

## **Strategic Review of Financial Structure of Iran's Local Management (Case study: Islamic council of Tehran metropolis)**

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### **Abstract**

*Strategic view in management is a necessity rather than a choice. Systematic view in urban management is an inevitable principle. Desirable managing of cities, especially metropolises, is impossible without integrated urban management and also integrated urban management is the same as systematic view that is made by strategic view. Systematic view and integrated urban management are duties which must be done by proctors and especially Tehran's Islamic city council according to real facts of a metropolis such as Tehran in different aspects. Supplying stable and necessary financial sources in order to manage an extensive city like Tehran, known as one of the most fundamental issues in field of Tehran urban management. This council must naturally be able to select its own especial strategies to optimize the use of available limited sources and reach the goals of urban management. Strategies that on one hand are in line of Tehran Islamic City Council's viewpoints and on the other hand will be result from council's assignments. Theoretically and methodologically, this research is based on structuralism and historical-genetical analysis on strategic and macro level. This research had been done according to documental-librarian studies and help of guideline review of Tehran Islamic City Council and qualitative analysis in four ways, in order to reach the methodology of strategic economical programming in Tehran city. Based on findings through this research knowing necessities and preferences of Tehran citizens (having respect to citizens) and having healthy and permanent incomes must be the basis and criterion in decision making and political programming for Tehran metropolis and all of the above are impossible without guideline and strategic view.*

**Key words:** Strategic programming, Urban economy, Strategic approach, Islamic City Councils, guideline methodology

## **1. Introduction and considered issue**

Tehran metropolis suffers from so many different issues and problems which could be mentioned in different fields such as economy, social, cultural, environmental and so on. Supporting necessary financial sources is one of the main issues in urban managing of a big and extensive city like Tehran. The fact is that most of other problems and issues have been sourced from this problem, as solving social, cultural, developmental issues ... depend on supplying necessary validity and budget.

Hoped that by establish city council and transferring responsibility of supervision to this institute, urban economical system work better. While this goal had been fulfilled somehow, but it will need more time to do it completely because for long years managers use different approaches.

So, we must move toward systematizing financial issues and search for reliable and stable areas in order to **provide sources of income for council**. Certainly, by these huge incomes, Tehran municipality can't hide from eyes of power circumstances and it will avoid Tehran municipality to act correctly and professionally.

Also, another important fact which is necessary to mention is the issue of **providing healthy and permanent incomes for Tehran municipality**, because if not municipalities may resort to any solution to provide expenses of urban management and this approach will cause so many problems for people.

Of course, must pay attention to the fact that all over the world, cities have been managed with "**people's money**" and so people will be ready to associate in providing urban expenses if they justify correctly and received their necessary services in high quality. It is natural that suitable environment must be made for people, so that citizens accept their role in urban issues and play their role correctly.

According to Article number 71 Part 8 in council establishment laws "supervising on the correct managing and saving capitals and cash and non cash wealth and moveable and immovable municipality properties and also supervising on its incomes and expenses in a way that don't hurt municipality circumstances" had been deposited to city council. Therefore, municipality has potential legal laws that by a written and general program pay attention to different financial, economical and budgeting dimensions in Tehran city and costs and expenses of municipality, and by using such a program, it will eliminate Tehran's issues.

About financial and economical discussion, it is possible to mention different issues and discussions regarding city council duties and authorities that the most important discussions could be classified in 4 subdivisions:

**A: Internal budgeting of city council**

**B: Governmental helps**

**C: Supplying financial sources in managing Tehran city that itself divided to two important discussions: "density selling" and "tax".**

**D: Citizen's roles in providing financial sources for Tehran city**

This research has been done to answer this basic question that; **Can we introduce strategic programming as an approach to providing financial sources in municipalities and city councils?** The primary researches showed that different reasons such as structural management and functional separation, political separation, lack of necessary studies. Short time goals and absence of comprehensive will and request due to unfulfilled the programming, loss of practical action and as a result cause lack of integrated urban management.

## **2. Research Method**

Methodologically and theoretically, this research had been based on **structuralism and historical-formative analysis**. Structure make from set of related elements. In social science, structure often consists of compounds and stable mechanisms beyond appearance of phenomenon. According this, structuralism can be defined as seeking to discover available compounds and structural mechanisms beyond all phenomenon. There is stable, lawful, coherent and coordinated relation among elements of structure. Stable structure doesn't mean lack of movement and dynamism, but it means that while mobility and dynamism, it is changing and transforming.

Structural analysis paying to analyzing and explaining compounds and relations between elements of a system and its lawfulness. Historical- formative analysis led to general knowing and/ or investigating cause and effect and explaining time and place of course of structural and functional evolution and political, social, natural and spiral dimensions of phenomenon.

Therefore, the fact which looks more important about strategic programming in financial sources in order to make integrated urban management is that according to political, social, cultural, economical and geographical aspects and necessities in Iran, Tehran and international prevailing process, we can't deal with this topic in an abstract approach and aiming to only economical development and equivalence with international processes and necessities in a passive position.

