criteria. Likewise the weights, to evaluate the qualitative criteria, we needed to do some judgements in order to score criteria against alternatives. To avoid the personal judgments on score measurements, we used the assistance of a group of knowledgeable persons in this regard. For this purpose, we selected 15 executive managers in Tehran Municipality who had been in top level management positions at least in two out of the three investigated periods of this study. These individuals were expected to be knowledgeable in this regard since they had witnessed the events of Tehran Municipality closely and directly. The details of how these executive managers were selected are explained in Section 5-2. Since one of the principles of research with voluntary participants is that their participation in the study must be confidential, we have not revealed the name of these participants in this thesis report.

To facilitate the scoring process, we designed a questionnaire, as will be shown in data collection section, consisting of close-ended questions with multiple choices to gather the opinion of respondents. Then, the average score of these respondents has been considered as the deserved score for each criterion. At last the final score of decision

making process of each period will be computed simply via the hierarchy of criteria, considering the weights estimated in the last section.

The designed research needed different types of data. In next section, we will elaborate on the required data and plan how they can be collected via robust methods and using appropriate tools.

2-3. Data Collection

This section aims to recognise all types of data required to conduct the present case study research, and also, introduces the data collection tools and methods. As discussed earlier, prior to initiating the analysis chapters, we need to have two interim discussions, first on Tehran's city management structures and its changes over different periods of time, and second, an overview of Tehran's situation in terms of urban services delivered to Tehrani citizens at each period. These interim discussions not only provide detailed information about Tehran, particularly in areas that are often overlooked in the existing literature of urban studies, but also are prerequisite to further chapters on qualitative analysis. Considering the entire study, we will introduce the required data in three different categories, namely data required for interim discussions, data required for qualitative analysis of decisions, and data required for quantitative analysis of decision making processes.

Data Required for Interim Discussions on Tehran's governance structure and Tehran's situation

Regarding Tehran's governance structure, we needed to collect data about city management system for all the three mentioned periods of investigation, with regard to different organisations involved in city management responsibilities (with a focus on Tehran Municipality as the front liner). This was done to reveal the main characteristics of urban management system and decision making style at each period. The required data are listed below:

- The role of different organisations involved in city management responsibilities, including Tehran Municipality, City Council, Interior

Ministry, Urban and Housing Ministry, and other relevant organisations,

- Organisational structure of Tehran Municipality in different periods,
- The political resources supporting the city management system,
- The main characteristics of urban management system and decision making style in the above-mentioned organisations, with a focus on Tehran Municipality,
- The conflicts among the above-mentioned organisations and the main challenges in decision making processes.

In terms of collecting the required data for this section, using the existing literature on urban management system, this research study had an access to useful information about the first investigated period of time, i.e. from 1979 to 1990. However, as to the second and third periods of time, the researcher had the opportunity of using the municipality's internal letters, circulars, reports, and other documents as the primary sources of information, which helped find plenty of useful information for the purpose of this study¹.

For the second part of interim discussions, i.e. Tehran's situation, we needed to collect qualitative and quantitative data in terms of urban development indicators in two snapshots of time (1990 and 1999) to represent the quality and quantity of urban services and development during the investigated periods. The required data included the following items:

- Demographic data, including area, population, population growth, and density of different regions,
- Financial data, including the breakdown of incomes, expenditures, and budgeting in Tehran Municipality,
- Statistical data about city development and land use,
- Transportation indicators, including total number of motor vehicles, passengers and trips, parking spaces, public Transit system, *and* average speed,

¹ Since the researcher of this study was appointed as Tehran Mayor during the 1990's, he was in fact a research participant having access to primary sources of information.

- Green space indicators,
- Environmental indicators, including air, land, water, and noise pollution,
- Cultural space indicators,
- Qualitative and quantitative data on key projects developed at each period.

For this part, too, the research study could apply internal technical reports within the municipality as the primary sources of information, as well as media and other public reports as supportive resources to collect the required data.

Data Required for Qualitative Analysis

As a part of the qualitative analysis, we selected a number of key decisions, which were most controversial and had significant impact on urban management system and/or the city situation, and analysed the process of making these decisions, as a whole process, including all three phases, namely decision taking, decision implementation, and decision support. To this end, the required data were as follows:

- Key decisions leading to significant changes,
- Circumstances under which these decisions were made,
- Possible alternative courses of action regarding these decisions,
- Major outcomes in urban management system of Tehran Municipality and/or urban indicator in Tehran City attributed to these decisions,
- The existence or inexistence of decision support phase for these decisions,
- Feedback and possible reactions to feedback results (in case of existence of decision support phase),

A large part of the required data for this section could hardly be found in ordinary documents and reports, and hence the major data collection method for this section was participatory observation.²

² Since the researcher of this study was appointed as Tehran Mayor during the 1990's, he is in fact a research participant having access to primary sources of information.

Data Required for Quantitative Analysis

As discussed in earlier sections, this study utilised an evaluation model to quantitatively measure the performance of decision making process in different periods of time. The model consists of a hierarchy of criteria, each having a weight depending on its importance. This model was used to score each criterion, and then to accumulate the scores to find the final value of decision making process at each period. We also explained that to reach a more reliable result, we needed to ask the opinion of a number of experts for collecting the data required for computing the weights and scores of criteria.

Regarding the weighting, as mentioned before, we needed to find the AHP Preference Matrix at each layer of criteria for which we had to collect the opinions of a number of university professors on pair-wise comparisons of criteria at different layers. The detailed information on participants including their numbers, how they were chosen and approached has been explained in Section 5-2 (p.148).

To facilitate this process, we designed a questionnaire as our data collection tool, through which we asked the relative importance of criteria using the typical question of *“how important is criterion A over Criterion B”*. In fact, we customised this standard question for our desired hierarchy of criteria, which has been designed for evaluating the decision making processes. The weighting questionnaire has been shown in Appendix 3-1.

Besides the weights, we needed to collect the scores. For this purpose, a questionnaire in the form of a checklist was designed, as shown in Appendix 3-2. This checklist consists of close-ended questions with multiple choices. Using this tool, not only facilitated the scoring process for our respondents, but it also enforced a unified way of scoring among them. As we discussed earlier, the criterion to choose the respondents for this part was having a substantial working experience in all or at least two (out of three) investigated periods in Tehran Municipality.

Based on the data required for this study and according to all discussions above, we can categorise the data collection methods applied in this study as follows:

- Primary sources of information regarding the second investigated period: we collected data from the participatory observations³ of this period as primary sources of information. Moreover, we had access to original documents, particularly command letters of this period, from the mayor's personal archive. According to Yin (2002), this type of data collection method enables researchers to accomplish first hand study of situations and look beyond the formal organisation to reveal rich and often deliberately concealed information. We used these primary sources of information, particularly for the data that we required for our qualitative analysis of decisions in this specific period.
- **Archival Reports:** the present case study research needed different forms of archival reports, like service records, organisational records, survey data, and personal records, accessible from Tehran Municipality's archive. We used this resource in order to collect the required statistical data, required particularly for Chapter 4, where we investigated Tehran's situation in terms of urban indicators.
- **Questionnaires and Semi-Structured Interviews:** we required these methods of data collection to gather data required for weighting and scoring the criteria of our evaluative model. The details of interviews and interviewees are explained in Section 5-2.
- **Documentations:** we needed to refer to memoranda, agendas, announcements, event reports, administrative documents, newspaper clippings, and other articles appearing in the mass media to collect data from the city management system and the work flow of decision making processes in different periods.

2-4. Summary and Conclusion

In this chapter, we designed our research study elaborating on the methods we employed to answer the research questions. The research is designed to determine how the quality of decision making process affects the performance of city management systems, as the major question should be addressed in this study. According to the

³ Since the researcher of this study was appointed as Tehran Mayor during the entire years of second investigated period, he was in fact a research participant having access to primary sources of information at this period.

initiated propositions, we believe that there is a positive interrelationship between a qualified decision making process and an efficient city management system. Furthermore, we think that the quality of this process has the most significant role among all other elements of managerial power.

To examine these proposition(s), we focused on three periods of city management system in Tehran, investigating how the changes in quality of decision making process have impacted the quality of services delivered by this system to Tehranis. As discussed earlier, we chose the case study strategy for this purpose, primarily due to the nature of our research and its focus on contemporary events, and the fact that case study strategy is more capable than other strategies in terms of employing a wide variety of data collection methods from documentations to direct observations and systematic interviewing.

This case study research conducted both qualitative and quantitative analysis to test the propositions. In the qualitative part, the units of analysis are decisions. As we explained, due to our access to primary sources of information regarding the second investigated period (1990's), we chose a number of key decisions of that time and investigated all three phases of their decision making process and analyse how these decisions impacted Tehran's overall situation in terms of urban services delivered to citizens.

In the quantitative part, the unit of analysis is the overall process of decision making at each investigated period. As discussed before, we needed to apply a multi-criteria analysis method to compare the quality of decision making processes since we had multiple layers of criteria to assess the entire process. As elaborated in Section 2-2, we designed the hierarchy of criteria as our evaluative model, which is a combination of both qualitative and quantitative variables. To compare the decision making processes of different periods, we first needed to determine the level of importance of each criterion compared to other criteria (weighting) and then score them and calculate the total scores via the hierarchy of criteria. For this purpose, among different multi-criteria analysis techniques, we chose AHP, as the most preferred method, due to its capability of doing pair-wise comparisons in the absence of absolute values, particularly in case of qualitative variables.

Moreover, to avoid the personal judgements in ‘weighting’ and ‘scoring’ the criteria, we designed a systematic approach using questionnaires with close-ended questions and semi-structured interviews to gather the opinions of university professors specialised in decision analysis and management science (regarding weighting) and executive managers involved in Tehran’s city management system (regarding scoring). Hence, this approach involved different opinions of academia in our analysis, resulting in a more robust evaluative model.

In conclusion, considering all discussions of this chapter, we can categorise the contributions of this study to knowledge as follows:

- A historical overview of Tehran Management System providing detailed information on urban management systems and decision making styles in different periods of time. This part, by its own, is not only useful from a historical point of view for all students and scholars with research interest in this area, but also it founds the further steps of this research study.
- An overview of Tehran’s situation in terms of urban indicators, to draw a picture of this city at two snapshots of time, namely 1990 and 1999, which will be used to link to propositions.
- A qualitative analysis of Tehran Municipality’s key decisions during the 1990’s which made a reform within this organisation while providing detailed data on processes of making these decisions and their impact on city management system and/or the city situation.
- A quantitative analysis to evaluate and compare the performance of overall process of decision making in different periods, which will be used to link to the propositions.

Chapter 3. A Historical Overview of Urban Governance in Tehran

This chapter provides a historical overview of the urban management system in Tehran. Such an overview is required to identify the main characteristics of urban management systems, including decision making styles in different periods of investigation in this study and also to know different organisations involved in the city management system of Tehran and their contribution to this system. This information is in fact a prerequisite to the discussions contained in the analysis sections, since as stated in Chapter 2, we were going to analyse the decision making processes of three periods of Tehran's management system. Thus, we needed to elaborate on these systems and explain their main characteristics prior to analysing them.

To this end this chapter will start with a brief history of urbanisation process in Iran within the context of the Middle East region. Then a historical overview of the urban management system of Tehran in different periods of time is presented, explaining the most important laws and regulations, which made turning points in city management processes and styles. In the third section of this chapter, we have focused on decision making processes in Tehran Municipality and City Council, as the two major organisations involved in city management systems in Tehran, elaborating their organisational chart and their main functions and responsibilities. We have also introduced other organisations and ministries which influence the city management system of this city in this section. In the last section of this chapter there is a summary and comparison of different periods of investigation based on the overall characteristics of their urban management systems.

3-1. Urbanisation Process in Iran

This section reviews the urbanisation process of Tehran as the most populated Iranian city from a historical point of view. Since Tehran is a Middle Eastern city, it has been influenced by the overall urbanisation process in this region. Consequently, we first start with the contextual information on urban growth in Middle East and then focus the

discussion on to Iran and Tehran, investigating the specific features of urbanisation process in this city.

The population of the Middle East region, including 20 countries in an area of 14.5 million square kilometres, had tripled between 1950 and 1990 and became around 311 millions (Tabutin & Schoumaker 2005), with its urban population increasing six fold and eightfold by 1990 and 2000 respectively (UN 2004). This was significant if we compare these figures with the average population growth of this region, which was around 2.7% between 1950 and 2000 (UN 2004). In 1950, the percentage of inhabitants in urban areas was about only 30% of the total population of the region, yet this rate escalated to 50% and 66% in 1980 and 1990 respectively (UN 2004). Like other parts of the third world, the general urbanisation process in two or three giant cities of the Middle East was discriminatively different from the other cities of this region. For instance, Cairo with the population of 16 millions, Istanbul with the population of 12 millions, and Tehran with the population of 10 millions are respectively the biggest cities in the Middle East (Costello 1977; Duben 1992; Bonnie 1997).

In the middle of the 19th century, there was no modern local government in the Middle Eastern countries as it appeared in North American and European ones. Cities in the Middle East were ruled under the legal authority of central government. However, the public services of many of urban districts were performed and organised at the local level, with little interference by central government. In practice, the religious parties and neighbouring units were often responsible for cleaning the streets, arranging the market prices, and performing the religious rules and legal regulations at the local level. Even after their establishment from the nineteenth century onwards, modern municipalities have usually played their role as an arm for central government. This was the result of a lack of urban autonomous methods. Therefore, the local institutions had not been developed appropriately, and were financially and legally dependant on the central government. This dependency did not allow the local institutions like municipalities to grow in accordance with the fast pace of urbanisation process in this region. Hence, they were weak organisations when compared to what they were expected to do. Indeed, they were suffering from acute problems and lack of experts, while they could be the most

important organisational layer between the central government and citizens, bridging the gap between these two poles of society (TMRPC 1993c).

In Iran, as a country of this region, the same pattern of population and urbanisation growth existed. The population of Iran increased from 19 million in 1956 to 60 million in 1996, i.e., it tripled within four decades. However, during this period, the urban population was multiplied by six escalating from 6 million in 1956 to 36 million in 1996. In other words, the city population, which formed just 20% of Iran's population nearly one century earlier, became more than 31% in 1956, and reached 61% in 1996. The number of metropolitan areas (i.e. big cities with the population greater than one million) increased from 2 in 1966 to 6 in 2001, and the annual urban population growth was about 5.3% for half a century from 1900 to 1956. During the period of 1956-1986, though slowing down, it was still around 4.4% for the cities with the population of greater than 100 thousands, and 2% for small cities with the population of less than 100 thousands (PBO 1996).

An important urbanisation feature in Iran is the phenomenon of population accumulation in big cities. In this regard, we can investigate the changes in urban population inhabited in big cities as an indicator. In 1869, the ratio of big city inhabitants to the total urban population of Iran was about 11%. This ratio increased consistently over the time, escalating to 25%, 51%, and 58% in 1890, 1956, and 1966 respectively (PBO 1996). Since 1976, this ratio has constantly been around 63%. As another indicator, the ratio of population of the second largest city in Iran in 1868 (i.e. Tabriz) to that of Tehran was 0.77. In 1976, this ratio (i.e. this time the population ratio of Mashhad to Tehran) inclined to 0.15 (PBO 1996). Currently, more than one third of urban population is concentrated in metropolitan areas.

In this context Tehran, as the capital city of Iran, has been the major concentration point of urban population of this country. It has rapidly developed as within just 10 years -from 1956 to 1966- its population was doubled from 1.5 million to around 3 million. According to the national census of 1996, the population of Tehran became more than 6.8 millions in 1996, accounting for about 11.3% of Iran's total population and more than one sixth of Iran's urban population (PBO 1996). Today, Tehran is the political power

centre of the country and its connection point with the world. It is the centre of talent, expertise, domestic wealth, and foreign investment absorption (TMRPC 1993d).

Because of Tehran's development, some important suburban towns like Shahr-e-Ray, Shemiranat, and Karaj have been influenced by and attached to it. Tehran's influence is also tangible on some towns like Qazvin, Qom, Amole, Callous, and Babul. Tehran can be seen as an unusual kind of city because it does not have the features and historical specifications of cities like Isfahan or Shiraz in Iran, historical cities in the Middle East, and Rome or London in Europe, but also does not have the regulated structure of cities like Washington (TMRPC 1993d).

As a result of Tehran's rapid development a number of problems and difficulties can be suggested. For example, crowdedness and accumulation, primarily in the city centre; the development of trade centres beside the main roads; severe air pollution; insufficient infrastructures; sharp unemployment in low-income urban areas; and non-stop immigration of low-income people to Tehran. Taken in combination these factors created acute problems and difficulties for this city. It is worth mentioning that prior to this transformation process, the answer to typical urban problems was generally short-term, partial, incompatible, and without attention to economic and social planning aspects. Hence, with the rapid urbanisation and its consequent unplanned growth of metropolitan areas, the scale and complexity of problems also increased. These problems exceeded the familiar land-use and urban services issues of many developing cities, and found new social and economic dimensions. In fact, it was impossible to separate the urban public services from their social and economic context. These problems could not be addressed with short-term solutions and common ways as before. They raised the need for some new and affective governance capacity, which will be discussed in detail in Chapter 6 while analysing the decisions that enabled Tehran Municipality to create the new capacity. In the next section, we will investigate how the urban management system of Tehran has changed during this urbanisation process.

3-2. the History of the Urban Management System in Tehran

The history of the urban management system in Tehran in the 20th century can be divided into five periods of time as follows:

- Tehran management before 1907 (when the municipality formation law had been legally passed);
- Tehran management from 1907 to 1968 (when renovation and reconstruction law had been passed);
- Tehran management from 1968 to 1990 (before and after Islamic Revolution of Iran and the period of Iraq-Iran war);
- Tehran management in the 1990s (known as Tehran's reconstruction period, when the war was over)
- Tehran management after 1999 (the formation of city Councils and the first experience of democratic city management in Tehran)

This section reviews the key events, which influenced urban management system or made significant changes in decision making processes in different periods of time. For this purpose, it focuses on the main laws and regulations ratified at each period, and investigates these laws in a chronological order explaining how they impacted the city management system of Tehran.

3-2-1. Tehran management before 1907

Tehran management before 1907 was legally under the absolute authority of the central government. There was a system of police and judges based on religious rules, under the overall control of a governor, who was usually a military man appointed by the government, which resulted in a significant government presence in many urban issues. But many services in the urban districts were delivered at the local level, in which there were few central government interferences. For example, wealthy merchants would build mosques, public baths and water reservoirs to serve the public on a charitable basis. Tehran's urban divisions included residential neighbourhoods, trade and religious groups, similar to most Islamic cities in the Middle East. Religious parties, and neighbourhood groups undertook the task of street cleaning, and performing legal and religious rules on a local level (Madanipour 1998; Mohammadi 2010).

3-2-2. Tehran management from 1907 to 1968

The municipality (Baladyeh) formation law was suggested after the Constitutional Revolution in 1906 by the revolutionaries of that time as a part of their attempts to restrict the royal authority and establish civil institutions. This law, including 108 Articles, had been inspired by English and Flemish laws, and was passed in the first tenure of the parliament in 1907 right after the constitutional settlement. The law became effective and executable a year after its approval (Mozayeni 1995; TMRPC 1993e).

This law had set out the elective municipal council foundation according to which cities were to be run by a municipality under the surveillance of a council of elected representatives. These local councils were introduced to institutionalise citizen participation in city administration. The executive municipality organisation had to be established by this elected council. However, at the beginning of municipality foundation in Iran, the government interfered in its affairs directly or indirectly instead of supervising it. Government included a system of provinces with governors appointed by the national government and within this system the regulations of municipalities had to be signed by the governor in all cases and approved by Interior ministry in some cases. The authority in charge of reconciling differences between the council and governor was the Interior Ministry in some cases and the assembly in some others (Mohammadi 2010; TMRPC 1993e).

This law, whose driving force was the will of constitutional revolutionaries of that time, could not last more than two decades and was cancelled in 1930 due to the extreme centralisation of government during the Pahlavi era. In fact, the attachment of municipalities to the central government was a part of the drive of Pahlavi reign, particularly Reza Shah, who ruled Iran for 16 years from 1925 to 1941, to centralise power. As a result, this law was replaced by another one, which eliminated the relative autonomy of municipalities set out in the law of 1907, reducing the role of these organisations to just executive arms for the central government. Thus, the Interior Ministry undertook the municipalities' affairs and their foundation, playing the main role

in establishing the municipalities, appointing their management, and controlling their affairs (Madanipour 1998; Mohammadi 2010).

In 1949, a new municipal Act was approved and substituted the one passed in 1930, which returned legal entity to municipalities and obliged the government to form some supervising councils for the elections of municipalities. The Interior Ministry was determined as the authority for reconciling differences between the city council and government representatives. A two-step mayoral election was also anticipated in this law. This law officially recognised the central government interferences in municipalities, while granting relative independence to them. In the meantime, it had offered the doubled task of enactment and organising some city affairs to the city council. This law was stabilised after three amendments and annexations in 1952, 1966, and 1976 (TMRPC 1993e).

The amendments approved in 1952 deprived the city councils of some old authority regarding control and surveillance of local affairs, transferring them to the central government. On the other hand, it was firstly determined as a criterion for completing the municipality organisation and obliged the Ministry of Interior to observe it on municipalities' formation. According to this law, the city council and mayoral elections were done in one step. On the other side, the authority for city council cancellation was unconditionally granted to the government.

In 1955, the municipal Act was again reviewed. Although this law expanded the range of city council authority on mayoral elections, it increased the rate of government interferences in municipal affairs through the required financial approvals and budget classification aspects contained within it. According to article 1 of this law, the city councils and municipalities would be established under the following four circumstances (TMRPC 1993e):

- In the areas with minimum 5000 population
- In areas with less than 5000 people at the discretion of Interior Ministry
- In the areas in which there would be municipalities in determined seasons of the year
- In the areas, which are not individually qualified for having municipality, but in case of necessity after having some districts.

Resultantly, the establishment of municipality and city councils in the areas subject to the items 2, 3, and 4, above-mentioned, would be dependent upon the Interior Ministry's decision. According to this law, the increase in the number of municipalities was subject to the increasing number of urban zones and turning the districts and areas to cities, which could happen by population growth and the effect of other economic and social factors. In other words, those regions of the country, which had not already been known as cities, could gradually turn into cities and establish municipalities, city councils, and other legal privileges and local infrastructures, when the economic and social situations were subject to improvements.

In 1966, a new law was organised, which appeared to have eliminated the problems of the old law. In this one, the government's authority on city council cancellation was granted to the vote of a three-person executive judicial board. Moreover, the election of mayor by city council members was forbidden according to this law. However, the regulations about mayoral qualifications should have been approved by the government. Unsuccessful mayoral elections by city councils could lead to its cancellation.

Apparently, the roles of city council, mayor, and municipality officials as the major players in local affairs had been largely changed over this period of time. However, the most important result of these changes was diminishing the range of municipality performances to some minor activities, not beyond garbage removal and paving the roads during all these years. The reason was that all constructional projects were conditional to government approvals, and municipalities had no authority to plan for their own initiatives. In summary, the main characteristics of urban management during this period can be categorised as below (TMRPC 1993e; HCC 1993):

- Tehran Municipality was very weak in its practical performance;
- People had no voice in making decision about urban problems, and their contribution was limited to participation in some occasional city council elections. Hence, there was a clear lack of democratic accountability.

- Municipalities had no significant role in their budgeting, as the budget was mainly provided by central government. This trend diminished them to organisations dependant on the central government's decisions and financial grants;
- The range of municipality activities was limited to minor urban services, and they were not involved in important projects such as development of required urban infrastructures;
- The limited number of projects at this period of time were only focused on physical development of cities and there was no sign of dealing with social, cultural, and economic problems;
- Although municipalities could find a relative independence by revising the strict laws, they were never considered as autonomous organisations. Rather, they were under the surveillance of central government and Interior Ministry permanently.

3-2-3. Tehran management from 1968 to 1990 Before Islamic Revolution of Iran

Tehran Municipality had no considerable strength prior to 1960, until Tehran's Comprehensive Plan was prepared and approved by City Council and High Council of Urban Planning and Architecture at that time. This plan, provided for a horizon of 25 years, observed the municipality as an organisation in charge of supervising all urban measures within 25 years and responsible for the performance of civic services. Since the municipalities of that time were suffering from a lack of authority, the government decided to set some new rules and regulations in order to facilitate the implementation of this comprehensive plan. The reconstruction law ratified in 1968 expanded the municipality's functions by granting this organisation the legal requirements for executing Tehran's first comprehensive plan. This law was indeed complementary to the municipality law enforcing the municipalities to implement a 5-year plan for renovation projects set out in the comprehensive plans or based on the most important and vital requirements of the city in the absence of comprehensive plans (TMRPC 1993e).

According to the Article 23 of this law, municipalities were obliged to handle land-uses in entire areas of the cities and their suburbs. They had to determine the height and storey number of buildings and the construction quality of buildings according to the

maps of comprehensive plans and the city zoning, and by considering all the criteria and norms issued by the High Council of Urban Planning and Architecture. Articles 24 and 31 of reconstruction law also included the regulations of construction and maintenance of roads, pavements, and asphalt resurfacings (TM 1997b).

Therefore, the reconstruction law, on one hand, tried to arrange and adjust the uncontrolled urban growth in Tehran, and on the other hand, attempted to develop the city in a more ordered and controlled way within the next 25 years. More importantly, it helped the municipality extend its tasks and responsibilities, shifting from providing just basic services to implementing infrastructural projects, including installation of urban facilities, constructions, transportation networks, and other urban development initiatives. This plan actually defined the tasks of Tehran Municipality at a metropolitan and capital city level for the first time.

Another important law, approved in 1972, was about the formation of High Council of Urban Planning and Architecture. The Prime Minister headed this council and the other members were the head of Budget and Planning Organisation along with four ministers, namely Economic Affairs and Finance, Housing and Urban Development, Interior, and Energy. Since that time, this council has been responsible for formulating the overall urban planning policies, providing comprehensive plans for major urban centres, approving urban development projects, and supervising housing rules and regulations (TM 1997b).

As one of its first attempts, this high council passed a new rule regarding the formation of Surveillance on Tehran Development Council in parallel with Tehran Municipality (STDC 1980). As discussed earlier, Tehran Municipality's organisation had been formed based on limited tasks and responsibilities, and obviously this organisation was unable to supervise the comprehensive plan with its configuration at that time. This surveillance council was responsible to develop policies and grant permissions on expansion and development of Tehran, including, according to their approvals, the ability of Tehran Municipality to destroy illegal constructions outside of the legal city boundaries.

The tasks and authorities for Tehran's city management were mainly scattered in these three organisations, namely High Council of Urban Planning and Architecture,

Surveillance on Tehran Development Council, and Tehran Municipality. The formation of the two councils had in fact diminished Tehran Municipality from the highest authority in Tehran-related decision making processes. However, since this surveillance council had determined the Tehran Mayor – not the city council – to be directly responsible in decisions of the 25-year horizon of the comprehensive plan, Tehran Municipality could still influence decisions regarding Tehran's development issues. Moreover, several ministries also started to practically and legally perform their services for this 25-year period in Tehran. The result was that although the management of urban affairs was scattered in different organisations, the municipality's relative independence practically increased, and the long-term planning worked more actively and solidly in the organisational aspects (TMRPC 1993e).

After the 1979 Islamic Revolution of Iran

One of the most important laws ratified in this period of time was the law of Islamic City Councils, which dates back to the beginning of Islamic revolution. This law was passed in 1982 by the first Parliament after the victory of the Islamic Revolution, along with two other laws about the elections of city councils and the organisations supervising these elections and guaranteeing their fairness. The mentioned law encompasses all villages, districts, towns, cities, provinces, and high councils of provinces, and defines the tasks and authority of these councils including different political, economic, cultural, and civil aspects. The bill for Islamic Councils' organisation, presented by the government, was also passed in the fourth period of the Parliament, but only for the lower levels of country divisions like villages and small towns (TM 1997b). Those of higher level divisions including cities, provinces, and high council of provinces were not ratified at this time. Although granting some authority to the city councils had been predicted in the constitution, the Iraqi-imposed war prevented passing the necessary laws in this regard. So the first city council elections were held after a long, 20-years delay. During this time, the Interior Ministry was the substitute for Islamic city councils in their absence.

At this time, Tehran Municipality's tasks and authority remained almost the same except for small changes. The war undermined the performance of urban services as well, not permitting the city management to concentrate on urban affairs seriously.

At that point of time, we can see some elements of consultative organisational management in Tehran Municipality's organisation. A number of management departments were added in different layers of Tehran Municipality's organisational chart, including Financial and Administrative Management, Welfare Management, Urban Services Organisational Management, Research Units Management, Traffic High Council, Urban Construction Management, and Districts Mayors Council. In addition, the number of Tehran urban districts was increased from 12 to 20 for the first time. However, considering the presence of several councils and secretaries, Tehran Municipality lacked a harmonious, forward-looking, and programming management. Moreover, the city council foundation, which had been legally approved to be held in the form of public election instead of city association, was postponed because of the war between Iran and Iraq.

The main characteristics of urban management of Tehran after the 1979 Islamic Revolution until the year 1990 can be summarized as below (TMRPC 1993e; HCC 1993):

- The organisational management was more strengthened compared to the past, but there was not an appropriate communication among the legal and technical managing layers yet. In fact, the technical cores should have become more organised and practically harmonious.
- The urban affairs management was still scattered among different ministries and councils.
- Although some sparks of awareness in the form of long-term planning had been lightened since the Islamic Republic Revolution for the first time, the municipality still lacked a long-term, coordinated, and integrated planning.
- Legally speaking, Tehran Municipality lacked interior autonomy in the absence of an elected city council, and this organisation was still highly dependent on the

central government. It also remained completely financially dependent on the governmental budget.

- Tehran Municipality had no integrated authority in long-term planning and Tehran authority spectrum in planning was limited to the 25 year period predicted in the comprehensive plan. Hence, it never included Tehran's hinterland region and/or Tehran mega city region.
- Tehran Municipality tasks were focused on just civil engineering projects and urban services, and this organisation had no contribution in economic, social, and cultural planning of the city.
- Although public cooperation in governmental affairs was encouraged after Islamic Republic Revolution, no significant work was done for developing systematic ways to facilitate citizens' participation in urban affairs.

3-2-4. Tehran management in the 1990's

Tehran is the most populated city of the country. It is the centre of cultural, economic, political, and social activities, and thus, the country's economic system is highly dependent on it. At the beginning of this period, Tehran had encountered acute problems due to this centralisation and heavy overcrowding, which was partly the result of the unplanned and uncontrolled growth of this city. In fact, it was suffering from the ill effects of a population explosion, which led to massive traffic jams, air pollution, and a scramble for public services.

These problems gradually made the management of this city a complicated issue, turning it to an acute problem. The main problem was that the formal system of city management and the way the budget was being allocated had not changed compared to past periods and Tehran could not be managed in traditional ways as before, with such a weak organisation as Tehran Municipality at that time having limited authority and insufficient financial resources. Rather, it needed a well-developed organisation with adequate financial and political resources.

The year 1990 was a turning point for Tehran Municipality in this regard. The drive for liberal reforms initiated after the end of the war and the establishment of a new

government was then to be extended to city management in the capital. The difference was not only related to the details of organisational functions, but the new management of the mentioned period expressed an innovative view in Tehran Municipality using advanced techniques of management, i.e. decentralisation (at different levels), privatisation, and modernisation. It also moved toward financial and administrative independence of the organisation (TMRPC 1993f).

In the direction of decentralisation, a large part of the authority was transferred from the central municipality (i.e. Tehran Mayor and the vice mayors) to the lower levels of management, including the mayors of regional districts, and the executive managers of affiliated organisations and companies. By transferring its authority and functions, Tehran's central municipality could find a supervising and coordinating role in the activities of subordinate firms, rather than being involved in detailed decision making and implementation processes. The central municipality could play the supervising role by setting the standards and regulations, issuing instructions, monitoring the activities of regional districts and affiliated firms, evaluating the performance of these districts and firms based on the monitored activities, and taking actions based on the results of evaluations (TMRPC 1993f).

As another important change in terms of organisational structure, along with implementing high levels of decentralisation within Tehran Municipality, a large number of professional organisations in urban-related areas were founded. Moreover, in the direction of privatisation, a reasonable part of Tehran Municipality's functions, which were provided by these organisations, was gradually transferred to the private sector, including some functions of organisations in charge of recycling and composting, computer services and informatics, GIS, cemetery, fire-fighting stations, fruit and vegetable markets, motor vehicles, environmental improvement, supervision of public transportation terminals and traffic control, slaughter-houses and cold stores (TMRPC 1993f).

In this period, urban development and services were discussed for the first time from the environmental protection points of view. The urban problems were treated socially and culturally for the first time. Tehran Municipality expanded its functions by establishing a new deputy called Cultural & Social Deputy. Therefore, the municipality

started to found plenty of cultural centres, public libraries, sport and recreation centres, tourist and entertainment facilities. More importantly, urban problems, which were rarely heeded to before, were considered for the first time in a long term and comprehensive view. Financially speaking, Tehran Municipality could gain financial self-dependence in a short term via innovative ways. As the mayor and Tehran Municipality could play a role parallel to Tehran's major role in the country's political, economic, and social scene by demonstrating their merits in urban management and gaining vast authority, the mayor was permitted to participate in government cabinet meetings as an observer. Moreover, a number of Tehran Municipality's experts were invited to professional committees in both Government and Parliament. Thus, Tehran Municipality found a more powerful presence in the political scene. This organisation could prove itself in the economic stage as well by establishing new commercial units such as chain stores and fruit and vegetable market complexes (Madanipour 1998).

Besides the above mentioned movements, since the importance of citizen participation in city management affairs started to be recognised at this period of time, several participatory projects were implemented to develop some capacity in city management system for citizen participation in decision making processes. A number of these projects were as follows: The Safe City Project (Proje Shahr-e Salem); The School-Mayor Project (Tarh-e Shardar-e Madreseh); The Comprehensive Plan of Green Space (Pishgaman Fazaye Sabz) and The Safe Neighbourhood Plan (Tarh-e Mahalle Salem) to incorporate the direct and on-going participation of citizens in decision making and implementation of inclusive and comprehensive plans in some pilot projects (Mohammadi 2010).

In summary, the main features of urban management system at this period can be categorised as follows:

- Privatisation of some urban services, previously delivered by Tehran Municipality's affiliated organisations;
- Implementation of a new range of major urban development projects including constructing highways and large parks;
- Consideration of sustainability, environmental quality, and accountability in urban planning and development programs;

- Involvement of Tehran Municipality in social and cultural issues;
- Financial self-sufficiency and independence from the governmental funds
- The intertwined involvement of politics in urban management

3-2-5. Tehran management after 1999

The Islamic city councils, including Tehran City Council, were founded by people's direct votes to make policies, scrutinise the municipalities' performance, and express the citizens' voice in urban decision-making processes. City Council elections were held in 1999 by the support of the political reformist groups to promote democracy and build a civil society in Iran. According to the law (TICC 2000), the first task of city councils, after being elected, is to appoint a mayor to run the municipality for a 4-year term. The mayor cannot be elected from among the members of the council. Other important tasks of the city councils include investigating the city's needs in different areas such as cultural, social, educational, and economical problems and proposing appropriate solutions to eliminate the shortages, approving the municipality's annual budgets and amendments, and having on-going surveillance on financial performance of the municipality's organisations, providing citizens with the annual balance of the municipality's incomes and expenditures, investigating and approving the municipality's bills and proposals, studying and approving the comprehensive plans, and supervising the municipality's approved projects.

Since the first election was held just after one and half a year after the victory of reformists in presidential elections of 1997, it was quite influenced by the political environment of those days. Tehran City Council, the most important and major city council in the country passed its first four-year period with enormous ups and downs. As one of the first impacts of that atmosphere, some of the main council members resigned because of the parliamentary elections and some months later another member was assassinated in front of the council's entrance door. Therefore, the council faced the lack of its main members, while being ruled in a tense atmosphere.

These councils came to existence when the country had no experience of real democracy in governmental organisations. Tehran also had not witnessed the existence of

a civic organisation before. In fact, the councils' experience was among the first democratic practices of this country. The first council endured a hard period, full of struggles and problems, since the political atmosphere of those days undermined expertise. Moreover, due to the inadequate experience of council members in city management areas, they had a tendency toward centralisation of decision making in the council, and hence, most decisions had to be brought into the council. Again a centralised structure in a new form was created replacing the decentralised structure of Tehran Municipality in the last period.

The first Tehran City Council appointed two different mayors during its relatively short life. Both appointed mayors faced severe problems, which made the first one resign (BiglarKhani, 2003). The struggles with the second mayor also led to the dissolution of the council, prior to the end of its legal four-year period, and the Board of Arbitration disbanded Tehran City Council for its failure to fulfil its legal obligations. During approximately 4 years, Tehran City Council approved a number of bills and plans, some of which were unsuccessful. A number of approvals were rejected by the governor or Interior Ministry due to the conflicts between these laws and other ones practiced within the country. Some others were never performed. Moreover, several necessary meetings were not held due to the lack of the quorum. In such a situation, since the major part of decision making was left to the city councils and Tehran Municipality and its lower levels of management lost their previous authority obtained during the decentralisation program of the last period, these cancellations made Tehran Municipality suffer from the suspension of important decisions and face extensive delays in related projects (TMPCMD 2000; TMPCMD 2001, TMPCMD 2002; TMPCMD 2003; TMO 2001).

Adding up all our discussions from section 3-2-1 to 3-2-5, we can summarise the key events on Tehran's urban management system during as the following table.

Table 3- 1. The key events on Tehran’s urban management system in a chronological order

Before 1907	No municipality organisation – city management legally under the absolute authority of central government
1907 – After Constitution Revolution	The Municipality Formation Law ratified – predicted elective city councils and relative autonomy of municipalities
1930 – Pahlavi Era	Replacement of the Municipality Law with a new rule to eliminate the relative autonomy of municipalities giving more authority to Interior Ministry
1949	Returned legal entity to municipalities granting relative independence to them, but with interference of central government
1952	Deprivation of some authority from city councils, the authority for city council cancellation granted to Interior Ministry unconditionally – backward to more centralisation
1966	The authority for city council cancellation granted to a three-person-judicial board
1968	The Urban Renovation and Reconstruction Law ratified
1972 – before Islamic Revolution	Formation of High Council of Urban Planning & Architecture and Council of Surveillance on Tehran Development – diminished Tehran Municipality from the highest authority in city management affairs
1982 – After Islamic Revolution	The Islamic City Council Establishment Law along with its election laws ratified
1990 – post war	Islamic Council Organisation Bill for villages and small towns passed.
1990-1999	Organisational Reform in Tehran Municipality – delegation of authorities to lower levels of management, modernisation, and privatisation
1999	Holding of Islamic City Council Elections for the first time
1999-2003	The first Tehran City Council ruled Tehran – centralisation of decision making authority in city council

3-3. The Structure of Urban Governance in Tehran

In this section, we review the structure of urban governance in Tehran introducing all different organisations involved in Tehran’s city management system. We commence with an overview of Tehran Municipality’s organisational chart and explain its functions and responsibilities. As reviewed in the last section, the urban governance in Iran has been based on elective local management since the year 1999. Hence after Tehran Municipality we move on to discuss city councils, explaining their organisation and

decision making processes. Finally all other organisations including different ministries involved in development and delivery of services that deal with major urban and national problems within their own capacities will be discussed.

3-3-1. Tehran Municipality

As discussed in Section 2-2, Tehran Municipality's tasks and performance was subject to many changes based on the social, economic, and political conditions of Iran in different periods of time. During the last century, this organisation has experienced different levels of autonomy and efficiency - sometimes it was a relatively powerful figure with some autonomy and some other times dependent on central government. Hence, the scope of its legal authority and the extent of its tasks and responsibilities were always changing. In most of the times, municipalities did not demonstrate much ability in undertaking their tasks – even the tasks that were typically expected to be performed by local organisations as municipalities – due to their limited financial resources and dependence on the central government. Although in different periods, municipalities and city councils had argued this issue with the government to expand their authority and responsibilities, e.g. during the oil nationalisation period, their request had primarily been motivated by political reasons rather than targeting for an efficient control on local affairs.

However, a new phenomenon appeared during the 1990's, when the pro-activity and diligence of a number of pioneer municipalities in the country including Tehran, Isfahan and Hamadan, was recognised by both citizens and government, and eventually impacted the municipalities of the entire country by expanding their authority and responsibilities. But in contrast to past, this expansion was primarily due to the demonstrated merits in performing urban services rather than legal forces (TMRPC 1995a).

From a historical point of view, we learned that the municipality's functions have been legally founded based on two different laws: (1) the municipality law ratified in 1955, and (2) the urban reconstruction law ratified in 1968, including the amendments and annexes, which had been added/deducted later. A significant part of these new laws was influenced by Tehran's comprehensive plan. The urban renovation and

reconstruction law was one of the most important laws of this period, which was approved in 1968 based on the requirements of Tehran Comprehensive Plan. This law was intended to solve the difficulties of implementing this plan.

According to the municipality law, the main functions of municipalities had been defined as below (TM 1993a):

- **The city cleaning services**, including garbage collection and recycling, determining appropriate places for compost factories, cleaning the passages, sewers, and public places.
- **The hygienic affairs**, including the construction of cemeteries, Laundromats, and public bathrooms, providing death transportation vehicles, preventing the spread of the contagious human and animal diseases, taking care of hygienic terms and conditions in factories and public bathrooms.
- **The economic affairs**, including establishing public shopping centres to buy and sell food materials, price control, surveillance on weights and scales of goods, providing trade rules and observing the quality of their performance, and issuing the trade permissions.
- **The cultural affairs**, including constructing children's gardens and clubs for the poor, and cooperating with the Cultural Ministry in order to maintain the historical and public monuments and structures.
- **The reconstruction services**, including constructing public passages, culverts, and warehouses and suggesting city map corrections if required.
- **The surveillance on city development**, issuing building permissions and controlling the construction processes according to the existing laws and regulations.
- **The educational affairs**, cooperating with educational and training organisations in preparing the required items for schools and cultural institutes.
- **Beautifying the city**, including the installation of street name signs, property number signs, and advertising signs and billboards, removing the advertisements from the unauthorized places and other efforts related to the cleaning and beautification of the city.
- **The statistical affairs**, preparing the statistics on the number of births and deaths.

- **The crisis management**, planning the required policies to provide the city safety services against flood & fire.
- **The social services**, protecting the poor and homeless children.

