

Capital, Identity and the State: An Analysis of State-Business Relations in Turkey

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Abstract

This article discusses the role of the business sector in the securitization of the headscarf issue in Turkey by doing a historical analysis of the country's political-economy. The emergence of different bourgeoisie is explored through the analysis of state-business relations between 1923 and 1990. The analysis of the six biggest corporations in the private sector suggests that they closely mirrored the state's anti-democratic exclusionary policy with regard to the employment of the women wearing headscarves. In this article it is argued that although TÜSİAD and MÜSİAD have been presented in the literature as pressure groups striving for democratization of Turkey in post 1990, most of the companies they represented adopted state's anti-democratic exclusionary policy towards women wearing headscarves. By not providing significant number of job opportunities to women wearing headscarves, they prevented face-to-face interaction between women wearing headscarves and the secularists, thus heightened the 'otherization' process. TÜSİAD further contributed to the securitization of the issue since it has sided with the secularists in opposing the elimination of the headscarf ban in universities by claiming that the issue created tension and division in the society and therefore threatened the economic stability.

Introduction

In Turkey, the state's exclusionary policy towards women wearing headscarves¹ remains to be one of the most controversial public issues for the last thirty years.

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1. The most recent surveys demonstrated that around 60 percent of adult women in Turkey wear headscarves. It is 61.2 percent in Çarkoğlu(2009) and 60.3 percent in A&G (2008). While the rate of women wearing headscarves between the ages of 18 and 27 is 42.7%, it is 64.3% between the ages of 28 and 43. The highest rate is seen over the age of 44 which is 75% (A&G 2008:7).

The extent of the exclusion changes from time to time depending on the power struggle between the secularists and Islamists². For instance while students wearing headscarves were allowed in many universities before the post-modern coup³ in 1997, they were denied entry until 2010⁴. The extent of the exclusion reached such an extreme level in 2006 that a woman was expelled from her managerial position in a kindergarten because of the headscarf she wore outside the school (Aktaş 2006:12). Although the extent of the exclusion has varied between 1980 and 2008, women wearing headscarves have not been allowed to study in universities (public and private) and work in the public sector.

Due to the major public opposition (70 percent in 2008 according to A&G survey), several governments passed legislations to eliminate the headscarf ban in universities. However, the secularists prevented the elimination by employing different techniques such as Presidential Veto, Council of State decisions, Constitutional Court's annulment or military's anti-democratic practices (Ceylan Tok 2009). As a result of a highly complex historical process, 'the headscarf' has been transformed from a religious symbol to a threat to the principle of secularism. This paper analyzes the role of the business sector in this transformation. It is interesting to note that although there are no legal barriers to the employment of women wearing headscarves in the private sector, the opportunities are very limited.

In this article it is argued that the secular and Islamic companies in the private sector represented by TÜSİAD and MÜSİAD respectively have contributed to the securitization⁵ of the headscarf issue by not providing

2. Following Çınar (2008:896) in this paper the terms 'secularist' and 'Islamist' are used to denote the people endorsing secularism and Islamism as political ideologies, or political projects 'to transform society and establish a sociopolitical order on the basis of a set of constitutive norms and principles.'

3. In 1997 the coalition government headed by Necmettin Erbakan, the leader of the Islamist Welfare Party (WP) was forced to resign as a result of the pressures coming from the military and civilian component of secularist establishment. The indirect intervention of the military was defined as a post-modern coup which was supported and implemented by 'judges and journalists, rather than bullets and tanks.' (Yavuz 2003: 244)

4. As this article was written, the headscarf ban was relaxed in the universities following the ruling sent by the Higher Education Board (YÖK) to the administration of Istanbul University on October 16th, 2010. The ruling stated that that the professors 'had no right to punish students for violations of disciplinary rules by throwing them out of the classroom.' (The National 2010) The change of the policy of Republican People's Party (RPP), the main secularist party, about the headscarf ban in the universities has also played an important role in the relaxation of the ban.

5. Waever(1995) argues that the question of security is best understood as a discursive act, as

significant employment opportunities to the women wearing headscarves who were already excluded from the public sector by the state. While MÜSİAD did raise its opposition to the headscarf ban in universities, TÜSİAD argued that the issue created tension and division in the society and therefore threatened economic stability. The discourse of ‘Turkey has more significant problems than the headscarf’ has been used repeatedly by different heads of TÜSİAD in order to legitimize their support to the discrimination against the women wearing the headscarf.

