



SWOT Analysis of Istanbul Finance Center and Comparison with World Finance Centers

İstanbul Finans Merkezinin SWOT Analizi ve Dünya Finans Merkezleri ile Kıyaslanması

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Abstract

Istanbul Financial Center (IFC)'s banks stage was opened in 2023. The purpose of IFC is to increase financial competitiveness internationally, to contribute to the development and deepening of financial markets and products and services, to strengthen integration into international financial and capital markets, thereby making IFC one of the leading global financial centers.

London, New York, Singapore and Hong Kong, which rank first in the world financial centers ranking, make the best use of all financial instruments. This contributes significantly to the city and country economies in which they are located. IFC with these world financial centers; the global economic city index, the global financial center index and the global power differ in some respects while similarizing in some ways according to the city index.

In this study, the comparison of IFC with SWOT Analysis and World Financial Centers has been examined within the framework of current literature review and statistical data. Some of the main findings obtained are the strength of IFC is its strategic location, qualified labor is weaknesses, tax benefit opportunity and country risk are the threat.

Keywords: *Istanbul Finance Center, SWOT analysis, Finance.*

Jel Codes: G1, G15.

Öz

İstanbul Finans Merkezi (İFM), 2023 yılında bankalar etabı açılmıştır. İFM'nin kuruluş amacı; finansal rekabet gücünü uluslararası alanda artırmak, finansal piyasalar ile ürün ve hizmetlerin gelişmesine ve derinleşmesine katkıda bulunmak, uluslararası finans ve sermaye piyasalarına entegrasyonu güçlendirmek ve bu sayede İFM'nin önde gelen küresel finans merkezlerinden biri olmasını sağlamaktır.

Dünya finans merkezleri sıralamasında ilk sıralarda yer alan Londra, New York, Singapur ve Hong Kong tüm mali enstrümanlarını en iyi derecede kullanmaktadır. Bu durum, buldukları şehir ve ülke ekonomilerine ciddi katkılar sağlamaktadır. İFM, söz konusu dünya finans merkezleriyle; küresel ekonomik şehir endeksi, küresel finans merkezi endeksi ve küresel güç şehir endeksine göre bazı yönlerde benzerlik gösterirken bazı yönlerde de ayrılmaktadır.

Bu çalışmada İFM'nin SWOT Analizi ve Dünya Finans Merkezleri ile karşılaştırılması, güncel literatür taraması ve istatistiksel veriler çerçevesinde irdelenmiştir. Elde edilen temel bazı bulgular şunlardır; İFM'nin güçlü yönleri stratejik konumu, güçsüz yanı ülke notu, vergi avantajları fırsat ve ülke riski tehdittir.

Anahtar Kelimeler: *İstanbul Finans Merkezi, SWOT analizi, Finans.*

Jel Kodları: G1, G15.

1. INTRODUCTION

Intense capital movements between countries started with globalization and developments in communication technology. Today, it is seen that many countries' willingness to participate in common markets with other countries, to enter economic cooperation and to integrate with the international financial system are increasing day by day. In this context, the issue of financial center in today's world has gained importance for developing countries and developed countries in the point of trying to protect developed financial centers and strengthening their position. In line with this goal, it is seen that cities are more prominent than countries in the struggle to turn into an international financial center. The fact that cities took part in global capital and took part in a difficult struggle in order to increase the shares they received or stand out resulted in the entrepreneurship of cities and a hierarchy between cities (Total and Knowledgeable, 2014). At the same time, it can be argued that in the world where globalization has meaning over branding, the cities in question have experienced a tight integration process with globalization by turning into an international brand or trying to transform. As a result of this process, the location of city definitions within the borders of any country and which are part of the country in question, The city, which can create global influence and is in a continuous race with global competitors for this, receives the definition of the city that affects and is affected by it. Many cities that have attracted attention in the economic and political fields have been seen throughout history. Over time, most of them have lost their importance and other cities have taken their places.