In present research, both in topic and process of doing research, the emphasis is on strategic characteristic of the design. Strategic approach in programming, have basic differences with comprehensive traditional approach that include emphasis on recognizing and analyzing main issues.

### **3. Aspects and dimensions of strategic economical programming process in Tehran Islamic city council**

#### **3-1- Aspects and dimensions of strategic processing pattern**

Strategic policy-making- or in broader meaning strategic processing – results from interaction of four factors: Environmental studies, organizing, system designing and practical programming. These four factors have dual relations with each other and all of their relations connect by selective strategy. For clearance, some important characteristics of these factors will be mentioned here:

**1.Foresight:** Environmental studies or knowing present and future situation, and investigating strong points and internal weaknesses and opportunities and external threats of SWOT, strategies according to smart awareness of recognizing decisive factors and main variables all have been done in foresight.

**2- Programming:** Strategic programming is done in two levels:

**A-Large scale strategic programming:** environmental decisive factors and large scale variables have been made according to environmental studies that are including strong points, internal weaknesses and opportunities and external threats environmental decisive factors. Large scale programming is making executive and operational programming base.

**B. Executive programming:** Process of executive programming, gets its necessary information and policies from foresight process (environmental studies) and organizing and designing system and controlled by management system.

**3- Organizing:** organizing forms the main core of management and consists of classifying activities and organizing phenomenon that is formed within general structure of organizations and designing organizational units and writing duties and missions and the relations between units and jobs.

**4- System designing:** The process of designing includes doing and preserving systems which are organized a set of activities and cycling of the system (Urban management, Saeed nia, 2003:10-12).

#### **✓ Strategic programming**

Olsen Vadie defines strategic programming as; an organized and regular try in order to making decisions and decided to do fundamental actions, as a result make it clear that what is an organization and what does it do and why it is doing something. By beginning of the 1980s till now such as the concept of "**quality and process**", the concept of strategy in "**programming and management**" had been developed and improved. Today, strategy is a skill that is placed in center of management, programming, foresight and systematizing the organization and led the organization to be succeeded. However, strategic approach has paradoxical character.

In this scale, it is possible to think about disorders and complexity in today cities and act. This need ability to choose the right strategy and even change regime and structure and organization of management (Saeed nia, 2003:8). Decision making known as the central concept in strategic choice and power of acting. In fact, decision theory consists of set of information and skills and analytical devices which are used for decision making. In management and programming, this theory based on "**profitability**" and so the most profitable option will be choose.

Today's programmers don't believe in predictions and long term systematic programming- and especially general design-.

Against, short term local programs are more valid, as even in field of strategic programming sometimes tactics go beyond strategies. The most significant difference between strategic designs and general designs is their high executing ability. And that's the reason that strategic designs which were subjected to attention in 1970s by private sector, in 1980s entered to field of public management.

From 1980s, some scientists – especially “Brison et.al”- succeeded to accompany and adapt it with governmental and public programs and get programming free from accusations such as unchangeable, conservative behavior, and political taking side and weakness in design execution.

Strategic choices have been done according to analysis of internal and external facilities and limitations, it means analyzing strong points and internal weaknesses and threats and external opportunities.

Programming with “**strategic choose**” approach take into account all decision making, programming and political activities all together. A strategic choice must balance these five factors:

### **1-The extent of choice 2-complication 3-incompatibility 4- lack of confidence 5- progress**

(Urban management, Saeednia, 2003: 8-10)

#### ✓ **Strong points, weakness points, opportunities and threats (SWOT)**

SWOT method is the direct result of Harvard business school model. On the other word, this method is the best strategy for organization. SWOT method include following points about spatial programming.

- Foreign threats that determine main threats and opportunities represented from outside environment.
- Local threats that is in fact auditing from sources and/ or preparing list of strong and weakness points related to each one of strategic subjects. Above scale is very important, because of local and foreign variables which are affecting on the ability of a city or area to fulfill the strategic goals.

Because of interacting relation between local and foreign factors on strategic programming, it mustn’t waste long time for distinguishing between their boundaries, but it must search for ideal conditions in and out that affect on fulfilling a goal. In matrix of strategic choice, two internal and external (or environmental) variables play a key role. If internal powers and external opportunities exist, the best condition will be made for achieve to goals, whereas in spite of external threats and internal weaknesses very unfavorable condition will be appeared.

In strategic choice the main thought is maximizing strong points and prevailing internal weaknesses. The base of these strong points and weaknesses lay in organizing ad urban management and systematically (Urban management, Saeednia, 2003: 10).

### **3-2- Financial, economical and budgeting dimensions**

#### **3-2-1- Economical commission, the planning and budget in Tehran Islamic city council**

This commission aimed to investigating financial issues and known as one of the most active commissions in council. Also, represented designs and programs related to financial- economical matters in order that this organ discussed to approve those programs. Determining financial resources for council and also for Tehran city is of the basic concerns of commission. Meanwhile, this commission control municipality’s financial activities. And even have a plan of action to solve financial problems; as a result it is financial arm of municipality.