In the first section of the paper a historical analysis of the political-economy of Turkey between 1923 and 1980 is provided in order to analyze the creation of national bourgeoisie by the state after the establishment of the Republic. This part investigates the statist economic policies carried under the single party rule between 1923 and 1950 and import substituting industrialization adopted in the 1960s. The second part discusses the rise of Islamic Anatolian bourgeoisie as a result of the neo-liberal transformation in the 1980s which had challenged the monopoly of secular Istanbul-based bourgeoisie created by the state. In the last section the role of the TÜSİAD and MÜSİAD, the business associations representing competing bourgeoisie, in the securitization of the headscarf issue is discussed.

1. The State-led Industrialization and the Creation of Istanbul based Bourgeoisie (1923-1980)

Following the defeat of the Ottoman Empire in World War I, Mustafa Kemal and his cadre established the Turkish Republic in 1923 by winning the Liberation War against the Greeks and the Allies. The ruling elite of the new republic who were the former military officers, bureaucrats and intellectuals of the Ottoman Empire implemented a top-down modernization project in order to build a secular nation-state. The Kemalist modernization project had three major goals: secularization, westernization and industrialization. The main continuity between the new republic and the old empire was the hegemonic ideal of ‘the priority of the state’ (Mardin 2006) which designates the state as the main agent to achieve these goals through an intervention in all realms of the lives of its citizens.

The single party rule of the Republican People’s Party (RPP) between 1923 and 1950 made it possible for the government to implement radical reforms. The

a ‘speech act’. Labeling something as a security issue brings with it a sense of urgency and significance that legitimizes the use of special measures outside of the usual political process.

founders of the republic carried out secularizing reforms such as the abolition of the Ottoman sultanate and the Caliphate in 1922 and 1924 respectively, the prohibition of the independent religious brotherhoods and Sufi orders, which were very powerful in Anatolia, in 1925 and the declaration of the secular character of the republic in the constitution in 1937. It is significant to note that the founders of the republic implemented a unique version of secularism by bringing all religious activity under the control of the state through the Directorate of Religious Affairs and disallowing autonomous Islamic practices which could have challenged the authority of the state in Anatolia. (Davison 2003; Çınar 2008)

One of the main reasons for the founders' turn to secularism was the necessity to be recognized as an equal with the Western powers in order to deserve 'the right to self rule' (Bilgin 2008: 609). The orientalist thought delegating superiority to the Western practices and inferiority to the Eastern traditions was internalized by the founders of the republic. The main objective of the Kemalist modernization project was set to reach the level of the Western 'civilization'⁶. The founders of the republic designated the emancipation of the woman as the process which would elevate the new state to the level of Western 'civilization' and they promoted the education and employment of the Republican women (White 2003: 150)⁷. As Göle (1996) observed, they adopted the orientalist notions of veiling which sees it as 'uncivilized' and 'backwards', as an obstacle in front of the development of the country. Therefore unveiling was promoted by the state during this period.

It is significant to note that while unveiling became a popular practice adopted by the woman living in urban space, it was not adopted by the majority living in rural areas. In the 1930s, in order to make it more popular, Kemalist women groups organized many anti-veiling campaigns, distributed 'modern' raincoats, and recommended veiled women to wear 'modern' clothes instead of the 'traditional' veil (Keskin-Kozat 2003: 193). While the new Republic was very successful in implementing its reforms in the urban areas, it was limited in the

6. It is revealing to note that according to Edward Said the orientalist thought did not attribute oriental backwardness to Islam per se but a unique 'Arab mentality' (Said 1994:105). Likewise for the Kemalists, it was not Islam which was the reason behind 'the backwardness' of the society, but the distortion of Islam's essential religious principles by two Arab communities (the Emevis and Abbasids) which consolidated their rule of the Islamic world after the four caliphates and the Ottoman rulers who perpetuated those traditions (Keskin-Kozat 2003:203).

7. Legal reforms were made in order to provide women with equality in the public sphere. In 1924 the new Family Law abolished polygamy and in 1934 women were accorded the right to vote in national elections.

rural parts of the country. Aktaş argues that the religious families living in rural areas did not send their daughters to schools, since their daughters were not allowed to wear headscarf in the education institutions (2004: 827). The dominance of the patriarchal ideas opposing the education of women might be another reason for this resistance. As a result, a major discrepancy arose between the urban and rural areas in terms of the literacy of women that seventy-five percent of all girls between the age of seven and eleven attended primary school in Istanbul whereas it was only twenty-six percent nationwide in 1929 (Duben & Behar 1991: 216).