The basis of many financial products that seem complex today is actually based until BC. As it is today, the formation of financial centers in the modern sense is based on the Industrial Revolution. Western civilizations, which have been reforming with the exit of Europe from medieval times, have diverged from other countries in the field of trade. Although it is new competitors, it is not a coincidence that the United States and the European Union, which still have the trade advantage, are currently among the world's leading financial centers. On the other hand, with the increase in economic activity and employment in China, India and other developing countries, the increase in demand for natural resources in the Middle East, Russia and some Latin American countries has led to the spread of financial centers worldwide.

Turkey's international financial center, which constitutes the goal of being IFM, the project was approved in 2009 and was passed to the production phase in 2012. Banks stage was actively opened in 2023 and other stages are planned to open in late 2023. The purpose of the establishment of the IFM; increasing the financial competitiveness of the Republic of Turkey internationally, contributing to the development and deepening of products and services with financial markets, to strengthen integration into international financial and capital markets, thereby ensuring that IFM is one of the leading global financial centers.

The main purpose of the study is to examine the current situation by IFM SWOT analysis within the framework of current literature review and statistical data reached and by comparing it with world financial centers. For this purpose, the definition and advantages of the global financial center were explained primarily in the study; advantages, disadvantages, strengths and weaknesses of IFM have been revealed. In the last section, a general evaluation

was made by making comparisons with financial centers around the world within the scope of the global financial centers index.

2. DEFINITION AND ADVANTAGES OF FINANCE CENTERS

According to the dictionary definition, the financial center is defined as “the city, which is the trade or business center where the famous banks and exchanges of the world operate”. Traditionally, a financial center is considered as a place where financial institutions that offer all national or international banking and financial services are gathered together. In other words, the financial center is a structure where foreigners' financial and service organizations and corporate headquarters are combined. Persons and organizations within the financial system can effectively carry out all financial transactions and activities in these centers to meet the funding requirements. Therefore, it can be said that there is an international meeting place between those who need funds for international financial centers and those with excess funds. In these centers, cross-border financial transactions can be easily and efficiently in a strong regulatory environment (wikipedia.org).”

Increasing economic activity and employment in China, India and other developing countries, and increasing demand for natural resources in the Middle East, Russia and some Latin American countries have led to the spread of financial centers worldwide. The importance of international financial centers for the countries where they are located can be addressed and evaluated on the positive effects they provide. First of all, these centers make important contributions to the branding and global transformation of countries. Again in these centers, it can be said that the effective presentation of all financial transactions and services by specialized institutions has made significant contributions to the development of the financial services sector and the deepening of the financial markets across the country. In addition, the existence of a strong financial services sector can be considered important for the country's economy.

Domestic companies in these financial centers can easily attract the investments they need. It indirectly means supporting the country's development and growth by addressing the fund needs of these companies. At the same time, these centers, where specialization in business is significantly intense, positively affect the quality and quality of labor. Another important contribution of international financial centers for countries is to make necessary legal arrangements to protect investors and other business circles in a country with centers or centers. It can also be said that the cities of these countries are in an effort to maintain political and economic stability in order to maintain their status and position as world financial centers. It is possible to state that there is a direct, positive relationship between world financial centers and liberalization. Because important cities in developed countries can turn into world financial centers as a natural result of the improved economic structure and effective liberal markets. USA-New York, England-London, Japan- Tokyo can be given as an example. In the case of Dubai, world financial centers in developing countries help liberalize sit (Lightning, 2020).

3. IFC'S ORGANIZATION STAGE AND DEVELOPMENT PROCESS

IFC, Turkey's strengthening its place in the world economy, regional and in the years to make our country a world-wide financial center, The International Finance Center Strategy

and Action Plan in the Ninth Development Plan was approved by the High Planning Board Decision No. 2009/31 dated September 29, 2009 and published and entered into force in the Official Gazette No. 27364 dated October 2, 2009. IFM, which has an investment value of 65 billion liras and will provide business opportunities for 100 thousand people, 21 office buildings, 1.3 million square meters office space, 100 thousand square meters shopping center, congress center for 2,100 people, it is a project designed as a 5-star hotel and smart city model. Due to delays in construction the opening date of the project, which was first announced as 2016, was postponed to 2018 and then to 2020. On April 17, 2023, IFM banks were completed and opened to service. Other stages are intended to be completed by the end of 2023.