The most important issues that this commission delayed with, including: (Strategic programming of Islamic city councils, 2006)

- 1-Annual budgeting of council and Tehran municipality.
- 2- Issuing license to move development validity instead of current processes.
- 3- Reform parts of current and development validity of 384 in Tehran municipality.
- 4- Reform current and development validity.
- 5- Force Tehran municipality to provide and present general base for its continues incomes.
- 6- Write general design for stable incomes and other financial resources of Tehran municipality.
- 7- Reform charge taking to maintaining and developing green environment of Tehran city.
- 8- Taking charge from numbering vehicles, issuing driving license and passport etc.
- 9- Determine expense of urban services.
- 10- Organizing incomes which are gain from Main office of states and property of Tehran municipality.

It is necessary to mention that Tehran office of governor complains to most of ratifies of city council. It seems that governorship and city council’s district of authority had not separated from each other and therefore governorship consider all discussions and studies which are done in city council about different subjects as its own authority, while on the other hand municipality see governorship’s complains as intervene into council’s decisions. However, most of council’s time devoted to answer to governorship’s complains and answering to these matters (Strategic programming of Islamic City Council, 2006).

### **3-2-2- Internal budgeting of city council**

Tehran City Council doesn't have any income by itself and supply its budget by one part of municipality's budgeting and so receive it as municipality's help to Council. This budgeting achieve to around 2 to 3 billion Toman per year, and this amount of money used to do research projects and current development costs of city council (Tehran Islamic city council).

Therefore, city council doesn't benefit any independent budget. **According to Article 71 part 12**, city council approves its own budget and receives it from municipality account. This mechanism can be a basic challenge for council, **because the budget of city council must have been approved by an organization that itself is under supervision of council**. On the other hand, except in some limited cases such as subway project that is classified as municipality activities, **government doesn't help to city council**.

On the other hand, **council doesn't benefit any legal possibility to do economic activities for supplying its own expenses** and therefore it is dependant to municipality because of not having any income, that it can resulted to decrease the authority and power of council and therefore municipality may denied to accept some of council's approvals.

By the way, council's expenses including staff's expenses, service expenses, expenses of researches, educational and researching expenses, current expenses etc, all have been supplied by municipality.

Another point which can be mentioned in this discussion is the matter of payments and benefits of members of Tehran city council. Because membership of City Council doesn't consider as a job and its membership is honorable. The weakness of this law is the trial fee per each meeting for members of Council and the limited hours of meetings, and also except mission fee all of other expenses are unallowable. Also, the mission fee must be determined by Interior Minister.

**This law itself can limit city council member's activities** and even if city council members oblige to this law but in longtime it can be hurt it will damage kind of their activity and therefore this law need to reconsideration.

### **3-2-3- Governmental helps**

All over the world cities have three financial and income sources:

- 1-Governmental helps under the name of charge approval or giving loan.
- 2- Taking local taxes by the name of reform tax and...
- 3- Earning money by buy and sale urban estates and properties.

But in Iran and especially in Tehran metropolis except trial subsidy that is paid to municipalities, any other financial helps don't pay to municipalities. It is done under condition that security, social damages, urban and welfare services and most of government's duties are done by municipality and councils.

According to estimates done by some scientists, if government don't pay attention to substructures to supply necessary financial sources for Tehran, so it can't be expect to make an ideal city and have a beautiful and pleasant appearance all over the world. It's an unpleasant reality that all over the world cities must manage with people's money, but the important point about those cities, that is always neglected, is the fact that at first city development have done completely and everything is ready for citizens to live in those cities, but in Tehran this substructure hadn't made yet. **Therefore, Tehran still needs governmental support**. On the other hand, unfortunately presently governmental helps to Tehran municipality only limited to public transportation and its limited substructures and government men don't pay enough attention to solve so many different urban problems in Tehran city. In such a condition if Tehran city's problems hadn't solved, it will make so many national problems.

That's why **presently all of municipalities incomes provided by charges taking from people**. That is done in such a condition that governments itself use urban services widely. For example, we can mention issues related to traffic plan for vehicles that is one of municipality incomes. In spite of using these services, government doesn't pay anything to municipality. **As a result, government's share is high in using urban utilities, but level of its financial partnership is low**.

**On the other hand, there are so many different buildings which are used by government but it doesn't pay their charge to municipality or pay it in delay.** It's one of the other services that government takes from municipality, without paying charges completely. Therefore, one way to financial dependency of municipality and council is that government pays their debt. If government doesn't pay these debts, it shouldn't expect municipality to give it service. Because for example, some expenses such as constructing subway can't be supplied financially by urban charges. As if subway don't complete, it is very hard to solve and control traffic problem in Tehran city.