Besides secularization and westernization, another major goal of the Kemalist modernization was creating a national industry and national bourgeoisie. State-led industrialization (*étatisme*) was adopted as the main economic policy and the government established State Economic Enterprises (SEEs) in big cities⁸. By the 1940s SEEs became the main producers in variety of sectors such as textiles, sugar, iron and steel, glass works, cement, utilities and mining. It is estimated that the GDP per capita grew at an average rate of 3.1 during the 1930s, which can be considered as a success for a new national economy (Pamuk 2007: 11). The government also tried to create a national bourgeoisie since there was no existing bourgeoisie when the republic was established. The reason for the absence of an entrepreneur class was the expulsion of non-Muslim minorities during and after World War I through extreme actions of the state such as the forced population exchange or special wealth tax on non-Muslim citizens⁹. The national bourgeoisie created by the state ‘functioned as the agent of the state and tried to imitate European cultural practices without seeking any synthesis with local tradition’ (Yavuz 2003: 87).

The single party regime was dependent upon the coalition between the

8. It is significant to note that immediately after the establishment of the republic, the founders especially Mustafa Kemal Atatürk aimed to implement a liberal economic policy with agricultural production at its center. He supported the establishment of private enterprises. Nevertheless as a result of the devastation from the Balkan Wars of 1912-13, World War I and Liberation War of 1920-1922, there was a significant deficiency in the national capital, financial institutions and infrastructure. GDP per capita in 1923 was approximately 40 percent below its 1914 level (Pamuk 2007:9). In addition to these internal deficiencies in the national economy, the international economic conditions at the end of the 1920s pushed the government to adopt rigid state-led industrialization.

9. After the establishment of the republic, a population exchange was made with Greece and Bulgaria under the Treaty of Lozan in 1922. As a result approximately 1.2 million Orthodox Greeks were forced to leave Anatolia, and in return, close to half a million Muslims arrived from Greece and the Balkans (Keyder 1987:10). The state also imposed a special wealth tax of up to 75 percent on the properties of non-Muslim entrepreneurs in 1942 (Kasaba 1997:25).

national bourgeoisie, the provincial elites who were the main agricultural producers and the state. This coalition collapsed because of the economic policies adopted by the state during the World War II. The agricultural producers and poorer peasants were deeply affected by the wartime taxation and the provisioning of the urban areas. Even though the national bourgeoisie was the main beneficiary of the wartime conditions, it began to oppose the strict control of the state on their businesses (Keyder 1989; Boratav 2003, Ahmad 2006).

In addition to the dissatisfaction of the domestic actors with the single party's economic policies, the international context after the end of World War II (WWII) also pushed the RPP to move to a multi party democracy and the first multiparty elections were held in 1946. As a result of the public dissatisfaction with the single party rule, the Democrat Party (DP) came to power in 1950. The DP government prioritized the agricultural production in the economy by increasing the cultivated areas, supporting the mechanization of the agriculture with the Marshall Plan Aid¹⁰ and providing large price support. It is significant to note that contrary to the RPP, the DP government relaxed the restrictions on religious expression and started to make use of Islam as part of its political propaganda. As a result of its support of the agricultural production and use of Islamic rhetoric, the DP gained the support of the rural producers and major Islamic orders in Anatolia.

Despite such differences, the DP government perpetuated the authoritarian tendencies of the single party rule. Confident in its power stemming from landslide election victories in 1950 and 1954, the DP government was very strict against any criticism from the opposition party and minorities. DP also continued the policy of creation of a national bourgeoisie which resulted in the 6-7 September pogrom against the non-Muslims in Istanbul and the consequent plundering of non-Muslim property in 1955. In the name of protecting democracy the military intervened in 1960 and overthrewed the DP government. The advent of the multi-party democracy in 1950 was not sufficient for the consolidation of

10. The end of the Second World War in 1945 led to a bipolar international structure in which the US and the Soviet Union (USSR) arose as the major powers. Communist regimes were established under the auspices of the Soviet Union in Eastern Europe. In order to protect the European nations from the Soviet expansionism, the US adopted the Truman doctrine in 1947 and provided financial aid to Western European countries through Marshall Plan for restructuring their economy. Turkey received Marshall Plan aid due to its alliance with the US which was furthered by Turkey's participation in Korean War in 1950 and subsequent membership to the *North Atlantic Treaty Organization* (NATO) in 1952.

democracy in Turkey mainly because of the post-1950¹¹ military interventions. Although the military stayed in power for short durations following the coups, it was devastating for Turkish democracy, especially for the people such as intellectuals, students with leftist inclinations, ethnic and religious minorities who opposed the oppressive state authority.