The purpose of the establishment of the IFC; increasing the financial competitiveness of the Republic of Turkey internationally, contributing to the development and deepening of products and services with financial markets, to strengthen integration into international financial and capital markets, thereby ensuring that Istanbul Financial Center is one of the leading global financial centers. Financial institutions and organizations such as banks, capital market organizations, participation financial companies and insurance companies will be gathered under one roof with IFM. It is also thought to accelerate the development and deepening of financial markets as a sectoral interaction and innovation center. As of 2036, IFM will increase the total financial service exports of our country approximately 3 times and reach the gross domestic judge in 15 years, it is anticipated that the total contribution will be approximately \$ 130 billion and will generate 100 thousand additional qualified jobs (Official Gazette, 2022).

The vision of IFC “Istanbul is primarily a regional and ultimately a global financial center”. In the Strategy and Action Plan in question, action titles have been determined to realize the priorities below.

- ✓ Strengthening the legal infrastructure
- ✓ Increasing the diversity of financial products and services
- ✓ Establishing a simple and effective taxation system
- ✓ Development of the regulatory and supervisory framework
- ✓ Improving physical infrastructure
- ✓ Strengthening the technological infrastructure
- ✓ Establishment of the IFC organizational structure
- ✓ Development of human resources
- ✓ Introducing IFC and creating its image
- ✓ Follow-up of the strategy and action plan

4. SWOT ANALYSIS OF IFC

SWOT analysis is a strategic technique used to identify the strengths and weaknesses of the institution, technique, process, the situation or person in a project or a commercial enterprise and to identify opportunities and threats from the internal and external environment (Benzaghta, 2021). There are many reasons why IFC is located within the borders of Turkey and on the border of Istanbul. For these reasons, IFC's strengths, weaknesses, potential opportunities and threats it may encounter in the future have been tried to be presented in Table 1 within the framework of the SWOT analysis.

Table 1. SWOT Analysis of IFC

SWOT ANALYSIS OF IFC	
<p>STRENGTHS</p> <ul style="list-style-type: none"> ○ Smart City Model ○ Wide Area ○ Welfare Work Area ○ Zero Waste Policy ○ Strategic Position ○ Single Center for Banking and Financial Services ○ Arbitration Center ○ Strong Physical and Technological Infrastructure ○ Financial Product and Service Diversity ○ Transparency and Information in the Financial Area 	<p>WEAKNESSES</p> <ul style="list-style-type: none"> ○ Low Education Level and Financial Literacy Rate ○ Redundancy of Financial Markets ○ Image and Promotion Problem
<p>OPPORTUNITIES</p> <ul style="list-style-type: none"> ○ Being Open to Development ○ Tax Advantage ○ High Product Production Capacity ○ Meeting the Need for Qualified Human Resources ○ Effective Fight Against Crimes Treated in the Field of Financial and Information ○ Recognition of Foreign Court Decisions and Abbreviation of Court Processes ○ Approval of Projects Contributing to IFC ○ International Cohesion Policies 	<p>THREATS</p> <ul style="list-style-type: none"> ○ Country Risk ○ High Competition Environment ○ Located on the First Earthquake Zone ○ Unavoidable Migration Problem ○ Investment Country Note ○ Failure to Provide Predictable Investment Environment ○ Export Restrictions on International Trade

Source:Created by the author.

4.1 Strengths

Managed with the "smart city" model, IFC is designed to be sensitive to sustainability-oriented initiatives. IFC, Turkey's natural financial center as of its location. IFC with an area of 1.4 million m²; office space 100.000 m², the shopping center, a 22,000 m² congress center (2.100-person capacity) and 34.000 m² 5-star hotel meets all the needs of the business world

with a live ecosystem. IFC is expected to host 50,000 employees and 25,000 visitors per day, providing everyone with a well-being environment with a working environment, green space and entertainment facilities that will help support an improved work/ life balance. According to the LEED Gold Certificate targets, IFC adopts zero waste policy and has 438 charging stations and many bicycle parking spaces and e-mobility, i.e., electricity and hybrid vehicle technology.