Some of these functions of Tehran Municipality were devolved to other organisations and ministries over the time. These include a part of the hygienic affairs, that is preventing the spread of animal and human contagious diseases, and several economic aspects, including price control, and surveillance and control on weights and scales of goods. However, in some periods particularly after the 1990's, Tehran Municipality was economically active and established chain stores and wholesale depots.

Before the Islamic Revolution of Iran, the municipality's organisational chart had been divided into five different deputy sections, namely financial and administrative, urban services, social, planning and coordination, and technical. Furthermore, there were a number of organisations and companies affiliated to municipality, including Behesht-e-Zahra cemetery, Parks, Slaughterhouse, Fire-fighting, United Bus services, and Metro. However, as discussed in Section 3-2, this organisation lacked a long-term and compatible programming management in that period. In terms of decision making processes, the municipality officials had limited authority and no organisational independence due to interferences of central government and governmental organisations and their direct control on urban affairs, and also the severe financial dependence of municipality on the central government (TMRPC 1995a).

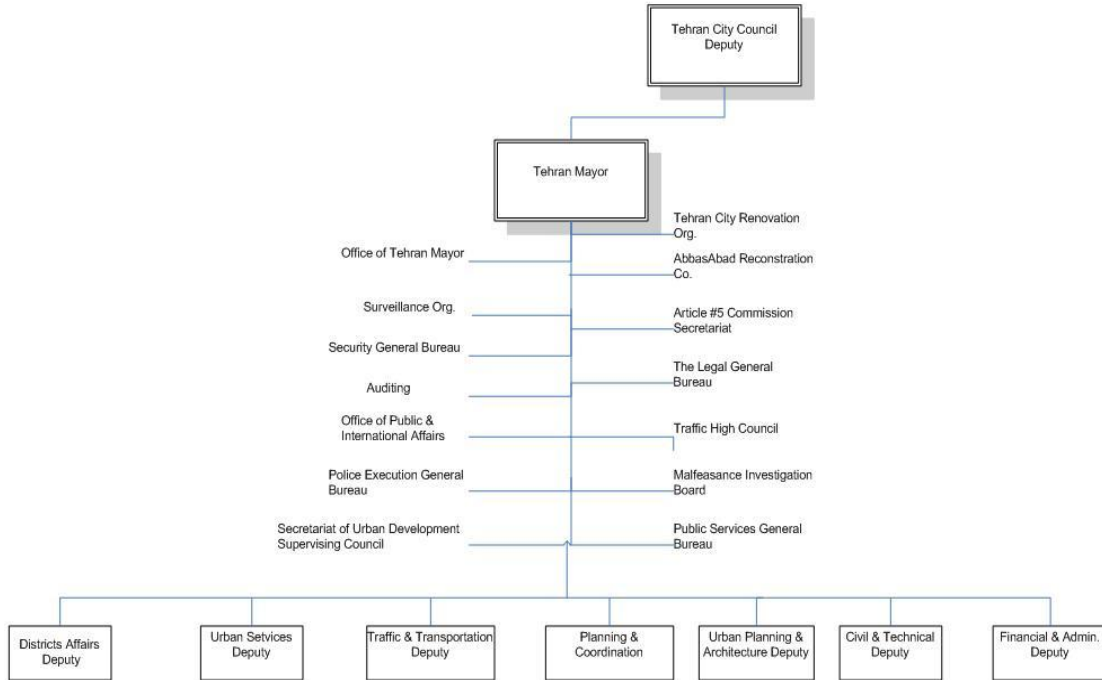
After the Islamic Revolution, the role of municipality became clearer. Figure 3-1 shows Tehran Municipality's organisational chart in 1988. As shown in this chart, Tehran Municipality had consisted of seven deputy mayors in the post-revolution period until 1990, namely district affairs, urban services, traffic and transportation, planning and coordination, urban planning and architecture, civil engineering and technical, and financial and administrative deputies. Compared with the period before the Islamic Revolution, three new deputy mayors (i.e. district affairs, urban planning and architecture and traffic and transportation) had been added, but the social deputy had been removed from its organisational chart. There were also a number of general offices directly related to Tehran mayor, namely Surveillance Organisation, Commission #5 Secretarial, Legal

General Office, Secretarial of Surveillance on Tehran Development Council, and Traffic High Council. In this period, although the organisational management layers had been highly strengthened, they still lacked a communication and relation with the legal and technical managing layers. The technical cores should have become more organised and practically more harmonious (TMRPC 1993b).

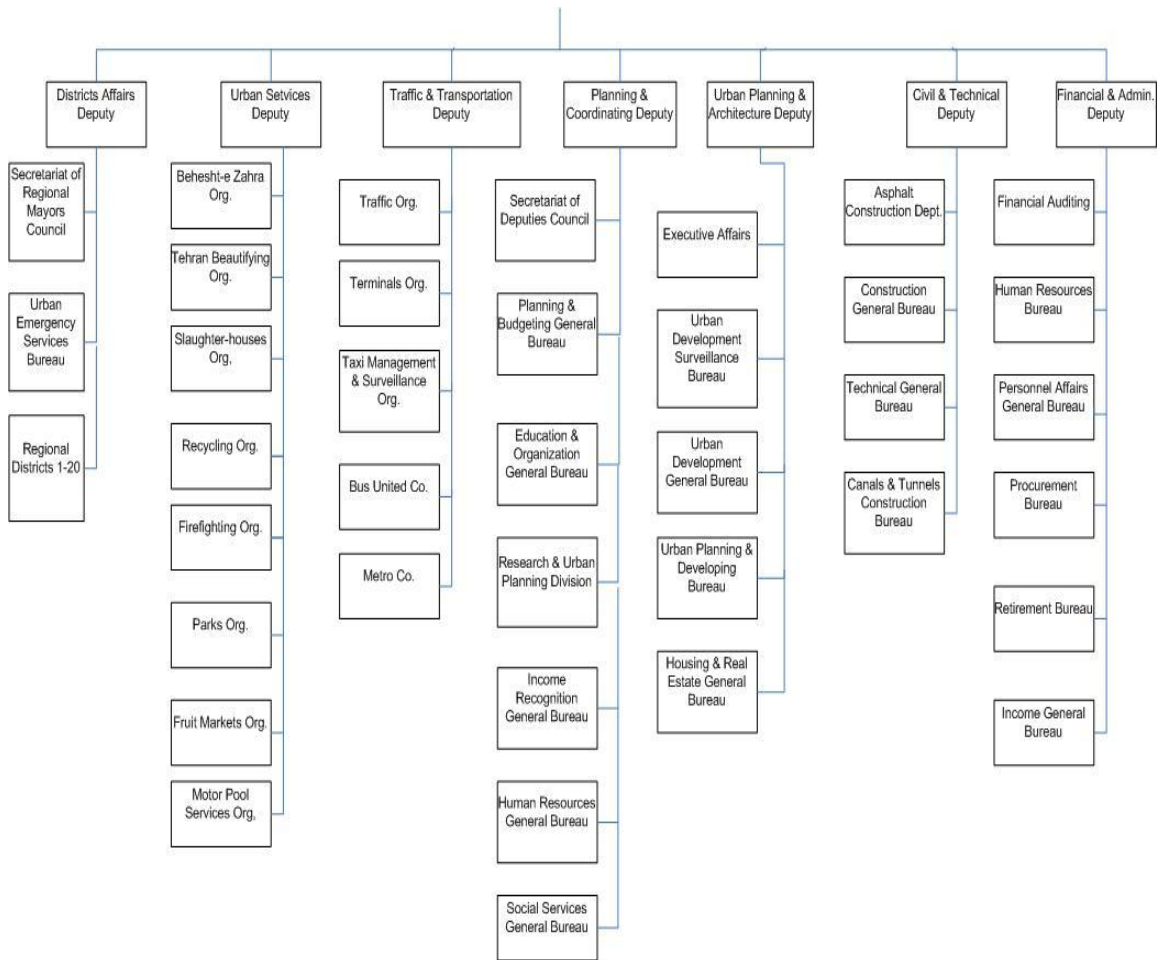
Since the 1990's, however, the ways and approaches for doing the municipality's functions and responsibilities have been changed significantly. Prior to that time, Tehran Municipality used to do the projects and provide urban services, with its own staff being involved in all detailed operational activities. However, the municipality's intervention in a broader range of urban development projects and the wave of privatisation of services, which -as we discussed earlier- had been started in the 1990's, forced this organisation to change its ways and approaches from being involved in detailed operations to control and surveillance of the work performed by the private sector. Moreover, Tehran Municipality appeared as a self-dependant organisation, with a legal character and relative independence (TMRPC 1995a). To this end, Tehran Municipality's organisational chart changed drastically. Figure 3-2 shows this organisation in 1999.

Figure 3- 1. Tehran Municipality's Organisational Chart in 1988

Tehran Municipality's Organisational Chart in 1988



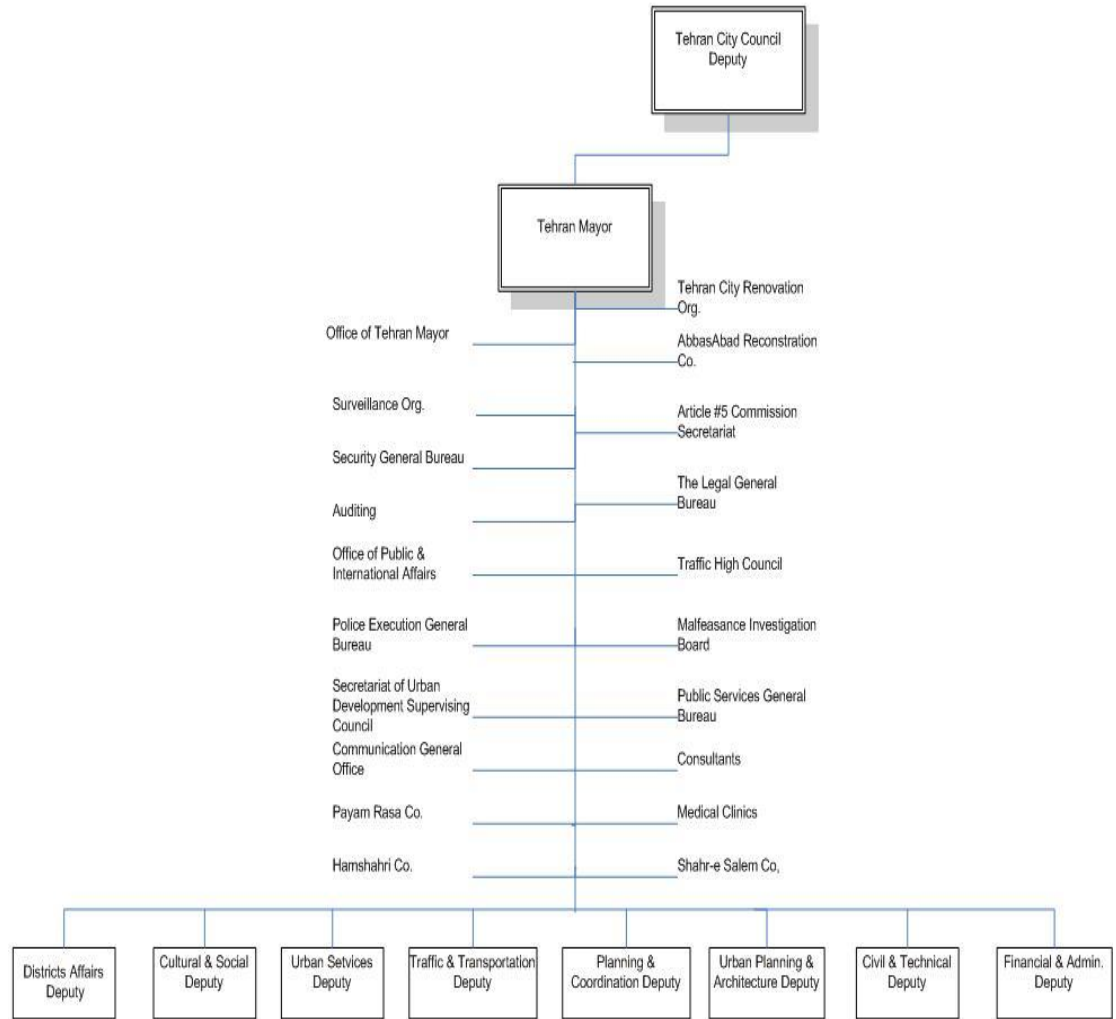
1988- P1



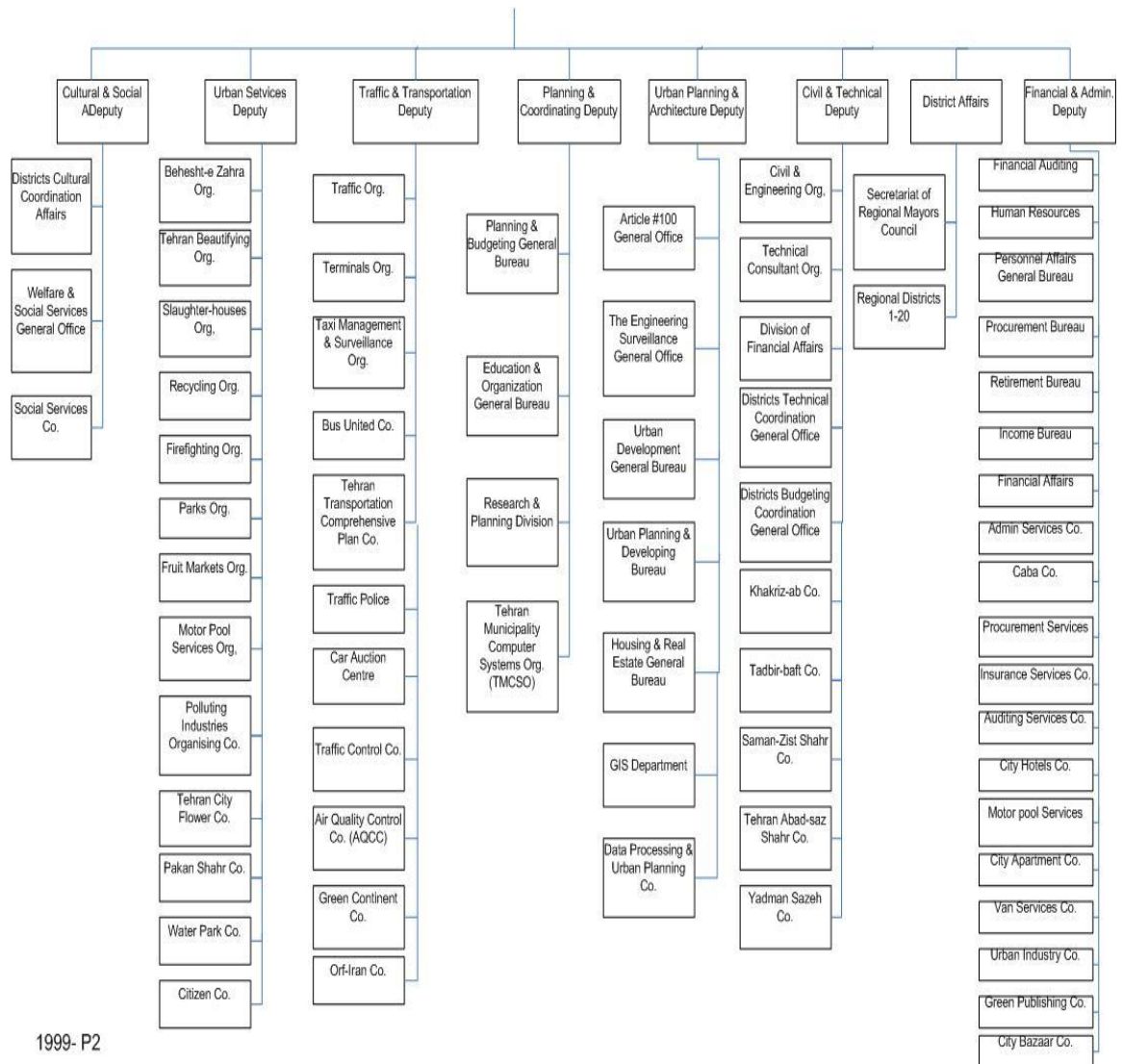
1988- P2

Figure 3- 2. Tehran Municipality’s Organisational Chart in 1999

Tehran Municipality’s Organisational Chart in 1999



1999- P1



1999- P2

As shown in Figure 3-2, during the 1990's, Tehran Municipality's organisation was extended from many aspects. First, the addition of a particular deputy for social and cultural affairs shows the commitment of this organisation to include this subject in urban planning issues. Second, in line with financial self-sufficiency and independence policies, many companies were founded under the Financial & Administrative Deputy. Third, as discussed in Section 3-2-4, Tehran Municipality founded many professional organisations and companies to implement and supervise infrastructural projects. These founded organisations include two large organisations (i.e. Civil Engineering and Technical Consultant), along with five other professional companies under the Civil Engineering &

Technical Deputy, five companies in environment and traffic-related areas under the Traffic & Transportation Deputy, a large organisation for computer services under the Planning & Coordinating Deputy, and five companies under the Urban Services Deputy.

In this section, we merely focused on organisational changes within Tehran Municipality. In Chapter 6, we will discuss in more detail how Tehran Municipality underwent an organisational reform and analyse how these changes affected the decision making processes and the performance of this organisation. The next section elaborates on the organisation of city councils as they have found an important role in city management systems since their first election in 1999.

3-3-2. City Council

As discussed earlier, the main task of the elected city council is to scrutinise the municipality's performance and decide about the city affairs. The city council's decisions would be put into practice by the municipality in the proper time. The municipality would be responsible before the city council.

The main functions of city councils, according to the Islamic council's organisation law, ratified by the fourth Islamic Parliament, can be summarised as follow (TICC 2000):

- Electing the Mayor for a 4-year period,
- Approving and changing the names of passages, squares, and streets,
- Supervising the quality of services implemented by municipality and its affiliated organisations,
- Approving the rate of transportation fare within the city,
- Compiling the rules required for establishing and managing public centres,
- Supervising the municipality investments,
- Approving the balance of municipality incomes and expenditures, which is prepared every 6 months by the municipality and published for the public,
- Approving the municipality offered loans,
- Approving all municipality financial transactions and supervising them including, purchasing, selling, renting, and contracting,

- Approving the bills to determine or decline the city tolls and also changing their type and rate,
- Supervising the hygienic affairs in regional districts in order to maintain environmental health,
- Supervising the cinemas, theatres, and other public places, managed by the private, co-operative, and/or governmental divisions,
- Supervising the construction of the cemetery and funeral-relevant affairs,
- Passing related rules for trenching activities, installing urban utilities and supervising them,
- Supervising the performance of plans related to the construction & development of the passages, streets, squares, and urban infrastructures.

All the above-mentioned tasks could be found in the before-revolution laws of the municipalities as well. The only difference is the addition of some points, which consider the cultural, social, educational, hygienic, economic, and welfare issues as below:

- Studying the shortages and disorders existing in social, cultural, educational, economic, hygienic, and welfare affairs and proposing practical solutions to solve the problems,
- Co-operating with the executive authorities and governmental organisations,
- Planning to attract citizen participation in social, economic, civil, cultural, and other welfare services,
- Encouraging people in developing the recreational, sports & cultural centres while coordinating the relevant organisations,
- Taking steps to establish social and cultural associations.

The first important decision of the city councils is the election of the mayor. Through a public announcement, they ask citizens, professionals, media, political groups, and municipality members to participate in the process by introducing qualified candidates. All introduced personalities should present their overall plans within a week. Those candidates confirmed by at least five council members will be nominated for

Tehran Mayorship position. The qualifications of candidates and their plans will be investigated in open meetings of the council. Finally, the Tehran Mayor will be elected from among the candidates by the blind vote of council members. The city councils supervise municipality functions and in the case of mayor incapability they can impeach and remove him from the position.

From an organisational perspective, several supervising systems have been considered for the councils. According to the Law of City Council Elections (LCCE 1980), the Interior Ministry administers all elections using executive committees that are formed at each ward or county for this purpose. This committee consists of the ward or county head, the local head of Ministry of Justice, the local head of National Organization for Civil Registration, the local head of Ministry of Post, Telegraph and Telephone and five respected local figures. There is also a Surveillance Board, established by executive committees to supervise the electoral process and candidates.

The next supervisory body is governorship as all councils have to send their ratified laws to superior councils of their province (such as higher council of province, council of province, higher traffic council, etc.). In Iran, the provincial authority is headed by a governor general who is appointed by the Minister of Interior. As for Tehran's city council, Tehran governorship, on behalf of the Interior Ministry, has the duty of controlling council ratified laws with other laws, by-laws, and guidelines. There is also a Board of Arbitration that is responsible for examining the faults and solving the probable disputes between the mayor and the council. The members of this board include Deputy Minister of the Interior, Deputy of the General Prosecutor, Deputy Head of the Judiciary for Parliamentary Affairs and three members of Parliament. The combination of these committees and boards indicates how national government is still involved at municipal levels, and as will be discussed in Chapter 7, it causes a lot of disputes between councillors and governorship.

In terms of internal organisation, the city council elects its Supervisory Board at its first meeting for a two-year term. This board consists of a chairman, a deputy chairman, two secretaries, and one treasurer, all elected from among the council members. This board is responsible to set the agenda of their governing body and manage the administrative and financial matters of the council, and the chairman of the board

ensures the official meetings are held properly in a fair and balanced way. He is expected to set priorities and facilitate effective discussions at the council meetings (TICC 2000).

According to their approvals (TICC 2000), the City Council establishes various commissions, committees, and boards that oversee the variety of urban problems. They are responsible for investigating, editing, and completing municipality bills and providing council plans. The number of commissions, their titles and functions -related to municipality organisational functions- are completely set out in city council rules and regulations. The council members are assigned to commissions according to their working experiences and by considering the priorities. Each commission has five members elected by the council members (based on the chairman proposal) for one year. They can invite related consultants and experts to their meetings with the approval of the majority of committee members. All commissions elect a chairman, a deputy chairman, and a secretary from among their members for one year. Their meetings can be held in presence of at least two out of three (2/3) members and their decisions can be approved by the absolute majority of present members. The titles of Tehran City Council Commissions are as follow (TICC 2000):

- Urban Development Commission (to approve civil, traffic and transportation-related issues)
- Environmental, Social, and Cultural Commission
- Economic Commission (to approve economic, legal, administrative, budget, and planning issues)

Tehran Municipality includes 22 regional districts. There are five surveillance committees to supervise the functions of these districts. Each committee consists of three council members who are responsible for holding weekly meetings together with municipality members to discuss problems. These committees are as below (TICC 2000):

- **North Committee**, including regions 1,2,3,4
- **South Committee**, including regions 16,17,18,19, 20
- **West Committee**, including regions 5,9,18,21,22
- **East Committee**, including regions 8,13,14,15
- **Central Committee**, including regions 6,7,10,11,12

In terms of decision making processes, the City Council is generally responsible for setting policies, approving the budget, determining the tax rates, and formulating broad long-term policies that outline the City's public functions. All decisions and policies are usually made in their official meetings, which should be open to the public and can be held in the presence of at least two thirds (2/3) of members. The absolute majority of present members must approve the decisions (TICC 2000). Hence, Tehran City Council having 15 members needs at least 10 members present to be able to hold the formal sessions, and in presence of 10 members, it requires a minimum 6 positive votes to approve a bill. Typically, there are two different kinds of decisions made by city council members as follow:

- **Decisions related to the bills initiated by municipality: In the municipality-initiated bills,** Tehran Municipality drafts the bill having all required documents and reasoning enclosed. These bills will be officially sent to the City Council after being signed by the Tehran Mayor in order to be investigated in their commissions and meetings. Municipality representatives are allowed to defend their bills while they are discussed in formal council meetings.
- **Decisions related to the bills/plans initiated by council members:** Since as part of their responsibilities city councils have to set policies and procedures for municipalities regarding city management and administration matters, they need to initiate some bills or plans as well. The council-initiated bills or plans should be signed by at least three members of the council and must be consistent with general rules and regulations of the council. Like the other bills, these bills or plans should also be officially registered and discussed in regular council meetings to get the approvals.

The flowchart of decision making processes in city councils has been shown in Figure 3-3. As presented in this figure, according to the rules and regulations, the Council Chairman must immediately announce all received bills and plans in an open meeting and send them to related commissions. In case of complexity, they will be sent to different commissions including one main commission and some subsidiary ones. The subsidiary

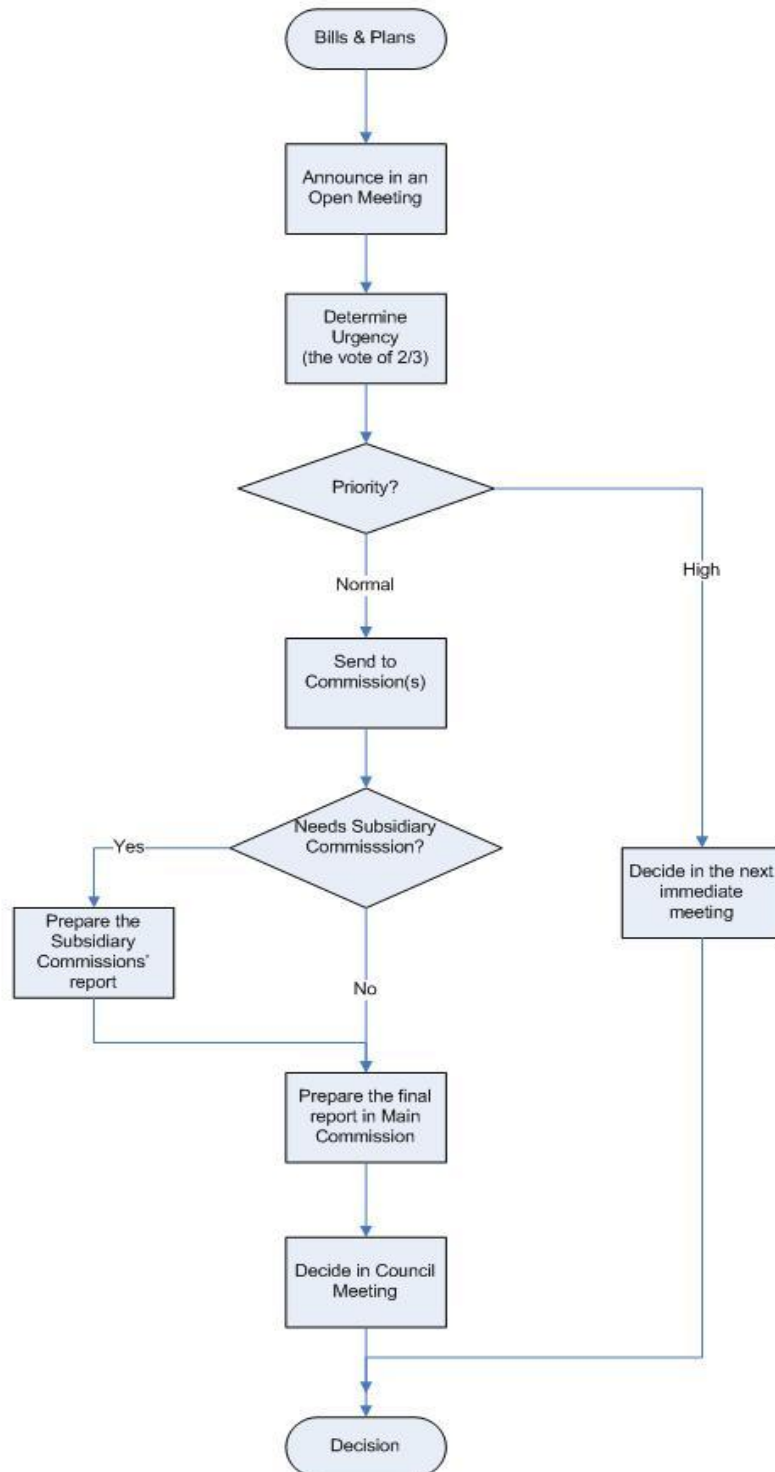
commissions should prepare their reports about the bill in ten days, which is extendable in cases confirmed by the chairman of the main commission or council. The completed report must be presented in another open meeting of the city council to be approved by the members. In the case of probable disagreements between the main commission and subsidiary commissions, they will investigate all pros and cons to reach a final decision, based on the vote of the majority of council members.

The bills and plans are classified into three types in terms of their priority: normal, high priority, and very high priority. The urgency of high priority ones must be approved in an open meeting of the council by at least two thirds (2/3) of present members. Such high-priority issues must be discussed in the next immediate meeting. The normal ones will be sent to the related commissions to be investigated respectively.

The municipality bills and the council plans will be discussed in each weekly meeting in order of their receipt date. Important and high-priority issues can be discussed earlier by the request of at least five council members. In case of numerous urgent issues, the priorities will be determined by the council chairman.

Figure 3- 3. The Flowchart of Decision Making Process in City Councils

Decision Making Process in City Councils



In conclusion, although the establishment of city councils created a more formally democratic structure in urban governance of Iranian cities, it added much more complexity in city management and decision making processes.

3-3-3. Other Ministries

Although the municipality functions and responsibilities have been defined in different aspects of urban affairs, there are still a number of activities that other organisations and ministries are responsible for. These could be listed as below (TMRPC 1995):

Controlling, Surveillance and Technical Co-operation

Interior Ministry

The *Ministry of Interior* deals with the establishment and abolition of municipalities, the election and abolition of city councils, determining the municipal boundaries and supervising the implementation of town planning rules and regulations. It also deals with registration of offices and religious endowments, as well as the land and property development process. Some of the Interior Ministry's control and surveillance activities are as below:

- Issuing municipality foundation permissions,
- Breaking up the municipalities in the areas populated less than 5000 people, which cannot afford their financial expenses to continue their work,
- Issuing the permission for merging or separating different municipalities,
- Approving the zoning limitations,
- Surveillance on architectural and town planning issues,

Providing Land, Housing and Building Constructions

In housing and urban development schemes, several organisations are involved. The urban land organisation (affiliated to *Ministry of Housing and Urban Development*, MHUD) and the religious endowment organization (Owqaf, under supervision of

Ministry of Interior) provide land for housing and urban services. The housing unit of MHUD prepares land for future development, while the technical unit develops buildings and other facilities where finance comes from the country's development budget. MHUD deals with the preparation of development plans and supervises their implementation.

Ministry of Housing and Urban Development

Municipalities are in contact with the provincial general offices of this ministry via their Architecture and Urban Development Deputy departments. Some of their control and surveillance activities are described below:

- preparing comprehensive and detailed plans and architectural and urban development rules and regulations,
- Surveillance on the above-mentioned rules and regulations and their performance.
- Constructing buildings and civil infrastructure
- Providing the required lands for housing, urban services and the future developments of the city

The Religious Endowment (Owqaf) and Charity Affairs Organisation

- Providing the required lands for housing and urban services

Budget Preparation (and Auditing)

Planning and Budget Organisation

The *Planning and Budget Organisation* provides the budget for the preparation of development plans, urban development schemes, land acquisition, and municipal development programmes. Some of its tasks are as follows:

- Providing the financial resources for preparing comprehensive and detailed plans (via Housing and Urban Development Ministry) and leading designs (via the Interior Ministry),

- Providing the budget for civil engineering plans (via Housing & Urban Development Ministry).

Ministry of Economic Affairs & Finance

The *Ministry of Economic Affairs* collects the municipal taxes and delivers them to the municipality.

Ministry of Trade

- Determining, surveillance, and controlling prices

Providing Urban Infrastructure

Ministry of Energy

The *Ministry of Energy* is in charge of the water, electricity, and sewerage systems. Its functions are as follows:

- Water distribution via the regional water and sewage companies,
- Electricity distribution via the regional electricity companies,
- Sewage disposal via the regional water and sewage companies (the service coverage is provincial).

Ministry of post, telegraph, and telephone

The Ministry of Post, Telegraph and Telephone delivers telecommunication services via Iran Telecommunications Company.

Oil Ministry

The *Oil Ministry* provides and distributes natural gas via National Fuel Gas Company of Iran, and builds and runs petrol stations throughout the city.

Providing Social Services

The organisations, which are responsible for providing social services in an urban level, are as below:

- **Ministry of education** is responsible for general educational affairs.
- **Ministry of Science and Higher Education** is responsible for providing higher level education.
- **Ministry of Health, Treatment, and Medical Training** deals with sanitation of food services and health care.
- **Physical Training Organisation** is responsible for sports affairs.
- **Police Force**
- **Ministry of Culture and Islamic Guidance** is responsible for religious, entertainment, and cultural affairs.
- **Environment protection organisation** is combating environmental pollutions.
- **Civil Defence Organisation** is in charge of emergencies and sudden disasters.

Each of the above-mentioned Ministries and institutions has subdivisions in the state, county, and city levels. However, there are several institutions and agencies that are not overseen directly by the government system and are overseen by the direct supervision of the supreme political and religious power, the leader of the Islamic Republic of Iran. These institutes, which take their part in housing provision and urban affairs, are as follows:

- Panzdah Khordad Foundation (Bonyad-e Panzdah Khordad)
- Martyr Foundation (Bonyad-e Shahid)
- Housing Foundation (Bonyad-e Maskan) (now partially under supervision of Ministry of Housing and Urban Development)
- Literacy Movement (Nehzat-e Savad-Amoozi)
- Supreme Council of Cultural Revolution (Shoraye Aali Enqelab-e Farhangi)
- Islamic Propaganda Organization (Sazeman-e Tabliqat-e Islami)
- Land Allocation Committees (Hay'athaye Vagozari-e Zamin)
- Foundation of the Oppressed and Patriots (Bonyad-e Mostaz'afan va Janbazan)

As can be seen there are many organisations parallel with Tehran Municipality and City Council, particularly in urban planning and environmental areas. In fact the city management system has been suffering from a multiplicity of agencies without any vertical and/or horizontal organisation or any authority to coordinate them with an overall perspective and responsibility. This problem - the confused governance landscape in which Tehran Municipality exists - has always been one of the most important challenges of city management of Tehran in different periods of time.

3-4. Summary and Conclusions

In this chapter, we first investigated the urbanisation process of Iranian cities, including Tehran, in the context of urbanisation trend in the Middle East. As an important feature, we realised that Tehran has been the major concentration of urban population in Iran accounting for over 11% of the entire population and around one sixth of the city inhabitants of this country. We then had a historical overview of urban management in Tehran during this urbanisation process, focusing on the main laws and regulations ratified in different periods of time influencing the city management system and procedures. Table 3-1 provides a summary of these laws in a chronological order.

In terms of urban governance structure, we investigated the organisational charts of Tehran Municipality and Tehran City Council as the two organisations playing the most important roles in Tehran's city management system. Moreover, we introduced other ministries and organisations involved in city management with different capacities.

As was reviewed in this chapter, Tehran's city management system has fluctuated between a centralised and decentralised structure many times. In summary, prior to 1990, i.e. during the Pahlavi, post-revolution, and war eras, Tehran Municipality suffered from a centralised structure. In the 1990's, as a result of organisational reforms in Tehran Municipality, this organisation experienced a decentralised structure in which decision making authority had been transferred to regional districts and other affiliated organisations and companies. In 1999, however, when the first Tehran City Council was elected, the major part of decision making authority was transferred from Tehran Municipality and its subordinate units to city council. This transfer of authority created a

new form of centralisation in decision making processes again- this time concentrated in city council rather than the central offices of Tehran Municipality.

While reviewing Tehran Municipality's organisational chart and its changes over the time, it was learnt that this organisation had undergone a reform in terms of management styles and decision making processes. In this chapter only the changes that occurred as a result of this reform were discussed, without explaining how these changes were managed or analysing how they affected the performance of urban management system. We will discuss these issues in Chapter 6 while presenting the qualitative analysis of this study. However, prior to this analysis, we need to review how Tehran's situation has been changed over the time in terms of delivery of services to citizens. This subject will be discussed in the following chapter.

Chapter 4. An overview of Tehran City Situation

Tehran has changed tremendously since 1990. All people who were living in Tehran and those who had the opportunity to visit this city two decades ago can remember very well the untidy and densely populated city, which suffered from the lack of necessary urban infrastructures, as well as many slums and shantytowns with absolutely non-liveable conditions, particularly in southern parts of the city. However, Tehran was not comparable with this past within a few years of 1990. Beyond the obviously visible changes in the face of the city, there were many improvements in terms of urban indicators, implying the boosted performance of the city management system during that period of time. As discussed in Chapter 2, as our research proposition, we believe that this boosted performance had been rooted in the improved quality of decision making processes of that time. However, prior to proving this proposition in the analysis parts of this study (i.e. in chapters 5 to 7), we need to explain what the changes were. For this purpose, this chapter provides an overview of Tehran situation in two snapshots of time: 1990 and 1999. It aims to highlight the differences between Tehran in 1990 and Tehran in 1999 to use them in Chapter 6 for analysing how these changes happened. To this end, sections 4-1 and 4-2 describe the city in 1990 and 1999 respectively, primarily based on a number of quantitative urban-related indicators in different areas such as transportation, green spaces, recreation centres, civil engineering projects and activities, public services, and urban development issues. A comparison between Tehran 1990 and Tehran 1999 will be presented in Section 4-3, followed by a conclusion at the end of the chapter.

4-1. Tehran City in 1990

In the years after the Iran-Iraq war, a period of 10 years of practical recession in the country development and construction, Tehran was losing its standards of living both as the capital and as the largest and the most important residential, industrial, and economic centre of the country.

Tehran' population had a tremendous growth within a short period. Moreover, the Greater Tehran became the economic centre of the whole country for the following

reasons: (1) 58% of the value-added large industrial workshops in the country was centralized in Tehran and Karaj (a Tehran suburb), (2) 55% of the private liquidity was turning over in Tehran province, with 40% of it in Tehran city, (3) 31% of the whole factories were located in Tehran, (4) in terms of healthcare services, 25% of health institutes, 23% of medical laboratories, 38% of physiologists, 30% of radiology centres, and 25% of drugstores across the country were located in Tehran, (5) in terms of occupation, while just 17.4% of the total employed people were living in Tehran, 27.2% of the sales people, 26% of people working in transportation and communication industries, and 45% of employees in financial and legal sections were living in Tehran. As a result, 62% of the national gross value added was attributed to Tehran at that time, bringing one fourth of the total national investment to this city (TMRPC 2001).

The Bazaar, money, and the investment centred in Tehran since the old ages, which traditionally made this mega city the trading and business gravity point of the country. Many studies on Iran's commercial situation reveal that the country's distribution system had also intensified the centralisation problem in Tehran. The high-speed money turn-over in Tehran would confirm this phenomenon. Tehran's importance in internal commercial issues had caused the commodity gathering in it and its redistribution or multi-stage distribution in other cities of the country. This phenomenon led to some complicated problems, i.e., the order registration, domestic credit, usance, exchange-contract sales and purchases, and other facilities and requirements for importing goods, all of which could be accomplished much easier in Tehran. At the same time, Tehran's warehouses were the major centres for distributing, consuming, and dealing with capital, domestic, and imported goods. In fact, one of the largest traditional Bazaars in the world was located in Tehran, which highlights the major role of active groups in Tehran distribution system, i.e., Bazaar people, bankers, and co-operative units at that time. This ever-increasing centralisation can be suggested as another reason for unplanned and irregular migrations to Tehran and its suburbs followed by a phenomenal population growth, which arguably led to increased complexity of daily problems in this city. In the following sections we will focus on Tehran's situation at the beginning of the year 1990, elaborating on its demographic characteristics and its infrastructural problems.

Population

As discussed in Section 1-3, Tehran experienced a tremendous population growth during the last two centuries. The number of Tehran residents was estimated around 15,000 in 1778, when Tehran was selected as the new capital city of Iran. It became 500,000 in 1937, representing an average annual growth rate of 2.4%. In the first population survey of the country in 1956, there were 1,512,083 residents in Tehran (i.e. 25% of urban population of the country and 8% of its total population) (TMRPC 2001). The average growth rate was 6% within these years, with a considerable increase compared with the last period. Since then until 1966, with the same growth rate, the population became 2,719,730 and in next survey in 1976 (within 10 years), it became 4,530,223, with a growth rate of nearly 5.2%. In the 1986 population census, Tehran population was announced as approximately 6,046,375 and the growth rate reduced around 3%. Although this statistic represents a decline in the growth rate of that period, a population of 1.5 million had been added to Tehran, excluding the suburb areas, which had not been considered in the census (TMRPC 2001).

In fact, Tehran was the main centre for political decision making. In addition to political institutions, the capital included major economic centres of Iran. It also had the most equipped educational, cultural, and civil centres. The collection of these facilities in the capital made a natural motivation for residents of other cities and towns to migrate temporarily or permanently to the capital. Moreover, due to the instable conditions, which ruled the country during the years of Iran-Iraq war, a larger number of immigrants came to Tehran from small towns and villages, seeking more secure lives, jobs, and better services in the capital city. In fact, the accumulation of power and wealth in Tehran was always the main cause of attracting many migrants from all over the country and it was intensified during the war period. This was at the same time as encouraging policies for having more children in families in the 1980's.

In the 1991 census, Tehran population was announced as 6,475,527, showing a growth of 1.2% within the last 5 years. However, Tehran urban zone (Greater Tehran Area), including 50-60 km² of urban area, had accommodated 9.1 million people with an annual growth rate higher than 10%. Within the recent years for some areas -e.g. a growth of 21.8% in Rajae Shahr and 13% in Islam Shahr- were seen (TMRPC 1995b).

These statistics imply that the housing and road development, in response to this population explosion, made Tehran grow horizontally extending far beyond its old limits. As a result, a large area of the city suffered from inadequate urban infrastructure, even the very basic services, particularly in the suburbs that had been included in the Greater Tehran Area by that time.

Transportation

As mentioned earlier, Tehran's development had been very rapid and unplanned. Hence, the infrastructural facilities and urban services had not been provided compatible with the population and city situation, i.e. neither the transportation networks, nor the required public transport vehicles had been made and designed appropriately for such an area and population.

A large part of the city's central area had gradually lost its residents due to this problem, which was more severe in the centre. Its space had been allocated to trading, manufacturing, and official centre developments; therefore, the daily commuting rate to these districts was increased. On the other hand, the main axis of the city had crossed these areas (East-west and North- south), intensifying the traffic congestion problem in central areas.