The governments established after the military coup in 1960, gave priority to state planning and intervention in the economy. They adopted highly protectionist trade regime and provided the private sector with subsidized credits, tax exemptions and import privileges through import substituting industrialization (ISI) policy of the state. As a result of the ISI policies, big family holding companies and large conglomerates were formed, however they were highly dependent on imports, foreign technology and financial credit and highly limited in exports (Öniş and Webb 1994: 325). The Association of Turkish Industrialists and Businessmen (TÜSİAD) was established in 1971 by the leading twelve industrialists. During the following years, TÜSİAD, representing the Istanbul-based bourgeoisie, became a very influential pressure group in the economic and political sphere.

The economic policies implemented after the advent of the multi-party democracy had significant impact on the society on many levels. At the end of the 1960s, Turkey was no more an economy dependent on the agriculture and a small industry owned by state as it was in the 1950s, the share of industrial production transcended the agricultural production in the gross national product in 1973 (Ahmad 2006:155). Atasoy (2003:150) describes the Turkish industrialization model as one that would 'subordinate small town-based capital groups to the large industrial interests of big cities, while eliminating the small producing Turkish peasantry in favour of an urban wage-earning class.' (2003: 150)

The mechanization of the agriculture in the 1950s and ISI policies in the 1960s and 1970s led to mass urban migration. Since the state did not have any policy to deal with mass migration such as the provision of low cost housing to new-comers, the urban migrants built squatter housing on illegally occupied state

11. The Turkish military used its coercive power by staging coups in 1960, 1980 and forcing the government to resign in 1971 and 1997 without military intervention. The necessary conditions required for the justification of the military intervention were created by the military, with the help of external powers, through provocation and escalation of existing conflicts in the society such as the ideological division between leftists and rightists or anti-Alevi sentiments dominant in Sunni Muslims. The military justified its intervention in 1960 in the name of protecting democracy by taking over an authoritarian one-party government, in 1971 and 1982 in the name of protecting the public security by ending chaos and in 1997 in the name of protecting secularism by forcing an Islamist prime minister to resign.

land without construction permits. One quarter of the urban population lived in shanty towns filled with squatter housing by 1975 (Yavuz 2003: 82). The urban poor became the major constituency for the Islamist parties in the 1980s.

2. The Neo-liberal Transformation and the Rise of Anatolian Bourgeoisie (1980-1990)

In the end of the 1970s the economic turmoil¹² was coupled with the political crisis stemming from the rigid ideological division between the left and right. The political struggle between the ultra-nationalists and radical leftists provoked by the international context of the Cold War brought Turkey to the brink of civil war¹³. The military intervened in 1980 in the name of 'ending chaos' and stayed in power until 1983. TÜSİAD, the business association of the leading industrialists, which had perceived the 1961 Constitution as too democratic for Turkey mainly because of its pro-labor legislations, supported the 1980 military-coup (Özkan and Tozan 2000). It is revealing to note that Vehbi Koç, the head of the biggest family holding company in Turkey, had sent a letter to the leader of the military administration thanking him and asking him for more restrictions towards leftists, non-Muslims and the Kurds (Bilge 2009). Following the 1980 military intervention, the restrictions on autonomous Islamic orders were further relaxed and the Turkish-Islamic synthesis, which combined Turkish nationalism with Islam, was promoted by the civilian and military bureaucrats in order to contain the Left¹⁴. The authoritarian rule of the military enabled the administration to

12. The short term coalition governments in the 1960s did not take the necessary measures to increase the efficiency and competitiveness of the industrial structure which was necessary for increasing the export level and avoiding a balance of payment crisis. With the increased oil prices during the oil crisis in the 1970s, Turkey had the most severe balance of payments crisis of the postwar period and the inflation jumped to 90 percent in 1979 (Pamuk 2007: 16).

13. A climate of terror has dominated the streets especially after the 1977 elections. The illegal actions of the militants of the Nationalist Action Party (NAP), the ultra nationalist party established in 1969, were either ignored or supported by the rightist governments in the name of countering the 'communist threat'. Radical leftist factions resorted to violence for fighting against each other and ultra nationalists. Alevis constituting the largest non Sunni sect in Turkey suffered from communal massacres in four major cities of Anatolia during the 1970s. In the last pogrom which was organized by ultranationalist militants in Kahramanmaraş in 1979 105 Alevis were killed and 176 were injured. The shops and houses owned by Alevis were destroyed. The short-term coalition governments could not manage to prosecute the provocateurs responsible for the creation of the chaos.