IFC is located close to E5 and TEM highways as of location. Two new side road viaducts are made to TEM for the Financial Center. In this context, new connection routes have been added to the Highway from the north of Metropol Istanbul. In this way, both traffic circulation in the region has been increased and connection has been provided for the financial center. In addition, two metro stations were built, inside and next to the IFC. At the same time, IFC is also 28 km from Sabiha Gökçen Airport.

In addition to banks and insurance, IFC provides services in the financial fields of companies, non-banking financial institutions such as factoring companies, financial leasing companies, consumer finance companies, private pension companies, securities brokers, precious metals brokers, mutual funds, investment trusts and real estate investment trusts.

International Corporate Arbitration Courts are being established by IFC to resolve financial disputes quickly and effectively. This guarantees investors that they will not be unfair about their trust and rights. This is of great importance in that IFC is an international financial center.

Within the framework of IFC, a particular region is not focused. All projects carried out throughout Istanbul are supported to raise quality and standards in the field of technology with living spaces, security, and transportation opportunities. In addition to the improvements made in the field of transportation, hospitals in the health sector, new housing and hotels for housing, entertainment and shopping centers continue to be built.

One of the most important reasons why a financial center is preferred in general is the diversity of products and services offered in the financial center and the attractive conditions in which these products and services are offered. For this reason, if there is a problem with products and services, these problems should be solved, and it is important to provide an environment conducive to the development and delivery of new products and services in line with the wishes of investors. Legal and supportive steps are taken to increase the product diversity of IFC and to develop new products and services.

IFC will provide detailed information on the risks of public enlightening vehicles and markets. The aim is to protect the rights of investors who will invest in IFC, to establish the right market rules, to establish transparency and trust of financial instruments and markets. Investors can invest more easily if the trust environment is provided.

4.2. Weaknesses

Turkey's place in the world in financial literacy was determined by the research of Standard & Poor (S&P). In the study of 150 thousand people from 144 countries Turkey was ranked 120th. For this reason, within the scope of education policies in the field of finance in Turkey, foreign languages, updating the contents in universities and cooperation with the sector are encouraged, and studies are carried out to train academicians in the field of finance.

IFC has deficiencies in terms of promotion and image. IFC should first determine its target audience and work on its potential target audience. It is stated that IFC is open to development, its mission is to become a regional financial center and its vision is to become one of the important financial centers in the world. In addition, IFC may attract the attention of investors with its structure, location, and legal structure. For this, it can make promotions in many languages on foreign TV channels and important financial pages on the internet. Especially the fact that it is in one of the most important cities in the world such as Istanbul can help IFC with its promotion and image. Because Istanbul, the city with the youngest population in Europe with 15.5 million people, has an important share in both Turkey and the world economy as it produces 31.2 percent of Turkey's GDP with a GDP of 1 trillion 155 billion TL. It is a financial and business centre.

4.3. Opportunities

The following conclusion was reached in the SWOT analysis report prepared by TBB by Deloitte Consulting: "Turkey rich resources, regional and local potential, is a country with a hidden workforce base. However, in order to make difficult decisions, besides strong leadership and political determination, a substantial resource will need to be allocated for this issue and a patient attitude will be exhibited in order to achieve the returns of investments". Today Istanbul, Turkey's most cosmopolitan city as well as being, finance, production and service activities are also central to the vast majority. Due to this status, the headquarters of the institutions that carry out all financial and economic activities are located in Istanbul. Istanbul's preference as a regional center; It can be argued that accessibility, cultural similarity, and similar business adhesion patterns are highly effective (YASED, 2014). All these criteria can make significant contributions to IFMCs development and to become a global financial center.

IFC introduces various tax exemptions and exceptions to increase competition in the international market. This will increase the income of investors to be tax-exempt and exceptions, an important expense item. Thus, it is thought that there will be an increase in investments in IFC.

International Arbitration Courts, which will be established as an important step towards increasing trust in IFM and becoming a worldwide financial center. The fact that the Arbitration Courts to be established in Istanbul have an independent and autonomous structure can also increase the trust of investors in IFC. The functionality and shortcomings of these Arbitration Courts will be more clearly visible after they become active. In addition, recognition of foreign court orders will prevent court decisions from prolonging and disruptions from implementation can be quickly resolved.