As discussed in Chapter 3, Tehran's first comprehensive plan⁴ entered the implementation phase in 1968. According to this plan, two main axes, i.e. the North-South (in an East-West form) and East -West (in a North-South form), had been proposed. Moreover, transferring the official and trading centres from the central parts of the city and restricting the movement of personal vehicles in those areas with highly congested traffic were also recommended. These plans could reduce the severity of a few

4 Tehran's first comprehensive plan, provided by Abdolaziz Farmanfarmaian and Victor Gruen, entered the development phase in 1968. This plan had an agenda to expand Tehran as a metropolis by 1991, extending this city westward toward its western suburb, Karaj, merging Tajrish from the north and Ray from the south of the city. This plan had not been implemented completely and appropriately by that time and the city extended southward rather than what was predicted.

problems regarding Tehran's transportation network, yet none of them had come to practice by that time (TMRPC 1995b).

In terms of public transportation system, Tehran was suffering from serious shortages. The development of Tehran's underground transportation system (metro), which had been started in 1975, was interrupted due to insufficient budget and no governmental assistance since the beginning of Iran-Iraq war in 1980. Thus, the public vehicles were limited to old buses and mini-buses, which were inadequate in both number and quality. The majority of buses were working in an overload state, becoming worn out early, because of the large North-south slope. On the other hand, the Tehran Taxi System was also inefficient. A high percentage of registered taxis were dilapidated. They had been in use for over 10 years, needing to be scrapped and substituted with new ones. Such a poor public transportation system had encouraged people to use their private cars for travel, causing the unnecessary transportation of more than 750,000 private vehicles in the city. A large number of these cars could cover a very limited part of the total required daily trips, while occupying a large area of streets. Besides the cars, there were a large number of motorcycles moving in the city without being controlled, making additional problems by ignoring the traffic rules and regulations. This trend resulted in the consequent imbalance between the number of vehicles and the limited capacity of the city roads and hence led to the highly congested traffic in Tehran, which turned to one of the most acute problems of the city and caused many other problems. The lack of an integrated traffic management system, in turn, had also intensified the severity of situation (TMRPC 1995f).

The above-mentioned shortages not only made acute traffic-related problems for Tehran citizens, but also contributed to Tehran's air pollution problem, which eventually turned to one of the biggest problems of this city. We will explain Tehran's air pollution problem in more details in later sections.

City Green Areas

Although the old Tehran is remembered for its beautiful gardens and fruitful yards, which partly motivated the Qajar kings to select this city as their capital, Tehran of

the 1990 was suffering from the extreme lack of green space and its improper distribution. The city development and allocation of the two main rivers in the East and West of Tehran (i.e. Karaj and Latian) to citizens' drinking water had caused water shortages, deteriorating the farms and gardens across the city. The severity of this problem had been intensified as there were not enough space and appropriate lands, particularly in the central parts of the city, to develop new green areas. Moreover, the extension of green belts around the city was ignored.

At the end of 1989, the number of small and large parks in Tehran was 180 in total, covering an area roughly around 4 million square meters, resulting in even less than one square meter of green space per capita. The existing parks and green areas were not in good quality. There was no variety in plant species. The tree types were not compatible with Tehran ecosystem either. Inadequate attention had been devoted to research on the variety of favourable plants compatible with Tehran environmental and natural features. Beauty was also a totally forgotten element in these areas and in terms of application, there was no compatibility with the citizen's needs. In such a situation, the expansion of green areas was also too slow, i.e. 40,000 trees and 1,300,000 plants annually (TMCSO 1990; TMRPC 2001).

On the other hand, the city management faced a lot of problems to maintain the existing areas. There were actually some suburban jungles and parks which were not properly maintained. There was not enough water for watering the green spaces, and a lot of fatal pollutants existed in both water and air due to the polluting industries, workshops, and house fuels. The watering methods were not efficient either. No mechanised way had been applied to keep and maintain the green spaces until then. The existing rules and regulations to protect and develop the green areas were not sufficient and efficient. The citizens had also inadequate attention to the green space maintenance and there was no educational programme by the mass media for this purpose.

There were also some tree-grown areas as parks in the centre and suburbs of Tehran, yet as they were out of the authority of Tehran Municipality, they did not receive proper maintenance and watering. Also due to lack of lighting and other facilities people could not use them. The city parks were generally used in day light and locked at nights, because of improper lighting and insecurity.

The Environment Pollution

Generally speaking, there are three important forms of pollution in big cities: water, soil, and air; Tehran was no exception.

Tehran surface and semi-deep waters were being polluted due to the lack of urban sewage system. The existence of polluting workshops, like chemical material manufacturers and other industrial sewage producer factories were among other reasons for the water pollution problem. Although the urban drinking water was provided from two big dams, i.e. Karaj and Latian, the seasonal and non-seasonal waste of water had necessitated in some cases the use of underground waters for this purpose, which was sometimes problematic. Moreover, because of the negative impact of polluted surface waters on the growth of trees and farms around the city, many Tehran suburbs and southern part agricultural areas were hygienically harmful. Garbage was also an important source of water pollution. In Tehran, 6000 tons of garbage was daily collected off the ground. However, due to the lack of required technical facilities garbage was still scattered on the city passages. A major part of this scattered garbage was moved into the streams and surface water lines, thereby polluting the surface water. A part of scattered garbage was also remained on the city's small and big passages due to various reasons, including the people's carelessness, delayed arrival of the municipality dustmen, and the activities of domestic animals (e.g. dogs and cats). The part, which municipality transferred to the outer city, was scattered on a narrow space in southern plains, making the underground water polluted. The polluted underground water smelled very bad most of the day in all seasons, and was particularly bad in summer. This problem existed in a wide area of Tehran's southern parts. The garbage scattering in streams and on passages had also caused other difficulties such as gathering and invasion of the other pollutants (e.g. mice and various insects), spreading diseases and pollution in the city.

In terms of air pollution, although there was no exact estimation of the polluting sources (e.g. motor vehicles, industries, houses' heating systems and devices, etc), however some statistics in 1988 and 1989 had revealed the distribution of 3211 tons of Mono Oxide Carbon (CO), 470 tons of Hydrocarbon, 151 tons of Azoth Oxide, 73 tons of Dioxide Sulphur (SO₂), and 23 tons of suspended particles in Tehran air daily (TMRPC

2001). According to the World Health Organization (WHO) and United Nations Environment Programme (UNEP) established air quality guidelines (WHO & UNEP 1996), the standard annual mean for Suspended Particulate Matter (SPM) and Sulphur Dioxide (SO₂) were 90 and 60 µg/m³ respectively. However, in Tehran 1990, the annual average of SPM was greater than 270 µg/m³, and the annual average of SO₂ was over than 120 µg/m³ in the city centre commercial and suburban industrial areas, exceeding 300% of the maximum allowable SPM and 200% of the maximum allowable SO₂ respectively. Despite the fact that the Environment Protection Organisation was legally responsible for setting the relevant rules and regulations, e.g. air pollution (*Environmental Law 1973*), in the presence of a council consisting of seven ministers and many other experts, under the president's surveillance, no serious attention had yet been devoted to this huge problem in Tehran.

Cultural and Recreation Centres

In the years prior to 1990, no attention had been devoted to developing cultural and recreation centres. There were just three large national sport centres (i.e. Azadi, Shiroodi, and Ghasr-e Firoozeh Stadiums), all three of which were under governmental control and merely used for the national and country-wide sport matches. On the other hand, with the exception of a limited number of libraries and old cinemas, there were no facilities for citizens to spend their leisure time. Statistically, the cultural place per capita was less than 1 m² in the city, while according to IFLA/UNESCO standards, the populated Tehran needed a minimum number of 100 public libraries, of which there were just 11 with an area around 8900 m² furnished by 1590 seats until then (TMRPC 1995c). The cinemas, museums, and art galleries had been improperly distributed with the same situation.

Civil Engineering Activities

Statistically, there were 32.6 kms of canals, dry rivers, and surface water tunnels in 1990 in Tehran. As mentioned earlier, as a serious transportation problem, the constructed expressways and highways were about 6.2 km and the number of bridges and

underground passages were only two till 1989. At the same time, the number of urban facilities, including stations, fire fighting centres, fruits and vegetable wholesale centres and garbage collection stations were 42 in total (TMRPC 1995f; TMRPC 2001).

Public Services

There were also shortcomings in public services due to the sudden population growth and lack of comprehensive plans. The public service per capita had a large difference from the minimum required level according to UN standards. For instance, there were nearly three million students studying in Tehran, while the number of buildings dedicated to training and educational purposes in all 20 districts were only 3094 in total, being incompatible with the population growth and very far from the real requirements (TMRPC 1995d). This high density of students in educational centres led to even three working shifts a day in some schools located in more populated areas, particularly in the central and southern parts of the city.

The existing services also had an improper distribution; it was higher than standard in some places and far lower in others. For example, while 7.2% of the total training units were concentrated in the 12th district, covering just 3.6% of total students in the city, the 15th district had just 5.3% of the centres, providing services to more than 10% of students (TMRPC 1995d).

With respect to healthcare services, Tehran was suffering from the same problems. There were 116 small and large hospitals including 19,299 hospital beds in total, exhibiting 6,600 hospital beds less than the minimum requirements, according to UN standards. Besides the shortcomings, these facilities were not distributed properly. For instance, more than 25% of hospital beds and 28% of healthcare facilities were located in the 6th district, while there were absolutely no hospitals in the southern parts of the city (TMRPC 1995e).

The same situation existed for other public services, as well. The improper distribution of these facilities was in turn another reason for the increase in the traffic and transportation problems (TMRPC 1995e).

Urban Development

As mentioned earlier, the rapid population growth in Tehran within the last two decades had multiplied the city space and population by hundreds. Tehran's municipal area was around 700 square kilometres and based on the legally approved limitation for this city, a surrounding boundary with nearly 1800 kilometres was also considered for preventing more expansions by the Municipality (TMRPC 2001). Because of Tehran's attractions (i.e. several industrial, workshop, and trading centres, various healthcare facilities, educational and cultural centres, and better opportunities for occupation), vast immigration to this city had happened from the villages and other cities, increasing the population growth rate tragically within the last decades, hence, turning the surrounding zones and the suburbs as the first stop station for low-income immigrants. The concentration of this population in these areas had made the urban development complicated and suburb living too difficult. Several points of the suburbs had suddenly turned to towns or residential complexes with no urban identity. Moreover, this population needed various infrastructural facilities and services such as water, electricity, education, healthcare, and transportation networks. The shortcomings of these infrastructural requirements had caused people from residential complexes in disconnected areas to rush into using the urban facilities existing in Tehran.

These issues had transformed the construction pattern in the city as well. Neither the innovative architectural principles nor the old traditions on construction had been considered in the development of these areas. The urban texture had been made heterogeneously, not considering cultural and artistic criteria and values. Furthermore the population in the old districts had been changed. All these problems along with the crowd rush into the central areas caused a high population density, followed by a serious lack of services per capita (TMRPC 1995b).

4-2. Tehran City in 1999

The previous section drew a picture of Tehran at the beginning of the 1990's. In this section, we summarise the main actions taken by Tehran Municipality during the 1990's, explaining the situation of Tehran at the end of this period.

Population

Tehran population in 1999 was around 7 million in all 22 regions, representing a growth of 0.77% within the last ten years. According to the statistics (TMRPC 2001), the pace of population growth in Tehran declined by 0.5% annually during the 1990's, which was partially due to policy effects (i.e., the efforts started many years ago to control the unplanned migrations to the capital city), and a part of it was the result of the city's geographical expansion. As mentioned before, although Tehran Municipal area in 1990 was legally around 700 square kilometres, no more than 600 square kilometres were actually allowed to be developed due to the prohibition of urban development in an area equal to 100 square kilometres around the *Kan* dry river. This prohibition was cancelled later on by adding two new regions (21 and 22) to Tehran city, having 700 square kilometres of actual area in 22 regions since then (TGIS 2005: p.60-70).

Transportation

To develop the Tehran Transportation Comprehensive Plan, a research project had been defined to study the city transportation problems, aiming at doing the following tasks (TCTTS 2001): (1) preparation of a knowledge base consisting of comprehensive and exact information and statistics on transportation area and development of on-time databases, including inter-city (arrivals and departures) and intra-city (origins and destinations) trips, terminals, goods transportation, transportation network roads, public transportation network, land-use, and transportation models variances; (2) determination of the required evaluation criteria to measure the performance of transportation plans prior to their actual implementation; and (3) presentation and dissemination of knowledge to transport-related researchers.

To improve the city transportation network, around 200 kilometres of new highways and expressways and nearly 80 interchanges were constructed in addition to the completion of the old plans anticipated for the development of sub networks many years earlier. Moreover, all major squares and intersections had been redesigned in order to improve their performance. They were equipped with the required traffic control facilities, namely proper traffic lights and traffic signs. To upgrade the quality of the

network, hundreds of kilometres of the existing streets and roads were renovated to improve their pavements, safety, and aesthetic qualities. Many streets were repaved due to the poor quality of their pavements, and many others were repaired by cleaning, stain removing, and covering their old asphalts. A great deal of new median and side-street guard rails were installed across the city passages to improve the look, and to increase the safety conditions, of the streets (TMRPC 1995f).

In terms of public transportation facilities, Tehran Municipality primarily attempted to speed up the construction of subway lines by providing more financial resources and managerial support. They increased the number of buses and mini-buses from 200 active ones to nearly 4000. Many studies were conducted by Tehran Transportation Comprehensive Plan Company to organise the public bus system and its utilisation. The vast majority of old dilapidated taxis were renewed and the number of active taxis was boosted, as well (TMRPC 1995f).

Responding to the present and future requirements, some costly amendments were also done to make a safe, quick, easy, and cheap availability among the city different places for people and goods. A number of these projects can be mentioned as follows:

- ⇒ studying and developing two new inter-city bus terminals, i.e. East and West bus terminals, aiming at decreasing the movement of intra-city buses
- ⇒ preparing a complete and modern city map for transportation and traffic purposes
- ⇒ studying the situation of parking spaces and recognising the requirements in different parts of the city to construct new public parking spaces
- ⇒ organising carpool plans to encourage people to make multi-passenger trips rather than single-passenger ones across the city
- ⇒ upgrading the level of traffic culture and improving the driving behaviours via training programs and television advertisement
- ⇒ providing assistance on running a system and particular radio station called "Traffic Radio", with live 24-hour programs, which informs people and drivers of the latest traffic congestions
- ⇒ The majority of intersections were equipped with adequate traffic signs and lights, and the majority of roads were provided with road markings, traffic signs, and traffic safety equipments

- ⇒ 280 main intersections were equipped with separate intelligent traffic control devices
- ⇒ 232 main intersections were connected to an integrated intelligent traffic control system (SCATS)
- ⇒ main congested and problematic areas were equipped with live cameras to monitor their traffic flow and emergency problems
- ⇒ Establishment of Computerised Public Centres for buying and selling cars in Tehran: The first public centre for car dealing, named Beihaqi, started work in 1990 under the city management. The success of this plan and people's increasing recourse to it caused the activation of two similar centres in Tehran. In addition to Tehran, similar places were created in other cities, such as Tabriz, Isfahan, and Qazvin
- ⇒ An integrated master plan for Tehran's air quality problem (with collaboration of international expert organisations) was prepared; this plan motivated other government organisations responsible for environmental problems to take actions in this regard
- ⇒ 13 air quality monitoring stations were installed across the city, particularly in the most polluted areas, to monitor the quality of air at these areas and announce the latest updates on dangerous pollution conditions to citizens
- ⇒ A large number of research studies in environment- and traffic-related topics *was* carried out to recognise and measure the main problems in this regard

City Green Areas

As mentioned earlier, Tehran had just 180 large and small parks covering around 400 hectares in total. Nearly 500 parks were built within the years 1990-1996 in an area of 1130 hectares. Despite severe water shortages, Tehran Municipality created 4000 hectares of marginal green area in a 20-kilometer radius from 1991 to 1993. Moreover, parks and playgrounds were created in all city districts (TMCSO 1990; TMCSO 1991; TMCSO 1992; TMCSO 1993; TMCSO 1994; TMCSO 1995; TMCSO 1996).

In terms of large parks, Pamchal Park was built in an area of 52 hectares in Moshiriyeh complex (south east of Tehran) along with the sports and entertaining

facilities. Azadegan Park was constructed in an area of 240 hectares on south eastern part of Basij Square (Afsarieh), of which 50 hectares was assigned for aqua sports. Shahid Haghani Park was built in an area of 24 hectares on the city ex-slums in the district of Darvaze-ghar. Tooska Park was constructed in order to reduce the dust of the Ray Cement Factory. The area of these parks in Tehran and its suburbs were nearly 5200 hectares, of which 200 hectares was allocated to hard spaces (i.e., buildings, sports courts, roads, etc) and the rest was green area (TMPCMD 1999a).

In many parks, a part of hard spaces had cultural application, giving them a secondary identity. Energy Park, Aqua Garden, Exhibition Park, Mountain Park, and Chess Park are a few examples of them. Energy Park was the first theme park in Iran that was built with cooperation of research centre of Energy Ministry, in which modern equipment works with chargeable energies like water, wind, and solar energy in about 20 hectares. Tehran's west forest park, Chitgar, with an area of 1450 hectares and 1280 millions of trees turned to the largest multi-functional suburban park, attracting plenty of citizens (TMPCMD 1999a).

Around 240,000 hectares of forest was created during these years. Tehran green belt plan, which had been started years ago on the basis of the Comprehensive Plan, was also completed, developing an area of 4000 hectares forest-planting. The forest-planting *Alborz to Alborz* was implemented in order to develop Tehran northern heights' green areas, constructing 48 parks, 350 hectares arboriculture on the mountain Dar-abad to Darakeh, and using Shemiran district subterranean canals and piping network for drop and raining-irrigation (TMPCMD 1999a).

Moreover, 235 million plants and permanent and seasonal trees were produced and planted in Tehran surrounding areas, including Vardavard (in Karaj road, Abali), Tehran southern surrounding road, Lavizan, Afsarieh heights, Behesht-e-zahra Cemetery, multiplying the number of planted trees by eight compared to the beginning of the year 1990. In southern Tehran, sapling needle-shaped leaves and wide leaf trees were used to develop 850 hectares of the lots surrounding the Behesht-e-Zahra Cemetery, 500 hectares in Aradgooh district, 300 hectares in Bibi-shahrbanoo district, and 100 hectares in Ghani-abad district. Tehran Municipality had also planned to prepare ID cards for available gardens and green spots across the city in order to avoid them being ruined (TMCSO

1990; TMCSO 1991; TMCSO 1992; TMCSO 1993; TMCSO 1994; TMCSO 1995; TMCSO 1996)..

In terms of green spots, based on the statistics in 1994 (TMCSO 1994), the surface of green spots was 360 hectares in city squares and 1678 in passages (i.e. around 2040 hectares in total). During these years 206 green areas were implanted, so that these indicators were doubled in 1995 and 1996. Also, all gardens and green areas in Tehran were identified, with identification labels issued for them to prevent their destruction (Taher 1996: p377).

The Environmental Pollution

Among the three main types of pollution, i.e. air, water, and soil, air pollution was the most critical problem in Tehran. Although there were no reliable data representing the severity of the hazard, it was obviously close to the suffocation point, particularly during the winter when the inversion phenomenon ⁵ was occurring. Environmental experts believed that without having any short- and/or long-term plan to combat the problem, the negative impacts on citizen's health would be inevitable and the extent of the consequent damage would be unpredictable.

To prevent the catastrophic dimension of the problem, Tehran Municipality established an Air Quality Control Company (AQCC) in 1993, aiming to carry out research studies, consultations and implementation of various projects in this regard and to consistently monitor the air quality of Tehran.

As its main achievement, in terms of a long-term plan, this company carried out an interdisciplinary research project with the collaboration of Japan's International Cooperation Agency (JICA) to prepare a comprehensive plan for air pollution control in Tehran. This plan had two main objectives, namely the creation and institutionalisation of a comprehensive plan for air pollution, and the transfer of the required knowledge and technology from Japanese counterparts to Tehran Municipality. The project was implemented in three phases within 22 months during 1995-1997. The first phase

⁵ Inversion or thermal inversion is a weather phenomenon characterised by an increase in temperature. When it happens, a layer of cooler air is trapped near the ground by a layer of warmer air above (i.e. a reversal of the normal condition). As the result, smog and other air pollutants cannot escape into upper levels of atmosphere preparing hazardous conditions for the people exposed to that air.

included initial research, collection of available meteorological and air pollution data, and investigating data on economic and social conditions. The second phase entailed the measurement and analysis of studies made in the first phase, developing a simulation model to forecast the future of the air pollution situation in the city. The last phase encompassed designing a comprehensive plan consisting of several proposed projects to combat air pollution from different sides. In terms of financial resources, the budget for all studies carried out by Japanese professionals was provided by Japan International Cooperation Agency (JICA)⁶. Tehran Municipality was just responsible for allocating funds for the required data acquisition and provision of Iranian staff expenses.

According to the studies made (Yokoyama & Takahashi 2003), around 70% of the pollution was caused by motor vehicles, which were consuming eight million litres of gasoline daily. Other ancillary factors were also mentioned, including the shortages of public transportation, the relatively old age of cars and the consequent inefficiencies of their motors, unavailability of the required spare parts, and the low quality of fuels. Table 4.1 presents the list of projects proposed by JICA according to the results of its studies.

Besides the Air Pollution Reduction Comprehensive Plan, another important study was also carried out based on a technical cooperation between AQCC (on behalf of Tehran Municipality) and three Swedish firms (i.e. SWECO, SMHI and MTC) in joint venture. The required financial funds for this project were provided by Global Environment Facility (GEF)⁷ and Tehran Municipality. This project encompassed a survey on Tehran air pollution data, providing all pollutant sources, evaluation of motor lab's quality, and measuring pollutants.

6 JICA is an international-professional organisation that provides technical cooperation and other forms of aid to promote economic and social development in developing countries.

7 GEF, established in 1991, helps developing countries' fund projects and programs that protect the global environment. This organisation is a global partnership among 178 countries, international institutions, non-governmental organisations (NGOs), and the private sector to address global environmental issues, while supporting national sustainable development initiatives (GEF).

Table 4- 1. The proposed projects in Air Pollution Reduction Comprehensive Plan

Section	Program Title	Timeline	Responsible Organization
1	To establish 6 technical inspection centres for motor vehicles	2001	Tehran Municipality
2	To change the fuel system of public buses from gas-oil to gas	-	Ministry of Oil
3	To change the fuel system of public taxis to LPG and mandatory use of catalysts	2005	Tehran Municipality
4	To equip major intersections with intelligent traffic control systems	2001	Tehran Municipality
5	To install park meters in central parts of the city	2001	Tehran Municipality
6	To install fixed-nuzzle carburettor in Paykan cars with less than 10 years of age	2005	Tehran Municipality
7	To install catalyst on motorcycles	2005	Tehran Municipality
8	To assign at least 70% of lead-free gas for consumption in Tehran	Mid 2000	Ministry of Oil
9	To prepare an executive program including time tables and resource allocation to produce qualified lead-free gas with acceptable standards	Mid 2000	Ministry of Oil
10	To enforce ECER standards for domestic productions and imported cars	2002	Ministry of Industry
11	To institute a steering committee responsible for public awareness and educational programs guaranteeing public participation on air pollution issues	-	Environmental Protection Organization

Source: Tehran Municipality Project Progress Reports, Project Control & Management Division, Office of Tehran Mayor

In addition to these two projects, many other small and large projects were put into effect, including the measurement of pollutants in three urban terminals, environmental evaluation of the plane trees lining Vali-Asr Avenue, investigation of the effects of the improvement kit installed on the motor of Paykan car, recognizing industrial projects in the west of Tehran, an evaluation of the effects of a comprehensive

education and training plan to increase public awareness concerning air pollution, a study of the effects of regulating motors to reduce pollution caused by gases emanating from motorcycle exhausts, prevention of gasoline overflow from car tanks (TMPCMD 1999a).

In terms of on-going air pollution monitoring, AQCC installed 11 monitoring stations in the most polluted areas of the city to measure the amount of a number of air pollutants on an hourly basis and transfer the measured data to a central station for further processes, providing reliable data for future forecasting and the investigation of possible ways for air quality improvements.

Cultural and Recreation Centres

In 1999, Tehran citizens were enjoying a vast number of social and cultural facilities, particularly in southern parts of the city. The number of these centres had increased to more than 150 in 7 years from 1990 to 1997, including 10 large cultural centres, 50 cultural houses in all districts, 40 libraries, 23 photo galleries and, 30 special social-cultural centres (TMPCMD 1999a).

The public interest toward these centres, primarily by the youth, had gradually started since the establishment of such centres providing several cultural-educational programs. Statistically, more than 252 thousand people had been trained in different educational programs of these centres during the years 1992 to 1996. Consequently, this forgotten need was prioritised by city managers due to the consistent demands originated by citizens (Taher 1996).

The largest cultural plans, implemented during these years, can be listed as follows (TMPCMD 1999a):

- Bahman Cultural Centre, only within 6 years after whose construction, more than 2 million people visited it and participated in its various activities.
- Khavaran Cultural Centre, built in the poor south-eastern part of the city
- Shafagh Cultural Centre, with an area of 2000 square meters, for the citizens' leisure time
- Sarv Cultural Centre, providing music and audio-visual training courses
- Arasbaran Cultural Centre, providing training programs in different artistic fields
- Ebn-e Sina Cultural Centre, primarily active in the field of theatre

- Amirkabir Cultural Centre, including library and different training courses in art and sport-related fields
- Vosough-o-doleh Garden, providing training courses and conducting research studies on planting design and methods
- Eshragh Cultural Centre, providing workshops on growing several rearing talents and issues
- Yaftabad Cultural Complex, built in an extremely poor southern part of the city
- Javad-ol-Aeme Mosque Culture House
- Golshan Cultural Axis, developed by turning a set of huts to several cultural and recreational centres
- Yaft-abad Moallem Centre, providing audio-visual laboratory for students living in southern areas
- Science Houses (*Khaneh Elm*)– developed by the assistance of *Iran Physics Association*
- Scientific Towers, located in southern Tehran, providing information on biology principals for students
- Development of new libraries, including 29 new ones built from 1990 to 1997
- Agha Sheikh Hadi Cultural House
- Quran houses
- Reconstruction of holy places
- Water Museum, whose primary goal was to familiarise the youth with water cycle changes
- Science and Techniques Museum, whose primary goal was to present human scientific achievements
- Wild Life Museums – Darabad and Pachenar
- Establishment of the first specialised photography and cinema museum in Iran, providing professional services to promote the situation of cinema and photography in Tehran
- Construction of 25 art galleries in Tehran: This was done for supporting artists of various arts.

- Rehabilitation and Renovation of Traditional Coffeehouses (Qahveh Khaneh) in Tehran: The revival plan of traditional Qahve Khane based on the traditional architecture model was passed in the municipality social department in 1994 and implemented in cooperation with Ministry of Culture's office for cultural research. This plan not only revived the forgotten position of Qahve Khane, but also helped expand leisure centres. Traditional Azari Qahve Khane was the first revived one in southern Tehran. It is still a tourist attraction, being visited by eager tourists (Taher 1996: p118, 120). In later years, Tehran Municipality renewed 5 other Qahve Khanes in Tehran, all of which continuing active work (Taher 1996: p132).
- Creating Iranian Ethnicities Houses: These were created for developing unity, understanding, and mutual respect among Iranian ethnic minorities, including Kord, Azari, Bakhtiari, and Lor (Taher 1996: p152).
- Foundation of Tehran Studies Centre: This centre was one of multi-functional projects to make the adolescents and the youth familiar with the history of Tehran (Taher 1996: p181).
- Creating cultural foundations and centres: These include the calligraphy foundation, the carpet foundation, etc. for supporting Iranian traditional culture, as well as modern cultural centres, like Caricature Centre, Youth Poetry Centre, etc.

Civil Engineering Activities

One of the most challenging activities of Tehran municipality during the 1990's was freeing considerable parts of lands to change them into public places. The city management of those years was faced with a lack of available land to build public parks and centres – this shortage was more severe in the southern parts of the city. Thus, they had to identify the potentially appropriate lands for this purpose and plan for releasing them. A part of this land was purchased from their private owners. Some others belonged to polluting industries, which had to move out of the city. Some were built illegally as private residencies while they had public land use, for which they needed to negotiate with residents to free the land. Even, a number of areas, particularly some ancient gardens in southern Tehran, had no available owner to deal with as they had left the

country a long time ago and were not accessible. For such cases, Tehran Municipality chose the highly disputed solution – requisitioning of lands without permission of their owners – which will be discussed in more details in Section 6-2-2.

During the 1990's, all different land-related problems were decided case by case and a great amount of land was made available and changed into public parks and centres, which helped increase the city green areas and cultural spaces in a short time. As the result, around 1721 civil engineering projects were performed in Tehran city, with the amount of one billion Dollars in total being spent (i.e. 5000 billion Rials), implying an average of 245 projects amounting to 143 million Dollars each year (Report of the French newspaper Liberation⁸; records of increased green areas in Tehran in the 1990's).

These projects included (TMPCMD 1999a):

- ⇒ around 200 kilometres of inter and intra-city expressways and highways, costing 19.9 billion tomans (\$67 million)
- ⇒ 146.13 kilometres of canals, dry rivers, and surface water tunnels, costing about 16 billion tomans (\$53 million).
- ⇒ 140 bridges and underground passages,
- ⇒ More than 170 cultural centres and 325 small and large sport halls,
- ⇒ 177 kilometres of canal, tunnel, and watercourse for collecting surface water,
- ⇒ 43'800 square meters of parking lot costing 1.9 billion tomans (\$6.3 million)
- ⇒ 14 fire stations, 3 fire departments, and a trash recycling centre
- ⇒ 15 buildings for city districts' management
- ⇒ 3 mono-block stations for tramway
- ⇒ Building of a multi-stage parking lot and planning of three others
- ⇒ District programs, such as Navvab plan (the first renewal plan of old districts in Iran), renewal of Qal'e Morghi, Sangelaj, and Javadiyyeh districts, as well as comprehensive plan of Abbas Abad lands.
- ⇒ The plan for earthquake research in Tehran

⁸ This report was broadcasted by French radio too on Bahman 26th, 1374 (1995).

⇒ A plan for collecting surface water

4-3. Summary and Conclusions

In the last two sections, we drew the picture of Tehran in two snapshots of time: 1990 and 1999, i.e. the beginning and ending points of the second period of investigation in this research study. Table 4-2 provides a summary and a comparison between these two points in terms of the required urban infrastructural facilities. As shown in this table, there is a huge difference between Tehran 1990 and Tehran 1999 in terms of infrastructural urban facilities such as transportation network, public transit, green areas, and cultural spaces.

Table 4- 2. A comparison between Tehran 1990 & 1999

Subject	Situation in 1990	Situation in 1999
Tehran City Position:		
Area	600 Km ²	700 Km ²
Population	6.5 millions	7 millions
Transportation:		
The Number of Buses	2300	5000
The Number of Taxis	15000	34000
City Green Areas:		
The Number of Parks	180 parks	680 parks
The Area of Parks	400 hectares	1130 hectares
Forest Planting	14000 hectares	24000 hectares
Tree Planting	750,000 trees	6,750,000 trees
The Area of Green Spots (in squares and passages)	no statistics	more than 4000 hectares
Sports & Cultural Centres:		
The Number of Recreational & Cultural Centres	---	144 centres
The Number of Sports Centres	3 large sports centres	Over 350 small & large sports halls & courses
The Number of Public Libraries	11	40
Civil Affairs:		
Expressways & Highways	6.2 Km	250 Km
The Number of Bridges & Underground Passages	2	141
Channels & Tunnels	32.6 Km	178.73 Km

Around 250 kilometres of inner and outer city expressways, 140 bridges and underground passages, and more than 140 kilometres of canals and tunnels were built. The state of public transportation was improved due to the increased number of buses and taxis, which was doubled during this time. The number and the area of the small and large parks were tripled. Around 10 thousands hectares were added to forest plantings in Tehran suburbs, increasing its area to 24 thousands of hectares. Furthermore, around 6 million trees were planted in these areas, which was 8 times more than the total number of trees before 1990. All these activities improved the indicator of green area per capita. In order to increase citizen awareness, more than 140 recreational and cultural centres, 30 public libraries, and over 350 small and large sport halls and courts were built for young people to spend their leisure time. The development of such centres encouraged citizens to participate in city management programs. Beyond all these activities, as discussed in Section 4-2, a great attention was devoted to long-term planning and comprehensive plans, including the development of Tehran Transportation Comprehensive Plan and the collaboration with international institutions to develop a comprehensive plan for air pollution control. Hence, citizens of Tehran witnessed a dramatic change in urban services and projects. These changes were obviously visible even in the face of the city to the extent that the improvements in living conditions were quite tangible for all citizens within the city.

The main drive behind these improvements is debateable. Many politicians believe that low financial resources during the war period had been the major root of the problems during that time, concluding that more resources during the post-war period helped Tehran Municipality improve the situation of the city and the living conditions of its inhabitants. However, as we discussed in Chapter 3, in addition to the inadequate resources due to the war-related recessions, city management in Tehran prior to 1990 was suffering from many other problems, including the extreme centralisation inherited from the Pahlavi era, insufficient authority due to high dependency on governmental funds, lack of integration and long-term planning, and on top of all, the inefficient decision making processes. In Chapter 3, we briefly explained that all the above-mentioned problems declined during the 1990's as Tehran Municipality underwent an organisational

reform transforming this organisation from a dependent and centralised structure to an independent and decentralised one. As the result of this transformation, decision making processes improved dramatically. Although we do not deny the positive impact of more resources on city management performance, according to our research proposition, we strongly believe that the improved decision making processes had played the most important role in such a city management performance. The analysis sections (chapters 5 to 7) will discuss this subject in more details.

Chapter 5. A Comparison between Decision Making Processes in Different Periods: a Quantitative Analysis

As presented in Chapter 4, Tehran citizens witnessed many changes in both quantity and quality of urban services delivered by Tehran Municipality during the 1990's. They also benefited from the speed of civic projects, which not only changed the appearance of the city, but also solved many acute infrastructural problems of the city, turning it to a liveable place for citizens. However, we have yet to discuss how these improvements were achieved. In the next three chapters, we analyse how the improved decision making process boosted the performance of the city management processes. We will do this analysis both quantitatively and qualitatively. In our quantitative analysis in this chapter we apply a robust analysis method to evaluate the entire decision making process (rather than particular decisions) as the unit of analysis. This quantitative analysis have been conducted according to the multi-criteria evaluation model presented in Chapter 2, based on which we can measure the relative improvements or degradations of decision making process in terms of numerical percentages over the periods of time. In the next two sections, we will first build the evaluation model and then explain how we collected data to run this model and eventually present the results.

5-1. Evaluation Model

In this section, we will build our evaluation model based on the hierarchy of criteria drawn in Section 2-2. Recalling from that section, the hierarchy of criteria has two layers, the first layer of which represents the three phases of decision making process, and the second layer includes the sub-criteria to assess the quality of each phase. Table 5-1 shows the summary of this hierarchy.

As discussed in Section 2-2, adopting a multi-criteria analysis technique as our method of analysis, we can find the relative merit of decision making process at different periods by scoring the periods against each criterion and adding up the given scores through the mentioned hierarchy to calculate the total score of each period. We can then find out at which period this process was at its best quality.

Table 5- 1. The Layers of Criteria Hierarchy in Evaluation Model

Layer	Criteria
1-1	The quality of decision taking phase
1-1-1	The efficiency of decision taking structure
1-1-2	The level of decentralisation in making decisions
1-1-3	The level of participation in making decision
1-1-4	Speed of making decisions
1-2	The quality of decision implementation phase
1-2-1	The efficiency of decision implementation structure
1-2-2	The quality of management styles in decision implementations
1-2-3	The level and quality of decentralisation in decision implementations
1-2-4	Meeting the schedules
1-3	The quality of decision support phase
1-3-1	The existence and quality of support structure
1-3-2	The quality of participation and transparency

Considering the three periods of investigation in our study (i.e., the period after Islamic Revolution till 1990, the reconstruction period or the 1990's, and the period of city councils or (1999-2007), we can define the objective function, i.e., $S(t)$, as the quality of decision making process at each period, which is to be maximised over the periods of time. The closed form of this objective function can be written as follows:

Maximise $S(t)$, $t=1,2,3$ (different periods of investigation)

$$S(t) = \sum_{j=1, C_0} W_j S_j(t)$$

$$S_j(t) = \sum_{k=1, C_j} W_{jk} S_{jk}(t) \text{ for all } j=1, \dots, C_0, \text{ and } k=1, \dots, C_j$$

Where:

$S(t)$ = the total score of decision making quality at period t , where $t=1,2, 3$

C_0 = the number of criteria at first layer, i.e., in our model $C_0=3$

W_j = the weight (importance) of layer $1-j$ within the hierarchy of criteria, for $j=1, \dots, C_0$

$S_j(t)$ = the total score of layer $1-j$ at period t , where $j=1, \dots, C_0$ and $t=1,2,3$

C_j = the number of sub-criteria under layer $1-j$, i.e., in our model $C_1=4, C_2=4$ and $C_3=2$

W_{jk} = the weight (importance) of layer $1-j-k$, where: $j=1, \dots, C_0$ and $k=1, \dots, C_j$

$S_{jk}(t)$ = the total score of layer $1-j-k$ at period t , for $j=1, \dots, C_0$ and $k=1, \dots, C_j$, and $t=1,2,3$

The expansion of the above-mentioned closed form is as follows:

$$S(t) = S_1(t) * W_1 + S_2(t) * W_2 + S_3(t) * W_3$$

$$S_1(t) = S_{11}(t) * W_{11} + S_{12}(t) * W_{12} + S_{13}(t) * W_{13} + S_{14}(t) * W_{14}$$

$$S_2(t) = S_{21}(t) * W_{21} + S_{22}(t) * W_{22} + S_{23}(t) * W_{23} + S_{24}(t) * W_{24}$$

$$S_3(t) = S_{31}(t) * W_{31} + S_{32}(t) * W_{32}$$

Given:

$$W_1 + W_2 + W_3 = I,$$

$$W_{11} + W_{12} + W_{13} + W_{14} = I,$$

$$W_{21} + W_{22} + W_{23} + W_{24} = I,$$

$$W_{31} + W_{32} = I,$$

Where:

$S(t)$ = the total score of decision making process at period t

$S_1(t)$ = the score of decision taking phase at period t

$S_2(t)$ = the score of implementation phase at period t

$S_3(t)$ = the score of decision support phase at period t

W_1 = the weight (importance) of decision taking phase in the whole process (out of 1)

W_2 = the weight (importance) of implementation phase in the whole process (out of 1)

W_3 = the weight (importance) of decision support phase in the whole process (out of 1)

$S_{11}(t)$ = the score of decision making structure at period t

$S_{12}(t)$ = the score of decentralisation in decision taking phase at period t

$S_{13}(t)$ = the score of participation in decision taking phase at period t

$S_{14}(t)$ = the score of speed (the average time of decision taking) in decision taking phase at period t

W_{11} = the weight (importance) of structure qualification in decision taking phase (out of 1)

W_{12} = The weight (importance) of decentralisation qualification in decision taking phase (out of 1)

W_{13} = the weight (importance) of participation qualification in decision taking phase (out of 1)

W_{14} = the weight (importance) of speed in decision taking phase (out of 1)

$S_{21}(t)$ = the score of decision implementation structure at period t

$S_{22}(t)$ = the score of management styles in decision implementation phase at period t

$S_{23}(t)$ = the score of decentralisation in decision implementation phase at period t

$S_{24}(t)$ = the score of meeting schedules at period t

W_{21} = The weight (importance) of Structure qualification in Decision Implementation Phase (out of 1)

W_{22} = the weight (importance) of management style qualification in decision implementation phase (out of 1)

W_{23} = the weight (importance) of decentralisation qualification in decision implementation phase (out of 1)

W_{24} = the weight (importance) of meeting schedules (out of 1)

$S_{31}(t)$ = the score of support structure at period t

$S_{32}(t)$ = the score of citizen participation in support phase at period t

W_{31} = the weight (importance) of structure qualification in support phase (out of 1)

W_{32} = the weight (importance) of participation qualification in support phase (out of 1)

To calculate the values of $S(t)$ for the three periods of investigation, we first need to decide about the hierarchical weights, i.e., W_j and W_{jk} 's, and then score each period against the hierarchy of criteria, i.e., $S_j(t)$ and $S_{jk}(t)$'s. The next section elaborates on how these weights and scores were calculated and provides the results of the model.

5-2. The Results of Evaluation Process

As discussed in Section 2-3, to guarantee an unbiased evaluation and avoid personal judgements, we decided to input some professional opinions into our evaluation model, asking the opinion of a number of professionals regarding the weighting and scoring data required for our evaluation model. We chose our research participants from two different groups: academia and executive managers. From the first group, we

selected the university professors having teaching and research experience in related areas, including urban planning, management, and decision making science. The majority of participants from the second group included those executive managers in Tehran Municipality who had been in top level management positions at least in two out of the three investigated periods of this study.

Calculation of Weights

Regarding the weighting, we designed the questionnaire shown in Appendix 3-1, to collect the relative importance of criteria at each layer. Participants were asked to answer a series of typical question of “*how important is criterion A over Criterion B*”. The answer could be chosen among multiple choices adopted from the standard AHP Preference index shown in Table 2-1 of Chapter 2. We distributed this form among a total number of 30 university professors (i.e. group one) and 25 executive managers (i.e. group two), out of which we received 30 completed forms, including 15 forms from each group. The participants of the first group consisted of 11 professors (i.e. 73%) from Industrial Engineering departments of well known Iranian universities (i.e. Sharif, Polytechnic, and Tehran) and 4 participants (i.e. 27%) were professors in management sciences. In the second group, 5 respondents (i.e. 33%) had a long working experience as regional mayors in different districts of the Great Tehran, 4 of them (i.e. 26%) were deputy mayors, 4 others (i.e. 26%) were executive managers of Tehran Municipality’s affiliated companies, and the remaining 2 (i.e. 13%) were deputy ministers or city council members.

As the first step of weight calculations in AHP method, as explained in Section 2-2, we had to build the AHP preference matrix. Using the preference index explained in Table 2-1, we assigned the following preference values to multiple choices of each answer:

- 1:** Criteria i and j are of equal importance
- 3:** Criterion i is moderately more important than criterion j
- 1/3:** Criterion i is moderately less important than criterion j
- 5:** Criterion i is strongly more important than criterion j
- 1/5:** Criterion i is strongly less important than criterion j

7: Criterion i is very strongly more important than criterion j

1/7: Criterion i is very strongly less important than criterion j

9: Criterion i is overwhelmingly more important than criterion j

1/9: Criterion i is overwhelmingly less important than criterion j

AHP method also suggests the values 2, 1/2, 4, 1/4, 6, 1/6, 8, 1/8 as intermediate values, to be considered as elements of preference matrix.