14. The most devastating period for the Turkish democracy was the military rule between 1980 and 1983 which took place after 1980 coup. The anti-communist ideology of the US led to

abandon ISI policies and introduce a neo-liberal economic model.

The main beneficiaries of the neo-liberal economic policies of the 1980s were the small and mid sized companies in Anatolia. The civilian successor of the military rule, Turgut Özal, who was elected as the prime minister in 1983 elections, followed the neo-liberal policies in close cooperation with the IMF and the World Bank and gave priority to the export promotion. He introduced further liberalization of trade and payment regimes and provided extremely generous subsidies and tax rebates to small and mid sized export based companies in Anatolia in order to increase export. Although Istanbul based industrialists benefited from the wage cuts and anti labor legislations, they opposed to Özal's trade liberalization and continued to lobby for protection whereas the emerging export oriented companies in Anatolia strongly supported his policies (Öniş and Webb 1994).

Özal wanted to break the dominance of the big industrialists in the economy by supporting the small-mid sized companies in Anatolia owned by the families associated with Islamic orders. Özal himself had very close connections with Nakşibendis, one of the biggest Islamic brotherhood in Turkey. Therefore one of the first decrees¹⁵ of Özal's government was allowing the use of charitable donations for religious purposes. This decree enabled the Anatolian companies to use the Islamic capital stemming from their trade relations with the oil rich Middle Eastern states, to finance Islamic revivalism in the social sphere. Such Islamic capital started to be used to finance the promotion of Islamic activities in Turkey such as the opening of new schools, printing houses publishing Islamic publications, new Islamic television and radio stations (Yavuz 2003: 89).

The neo-liberal transformation of the 1980s led to the emergence of two distinct bourgeoisies in Turkey; an Istanbul based bourgeoisie composed of the

strong opposition of the military to left leaning groups in Turkey including trade unionists, intellectuals and students. The leftists were considered as the biggest threat to state authority and therefore significant number of people was prosecuted in military courts without fair trials. Under the military rule about 650,000 people were arrested, 230,000 people were brought to trial, 517 people were given death penalty in the courts, 49 of the death penalties were executed, 171 people died as a result of torture during interrogations and 299 people died in the prisons. Additionally 30,000 people lost their jobs because of being listed as 'threat to the regime', 14,000 citizens lost their Turkish citizenship, 23,677 civil society organizations were closed, 937 film were forbidden, and the newspapers were stopped for 300 days (Berktaş 2008; Yavuz 2003: 69)

15. Apart from the Islamic capital from the middle east, remittances sent by the Turkish citizens working in the European countries and domestic savings in the interest-free banking which was allowed by law in 1983 became important source for the capital accumulation of the Anatolian bourgeoisie. (Demir et al. 2004)

large industrialists formed through the etatist and ISI policies after the establishment of the republic and the Anatolian bourgeoisie comprised of the export oriented small and mid sized companies in Anatolia established in the post 1980 period. They have been represented by different business associations. The monopoly of TÜSİAD which was the business association of the Istanbul based bourgeoisie established in 1971, was challenged by the establishment of ‘The Association of Independent Industrialists and Businessmen’ (MÜSİAD) by the Anatolian bourgeoisie in 1990.¹⁶ TÜSİAD and MÜSİAD became important actors not only in the economic sphere but in the political sphere as well, notably through their support or opposition to governments’ policies.

The Anatolian bourgeoisie was generally organized around the Nakşibendis and Nurettins, major Islamic orders. As a result of the intra-community solidarity and mutual support, these orders provided the Anatolian bourgeoisie with a customer-base. They introduced a new Islamic way of life which mingled the values of modern capitalism with the merchant ethic of the Prophet. MÜSİAD publications outlined the rules of the business drawing upon the verses of the Koran and argued that the rules determined by the prophet to guide the exchange activity in the Medina market clearly define a competitive system with minimum state intervention and regulation. (Buğra 2002: 194) The leaders of the Islamic orders encouraged their disciples to engage in trading activities to be free from the state. It is interesting to note that the promotion of trade by Esad Coşan, the leader of the Nakşibendi order between 1980 and 2001, reached such an extreme level that it turned into a commercial enterprise rather than a Sufi fraternity (Yavuz 2003: 143).