**Therefore, government obliges to pay its debt to municipality as soon as possible** and if it doesn't fulfill, municipality and city council will face so many problems for solving their problems. Include that maybe some developmental projects lose their economical reasons and impose a heavy financial load to people.

In this field, municipality expects government to sympathy, because in fact the opportunities that municipality make, cover government's duties. For example, According to estimates and economical analysis which are done all over the world, one hundred thousand jobs must be made, for every one billion dollar investment, so 900 billion dollar development budget that is equal with this amount has been predicted.

Therefore, government must recognize its own share in expenses of capital, because if Tehran doesn't have this crowd and doesn't be the capital of Iran then its costs will be less than today. On the other hand, wrong politics caused to unequal distribution of facilities around the country which is due to huge number of working travels or commissions to Tehran. All of these travels and visits have been done because of the fact that government settled in capital and its expenses must be paid by Tehran citizens.

Nowadays, all over the world the structure of budgeting is as following, around 30% of budget is taxes that people pay and around 30% to 40% include investments and wealth and properties and taxes of build that is supported by government. Even, in some other countries government's share in providing urban expenses is around 30 to 70%. If not, high expenses must be imposed to citizens and this is not practical anyway.

### **3-2-4- Providing financial resources for Tehran city**

Before establishing Tehran city council, regional municipalities were autonomous to determine income resources and how to spend their expenses, meanwhile their plans done without any study and research. But the first city council asks mayors of different regions to write their costs at the beginning of the year and explain about their supposed projects and plans which were studied carefully, so that council will approve their annual budget.

#### **3-2-4-1- Density Selling**

Before, the second city council starts to work; gaining money from illegal ways was one of the problems that had been occurred in field of attracting and providing necessary validates for municipality. Density Selling, giving heavy fines for building such as Article 100 Commission and..., due to the fact that citizens learn to do disobey the rules and then pay it's fine.

**Also, the effect of unsustainable financial sources of municipality and cutting off government's help and leaving city without considering any substantial sources and making density selling common as the main source of income for municipality, all together caused the accumulation of economical problems in recent years.** Unfortunately, depending on density as the easiest and sweetest way for gaining income, avoid city managers to think about finding a source of principal in order to make income. Of course, this problem rooted in one of parliament's approval in 1364 which is emphasis on necessity of self-sufficiency of municipality, where ordain that any share of municipality's budget doesn't be paid by government. That was one of the reasons to increase problems and why municipality sale density. Therefore, municipality financial sources severely get out of harmony with needs of city and force municipality to use Article 100 of commission in order to provide its sources. While it is an unhealthy source of income, because Article 100 of commission is in fact fine for buildings without permission and this mean dependency to illegal money and crime.

However, amount of fines is low for breaking the law, so people break the law easily, and also principally it's not correct in economical view that use fines in order to gain income, or think to income just by construction activities. Therefore, Tehran city council in second period, change the approach of density selling.

The main goal was to decrease amount of dependency on density selling as the main source of municipality income, and therefore density selling decreased step by step and slowly, so that urban management didn't face with any problem suddenly, because if we simile injecting income of density selling to injecting powder to addicted people then once stop inject it will cause to death.

**Of course sudden limit of density selling cause so many problems.** On the other hand, second council didn't believe in countless density, but dependency of Tehran municipality's income on density selling is so important and shocking.

Unfortunately, even in 1380, still 80% of municipality's income was depend on density selling which was similar to a delicious food and density selling made the main axle of municipality's source of income and therefore second council resort to step by step formula in order to be free from this situation.

Of course, limiting the density selling due to high amount of decrease in predicted budget and validity and as a result developing projects drop down and even some developing project have been stopped.

By the way income dependant on density selling is one of the most fundamental discussions in field of finance, economy and budgeting.

But, it must be mentioned that when municipality income depend on density, it had caused so many problems which need long time to solve. **Another point is that costs of disobey must be so high that kill people's motives to do it and finally these expenses must be limited from municipality sources of income slowly.**

Now, all council and municipality managers are motivated and willing to make kinds of stable and permanent sources of income for municipality and even a committee has been established in commission of budget and programming of city council which is responsible for studying and investigating sources of income for municipality in coming years.

### 3-2-4-2- Municipality tolls

**Renewing tolls that is known as one of the healthy sources of income for municipality is very low in Tehran,** while tolls at least must be sufficient for current matters and cover urban development. City council must try to pay attention to **urban tolls as one of the fundamental financial sources** need for managing the city.

So, the second council defined stable incomes instead of density selling and fit it in municipality budget. This matter doesn't fulfill suddenly and need for bedding, so that not to impose high pressure to people.

**In an economical analysis, done by second Tehran city council, resulted to limit interests of citizen's debt to municipality and suitable formulas make to how to pay debts, till people motivate to pay their debts to municipality. As a result people show more tendencies to pay their debts to municipality and in fact it can be a good source of income for municipality** (Strategic programming of Islamic city council, 1385).