IFC continues its efforts to comply with international compliance policies and standards, both EU and other international laws. On incompatible matters, it is seen that our country's regulatory and supervisory agencies aim for their own program, strategic plan, and full compliance. However, periodic monitoring, reporting and guidance of compliance with international standards can be useful in achieving this priority.

4.4. Threats

The strong and stable financial system depends on whether the markets are “deep” and “reliable”. It can be said that two basic criteria here are not at the desired level in Turkey's financial system. The main main reason for this situation is “country risk”. Political instability in the geography of Turkey and the risks carried by the country's economy, national and international individual and institutional investors in the financial sector does not make it possible for long-term permanent investment. Country risk means the uncertainties that exist in the country to be invested and returned and the losses that these uncertainties may create for the investor. Country risk can be collected under three headings: “ Political risks, economic risks and social risks. ” Organizations that measure the degree and risks that arise as a result of measurement of these risks are called ratings. There are three rating agencies, the measurement of which is most considered SP, MOODY's and FITCH (Untilt, 2022).

Table 2. Standard & Poor's, Moody's and Fitch's Turkey Evaluation Criteria

YEARS	S&P	MOODY'S	FITCH
2010	BB (Positive)	Ba2 (Positive)	BB+ (Positive)
2015	BB – (Negative)	Ba3 (Negative)	BBB – (Stuble)
2020	B + (Stuble)	B2 (Negative)	BB – (Stuble)
2022	B + (Negative)	B2 (Negative)	B + (Negative)

Source: Eğılmez, 2022

Table 2 presents the evaluation criteria of the said rating agencies for Turkey. When the table is examined, it can be said that Turkey's country risks are gradually moving away from being an investable country over the years. This situation is taken into consideration by the investors who intend to invest in our country. This situation may adversely affect the investments to be made in IFC.

If we list the threats of IFC's location in the 1st earthquake zone: there are threats such as economic slowdown, interruption of supply chains and damage to IFC as a result, death, and injury of workers (loss of workforce) and decrease in investments immediately after the earthquake.

According to official figures, the population of Istanbul is determined as 15,907. However, it poses a serious threat due to non-preventing domestic and foreign migration reasons. This situation creates many threats such as unplanned urbanization, environmental pollution, inadequate health, and education institutions, especially security.

According to the official data of 2023, inflation felt in Turkey is stated to be 45.48. Central Bank of the Republic of Turkey (CBRT) policy interest rates are announced to be 8.5. According to TÜİK data, it decreases in GDP and per capita income ranking. International Monetary Fund (IMF) according to estimates, Turkey's growth rates are withdrawing by revising. This situation can be seen as a threat to unpredictability for potential investors who will invest in IFC.

5.COMPARISON OF IFC WITH WORLD FINANCIAL CENTERS

When it is called world financial centers, there are certain names in everyone's mind. But there is no clear definition of being “ world financial center “. Various criteria can be used in a very broad area of defining a financial center as a world financial center in general. For example, the sum of bank assets, communication, and transportation infrastructure, spoken language diversity, crime rate, number of concert halls, etc. factors can be counted. This is actually a natural consequence of being a world financial center. On the other hand, it is also known that general world financial centers provide education, transportation, entertainment, diversity of business fields, etc. to almost every aspect of human life. In order for a city to become a global financial center, it must be able to meet the needs required by human life as a whole and improve the quality of life. Therefore, the goal of becoming a global financial center should be handled with a very broad perspective and in a holistic approach. According to the world's leading authorities and financial circles, only two cities (London and New York) are recognized as world financial centers. The distinctive features of the world financial centers can be listed as follows.

- Wider cross-border transactions in financial services volume,
- Foreign financial institutions are weighted in financial service delivery,
- Bringing together fund owners and fund users in the international arena,
- The financial institutions are at the center for cross-border transactions and the markets and financial products are regulated according to cross-border demand.

5.1. Comparison by Global Economic Cities Index

Every few years, the Institute for Globalization and World Rankings Research lists important global economic cities. It is considered the leading institute that lists the world cities. Financial Centers are classified as Alpha, Beta or Gamma cities according to their connections with the rest of the world. Many factors, including cultural and political influence, are taken into account in this analysis; however, economic factors are the most important issue. Alpha cities are the primary nodes in the global economic network. Beta and Gamma cities are smaller global cities that connect economic zones to the network worldwide.