Based on the received answers, we had 30 different values for each element of preference matrix (i.e., A_{ij}). Hence, we calculated the average of these values and chose the closest preference or intermediate value to this average as A_{ij} 's. To complete the preference matrix, we considered the following rules, as well:

When $A_{ij}=k$, then $A_{ji}=1/k$.

$A_{ii}=1$

Tables A5-1 through A5-4 in Appendix 5 show the calculated preference matrices for layer 1, and layers 1-1 through 1-3 respectively. As suggested in AHP's weighting method, we can find the geometric mean of each row and the total of geometric means, and then normalise the row geometric means by dividing them by the total. This way will lead us to final weights at different layers of hierarchy. Tables A5-6 through A5-9 in Appendix 5 presents the weighting calculations for the first layer and layers 1-1 through 1-3 respectively. The calculated weights have been summarised in Table 5-2.

Table 5- 2. The calculated weights

Layer	Criteria	Weights
1-1	The quality of decision taking phase	0.55
1-1-1	The efficiency of decision taking structure	0.42
1-1-2	The level of decentralisation in making decisions	0.26
1-1-3	The level of participation in making decision	0.18
1-1-4	Speed of making decisions	0.14
1-2	The quality of decision implementation phase	0.28
1-2-1	The efficiency of decision implementation structure	0.51
1-2-2	The quality of management styles in decision implementations	0.27
1-2-3	The level and quality of decentralisation in decision implementations	0.08
1-2-4	Meeting the schedules	0.14
1-3	The quality of decision support phase	0.17
1-3-1	The existence and quality of support structure	0.83
1-3-2	The quality of participation and transparency	0.17

The results of calculated weights show that our respondents believe in the quality of decision taking phase (i.e. with the weight of 0.55) as the most important stage at decision making process and then in decision implementation and support phases respectively. They also believe that an efficient organisational structure has the most important role at each phase. A close look at collected data also reveals that the weight of decision taking phase given by executive managers' data is higher than those given by university professors. In contrast, professors have given more importance to decision support phase compared to the municipality executives.

Based on the calculated weights, we can rewrite the score functions as follows:

$$S(t) = 0.55 * S_1(t) + 0.28 * S_2(t) + 0.17 * S_3(t)$$

$$S_1(t) = 0.42 * S_{11}(t) + 0.26 * S_{12}(t) + 0.18 * S_{13}(t) + 0.14 * S_{14}(t)$$

$$S_2(t) = 0.51 * S_{21}(t) + 0.27 * S_{22}(t) + 0.08 * S_{23}(t) + 0.14 * S_{24}(t)$$

$$S_3(t) = 0.83 * S_{31}(t) + 0.17 * S_{32}(t)$$

Having these weights, we had to calculate the scores as the next step.

Calculation of Scores

In Section 2-2, while drawing the hierarchy of criteria, we also explained how to evaluate each period against the defined criteria. Based on these evaluation guidelines, we designed the questionnaire shown in Appendix 3-2, to collect scoring data. As can be seen, this questionnaire consists of a number of multiple-choice questions related to each criterion in which each choice is assigned a specific point. Thus, we can calculate the score of each criterion adding up the points of the related questions. We distributed three questionnaires to each participant (one for each period of investigation) to score each period against the designed questions. We just chose the group of executive managers as the participants of this part, as they were supposed to be directly involved in city management filed.

In terms of scoring, we first calculated the average points of each question according to the opinions of our 15 respondents, the results of which have been shown in

table A5-9 of Appendix A5. We then calculated the total point of each criterion adding up the points of its related questions. Finally, we normalised these values by dividing by maximum available points for each criterion (i.e., the sum of maximum available point in related questions) to obtain the value of score functions $S_{jk}(t)$'s in terms of percentage (%). These calculations can be formulised as follows:

$$S_{jk}(t) = \frac{\sum_q S_{jkq}(t)}{\sum_q \text{Max} \{S_{jkqc}\}(t)_c}$$

Where:

$$j = 1, \dots, 3$$

$$k = 1, \dots, 4$$

$$q \in Q_{jk}, Q_{jk} = \{\text{The set of questions related to } S_{jk}\}$$

$$c \in C_{jkq}, C_{jkq} = \{\text{The set of choices in question } q \text{ related to } S_{jk}\}$$

The calculation of scores has been summarised in Table 7-3. As can be seen, the respondents have given the maximum scores to the second investigated period, i.e., the years of the 1990's, for the most qualified decision making process, with a significant difference with the other two periods.

Table 5- 3. The calculation of final scores

Criteria	Period 1 (before 1990)	Period 2 (1990s)	Period 3 (1999-2007)
Decision Taking	$(44*0.49)+(2*0.25)+(5*0.17)+(19*0.09)=24.62\%$	$(65*0.49)+(65*0.25)+(48*0.17)+(86*0.09)=64\%$	$(50*0.49)+(8*0.25)+(55*0.17)+(31*0.09)=38.64\%$
Structure	8.81/20=44%	13/20=65%	20/40=50%
Decentralisation	1.07/65=2%	42/65=65%	5/65=8%
Participation	1.54/30=5%	14.5/30=48%	22/40=55%
Speed	5.71/30=19%	25.66/30=86%	9.33/30=31%
Decision Implementation	$(42*0.48)+(4*0.27)+(17*0.125)+(20*0.125)=25.87\%$	$(67*0.48)+(92*0.27)+(88*0.125)+(70*0.125)=76.75\%$	$(47*0.48)+(39*0.27)+(44*0.125)+(40*0.125)=43.59\%$
Structure	4.23/10=42%	6.67/10=67%	4.67/10=47%
Management Styles	5.36/120=4%	110/120=92%	47.33/120=39%
Decentralisation	7.69/45=17%	39.67/45=88%	20/45=44%
Meeting Schedules	10/50=20%	35/50=70%	20/50=40%
Decision Support	$(26*0.73)+(18*0.27)=23.84\%$	$(70*0.73)+(56*0.27)=66.22\%$	$(37*0.73)+(53*0.27)=41.32\%$
Structure	7.7/30=26%	21/30=70%	10.97/30=37%
Participation	8.22/45=18%	25.34/45=56%	23.67/45=53%
Total Score	$(24.62*0.67)+(25.87*0.22)+(23.84*0.11)=24.8\%$	$(64*0.67)+(76.75*0.22)+(66.22*0.11)=67.05\%$	$(38.64*0.67)+(43.59*0.22)+(41.32*0.11)=40.03\%$

This analysis quantitatively shows that the measured performance of decision making process in Period 2 is significantly better than two other periods. As shown in this table, performance in both Periods 2 and 3 is better than Period 1. Period 2 is mostly better than Period 3, and although Period 3 is stronger on participation, it is much weaker on overall implementation. In the next two chapters, we will carry out a qualitative analysis focusing on a number of key decisions (as the unit of analysis) to analyse the quality of decision making processes of them. This analysis supports the results of quantitative analysis showing that how the quality of decision making process of these selected decisions improved decision making process and boosted the performance of

city management system. The link between the collected data (i.e., in chapters 3 and 4) and the results of the quantitative and qualitative analyses (i.e., in chapters 5 to 7) will be provided in Chapter 8.

Chapter 6. Analysis of Decision Making Processes during the 1990's: a Qualitative Analysis

As discussed in Chapter 4, at the beginning of the 1990's, when the Iran-Iraq war had just concluded, Tehran citizens were suffering from extremely acute problems, including inadequate and improper transportation network and public transit, lack of cultural and recreational centres for citizens to spend and enjoy their leisure time, hazardous environmental conditions, and above all, the absence of long-term planning to cope with these problems. Facing all these problems, the city management structure was suffering from serious problems too. As explained in Chapter 3, various governmental organisations were involved in city management issues, having different roles ranging from planning to executive ones. However, there was a clear lack of coordination among them. The absence of existing rules and regulations to clearly separate their responsibilities as well as different interpretations from the vague and unclear laws had intensified the conflict. Furthermore, many rules were ignored even in the authorised courts. On the other hand, inside the Municipality, too, the centralised structure, inherited from previous years, and internal conflicts among different divisions did not allow the municipality executive managers even to speed up those projects, which were obviously among municipality responsibilities.

All these difficulties had turned Tehran to a huge problem for the entire country management, to the extent that a number of the country's high-ranking experts and managers had lost their hope of its revival and were consulting to find another city to transfer the capital to. It was widely whispered to choose another place as the Islamic Republic of Iran capital. In that situation, there were two choices either to change the place of capital and leave Tehran on its own or to find a solution to combat the problems and survive the urban life in this city.

Apparently, a firm and rapid decision making process was deemed necessary. This risky decision, which could endanger Tehran's situation as a world-wide-known capital, was made at that time and Tehran remained as the capital. Therefore, it seemed necessary to make some fundamental changes to revitalise the city, providing the city's at least 7 million residents with the possibility to continue living in the city.

This chapter elaborates how Tehran Municipality went through a revolutionary reform to find the required capacity for revitalising Tehran. In this process, there were many decisions which played vital roles on these subsequently significant changes. A number of key decisions made during this period will be chosen to analyse. For these decisions, the process of decision making will be discussed from an analytical point of view. The discussions provide elaborated information on how and under what circumstances these decisions were made, how they were implemented, what the positive and negative outcomes of decisions were, and as the decision support phase, how the negative outcomes were justified. To this end, Section 6-1 presents how the reform was planned and analyses the process of making key decisions. Section 6-2 discusses two example projects as case studies, explaining the details of a number of challenges in front of the projects and analysing the process of major decisions made during the life cycle of these projects.

6-1. Significant Decisions of Tehran Municipality's Reform

The problems elaborated earlier, just represent a brief picture of potential problems that a city management system might confront in a mega-city like Tehran. City management, particularly in third world countries, has been one of the most challenging jobs of governments for some time. The main challenges arise from the fact that despite the complexity and severity of problems, the city management system is not capable enough to cope with such problems, and Tehran was no exception. Undoubtedly, such acute problems regarding urban services, cultural requirements, transportation and traffic affairs, and civil and city constructions could be resolved through a strong and efficient management system, employing a creative workforce, applying consistent decision making mechanisms, and implementing innovative projects. Moreover, being responsive to the real needs of citizens necessitates a clearly predefined cooperation among all organisations involved in different parts of city management responsibilities. Otherwise, the absence of such coordination might cause problematic conflicts, intensifying the severity of problems and potentially creating additional obstacles.

However, as can be seen in Chapter 3, none of these conditions, neither an efficient city management system nor a constructive cooperation among the involved

organisations in Tehran existed in 1990. In such a situation, applying creative plans and experience of other countries could be helpful to some degree to prevent repetition of some mistakes by decision makers and urban managers' side.

Within recent years, local governments and organisations across the globe, particularly in developed and developing countries, had noticed the importance of city growth and the fact that the creation of mega-cities is a historical necessity, remaining no way to be denied and/or ignored (Bulgliarello 1999; UN 1998). Experts in the field had come up with a number of practical suggestions, aiming at helping city management systems reduce the troubles and prevent secondary difficulties. According to their studies, cities are considered as economic and social centres in a national perspective, rather than places just for economic investments and accumulation of unemployed workers or plenty of economic, social, and environmental problems (UN 1998; UN 2004). Citizens are also considered to be favourable phenomena; they should be attracted into the most capable productive parts of the society, cooperating in the country's economic and social growth. Hence, cities should not only create valuable chances for their residents' welfare and development, but also cope with the society's development burden as an active force.

By this definition, leadership communities in urban management systems face a new set of issues and must devise new strategies for meeting the needs of citizens. Successful communities have developed a system of problem solving, incorporating a new style of leadership. The fundamental component of such a system is the opportunity of citizens to participate in decision making process for public affairs, which affect their daily lives (Pieterse 2000). It helps to ensure that the needs of the majority of citizens are met and that the community is functioning in the most effective manner. In this context, Tehran can be seen as a gathering of a large group of people and capital, and as the major economic role player in the entire national economy. Therefore, urban management should attempt to reach the goals of economic growth, political stability, and maintenance of majority of people's wealth and democratic opinion, by using an appropriate problem solving method.

Furthermore, as an international trend over the recent decades, decentralisation had emerged as one of the most important focal points in urban governance subjects. Decentralisation, in both global and regional levels, had been experimented with in most

developed and developing countries to varying degrees of success, and in different forms. Iran was no exception (Ferguson & Chandrasekharan 2005). The city management team in Tehran had realised that managing such a mega-city by a central authority and *its* interference in district and local affairs would weaken the local organisations (i.e., the municipalities), forming a non-integrated structure without sufficient authority, with low financial resources, and unskilled and unhappy employees. They were highly aware that the local municipalities should have wider responsibilities and more authority in the form of a governmental, but decentralised structure.

On the other hand, Tehran Municipality's organisational structure, inherited from the past, was definitely unable to handle a decentralised management system due to numerous rules and regulations incompatible with the true requirements of an emerging mega-city like Tehran, as well as the shortage of a professional and skilled workforce, capable of running such a system. Moreover, assuming that a one-dimensional consideration of urban problems might be impracticable, an interdisciplinary method was needed for districts management (TMRPC 1995a). These shortages might have not only resulted in failure in resolving urban problems, but also caused the recession, social and political dissatisfaction, poverty and unemployment, along with harm to the environment. Thus, a reform in different layers of management system in Tehran Municipality, rather than sticking to traditions, was seen as an inevitable necessity.

Considering the dimension and complexity of these requirements, the post-war city management team in Tehran Municipality looked for an effective approach to create an organisational reform. They developed a plan of change targeting the following goals (TMRPC 1993h): (1) turning Tehran Municipality to a financially self-sufficient and autonomous organisation, (2) decentralisation of responsibilities and authority within the organisation, (3) improvement of organisational structure and the quality of human resources, (4) capacity building within the organisation, (5) privatisation, and (6) development of comprehensive plans. Sections 6-1-1 through 6-1-6 will discuss how these six above-mentioned goals were achieved. Furthermore, these sections will focus on key decisions related to each goal analysing the challenges of the process of making these decisions.

6-1-1. Turning Tehran Municipality to a Financially Self-Sufficient and Autonomous Organisation

As discussed in Chapter 3, in contrast to municipalities of developed countries, the main body of Tehran Municipality as well as its affiliated offices and organisations were all dependent on national governmental funds, rather than taxes and duties. Hence, they were under governmental rules, rather than effective regulations of a public organisation prior to 1990. Furthermore, the financial authority was only restricted to Tehran Mayor, himself, and it was he who had to make all the decisions, regardless of their importance, for the entire organisation. This financial authority was too limited, even for him as the top level manager in that organisational structure. Undoubtedly, this situation was incompatible with the requirements of the municipality of an unplanned metropolitan as complex as Tehran.

As reviewed in Chapter 2, the existing literature suggests that three major components are needed to empower the mayors running the municipality of a mega city. These components include fiscal power/autonomy, political power, and mayor's dynamic personality. Focusing on the first two components in our discussions of this section, we can mention that Tehran Municipality lacked both elements at the beginning of 1990. Regarding the financial power, even the existing limited financial resources were endangered, because reducing subsidies was a prioritised strategy of the post-war government. In this regard, the government had passed the "Municipal Fiscal Self-Sufficiency Act" with the goal of phasing out all governmental aids to urban municipalities within three years. The rationale for this decision was to encourage cities to pursue local economic development. Tehran Municipality, with no exception, could not count on the continuation of governmental funds being allocated to this organisation (TMRPC 1993f). Thus, an urgent demand emerged to find some new financial resources in order to take steps towards the organisation's self-sufficiency. However, since Tehran had been devastated by war and neglect for many years, it needed a large financial resource to be able to cover its own expenses and to plan and develop the demanding projects. Otherwise, with those limited governmental funds, no better situation was expected for Tehran Municipality and Tehran citizens.

As a solution to this problem, it was thought that citizens should be the main providers of required funds, as they are the major customers of municipality services – the same pattern as in developed countries where citizens pay for municipal expenditures via tax payment or direct payment for services. However, this idea was not easily executable in practice, for many reasons. Tehran had been run with subsidies and governmental funds for a long time, and hence, Tehran citizens were not accustomed to paying city taxes. In other words, they were not adequately aware of the fact that the municipal taxes they paid would be deposited with the Municipality treasury and then spent on urban services and infrastructural projects. This problem could not be resolved easily; it needed to be addressed via long-term educational plans for boosting the overall awareness of the society, and it was not achievable in the short term. On the other hand, Municipality agents were not trained or skilled enough to employ creative ways for collecting these taxes. Moreover, the rate of municipal taxes had remained unchanged (or changed slightly) for a long time, and even stricter enforcement of the existing tax regimes could not result in a large enough contribution required to fund municipality expenses. Hence, in the absence of a meaningful local revenue system based on property tax, Tehran Municipality had to come up with another solution. Moreover, considering the tight control over creating new sources of revenues and/or increasing the rates, this solution could be harsh for the majority of society and could even instigate riots.

On the other hand, this period was coincident with some other important changes in policies of urban physical development, particularly the policy of changing horizontal development into vertical development. Population growth, which had a sharper slope since 1980, started to slow down in the early 1990's. The major reason for this incline in population of urban areas was population growth in Tehran suburbs. As mentioned earlier, many poor immigrants, who could not afford housing inside the city, benefited from the unstable conditions of the war time and resided in illegal suburbs. This trend suddenly increased suburban problematic areas, forcing the city management to find a solution to this problem. There were two options at that time; the first one was accepting the extra population in the suburbs, and the second was transferring it to the legal districts. The first solution meant rapid horizontal growth of Tehran, breaking the capital surroundings, and creating marginal areas. This process was not in accord with the

existing policy of avoiding the expansion of the city boundaries. Not long ago, this boundary expansion had created centres of social crisis in the suburbs, bringing serious social impairments for the capital. Hence, the policy of allowing Tehran's vertical growth was approved (UPAHC 1990). The suburban construction was then banned by stronger laws, so that immigrants would not rush to the suburbs.

Consequently, considering the existing conditions, the incumbent Tehran Mayor made a decision to collect density tax for high-rise constructions, making the most revolutionary and controversial policy of Tehran urban management in the 1990's. By this decision, the targeted tax payers were all citizens who were about to construct more than two stories, including those investors (from the rich class of the society) who could afford to invest in high-rise building constructions.

The decision to collect density tax for high-rise constructions could satisfy the goal of financial independence from the government. Moreover, the increasing municipal funds could enable this organisation to deliver better services (both in terms of quantity and quality) and to develop more civil engineering projects, all of which could be of use for Tehran citizens by improving the quality of life in Tehran. This decision was also in line with the new urban development policy for the city's vertical growth. More importantly, it was a rapid reaction to the increasing demand for housing in Tehran due to the sharp population growth during the past years.

As the first outcome of this decision, Tehran Municipality's revenues dramatically increased to the extent that in 1998 the city's budget was more than 200 billion tomans (\$670 million) – 40 times more than in the early 1990's (TMPCMD 1999b). At the same time governmental aid was completely cut and shortly afterwards went down to zero. Comparing Tehran Municipality with other governmental and public organisations in Iran, we realise that none of them has performed their fund raising task well. Even those ministries responsible for industry, which are expected to make money for the country, have not become successful in cutting their dependence on the governmental budget and oil revenues.

Secondly, this increased revenue did not impose any economic pressure on middle and poor classes of the society. In contrast, they were primarily the rich people, who were charged to pay more taxes to the municipality. Due to the increasing demand of housing,

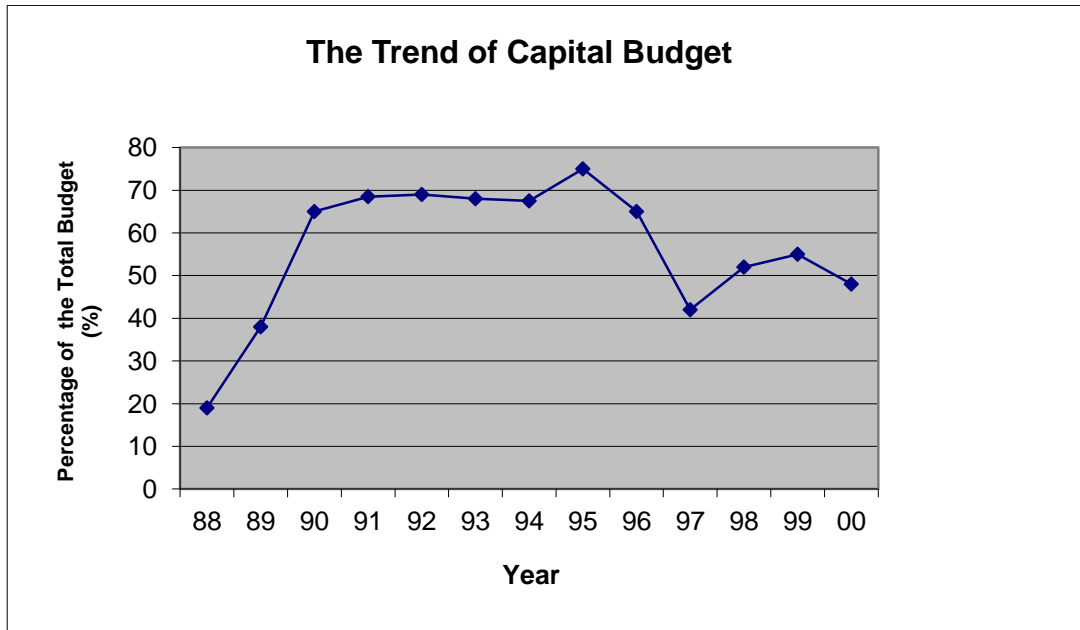
building and constructing projects were considered as a profitable activity for investors. A number of building projects were also related to forming new agencies, commercial complexes, or turning the residential buildings to the trading ones. Moreover, to facilitate this trend, Tehran Municipality applied a number of creative ways offering business opportunities to investors to attract more money from them. For instance, they widened and improved Mirdamad Avenue, turning it into an investment opportunity to build high-rise residential and commercial complexes. All these projects could result in making a high value added for the owners, for which they were charged to pay high-rise construction taxes.

Third, following a district-based policy in Tehran to develop urban services, especially for central and southern districts that were deprived of the least services during the past years, Tehran municipality spent the incomes of high-rise construction taxes collected from the rich northern areas mostly on the renewal of old districts and providing civic services in the deprived districts. A large sum of the mentioned profits in these years was spent on serving central and southern areas. So, the highly populated poor southern areas resided by rural immigrants were renewed.⁹

Fourth, this increased revenue and its consequent spending on civil engineering and infrastructural projects changed the municipality's budgetary indicators drastically. As shown in figure 6-1, comparing the percentage of capital budget (vs. current expenditures) in Tehran Municipality over 12 years from 1989 to 2000, we realise that more than 80% of the budget of this organisation was being spent for current expenditures, including salaries, internal costs of the municipality, and the costs of basic urban services, such as garbage removal and city cleaning services and maintenance of those limited green spaces and parks. In other words, only 19% of the budget was devoted to infrastructural and civil engineering projects. However, these proportions were reversed in the 1990's, reaching 75% capital budget (vs. 25% current expenditures) in 1995 at its peak. We, again, witness a decline after 1997, as this percentage reaches below 50% in 2000. This trend, which is partially due to novice city councils and the new experiment on urban management systems, will be discussed in further chapters.

⁹ Le Monde Newspaper Report on Tehran Municipality, French Radio, 22:30, Farvardin 9th, 1374 (1995).

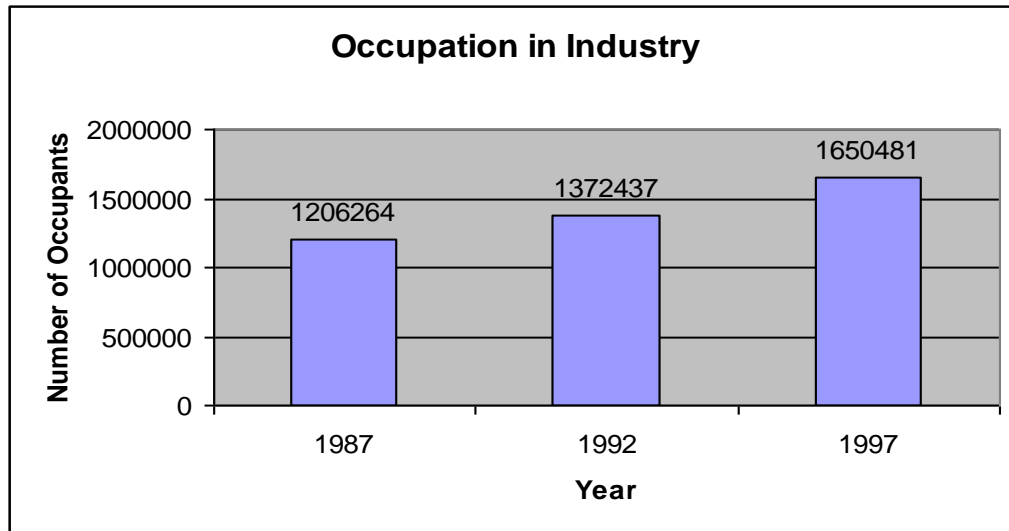
Figure 6- 1. Changes in Percentage of Capital Budget (vs. Current Expenditures) from 1989 to 2000



Source: Tehran Municipality Revenues & Expenditures Database, Project Control & Management Division, Office of Tehran Mayor

Fifth, such extensive constructions and civil engineering projects not only changed the face of the city and made it a liveable place, but also benefited the entire country by spreading the movement to other cities from the capital. Historically, many Iranian cities have been facing acute problems due to their deprived structures. The majority of old buildings have been built heedless of engineering standards and with no resistance against earthquakes. In such a situation, the policy of high-density tax acted as a catalyst to eliminate this problem, since the guaranteed benefit of such constructions motivated a large number of owners to redevelop their buildings. Moreover, the growing number of renovation projects could attract the capital of private sector, boosting construction and all construction-related industries immensely. As shown in figure 6-2, the number of occupants in this industry increased by 37% in 10 years, due to a vast number of job opportunities and vacancies in the industry field. This trend was definitely in line with the post-war economic development policies as well, satisfying the urgent need to reconstruct the war-torn regions and industries, and improving the economy depressed by the sanctions and war recessions.

Figure 6- 2. Changes of Industry Occupants over Time



Source: Economic Statistics, Central Bank of the Islamic Republic of Iran

However, there were some negative outcomes too. The immediate and most criticised outcome of this decision was construction of high-rise buildings, without attention to people’s native culture and life style, and permitting building density beyond local infrastructural capacities, causing huge problems particularly in Northern Tehran. A part of these problems originated from the absence of Tehran’s detailed plans. In 1991, Tehran’s comprehensive plan had been approved by Urban and Architecture High Council, and detailed plans were being prepared based on it. Since this process was supposed to be time-consuming, Tehran Municipality had to find some temporary solutions to react to the emerged problems until finalising the detailed plans. To this end, Tehran Municipality Commission No.5 (i.e. Tehran Zoning Commission) revisited the previous method, enforcing tougher conditions for high-density construction. They decided to restrict issuing new permissions for high-rise constructions to only those potential locations anticipated in Tehran’s comprehensive plan for this purpose. They also approved the required rules and regulations in this regard, including cultural and infrastructural issues (CNO5 1997).

For other locations within the city, only a maximum number of six stories was allowed. They also determined how to calculate the authorised number of stories based on the passage width and land area, allowing less stories in streets that were not wide

enough (i.e. streets with the width less than 12 metres) for constructing high buildings. In terms of parking spaces, since parking shortage was a problematic issue in previously constructed projects, it became mandatory for all builders to provide the required number of parking lots. In rare cases, a maximum 20% of parking shortage could be acceptable – only at the discretion of the local urban council of that district. For land-use change requests (i.e. changing the application of building from residential to commercial/official), they approved the same regulations as high-rise constructions, forcing builders to provide a minimum 80% of parking requirements (CNO5 1998).

Recalling decision support (i.e. the learning process) phase in a decision making process, these new regulations were all set and approved as a reaction to those negative outcomes on this decision. Thus, the problems of new high-rise construction projects with further approvals based on these regulations were dramatically decreased. Moreover, with just a quick overview of Tehran Municipality's revenues after the 1990's, we realise that all succeeding mayors seem to have followed the same policy. Based on the figures released by Urban and Architecture High Council, about 88% of the municipality's budget for the year 2001 was secured through construction permits and taxes. In 2004, too, this revenue was predicted to be around 43% of the entire budget, which reached 78% by the end of that year (Iran Daily 2005). As to the latest statistics, in the first six months of 2007, 81% of the municipality's revenue was again secured from construction permission, including construction taxes. It shows that even when the country's oil revenue is at its peak, compared to the past, the municipality's dependence on construction tax still remains, to the extent that in 2007 the number of issued permissions increased by 74.4%, boosting the number and area of permitted buildings by 89.1% and 91.1% respectively (TMBPIO 2007).

In practice, Tehran Municipality not only failed to trim down this “unstable” source of revenue, but also increased its dependence on it by issuing more construction permissions in larger areas. Besides, they even increased the prices of construction permissions to 10 times what it was back in the 1990's. Tehran citizens witnessed this trend even when the most powerful opponents of Tehran's management policies during the 1990's were running Tehran Municipality. Those who had always criticised this policy followed it themselves, even more enthusiastically than before.

Hence, the goal of providing a sustainable budget source for municipalities remains unreachable, while it has always been emphasised by both the Government and the Parliament in different periods. The slogan of both the first and the second City Councils was to activate other income sources for the Municipality's budget. From a practical point of view, the continuation of this policy in different periods and by various political officials means that the decision to collect high-rise construction tax *has been* the only feasible solution for Tehran revitalisation during the last 15 years.

In terms of political power, using the President and Interior Minister's support at that time, Tehran Municipality could gain some financial, official, and organisational authority from Interior Ministry, handed over to Tehran Municipality's relevant managers and deputies (TMO). Undoubtedly this assigning of authority was helpful to some degree to boost the decision making power within the organisation. However, if we evaluate the political power by the level of societal influence that a public organisation can wield, Tehran Municipality could find most of its power by being diligent on serving the city and citizens and solving their problems quickly and innovatively, far beyond other organisations responsible for the city problems. For instance, in many infrastructural problems, although Tehran Municipality was not supposed to serve at the front line - because other organisations were mainly responsible- it stepped forward initiating some innovative solutions to cope with the problems. Recalling Tehran Municipality activities in this period, we can point out the development and management of a large number of social and cultural centres, to meet the shortage of social and cultural spaces, and initiating the Air Quality Control Comprehensive Plan regarding the air pollution crisis in Tehran, as just two examples of pioneer activities of this organisation. In both examples, other organisations were supposed to take action regarding the acute problems. However, it was Tehran Municipality stepping forward to do that, which shows the pro-active attitude of this organisation at the mentioned period of time.

Moreover, since poor enforcement of regulations, particularly in traffic and construction fields, had resulted in frequent disruptions, Tehran Municipality applied stricter policies for enforcing regulations. These strict policies were not just applied to ordinary people; rather they were applied to governmental organisations as well. For example, all illegal constructions, with no exception for governmental projects, were

banned. In terms of traffic regulations, too, all vehicles violating regular traffic rules and/or entering the restricted traffic zone illegally had to be fined, with no exception for government-owned vehicles. In this way, people trusted Municipality actions more than ever before, far more than what they did about other governmental organisations.

Hence, this diligence and strict enforcement by Tehran Municipality influenced different layers of society, attracting public attention to the visible improvements they could see in the city situation. This influence increased to the extent that Tehran Municipality's executives and expert members were usually invited to different professional commissions of the Government and/or Parliament to participate in their discussions regarding political, economic, administrative, social, cultural, environmental, and civil problems. Also the Tehran Mayor was invited to attend the cabinet meetings to discuss the capital's problems and issues -a presence that had not happened before and did not continue on a regular basis after this period (Iran Daily 2007).

In summary, Tehran Municipality could achieve significant fiscal and political powers during the 1990's, helping transform from a government-dependent to a self-sufficient organisation. In fact, this transformation prepared the required grounds for further endeavours. As discussed earlier, the decision to collect density tax for high-rise construction had a vital role in achieving this goal. From an analytical point of view, the decision making process of this controversial decision was investigated in this section, by discussing in what atmosphere and how it was made, why its "reasonable" alternative decision was impractical, what the positive and negative outcomes were, and at the decision support phase, how Tehran Municipality reacted to correct the negative outcomes. The other vital decisions will be discussed in the forthcoming sections.

6-1-2. Decentralisation of responsibilities and authority

The introduction of decentralisation process in Iran dates back to the year 1979, right after the Islamic Revolution, when the new Constitution of Islamic Republic of Iran was about to be written. The approved constitution stipulated the formation of Islamic villages and city councils in different Articles, which could be interpreted as a kind of political decentralisation in this country. Although the attempts on this process resulted in

the belated first city council elections held in 1999 -after 20 years- some practical steps on administrative and fiscal decentralisation were also taken during the 1990's.

As discussed in previous sections, besides the limitation of financial and political powers in Tehran Municipality at the beginning of this period, all power was also concentrated in the central office, and the most part of it belonged to the Tehran Mayor, himself, taking the responsibility of all decisions. This trend had resulted in the growth of a cumbersome bureaucracy within the organisation, causing a slow and inflexible decision making process.

As discussed in Section 1-1-3, decentralisation ranges from a simple dispersion of central responsibilities (i.e. deconcentration) to high levels of devolutions. In Tehran Municipality too it happened through a systematic approach transforming a high degree of centralisation to devolution at two levels: from the national level to Tehran and within Tehran Municipality's organisation from the central divisions to districts. In terms of decision-making implementation phase, this process occurred through the following steps (TMRPC 1993f; TMRPC 1993h; TMRPC 1995a):

1- Deconcentration of responsibilities: Although Tehran had been divided into 20 districts, each having a local municipality, the central municipality was responsible for providing the majority of urban services and implementing all civil engineering projects, leaving a very narrow range of responsibilities for districts. As discussed in Chapter 3, prior to the year 1990, the main task of districts had just been limited to garbage removal, delivered improperly even at this limited scope. As the first step toward decentralisation, Tehran Mayor decided to expand the responsibilities of district mayors for provision of urban services and projects within their districts. Consequently, districts found more responsibilities regarding all types of urban services, beyond the mere garbage removal, such as construction and maintenance of streets and passages, local parks and recreational centres, and issuing permission for probable road digging (TMO 1991a), developing green spaces, providing social and cultural services, establishing executive units at district-level to enforce Commission No.100 Approvals at district level (TMO 1991b), collecting vehicle taxes (TMO 1991c), auditing district-level financial accounts (TMO 1992a), and many other tasks and activities, which had never been done at the district level. In this framework, the central municipality, particularly its Civil Engineering &

Technical Deputy, could focus on more costly and complicated projects (e.g. development of highways and expressways), which were in fact beyond the capability of districts. On the other hand, districts took the responsibility of their internal projects (i.e. usually small- to medium- size ones), for whose performance they were accountable to the central municipality. In other words, the district municipalities were responsible for making practical short-time decisions and the central municipality took responsibility for overall long-term strategic policy making, in addition to its supervision duty.

Regarding capacity building to undertake the new responsibilities, two new deputies (i.e. traffic deputy and social and cultural deputy) were created at district-level to transfer a part of responsibilities of their central offices to them. However, in terms of decision making power, the majority of decisions were still made at the central level as before.

2- Transfer of some administrative decision making authority: As the second step, when district municipalities had found more responsibilities, some administrative decision making authority was transferred from Tehran Mayor to district mayors as well as deputy mayors and executive managers of affiliated organisations and offices to speed up the processes. These were primarily about administrative authority, including writing and signing contracts and agreements. Besides Tehran Mayor, some central offices transferred their responsibilities to regional sections, while transferring the related authority to them. For instance, the central Commission No.100 transferred all responsibilities and authority for issuing permissions up to 50 m² of increased density building to regional commissions (TMO 1992b). The dispersion of authority and increased decision making power made Tehran Mayor develop a new district management position (at the level of vice mayor) to supervise the performance of district mayors on their new responsibilities. In this framework, the district mayors were not just powerless agents responsible for implementing the decisions dictated from the central municipality. Rather, they were empowered to make major decisions about their districts following the general policies of the central municipality, and they were accountable for the problems within their districts as well. Thus, the previously inefficient management system in Tehran Municipality, in which the top level managers had to interfere in all detailed issues, have been replaced by an efficient supervisory management.

3- Devolution of financial and management authority: Up to this step, district mayors had found some administrative decision making power. At this new stage, some financial authority, including procurement and purchasing (TMO 1991d; TMO 1991e), confirmation of costs and expenditures according to the approved budget (TMO 1990), and opening independent income accounts (TMO 1991f), were also devolved to district mayors and executives of affiliated organisations, companies, and offices. In terms of budgeting, the budgets were still being prepared at the central office based on the districts' proposals and overall organisational objectives and strategies. This centralised process was not entirely transferable to districts, because there was an inequitable situation in different regions regarding potential financial resources on the one hand, and requirements on the other hand. Northern districts, primarily inhabited by the rich class of the society, had the most potential income generation, while in southern districts there was the least potentiality.

Furthermore, southern districts' management was supposed to be more demanding than that of northern and central parts, since they had suffered from the minimum attention and services for years, and hence needed more financial resources to renew their deprived structures. Undoubtedly, a central authority was necessary to equitably distribute the financial resources in such a situation. For this purpose, Tehran Municipality applied a creative approach, dividing the regional incomes into two parts: "the share of central municipality" and "the share of district". The former had to be transferred to the central account, and then assigned to specific projects within an explicit budget, issued by the Central Planning and Budgeting Office. The latter, however, could remain in regional accounts to be spent at the discretion of district mayors following a general framework, issued by the Central Office of Planning and Budgeting annually. Obviously, the richer districts had to provide a greater share of Central Municipality than the poor ones. All percentages had been suggested by Financial Vice Mayor and approved by Tehran Mayor. In this framework, regional mayors could enjoy the increased decision-making power due to the devolved financial authority for their regional share. Consequently, Tehran Municipality achieved a reasonable level of devolution, far beyond a simple de-concentration of responsibilities, through its decentralisation process.

The most positive outcome of the decentralised management system in Tehran Municipality was the increase in the number of decision makers for the capital. This decentralisation removed the monopoly of strategic thinking and assessment power of the mayors by adding the authority of district mayors. Prior to these delegations of authority, district mayors were responsible for following a single framework dictated from the top, i.e., Tehran Mayor who was the only decision maker in that system. Thus, the position of district mayors had in fact degraded to mere executors with no power, while they required a special respect in the system. The decentralisation trend helped the municipality use more efficient and powerful workforce to manage the districts. As a result, the district mayor position attracted capable managers, who brought about innovations in the city management and increased public satisfaction by developing the quality of urban services in their districts. In fact, Tehran Municipality's decentralisation was a kind of decision making development in the wide level of various ranks of the organisation. This issue drew the high ranking manager's decision making power to ultra-organisational ones, instead of interfering in minor issues along with utilising decision making power of different ranks' managers or even that of the employees.

Second, the decentralised system resulted in increased motivation and creativity of lower-level managers (and other personnel) within the organisation. In fact, since district mayors were the main decision and policy makers within their districts, not only the positive outcomes of their decisions were written in their own executive records, but also they became more motivated to reduce their faults and increase their creativity. Hence, it created a kind of positive competition in the municipality's supervised units on servicing, improving the situation, earning more revenue, and making more changes.

Third, using this decentralised and district-based management method, the needs of every district were specifically known and appropriate solutions - tailored to the needs - were found for each district. Furthermore, the district mayors suggested new ways of fund raising based on the opportunities within their district, to speed up the execution of development plans. As presented in quantitative analysis in Chapter 7, the period of 1990's had the highest score among the other periods regarding the speed of decision making and delivery of urban services and projects from which citizens as the final users could be benefited the most.

The only negative outcome of this decentralised system was the lack of coordination and unified approach among districts, resulting in numerous overlaps in projects and activities. Besides, there were some conflicts between the central and district levels, since they were practicing this innovative management system for the first time in the history of the municipality. However, with a quick overview of decentralisation process in advanced countries, we realise that coordination has always been a serious challenge for the ongoing decentralisation efforts (UNDP 2005). Tehran Municipality was no exception, and undoubtedly needed to strengthen the overall coordination and develop a common understanding among different sectors. To respond to this need, Tehran Mayor forced the central offices and organisations to act as coordinating figures by setting policies, standards and framework regulations. Referring to archived letters of the Central Municipality, we can find a huge number of letters and circulars, issued by vice mayors, providing district mayors with guidelines and manuals to enforce a unified approach and minimise overlaps (TMO 1994). As another corrective action, they established the Council of Mayors (*Shoray-e Shahr-daran*), with Tehran Mayor as its chair and his deputies and district mayors as its permanent members, to conduct monthly coordination meetings among different sectors.

In sum, most experts at this time argued that although implementation of decentralisation was challenging due to the resistance of the people, who were generally resistant to change and/or preferred to monopolise the authority, this change was widely accepted both internally (within the organisation) and externally (by the citizens) for its numerous positive outcomes. Insiders enjoyed the increased motivation and innovation within the organisation, and outsiders benefited from the improved quality and quantity of urban services and projects.