Therefore, substitute approach of urban tolls as an urban source of income instead of density selling placed in the instruction of the second council. By doing studies, members of council resulted that serious and more stable fields must be searched for financial sources of Tehran city. So, in this field had tried to move toward systematizing financial issues and activating sources of income resulted from tolls as part of municipality income, can be somehow hopeful that **share of tolls increases as stable and permanent part of urban income fit with different parameters and productivity available according to urban facilities.**

Unfortunately with density selling approach in recent years and paid less attention to received tolls ( except density) resulted to less prominent and less important role of these tolls in supplying municipality's sources of income day by day. For example, rebuilding tolls didn't change from 1375 till recent years and remain unchangeable. So the result is that in year 1381 increasing these tolls surprised citizens and they complained (Strategic programming of Islamic city council, 1385).

Of course all at once increase of charge, itself make some problems and dissatisfactions between people and it lasted long times until people accepted these price changes and city council allowed people to pay their rebuilding charges in installment, so people were able to pay it and also city council made conditions that people could pay it easily.

There is another problem about paying charge and it is **government, itself don't par charge**. It's in the condition that municipality service to governmental organizations like other citizens, but governmental organizations, institutions, ministries and other related organizations never pay their charges.

### **3-2-5- Citizen's role in providing financial sources**

One of the most important sources for providing urban finance is **citizen's share in providing part of urban validities**. Thus, a committee named committee of attracting mass investment had been established in budget and programming committee of city council, so by having some warrants and encouragement facilities, municipality can provide field of people's participation in doing developmental and service projects.

Presently, unfortunately municipality force to supply its expenses and costs from people and government and all of these due to bad condition. On the other hand, municipalities receive money from some groups, but expense it as subsidy all over city. It means in fact some groups of people and governmental institutes have been feeding by other groups that imposing costs to whole of city result from this approach. On the other hand, we know that the available budget isn't enough for such a big and vast city with this expects and strategy and important position in area and country. It is estimated that at least two times more expenses need for Tehran, so level of urban services will have been higher relatively.

Therefore, suitable preparation of the desired atmosphere should have done for people, and citizens must accept that they must have more serious cooperation in city management and supporting its costs (strategic programming of Islamic city council, 1385).

While speaking about citizens cooperation in providing financial sources necessary for managing Tehran city, one factor is very important and it is **paying attention to fair distribution of citizens' sources of income. In fact, who use and exploit urban services more and in vast numbers, must pay more to municipality** and who belong to poor class of society and use presented services less than others should pay less, and any way this more or less amount of money must be paid by citizens and everybody obey it. Therefore it must be mentioned that Iranian citizens don't pay the expenses of living in a city. For example the citizen, who produces garbage, must pay tolls according to amount of garbage produced by him/her, while it has not done yet.

In order to encourage citizens to pay their tolls (for example rebuilding tolls), municipality can make other opportunities such as encouraging density condition and/or by less interest and installing it, can prevent citizens from breaking the law in this field. Citizens may be ready for serious cooperation in providing city expenses, if citizens justifying carefully and also receive their needed services with high quality.

Of course, in principle supply of urban service costs is a fundamental problem in this field, in which hadn't defined any coherence and written relation between citizens and municipality. For example, how citizens must pay for street costs had not specified yet. **Therefore it should be defined cultures for this matter till people accept that they themselves should pay some parts of city costs, so that they can benefit better urban services and healthier and more qualified life in city.**

It must be mentioned that presently Tehran city council search for sources that in coming years will be useful for city permanently. Furthermore, in relation to real expenses of the city , share of each class and group of society should be recognized so that people really participate in city management.

## **4- Finding analysis and necessities of economical strategic programming**

### **4-1- Strategic field and macro strategies**

Regarding presented reports, challenges which faced Tehran city council in field of economy had been studied. Divisions of mentioned field resulted from analyzing different fundamental and practical dimensions of Tehran city council and in previous part future challenges of city council in financial and economical fields had been studied. Therefore, these divisions made the basis to write and provide council's economical macro strategies and made us to define macro strategies in scale of economical field.

Related to financial, economical and budgeting discussions in Tehran metropolis, Islamic city council can introduce developing healthy and stable financial sources for Tehran city and change it to a city with national and international economical position as macro strategies and force Tehran municipality (financial and administrative assistance) to define roles and law.

Also, identify those municipality codes of income which are sustainable and favorable and those which have the ability to rely on during the time and also do necessary programming.

#### **A) Developing healthy and stable financial sources for Tehran city**

In a general view in order to achieve healthy and stable financial sources for Tehran city, it can be mentioned to 2 providing strategies and defining healthy and stable strategies for Tehran city and also increasing role of toll in providing expenses of Tehran city.

#### **B) Changing Tehran city to a city with favorable national and international economical position**

If Tehran city achieve an international position, Tehran city council need to develop citizens participation in providing urban financial sources and also improving international, regional and transnational position of Tehran metropolis by attracting foreign investment.