Table 3. Alpha Cities, 2022

ALPHA++	London, New York	This category refers to the cities that are most integrated with the global economy.
ALPHA+	Hong Kong, Singapore, Shanghai, Beijing, Dubai, Paris, Tokyo	Alpha+ cities are the main cities in the global economic network.
ALPHA	Sydney, Los Angeles, Madrid, Toronto, Bombay, Amsterdam, Milano, Frankfurt, Meksika, Sao Paolo, Chicago, Kuala Lumpur, Moskova, Cakarta, Brüksel	An alpha city is a city that plays a major role in the international community.
ALPHA-	Warsaw, Seoul, Johannesburg, Zurich, Melbourne, Istanbul , Bangkok, Stockholm, Vienna...	An alpha city is a city that plays a major role in the international community.

Source: SPOTLOCALS.COM

According to Table 3, today it accepts two cities in the financial world, New York and London as global financial centers. These two global financial centers have sufficient critical mass to act as a direct link and intermediary to those participating in national, regional, and international financial services. It is also possible to exemplify regional financial centers such as Hong Kong and Dubai. These centers are the centers that stand out with the size of the financial sector in a certain geography and can meet the financial needs of the countries in the region. Since IFC is a new center, it can be said that it is a regional financial center. But one of the main objectives of the IFC is to be among the world financial centers.

Ordinary global and non-regional financial centers are centers that address their economies rather than meeting financial needs in the world such as Frankfurt, Paris, Tokyo and Sydney. The reason why cities in the most developed countries of the world such as Frankfurt, Tokyo and Paris cannot turn into global financial centers is the fact that the financial sectors of the countries in question are dominated by domestic institutions, despite the presence of foreign institutions, and the complex interpretation of financial and legal regulations, while the attitudes of regulators are harsh. It is impossible to say that there is a full consensus among practitioners and academics on the definition of overseas (Offshore) financial centers. These centers are huge, small financial centers that provide more limited specialist services. Overseas finance is the provision of financial services by banks and other agencies to those who are not based in the country in its simplest form. It is possible to show Alderney Island, Bahamas, Kayman Islands, Israel, Samoa and UAE within certain overseas financial centers around the world.

Apart from these four groups, there are also centers that can be expressed as Niche and focused on certain service areas and products. Niche financial centers have become leaders worldwide over a single sector. For example, Luxembourg can be considered as a center in the field of mutual funds, while Zurich and Frankfurt can be considered as centers in banking services.

5.2. Comparison by Index to Global Finance Center

It is to show the ranking of competitiveness of financial centers based on more than 29,000 financial center evaluations taken from online survey along with more than 100 indexes from institutions and organizations such as GFCI (Global Financial Centers Index), World Bank, Organization for Economic Cooperation and Development and Economist Intelligence Unit. It is ranked within the scope of business viability, rule of law and competition conditions of 120 global financial centers.

Table 4.Global Financial Centers Ranking, 2023

Rank	City	Country and Region	Evaluation
1	New York	North America	760
2	London	Western Europe	731
3	Singapore	Apac	723
4	Hong Kong	Apac	722
5	San Francisco	NorthAmerica	721

6	Los Angeles	North America	719
7	Shanghai	Apac	717
8	Chicago	North America	716
9	Boston	North America	715
10	Seul	Apac	714
90	Istanbul	Eastern Europe and Central Asia	601

Source: GFCI 33 Rank

According to Table 4, in the Global Financial Centers Ranking; while New York was ranked first, London came right after it and Singapore was ranked 3rd. IFC has declined in the scope of business applicability, rule of law and competition conditions in recent years. While it was ranked 77th in 2022, it placed it in the 90th place in 2023. Factors that cause this situation are examined below.

According to the World Justice Project (WJP) 2022 Rule of Law Index, there are reviews on issues such as combating non-extinction, fundamental rights and freedoms, management transparency, administrative sanctions, and justice.