In the 1980s, the importance of the education combining Western science and technology with an Islamic morality was emphasized by the leaders of Islamic orders, especially Fethullah Gülen, the leader of the Nur movement. The younger male generation in the Anatolian bourgeoisie was encouraged to attain university education, learn foreign languages and gain experiences abroad in order to be successful in the global trade. Nevertheless the daughters of the new elite were not integrated to the workforce as much as the sons. Erol Yazar, the founding president of the MÜSİAD, criticized the dominance of the patriarchal

16. Yavuz (2009: 93) argues that the new Anatolian bourgeoisie represented by the MÜSİAD has three major characteristics: Firstly they are religiously and socially conservative, economically liberal, and oriented toward private initiative; secondly they are able to generate initial capital through family and religious networks and thus more prone to accumulate wealth; and thirdly they were very critical of state intervention in the economy.

understanding about the education and employment of the women in the Anatolian bourgeoisie that:

Businessmen do not care about sending their daughters to school. When you ask them in which school their son was studying, they explained it in detail with great enthusiasm, whereas for their daughters they say ‘never mind, she will get married and leave home.’ [translation is mine] (Yeni Şafak 2009)

While the Anatolian bourgeoisie benefited from the neo-liberal transformation and support of the center right parties, the majority of the population negatively affected. The urban migrants who had to live in shantytowns in the cities and the workers who lost their social rights through anti-labor legislations became the main losers due to the huge inequality in income distribution in the 1980s. As a result of the public frustration with the economic policies, the Welfare Party (WP), an Islamist party which used anti-capitalist rhetoric of social justice and fair distribution of income gained 21 percent of the votes and become the major partner of the coalition government formed in 1996.

3. The Role of the Business Sector in the Securitization of the Headscarf Issue (1990-present)

The Islamic revival in the economic sphere stemming from the rise of Anatolian bourgeoisie and political sphere with the election victory of Islamist WP created a significant challenge to the oligarchic capitalism dependent on the coalition between the Istanbul-based bourgeoisie and the secularist establishments of the state. In this period Turkey witnessed a power struggle in the economic sphere between TÜSİAD and MÜSİAD, and in the political sphere between the secularist establishments and WP, the Islamist political party. This power struggle was won by the secularists when the coalition government of WP and True Path Party (TTP), a center right party, was forced to resign as a result of the post-modern coup of the military on 28 February 1997. The military legitimized its intervention in the name of protecting secularism. WP was dissolved by the Constitutional Court in January 1998 for being a ‘center of activities contrary to the principle of secularism’ and its leader Erbakan was banned from the politics. TÜSİAD supported the military’s intervention in 1997 and it also ‘remained silent when the military issued a list of over one hundred Islamic corporations including some of Turkey’s leading exporters that were to be put under surveillance and denied access to state sector contracts.’ (Yavuz 2003: 94). Istanbul based bourgeoisie also did not raise any opposition when the prosecutor demanded the

closure of the MÜSİAD after the closure of WP

The women wearing headscarves became the victims of the power struggle between secularists and Islamists in the political and economic sphere. In 1997 the military identified the headscarf as one of the main indicators of an 'Islamic threat' (Çınar 2008: 1) and presented the women wearing headscarves as a threat to secularism. This in return, justified the role of the military as the guardian of the secular republic. The military instrumentalized the headscarf issue for its own interest by imposing a strict ban on the headscarf in the public sphere. The expulsions of the covered students from the universities reached its highest level following the 1997 post-modern coup.

As a result of the power struggle between secularists and Islamists in 1990s, the companies felt the necessity to align themselves with a side. Most of the companies tried to build a 'secular' image and distance themselves from the Islamist image as far as possible in order to prevent a possible reaction of the military. Özyürek (2006) demonstrated examples of how certain companies used the image of Atatürk in their commercial advertisements in order to build this 'secular' image. For instance Bankexpress used an ad in which it first displays an Atatürk's phrase: 'What the Republic wants from you is generations with a free mind, a free conscience' and then it replies with the following sentence: 'The smart, hardworking, cultured new generations that were dreamt of seventy-five years ago for the future of the Turkish Republic are now working for you at Bankexpress' (Özyürek 2006: 119)¹⁷. A woman wearing headscarf was not considered as a part of this new generation so employing a woman wearing a headscarf would be contrary to the secularist image built by these companies.