In this part, macro strategies and strategies are presented in tables generally.

#### **4-2- Describing selected strategies according to analytical districts**

In this part selected strategies of council had been presented in table. This table show the goals which are related to each strategy, it means goals that by using them, that strategy will be fulfilled completely or in part and also macro strategies which are related to selected strategies state in lines one to three.

#### **4-3- Describing selected strategies according to analytical districts**

Compound strategies include the group of strategies that fulfill in compound or integrative way and/or making some decisions at the same time. As mentioned earlier in present research, suggested strategies represented according to **SWOT** method of analysis. This method , is a useful and brief analytical method that in an organized way recognized each factors of strong and weak points, opportunities, threats, strategies and reflect strategies which are proportional to current position of the studied job.

#### **4-3- Selecting indexes for studying and evaluating performance of the council**

Realizing strategies is dependent on some necessities that must be made and reinforced. Introduction and vital condition for making strategies are necessary elements. Strategies can't be done in vacuum, but preambles and fields must be provided for them. It is necessary to supervise precisely process of the project after beginning and during it. It means that doing strategies need to make necessary and suitable mechanisms and related organizations and institutions. It is necessary that city council determine which organization is the direct responsible for realizing strategies. In order to do this, it is necessary that Tehran City Council make an **especial researching team** to control fields of strategies and supervise how to manage it. Correct performance and qualitative achievement strategies have a close relation with supervision.

Also, it is necessary to answer these questions during process of achievement strategies:

- 1-Does operational program include time schedule for executing strategies?
- 2- Have operational program for realizing strategy divided to different processes for easiness?
- 3- Had anyone determined to be responsible for successful operational programs?
- 4- Have necessary sources considered for realizing strategy? Whether operational program need extra sources? If it is such a condition, Is necessary predictions done for this subject?
- 5- Had operational program for realizing strategy detailed enough, so that execution of actions can be detected easily?
- 6- Does operational program facilitate attempts to receive considered goals?
- 7- Does operational program fit to goals?

These are questions that must be asked and answered during all processes of research.

And now in this part, necessities of presented strategies have discussed in financial and economical fields:

- Negotiate with government in order to take costs of establishing governmental organizations and institutions in Tehran city.
- Negotiate with government in order to take the money that government owned to municipality.
- Provide opportunities to use local and foreign private capitals directly or indirectly (sale valuable papers) to advance sub structural and basic projects.
- Make smart city which have data bank in different urban fields that represent updated information.

- Take tolls of public services from citizens according to citizens profiting by urban services and facilities.
- Increase field of authority and share of city council in making law about tolls especially on tolls and local taxes.
- Making citizens aware about role of people cooperation and tolls in big cities around the world and effect of this cooperation in having wealthy, healthy and stately city.
- Break barriers on way of foreign investment in Iran.
- Attract foreign capitals in civil projects and developing Tehran city.
- Held international conferences in order to introduce fields of international demands for investing in Tehran.
- Attract foreign capitals in civil projects and developing Tehran city.

## **5- Conclusion**

Tehran is a metropolis with so many economical potentials that must support people who live in this city. Such a city with potential in a way that concentrated 45% of industries and known as political and economical center of country, can support people when benefit stable and permanent budget and sources of income. By the way **it is necessary for government to study exactly in financial issues of municipalities**, and move toward real independency. Also, parliament must approve rules open mindedly and without considering “**one city, one especial council**” that will result conditions of cities and their councils.

Besides these **governmental and legal approaches**, it is necessary that making people aware to the fact that **finally people must pay costs of city**, because government doesn't predict any budget and validity for managing cities and parliament didn't have any agenda in its duties. So, it is Iranian people who must pay costs so they must think about it and do some fundamental activities to avoid future problems. That's the approach which had done in big and successful cities of the world and Tehran must do the same as other cities. Of course, there are structural and organizational shortages in official and financial system of Tehran municipality due to the system, so it should be updated and cleared day by day. Another point that must be added to other points is low efficiency of municipality's current activities, so it is important to think about some ways to make them beneficial.

Another point is, **the system by which managers gain information about their subdivisions which must be reinforced**. This system must change in such a way that every time mayor wants to be aware about financial sources and amount of economical activities of mayors of other districts and municipality's wealth, reach all these information very easily, because in today's world, information should be achievable in shortest time by computer system.

The last point which is necessary to mention is the discussion about council supervise urban projects. It is necessary for council that **supervises more on urban investments and projects** so that investments will be done powerfully in this field, because presently there aren't any suitable condition and mechanism for investment and most of the time this had been done according to personal views and opinions. But, if there are a correct mechanism and clear approaches in this field, in near future we will witness urban growth. The old method that is governed on ways of supporting municipality's financial sources and sources of income isn't sufficient for nowadays demands. The traditional method make the most important need of municipalities and mayors depend on changeable variables by surrounding itself between certain codes and subjects of income and count on uncontrollable and instable and seasonal and sectional incomes.