6-1-3. Organisation and Human Resource Development in Tehran Municipality's Main Body

Regarding acute shortages in the city transportation network and other urban infrastructures and facilities, as discussed earlier, Tehran Municipality had to take serious actions to start numerous projects for reducing the severity of these problems. Before planning the required projects, the major problems of Tehran's urban system had to be

recognised. According to high ranking experts, the majority of Tehran's problems had roots in the lack of an urban development comprehensive planning and adequate up-to-date studies in this regard. Hence, developing the comprehensive plans was discussed as the first priority of Tehran's revitalisation plan. However, it was a long-term time-consuming process to prepare the plan. It also took time to be approved through a legal process. Undoubtedly, it was not reasonable to stop everything and wait until these plans were eventually accomplished. Due to the severity of problems, some immediate actions were also needed to be taken. In such an atmosphere, in order to execute the civil engineering plans and the necessary constructions more rapidly the only available comprehensive plan could be utilised. The main features of this plan have been listed as below (TMRPC 1993f; TMRPC 1995a):

- Expanding the expressways in the main routes and/or making two rings of the small and big surrounding highways to connect different part of the city,
- Constructing underpasses in most crucial parts of the city, particularly in areas with heavy congested traffic to reduce traffic congestion and life-threatening air pollution due to excessive fuel consumption,
- Securing the city via constructing the channels and tunnels for passage of the surface water and reducing the possibility of the flood occurrence which had happened once before in Tehran in 1987, causing catastrophic results as a vast number of Tehran residents lost their lives in that event,
- Establishing the fire-stations, the garbage collection, and recycling centre,
- Performing extensive research studies on earthquake risks having a practical view on various aspects, including preparing the instructions for constructing and building in the city and making professional capabilities for keeping them under control,
- Organising an unorganised city like Tehran by founding wholesale fruit and vegetable markets, and transferring slaughter houses, industrial workshops, factories and other polluting occupations to the new areas out of the residential texture,
- Constructing multi-storey parking lots in congested areas,
- Constructing passenger terminals in the city entrance gates,

- Performing large research studies on reconstruction and improvement of the city valuable and old textures, implementing renovation plans, and reproducing the urban values in the deprived and old textures (Such as Navvab project experience which will be discussed in forthcoming sections),
- Recreating the urban life and providing enough facilities for citizens to spend their leisure time via developing the social, cultural, and recreational centres, green areas and multi-purpose parks.

The majority of required projects, however, were large and complicated in both scale and scope. Although the two previously investigated changes (i.e. Tehran Municipality's self-sufficiency and decentralisation) were both necessary conditions for this purpose, they were not sufficient on their own. As discussed in Chapter 2, an essential part of a successful change management process is capacity building. Hence, in terms of these two changes, Tehran Municipality needed to increase its capacity to a degree compatible with the requirements of a self-sufficient and decentralised organisation. In fact the municipality's existing organisation and human resources were not compatible with the requirements of this city, making this organisation incapable of doing that much, even with the increased revenues and in a decentralised structure. Thus to overcome these problems, Tehran Municipality focused on transforming the organisational structure and improving the quality of human resources as two important strategies. This section and Section 6-1-4 present how these strategies were implemented at that time.

Transforming the Organisational Structure of the Municipality's Main Body

In parallel with decentralisation process in Tehran Municipality, four other changes were also made to improve the main body of Tehran Municipality's organisational structure as follows (TMRPC 1993h):

- (1) Activating the new district management position (i.e. Districts Affairs Vice-Mayor) at Central Municipality to manage and coordinate the empowered regional mayors

- (2) Activating the Cultural and Social Deputy in Tehran Municipality: this position was activated to cope with Tehran's numerous social problems, such as lack of cultural spaces, multiple ethnicities among immigrants, and other social issues. The activation of this position in Tehran Municipality was in fact a new trend for changing this organisation from a service institute to a socio-cultural one. The first studies undertaken showed that besides the shortages, the distribution of existing cultural facilities had been unfair in Tehran (TMRPC 1995c). Most of these facilities were concentrated in the northern and central parts of the city and people in the southern, eastern, and western parts were culturally deprived. In addition to this discrimination, cultural growth of youth and adolescents was neglected. The concentration of immigrants in these areas had gathered various population groups with different cultures and subcultures and such an issue sometimes arose a very controversial atmosphere. In some southern parts of the city, the cultural poverty, psychic problems, addiction, social abnormality, and crime were prevalent. In such a situation, making a united atmosphere by emphasising on common religious and national values was considered as one of the necessities of social life and the most effective device to prevent the prevalent agitation.
- (3) Creating "Cultural and Social Deputy" at district levels to motivate social and cultural initiatives in all districts.
- (4) Creating "Traffic Deputy Mayors" at district levels to de-concentrate the responsibilities of central Transportation and Traffic Deputy,

Improving the qualification of human resources

Tehran Municipality was suffering from an extremely inappropriate human resource condition at the beginning of the 1990's. The problem had roots in two major issues: the unqualified staff on the one hand and the lack of required infrastructures for attracting professional and qualified personnel on the other hand. This section will review the key decisions and reactions to get rid of these problems.

In terms of qualification (TMPCMD 1999c), a large number of staff were either uneducated (22% without high school education) or without higher education (61% with just high school degree). Many people had gradually turned to sediment layers of the organisation over time. It was not an easy task to educate them for the new organisational requirements, since the majority of them were old and hardly trainable, nor was it possible to simply fire them, due to the depressed economic situation of post war period and the fact that any economic pressure on them could lead to a worse social crisis. Hence, an out of box thinking was necessary to find an innovative solution from which both the municipality and its employees could benefit. To this end, Tehran Municipality's administrative and financial deputy offered a wide variety of solutions to get rid of the problem (TMRPC 1993f). For the older staff with working years more than a threshold, Tehran Municipality accelerated the process of retirement, allowing them to be retired earlier than normal. As another solution, employees were encouraged to voluntarily resign, offering them reasonable compensation packages and/or granting them special privileges. For instance, thousands of municipality drivers were running their personal jobs by the municipality-owned vehicles, and hence most of them were of no use for the municipality. As an innovative solution to this problem, they were gradually separated from the municipality system and based on their servicing backgrounds, the municipality cars were given to them. Later on, in an innovative official system they were employed in hourly-contracts with their cars to serve Tehran Municipality. In another movement, as will be discussed further in section 6-1-5, privatisation of some urban services, particularly in garbage removal and city cleaning services, also helped a vast number of municipality workers transfer from Tehran Municipality to private companies established for this purpose. This movement helped create capacity in the private sector as well.

As the second problem, the employment process in the main body of Tehran Municipality (made by Personnel Affairs General Bureau) was incapable of attracting professional and qualified persons due to the long bureaucratic process and insufficient financial incentives. To bridge this gap, it was decided to establish a new firm, to specialise in the human resource area, to utilise modern methods for this purpose and speed up the process. Hence, the new affiliated firm called "The City Administrative Services Co.", which was working in parallel with Personnel Affairs General Bureau

(recalling from Section 3-3-1), was established to provide the municipality with its required human resources. This company had less governmental restrictions and bureaucratic processes, compared to Personnel Affairs General Bureau, was in charge of reaching the quantitative and qualitative services out of the official services in the best most money-saving way. The main rationale behind the formation of such a company, which caused a very important transformation on the municipality-employed human resources, was systemising the personnel employment and avoiding the human resources' selection via several sources. None of the past limitations and severe criteria, approved by the authorities out of the municipality, were considered in this process. The reason was that the municipality, as an effective and capable agency, could not devolve its human resources admission to the authorities outside its system. It is necessary to mention that the legal equipments to form such a company and lots of others for facilitating the municipality's targets were completely anticipated at the beginning of the new management period. The general permit along with the essential authority was gained from the Interior Ministry and the city council successor. The employed personnel in the City Administrative Services were working in the following forms (TMRPC 1993h):

- a. Contract personnel
- b. Daily-paid personnel
- c. Hourly-paid personnel
- d. Consulting personnel
- e. Session-paid personnel (for the trainers, instructors, etc.)

The above-mentioned innovations made the utilisation of the expert forces possible, which was impossible according to the old fashioned employment regulations of Tehran Municipality. Thus, the newly attracted staff were co-operating with the municipality based on their abilities.

As a result of all these activities, the quality of human resource in the main body of Tehran Municipality dramatically changed. Table 6-1 compares the percentage of staff with different levels of education in two years of 1990 and 1999. It includes all employees directly employed by Personnel Affairs General Bureau, as well as the above-mentioned forms of personnel employed by the City Administrative Services Co. The

figures clearly show how the number and percentage of educated people increased during these years.

Table 6- 1 The Breakdown of Tehran Municipality’s Staff in terms of Level of Education in 1990 and 1999

Level of Education	1990 (%)	1999 (%)
Below High School	22	8
High School	62	51
University Degree	16	41

Source: Tehran Municipality Personnel Database, Project Control & Management Division, Office of Tehran Mayor

While this caused minimised economic pressures particularly to the low-skilled forces, these workers did not face unemployment problems because of these decisions. They were just transferred from public sector to private firms. These firms are still continuing their work behaving with their employees based on the private sector regulations and framework.

As a result of these decisions, Tehran Municipality was transformed from an inefficient pyramidal structure with centralised authority at the top and an indifferent and unskilled layer of workforce at the bottom, to an efficient and productive pool of experts who were committed to the quality of performance in their own organisation.

6-1-4. Capacity Building: Founding Professional Firms

Besides the organisational improvements in the main body, to control the executive and financial power and to upgrade the overall technical capacity in Tehran Municipality, Tehran Mayor decided to found various professional organisations and companies to specialise in different urban-related subjects. These professional organisations had more financial authority and non-bureaucratic procedures, particularly in expert workforce absorption, to perform professional tasks and projects. This capacity building happened in all different urban-related areas that will be discussed in forthcoming parts.

1- Capacity Building in Technical and Civil Engineering Affairs:

To upgrade the capacity of technical and civil engineering affairs, two large organisations and many small- and medium-size firms were established (TMRPC 1993h; TMRPC 1995a):

- **Tehran Technical Consultant Organisation:** this firm was founded under the supervision of Technical and Civil Engineering Deputy, and since then it has been the main provider of necessary plans for the development of Tehran.
- **Tehran Civil Engineering Organisation:** A few years after being founded, this organisation with 1000 staff became one of the most powerful organisations implementing engineering projects such as the major road, bridge, and building constructions. This organisation, which is affiliated to the Technical and Civil Engineering Deputy, primarily takes the responsibility of those projects that are beyond the capability of regional districts in terms of complexity due to either scale or scope of the projects.
- **Civil Engineering Firms** such as Khakriz Aab, Khak Sahra, Tadbir Baft, Tehran Abad Saz, Saman Zist Shahr, and Nosazi Abbas Abad.
- **Project Control & Management Division:** giving direct report on its activity to Tehran Mayor, this centre was established to monitor the physical and financial progress of crucial projects to ensure all project implementers meet the required deadlines on time and on budget.
- **Tehran Technical Council:** the foundation of this council in 1992 was a turning point in activities and decision making processes of city management. The role of this council was to evaluate the previous policies in civil engineering projects and to suggest the corrective actions. Recalling our discussions in Section 2-2 while explaining the hierarchy of criteria in our evaluative model, we introduced a criterion as “the existence and quality of decision support structure” at layer 1-3-1 of the hierarchy to investigate if there is any structure (i.e. a department predicted in organisational chart) dedicated to assessing the outcomes of policies and decisions regularly. In this regard, we can consider Tehran Technical Council as a decision support structure for decision making processes of Tehran

Municipality's technical management. This council was held bi-weekly until August 1997. However, after the change of municipal management in 1998, it stopped working. As we will discuss in Chapter 6, one of the main barriers of urban development projects during the first and second Tehran council terms was the lack of technical work in city management to the extent that most candidates of Islamic Council elections in Tehran had the motto of 'technical work'. The lack of a decision support structure like Tehran Technical Council, which was working during the 1990's but stopped working after that, might be a reason intensifying this problem.

- **Yadman Sazeh Company:** Founded in February 1995, this company was responsible for implementation of a project to construct a communication centre (and a symbolic construction for Tehran).

Employing all these professional organisations and firms, Tehran Municipality was strengthened in both designing and executing large projects, needing high levels of expertise. The positive outcome of these changes was that many civil engineering projects were planned and implemented, including the construction of around 250 kilometres of expressways and highways, 140 bridges and underground passages, 150 kilometres channels and tunnels, and many other projects as elaborated in Chapter 4. Undoubtedly, without building this capacity within Tehran Municipality, these projects could not have been accomplished in such a large scale. The quantity and scope of these projects was to such an extent that they continued in the time of some other mayors, too.

2- Capacity Building in Transportation and Traffic Affairs

The rapid population growth and city expansion had led to an ever-increasing demand for improving the unbalanced transportation system in Tehran. The low capacity of the existing transportation network on one hand, and the large number of passengers transferred through this network on a daily basis by either private or public vehicles on the other hand, had enforced an essential plan to improve the city transportation network. Consequently, great attention had been devoted to transportation problems, since the early 1990's, focusing on development of a comprehensive plan for the city and solving

the highly congested traffic problem. To this end, Tehran Municipality founded the following companies to build the required capacity in this area (TMRPC 1995a):

- **Tehran Comprehensive Transportation and Traffic Studies (TCTTS):** Founded in 1992, this firm was responsible for preparing Tehran Transportation Comprehensive Plan, and doing research studies in transportation planning and traffic engineering fields. After 8 years, this company could expand its activities to other cities, benefiting the entire country in this area.
- **Air Quality Control Company (AQCC):** Established in 1993, this company was responsible for carrying out research, studies, consultation, planning, and implementation of various projects regarding air and noise pollution in urban and industrial areas. In the short term, this company reached such level of expertise that could conduct two key projects with the collaboration of international organisations, namely three Swedish firms SWECO, SMHI, and MTC in Joint Venture in one project, and Japan's International Cooperation Agency (JICA) in another.
- **Tehran Vehicle Technical Inspection Bureau (TVTIB):** This centre aimed at identifying and controlling air pollutant sources in Tehran. One of the major air pollutant sources in Tehran is automobiles' technical faults. This centre necessitated technical investigation for all the cars, especially old cars. The municipality enforced its controlling policies with the cooperation of Law Enforcement Forces to reduce pollutants in the air.
- **Tehran Traffic Control and Surveillance Centre (TTCSC):** This centre was established to equip Tehran with intelligent traffic control and online traffic management systems. It was responsible for implementing advanced intelligent control systems for urban traffic management purposes. This company also installed closed-circuit video systems in different parts of the city, providing permanent surveillance on transportation and traffic flow. The video cameras were installed on 50 points at the first stage and enhanced to 200 points at the next stages. This centre has continuously exchanged the information and probable problems with the media, urban patrons, and the relevant organisations.

- **Orf_Iran:** Established in 1991, this company was responsible for standardising and harmonising traffic signs, and to provide safety in Tehran's transportation network by marking the roads and installing traffic signs and safety equipments across the city. In a short time, this company turned to one of the main producers of traffic products (i.e. traffic signs and safety equipments such as speed bumps, traffic barriers, guardrails, traffic cones, and other accessories) in the country.

Employing all these companies, the central traffic decision makers (i.e. Central Traffic and Transportation Deputy and Traffic and Transportation Organisation) as well as all regional traffic deputies had found adequate capacities to plan and implement both central and local level projects, as explained in Chapter 4. As discussed in that chapter, Tehran Municipality could even develop collaborations with international institutes to study how to mitigate Tehran's hazardous air pollution problem. As a result, this technical capacity not only helped decrease the severity of acute traffic and environmental problems in Tehran, but it also benefited the entire country, as other provinces could also employ these companies for technical assistance and consultation in many of their problems.

3- Capacity Building in Social and Cultural Affairs

As mentioned earlier, Tehran, like many other mega-cities around the world, had experienced an explosive population growth. The phenomenal growth of the city was due to immigration from other provinces, cities, and villages, making this city a place with a variety of cultures and different social classes. Although such diversity had its own benefits for a city in terms of cultural richness, it was challenging at the same time, because different interests and desires coming from multiple cultures had necessitated developing a common belief to accept each other or at least to achieve unanimity. The foundation of cultural and social centres (*farhang-sara*) could be helpful from this point of view to promote the level of cultural acceptance in such a diversified atmosphere.

Therefore besides all architectural, civic, urban services, transportation, and traffic activities, Tehran Municipality also took an effective role in people's social life. A considerable part of its activities in this era that increased the indices of life quality in

Tehran, and hence citizens' satisfaction, is implementing innovative but forgotten plans in regard to social and cultural needs. With the motto of "changing municipality from a service to a social institute", Tehran Municipality created an immense capacity enabling it to spend much of its potential on the social needs. The newly developed firms were as follows (TMRPC 1993h; TMRPC 1995a):

- ⇒ **Cultural Spaces Development Company:** It was founded after the "Cultural and Social Deputy" in Tehran Municipality took responsibility for policy making and developing cultural centres, especially in southern and central Tehran, with the aid of Civil Engineering and Technical Deputy and the private sector. This firm had a major role in developing cultural centres.
- ⇒ **The Council for Examining Tehran Social Issues:** This council is another achievement of the social department that was founded with the help of urban sociologists and other social experts and met weekly. In these meetings, creation of cultural centres (*farhang sara*) was first suggested and it led to establishment of many of these centres in Tehran.
- ⇒ **Cultural Research Bureau:** Established in 1990, this bureau has acted as the main consultant of Tehran Municipality on cultural affairs (regarding conceptual design, planning, and establishment of different kinds of cultural centres), data gathering and analysis on cultural and social issues, and planning for promoting public awareness on urban-related issues such as citizens' health, traffic and commuting, city appearance, heritage and tourism, citizen's leisure time, and citizens' security.
- ⇒ **Hamshahri Daily Company:** Hamshahri is the first fully coloured newspaper in Iran. This newspaper was founded to make a relationship between the city management and the citizens. It became the country's highest circulated newspaper in five years. It is now one of the most successful newspapers. It was the first newspaper with free attachment for children and adolescents. It also changed the routine page design and graphic of Iranian press.
- ⇒ **Shahr-e Ketab Institute:** Tehran Municipality sponsored "*Shahr-e Ketab*" (Book City) institute. This institute aimed at creating a modern chain of bookshops, which has now many branches throughout the capital. These chain bookshops are

among the main centres for selling Iranian and foreign books, along with other cultural products.

⇒ **Payam Rasa Company:** This firm was founded to facilitate communications and advertisements across the city.

What follows is a list of major social and cultural outcomes during the 1990's, which had been totally new in the history of the municipality:

⇒ **Improvement of cultural indicators by developing a vast number of social and cultural facilities:** Utilising the created capacities, Tehran Municipality could identify many social needs of citizens. The establishment of cultural centres in Tehran was a major innovative policy of urban management in this period. As mentioned in Chapter 4, the number of these centres reached 142 from 1991 to 1997, including 10 cultural centres, 50 district cultural houses, 29 libraries, 23 art galleries, and 30 especial centres. The main reasons for constructing the cultural centres include reforming life and consumption models, training principles of public health, institutionalizing respect for traffic laws, keeping cultural and historic heritage, and information giving in districts for reducing the traffic jams and preventing unnecessary transportation. The cultural centres are places for supporting cultural and social programs of districts. They also aimed at increasing citizens' knowledge and skills by means of training. The idea of creating cultural centres proved practically successful, to the extent that based on statistics over 20 million people used the services provided by Bahman Cultural Centre in its six years of activity (Taher 1998: p101). Such figures reveal that there had been a clear lack of cultural centres previously. Moreover, the cultural centres that were created by cooperation of district residences themselves changed the process of social life. These were proper places for children, adolescents, and the parents to spend their leisure times. Another major achievement of these centres was providing a suitable place for women cooperation in Iran. According to statistics, 64.7 percent of students in these training classes were women (Taher 1998: p79). The heads of cultural centres who were granted

enough power for management competed in offering cultural service in new ways, such as creating mobile cultural centres in districts, mobile libraries, child cultural centres (khaneh koodak), and homework centres (khaneh mashgh), which helped children of poor crowded families study in suitable conditions.

- ⇒ **Redefinition of Tehran's Problematic Social Places:** As will be discussed in section 6-2-2, Tehran Municipality started some organised and goal-oriented attempts to change the problematic social places of southern and central areas to cultural centres (Taher 1998: p.86) *as* to attract more attention to these places. In fact, by implementing this innovative project, Tehran Municipality addressed an old problem of the city, which was the existence of problematic places, such as ancient cemeteries and environmentally pollutant industries. Due to lack of sufficient supervision, such places had been created inside the city districts, or had been engulfed by the growing city.
- ⇒ **Planning for Cultural Capacity Building for Youth:** Tehran Municipality conducted many projects and programmes during these years to build capacity for the youth. For instance, school mayors of Tehran had targeted students in elementary, intermediate, and high schools, to provide a formal context within which children and young people could learn to participate in collective undertakings. In this context, each school has a mayor elected among the students and through the direct votes of students without any interference by school officials and/or other adults. These elected mayors are responsible for school affairs and 500 meters around their schools as their jurisdiction. This project could encourage civic responsibility and a greater understanding of democratic processes. It covered over 1000 middle schools all over Iran, and had also served as the model for student councils which are now in operation in all Iranian schools.
- ⇒ **Developing the Book Reading Habits:** A closer look at the records of Tehran Municipality in the 1990's shows that developing the habit of reading books has been a major long-term goal of the municipality's social department. During this period, 26 libraries were built all over Tehran, increasing their

number from 14 in the year 1990 to 40 in 1996. Opening weekly bookshops as well as book Jom'e bazaar (Friday bazaar) were other activities of urban management for materialising its goals (Taher 1998:p142). The idea of creating technical libraries was presented in the same era. Consequently, two technical libraries of "*architecture and housing*" and "*child and adolescent*" were created. However, the idea of developing such libraries, such as libraries of "women", "poetry", and "contemporary literature" did not fully materialise, because of management changes (Taher 1998: p147).

- ⇒ **Facilitating Information Exchange on Urban-related Issues:** Hamshahri (Citizen), the first daily coloured newspaper, with a focus on urban-related subjects, was published in this period. Hamshahri is considered as a unique success in the history of Iranian press. This newspaper played a major role in upgrading the overall awareness of citizens, which in turn was useful to promote the concept of citizen participation in urban-related issues. This daily was also the first newspaper published electronically on the Internet (Taher 1998: p606). Besides this medium, Tehran Municipality also published the first Iranian yellow pages (Ketab-e-Avval), providing citizens with information on urban occupations, jobs, guilds, and service providers.
- ⇒ **Foundation of the first Internet Service Provider (Neda Rayaneh):** Prior to the foundation of this company, providing Internet services had been monopolised by governmental sources (primarily under supervision of Post, Telegraph and Communications Ministry), and could only be utilised by universities, other governmental organisations, and commercial companies. Hence, it was not an easy task for an ordinary citizen to access the Internet. This company not only provided citizens with a qualified Internet service for a reasonable price, but also established the first coffee nets across the city for citizens' applications.

Despite all these positive outcomes, there were some setbacks, and simultaneous with the activation of councils in later years, the cultural centres of Tehran municipality experienced different conditions. Since the cultural policies of Tehran Municipality's

management at this time were highly challenged by a number of political groups, particularly hardliners, Tehran Municipality faced severe political problems to the extent that it was forced to establish another foundation, called Tehran Municipality Art and Cultural Organisation, which had to be directed by a board of trustees, to control the development and management of cultural centres. This organisation obliged the cultural centres to follow defined regulations, and hence gradually experience identical conditions. This management method caused the cultural centres -which once moved ahead of public needs- to lag behind the daily needs of the society. In addition to cultural centres, many district centres were closed due to insufficient support from the municipality in next periods of time. Moreover, a number of newly developed firms like Cultural Spaces Development Company, which were in charge of developing cultural centres during the 1990's, gradually lost efficiency due to the changes of policies and management in the late 1990's, being listed among Tehran municipality's detrimental firms.

4- Capacity Building in Developing Green Areas

As discussed in Section 4-1, Tehran was far below the international standards in terms of the required green area per capita. This intense shortage existed, while having green areas for a populated and polluted city like Tehran, surrounded by mountains and subject to the desert dust falling, was a must. Furthermore, these spaces could be used as healthy recreational places for citizens to spend their leisure time. Hence, a great amount of effort had been devoted to improve the city green areas to reach an acceptable level based on the international standards. In this regard, some key decisions were made and some key actions were done to build the required capacity for this purpose. We discuss a few of them as follows (TMRPC 1993f; TMRPC 1995a; TMPCMD 1999a):

Creating new green areas and maintaining existing ones

- Tehran Parks and Green Areas Organization's law was revised to remove its limitations, changing its marginal role to an organisation with a crucial role in city green areas projects. This organisation found more authority and responsibilities,

enabling it to increase green areas and beautify the city. Since 1991, this organisation has performed a direct supervision of Tehran's green spaces, in parallel with the development of large parks and green belts within and around the city.

- Encouraging districts to construct the first local parks and stadiums in Iran for providing urban services in districts
- In 1990, a centre was founded for identifying and controlling large gardens of the city. During 5 years, this centre identified 28 million square meters of green areas mostly in the districts 1, 2, 3, 5, 18, and 20
- Establishment of *Gol-e Shahr* firm for making park fairs and the foundation of the largest network of flower and plant chain stores in Tehran
- As a key decision and important innovation of Tehran Municipality, it was decided to turn many abandoned pieces of land -because of the owners' absence- to green areas in the 1990's.
- Redefinition of Slum Areas: The vast majority of new parks were constructed in the city southern parts and slum areas, which had been the origin of environmental pollution and social corruptions before. For instance, *Anvari and Nedaei* pit were changed to parks for which 240 thousands trucks of garbage were transferred out of the city. *Arabs* slum area was destroyed to be replaced by *Baharan* Park in an area of 82000 square meters in the southern part of district 12th. *Golmohammadi* Park was developed in a space which was previously dedicated to deposit constructional garbage. The residents of slums were helped transfer to more appropriate locations with better living conditions.
- Taking over 4800 hectares of former military bases and changing them to parks
- Purchasing historical gardens of Tehran and changing them to public parks to protect the old gardens and increase green areas of the city. Tehran municipality in the 1990's saved many gardens of the city by selling permission for high-rise construction and changed them to public places.

Improving the quality of maintenance

- At those times, the maintenance of parks and green spaces had been turned to a serious problem due to the low rate of humidity and rainfall in Tehran. Hence, a large number of research studies were done to find how to optimally utilise the available water, and different traditional and innovative facilities were examined to reveal the best economic methods. The Raw Water Plan could resolve many problems in this regard; it included the repair and renovation of Tehran's old subterranean canals to supply the required water for maintenance of green areas located in expressways and forests around the city. In this way, there was no need to use 650 supply tankers for watering the expressways' green areas as was being done at the time. Instead, modern intelligent electronic devices were applied for this purpose. The rain water supply systems were also used in many parks in some parts of the city (Taher 1998).
- Capacity building for all the staff involved in city greening projects by holding educational courses (around 90 courses), publishing books, and practical instructions, executing research plans concerning the troubles in development and supervision of the green space issue.

In fact, by making these decisions in the mentioned period, Tehran Municipality revolutionized the green and environmental policies for the first time in the history of urban management. As a positive impact, Tehran Municipality in six years- from 1990 to 1996- implemented the newest methods of green area development, which were unique in Iran's urban management system. The Municipality's battle for developing environmental qualities in Tehran attracted the attention of international institutes. The United Nations supported Iran's environmental protection programme and selected Tehran as one of 25 models for future urban programmes (Madanipour 1998). However, there were some negative outcomes to a number of these decisions too, particularly regarding the decision of turning the abandoned land to local parks in the absence of their owners who had left the country many years before. This issue will be discussed in more details in Section 6-2-2.

Besides the City Administrative Services Company, as discussed in Section 6-1-3, and all the above-mentioned professional organisations and firms, there were also a few more companies affiliated to Financial & Administrative Deputy aiming at facilitating the financial-related and/or income generating activities. Some of these firms can be listed as Procurement Services Co., Insurance Service Co., Auditing Services Co., City Hotels Co., City Apartment Co., Urban Industry Co., and City Bazaar Co.

It is imperative to note that most of the built capacity, particularly the established organisations and firms in civil engineering, transportation, cultural, and environmental-related areas, not only revolutionised the Tehran Municipality of that time, but also they were applied by the next mayors and continued their activities in the same area even after the 1990's. There were just a number of companies affiliated to Financial & Administrative Deputy, which were dissolved after the 1990's, since their activities had not been institutionalised within the organisation and they lost their efficiency over the time. The dissolution of these companies provoked some criticisms against this policy of Tehran Municipality regarding privatisation and capacity building in form of establishing affiliated or privatised professional firms. We will discuss these criticisms in the next section after explaining the decisions made regarding the privatisation policy.

6-1-5. Privatisation

Following the incumbent Government's policies on cutting the government's dominant role in the economy through privatisation, Tehran Municipality, too, started extensive movements to privatise many urban services. This movement was another revolutionary trend during the 1990's, affecting Tehran's urban management system immensely. At this time, plenty of executive, servicing, and civic or even official affairs were handed over to private sector as the municipality turned to a supervising sector on the activities execution. The privatisation process in Tehran Municipality occurred in various areas and in different scales, which will be discussed as follows:

- As the very beginning, Tehran Municipality started with privatisation of some basic urban services, particularly garbage removal and city cleaning activities. This movement motivated some experienced municipality agents to establish

local garbage removal companies and gradually a huge number of Tehran Municipality's workforce were transferred to these companies. In this situation, as a major part of the duties and executive tasks were actually devolved to the private sections, the municipality workers, i.e. human resources, were removed. Resultantly private companies became responsible for the city servicing works or the city civic ones. It was clear that ex-government staff were working in the private contractor's companies with their own company equipment, rules, and responsibilities. The first advantage of this movement was that the responsibility of workforce management of this huge number of personnel was transferred from the municipality to the private sector. More importantly, from a social point of view, no economic pressure was put on labourers themselves, because they did not lose their jobs; they just transferred from one sector to another. As the second consequence, the quality and quantity of services were both boosted, as they started applying advanced equipments and collecting garbage and cleaning the roads and passages over nights.

- All districts and affiliated organisations and companies were encouraged to deliver their services and implement their projects using the services of professional companies and service providers in private sector, rather than doing them on their own. To this end, since co-ordination and co-operation with private sector needed new rules and regulations compatible with new requirements, many of the old fashioned rules like the building-permission issuing, the budget granting style, the fundamental authority, the financial and officials regulations, dealings, tender and auction methods, the surveillance and inspection style on contractors' affairs, the city constructional activities, and new social and cultural activities were overviewed and amended based on the new demands, enabling them to sign contracts and agreements with private companies.

This movement had many positive outcomes for Tehran Municipality. The immediate outcomes can be summarised as below (TMRPC 1995a):

- ⇒ The possibility of utilising skilled and expert consultation via signing contracts with the private-sector, which boosted both quality and quantity of

urban services and projects delivered by Tehran Municipality – in all urban-related areas.

- ⇒ Adjusting the municipality's human resources in order to grow the organisational structure utilisation as much as possible: Tehran Municipality transformed from an executive organ for merely basic urban services to a qualified organisation capable of supervising high-rank companies in the private sector. Besides, because of cooperation and coordination with the private sector, the organisation has increased its pace in terms of doing its major tasks and functions. Reducing direct and unnecessary expenses of the services, along with cost reductions due to the existence of competing companies providing similar services and products
- ⇒ This movement formed healthy competition among different *municipality* districts and organisations on providing the services with better quality and for a lower price, along with creating job opportunities for a great number of citizens.
- ⇒ Citizens' became more satisfied due to faster and better services delivered by Tehran Municipality.

The policies discussed in the last two sections, i.e. privatisation and capacity building in form of establishing professional organisations and companies (private and semi-private/affiliated firms), are highly controversial. A large number of analysts in urban-related subjects believe that the city management system of the 1990's owes its boosted performance to these policies. As we discussed, following these two policies the number of professional firms being active in urban-related projects increased drastically in both Tehran Municipality and the private sector, encouraging private investors to invest in many small and large urban-related projects – the process that eventually resulted in visible changes in Tehran city in terms of enhanced and qualified delivery of services to its citizens. A large number of these companies are still working. However, when the city management system changed, many of these companies, particularly those affiliated to Financial and Administrative Deputy, lost their efficiency and/or profitability to the extent that they were dissolved later on by the second and third Tehran City

Councils (TICC 2007). The controversial point is that while many analysts see the roots of the problem in incapability of the successive city management systems to use the capacity of these companies, many others criticise the city management system of the 1990's, particularly Tehran Mayor, who did not attempt to properly make these institutional innovations last beyond their initiators. This group of critics believe that these policies were primarily dependent on Tehran Mayor individually, rather than the organisation as a whole, and hence, a number of these established companies were doomed to dissolution after he left office (TICC 2007).

6-1-6. Development of Comprehensive Plans

At the beginning of the 1990's, there were two urban planning and regeneration plans drafted before: (1) Tehran's Master Plan in 1968, (2) Tehran's Restructuring Plan in 1992. These two plans had the following characteristics:

- **Tehran's Master Plan (1968):** During the 1960s, to plan the requirements of the city for the next 25 years, a contract was signed between the officials of the time and Farman-farmayan Consulting Engineers and Victor Groen to prepare a master plan for Tehran. This project was later transferred to Aman and Whitney Consulting Engineers, which was a Dutch company. The plan was ratified in 1968. The foundation of this master plan was based on the Pahlavi's political and economic perspective. Since the plan had primarily aimed at building an ideal community based on western and borrowed culture in which the elements of native culture were totally ignored, it was impractical. The basic studies of this plan were not based on a careful examination of the city's historical, social, economic, and political conditions, and thus, it was not comprehensive enough. The main objective of the plan had been to physically expand the city to cover an area of 517 square kilometres and provide urban facilities for a population of 5.5 million people in 1991, suggesting that the objectives could be fully met as rapidly as possible with a reasonable price by keeping in line with urban standards, and by identifying correct quarters for establishing city service headquarters (TMRPC 1995d).

- **Tehran's Restructuring Plan (1992):** The plan was drafted by *A-Tech* consultants in 1989 and was ratified in 1992. This plan had divided the Greater Tehran metropolitan area into 5 zones. The major focus of this plan was on distributing the specialist urban and interurban functions among the five zones decreasing the density load from the city centre. The programme had also predicted de-concentration of Tehran inner city by giving priority to establishment of administrative, commercial, and services to centres of the mentioned zones distributing the tasks and concentrated functions among them. Another goal of the plan was organising cultural, social, and sanitary services, studying the existing conditions of the residents and identifying the problems and shortages, to improve the quality of their lives. Basically, the outcome of the plan was to find competition for the historic centre of Tehran. It had illustrated the role of the old inner city as cultural and historical, and hence, suspended administrative functions to the northern zone and the commercial-industrial function to the eastern zone. But, it did not give any guidelines *as* to how to decrease the economic function of the inner city and the 12th district (Bavand Consulting Firm 2003).

Hence, due to the shortcomings of these two comprehensive plans, it was decided to prepare a more realistic plan for Tehran based on the present-day and anticipated future problems. The Tehran Municipality's first strategic planning project -Tehran 80- was started when the above-mentioned plans had expired. As stated at the beginning of this plan: *"Since the credits of Tehran's Comprehensive Plan, approved in 1968, have run out and the Comprehensive Restructuring Plan ratified in 1992 falls short of prioritising and coordinating different activities, all the projects implemented to date have not been done premeditatedly and they are regarded as isolated acts carried out just when the need arose. Hence, they did not impact the city significantly compared to Tehran Municipality's vast efforts and investments (TMRPC 1995b: p4).*

Consequently, a group of researchers, experts, engineers, and consultants were invited to cooperate in preparing the ground for achieving a comprehensive plan. This group were looking for the answer to some fundamental questions: which path should Tehran take today and where does this path go? What would be the future image of

Tehran as the country's capital city and a problematic mega city? How should Tehran's departmental potential and active facilities be evaluated and utilized? Which executive levers and urban plans should be utilized to activate these facilities? What should the proper and available process be for the future of Tehran? How could we move to crystallize the native national and cultural values in the city structure?

In addition to all these questions, they were seeking solutions for the small settlements surrounding Tehran, which had turned into huge residential places and were not only interdependent to the main city, but also shared the social-economic structure and environmental affairs of Tehran. These locations had extended Tehran to an area with 120 kilometres length (from Varamin to Hashtgerd) and 50 kilometres width (from Tajrish to Akbarabad) including half of the country's population in the near future. Thus, what would be the future image of such a huge system? What were Tehran's limits? Could we talk of Tehran in its limited and special form? In fact, one of the most important achievements of this group was publishing and discussing the issues which strengthened the will in the body of municipality executive organisation. The plan's pre-execution thoughts were necessary to reduce the troubles and prevent second attempts (TMRPC 2001).

In such an atmosphere, a new Tehran Comprehensive Plan (Tehran 80) was created. Based on the "Tehran 80 plan", Tehran Municipality tasks has been divided into 6 distinctive parts as: (1) clean city, in which pollution of all kinds is eradicated, (2) green city, in which trees and parks are common parts of the urban texture, (3) highly-cultured city, in which music and the arts are encouraged, (4) moving city, in which traffic flows smoothly on a daily basis, (5) dynamic city, in which the day-to-day functions of government and commerce run efficiently, and (6) modern city amidst a traditional city, in which the new and the old co-exist for the betterment of each. They identified the Tehran's problems as follows, believing that these problems be resolved in order to achieve the six above-mentioned goals of the plan:

- A lack of investments for the establishment of the required urban facilities and services in proportion to the increase in professional and employment opportunities (p. 48).

- The fact that much of Tehran's growth had been unplanned and the growth of urban services was not proportionate *to* the growth of population. (p. 48).
- The failure to fully execute the Comprehensive Plan approved in 1968, particularly regarding land use and construction of urban transportation network (p. 8).
- No plan for confronting the general development and growth problems in Tehran and its suburbs.
- No movement toward drafting a new comprehensive plan.
- The incompatibility of current land applications -and the overall urban texture- with transit network.

Anticipating the current and future citizens' requirements, this plan investigated all possible ways to provide citizens with better and faster services, opening new gates for urban management system.

6-2. Significant Projects: the Case Study of Two Controversial Projects

During the 1990's, there were a lot of plans and projects which made a significant change in the city situation and/or citizens' lives. This section focuses on two of such projects, namely Navvab Regeneration Project and Bahman Cultural Centre, providing information on how they were planned, what challenges existed during their implementation, and how they impacted city and citizens' lives.

6-2-1. Navvab Regeneration Project

As we discussed in previous sections, although more than 20 years had passed from the preparation of Tehran comprehensive plan (1968), the vast majority of its fundamental proposals were not carried out. One of these forgotten proposals was the main axial transportation network studies. Perhaps opening these main passages and implementing such important projects were more convenient at their own appropriate periods of time, but after 20 years, together with the lack of financial resources and

essential authority in the municipality could not make a realistic view of them. Among these main passages, there was a major plan called the Navvab Project. Navvab was an old street in the north-south axis on the continuation of Chamran Expressway (Parkway) to the south. This street had a vital role in connecting different local districts of Tehran within the last 70 years. According to the Tehran Comprehensive Plan, this street had to be broadened to 45 meters, providing an easier and faster access from the north of the city to the south.

During the years of the project delay, thousands of residential and official building owners were told that this area would go under a renewal plan, and hence, reconstructions were not allowed in it. This issue, together with no news and/or specific plans for the project's practical implementation, had caused a planning blight with enormous problems. In 1990, Tehran Municipality decided to carry out the project after such a long delay, starting by purchasing the buildings located in this area, including 5000 residential and office buildings which were mainly old and worn out. According to the approved laws of those times, the buildings had to be purchased on a fair day-price basis, which made it impossible for Tehran Municipality to buy all buildings due to the insufficient financial resources. Thus, it was decided to build high-rise residential apartments, and also commercial and office buildings, along a part of the expressway with a length of 5 km. The rationale behind this decision was twofold: (1) to provide the required financial resources for the project implementation by selling the residential and commercial units at a price below the market value prior to the construction, (2) to provide a space for relocated residents of demolished residential units. Therefore, in July 1990 a regulation was approved by the Tehran Municipality Plans Commission, allowing this organization to add the width of the highway by 30-40 meters to construct these new buildings on both sides of the expressway and then sell them. This decision turned the "Navvab Project" from a simple 5 km expressway to a huge project.

Despite the money coming from pre-construction selling, there was still a substantial lack of financial resources. At this time, Tehran Municipality made another revolutionary decision to issue public bonds with relatively reasonable interest rates, compared to other investment opportunities, to encourage people to invest in this project and absorb 250 billion Rials (i.e. 50 million Dollars) of people's capital for this purpose.

At the beginning, the mass media, lots of people, and even the responsible officials, opposed the project; none of them could believe that the municipality would be able to do it. However, along with the project progress and success, the citizens' beliefs were changed gradually. This method of attracting citizen's participation was later used as a pattern for several governmental and non-governmental construction plans in the entire country.

However, from the beginning till now, the project has given way to considerable debate among city planners, politicians, and the general public. Both the scope and scale of the project, the impact on neighbourhood, its uniqueness in providing the required financial resources, are all enough reasons for on-going debates (TM 1996; TM 1997a). The project has received many critiques to the extent that even according to a study performed by Tehran University (Bahrainy & Aminzadeh 2007), it has been evaluated as a failed plan due to the following reasons:

- Lack of legal justification for property ownerships;
- Compulsory evacuation/relocation of residents/businesses in the early stages of redevelopment;
- Lack of adequate and effective mechanisms for people's participation in the process;
- Lack of urban design as a framework for architectural activities;
- Lack of a systematic, explicit, and open decision-making process;
- Destruction of the traditional structure of neighbourhoods.

A part of these criticisms arises while the processes of property ownerships had all been discussed and legalised in Parliament prior to the start of the project. The most recent and effective parliament's legal ratification regarding local rates and prices had been employed for this process. Despite its controversial nature, the compulsory evacuation/relocation was a known way that had been previously applied in many similar projects in advanced countries such as England and France. Moreover, considering the Parliament passed law to enforce buying the properties based on the local rates, reasonable prices were offered to property owners. It should also be noted that these people were living in a deprived area with old and outdated buildings, and this project

could facilitate the process of their relocation to safer places with more appropriate urban facilities. In terms of design and architecture problems, the most well known companies in this industry had been employed for design and implementation processes, which were in parallel with the policy of use of internal capacities within the country.

In total and over time the overall evaluation of this project is positive (TM 1997a). Besides the construction of one of the most important north-south expressway pivots in Tehran transportation network, this project had a lot of beneficial side-products, which can be summarised as follows:

1. Starting a movement on regeneration of Tehran's old textures, particularly in districts located in south-west part of the city,
2. Preparing public places according to the anticipated project design,
3. Improving the housing situation in the locations adjacent to old textures via offering cheap-price patterns,
4. Propagating complex-construction and reaching up-to-date urban spaces by promoting the qualitative and quantitative level of building and constructing in poor textures and replacing them with rich urban architecture,
5. Improving and renovating the decrepit urban infrastructures
6. Creating a pattern for the whole country as a self-sufficient project with no governmental funding,
7. Attracting the private sector's co-operation and gathering the specific small capitals in order to accomplish the urban plans,
8. Taking the people's investment out of the governmental monopoly and attracting the private sector's confidence toward the social housing construction,
9. Creating a fundamental change in construction industry by using the pre-built systems and the mass production of constructional elements and devices,
10. Reducing air pollution by making improvements in Tehran's transportation network,
11. Providing job vacancies and economic prosperity and making the added value on more than 5 kilometres of the city old texture,
12. Providing houses for people on modest incomes living in central parts of city,

In addition to Navvab project, Tehran Municipality executed other regeneration projects in Ghal'e Morghi, Sangelaj, and Javadiyyeh districts that were all rundown areas before.

