

“International Lessons for Istanbul and Turkey”

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Building Istanbul as a Key Financial Center

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Effective and efficient financial markets, which also are well regulated and governed in addition to being open and competitive, are a key building block to much needed economy recovery globally. Similarly, balanced and market-oriented financial center development, which in turn meets the needs of all end-users by attracting capital to a business-friendly and well regulated jurisdiction, can also be an important catalyst for local and national economic development, as confirmed by the World Bank and numerous individual success stories around the world.

While every country is different, there are at least 10 universal principles or success factors for thriving financial centers that I have observed throughout my career working in as many financial centers, which in turn I believe need to be considered by all interested stakeholders in Istanbul and Turkey. They are:

1. Political alignment within and across a government is critical - local, state/provincial, national.
2. A public-private partnership *and* deliberate process are key success factors.
3. A comprehensive, fact-based diagnostic is essential.
4. A shared vision and actionable strategy are mandatory.
5. Leadership with accountability is vital.
6. The collective ability to implement and execute effectively and efficiently over time is needed.
7. Understanding universal truths is imperative (e.g., capital, businesses, and jobs tend to migrate to where they are most welcomed).
8. Markets are dynamic and changing constantly, thereby requiring monitoring, measuring, and the flexibility to adapt as needed.
9. Financial crises and dangerous markets, while potentially devastating for some, are also opportunities for improvement in other financial centers and economies.
10. Balancing prudent legal and regulatory standards with responsiveness to end-users' needs and economic growth is imperative.