The field-work I conducted in Turkey between June and August 2010 illustrated that the employment opportunities for women wearing headscarves are limited in the private sector. During the field work twenty biggest corporations in Turkey according to the Fortune Top 500 ranking 2010 were contacted. The companies did not share any information about the employment of women wearing headscarves in their companies for confidentiality reasons. Using snowball technique interviews have been conducted with the employees of six major corporations; TURKCELL (8th biggest in the Fortune Top 500 ranking 2010

17. It is interesting to note that many companies with foreign origin also used Atatürk's image in their advertisements in order to show their loyalty to the founding father and the principles of the republic. For instance in an advertisement for Mitsubishi air conditioners there was a well known picture of Atatürk sleeping on snow during the Liberation War and under the picture it was written 'We wanted to remind you of the difficulties involved during the founding of the republic.' (Özyürek 2006: 119)

(Milliyet 2010), Arçelik (11), FORD Otomobiles (13), Vestel Electronic (18), Unilever (26) and British American Tobacco. The interviewees who wanted to remain anonymous stated that none of them had colleagues who were women wearing headscarves in these companies.

It is further revealing to note that in the dressing codes applied in these six companies there is no sentence referring to the headscarves of the employees while they explain the clothes that are allowed in the companies in a very detailed way that even the color and style of the jackets or skirts were designated. For instance a dressing code describes women's clothing allowed inside the company as follows:

The suits with one, two or three buttons which are appropriate for the work place should be preferred. The colors appropriate for the work place are dark blue, black, dark brown [...] Blouses without pattern which fit the pants and skirts should be preferred. Earrings and necklaces that make noise should not be worn. Ethnic accessories are not appropriate for the professional life. [translation is mine]

The absence of any reference to the headscarf of the employee while all other clothes were described in such detail hints the possibility of an existing underlying discriminatory policy against the headscarf. It is also interesting to note that British American Tobacco had employees wearing headscarves but they were temporary workers who were transferred from Egypt. In other words they hire covered women in Egypt but not in Turkey.

While the employment opportunities for headscarved women are very limited in corporations trying to build a secular image, Islamist companies did not make any significant effort to deal with this problem. Most of them refrain from hiring these women in order to 'present a "secular" face to their customers and business partners' (Keskin-Kozat 2003: 191) In Cindoğlu's study the interviewees stated that the few companies that employ them considered it as a favor to them and tended to exploit their labor by paying lower salaries or not promoting them to higher positions (2010:86) The sexist approach which considers male worker as the head of household who is responsible for earning money for the family and the female worker as the supporter of her husband who only contributes to the family budget legitimizes the exploitation of the labor of the women wearing headscarves. The limited employment opportunities and the sexist approach to women's labor reveal that the women wearing headscarves were not only discriminated against by the state and the secularist companies but also by Islamist companies. Yavuz argued that the Anatolian bourgeoisie had been committed to democratic values and challenged the status quo (2009: 13). This

argument is problematic in the sense that the Anatolian bourgeoisie did not take any risk by providing significant number of jobs to the women wearing headscarves which would have been a major challenge to the status quo.

As a result of exclusionary policy of the state towards woman wearing headscarves in universities and public sector, the chances for interaction between the women wearing headscarves and the secularist people are very limited. Due to absence of face-to-face interaction and relationship, the 'otherization' process is heightened and the only knowledge of the secularists about the covered woman is based on hearsay, rumour, fears and prejudice. The 'otherization' nourishes the threat formation and consequently securitization. Therefore the private sector, both the Istanbul based and Anatolian bourgeoisie intensified the securitization of the issue by not employing covered women and hindering a possible interaction between the secularist people and covered women.

Despite of the fact that the companies owned by the Anatolian bourgeoisie did not constitute an alternative source of employment for the women wearing headscarves who were excluded from the public sector, they raised opposition to the headscarf ban in universities through MÜSİAD's publications. (MÜSİAD 2000: 21). Contrary to MÜSİAD, TÜSİAD further securitized the issue by presenting the discussions about the ban as a threat to economic stability. Keyman and Koyuncu argued that in the 1990s, TÜSİAD transformed itself from a business association to a civil society organization 'striving for the democratization' of Turkey. (2005: 115) This argument has been repealed by the fact that in the 1990s, TÜSİAD sided with the secularists in supporting the headscarf ban in the public sector which was one of the major anti-democratic practices in the country. When an opposition was raised against the headscarf ban or the government tried to pass legislation in order to eliminate the ban, TÜSİAD adopted the discourse of the 'priority of the economy' and marginalized the headscarf issue as a problem affecting a small group of women. For instance when Merve Kavakci was elected in 1999 as the first deputy in republican history to wear the headscarf, it created huge controversy. The secularist establishments- mainly the military and the judiciary- raised opposition to her attendance to the parliament while wearing her headscarf. Erkut Yücaoğlu the president of TÜSİAD at that time sided with the opposition and stated:

Our country does not have the luxury to waste time with the unfruitful discussions about the turban¹⁸. We hope that the deputies of the new period will focus on the