6-2-2. Redefinition of Problematic Urban Areas: Bahman and other Cultural Centres

Some of the present cultural centres, currently known as pleasant places for training and instructing thousands of Tehran art-scholars, have been constructed on previously unpleasant areas of the capital. For example, Bahman Cultural Centre was a slaughter house before its establishment, making a lot of trouble for the inhabitants of that neighbourhood. The level of disturbance was severe, to the extent that even several months after stopping the animal slaughtering, the unpleasant odour of the last 10 years was still smelled in the adjacent buildings. Prior to the start of the implementation phase, nearly 10 thousand trucks transferred the wastage and rubbish out of the city.

In such an environment, the foundation of Bahman Cultural Centre materialized two aims concerning human rights issues: (1) making a healthy environment in one of the most polluted areas of Tehran, and (2) promoting the possibility of cultural development in one of the poorest parts of the city.

Due to high population density in southern areas, Tehran Municipality had faced serious problems for finding appropriate places, in which they could build cultural centres. By a smart decision, however, this organisation could solve these problems. They decided to transfer all pollutant and disturbing installations out of the city, using their locations to build social and cultural centres. These places, which had gradually become a part of residential texture over the years, had made numerous social and environmental problems for the people in their neighbourhood, and imposed ugly and heterogeneous scenes on the city appearance. Such places were not only polluting, making even breathing difficult for people, but they were also educationally harmful for the adolescents. The people growing up in such places had been living besides the scene and smell of blood, and been exposed to knives and sharp devices since childhood. Considering this unpleasant situation, the city management decided to execute the most extraordinary plans of establishing cultural associations in these problematic places.

However, this approach did not work without trouble and faced serious oppositions in some cases. For instance, regarding the slaughter house, they found many problems with butchers and the slaughtering union who protested strongly. The issue even reached the President's office at one stage and was ordered to be stopped. In another project, which was planned to build a large cultural centre – called Khavaran - on a cemetery located in a deprived part of the South East of Tehran, the case was discussed in some embassies and international communities. But Tehran Municipality moved forward consistently with a decisive decision-making that eventually attracted the public, authorities, and even opponents' admiration and appreciation. Later, in the opening ceremony of Khavaran Cultural Centre the president told: *"Before, people felt depressed by looking at this area. But today they see a lively and instructive view. We should appreciate the attempt of turning the abandoned cemeteries to the instructive and joyful cultural and healthy entertaining centres for filling the leisure time of Tehran southern areas' residents."* (BCC 1998)

Bahman and Khavaran cultural centres were the first, but not the last endeavours in this regard. As the citizens supported it, and the movement went on. Many of such problematic places turned to cultural spaces, some of which are as follows:

- Cow and sheep slaughtering hall turned to World Dramatic Arts Museum in Bahman Cultural Centre
- Camel Slaughter House was covered by a pool and sauna and turned to Bahman Swimming Pool
- Slaughtering workers dining room was turned into children's painting station
- The First Tehran City Railway Construction Installations was turned into Kosar Cultural and Painting House
- Qal'e Morghi Gutting Factory was turned into Salman Farsi District Cultural House
- Khazaneh Bokharayee slum in Jamshid District was turned into a district cultural house offering various educational programs to poor youth there
- The Municipality Laundry was turned into Shahid Khaza'i Cultural House

- The abandoned Khak-e Sefid in east of Tehran (100 years old) became district 4 cultural centre and the district cultural house while maintaining its traditional architecture
- Qezel Ghale'h old prison, which had caused a lot of problems for its neighbourhood was converted into Gol-ha cultural house
- The Traffic Police Office was turned into Shafagh Cultural Centre
- The Garrison and Military Education Centre was turned into Artists Garden
- The garbage-storage old and abandoned building became the city photography museum
- The automobile oil exchange ruined building was turned into Saba Park
- The Arab pit ex-location (in Shoosh) was transformed into a cultural and artistic complex

In fact, the approach of transforming the problematic areas (e.g., polluting industries and abandoned spaces) into cultural centres could help resolve two major difficulties simultaneously. Firstly, the city was suffering from a clear lack of cultural and social places for citizens to spend their leisure time. Hence, the construction of these centres was a quick response to this shortage. Secondly, since the government had ratified the transfer of polluting industries from Tehran to suitable zones confirmed by the Environment Protection Organization, all polluting industries had to relocate out of the city. In this case, the slaughterhouse was transferred to a secured place around Tehran and equipped with more appropriately technologies as well. Moreover, the abandoned spaces definitely needed to be restored as well as they had been making a lot of troubles for their neighbourhoods. A number of these places were owned by people, who had left Iran due to the country's instable conditions of the post-revolution and war periods. In the absence of their owners, such locations had turned to places for accumulation of garbage, making unpleasant spots in different parts of the city. There were also some problematic places close to residential areas with incompatible applications or occupations for the neighbourhood. The slaughter house, gutting factory, garrison, and oil exchange centres, as mentioned above, are clear examples of such places, all of which were transformed to cultural centres later on.

The positive impact of these centres are undeniable; besides performing recreational and amusing sports and artistic programs, the scientific and laboratorial tools and instruments in different levels and fields like Physics, Astronomy, Biology, Anatomy, and so forth, were presented to the youth. These centres played a great role in promoting art and artists in the society. For instance, small festivals of the world's significant movie actors' works familiarised the university students and educated people with the cinema art and its superstars. Performing concerts of traditional, classical, and folklore music was welcomed by most people from different classes of the society. Holding computer, electronics, graphics, and foreign languages classes with fairly low costs helped children of middle and low income families become familiar with modern technology. Moreover, many facilities were provided, particularly for the youth, such as libraries, reading halls, Informative centres, visual and audio tapes bank, cultural associations, book publication and printing services, magazines and books for children, distributing books and magazines, training and sub-training industries, supplying the instructing necessities, thought and intelligence plays, entertaining devices, multi-purpose play halls for performing theatre and dolls-theatre, speeches, the university entrance exams preparatory classes, sewing, painting and drawing classes, all of which helped promote cultural development in the society.

One of the main services in some centres was psychiatric and family consultation by which the psychologist and psychiatric groups were attempting to diagnose the psychological problems besides discovering and promoting the citizens' individual capabilities.

Although redefinition of problematic areas and turning them into cultural centres was publicly welcomed by the majority of citizens, there were some criticisms too. One of the most criticised issues in this regard is centred on using the private properties of the owners, who had left the country long ago, and requisitioning of their lands without their permission to the benefit of public services. Now after over 10 years since the implementation of this policy, we can see that many of these properties have been returned to their owners as they filed legal complaints against Tehran Municipality, and even in many cases, Tehran Municipality had to pay for their loss as well (TMREGB 2006). Moreover, this process created new demands in the society as citizens expected

Tehran Municipality to construct new local gardens or parks in replacement of the ones currently lost due to returning these lands to their owners. These demands that were not responded to effectively, due to the expensive land price, resulted in a kind of dissatisfaction among citizens (Tehran Emrooz Daily 2007). However, this trend still shows a relative merit of the way such projects were implemented during this period: creating lots of centres quickly (not necessarily precisely) while doing one or two projects carefully. If nothing else, the minimum advantage of quick actions was to create demands in citizens.

Adding up all positive impacts and negative criticisms, it can still be said that there is a historical turning point in Tehran's city management, which would undoubtedly be a discussion topic in the future. This turning point occurred when Tehran city management, which was a merely servicing organisation before, started promoting the capital residents' cultural life as one of its most important tasks and turned to a powerful cultural organ quickly (Taher 1998).

6-3. Trials

In Sections 6-1 and 6-2, we chose some of the most important but controversial decisions and projects during the 1990's, focusing on their decision making processes and some pro-con discussions about the outcomes of the decisions. As the direct and indirect results of these decisions, the face of the capital city dramatically changed and its residents witnessed a significant improvement in quantity and quality of urban services followed by the development of numerous constructive projects from environmental and transportation-related areas to social and cultural plans.

As the result of these remarkable achievements, Tehran Municipality gained significant popularity among people from different layers of society. Since the end of this period coincided with the 5th parliamentary election and more importantly, the 7th presidential election in Iran, Tehran Municipality was the focal point for all political groups – from right to left - to take advantage of this popularity to achieve their own goals. In such a highly competitive environment, any political view or interest presented by Tehran Municipality's management might be twofold. On the one hand, it could benefit the interested group by drawing the attention of society towards it. At the same

time, it would encourage opponents to take insidious actions or revenge in response against Tehran Municipality.

It is strongly believed that the political group related to Tehran Municipality's management, called Executives of Construction Party - Kargozaran-e Sazandegi¹⁰ - (ECP), had played a major role in Iran's political scene during that time¹¹. ECP shared the majority of parliament seats with their coalition partners in 1996 Parliamentary Election¹². Moreover, they were a key ally of the elected reformist, President Mohammad Khatami, during the 7th presidential election. According to the observers - inside and outside the country- these unexpected victories shook the hardliners and right-wing opponents leading them to seek insidious ways to thwart the reformers' dominance.

Shortly after their failure in the 7th presidential election, hardliners began their attacks against reformists, taking Tehran Municipality as their first target. They used all available resources including their media to accuse this organisation of mismanagement of government funds and corruption charges in order to undermine its popularity and legitimacy in public eyes, and to put the newly arrived reformist government under pressures¹³. In July 1997, they raided the offices of Tehran Municipality with the assistance of security and intelligent forces, and took more than 100 high-ranking officials into custody. This process was unfortunately accelerated by a part of the judiciary system that was influenced by hardliners. Being kept in solitary confinements for months in some cases, the detainees were forced – by means of torture - to confess against Tehran Mayor. A lawsuit was then filed against him based on the so-called confessions that eventually led to his trial in June 1998.

10 *The Middle East Journal* 1998 (23): "... on 17 January 1996, when a hastily formed group of technocrats challenged the conservative monopoly and announced its support for Rafsanjani's policies, promising change and reform. Originally calling themselves Khedmatgozaran-e Sazandegi (Servants of Construction), the 16 founders comprised ten currently serving cabinet ministers, four of Rafsanjani's vice presidents, the mayor of Tehran, and the governor of the central bank. The ten ministers withdrew in view of the constitutional ban on executive interference in legislative elections, and the group's name eventually changed to Kargozaran-e Sazandegi - Executives of Construction"

11 *Masoud Behnoud's Weblog*, April 17, 2006, A Step Towards Transparency:
http://behnoud.com/archive/2006_04_01_archive.htm

12 *Salaam Newspaper*, May 18, 1997: The Karogozaran found success in the first round of the 1996 Parliamentary Elections where they shared 120 parliamentary seats with their coalition partner Imam's Line Groups

13 *New York Times*, July 1, 1998: The case of the Teheran Mayor: Reform on Trial

The entire court proceedings were broadcasted on national TV, which captured record audiences. It was understandable from the sessions that the court was primarily a heated debate between the judge (who was one of the influencing conservative figures) and Tehran Mayor, rather than an ordinary prosecution. In his court defence¹⁴, Tehran Mayor did not accept any of the charges.¹⁵ However, the trial was concluded with a guilty verdict against him, which was clarified in the majority of cases on appeal. What remained was a 10 year ban on political activities and holding public offices that was the only remaining part of the verdict issued for such an extensively controversial file for which over than 100 people had been arrested and interrogated. Removing the ban could be interpreted as a complete vindication of the Mayor, which was not desired by hardliners in front of public opinion that was present in all stages of this process.

Despite the conviction, Tehran Mayor was widely supported by citizens via public demonstrations and letters and editorials in the media. More interestingly, the reformist political figures, also continued to support him¹⁶. All of these show that a broad range of public opinion did not accept the charges against Tehran Mayor and he was cleared of the charges based on public judgement¹⁷.

In summary, the court proceedings did not undermine the legitimacy of Tehran Municipality's management system of this period based on public opinion. Rather, it challenged the judiciary system igniting a debate over Iran's complicated judiciary system in which the judge serves not only as a judge, but as a prosecutor, and jury at the same

14 The details of the court sessions is published as a book entitled "Conviction and Defense: the details of court sessions and defenses of Gholamhossein Karbaschi, the former mayor of Tehran", 1999, Farhang & Andisheh

15 He discussed that all he and his team in Tehran Municipality had done, was for the good of the country. He emphasized that these practices were quite common in all government institutions without which the administrations would not be able to attract qualified personnel.

16 *IRNA*, May 8, 1999, Khatami regrets: "...In a phone conversation with the wife of ex-Tehran Mayor the day after his imprisonment, President Khatami expressed his deep dissatisfaction about the results of the trials and his regrets that the country is deprived of his services for the time being."

17 There are a lot of newspaper articles indicating this fact at that time. Some of them are as below: (1) What does exist in judicial courts, politics or justice? By Ahmad Vakili, (2) The judgement of citizens on Tehran Mayor's trials: Amir Aziz Najafi, Amir Hossein Haghtalab, and Rassam Karimi, appeared in *Hamshahri Daily*, June 16, 1999

time¹⁸. Moreover, it shed light on the existence of torture¹⁹ in prisons as a mean to obtain “confessions” from detainees against others or themselves. All of these resulted in disgrace and degradation of the judicial system itself, rather than any other organisation in public eyes. As a bright side of the story, this trial eventually caused some positive changes in judiciary system²⁰ under the pressure of public opinion, which details are out of the scope of this study.

6-4. Summary and Conclusions

This chapter primarily focused on the major policies followed by Tehran Municipality during the 1990’s, namely autonomy and financial sufficiency, decentralisation, development of human resources, capacity building, privatisation, and development of comprehensive plans and long-term visioning. We explained the major decisions regarding these policies elaborating on the entire process of their decision making, i.e., how these decisions were made, implemented, and supported. We also analysed the outcomes of these policies and decisions critically.

Regarding the first policy (i.e. autonomy & self-sufficiency), we investigated the decision to collect high-rise construction tax, which was indeed one of the most controversial decisions during the history of Tehran Municipality. With regard to decision taking phase, we discussed how this course of action (i.e. collecting high-rise construction tax) was chosen against its impractical alternative (i.e. increasing the taxes and direct payment by citizens). In terms of decision implementation phase, we explained how this decision was enforced rapidly and decisively within the entire organisation. As

18 On Iran’s judicial system see:

Niknam A (1999). “The Islamisation of Law in Iran: A Time of Disenchantment,” *Middle East Report* 212:17–21.

Sharifzadeh A (1999). “The judge has two contradictory roles in trials” *Hamshahri Daily*, July 3, 1999

19 Some of the arrested officials from Tehran Municipality filed a lawsuit against the security officials for allegedly applying physical and psychological tortures and excessive force in obtaining their testimonies

20 For more information see:

This trial is a turning point for judges: by Poorang Bahrami, appeared in *Hamshahri Daily*, July 1, 1999

discussed, we saw that along with all positive outcomes, such as increasing the Municipality's financial resources to 40 times its past, the irregular high-rise constructions had destroyed the texture of some areas particularly in Northern part of the city. In terms of decision support phase, we explained how these negative outcomes were justified by enforcing tough regulations set by Tehran Municipality's zoning commission to restrict the permissions to mere locations anticipated for high-rise construction in the comprehensive plan.

Regarding the decentralisation policy, this course of action was taken due to its proven positive outcomes in most developed and developing countries across the globe (i.e., decision taking phase). In terms of decision implementation phase, we discussed how it happened systematically in multiple steps starting from de-concentration of responsibilities from central municipality to districts, progressing to high levels of devolution of financial and management authority. As presented in Section 6-1-2, along with the positive outcomes of this policy, boosting both quality and speed of urban services and projects, some overlaps and conflicts happened among districts, within themselves, and with staff organisations. In terms of decision support phase, we presented how Tehran Municipality could inject more coordination and unification by setting and enforcing guidelines and standards and establishing a number of coordinating structures like Council of Mayors within the organisation.

As discussed before, the policy of capacity building and the decisions to establish private and semi-private professional companies to transfer a part of municipality's functions to the private sector could revolutionise the way Tehran Municipality was serving citizens at that period of time. However, many critics believe that although this decision was taken rightly (in terms of decision taking phase), Tehran Mayor failed to efficiently institutionalise the functions of the established companies within the entire organisation to the extent that a number of them were dissolved by Tehran City Council later on. From this point of view, the performance of the implementation phase of this decision is highly controversial. As another example of right policies with partially unjustified implementation, we discussed the policy of removing the problematic areas and the decision to build cultural spaces and/or recreation centres to replace them, which was a sound decision as it targeted two acute problems (i.e. problematic areas and lack of

cultural spaces) at the same time. Yet while implementing this decision, many abandoned lands were requisitioned in the absence of their owners, which caused Tehran Municipality a lot of legal problems later on. However, with the exception of this negative outcome, this policy and the majority of decisions in this regard were primarily positive, improving citizens' social lives immensely.

As a conclusion, although there were some criticisms as well, adding up all the positive and negative impacts of the policies applied and the decisions made at this period of time, we can conclude that as the total outcome of these decisions, Tehran could survive from its critical situation that it faced in 1990 as it changed to a liveable place for its citizens. In fact, such innovative practices, which were unprecedented in Tehran Municipality, resulted in unprecedented performance of city management system as well. Hence, referring back to our first research proposition, we can attribute a positive relationship between the quality of decision making process and the quality of city management performance, up to this point. In the next chapter, we will have a complementary discussion, showing how changes in the quality of decision making processes during the first experience of city councils affected the performance of city management system of that time.

Chapter 7. Analysis of Decision Making Process in the New Era of City Management

The preceding chapter focused on a number of decisions during the 1990's showing how the improvements in quality of decision making processes could positively affect the performance of city management system of that time. However, this configuration has changed since the ending year of the second investigated period (in 1999), when a new round of changes began in Tehran's city management system. As discussed in Chapter 3, these changes were mostly because of President Khatami's decision in the seventh government (after the Islamic revolution) to enforce Article 7 of the Islamic Republic Constitution, that is the activation of city and village councils as decision making and management organisations. This article, ratified in 1986, had predicted 15 members for Tehran's central council as well as the foundation of quarter and district councils. However, in many big cities, including Tehran, the establishment of city councils was incomplete, because the central councils began working without first establishment of quarter and district councils.

The results of City and Village Islamic Councils elections were announced in February 1998, and Tehran City Council began working with 15 formal members in May 1999. The votes taken in Tehran Province amounted to above 2.7 million with the participation of around 39% of eligible voters²¹ (Hamshahri Daily 2006). Although some important newspapers (Hamshahri Daily 1999) had announced that the majority of council members agreed with maintenance of the present mayor of capital before the formal beginning of the Council, it never happened because of the specific conditions and judicial engagements. The selection of mayor by the first Tehran Council lasted one month.

This way a new round of decision- and policy-making in Tehran's city management system began with the Council performance. The performance, ratified laws, and events of Tehran City Council (from the first round to now) will be studied in the following chapter. We start with the challenge of selecting mayors, which is the very first and one of most important tasks of city councils. In the next two sections we focus

21 The number of eligible voters was around 7,023,815, out of which 2,744,999 participated in election.

on city council's internal challenges with mayor and external challenges with three powers respectively. The last section compares these challenges with those of developed countries, which have a long experience of democratic practices.

7-1. The Challenge of Selecting Mayors and Disagreement between the Council and Municipality

According to the law of organisation, duties, and election of Islamic Councils, the most important duty of councils in Iran is selection of the mayor. Before the activation of councils in Iran, the appointment of mayors was the duty of Interior Ministry in Tehran and its local branches in other provinces, on behalf of the council. With the beginning of councils' work in the city management system, this duty was left to them. The selection of mayor, and controlling his actions, has been two important roles of Tehran City Council in the past few years. However, from the outset of the Council in 1999 to the last months of the second Council, 'selection of mayor' and 'supervising mayor actions' has turned to a challenge and a severe problem for the Council.

This is in fact one of the most controversial duties of the mayor in his relationship with the council as well. This issue is especially more problematic in Iran, where people do not have enough experience of cooperation at the local level. Many people are not familiar with the duties of this organisation. Even some of the Council members are sometimes unaware of urban-related issues and municipality problems. This is why the city council sometimes has unlawful expectations and intervenes in the work of mayors, hindering the development of civil engineering plans. The experience of councils in the past few years shows that the mayors can hardly tolerate the improper viewpoints of the council members, so they resign to save themselves from the future problems.

From the outset of Tehran City Council to March 2007, four mayors were selected for managing the city. The selection procedure of them all was in an atmosphere of conflict. Some of these challenges were obvious and some hidden.

In general, the conflicting issues between the mayor and the Council are of two types:

(1) Sometimes the Council or some of its members want the mayor or Municipality staff to do something incongruent with the general goals and policies of Municipality, such as the appointment of a certain person in a certain position and so on, (2) The conflicts may

also arise when the Council pays so much attention to details in decision making that the mayor faces problems and limitations in implementing them.

The first Tehran Council selected the mayor one month after it started working in May 1999. This delay had a negative impact on all the Municipality plans and performance. Although the council unanimously selected the first mayor, in less than five months the signs of difference between the council and the mayor were revealed. The first problematic issue was the protest of council members to the appointment of head of Tehran Municipality Culture and Art Organisation (ISNA 2000a)²² (an affiliated organisation of Tehran Municipality). Only one year after the appointment of Tehran Mayor, the rumour of his resignation (ISNA 2000b) spread in the press and mass media. The Council approved the news too (ISNA 2000c). Then the mayor of Tehran considered his conflict with the council as legal issues, but a member of the council²³ declared that their difference was due to the mayors' one-year performance (BiglarKhani 2003). In the following months, another Council member²⁴ in the council's public meeting criticised mayor's performance, saying: "*The mayor plays the role of Council rival, instead of implementing its policies and ratified laws*" (TICC 2000a). The mayor then said: "*The Municipality is not implementer of the Council ratified laws* (ISNA 2001).

With increasing conflicts between Municipality and Council, which will be discussed later, Tehran Mayor was impeached, but was maintained with five negative and five uncertain votes (BiglarKhani, 2003). The conflict between Tehran Mayor and City Council on Municipality budget in the year 2000 was a major problem of the Municipality also. To the Tehran Municipality, the budget had been arranged without considering the real conditions of the city, so it resisted implementing the budget. The 2000 budget, on the other hand, was opposed by the governorship. Neither did the council accept the views of Interior Ministry to do the proper reforms on the budget. Inner differences provided conditions in which Tehran started the first months of the year

22 Head of Tehran council, speaking with the press, emphasized the necessity of mayors' obedience of the council in regard to new head of Tehran Municipality culture and art organization, Mehdi Argani, saying that Argani is the legal head of this organisation and no authority can dismiss him.

23 Ibrahim Asghar Zadeh

24 Ahmad Hakimi Pour

2001 with a serious crisis. Even the Municipality routine activities were temporarily stopped.

The statements of Tehran Mayor in the council meeting (TICC 2001) showed a severe crisis in Municipality daily matters (Iran Daily 2001a) In this session the Tehran Mayor stressed that managing Tehran would be impossible without the obvious state of the budget, stating: *“In the last twenty days, Municipality is spending unlawfully and all civil engineering activities have been sustained.”*

In this situation, the Council members agreed to allocate 100 billion tomans (\$330 million) for Municipality daily expenses (employees’ salaries, etc.) in two months of April and May. But in just less than four months, the mayor was forced to reluctantly resign by Council members due to new differences and was replaced by the Council’s second mayor (BiglarKhani, 2003).

The second mayor, who accepted the position because of the Council’s insistence, disagreed with the Council members after a short while too. The reason for this disagreement was the mayor’s decision to sell permission for high-rise construction in his first month of work. This dispute continued in later months and was not solved even by the problem-solving board, intervention of high-rank officials, such as head of Islamic Consultative Assembly (Iran Daily 2001b) and MPs (Iran Daily 2001c). Finally, Tehran City Council was dissolved only two months before the second elections for the City and Village Islamic Councils and the Interior Ministry appointed the Council guardian.

The consequences of this four-year dispute between Tehran Municipality and Council were the halt in most of civic projects, disorder in servicing the citizens, and increase in public dissatisfaction. This dissatisfaction was manifested by their decreased participation in the second council elections, and hence, this council was only the representative of a very low percentage of Tehran citizens who had participated in council elections.

Though selection of the third mayor by the Council was planned beforehand, differences between him and the council arose in the first year. The council members prevented the public and media from knowing about these differences by holding private meetings. But after the victory of the third mayor of the capital in the ninth presidential elections, his

disputes with the council were manifested. Some council members talked about serious disputes in private meetings (Khansari & Afrouz Manesh 2008).

The Council members had many different views in selecting the fourth capital mayor and finally selected him with only one different vote. When Ahmadinezhad (the third selected mayor) left the post, the Council was divided into two groups; a majority of eight critics of the government and a minority of seven supporters. The fourth mayor selected by votes of the majority led to a new round of inner differences between Municipality and Council. Although according to the Council head, the members did not wish their private differences to be publicized, evidences showed a deep gap between the majority Council members and the fourth mayor. As the detailed discussions of Tehran Council in the years 84 and 85 (2005 and 2006) show, Qalibaf, the fourth mayor, had been present only in two public meetings of the Council. The analysts of the reformist press, who have a more open atmosphere for criticisms, related Qalibaf's discontent with attending council meetings to his veiled differences with the Council (Kargozaran 2006). These differences reached a climax in the last days of 2006 when investigating the budget document of 2007 –the major annual bill of city management. Due to question of the seven-member minority of the council asking the mayor about his absence in the council's public sessions, examining the budget remained incomplete until the last days of the year. The Municipality presented the 2006 budget one month earlier than usual to the council and the council, based on the law, had to finish the work in early March. But, the dispute between the council minority and the Municipality, which even led to verbal quarrel (ISNA 2004), postponed examination of budget document to the last days of the year. The tendency to be uncooperative can be suggested as the result of stating personal, political, and partial views inside the Council which only perpetuated the dispute between the Council and the Municipality in Tehran.

The council members, as citizens' representatives, have proved unfamiliar with group work, as they are not members of established parties. They lack the necessary collaboration to be free from biases and personal intentions for the sake of interest and prosperity of the city. The problem was that Councillors saw the Council arena as an opportunity for conducting personal and political struggles rather than improving the conditions of the city for the citizens.

A closer look at the relations between Tehran mayors and the two rounds of council shows the sensitivity of this relationship and mayor's hard task in keeping it balanced. As a result of mentioned differences, many of Tehran City Council meetings in the first round were obstructed by the members. In the second round increasing disputes, especially in the last months, led to obstruction of the sessions by the mayor opponents to make him attend the meetings on the budget.

During the two Tehran Council rounds, the minority has frequently tried to obstruct meetings, so that the decisions of the majority would lack unanimity and not become official decisions. They also attempted to make the mayor intervene in the members' disputes. Despite the small number of members, they were divided into majority and minority groups in both Councils. This has confused the mayor when consulting with Council members.

When the council minority criticises the mayor, he cannot state his secret information in private sessions for all the members, for fear that they might publicize the information before discussing them in public sessions. In this way the activities of council and mayor may be hindered. The city council experience in Iran shows that those who remain in a minority may violate ethical principles, criticise the mayor harshly, or make disputes between him and the municipality staff in order to weaken the majority members. The tendency of the dissatisfied minority to obstructionism in the Council's formal sessions practically led to postponing many ratified laws and hence municipality projects.

7-2. The Challenge of limitation of mayors' authority

Another challenging problem was the limitation of mayors' authority, intervening in details, and a general tendency to centralism by the council members. In fact one of the main achievements of city management in Tehran during the 1990's was financial independence. As presented in previous chapters, this financial independence gradually brought about more authority for Municipality's heads in seeking their demands from state institutes and led to an administrative and organisational independence. Tehran Mayor entered a traditional institute in the 1990's. Later, when a sense of hopefulness and empathy was created for urban reform, some actions were done for changing

Municipality foundations. So, the mayor was invited to take part in cabinet meetings; not because of his own request, but because the government wanted to solve some of the city problems jointly with the Municipality. The mayor's presence in the cabinet meant interaction between the government and the Municipality. In fact, the mayor was positioned in between national government arenas and local district mayors. In this era, management was revolutionized and acquired power in regard to software and personnel. Consequently, the central decision-making power of Tehran Mayor was spread among the mayors of 20 districts (BiglarKhani 2003). Granting the decision-making power to the districts' mayors solved many financial and administrative obstacles, which had slowed down development plans in Tehran.

Also in this era the Municipality was permitted to reorganise cultural and social institutes and help managing them. Institutionalisation of this method in Municipality between the years 1990 to 1998 is important because shortly afterwards Tehran City council was formed. The creation of such an institute has been followed in most big cities of the world in order to change the top-down management to bottom-up management and avoid centralism. The councils were established with such a goal in Iran as well. In Tehran, because of the Municipality management procedures in the 1990's, this institute was ready to share and decentralise power. But evidence shows that Tehran City Council has led Municipality and the related organisations toward more centralism from 1998 onward. Although the degree of centralisation differs from one period to another, as a common feature in all periods, we witness a more centralised decision making process compared to its past in the 1990's.

As mentioned earlier, one of the main differences between mayor and Tehran Council was the latter's intervention in details of decision making in a way that limited the mayor in implementing the decisions. The Council, selecting the mayor for implementing its ratified laws, should give him the necessary authority for administrative performance. For this it is not enough that the council avoids ratifying detailed laws limiting the mayor in decision making. The Council and all its members should avoid any action that decreases mayor's control on Municipality staff. A sign of the tendency of the Council to centralism and limiting mayors in making decision is its intervention in appointing and dismissing Municipality heads as well as in employing the staff.

According to the law, the mayor should decide on these issues, but the Council intervenes in this area with the excuse of supervising the mayor performance, thereby benefiting from some ambiguities in the law. The dispute over the appointment of head of Tehran Municipality Culture and Art Organisation, for instance, which had been jointly selected by the trustees' board and the mayor before the Council, was a major challenge in the first Council. Finally after much challenge between the council and this organisation the members passed to investigate about its performance (TICC 2004). Direct interference of the Council with hiring and firing the staff in this organisation not only took the time of council members, but also slowed and even stopped many cultural and social projects in this organisation.

Evidence shows that the second council had always been critical of the appointment of municipality heads. This became more severe after the selection of the second mayor, Qalibaf. Some council members explicitly demanded that the mayor ask for their advice in selecting the municipality heads, though no part of the Islamic Council organisation duties and elections law has ordered the municipality to select municipality heads under the guidance of the council.

The first and most fundamental right of any mayor is to select municipality staff. Also according to management principles any relationship between the council and municipality heads or staff should be established via the Mayor's office. The council's freedom in hiring and firing of the mayor, and his full responsibility before the council, necessitates that the council give him enough space and freedom in making decisions and leading the municipality in accord with the council's general guidelines. However, Tehran City Council has considered its interference with mayor duties as accomplishing its managerial task (based on the 100th Act of the Constitution and article 68 of Council organisation, duties, and elections law). Tehran mayors do not think the same way and interpret it as the council intruding in executive issues, which is not among its duties according to the Constitution and the Council law. The first mayor selected by the Council, for instance, was forced to resign because of continued differences with the Council. In an urgent session of Tehran Council for answering questions of Council members, the mayor, referring to his dispute with the council and its intervention in municipality issues, asked the council about the future course of events (Iran Daily

2001d). The mayor had, in another session for answering the council members' questions, considered their criticism of municipality performance as intervention in executive issues, calling it unlawful and a tendency to more centralism in Tehran Municipality (BiglarKhani 2003).

The ratification of an urgent scheme for prohibition of Tehran Council members and municipality staff from entering transactions of Municipality and related institutes and companies in the first council shows the severity of dispute inside city management of Tehran. This scheme was in fact presented and passed in continuation of Municipality and Council differences. Tehran Municipality believed that the council has caused disorder in the system by its improper interference. The council, by ratifying the mentioned law, was to show that it did not mean to interfere with municipality issues, especially financial and transactional one.

Another example of the pressure exerted by the council was opposition to the activities and decisions of district mayors, which has limited the authority of district mayors (ISNA 2001)²⁵. The detailed discussions of the council and mayor reveal that the first mayor thought that the main reason for many incomplete projects in municipality was the lack of enough authority. The council did not accept that they were limiting the authority of mayor as well as the district mayors until the first mayor resigned. After his resignation, the incumbent council head was asked if the mayor had been granted the necessary management power. He replied: *"It took a while for the council members to change their supervisory view to a parliamentary one. They believed that because the council is responsible for municipality performance, the council should be present in all its executive activities. But now they have concluded that there should be a boundary between execution and supervision."* (Iran Daily 2002a)

Because of the Council's frequent intervention in municipality executive activities, the second mayor selected by the Council accepted his post on condition that he has full authority for managing Tehran. The council accepted his condition in the session of March 2002. So, Malek Madani got full power from the council to organise the city traffic and transportation, complete the sewage project, and provide urban services.

25 Ibrahim Asghar Zadeh, a Council member, said: "Municipalities should accept the Council supervision. According to the law, implementing Council's ratified laws is obligatory for municipalities and municipality has no authority for recognizing the legality of the ratified laws."

Using the delegated authority from council members, the mayor suddenly decided to stop permitting high-rise construction and obtaining density tax for high-rise constructions in April 2002. Some council members criticised the mayor's decision, saying that Tehran Municipality cannot stop high-rise construction without the council permission. Hence, the full authority given to the mayor was practically ignored, forming a new round of conflicts between the mayor and the council (Iran Daily 2002b).

Hence, both mayors selected by the first Tehran Council considered council intervention as the main reason for slowing down important civil, environmental, service, social, and cultural projects. They declared that they could not continue to work in these conditions. Although both mayors were impeached by the council the council itself was dissolved before dismissing the second mayor.

Not only the first but also the second Tehran City Council, underlining their supervisory role on municipality and related institutes' performance, expected Tehran Municipality to execute civil engineering projects after getting permission and ratification of the council. Ignoring this expectation brought frequent reminders from the council members (Iran Daily 2001e)²⁶. Another instance was the intention of Retirement Organization of Municipality for buying stock of a private bank, which caused the opposition and criticism of second council members. However, based on the law, controlling the expenses of a Municipality-related institute is not included in supervisory duties of Tehran City Council.

Moreover, intervention of council members in details of municipality programs seems to have increased the mayors' tendency to independence. When the eighth president and some representatives of Islamic Consultative Assembly suggested that capital mayor be selected by people's direct vote (Mirath Farhangi 2006), the incumbent Tehran mayor was the first to agree. The reason for his agreement, he said, was the resulting increase of mayor authority and power (Sharq Daily 2006). At the same time as this viewpoint, Tehran's city council members opposed it, saying selecting and

26 In the emergent meeting for 2001 budget, a member of Tehran Council criticized municipality's disobedience. Ibrahim Asghar Zadeh said: "Three months have passed since presentation of the 2001 budget to municipality, but municipality opposes some parts of it, which exactly include Council supervision. This rejection of supervision is not acceptable for citizens and the Council."

supervising the mayor is the councils' major duty. They thought ratifying this issue in the Assembly would decrease the Council efficiency.

7-3. The Challenge of increasing struggles with the three Powers

The Government

Before the establishment of local councils in Iran, the Interior Ministry was the legal council deputy. Therefore, municipalities worked in relation with this Ministry. However, since the establishment and activation of city councils in 2000, this relation has ended and councils have been responsible for the major duties of the ministry in regard to municipality, although the ministry still wanted to intervene in municipality issues.

One of the main problems of city management systems of Iran is the excessive involvement of the national government at municipal levels. While based on the Act 103 of constitutional law, governors, governor generals, and other officials appointed by the government should respect council decisions. As discussed in Section 3-3-2, all councils are enforced to send their ratified laws to the superior councils of their province (e.g. higher council of province, council of province, higher traffic council, etc.) for approval. In practice, from the outset of councils' activation, they perform under the indirect, though effective, control of governor generals. This has increased the usual bureaucratic procedures in city management system and practically affected the development of Tehran Municipality goals, policy making, and execution. The experience of Tehran Council shows the highest amount of dispute between the Council and Tehran governorship. These disputes and challenges, as will be discussed later, existed during the first reformist council, simultaneously with the seventh and eighth reformist governments (after the Islamic Revolution), as well as the second council, two years of which was in the eighth reformist government and the remaining two years in the fundamentalist ninth government. It shows that regardless of the political visions, even when both government and council were coming from reformist wing, the disputes still existed.

Reviewing the first Tehran Council records confirms serious challenges between Council and Governorship in a way that council's ratified laws were frequently revised, opposed by Governorship and then referred to Board of Arbitration. This process has

resulted in long pauses on municipality activities until the announcement of final result. To remove the challenges, parallel actions, and intervention of Governorship in executive procedures, the first Council members demanded an inquiry by the Assembly, which remained practically fruitless (Hamshahri Daily 2002a).

The first Council members commonly opposed Governorship intervention in Municipality duties and the government control. The incumbent head of Tehran Council said: *“Most council meetings are wasted on governorship objections, which has stopped the course of activities.”* (Hamshahri Daily 2002b). In later weeks, Tehran Council formally confirmed serious differences with Interior Ministry, in its answer to a national newspaper.

A more precise look at the first Tehran Council records shows that in order to decrease the wasted time on reviewing Governorship objections, council members formed a committee including three council members in Interior Ministry (Iran Daily 2002c). This committee, however, continued work only for some months, because of inner differences among the members and the ultimate dissolving of the first council. Such struggles did not finish in the second council either. This continued problem in the first council and coming and going of ratified laws among Governorship, Council, and Board of Arbitration was crystal clear. Yet some supporters of the government tried to attribute the problem to Council members’ inefficiency and political views.

Hence, the second council’s members again faced similar problems. In this council, too, many ratified laws were suspended due to governorship’s objection. The long time wasted in these challenges and parallel activities revealed that the difference between the two institutions is related to a managerial deficiency repeated in every council, regardless of political and partial concerns.

Based on the records of ratified laws in the second Tehran Council, the council’s legal and budget commission has ratified 51 out of 198 laws only because of Tehran governorship’s objections during the Council three-year-and-six-month activity (TICC 2007). A study regarding performance analysis of Tehran City Council and its affiliated commissions (Hamshahri 2006a) reveals that the Council and its budget commission have spent long hours examining Governorship oppositions, ratifying highest number of laws in this regard. This reveals the continued difference between government and

Tehran Council. After being ratified in the Council and presented to the Governorship, most laws of the Council should be revised again according to the government view. This long process naturally slows down the decision making process of projects, because the Municipality, in Iran's urban management system, is under the council control. It even sometimes creates public dissatisfaction due to low daily urban services to the citizens, as for example in the case of determining taxi fare in the year 2005. The related bill was ratified in March 2006, but revised after a two-month delay because of arguments between the Council and Governorship²⁷ (TICC 2006a). Frequent changes in taxi fares were objected to not only by the drivers, but also citizens for months. It was conveyed to Council members via the press and media.

As a result of arguments between the government and the council, Tehran Municipality could not benefit from the 1385 (2006) budget, predicted for development of public transportation, especially the subway. These credits, included in exception 13 of 2006 budget, had for the first time offered considerable financial facilities for public transportation improvement, which is a major need in Tehran. These credits were to be offered by a committee in the cabinet, but because of unparallel political trends of the government and the incumbent Tehran Mayor, the benefit from the credits did not materialise even after many attempts and much letter writing by the Municipality and the Council (ISNA 2006a).

The expert studies show that for solving Tehran citizens' number one problem, that is the traffic jam, the city needed to expand the subway lines as soon as possible, for which much of the financial facilities included in exception 13 should be spent. The government, however, heedless of these studies, municipality priorities, and council laws formed a committee in Interior Ministry to allocate the financial credits itself with different priorities. The fact is that because of inefficient public transportation the citizens still prefer to use personal cars that waste much fuel, make traffic jams, and deteriorate Tehran's air pollution. This last problem has reached the crisis point in the last five years. The officials have frequently declared emergency conditions and daily life has been affected.

27 Archive of second Tehran Council ratified laws, session 14, Ordibehesht 85

Presenting the revised bill of councils' law (TICC 2006b) to Parliament is another example of government limiting councils' authority and legalising Interior Ministry supervision on Municipality activities. This bill was compiled by the Interior Ministry, passed in the cabinet, and presented to Parliament. The councils' members of all cities seriously opposed the bill to the extent that some of them gathered in Tehran Council, declaring that in case this limiting bill is ratified, they would resign (ISNA 2006b). The main reason of council members' objection to the revised bill was that it implied selection of mayor by Interior Ministry confirmation. Before that, the Ministry had only the duty of giving the mayor decree, but by presenting this bill the government wanted the Interior Ministry to select the mayor. To many experts the presentation of this revised bill for the councils' law in 2005 showed the government's determination to limit councils' authority and marginalising its role.

Iran Management Organisation experts and planners in the third five-year program (2000-2004), which is the major executive and strategic document of the country, introduced means for granting more authority to municipalities as a way for reducing the government size. So it was decided that responsibilities, duties, and authority related to city management activities should be granted to municipalities during the five year execution of the third development program (MPO 1999)²⁸. Implementing this would help materialise Act 44 of the Constitution, which states that Iran's economic system is based on governmental, cooperative, and private sectors with regular and true programming. It also removes many obstacles to the progress of civil engineering projects, existing because of parallel activities and intervention of various organisations in civic issues. Though based on Article 136 of the third development program the government had to grant at least 23 instances of its duty and authority to municipalities, no instance of which was granted to city management until the end of legal deadline in 2004.

Materialising Article 136 of the third development program, that is creating unified city management, did not happen after much ebb and flow. So, Assembly representatives confirmed it again in Article 137. This authority-granting to the city management is now being implemented, but after many years no new power has been

28 Article 136 of the Third 5-Year Development Program (2000-2004)

given to municipalities yet. A research study on the reasons and obstacles of materialising unified city management (Hamshahri 2006b) shows that the government and related organisations are not inclined to grant new authority to Tehran Municipality. Part of this resistance is due to hidden competition between the government and municipalities, after the activation of councils in Iran. Despite the fact that after foundation of councils, municipality as an institution should be completely independent of the government and be under the council's control, the government and especially the Interior Ministry are apparently not satisfied with this independence. Therefore, they resist giving more power to the city management.