Table 5.World Justice Project Rule Of Law Index

COUNTRIES	SCORES (OVER 100)
1.Denmark	0,90
2.Norway	0,89
3.Finland	0,87
4.Sweden	0,86
15.England	0,79
17.Singapore	0,78
22. Hong Kong	0,73
26. USA	0,71
116. Turkey	0,42

Source: WJP

According to Table 5, countries such as Denmark, Norway, Finland and Sweden are at the top of the list of 140 countries on the Rule of Law. As one of the leading countries of the Global Financial Centers, England ranks 15th, Singapore 17th, Hong Kong 22nd, USA 26th and Turkey 116th. Deficiencies in issues such as Turkey's rule of law, fundamental rights and freedoms and justice may pose a problem for IFC-Istanbul. For this reason, it can be seen in the future whether the recognition of foreign decisions in IFC and the establishment of autonomous arbitration courts will offer a solution.

The Global Competition Index is a list of countries in the world, ranked by competitiveness scores. Competitiveness scores of countries are measured by a comprehensive study repeated annually by the World Economic Forum. Countries for 2019 are examined under 4 main topics. These are:

- i. Enabling Environment; Corporate Configuration, Infrastructure, Information Communication Technologies Adaptation, Micro economic Stability.

- ii. Human Capital; Health and Skills.
- iii. Markets; Product Market is Labor Market, Financial System and Market Size.
- iv. Innovation Ecosystem; Business Dynamism and Innovation Ability.

Table 6.Global Competition Index and Turkey

Ranking	2018	2019
1	Singapore	USA
2	USA	Singapore
3	Hong Kong	Deucthland
61	Turkey	Turkey

Source: World Economic Forum, The Global Competitiveness Report 2019

According to Table 6, it is seen that the main drivers of the global economy are in the first place, and countries are listed in parallel with the level of economic and social development to a large extent. Accordingly, while Singapore, USA and Hong Kong are in the first three places, Turkey is in the 61st place among 141 countries in 2018 and 2019. It can be said that the financial system and market share are small in Turkey, especially due to micro-economic problems and being a new financial center.

The Doing Business Index is an important index prepared by the World Bank. Countries with high ranks are countries that are easy to do business, regular and strong protection in terms of assets. Improving these situations is estimated to have a positive impact on economic growth.

Table 7.Doing Business Index between 2018-2020

COUNTRIES	CLASSIFICATION
1.New Zealand	Very Easy
2.Singapore	Very Easy
3.Hong Kong	Very Easy
8.USA	Very Easy
10.England	Very Easy
34.Turkey	Very Easy

Source: Wikipedia.org

According to Table 7, Asian countries such as New Zealand, Singapore and Hong Kong are among the easiest to do business in the world according to the Doing Business Index. These countries have a simple, well-regulated, and transparent administration. Turkey is ranked 34th in the Doing Business Index. In Turkey, it is tried to make it easier for investors to do business with factors such as reducing bureaucracy, securing foreign investors' assets with laws, and tax relief.

5.3. Comparison by Global Power City Index

The GPCI measures the performance of 156 cities around the world in five standard dimensions: business activity, human capital, information exchange, cultural experience, and political participation.

Table 8.Global Power City Index (GPCI) 2022

Rank	Economy	R&D	Cultural Interaction	Livability	Environment	Accessibility
1	New York	New York	London	Paris	Stockholm	Shanghai
2	London	London	New York	Barcelona	Copenhagen	Amsterdam
3	Zurich	Los Angeles	Paris	Brussels	Helsinki	Paris
4	Beijing	Tokyo	Dubai	Madrid	Sydney	New York
5	Tokyo	Boston	Tokyo	Milan	Vienna	Frankfurt
6	Singapore	Seul	Istanbul	Amsterdam	Zurich	London
7	San Francisco	San Francisco	Madrid	Berlin	Melbuerne	Chicago
18	Melbuerne	Osaka	Melbuerne	Copenhagen	Amsterdam	Istanbul
29	Frankfurt	Istanbul	Osaka	Cakarta	Brussels	Taipei
30	Tel Aviv	Madrid	Toronto	Bangkok	Istanbul	Dublin
34	Madrid	Fukuoka	Copenhagen	Istanbul	Shanghai	Washington
42	Istanbul	Kuala Lumpur	Cakarta	Boston	Moskow	Sao Paulo