18. Turban (*türban*) is the term used by secularists to denote a new type of veiling adopted by the woman in the 1980s. In the secularist imagining there is a great difference between the

economic, social and political reforms that have been waiting for a long time by putting an end to these discussions. [translation is mine] (Zaman 1999)

Once again in 2008, TÜSİAD sided with the secularists in opposing the elimination of the headscarf ban in universities by using ‘the priority of the economy’ discourse. As a result of the collaboration of the governing Justice and Development Party (JDP)¹⁹ and the Nationalist Movement Party, the second biggest opposition party, the ban on the headscarf in universities was eliminated on 9th February 2008. Nevertheless, this act of the government created immense opposition from the secularist establishments. The Republican People’s Party, the main opposition party, applied to the Constitutional Court and on 5 June 2008, the Court declared that the two amendments were invalid. TÜSİAD sided with the secularists by using ‘the priority of the economy’ discourse. Arzuhan Yalcındağ, the first female president of TÜSİAD criticized the government for creating tension in the society through the headscarf issue. She stated that:

The issue seems to be out of control. The nation’s expectation from the newly formed parliament and government was unity and acceleration of the reform process [...] Instead of divisions and tensions, we should adopt economic and social policies which will increase the prosperity of the country and its citizens. [translation is mine] (Hurriyet 2008)

In this statement, the headscarf issue is presented as the cause of divisions and tensions in the society. The newly formed government was recommended by TÜSİAD to prioritize the economic problems affecting larger parts of society in stead of an identity issue creating ‘divisions and tensions’ in the society. In light of such statements, it appears that TÜSİAD is legitimizing a discriminatory path against women wearing headscarves.

headscarf and turban since the former is believed to symbolize the tradition whereas the later is claimed to be the symbol of the political Islam. The headscarf of the grandmothers or the woman living in the rural areas was considered as a harmless symbol of tradition whereas the *türban* of the urban woman demanding to study in universities and work in public sector is considered as a threat to secularism.

19. The JDP government maintained the economic program adopted by the previous government after the 2001 crisis, which included key structural reforms focusing on an accountable banking system and further liberalization of the market. Although low rate of inflation and high economic growth rate was achieved, the success of the economic program stemmed from the inflow of hot money and increasing unemployment which reached an alarming level around 16 percent in 2009 (Pamukcu and Yeldan 2005; Rodrick 2009)

Conclusion

This article attempted to understand the role played by the business sector in the securitization of the headscarf issue. By doing a historical analysis of the political economy of Turkey, this article looked at state-business relations in order to analyze the formation of the private sector. After the establishment of the Republic in 1923, the state tried to create a national industry and a bourgeoisie which became the agent to reflect the ‘modern’, western lifestyle. The dependence of the national bourgeoisie to the state expanded for more than three decades, from 1950 to the late 1970s. As a result of the import substituting industrialization (ISI) policies of the state, the private sector was provided with subsidized credits, tax exemptions and import privileges. During this period the first major family holding companies and large conglomerates were formed by national bourgeoisie. TÜSİAD which was established in 1971 in order to represent the Istanbul based bourgeoisie, sided with the status quo in times of the crisis of the democracy such as the military intervention in 1980 and post-modern coup in 1997.

Following the military coup in 1980, Turkey went through a neo-liberal transformation. The small-mid sized export oriented companies in Anatolia benefited from the neo-liberal economic reforms. The monopoly of Istanbul based bourgeoisie was challenged by an emerging Anatolian bourgeoisie. The 1990s has witnessed the power struggle between TÜSİAD and MÜSİAD in the economic sphere and the secularists and Islamists in the political sphere. This struggle was won by the secularists when the military forced the government headed by the Islamist party to resign.

After the post-modern coup of the military in 1997, most of the companies tried to build a ‘secular’ image to prevent a possible reaction from the military. In this period the strict opposition of the secularist establishments to the visibility of the headscarf in the public sector was clearly translated into informal discriminatory practices in the private sector. As argued in the article, although there is no legal barrier for the employment of women wearing headscarves in the private sector, the employment opportunities for these women has remained very limited.

In this article it was argued that both the Istanbul and Anatolian bourgeoisie actively contributed to the securitization of the headscarf issue by not providing job opportunities to women wearing headscarves. As a result of the absence of face-to-face interactions and relationships between secularists and women

wearing headscarves, the ‘otherization’ process was heightened which in return nourished securitization of the issue. It was also argued that TÜSİAD furthered the securitization process by opposing the elimination of the headscarf ban through statements prioritizing the economy over headscarf issues, suggesting that one was competing with the other.

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