**Nowadays, defining safe and secure and confident financial sources for supplying current and civil expenses is one of the main important concerns of municipalities and mayors.**

Regarding this fact after governmental duties, **local affairs must be grant to councils and councils must receive local services**. Because councils have a complete and perfect knowledge about abilities of people who live in cities, they can determine tolls in a manner that people not be under high pressure.

On the other hand, people are sure that their representatives supervise the charges that people must pay and charges that they pay divide as priorities and essential needs of city.

According to article 71 parts 26 of council's law, approving amount of presented services by municipality and related organizations have been done under supervision of council according to financial regulations and municipality's transactions.

Councils will make a stable source for municipality, if according to this article, councils statue percents of prices for municipality's represented services.

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**Table 4-1- Financial and economical strategies of Tehran Islamic City Council (Source: writers)**

Field	Macro strategies	Strategies
Financial, economical and budgeting	A)Developing healthy financial sources for Tehran city	1- Programming to provide and define permanent and stable sources for Tehran city 2- Increasing role of charge in providing expenses of Tehran city
	B) Changing Tehran to a city with favorable international economical position	3-Developing citizens participation in providing financial sources of city 4- Improving international and regional and transnational position of Tehran city by attracting foreign investments.

**Table 4-2- First strategy (source: writers)**

Macro Strategy (A)	Developing healthy financial sources for Tehran city
Strategy 1	Programming in order to provide and define permanent and stable sources for Tehran city
Goal	-Preparing conditions, beds and fields of making safe and secure and healthy city based on ideals of an Islamic society. -Deep understanding of citizens need and fairly distribution of opportunities and urban facilities among all groups of citizens.
Describing Strategy	Every year expenses of managing Tehran city increased and in order to provide expenses, it is essential to find and predict an stable and permanent financial sources for future years, so that by using these Sources it is possible to manage city in best ways.
Operational Programs	1-Conseling with government in order to take costs of establishes governmental institutes in Tehran city. 2-Conseling with government to take claims of municipality from government. 3- Providing possibilities to direct and indirect (sale valuable papers) from private local and foreign capital to advance fundamental projects. 4- Making smart city and data bank about urban information that can supply citizens with up dated information.

**Table 4-3- Second Strategy (Source: writers)**

Macro strategies (A)	Developing healthy financial sources for Tehran city
Strategy 2	Increase role of charge and costs of urban services in providing urban costs
Goal	-Preparing conditions, bed and fields of making safe and secure and healthy city based on ideals of an Islamic society. -Deep understanding of citizens need and fairly distribution of opportunities and urban facilities among all groups of citizens.
Describing Strategy	Nowadays in most of developed cities in the world, charges have an elegant role in providing financial sources and for Tehran city, by increasing share of charge providing permanent and stable financial sources for the best way of managing city and therefore, the approaches to share of charges in managing Tehran city must be changed and most portion of financial sources of Tehran city provides from taking charges.
Practical programs	1-Taking costs of urban services from citizens, according to amount of their use from urban facilities and services. 2- Increasing power and share of city council in making the rules about charges and local tax 3- Increasing cost of breaking building law till reduce the motives of committing infraction. 4- Calculating costs of environmental pollutions and its negative environmental effects resulted from producing unit and also amount of garbage produced by citizens and calculating amount of money which must be used to repair all these pollutions, the money that provided from charge gradually and in stages. 5- Making citizens aware from share of citizens in paying charges in other big cities of the world and effect of these participation in having a healthy, rich and developed city. 6- Constructing various ways of taking charges and sources of income for urban management and independency to house department.

**Table 4-4- Third Strategy (Source: writers)**

Macro Strategy (B)	Change Tehran to a city with favorable international economical situation
Strategy 3	Developing citizen's participation in supplying financial sources of Tehran city
Goal	-Preparing conditions, bed and fields of making safe and secure and healthy city based on ideals of an Islamic society. -Deep understanding of citizens need and fairly distribution of opportunities and urban facilities among all groups of citizens.
Describing Strategy	Citizen's participation in supplying financial sources of Tehran city, is one of the sources that can play an elegant role in providing financial sources for Tehran city, and this matter can encourage people to participate in managing the city and also increase quality of urban services for citizens.
Practical programs	1-Giving encouraging warrants and facilities to citizens in order to facilitate everything for people's financial participation in fulfilling developmental and servicing projects. 2- Up dated clearance and news transmission about encouraging citizens to active participation in supplying financial sources. 3- Study and research in order to investigate new ways for attracting people's financial participation such as establishing investment boxes. 4- Predict policies in order to reinforce citizen's direct financial participation for supplying costs of urban programs and designs. 5- Suitable and sufficient awareness about this fact that presenting high quality urban services need to pay more by them.