Source: Global Power City Index, 2022

According to Table 8, according to GPCI 2022, New York, which has the world's largest economy and allocates a large amount of budget for R&D, ranks 1st, London, the world's most traveled city, ranks first in Cultural Interaction, ease of life In terms of livability, such as safety, Paris is ranked 1st, and in the area of Environment such as greenery and fresh air, Stockholm is ranked 1st. According to the Table, Istanbul ranks 6th in Cultural Interaction, 18th in accessibility, 29th in R&D, 30th in Environment, 34th in Livability and 42nd in Economy. The main reason for getting the highest ranking from Cultural Interaction can be considered as being a cosmopolitan city. Being the most populated city in Europe and hosting 16,018,726 tourists in 2022, it broke a new record. NY city's top spot in the economic factor is likely due

to the world's largest companies such as Pfizer, UnitedHealth Group, PricewaterhouseCoopers, Verizon, Historic TW, PepsiCo, RCA, Deloitte, Hearst, IBM and Northwell Health, New York Stock Exchange Wall Street. It is conceivable that London ranks 2nd in the economy, has one of the largest bond markets and insurance services, is the world's largest in gold and silver market and foreign exchange trading. In addition, the fact that it has the largest stock exchange in Europe has had a positive impact on the London Stock Exchange. Istanbul, on the other hand, ranks 42nd in the economy. It can be said that IFC is behind the world financial centers such as New York and London in the field of economy. It can be said that the need for IFC to become one of the world financial centers is to have large companies such as the New York Stock Exchange and to increase its recognition in the field of economy such as the London Stock Exchange.

6. RESULTS

Turkey's international financial center to create the goal of IFM, which opened the banks stage actively in 2023 and other stages are planned to open in late 2023. IFM's mission of the establishment of the Republic of Turkey to increase its financial competitiveness internationally, to contribute to the development and deepening of products and services with financial markets, to strengthen integration into international financial and capital markets. IFM vision; is to be among the global 5-6 world financial centers.

As a result of the IFM SWOT Analysis, factors such as Strategic Position, Smart City Model construction, International Arbitration Courts and Transparency and Information in Financial Areas can be demonstrated. It is positive for IFM that these factors are similar to world financial centers. IFM weaknesses are Lack of Promotion and Image, Low Financial Markets and Low Financial Literacy. In order to reach the IFM mission and vision, it is necessary to make the necessary promotions in the foreign press, to take the necessary steps for the participation of large companies and to provide foreign language and financial training for Financial Literacy. IFM opportunity aspects, tax benefits and tax exemptions and exceptions are offered to attract foreign investments. In addition, IFM is expected to be open to development and to be open to development with the recognition of Istanbul. Reasons such as IFM threat aspects, country risk S&P, Fitch and Moody's rating penny, country risk score decrease, IFM earthquake zone, investment forecast low.

When you say World Financial Centers, New York and London come to mind first. Later, Singapore and Hong Kong financial centers are located. According to the Global Finance Center Index (GFCI 30) report published in September 2023, IFM was 67 in 2022. When taking the next place, problems with the rule of law, ease of doing business in the country, the level of competition in other countries, increased by 13 places in 2023 and 90. It was next. IFM regional competitors are financial centers in Moscow, Warsaw, Mexico City and Helsinki and Tel-Aviv. According to the same report, IFM from these regional cities was ranked first in the previous year, while it increased by 2 rows in 2023 and took the 3rd place. Since IFM is a new financial center in benchmark indices with other countries, there are many transactions to do. Geolocation with other global financial centers, city recognition in the world, high population, strong structure in the financial sector, etc. shows similarities. In contrast, IFM decomposes in cases such as the new establishment, the lack of a sufficient

number of large companies within it, and the lack of sufficient IFM advertising and recognition.

IFM is still in the opening and crawling phase. It is not active with all its components and institutions. In the light of the performance and developments that IFM ' will show in the future years, it can be said that the academic studies from now on can be shaped within the framework of healthier information and data.

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