Meanwhile, there are too many institutions that decide the duties and responsibilities of the mayor and the city management system. This limits the mayor's decision making, which has in turn stopped vital urban development projects in Tehran. It has also caused the mayors' rejection of responsibility in critical conditions or when responding to city problems, with the excuse that he has not all the power. There were some cases during the recent years that the increasing traffic crisis paralysed Tehran in rainy and snowy days. Lack of proper urban services in those days caused people's dissatisfaction. The mayor, however, said that as a result of not having all the authority he does not claim responsibility for the outcomes of traffic jams in Tehran (Mehr 2006).

Belated renovation of old districts in Tehran and the issue of problematic districts are other instances of dispersed decision making and parallel activities of the government and municipality. On one hand, the government holds the municipality responsible for renovating old districts and Tehran Municipality, on the other hand, criticises government's intervention and passing of limiting laws, such as limiting regulations of Ministry of Housing and Urban Planning.

Another instance is policy making and planning for air pollution crisis. On one hand, Tehran Municipality is responsible for solving this problem. On the other hand, Environment Organization, which is related to the government, has duties and authority in this regard. Just the same conditions exist in the realm of Tehran traffic management. In other words, the government and Interior Ministry are policy makers and executors,

while Tehran municipality is also responsible²⁹. This way, these three serious crises have jeopardised Tehran in the last two decades, despite a dozens of plans and programs ratified in the Council and other responsible organisations, so their severity and devastative effects increase every year.

Since the returns from the development tax are not sufficient, facing these crises certainly needs considerable fund-raising, which Tehran Municipality cannot afford, and Islamic Consultative Assembly has been allocating an annual separate budget portion to it. This budget is in the hands of the government, based on executive routine in Iran, and is divided among municipalities by the Interior Ministry. In past years, due to increasing differences between the councils and Interior Ministry, a great deal of these credits were blocked in Ministry's Municipalities Organization and could not easily be distributed because of difficult regulations. However, many council members want the Municipalities Organization to be dissolved, because of its intervention and parallel activities.

Another obvious sign of deteriorative relations between the government and the Municipality is preventing Tehran Mayor from attending cabinet meetings since 2003. Tehran Mayor hence lost an important opportunity acquired by the increased socio-political authority of Municipality in the 1990's.

The Legislative Assembly

In addition to disputes between Tehran City Council and the Executive Power, the relationship between the Council and the Legislative Power was formed in similar conditions. Though before the formation of councils Tehran Municipality had some limitations when pursuing city management issues in these two powers, after the councils' formation their relationship is redefined.

Prior to March 1998, the Interior Ministry, as the council deputy, was responsible for examining the municipalities' budget documents. Most necessary plans to be presented in the cabinet meetings followed this legal procedure. The mayor's presence in

29 This is also an issue raised by the municipalities of big European cities. They say the social and environmental policies are produced at higher levels, without the presence of municipalities, but municipalities are expected to implement them.

cabinet meetings, as an observer, gave him a chance to participate in higher decision makings. The bills needed by Municipality were first passed by the government and then sent to the Assembly. After activation of Tehran Council, an extra organisation called higher council of provinces became responsible for relations among city management and the three (executive, legislative, and judiciary) powers. This council, formed with a two-year delay, can send the Council's needed plans and bills directly to the government or the Assembly, according to Article 102.

Based on Article 102 of the Constitution, the higher council of provinces can send bills to the Assembly just as the government can. But the experience of councils shows that all the bills sent to the government and Assembly have been archived by the higher council of provinces, except one bill related to the councils' revision law. This has not been because of insignificance of the bills, but rather because of not institutionalising the councils' real position in the management and planning system of the country (Hamshahri 2006b). In fact, in spite of great opportunity predicted for the councils' performance in the Islamic Revolution Constitution, so that they can act as decision making institutes for managing the cities, Iran's centralised government-based ruling system does not practically let them have a part in the play. This not only keeps the councils away from their real managerial and decision making position, but also negatively affects the planning and decision making process in Tehran municipality.

Political disputes make confrontation between municipalities and government. Also the municipality should follow a complex bureaucratic system and present its bills to the Assembly in four levels. A bill should be first passed by Tehran Council and referred to the higher council of provinces. If it needs to be ratified by the government and then presented to the Assembly, it is presented to the government in the third phase and finally to the Assembly. If it is passed by the Assembly, it will become a law. If, on the other hand, the bill does not need to be presented to the government, head of higher council of provinces has the authority to present it to the Assembly. In this case, however, the bill is not guaranteed to be presented to the Assembly.

The Judiciary Power

Tehran Municipality, because of its duties in people's daily life, is one of the main institutions related to the Judiciary. Every year thousands of Judiciary *cases* are related to Municipality's activities. Therefore it is always suggested to establish specialised courts for investigating these kinds of *cases* in Iran's Judiciary. Tehran City Council has not yet helped form an interactive atmosphere with the Judiciary. A frequent problem after the council formation is the difference between the Council's ratified laws and the judiciary verdicts. In other words, the council members expect that the municipality execute the council laws. However, the judicial system does not recognise some of the council's ratified laws and forces the municipality to execute constitutional law. One of the most controversial ratified laws of the council is one that increases the penalty for construction above 1800 meters above sea level, a measure to protect the mountains from sprawling urban growth. It also forces the districts' mayors to confront with such instances and demolish them. Municipalities, according to this law of the council, should not provide urban services for the residence of such buildings. A similar council law prohibits construction in the lands that are gardens in original documents and municipalities should execute it, a measure to protect existing green spaces in the city. The enforcement of both laws faced the objection of owners and landlords, so the case was referred to the Judiciary. Finally all the districts' mayors were convicted in the court and one who resisted was arrested (TMB 2006).

The Judiciary officials have announced that they do not recognise ratified laws of Tehran City Council, so these laws are not executable until they are passed by Parliament. Meanwhile the Council forces the municipality to implement its laws, but it cannot logically defend itself in the court (Hamshahri 2006b). The outcome of these confrontations and disputes is continuation of gardens' destruction in Tehran and the increasing number of landlords and owners who sue Tehran Municipality in the courts and manage to convict it.

7-4. Do these Challenges only Belong to Tehran City Council?

In Sections 7-1 and 7-2, we discussed the struggles between Tehran City Council and Tehran Municipality, and then in Section 7-3, we continued the discussion on how these two organisations have been struggling with the three powers, namely government or executive, legislative, and judiciary ones within the political configuration of this country. This problem partially comes from the separation of powers, and lack of defined procedures that would clarify any incompatibility between them, Such struggles over where political power actually has to lie are not unusual in international scene to the extent that it even exists in most developed countries, some of which have long experience of elective representatives in city management structures. For instance, among European countries this problem is more common in the UK, France, and Italy.

In this regard, Appendix 1 provides a summary of administrative reform in London (Pimlot & Rao 2007), which had targeted the problems of inefficient city governance of this city characterised by overlapping institutions and lack of coordination and democratic accountability (Newman & Thornley 1997; Bailey 1997; North & Baldock 2000). The reform was centred on rearranging the configuration of city administration system by adding a new elected body (i.e. Mayor) and properly dividing power among Mayor, Assembly, and the established GLA (i.e., Greater London Authority). As shown in this appendix, we can see how the elected mayor challenged the national government policies while institutionalising the road pricing and congestion charging as a solution to the longstanding transport and traffic problems. Moreover, he challenged the existing local government practices, particularly during the strategies' preparation of Renewing London Programme, adopting an all-inclusive approach to bring together the different groups of people directly involved in drawing up the strategies. This approach, which is an instance of collaborative planning through inclusionary argumentation (as discussed in Section 1-1-1) ensured that the voice of a wide range of stakeholders was heard on urban planning issues.

However, despite the longstanding democracy in UK, such an approach complicated and slowed down the decision making processes. It also created additional confusion as it brought new people and firms into the planning debates where people of different groups found themselves dealing with each other. Although these problems

could eventually be handled in the long-term by building a new governance culture, they made a lot of difficulties in the interim period due to the lengthened decision making processes.

From this experience, we can conclude that while developed countries, having a long experience of democracy behind them, are still facing struggles among mayors, councils and other political powers, it is not surprising to witness such conflicts in a developing country like Iran, as well. However, such practices are more challenging when they are adopted by developing countries. The reason is that the severity of problems in developing countries is not comparable with those of developed countries. In Tehran, for instance, while this city is suffering from severe lack of some urban infrastructures, as discussed in the last few sections, the deteriorated decision making process during the eight years of city council experience could paralyse the city management system to the extent that besides the long pauses in important urban projects, they failed to provide even some basic urban services to citizens.

Hence, it is definitely necessary to learn about the specific political characteristics of particular cities of the world, as well as their cultural traditions, before any innovating change. Also, analysts of governance and planning systems should avoid simple generalisations or searching for a neat functional model for adopted styles of planning in particular circumstances. Moreover, in any change management strategy, leaders need to think about the kind of governance culture that their way of leadership/change management may create for the future.

7-5. Summary and Conclusions

In this chapter, we discussed how Tehran's city management system underwent a fundamental change by adding the elected body of Tehran City Council in city administrative system. We also explained the challenges of city management system after this change from the very early days of the outset of the first Tehran's city council, when they were selecting the first mayor in an extremely conflicting atmosphere, to now.

Based on the successful experience of city councils in developed countries, many urban analysts had predicted that the activation of councils would increase the authority of city management in Iran, and hence, municipalities would be able to eradicate

deficiencies and problems of cities. However, as discussed in this chapter, the actual experience proved completely different from the predictions. What happened in reality during the investigated eight years of city councils from 1999 to 2007 resulted in limited authority of Tehran Municipality and the increasing struggles among Municipality, Council, and the three executive, legislative, and judiciary political powers.

As discussed in Section 7-2, the majority of council members have had a tendency to centralism, revealed by their intervention in Municipality's detailed executive activities, and opposition to the activities and decisions of Tehran Mayor and district mayors. This way, the decentralised decision making structure built in the previous period was deteriorated, and assignment of authority to the lower levels of management was restricted, centralising most parts of decision making authority in council and its established commissions. The frequent cancellation of council meetings due to the lack of quorum, particularly during the atmosphere of conflict during the first city council period, had intensified the problem and prolonged the decision making processes. Moreover, the range of struggles was beyond the differences of council members and municipality managers, and as we discussed in Section 7-3, both Municipality and Council had numerous struggles with all three executive, legislative, and judiciary political powers in Iran.

Hence, instead of simplifying the decision- and policy-making procedures and playing the role of the mediator among Tehran Municipality and the three powers, the city council had added to the complex knots of administrative bureaucracy. This backward movement has originated from many problems. The main reason of gearing the council's activities too closely to the Mayor's agenda is the lack of democratic exercises and lack of expertise in the management of the process. The reformist government of 1999 implemented the long-forgotten councils' Constitutional Article for realising its major mottos: establishment of civil society and democracy. But this new institution began the management of the city without a prior pilot period and adequate experience. In practice, Tehran City Council does not occupy its due legal position with its necessary authority, so, as stated by the four mayors selected by the council, its role has been reduced to controlling details of mayor performance, instead of high supervisory responsibilities. An exact look at the ratified laws and discussions of first and second

Councils reveals that significant time has been spent on inner differences between the Council and mayor or the Council and other powers, especially the government. Moreover, the incomplete implementation of councils due to skipping the establishment of quarter and district councils has added to the problems and difficulties, and no meaningful effort has been made for activating these councils during the eight-year work of the councils.

Adding up all discussions of this chapter, we can conclude that the lack of adequate foundations for councils in Iran has in practice had outcomes in contrast with the expected goals of the council, reducing the quality of decision making processes in case of city management problems. As we also discussed, as the immediate result of this problem, most urban development projects were suspended because of the undecided status of important issues in the council. The quality of providing urban services also declined. Such a poor record eventually led to dissatisfaction and disappointment of citizens, which can be revealed from their low participation in the second and third council elections, decreasing to 23.87% of eligible voters (Hamshahri 2006)³⁰ compared to the 39% participation rate in the first election (Dareini 2003).

In Chapter 6, we presented how the organisational reform in Tehran Municipality during the 1990's improved the quality of decision making processes, and how this improved quality resulted in the unprecedentedly boosted performance of city management system during the 1990's. In addition to this positive relationship, this chapter also showed how the weakened decision making process negatively affected this performance. Hence, referring back to the first part of our research proposition in Section 2-1, we can attribute a direct relationship between the quality of decision making process and the quality of city management performance, as both variables are improving or degrading in conjunction with each other.

However, the second part of our research proposition - which claims that compared to other obstacles such as inadequate financial resources and lack of comprehensive plans and long-term visioning, inefficiency of decision making process has the most destructive impact on city management performance - is still unproved. To

30 The total number of eligible voters in Tehran Province was 7,840,698 while 1,871,867 of people participated in the election.

prove this part of our proposition, we need to link the results of the both quantitative and qualitative analysis to see how different variables have changed over the investigated periods of time. In the next chapter, we provide this linkage to assess our research propositions.

Chapter 8. Linking Data to Proposition

As the organising hypothesis of this research study, discussed in Chapter 2, it was claimed that: (1) the quality of decision making process has directly impacted the performance of Tehran Municipality organisation in delivering proper services to Tehrani citizens in different periods of time, and (2) compared to other important elements, namely financial power and the existence of strategic and comprehensive plans, this element plays the most important role in urban management systems. In this chapter, we intend to link the collected data (i.e., in chapters 3 and 4) to the results of our quantitative and qualitative analyses (i.e., in chapters 5 to 7) to prove the above-mentioned propositions.

From the data collected via our historical overview of Tehran's urban management system in Chapter 3, we learned that since the ratification of Municipality Formation Law in 1907, Tehran Municipality (TM) has always been one of the most important organisations having a significant role in Tehran's city management affairs. The Tehran Islamic City Council (TICC) has also found a major role since its first establishment in 1999. Hence, in terms of urban governance structure, Tehran's city management system had no elected body in the first two investigated periods when TM was the most responsible organisation in city management affairs. In the third period, however, Tehran experienced a representation of weak-mayor system with 15 elected council members and a non-member mayor appointed by council.

As discussed in Chapter 3, Tehran's city management style was subject to many changes based on the social, economic, and political conditions of Iran over different periods of time. During the last century, this organisation has experienced extremely different levels of autonomy and decentralisation. Regarding autonomy and self-sufficiency, the city management system during the first investigated period had still remained completely dependent on governmental funds and authority. However, there was a turning point during the second investigated period when TM increased its income 40 times its past levels by collecting high-rise construction tax, achieving the goal of 100% financial independence from government. This self-sufficiency lasted during the third investigated period as well.

In terms of decentralisation, Tehran's city management system has fluctuated between a centralised and decentralised structure many times. In the first investigated period, TM was suffering from a highly centralised structure inherited from Pahlavi era to post-revolution and war periods. During the second investigated period, as the result of organisational reforms of that time, this organisation experienced a decentralised structure in which decision making authority had been transferred to regional districts and other affiliated organisations and companies, achieving high levels of devolution of management and financial authority. However, after the establishment of councils, the major part of decision making authority was transferred from TM to TICC, creating a new form of centralisation in decision making processes during the third investigated period.

In terms of political power, during the first two periods, TM was working in relation with Interior Ministry (IM), which was the legal council deputy in the absence of city councils. Hence, the Interior Minister was responsible for approving the municipalities' budget and presenting the necessary plans to the government and Assembly. In such a configuration, and with a powerful mayor being allowed to attend cabinet meetings as an observer, Tehran Municipality's political power had increased significantly during the second period due to the mayor's chance to participate in higher decision makings. However, this power declined after activation of TICC, due to the power struggles existing between this council and the three executive, legislative, and judiciary powers.

In terms of organisational capacity, during the first investigated period, Tehran Municipality was suffering from an inefficient organisational structure due to existence of unqualified staff and the absence of required infrastructure for attracting professional and qualified personnel. However, this situation drastically changed after the organisational reform of the second investigated period, when TM founded various professional firms, specialised in different urban-related subjects, with more financial authority and non-bureaucratic procedures, particularly in expert workforce absorption, to perform professional tasks and projects and supervise the tasks delegated to private sector. Although a number of these professional firms were dissolved later on, the majority of them continued their work during the third investigated period as well.

Table 8-1 provides a summary of collected data on decision making structures, comparing the three investigated periods in this regard. As shown in this table, we can conclude that there had been a significant improvement in terms of decision making structure in second investigated period compared to its past due to the achieved autonomy and self-sufficiency, political power, decentralised decision making, and enhanced organisational capacity during this period.

Table 8- 1. The characteristics of Decision Making Structure in different periods

Characteristics	Period 1	Period 2	Period 3
Urban Governance Structure	No elected body, TM: the most responsible organisation	No elected body, TM: the most responsible organisation No Change	Weak mayor structure: elected TICC + appointed Mayor ✓Improved
Autonomy/Self Sufficiency	Highly dependent on governmental funds and authority	Financially self-sufficient ✓Improved	Financially self-sufficient (inherited from previous period) No Change
Decentralisation	Highly centralised in TM	Decentralised with significant level of devolution ✓Improved	Moderately centralised in TICC ✗Declined
Political Power	TM under the control of IM with No political power	TM under the control of IM, with a powerful Mayor supported by government ✓Improved	TM under the control of TICC, with power struggles between TICC and the three executive, legislative and judiciary powers ✗Declined
Organisational Capacity	Unskilled workforce and lack of required infrastructure to absorb experts	Expert workforce and professional firms, and developed infrastructure to absorb more experts ✓Improved	Expert workforce and professional firms, and required infrastructure (inherited from previous period but with some declines) No Change

However, in the third investigated period, although the urban governance structure had been improved by adding an elected body (TICC) into Tehran's city

management system, and despite the organisational capacity and autonomy inherited from its previous period, there was a decline in decision making structure due to the backward movement to a kind of centralised structure and the conflicting political struggles.

On the other hand, from the comparison of Tehran's situation in two snapshots of time (i.e., 1990 and 1999), we learned that this city significantly improved during the second investigated period in terms of infrastructural urban facilities such as transportation network, public transit, green areas, and cultural spaces. According to the data collected in Chapter 4, during this period of time the length of built highways and expressways reached 250 km (40 times its past) and the number of bridges and underground passages exceeded 140 (70 times its past), all of which together with other traffic-related projects improved the capacity of transportation network drastically. Moreover, with the number of buses and taxis being doubled, citizens were provided with faster and more qualified public transit services compared to the past. In terms of green areas, the area of local parks within the city and the forest planting in suburbs grew by 300% and 70% respectively, and the number of planted trees was multiplied by 9, improving the indicator of green area per capita significantly. Furthermore, while the city's social and cultural problems had been forgotten for years, a special attention was devoted to this issue during the second investigated period by building more than 140 recreational and cultural centres, 30 public libraries, and over 350 small and large sports halls and courses, all of which were highly welcomed by citizens, particularly young population, to spend their leisure time.

Above all these activities, which obviously mitigated a part of Tehran's acute problems in transportation, environmental, and social areas, Tehran's city management of this time entered long-term visioning into TM's organisation for the first time after Islamic revolution. The comprehensive studies on Tehran's transportation problems, the collaboration with international agencies to prepare a comprehensive plan for Tehran's air pollution control, and the first Tehran's comprehensive plan (i.e., Tehran 80) are all instances of long-term planning during this period. Table 8-2 provides a summary of collected data in this regard, which obviously shows the boosted performance of city management system during the second investigated period.

Table 8- 2. The performance of city management system during the second investigated period

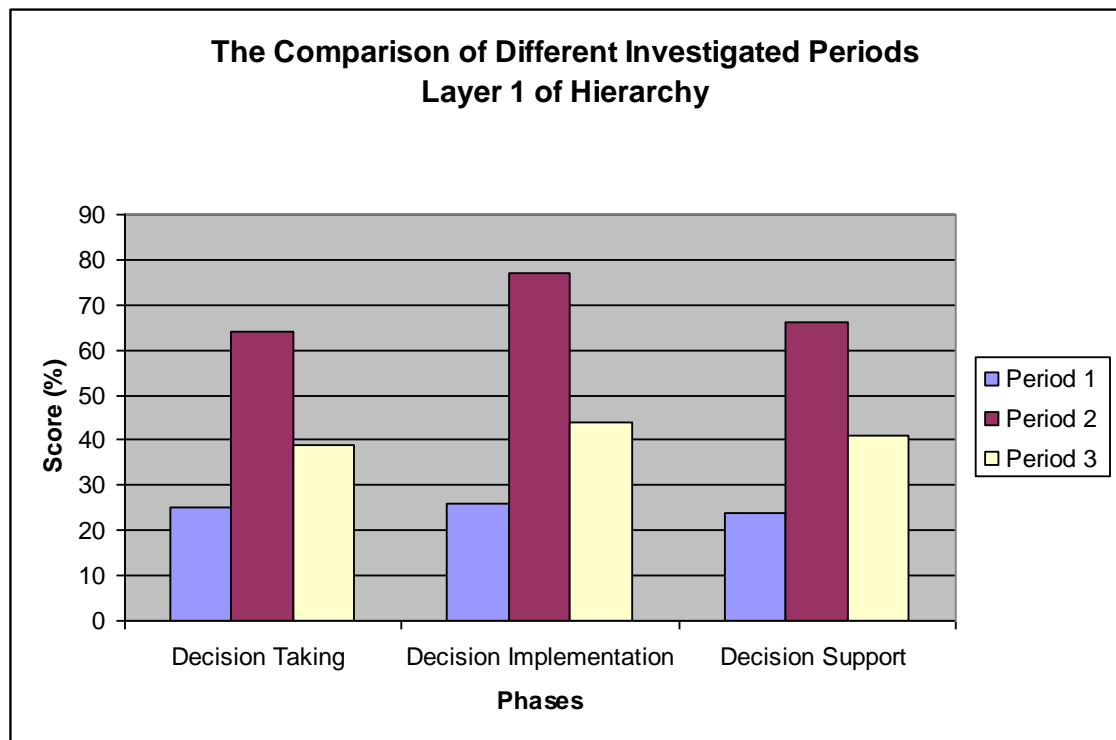
Area of Activities	Performance
Transportation Network Expressways and highways Bridges and underground passages	40 times increased capacity 70 times increased numbers
Public Transit (buses and taxis)	Doubled capacity
Green Spaces Local parks Suburb forest planting Planted trees	Tripled area 70% increased area 9 times increased numbers
Social & Cultural Cultural Centres Public Libraries Sports Centres	144 built centres 360% increased capacity 350 built centres
Urban Services	Faster and more qualified than past
Long-term Planning	Tehran 80, Transportation Comprehensive Studies, Air Pollution Control Comprehensive Plan

The results of our quantitative analysis in Chapter 5 prove our research propositions. As discussed in that chapter, in this quantitative analysis, which has been conducted based on the multi-criteria evaluation model -designed in Chapter 2- we focused on the entire decision making process (rather than particular decisions) as the unit of analysis to quantitatively measure the relative merit of this process for each period. For this purpose, we needed two groups of data, namely weights and scores of criteria, which were collected from two groups of participants, including academia (i.e., among university professors) and executive managers (i.e., from Tehran Municipality and some other related organisations).

Regarding the weighting, based on the data collected from the participants of both groups, the greatest importance has been given to decision taking phase (with the weight 0.55), and then to decision implementation and support phases (with the weights 0.28 and 0.17) respectively. In the lower levels of hierarchy, the quality of “structure” has the most dominant importance among all criteria, with the weight 0.42 in decision taking phase, 0.51 in decision implementation phase, and 0.83 in decision support phase.

As discussed in Section 5-2, we calculated the total score of each period against the hierarchy of criteria, using these weights and the scoring data collected from the second group of participants. As a result of these calculations, we found the relative merit of decision making process at each period, which shows a significantly higher quality in second investigated period, achieving 67% of maximum score, compared to the first and third periods with 25% and 40% of maximum scores respectively. Figure 8-1 provides a comparison among different investigated periods for each phase. As shown in this figure, the second investigated period has achieved the highest score for all the three phases.

Figure 8- 1. A comparison among different periods at Layer 1 of hierarchy



Hence, these quantitative measurements confirm our assumptions on quality of decision making process and its fluctuations over different periods of time, based on which we had drawn our conclusions about the first part of our research proposition.

To prove the second part of the hypothesis, which claims that among all elements of power (i.e., financial power, decision making power, and long-term visioning), the quality of decision making process, has the most significant role on city management

performance, we firstly need to discuss how the other two elements have changed over different periods of time.

As also discussed in Chapter 6, since the succeeding mayors during the third investigated period adopted a similar approach in collecting high-rise construction tax, the municipality’s income was always increasing over the time, and it even boosted significantly due to the mounting rates of high-rise construction tax at this period. Hence, considering the financial resources of different periods, we can conclude that the city management system of the third investigated period had more financial power compared to the past.

Regarding the power of long-term visioning, as explained in Section 6-1-6, Tehran Municipality prepared the first Tehran’s comprehensive plan (the first since Islamic Revolution) in 1997, which became a reliable basis for the next movements during the remaining time of the 1990’s and the next period. However, while this plan was achieved just in the final years of the second period, the city management of the third period had the opportunity to apply this plan as the guide for its long-term initiatives more efficiently during the entire period. Hence we can conclude that the third period had the best situation in terms of long-term visioning among the other investigated periods.

Table 8- 3. Changes in quality of power elements over the time

Elements of Power	Period 1	Period 2	Period 3
Decision Making Quality	Weak (24.8)	Improved (67.5)	Declined (40.3)
Comprehensive Plan	Weak	Improved	Improved
Financial power	Weak	Improved	Improved
Performance	Weak	Improved	Declined

Table 8-5 provides a summary of how different elements of power have changed over the three investigated periods based on the above-mentioned comparisons. The columns “Period 2” and “Period 3” present the relative improvement of each element against its previous period. Comparing the situations in periods 2 and 3, this table reveals that the performance of urban management system declines only when the decision making quality declines. This trend confirms that the second part of our research

proposition is correct. To support the results of our quantitative analysis, we showed in Chapter 6 that the unprecedented performance could not be achieved without organisational reform, which occurred during the second investigated period. This reform was based on five policies, as follows, to increase the power of city management system: (1) autonomy and financial sufficiency, (2) decentralisation of authority, (3) capacity building in private and public sectors, (4) privatisation, and (5) development of comprehensive plans. Regarding the elements of power for city management systems, as discussed in previous chapters, the first policy relates to the first element of power (i.e., financial power), the last policy provides the required foundations of the third element of power (i.e., long-term visioning) and the other three policies improve the second element of power (i.e., decision making structure).

In our qualitative analysis in that chapter, we selected a number of key decisions made during the second investigated period, to show the instances of qualified decision making process during that period. As discussed before, since the effectiveness of the entire process of decision making depends on the quality of all phases, we analysed the three phases of decision making process for each selected decision (i.e., the units of analysis). Recalling the reviewed literature in Section 1-1-3 about the steps and characteristics of rational decision making, we can say that: (1) a qualified decision taking phase should be based on an evaluation among feasible alternatives to select the best course of action, (2) in terms of qualified decision implementation phase, decisions should be implemented rapidly and decisively in accord with decisions' primary goals, and (3) in terms of decision support phase, the effectiveness of the process relies upon the extent to which feedback is utilised positively to enhance the decision implementation results. Table 8-3 provides a summary of strong and weak points of each phase (marked by ✓ and ✗ respectively) for each decision in this regard.

As can be seen in this table, the investigated decisions generally had a reasonable decision taking phase, because they were made either after the evaluation of different alternatives (e.g. the decision to collect high-rise construction tax as opposed to its impractical alternative) or based on their internationally proven outcomes (e.g. decentralisation, privatisation, capacity building, and development of comprehensive plans). Regarding the implementation phase, although all decisions were implemented

decisively and rapidly within the organisation, there were some weak points too. However, the important point is that the decision making processes of all decisions included a qualified decision support phase, through which most negative outcomes were adjusted, as can be seen regarding the first, second, and fourth decisions shown in this table. In fact, among all investigated decisions, it was just the problem of non-institutionalised operation of a limited number of established professional firms (regarding decision#3 of table 8-3), which remained unfixed within its period and was treated improperly in the next period, disbanding the firms without trying to solve their problems.

Table 8- 4. The quality of decision making processes of key decisions in second period

#	Decision	Decision Taking Phase	Implementation Phase	Decision Support Phase
1	Collection of high-rise construction tax	<ul style="list-style-type: none"> ✓ Impractical alternative (i.e., direct payment by citizens) as it could make economic pressure on middle and low class of society ✓ In-line with the city vertical growth policy ✓ Exactly the same course of action was taken by succeeding mayors 	<ul style="list-style-type: none"> ✓ Decisively and rapidly enforced within the organisation ✗ Constructions beyond local infrastructure capacities and heedless of people's native culture and life style 	<ul style="list-style-type: none"> ✓ The negative outcome was adjusted by enforcing tough regulations for high-rise constructions
2	Decentralisation of decision making authority	<ul style="list-style-type: none"> ✓ Internationally proven way with positive outcomes 	<ul style="list-style-type: none"> ✓ Systematically implemented in multiple steps from deconcentration to high level of devolution ✗ Lack of coordination and unified approach among regional mayors, resulted in overlapping projects and activities and increasing line & staff conflicts 	<ul style="list-style-type: none"> ✓ The negative outcome was adjusted by setting policies, standards and framework regulations and establishing a number of coordinating bodies within the organisation
3	Capacity building via development of human resources and establishment of private and semi-private professional firms	<ul style="list-style-type: none"> ✓ Privatisation was an internationally proven way with positive outcomes, and for privatisation as a profound change, building the required capacity in both public and private sector was necessary 	<ul style="list-style-type: none"> ✓ The required firms were established rapidly and decisively ✗ The operations of a number of established firms did not become institutionalised within the organisation 	<ul style="list-style-type: none"> ✗ The firms with non-institutionalised operations were dissolved by Council
4	Privatisation of some urban services and transfer of existing TM's employees to private sector to provide the privatised services	<ul style="list-style-type: none"> ✓ Using the existing employees in private sector (vs. their lay-off as the alternative way) was chosen to minimise the economic pressure on TM's labourers 	<ul style="list-style-type: none"> ✓ Implemented decisively and rapidly 	<ul style="list-style-type: none"> ✓ The negative outcome on workforce was minimised
5	Development of Comprehensive Plans	<ul style="list-style-type: none"> ✓ Long-term visioning was an internationally proven way recommended by urban-related scientists 	<ul style="list-style-type: none"> ✓ Implemented decisively 	<ul style="list-style-type: none"> ✓ No negative outcome

Adding up the outcomes of this analysis, we can conclude that considering all three phases of the entire process, these investigated decisions had qualified decision

making processes. Table 8-4 provides a linkage between the boosted performance of city management system, as outlined in Table 8-2, and the key decisions listed in Table 8-3.

Table 8- 5. Linking the key decisions to city management performance in second investigated period

Area of activities	Decision#1: High-rise construction tax	Decision#2 : Decentralisation	Decision#3: Capacity building	Decision #4: Privatisation	Decision#5: Comprehensive plans
Enhancement of transportation network	✓Required fund	Increased authority of: ✓Regional districts ✓Civil Engineering & Technical Deputy and affiliated organisations ✓Transportation & Traffic Deputy and affiliated organisations	Required profession in: ✓Civil Eng. Org. ✓Tech. Consultant Org. ✓Other Civil Eng.-related firms ✓Professional traffic-related firms such as Control Traffic Co., Orf-Iran, etc.		
Enhancement of public transit (buses and taxis)	✓Required fund	Increased authority of: ✓Transportation & Traffic Deputy and affiliated organisations	Requited Profession in: ✓Professional traffic-related firms such as Comprehensive Transportation and Traffic Studies Co., United Buses Co., Taxis Org., etc.		
Development of green spaces	✓Required fund	Increased authority of: ✓Regional districts for small local parks ✓Parks Org. for large parks and forest planting	Required profession in: ✓Urban Services Deputy ✓Parks Org.		
Development of cultural centres	✓Required fund	Increased authority of: ✓Regional districts ✓Social & Cultural Deputy and affiliated organisations	Required profession in: ✓Cultural Spaces Development Org.		
Improvement of urban services	✓Required fund	Increased authority of: ✓Regional districts ✓Urban Services Deputy and affiliated organisations	Required profession in: ✓Private Urban Services Companies	Required legal framework to establish private companies	
Development of comprehensive plans	✓Required fund	Increased authority of: ✓Planning & Coordination Deputy and the affiliated TM Research Studies Centre ✓Transportation & Traffic Deputy and affiliated firms	Required profession in: ✓Tehran Comprehensive Transportation and Traffic Studies Co. ✓Air Quality Control Co.		Required framework

As can be seen in this table, the outcomes of these decisions have played important roles in performance of these activities. For instance, the first decision (i.e. collecting high-rise construction tax) has provided the required funds, the third decision

(i.e., capacity building) has provided the required profession for these activities, and the second decision (i.e., decentralisation of decision making authority) has provided these professional firms and other organisations involved in these activities with the required power and authority. Hence, referring back to our first research proposition, we can attribute a positive relationship between the improved quality of decision making process and the boosted city management performance, up to this point.

On the other hand, as discussed in Chapter 7, during the third investigated period, the major part of decision making authority was centralised in council and the established commissions due to the general tendency of council members to centralism and the existing conflicts with Tehran Mayor. This centralisation harmed the decentralised decision making structure of the previous period. Moreover, the non-stop struggles among TM, TICC, and the three executive, legislative, and judiciary powers declined the previously achieved political power of TM. Thus, as it is demonstrated in Table 8-1, the overall quality of decision making process declined during this period of time. As discussed in that chapter, the degraded quality of urban services and the suspension of most urban development projects due to the undecided status of important issues in TICC, and above all, the citizens' dissatisfaction revealed from their extremely low participation in next council elections, are all indicating declined performance of city management system.

From the results of Chapter 6, we can conclude that in addition to the positive relationship between the quality of decision making process and city management performance, a degraded decision making process can also negatively affect the performance of city management system. Hence, referring back to the first part of our research proposition in Section 2-1, we can relate the quality of decision making process to the quality of city management performance directly, as both variables are improving or degrading in conjunction.

Chapter 9. Conclusions and Recommendations

The challenges of urbanisation and globalisation present a unique opportunity for city officials to fundamentally rethink how they function and how they intend to develop their urban management systems. Cities are already experiencing the impact of these changes. It is particularly the speed of these changes that is most overwhelming. It shows the shortcomings of traditional approaches to urban management, which are simply incapable of coping with the speed and complexity of growing demands.

As discussed earlier, Tehran was no exception. The sudden and unplanned expansion of Tehran, particularly after World War II, led to population explosion and the extension of the city. As a result new towns and villages were developed around Tehran, which became part of the city later. After the victory of Islamic Revolution in Iran in February 1979 and the outset of Iraqi-imposed war in September 1980, Tehran became the policy- and decision-making centre of the country, and thus faced unpredicted changes. Because of the country's special conditions during the eight-year war against Iraq, civil plans, projects, and services did not receive much attention. Moreover, in those low-stability circumstances, immigration to suburban towns increased Tehran's population and area. The unlawful growth of many of these towns, that joined Tehran later, led to confrontation of urban management systems with acute problems in fulfilling the increasing civil needs.

The year 1990, however, seems a turning point for Tehran's urban management system, particularly in Tehran Municipality at the front line. The tendency toward liberal economy, beginning after the war and establishment of new government, spread to urban management in the capital. During the 1990's, Tehran Municipality underwent reform, experiencing drastic changes especially in its organisational structure and management methods. This reform was definitely necessary to enable Tehran Municipality to respond to social, cultural, and economic needs of Tehran, which were accumulated from 1979 to 1989.

This reform aimed to bring three empowering resources into Tehran Municipality: (1) financial and political power that was primarily required to enable this organisation to move forward, (2) efficient decision making process, which could enable Tehran

Municipality to make the best use of these powers by making the most appropriate decisions regarding the city's acute problems, implementing the decisions decisively, and monitoring the outcomes consistently, and (3) long-term visions (via strategic and comprehensive plans) that could shed enough light for the decision makers in the decision making process.

To this end, Tehran Municipality attended to financial independence and reached a significant level of self-sufficiency in a short time. Although the controversial approach toward this autonomy has always been criticized, it was continuously applied by succeeding mayors, even by those dissidents to this policy, implying the fact that the approach was the most feasible one for this purpose. In terms of decision making process, Tehran Mayor made an organisational reform within the Tehran Municipality's organisation, following decentralisation and privatisation policies, namely de-concentrating of responsibilities, delegating the administrative decision making power, devolving the financial authority, improving the organisational structure, building the required capacity within the organisation, and transferring many urban services to the private sector.

Regarding long-term planning, too, Tehran Municipality developed the first strategic planning project after the Islamic Revolution of 1979, entitled *Tehran 80*, employing the most well-reputed researchers, experts and consultants in the country. A main characteristic of this reform is that Tehran Mayor and his team not only followed an efficient decision making process to make and implement each single decision to make the changes practical, but also provided Tehran Municipality with an efficient decision making system as the final product of this reform, through which they could pay attention to a new wave of development plans in the city, such as constructing the roads and parks, improving the environment, and boosting social and cultural situation of the city. By these endeavours, in less than a decade the indices of life quality increased in Tehran and positive changes were quite tangible for most residents of the city.

Beyond all this, what is regarded as the major indicator of changes in this era is in fact the municipality's increased authority in the country's political system. Because of their diligence, many of Tehran Municipality's executive managers and expert members were gradually invited to different professional commissions in Government and/or

Parliament, and Tehran Mayor, himself, was invited to attend cabinet meetings, all of which strengthened the presence of Tehran Municipality in country-wide decision making processes for different political, economical, administrative, social, cultural, environmental and civil problems. Moreover, since Tehran Mayor could gain an unprecedented and widespread popularity for his success in effective management of the capital and improving public services and the appearance of the city, it was rumoured that he would be the best candidate for the next president. At this point, the conservative hardliners outraged at Tehran Mayor's increasing popularity, and using the power of hard-line judiciary, they charged Tehran Municipality's management team with charges of abusing public funds and mismanagement to eliminate this group from the country's political scene. Moreover, they targeted Tehran Municipality and Tehran City Council for the next election, and planned to gain these strategic positions for their political goals.

On the other hand, the failure of the first city council helped the conservative hardliners achieve this goal easily. Weary of the performance of the first city council due to continuous conflicts among its reformist members, the majority of Tehrani citizens preferred not to participate in the next city council elections, and with a low turnout they opened the way for a hard-line fraction that called itself *Developers of Islamic Iran*, taking over Tehran City Council from its reformist rivals in 2003.

Although investigating the details of third city council is beyond the scope of this research study, to justify the role of decision making process, it would be worthwhile to have a quick overview in these concluding lines to show how an effective decision making process in an urban management platform could help Iranian hardliners successfully achieve the next presidency.

In this regard, in May 2003, the newly elected city council, which was dominated by hardliner conservatives, appointed Mahmoud Ahmadinejad as Tehran Mayor. Considering the experience of the 1990's, the new urban management team was quite aware of the importance of Tehran Municipality as a stepping stone towards presidency. Hence, knowing this fact, they tried to mimic exactly the same patterns of decision making styles as the 1990's, in terms of making fast and decisive decisions to respond to many urgent needs of citizens, particularly the poor class of the society, implementing the decisions rapidly and decisively, and continuously monitoring the outcomes.

In spite of their ever-existing opposition to financial policies of the 1990's, they, themselves, followed exactly the same revenue-increasing policies of that period, collecting high-rise construction tax, more intensively than before, in an extended volume, and with higher rates; this increasing income strengthened their decision making processes. In terms of financial processes, since they had to turn about many bureaucratic rules and regulations to speed up their activities, there were numerous financial violations in this period, to the extent that even the conservative Tehran City Council revealed that during Mahmoud Ahmadinejad's mayorship, Tehran Municipality experienced as much financial violations as that of three preceding mayors put together, and the *Parliament Investigating Committee* conducted many investigations in this regard. Yet, having the support of the country's high rank officials and conservative judiciary, he was saved from what happened to the preceding mayors. Hence, they used Tehran Municipality as a platform for gaining presidency, and applied an effective decision making process to reach this goal.

However, in contrast with the policies of the 1990's, which aimed at long-term benefits of citizens via developing the required urban facilities and infrastructures, they focused on populist ways to attract public interest in a short term. For instance, the mayor left his large office in favour of a smaller side office, drove an old car, and remained in his small apartment in a working-class neighbourhood instead of taking the luxurious mayoral house in north of the capital. Such actions were coupled with an emphasis on charity, such as distributing food and money among the poor out of the municipality's pocket, all of which was aimed at gaining popularity for him as a modest man, and a reputation for incorruptibility, personal piety, and attentiveness to the needs of Tehran's lower class. Similarly, in terms of urban services and projects, they prioritised simple activities with high visibility over infrastructural projects; e.g. they put much effort on asphalt paving and building traffic loops, rather than road construction and development of urban transportation network, just to prove their efficiency in the short term. Although it is clearly predictable that such a short-term approach with no attention to real long term benefits of citizens will eventually fail, this trend, as an example, shows how an effective decision making system can help decision makers achieve their goal, whatever the goal is.

In conclusion, the achievements of Tehran Municipality regarding an effective decision making process in the 1990's helped this organisation revolutionise the capital city, saving it from its hopeless destiny and turning it from a ruined to a liveable place for its citizens. Moreover, these achievements turned to assessment criteria to evaluate not only the performance of succeeding mayors in later years, but also the efficiency of the Government regarding the entire country.

However, as investigated in this research study, this progressive trend, which was the result of autonomous and decentralised management of municipality in the 1990's, has declined; it was slowed down by the first city council during 1999-2003 due to their tendency to centralised decision making styles and limited authority of Tehran Municipality's executive managers; and it was misused during the third term of city councils to benefit hardliners to reach their own goals. As a result, citizens are the final victims suffering from degraded urban services.

Supporting the qualitative discussions, this research study conducted a quantitative analysis using the assistance of many professors and experts in urban-related and management areas, as well as a number of Tehran Municipality's executive managers who were familiar with the municipality's structure and problems, to design an evaluation model and score the performance of decision making process in different periods of time based on the designed model. The results reveal that the decision making process in Tehran Municipality had reached its maximum efficiency during the 1990's, but started to decline after city councils activation, which supports the discussions presented qualitatively, re-emphasising the importance of decision making styles and structures in urban management systems. In practical terms, the most effective and lasting solutions to the myriad of urban problems can be found in effective decision-making processes. Based on these results and considering the various problems that city managers, especially in third world countries, confront, this study suggests a few recommendations regarding urban management system improvements in the forthcoming sections.