**Table 4-5- Third Strategy (Source: writers)**

Macro Strategy (B)	Change Tehran to a city with favorable international economical situation
Strategy 4	Improving supranational, regional and international position of Tehran metropolis by attracting foreign investments.
Goal	-Preparing conditions, bed and fields of making safe and secure and healthy city based on ideals of an Islamic society. -Deep understanding of citizens need and fairly distribution of opportunities and urban facilities among all groups of citizens.
Describing Strategy	Tehran is a metropolis with a crowd around 10 million and vast facilities. Broad and vast Iran, that has an important position in area and also around the world, must have a capital with high regional and international position. Especially the fact that Iran placed in a highway between three continents of Asia, Europe and Africa. Nowadays, Emirate and especially Dubai city and even small countries such as Bahrain, Oman and Kuwait attract most of foreign investments in the region, the fact that accelerate their multilateral development. In order to receive Tehran to its favored position some especial programming's and actions are necessary.
Practical Program	1-Act to remove legal obstacles from foreign investment in Iran. 2- Programming in order to attract foreign investment in developing projects in Tehran city. 3- Held international conferences for making familiar international requests and introducing fields of investing in Tehran.

**Table 4-6- In financial and economical dimensions (Source: writers)**

Qualitative goals	Opportunities O	Threats T
	<ul style="list-style-type: none"> <li>-High capacity of democracy in Iran's political system</li> <li>- Favorable capacity for Tehran's financial managing, because half of industries in the country concentrated there.</li> <li>- Authority to approve municipality budgeting and other related companies by council.</li> <li>-Council's authority to provide its financial sources by publishing government bonds and other ways according to laws.</li> <li>Council's potential to programming for how to use municipality budget.</li> <li>-More attention of governing system to benefits of citizen's participation in managing affairs.</li> </ul>	<ul style="list-style-type: none"> <li>-High possibility of intervening political demands of minister of the interior , governor and monarch in council's affairs because Ministry of the interior supervising everything</li> <li>- Un acceptance of Council's dependency by government.</li> <li>- Weakness of party culture and institutionalization of parties within country</li> <li>- High tendency of political parties to effect on municipality approach due to its nongovernmental structure and having high economical power and close relation with people</li> <li>- Insufficient available budget of municipality in managing the city and not having governments support</li> <li>- Low share of charge in urban financial sources and low participation of citizens in supplying urban financial sources</li> <li>- Municipality's old financial system</li> <li>- Increase costs of Tehran city</li> </ul>

Strong Points S	S-O Strategies	S-T Strategies
<ul style="list-style-type: none"> <li>-Power distribution among low classes of society by Council helpers and help to improve participations by people</li> <li>- The council pays attention to participations by people for private investments</li> <li>- Decrease dependency of municipality to sale density</li> <li>-Study municipality's sources of income</li> <li>- Approve to give permission for different kinds of charge in Tehran</li> <li>-Make municipality to provide executive regulation to take money for using public services</li> <li>- Giving authority to municipality in order to use sources and foreign capitals for rebuilding old texture</li> </ul>	<ul style="list-style-type: none"> <li>-Programming in order to provide and define stable and permanent sources for Tehran city</li> <li>- Increase role of charge in providing expenses of Tehran city</li> </ul>	<ul style="list-style-type: none"> <li>-Reinforce organizations, institutions and civil groups in order to increase social capitals and citizen's cooperation in managing Tehran city</li> <li>- Make more opportunities for citizens cooperation in managing affairs of Tehran city</li> <li>- To provide the field for changing concept of city-dwelling to citizenship by developing citizenship training</li> </ul>
Weakness points W	O-W Strategies	T-W
<ul style="list-style-type: none"> <li>-Opportunities of some members of council and using council as political launch pad</li> <li>-Council's weakness in gathering information from municipalities of all thirteen region's financial sources</li> <li>-Insufficient supervision on mechanism of budget and expenses of all thirteen regions of municipality</li> <li>- Not predicting problems that occur for citizens due to sudden increase of rebuilding charges</li> <li>- Selecting governors who are not in the same line with council</li> <li>- Low number of members of council that caused to facilitate politicization and Lobbying in decision making</li> <li>- Council's weak activities in realizing concept of citizenship and citizens cooperation in managing social, political, economical and welfare affairs of city</li> </ul>	<ul style="list-style-type: none"> <li>- Longtime and macro programming in order to develop citizens cooperation in supplying city's financial sources</li> <li>- Programming to raise sub national, regional and international position of Tehran city by attracting foreign investments.</li> </ul>	<ul style="list-style-type: none"> <li>- Solve or decrease political conflicts from council's internal interaction</li> <li>- Solve or decrease political conflicts from council's external interactions</li> <li>- Optimization of selecting governor by council</li> </ul>
<b>Compound SWOT strategies</b>		
<ul style="list-style-type: none"> <li>-Realizing cities within respect to citizens by reinforcing civic institutions, developing citizenship training and developing some extra fields for citizens cooperation</li> <li>-Developing healthy, stable and permanent financial sources for Tehran city by increasing role of charges and expenses of urban services and citizen's cooperation in supplying urban financial sources.</li> </ul>		