

REVIEW ARTICLE: ‘Capitalism with Islamic Characteristics’

New Capitalism in Turkey: The Relationship between Politics, Religion and Business by Ayşe Buğra and Osman Savaşkan (Edward Elgar, 2014, ISBN: 9781783473120, 224 pages, £60.24)

This book is about the developments that have transformed the coordinates of business activity, which led to the emergence of new layers of economic/political elite and a changing role of the government in economy in Turkey during the last 30 years. The authors analyse the reshaping of the Turkish business environment within a wider context of the transformations taking place against the historical background set by twentieth century experience of economic, political and cultural change in the country. An analysis of the relationship between Turkish capitalism and capitalist globalization is also provided as the background within which to understand the last 30 years’ significant changes in Turkey.

This is the story of the emergence of the “Turkish way of combining ‘moderate’ Islam with rational economic management and political democracy, which has been widely presented as a model for other Muslim countries” (p.3). The official beginning of this new phase is 3 November 2002, the date when Turkey had broken sensationally with its political old guard. The former governing parties all recorded less than 10 per cent of the national threshold and were no longer represented in the National Assembly. During the November 2002 elections, voters turned in vast numbers to a new political party with firm Islamic roots. The Justice and Development Party (AK Party) was formed in August 2001, by ‘moderate’ members of Turkey’s outlawed pro-Islamic Virtue Party.

The first part of the book presents an overview of economic developments and cultural modernisation in the republican period of Turkish history. From the start of this period, in 1923, the republic emerged as a state with a military backbone, possessed of an official ideology—known as Kemalism after the founder of the republic, Mustafa Kemal, committed to strict laicism and administered by militantly secular modernizing elite. In the mainstream accounts, this has been conventionally described as an epic struggle led by Westernising secularist establishment against a deeply religious and conservative population.

During those early years, Mustafa Kemal and his associates by their actions resolved a fundamental question— whether the new Turkish regime would reach an accommodation with the people or rule over them. Any genuine accommodation with people would have required a serious modification of the militantly secular Turkish nationalism. The leadership chose to decide what the country needed and enforced its decisions, regardless of what the majority of the people thought about the matter. In this way, a critical mass of repression was built up in Turkey, and a huge gap created between the governing elite at the centre and the people on the periphery.

In the eight subsequent decades, secularism itself has come to resemble a state religion in Turkey. The Kemalist-Turkish nationalists’ denial of the Ottoman – Islamic heritage constituted a major problem particularly in terms of understanding and connecting the majority of Turkey’s Muslim population, both Turkish and Kurdish. The power and legitimacy of the new republic were from the start based on this conflictual relationship.

From the 1950s onwards, some of the harsh policies of the state were softened to allow some moderate Islamist groups to operate legally. Later from the mid-1980s flexible, perhaps even encouraging, response to Islamic activism and political liberalization opened up new opportunities for Islamist groups. All this political process was also accompanied by a social/economic transformation which eventually prepared the ground for the rise of a moderate Islamist ideology of the ruling elite, which is the topic of the rest of the book. In this later period, the centre—made up of the civil servants, soldiers, bureaucrats, intellectuals, and state-protected businessmen—started to break up in the 1970s, assuming new social and cultural characteristics. The main reason for this was the fast growing and persistent movement from the periphery towards the centre. Some of those social groups that once made up the periphery started to gain more and more socio-economic mobility and moved to the big cities in large numbers. These made up an important section of the young and dynamic middle class. Many of them have become effective social/ economic actors through their business activities and entrepreneurship. This new group of people brought their provincial identity and more traditional values/ demands with them into the centre. Such values and demands, differentiating them from the more urban and secular old business elite, have found a place in the centre, all of which led to a significant tension in Turkish society that has shaped most of political and cultural conflicts up to current day.

Politically and economically, AKP rule corresponds to the requirements of Turkish capitalism of the 21st century. As Bugra and Savaskan write, AKP is a typical bourgeoisie party with its mix of social/ cultural/ religious conservatism and nationalism and total reliance of neoliberal free-market policies. (pp. 2, 49, 59-61) It is a conservative centre-right party in the tradition of the Democrat Party (DP) of the 1950s, the Justice Party (AP) that dominated the 1960s and 1970s, and the Motherland Party (ANAP) of the 1980s and 1990s. Just like its predecessors, AKP has looked at the dominant economic elite of international capital, and continued with policies of neoliberal privatisation and de-regulation. Even the 1980 military coup, which marched in the footsteps of Chile's coup under Pinochet, helped the capitalist process by preparing the ground for a harsh neoliberal programme of privatisation/ deregulation by quashing the left and trade union movement. Erdogan's AKP took the neoliberal capitalist development in Turkey one step further and secured a full integration of Turkish economy within the global capitalist system. In this period, the class basis of Turkish capitalism was broadened by turning small rural bourgeoisie of small-to-medium scale producers of Anatolia into a globally active industrial bourgeoisie. (pp. 151-165) "The rise of political Islam did not create an obstacle to the development of capitalism in the country" (p.172) The Turkish case is an obvious reminder that Islam and capitalism are mutually reinforcing and compatible as the religiously observant provincial bourgeoisie acting as the kingpin of this recent economic progress.

New Capitalism in Turkey is a highly valuable contribution to established and ongoing debates about the nature of capitalist transformation in Turkey. It provides a convincing narrative to understand the multi-level relationship between politics, religion and business through an analysis of the contemporary Turkish business environment. This book is a welcome addition to the growing literature on Turkish economy, capitalism and Islamism.

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