As an internationally proven way, it is highly recommended to involve different groups of society in the city's planning and decision making – participatory governance. The agenda of participatory governance will only grow if municipalities and other

organisations involved in city management system can appreciate the benefits that will result from it. The approach to participatory urban governance will benefit the city as a whole and the country in general since cities account for the bulk of gross national product in almost all countries. Participatory governance can help city managers establish a balanced and sustainable development path for the city. In terms of financial power, it can create stability as an outflow of expanded tax bases and living standards. Regarding political power, participatory governance can improve the legitimacy of municipalities through joint decision-making mechanisms and greater transparency. In organisational terms, it can lead to greater efficiency and innovation, because the involved organisations have to be more responsive to citizen needs while cooperating with the private sector and different social groups. Above all, since a number of growing social problems such as urban violence and street women and children can be addressed through cooperation with civil society, it can definitely strengthen social cohesion and inclusivity.

In essence, urban governance is about effective decision-making processes, collaborative planning, and implementation to coordinate distinctive efforts of the local government, civil society organisations and the private sector towards the progressive attainment of sustainable urban development and local democracy. Undoubtedly, Tehran megacity, like all other small and large cities around the world, needs participatory urban governance.

Despite the failure of the former city councils of Tehran to fulfil their responsibilities and obligations, the development and deepening of its activities still remains necessary. Hence, it is important to recognise the reasons of this failure, and try to adjust them – what we called decision support phase in previous chapters. The main reasons of this failure were mostly the centralisation of government structures in one hand, which prevented them from accepting the supervision of a public non-governmental organisation and the lack of experience on democracy and council affairs, and cultural weaknesses of democratic methods on the other hand. In the absence of a real democracy experience, it is predictable that individuals may forget their obtained position as soon as achieving it, even the supervising positions in a public or civic organ, and they will rush into group or political struggles. In other words, they will use their gained position as a front stage to face their own and group rivals. For this reason, most

people believe Tehran City Council's performance as a negative and/or unsuccessful one. These people mainly mentioned the differences and diversities, existing among the council members and their long arguments and political struggles, which wasted their time and opportunity to do efficient activities. All of these will reduce the importance of such an important organ, making a big gap between the existing city council and a real civic organ. In general, the reason for such a gap is multidimensional. It is both internal and external, related to both hard infrastructure and soft infrastructure. On the one hand, it is due to the council's internal challenges and struggles, which were more aggravated by the members themselves, and on the other, it is related to the governmental organisations and municipality's non-acceptance of surveillance, mainly imposed by Interior Ministry.

Another important hard infrastructural reason is Iran's improper social situation and the legal conflicts among the councils, municipality, and governmental bodies. However, the above-mentioned problems do not imply that this society does not need a council. In contrast, it is strongly emphasised that these councils can be the best practice of democracy and a useful way to break the existing centralised structures. They may find or regain their real position within several periods, having a more detailed surveillance on the urban services organisations. To this end the following guidelines are highly recommended:

Recommendations

- **Strengthening the decision making system in urban management system:** decision making system should be strengthened within the entire urban management system. Some recommendations in this regard are as follows:
 - ⇒ Greater fiscal responsibility at local and municipal levels
 - ⇒ Increasing the political power of organisation and executive managers in urban management system
 - ⇒ Boosting the financial power by revenue increasing and moving toward creation of sustainable financial resources
 - ⇒ Removing different obstacles in decision making process, by simplifying bureaucratic processes, eliminating useless detailed controls, delegating

authority, updating out of date rules and regulations and making them compatible with new requirements of the city and citizens

⇒ Providing the required hard infrastructures to decrease the existing conflicts between municipalities, councils, and governmental bodies, from legal, social, cultural, and political points of view

- **Greater Decentralisation and Devolution:** top-down power-oriented decision-making processes should be avoided, and decentralised decision-making should be supported, pushing the decision-making process into lower levels of organisation to obtain more commitment on decision implementation and to speed up the process. Tehran Municipality had reached a significant level of decentralisation through the organisational reforms during the 1990's, proving the fact that in an efficiently decentralised structure, urban services and projects can be dramatically boosted in both quantity and quality. However, as discussed, since the beginning of city councils, there was a tendency towards centralised powers, which eventually led to a decline in future urban development movements. Hence, to extend the decision making power and to speed up decision making process, it is highly recommended that city council members and top level managers:
 - ⇒ trust their appointed managers at lower levels, and support them to move forward
 - ⇒ avoid detailed controls on lower level managers, by shifting their focus on overall outputs rather than details
 - ⇒ apply project control (vs. individual control) as an effective management tool
 - ⇒ build in checks and balances which maintain without paralysing the system
- **Privatisation** and using the most of facilities, capabilities and innovations of private sector via transferring some urban management responsibilities and decision making authority to this sector and building a strong connection between their benefits and the city management's organisational goals
- **Building the required capacity** for both within and outside of organisation (i.e. private sector) and making the institutional innovations last beyond their initiators

- **Modernisation** of urban facilities and urban management system by applying advanced and up-to-date technologies, both hardware and software, to facilitate information exchange and decision making process within the organisation
- **Greater Transparency:** the first Tehran City Council had attempted to create transparency, to some degree, by live broadcasting of their non-confidential meetings and publishing their agendas and approvals on a website. Although transparency is beyond these basic attempts, the second city council could not tolerate even this minimal level of transparency, holding all meetings behind the closed doors. However, since transparency is an integral part of good governance, it is highly recommended to step toward greater transparency using Information Technology and networks to let citizens know about city budgeting, procedures and decisions. This helps urban management system to practice more accountability towards their citizens and those they serve.
- The problem of multiplicity in urban management responsibilities should be solved. To this end, one authority should exist with responsibility for the whole city. Such a body should have power over certain metropolitan-wide concerns such as strategic planning, decision making, land use zoning, transport policy and responsibility for major infrastructure programs and services. In Tehran, however, more than 20 organisations are involved in decision making for Tehran at the time being (Hamshahri 2004). In such a situation, a local organisation such as the municipality, finds it difficult to fill the gap among these public agencies. The overlap of issues and interests between local public agencies and the municipality often leads to a confusion of responsibilities, especially undermining municipality's role. In fact, reorganisation of the tasks and responsibilities among all organisations involved in urban management affairs is the only way to answer the present problem in this regard. This is because in numerous cases lack of co-ordination and shortage of a proper and logical connection among them have made some opposition on part of these organisations.
- **Electing helpful and efficient members for the council:** in an unstable political situation, as we witness in Iran, there should be more emphasis on experience and profession of city council members, rather than their political activities. In other

words, political groups, who introduce nominees for election, should prioritise the following criteria as the most important features of a city council's member to strengthen the technical aspects of quality decision making processes:

- ⇒ Having the essential skills that a council member has to possess
- ⇒ Having awareness of Tehran city problems & issues,
- ⇒ Streamlining the political process by presenting and debating different political views and respecting the outcome of council's decisions,
- ⇒ Preferring the public profits vs. individual's,
- ⇒ Being honest in behaviour,
- ⇒ Practicing the ethics compatible with the social standards inside the country.

- **Public participation** should be maximised and, wherever possible, power should be devolved to local communities and neighbourhoods. The first step should be to bring all groups of the community at the national and local levels to understand the problems of urban areas and the roles that each could play in improving the production and delivery of urban services. In this way and via an extended democracy, citizens' views are expressed in decision making processes.
- As the future trend, movements should be toward the expansion of municipalities' functions and reduction of government responsibilities in urban management affairs. Compared to other municipalities around the world (TMRPC 1993g), the scope of Tehran Municipality's legal functions is too limited. To reach an integrated decision making process in urban management system, Iranian government should transfer many governmental responsibilities to municipalities, including public sanitation, public elementary education, collecting urban statistics, crisis management, maintenance of cultural heritage, social welfare, providing public safety, police force, immigration affairs, registration services, local courts, providing urban infrastructures, housing, medical emergency services, and economic and cultural affairs.
- Considering the interwoven problems in Tehran, urban managers should pay more attention to comprehensive plans, which give a long term vision to decision

makers, facilitating their decision making processes. “Tehran 80” as the first multidisciplinary urban development plan was prepared at the ending years of the 1990’s, but did not go through the execution seriously. Now, this plan is also out of date and needs to be revisited by employing the knowledge and experience of high rank experts in urban development and management field and attracting the participation and co-operation of other governmental organisations, private sector as well as the courts that should recognise the legal position of the plan and its policies.

- Developing Tehran Municipality influenced districts is also so important to give it the possibility to encompass all metropolitan areas in order to provide a unique comprehensive plan and an integrated decision making for the city management for the entire region. In addition, legally speaking, Tehran Municipality’s organisation should have the ability to act independently according to the constitution. It would then be possible to make Tehran Metropolitan Management as practical as other important mega cities in the world. Tehran urban affairs, along with its suburbs within the entire metropolitan area, should be distributed by an interdisciplinary planning. Undoubtedly, if Tehran’s long-term planning would be done in its area of influence and Tehran metropolitan district, it would present much more favourable results.

Limitations and Further Research

This study primarily utilized the data of Tehran Municipality between 1990 and 1999 to describe and explain the situation of Tehran city in two snapshots of time (1990 and 1999) and to carry out the quantitative and qualitative analysis. However, since the second conservative council, who came to office in 2003, was not as open as the first council in terms of providing citizens with transparent information regarding council meetings and discussions, access to data for the years 2003 onwards – with the same level of details as we used for the former periods - was not possible. The same situation existed for the data of Tehran Municipality during the administration of the hardliner mayor elected by that council. Hence, this study lacks a third snapshot of time to present the

situation of Tehran city in 2007 (in Chapter 4) and extend the analysis to that period of time (in chapters 5 to 7).

Since the details of the legal proceedings of the trials that occurred in the final year of the second investigated period was out of the scope of this research study, some broad outlines of the issues and events, which led to that episode, have been briefly discussed in Section 6-3. It is important to recall that due to the political nature of the court proceedings and the direct involvement of the researcher of this study in it, going into more details in this regard was not possible, since it could have undermined the attempts of the researcher at remaining impartial in the presented assessments and reflections.

Moreover, this study merely focused on Tehran Municipality and Tehran City Council to investigate how changes in quality of decision making process in these two inter-related organisations impacted the situation of Tehran city. However, with a deeper look at the events happened in Tehran, and Iran, during the last two decades, we can realize that the patterns of decision making in Tehran Municipality were adopted by other high ranking officials and organizations widely across the country, which in turn influenced Tehran's situation as well as the other cities in a broader perspective. Since other organisations and other cities were out of the scope of this research, we did not include the impacts of such trends in this study.

It is also so important to recall that since this case study research has primarily focused on Tehran as a case study, the majority of discussions are around third world and/or under-developed countries, where the minimum required political infrastructure for a real democracy is still not present, and hence, the novice democratic organs have not experienced democratic practices adequately. In addition to this problem, due to the depressed economy, these countries are usually suffering from the absence of even the most basic urban infrastructures, which developed countries have possessed for many decades. For this reason, these discussions and the consequent recommendations, which are based on the results of this study, might not be justified in developed countries. In essence, there are no simple answers to the question of urban management and no generalised pattern for all different countries. Thus, it is necessary to learn about the specific political characteristics of particular places, as well as their cultural traditions,

before creating any innovating change in their management and/or decision making systems.

Considering the above-mentioned limitations, this study can be extended in three directions as below:

1. To extend the periods of investigation to the years after 2003 during which Tehran has experienced two more city councils to examine our propositions for these periods (i.e., 2003-2007 and 2007-2011). This can happen if access to reliable data for the extended periods becomes possible.
2. To broaden the focus of study from Tehran Municipality and Tehran City Council to other organisations and investigate the impact of decision making processing from a countrywide perspective
3. To carry out the same study in a city of a developed country having advanced urban infrastructures and long history of democracy to examine our propositions in a different setting.

Appendices

Appendix 1: The New Experience of Governing London (Summarised from Pimlot & Rao 2002)

In the case of London, the system of governance, developed since the 1980's, is characterised by a complex web of multiple and overlapping institutions, lacking in strategic co-ordination and democratic accountability (Newman & Thornley 1997; Bailey 1997; North & Baldock 2000). These structures have been undergoing fundamental change. As part of the process of the creation of a Mayor and Assembly for London, the London Development Agency (LDA) has been created to take on the lead role for economic development and regeneration activity. This current period thus provides an opportunity to track the development of new city governance structures rooted within a specific world city and their interaction with national political and constitutional contexts and wider processes of global change.

Designing an Administrative Reform in London

Big cities are characterised by common problems of population concentration, polarisation, heterogeneity, and transience. They have a political and cultural significance that flows from their influence over an area much wider than their own territories. From any perspective, the fundamental problem of big cities lies in the challenge they pose to the governmental process. Generally speaking, the response to this urban challenge has been to see the city as a problem of administration. Issues of service delivery and citizen satisfaction were to be addressed by administrative reform and enhanced management capacity.

As an administrative reform in London, government proposed the new arrangements on a new elected body as below:

- **Elective Greater London Assembly**
- **Elective Mayor**, which has become fashionable European idea
- **GLA**, Greater London Authority, which would be established by elected elements, responsible for strategic planning, transport, economic development and

regeneration, environmental protection and culture, media and leisure, the metropolitan police and fire, and civil defence.

The strategic aspects of the new authority emerged from a vigorous debate involving policy makers, commentators, and vested interests. Key elements were provided by the Institute of Public Policy Research (IPPR). The first novelty in IPPR's proposals concerned the political accountability of the Mayor and Assembly. The second is the attempt to think through the problems of institutional design in which a capacity for direction, steering and regulation, could be reconciled with a need of political power. In IPPR's view the key elements to the success of new system were as below:

- **An Appropriate Relationship between Mayor and Assembly:** Division of power between Mayor and Assembly was essential to ensure that each had something to bargain with and to exercise functions through. A division of power, however, raised the possibility of deadlock, particularly if the Mayor and the Assembly majority were from different parties. In order to avert the risk of deadlock, the IPPR made a number of proposals including time limits on certain key decisions and a requirement to publish papers so that any disagreements between the mayor and assembly are aired in public.
- **Increasing the Positive Role of Assembly in Decision-making Process:** Although the concept of an executive mayor appeared to imply a weak assembly, the IPPR view was that the Assembly would and should have a substantial and positive input into the decision-making process rather than remain a mere forum for harassing and embarrassing the Mayor. Despite these protestations the IPPR scheme appeared to be designed to sustain a strong mayoral role. The prestige of the Mayor's office and the strength of his mandate could be expected to carry considerable political momentum.

The Idea of Londoners

There were 3 bodies of opinion about London's Governance:

- **Labour** and Liberal Democrat activists sought an assembly without a directly elected mayor
- **Conservatives** wanted a directly elected mayor without an elected assembly
- **Government** believed that both were required.

For this reason, the government sidestepped the problem by posing a single referendum question that offered a stark choice: Are you in favour of Government's proposal for a Greater London Authority? The result of referendum, which be held on May 1998, was supporting the Government's proposal by 72% to 28%, between those who did vote.

Election of Mayor and Assembly

The elections for the Mayor and Assembly took place on May 4th, 2000. Ken Livingstone, running as an independent, secured a convincing victory on a turnout of 33.65% (667,877 Votes on first count and 776,427 votes on second count), with a total first preference vote that nearly equalled the conservative and labour votes put together. It was an astonishing result. It was a reverse for Blair, who had done everything in his power to prevent it happening. Also the outcome of Assembly election was a distribution of seats that expressed popular choice, but did not provide a governing majority. As such, it seemed to fulfil the aim of encouraging consensus and coalition building in an Assembly which was intended to scrutinize and check the mayor rather than either control or be dominated by him.

Livingstone had been a paradoxical candidate for Mayor, as Tony Blair said: “... *it was a move towards a more American-style of politics that is about individuals rather than parties with ideologies and history... My proposal would have been that the leader of the largest party in the Assembly becomes the mayor. That was Chirac's position in Paris: he was never going to be directly elected. My worry is that it's going to be too easy under the government's scheme for any halfway cynical, manipulative mayor to keep the assembly sweet.*”

Appointment of Mayor's Team

Ken Livingstone's initial strategy was to seek to counter political isolation by drawing in opponents and neutralizing their opposition. The Mayor appointed a broad-based advisory cabinet onto which he invited some prominent members of the Assembly from all parties. Also, in making appointments to functional bodies, the Mayor obliged to ensure that nominations from the Assembly members were proportionate to their respective party strengths.

London on the Move

Within a year, it was already becoming clear how uneasy relations with central government were going to be. There were a number of areas of initial, and potential, conflict. In particular, London's transport and traffic problems were long-standing.

On the road, bus privatisation was at the heart of the Conservative government's policy of seeking to expand transport choices through the creation of a liberal deregulated transport market. At the other side, Road pricing – or in urban areas, congestion charging- was favoured for some years as the solution to overcrowded city streets. The technical possibilities had gradually clarified, although a government-commissioned study published in 1995 concluded that electronic road pricing would not be available before 2010. The principal objection remained one of public acceptability. The political difficulty in road pricing was bound to be the resistance of the driving public. For most people who have access to a car, it had long been the mode of choice for almost all journeys except where the inconvenience and cost of congestion and parking make public transport preferable.

Livingstone had a lot of struggles to proceed the idea of congestion charges. He had urged congestion charging during his election campaign and declared: “ *There is no point in being Mayor unless you have the courage to institute congestion charges. I will stake my political career on that...* “. But the Assembly established a congestion charge scrutiny panel under a Liberal member, to examine the plans in detail, noting that ‘ *the implementation of the Mayor's proposals for congestion charging will bring the biggest civil change to London since the second World War*’.

In addition, congestion charge has been a success. The scrutiny work and the strong approach to it meant that the policy was very carefully worked out.

Renewing London

Livingstone was obliged to produce the strategies of Renewing London as a World City during his mayoral period.

The Mayor was emphatic that London's strategies should flow from his own will and not from that of the boroughs. On taking office, he quickly built up his own steering group to bring together the different groups of people directly involved in drawing up the strategy, including his Deputy Mayor and advisers. The all-inclusive approach adopted by the Mayor ensured that a wide range of stakeholders were able to make their voices heard on planning issues. In the short term this approach complicated and slowed down the decision process. Complaints were heard that GLA, far from simplifying the planning process by bringing everything together in a streamlined regional strategic authority, was causing additional muddle and confusion by bringing new people and organisations into the debates about planning applications. Developers found themselves dealing with the boroughs, English Heritage, voluntary organisations, community groups, and the LDA, which had inherited its land and property section from English partnerships. In the longer term, planning applications would be handled in the context of the approved SDS, but the interim period was one of special difficulty.

Evaluation of New Experience

Two issues highlighted likely difficulties in the Mayor-Assembly relationship:

- The Mayor's co-option of a significant proportion of Assembly members by using his patronage powers, appointing them as his advisers or to key positions on the functional bodies or both.
- Arising the scrutiny role of the Assembly itself, established to restrain a Mayor on whom it was bound to become, to a large extent, dependant.

The Mayor was criticised for using the Assembly as a patronage quarry for his cabinet and for the boards of the functional bodies, ensuring that the Assembly had better

things to do than attack him, while being implicated if things went wrong. But the tactic of selective inclusion did much to shape initial relations between Mayor and Assembly. In fact, the included parties had accepted responsibility without gaining power for.

Critically, it was the Assembly that discovered the nature and limitations of scrutiny. Oppositions seek to undermine the executive while offering policy alternatives to the electorate. Scrutinizers, to be effective, must take detailed but constructive, as well as critical, comment. Unfortunately, the local government background of many Assembly members made them instinctively inclined to an oppositional approach, for which the system provided little scope.

This approach seemed to have the effect of gearing the Assembly's activities too closely to the Mayor's agenda, linking it to the preparation of his strategies. In fact, the transition team's advice – that the Assembly would have a more proactive agenda setting role if it organized itself around cross cutting themes based on client groups- was ignored.

Appendix 2: Research Protocol

- 1. Research Title:** Designing an analytical model for evaluation of decision making process in different periods of Tehran management system
- 2. Researcher:** G.H. Karbaschi
- 3.** The purpose of this research is to measure the parameters of the analytical model (i.e., weights and scores) for the evaluation of decision making process in three different periods of Tehran management system, i.e., the years after Islamic Revolution during the war between Iran & Iraq, the years of 1990s, and the first experience of democratic city management at the presence of the first Tehran City Council (between 1999-2003).
- 4.** I will brief the participants about the purpose of the study, explain the consent form to them, and ensure that they sign the consent form. We will then engage the participants in structured interviews, of no more than two hour in length.
- 5.** Participants will be chosen from university professors in related areas, urban development specialists, management and decision making experts and top-level urban managers possessing substantial experience on urban management issues.
- 6.** There will be minimal risk to the participants, for example that they feel that have wasted their time. Participants are free to withdraw before or any time during the study without the need to give any explanation.
- 7.** I will brief the participants about the purpose of the study, and ensure that they consent to participate and sign the consent form.
- 8.** Participants will receive no compensation.
- 9.** The information to be sought is described in the attached list of questions of the structured interview.
- 10.** Information will be kept confidential by the investigators. Names or other identifying or identified information will not be kept with the data. The only other use will be to include excerpts or copies in the thesis report, but names and other identifying or identified information will not be attached.

Appendix 3: Research Instruments

Appendix 3-1: Questionnaires for Weighting the Criteria

Objective: to calculate the weights of criteria in different layers defined to evaluate the quality of Decision Making Process in the Greater Tehran Municipality. The questionnaire mostly consists of closed-ended questions with limited choices to reply in order to avoid misinterpretation and misclassification of responses provided by respondents.

Statistical Sample: this questionnaire will be sent to professionals of management and decision making science of different universities in Iran and other countries.

A. Considering three different phases in Decision Making Process in an urban management system of a mega city like Tehran:

Decision Taking Phase: the process of diagnosing problems, identifying objectives, generating alternatives, evaluating alternatives and choosing the best (or satisfying) solution.

Decision Implementation Phase: the process of putting the solution into practice and establishing controls in order to meet the required quality.

Decision Support Phase: the process of monitoring and evaluating the impacts of past decisions (after implementation phase) and taking corrective actions if it becomes necessary. This phase involves gathering information and learning if the decision is on target to reach its goals and has solved (or helped to solve) the problem.

In your opinion, regarding a successful Decision Making Process,

1- How important is “Decision Taking Phase” related to “Decision Implementation phase”?

More important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)

Less important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)

Equally important ----

2- How important is “Decision Taking phase” related to “Decision Support phase”?

More important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)

Less important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)

Equally important ----

3- How important is “Decision Implementation Phase” related to “Decision Support Phase”?

More important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)

Less important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)

Equally important ----

B. Considering the following elements in Decision Taking Phase:

Structure: It includes all relevant urban management organizations (here, The Greater Tehran Municipality at the central point, its internal dependent organizations, including regional districts and dependent organizations and companies, and external related organizations such as Tehran City Council, Interior Ministry, Police Forces, ...). The efficiency of structure depends on how much conflicts exist between them and the clarification of the laws to distinguish their responsibilities.

Delegation: It means to investigate if the lower levels of managers (here, regional mayors and executives of dependent organizations and companies) were participated in decision taking stage and how much the authority were delegated to them. It is obvious that the more decentralized authority lead to more efficient process.

Participation: It is equal to existence of any voice of citizens in decision taking phase, including the elective councils and mayors and participative methods.

Speed: It means the average time of decision taking stage, especially in important and urgent ones.

In your opinion, regarding a successful Decision Taking Phase,

4. How important is “Structure” related to “Delegation”?

More important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)

Less important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)

Equally important ----

5. How important is “Structure” related to “Participation”?

More important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)
Less important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)
Equally important ----

6. How important is “Structure” related to “Speed”?

More important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)
Less important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)
Equally important ----

7. How important is “Delegation” related to “Participation”?

More important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)
Less important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)
Equally important ----

8. How important is “Delegation” related to “Speed”?

More important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)
Less important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)
Equally important ----

9. How important is “Participation” related to “Speed”?

More important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)
Less important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)
Equally important ----

C. Considering the following elements in Decision Implementation Phase:

Structure: It means the line parts of Tehran Municipality dependent organizations and companies who are responsible for decision implementations. The overall efficiency of such a structure depends on how much they are well organized, how much their responsibilities are well defined and distinguished and how much there are parallel structures with several numbers of conflicts between them.

Management Styles: It means to investigate how much the advanced innovating management practices (like modernization and privatization) were applied in implementation phase in different periods

Decentralisation: It means the degree of decentralization in decision implementation phase in the Greater Tehran Municipality and its affiliated organizations and companies according to the laws.

Scheduling: It means if there is a well-defined schedule and the implementation activities meet their planned schedules.

In your opinion, regarding to a successful Decision Implementation Phase,

10. How important is “Structure” related to “Management Styles”?

More important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)

Less important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)

Equally important ----

11. How important is “Structure” related to “Decentralisation”?

More important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)

Less important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)

Equally important ----

12. How important is “Structure” related to “Scheduling”?

More important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)

Less important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)

Equally important ----

13. How important is “Management Styles” related to “Decentralisation”?

More important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)

Less important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)

Equally important ----

14. How important is “Management Styles” related to “Scheduling”?

More important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)

Less important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)

Equally important ----

15. How important is “Decentralisation” related to “Scheduling”?

More important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)

Less important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)

Equally important ----

D. Considering the following elements in Decision Implementation Phase:

Structure: It means monitoring and tracking the impact of past implemented decisions in order to obtain feedbacks, to measure their efficiency and to decide whether they should be continued, modified or terminated. The existence of a department in any organisation dedicated to this job with well-defined responsibilities, which were upheld by laws, causes more efficient structure.

Participation: It means the existence of any scrutiny role of citizens to measure the impacts of decisions in order to improve their urban lives.

In your opinion, regarding to a successful Decision Support Phase,

16. How important is “Structure” related to “Participation”?

More important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)

Less important (Moderately ---- Strongly ---- Very strongly ---- Overwhelmingly ----)

Equally important ----

Appendix 3-2: Check List of Scoring

Objective: to determine the scores of criteria in different layers defined to evaluate the quality of Decision Making Process in the Greater Tehran Municipality.

1-1-1. Decision Taking Phase: Structure

1-1-1-1. Is there any elected city administrative structure?

No elected structure

Elected city council with mayor appointed by the majority of councillors (5 points)

Elected city council and elected mayor (10 Points)

1-1-1-2. Clarity of roles between City Council and Interior Ministry:

There are conflicts between them because of no clear legal framework

There are conflicts between them, because despite clear legal framework it is not implemented (5 points)

No conflicts, clear implemented legal framework (10 points)

1-1-1-3. Clarity of roles between City Council and Municipality:

There are conflicts between them because of no clear legal framework

There are conflicts between them, because despite clear legal framework it is not implemented (5 points)

No conflicts, clear implemented legal framework (10 points)

1-1-1-4. Clarity of roles between Municipality and Deputy City Council (in absence of City Councils):

There are conflicts between them because of no clear legal framework

There are conflicts between them, because despite clear legal framework it is not implemented (5 points)

No conflicts, clear implemented legal framework (10 points)

1-1-1-5. Clarity of roles among different subdivisions in The Greater Tehran Municipality (including regions and affiliated organizations and companies) in decision taking phase:

There are conflicts between them because of no clear legal framework

There are conflicts between them, because despite clear legal framework it is not implemented (5 points)

No conflicts, clear implemented legal framework (10 points)

1-1-2. Decision Taking Phase: Decentralisation

1-1-2-1. What is the situation of primary responsibility for decision taking phase?

Central decision taking

Some devolution (5 points)

Substantial devolution (10 points)

Substantial devolution + providing standards (15 points)

1-1-2-2. Share of public expenditure which is locally decided:

0%

< 10percentage (5 points)

10 to 20% (10 points)

20 to 30% (15 points)

30 to 40% (20 points)

40 to 50% (25 points)

50 to 60% (30 points)

60 to 70% (35 points)

70 to 80% (40 points)

80 to 90% (45 points)

90 to 100% (50 points)

1-1-3. Decision Taking Phase: Participation

1-1-3-1. In case of elections, what is the quantity of turnout and the quality of fairness?

Very low turnout and/or clearly unfair

Reasonable turnout but questions about fairness (5 points)

Reasonable turnout and considered fair (10 points)

1-1-3-2. What is the level of community participation?

No participation

Ad hoc/individuals (5 points)

Ad hoc/structured groups and NGOs (10 points)

Formalised participation (15 points)

1-1-3-3. How much have citizens been allowed to influence the Municipality's budget?

No influence

Discussing the planned budget with civic organisations (5 points)

Publication of draft budget before confirmation (10 points)

Holding a public hearing or forum on the municipal budget (15 points)

1-1-4. Decision Taking Phase: Speed

1-1-4-1. Are decisions taken decisively?

A large number of important cases are remained in undecided status

Rarely important cases are remained in undecided status (5 points)

Rare cases are remained in undecided status; the undecided cases are not so important (10 points)

There is no case in undecided status (15 points)

1-1-4-2. How fast decisions are taken?

Very slow in most cases

Slow in most cases (5 points)

Slow in normal cases/ Reasonable speed in important cases (10 points)

Reasonable speed in most cases (15 points)

1-2-1. Decision Implementation Phase: Structures

1-2-1-1. Clarity of roles among different subdivisions in The Greater Tehran Municipality (including regions and affiliated organizations and companies) in implementation phase:

There are conflicts between them because of no clear legal framework

There are conflicts between them, because despite clear legal framework it is not implemented (5 points)

No conflicts, clear implemented legal framework (10 points)

1-2-2. Decision Implementation Phase: Management Styles

1-2-2-1. How much are the advanced innovating management practices applied in implementation phase?

No innovating management practices

Not much innovating management practices / only continuing the beneficial practices of past periods (5 points)

Some innovating management practices / little changes in organisation (10 points)

Advanced innovating management practices / some changes in organisation (15 points)

Advanced innovating management practices / Reforms in organisation (20 points)

1-2-2-2. How much privatised are Municipality functions and services (in terms of share of contracts in total expenditures)?

No privatisation

< 10percentage (5 points)

10 to 20% (10 points)

20 to 30% (15 points)

30 to 40% (20 points)

40 to 50% (25 points)

50 to 60% (30 points)

60 to 70% (35 points)

70 to 80% (40 points)

80 to 90% (45 points)

90 to 100% (50 points)

1-2-2-3. How much have Municipality privatised functions and services increased in comparison of last period?

Decreasing privatised functions and services

No increase (5 points)

< 25percentage (10 points)

25 to 50% (15 points)

50 to 75% (20 points)

75 to 100% (25 points)

100 to 150% (30 points)

150 to 200% (35 points)

200 to 250% (40 points)

250 to 300% (45 points)

> 300% (50 points)

1-2-3. Decision Implementation Phase: Decentralisation

1-2-3-1. The situation of primary responsibility for implementation phase:

Central implementation

Little devolution, no standards (5 points)

Little devolution + providing standards (10 points)

Some devolution, no standards (10 points)

Some devolution + providing standards (15 points)

Some devolution + providing standards + Monitoring (20 points)

Substantial devolution, no standards (15 points)

Substantial devolution + providing standards (20 points)

Substantial devolution + providing standards + Monitoring (25 points)

1-2-3-2. The situation of fiscal transfer in implementation phase:

No fiscal transfer

Ad hoc and erratic (5 points)

Formulised (in theory) but not implemented (10 points)

Implemented transparent formula (15 points)

1-2-4. Decision Implementation Phase: Meeting Schedules

1-2-4-1. Thinking of the projects completed by the municipality in a specific period, did projects cost as much as planned in the municipality budget?

None of them is completed as plan

Less than 20% of projects are completed as plan (5 points)

20% to 40% of projects are completed as plan (10 points)

40% to 60% of projects are completed as plan (15 points)

60% to 80% of projects are completed as plan (20 points)

80% to 100% of projects are completed as plan (25 points)

1-2-4-2. Generally speaking, were projects in municipality completed by the planned deadline?

None of them is completed as plan

Less than 20% of projects are completed as plan (5 points)

20% to 40% of projects are completed as plan (10 points)

40% to 60% of projects are completed as plan (15 points)

60% to 80% of projects are completed as plan (20 points)

80% to 100% of projects are completed as plan (25 points)

1-3-1. Decision Support Phase: Structure

1-3-1-1. Is there any organisation responsible for evaluation of implemented past decisions?

No organisation / No evaluation

Existence of organisation, but no actual evaluation of past decisions (5 points)

No organisation, but ad hoc evaluations (5 points)

Existence of organization, ad hoc evaluations (10 points)

Existence of organization, formalised evaluations (15 points)

1-3-1-2. In case of evaluations, what are the benefits?

No benefit / Only for political battles

An experience for future decisions (5 points)

Feedback to correct the past decisions (10 points)

1-3-2. Decision Support Phase: Participation

1-3-2-1. How can citizens obtain information from municipality?

No permission to obtain information

Existence of a website where information can be obtained (5 points)

Citizens or companies can request information via email (10 points)

1-3-2-2. How much transparency does exist for citizens?

No transparency

Existence of project information (5 points)

Existence of formal municipal publication, accessible to citizens, that consists of budget and accounts (10 points)

Existence of formal municipal publication, accessible to citizens, that consists of budget, accounts, contracts and tenders (15 points)

Existence of radio or television station that, from time to time, gives some coverage of public affairs in municipality (20 points)

Existence of a regular independent audit of municipal accounts, the results of which are widely disseminated in the above formal municipal publication (25 points)

1-3-2-3. How much facilities do exist for citizen complaints?

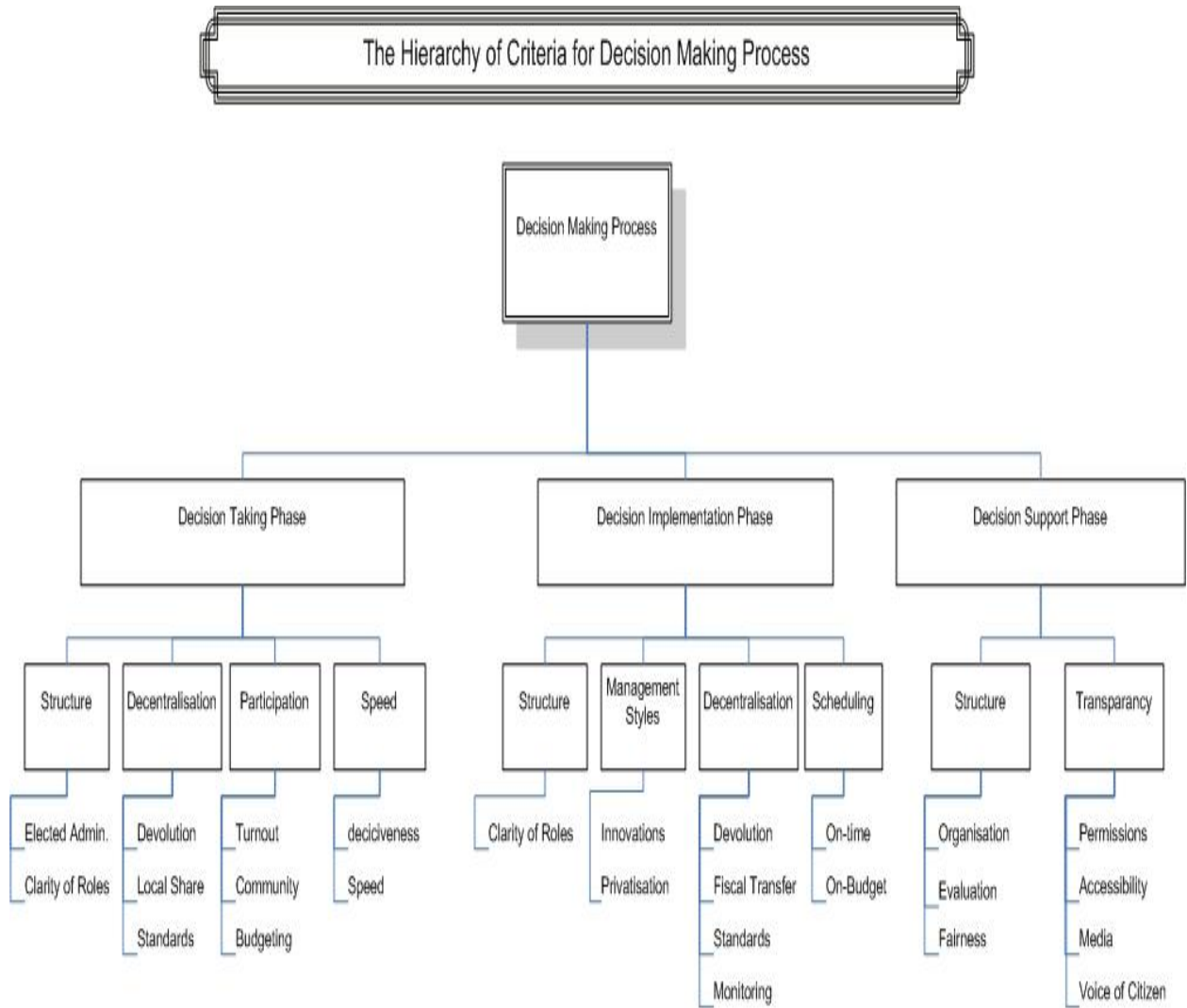
No facility

Existence of facilities to receive complaints and information on corruptions (5 points)

Existence of facilities to receive complaints and information on corruptions and respond to them (10 points)

Appendix 4: The Hierarchy of Criteria

Figure A4- 1. The Hierarchy of Criteria for Decision Making Process



Appendix 5: The Weighting Algorithm

The weighting algorithm based on AHP methodology is as below (Saaty 2000):

1. Develop the preference matrices of each layer. A typical preference matrix is an $(n \times n)$ matrix with n criteria at rows and columns. The element of such a matrix can be defined as:
 A_{ijk} = the preference index of criterion “ i ” over criterion “ j ” based on the judgement of person “ k ”
2. Compute A_{ij} 's of the preference matrix of each layer using the average of pairwise judgments (i.e., A_{ijk} 's).
3. Calculate the geometric mean of each row in the matrix
4. Total the geometric means
5. Normalise each of the geometric means by dividing by the total just computed.

Appendix 6: The Calculations of Quantitative Analysis

Table A6- 1. The preference matrix of the first layer

Elements	Decision Taking	Implementation	Decision Support
Decision Taking	$A_{11}=1$	$A_{12}=4$	$A_{13}=2$
Implementation	$A_{21}=1/4$	$A_{22}=1$	$A_{23}=3$
Decision Support	$A_{31}=1/2$	$A_{32}=1/3$	$A_{33}=1$
Sum	1.75	5.33	6

Table A6- 2. The preference matrix of layer1-1

Elements	Structure	Decentralisation	Participation	Speed
Structure	$A_{11}=1$	$A_{12}=2$	$A_{13}=3$	$A_{14}=2$
Decentralisation	$A_{21}=1/2$	$A_{22}=1$	$A_{23}=2$	$A_{24}=2$
Participation	$A_{31}=1/3$	$A_{32}=1/2$	$A_{33}=1$	$A_{34}=2$
Speed	$A_{41}=1/2$	$A_{42}=1/2$	$A_{43}=1/2$	$A_{44}=1$
Sum	2.33	4	6.5	7

Table A6- 3. The preference matrix of layer 1-2

Elements	Structure	Management Styles	Decentralisation	Scheduling
Structure	$A_{11}=1$	$A_{12}=3$	$A_{13}=4$	$A_{14}=4$
Management Styles	$A_{21}=1/3$	$A_{22}=1$	$A_{23}=5$	$A_{24}=2$
Decentralisation	$A_{31}=1/4$	$A_{32}=1/5$	$A_{33}=1$	$A_{34}=1/2$
Scheduling	$A_{41}=1/4$	$A_{42}=1/2$	$A_{43}=2$	$A_{44}=1$
Sum	1.83	4.7	12	7.5

Table A6- 4. The preference matrix of layer 1-3

Elements	Structure	Participation
Structure	$A_{11}=1$	$A_{12}=5$
Participation	$A_{21}=1/5$	$A_{22}=1$
Sum	1.2	6

Table A6- 5. The weights of the first layer

Elements	Decision Taking	Implementation	Decision Support	Weights
Decision Taking	0.57	0.75	0.33	0.55
Implementation	0.14	0.19	0.5	0.28
Decision Support	0.29	0.06	0.17	0.17
Sum	1	1	1	1

Table A6- 6. The weights of layer 1-1

Elements	Structure	Decentralisation	Participation	Speed	Weights
Structure	0.43	0.5	0.46	0.28	0.42
Decentralisation	0.21	0.25	0.31	0.28	0.26
Participation	0.15	0.12	0.15	0.29	0.18
Speed	0.21	0.13	0.08	0.15	0.14
Sum	1	1	1	1	1

Table A6- 7. The weights of layer 1-2

Elements	Structure	Management Styles	Decentralisation	Scheduling	Weights
Structure	0.54	0.64	0.33	0.53	0.51
Management Styles	0.18	0.21	0.43	0.27	0.27
Decentralisation	0.14	0.04	0.08	0.07	0.08
Scheduling	0.14	0.11	0.16	0.13	0.14
Sum	1	1	1	1	1

Table A6- 8. The weights of layer 1-3

Elements	Structure	Participation	Average
Structure	0.83	0.83	0.83
Participation	0.17	0.17	0.17
Sum	1	1	1

Table A6- 9. The average of points for each question

Question	Period 1 (before 1990)	Period 2 (1990s)	Period 3 (1999-2007)
1-1-1-1	0	0	5
1-1-1-2	NA	NA	5.36
1-1-1-3	NA	NA	4.33
1-1-1-4	4.58	7.31	NA
1-1-1-5	4.23	5.67	5.33
1-1-2-1	1.07	12	5
1-1-2-2	0	30	0
1-1-3-1	NA	NA	9.33
1-1-3-2	1.54	12.5	11.07
1-1-3-3	0	2	1.67
1-1-4-1	2.14	11.33	3.33
1-1-4-2	3.57	14.33	6
1-2-1-1	4.23	6.67	4.67
1-2-2-1	5.36	20	7.33
1-2-2-2	0	40	40
1-2-2-3	0	50	0
1-2-3-1	5	27	13.33
1-2-3-2	2.69	12.67	6.67
1-2-4-1	5	15	10
1-2-4-2	5	20	10
1-3-1-1	3.85	9.67	6.33
1-3-1-2	3.85	11.33	4.64
1-3-2-1	1.79	7	6.67
1-3-2-2	2.86	10.67	9
1-3-2-3	3.57	8.67	8

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