

# Globalisation, European Integration and Turkey

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*This article underlines the linkage between globalisation and economic life in Turkey based on the outcomes of the author. Turkish politics within the context of globalisation is analyzed by focusing on the effective economic actors, namely those of the “Association of Turkish Industrialists and Businessmen” (TUSİAD), the “Association of Independent Industrialists and Businessmen” (MUSİAD) and the city or region-based “Associations of Industrialists and Businessmen” (SİADs). By exploring and documenting the ways in which these actors perceive globalisation and articulate it into their discourses and strategies, it is demonstrated that they operate as strong supporters for Turkey’s integration to the European Union, as civil society organisations calling for a more democratic Turkey, and as cultural actors demanding recognition and civil rights/freedoms, and globalisation functions as an “internal element” of their alternative visions of Turkey.*

The radical and unpredictable political and economic changes in the world are forcefully undermining the established discourses and the terms of politics. It appears to be more and more difficult, if not impossible, to think of politics by situating it solely at the "national context". Such modern referents of politics as the nation state, national identity and national economy appear to be losing their explanatory power for the analysis of social and political change, as a result of the process of increasing interconnectedness of societies, making "national context" vulnerable and exposed to global/regional forces and local pressures.<sup>1</sup> Turkey, in this context, is not an exception: on the contrary, during the last decade, Turkish society has undergone rapid social/cultural, economic and political change, the manifestations of which have been felt in every sphere of social life. It can be legitimately argued that while the state-centric model of modernisation with its statist and populist political parties are facing a representation crisis, the economic and cultural life spheres have been going through important changes, bringing about new (civil society) actors, voicing alternative languages of politics and demanding “a different, democratic and prosperous Turkey”. The emerging and increasing “gap” between the political and the economic/cultural spheres creates a sociological foundation for both the crisis-ridden dynamics of Turkish politics and the strong calls for a better, more effective and democratic governing of Turkey. The processes of globalisation plays an important role in the emergence and in the widening of this gap, and thus constitutes an “effective variable” for a more adequate analysis of the changing nature of Turkish politics.

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<sup>1</sup> A comprehensive analysis of globalisation and its political impacts on the national context can be found in D. Archibugi, D. Held and M. Köhler (1998) *Re-imagining Political Community*, Cambridge: Polity.

In this paper, on the basis of the research I have done in the last three years on “the impacts of globalisation on Turkey”<sup>2</sup>, I will try to analyse Turkish politics within the context of globalisation by focusing on the effective economic actors, namely those of the “Association of Turkish Industrialists and Businessmen” (TUSİAD), the “Association of Independent Industrialists and Businessmen” (MUSİAD) and the city or region-based “Associations of Industrialists and Businessmen” (SİADs). By exploring and documenting the ways in which these actors perceive globalisation and articulate it into their discourses and strategies, I will demonstrate that they operate as strong supporters for Turkey’s integration to the European Union, as civil society organisations calling for a more democratic Turkey, and as cultural actors demanding recognition and civil rights/ freedoms, and globalisation functions as an “internal element” of their alternative visions of Turkey.

## **Globalisation and Economic Life**

One of the sites where the most visible impacts of globalisation on Turkish society can be observed is “economic life,” whose scope, discourse and actors have been enlarging since the 1980s, and whose organisational structure has been increasingly extended beyond the national and territorial borders. In fact, since the 1980s, and especially in the 1990s, the Turkish economy has been: (a) exposed to the process of the globalisation of capital and trade and (b) organised on the basis of the primacy of the global market over the domestic one, which has led economic actors to realise, (c) that market relations require rational and long-term strategies, and (d) that in order to be secure and successful in (globalised ) economic life, it is imperative to gain organisational capabilities to produce or maintain technological improvement and strategic planning for production and investment. As a result, in the last decade, we have seen the increasing importance of the discourse of “free market”, the multiplication and the dissemination of economic actors, and the pluralisation of economic organisations in Turkish society. TUSİAD, MUSİAD and SİADs appear to be the most effective and active economic actors, also acting as civil society organisations, and voicing new claims to identity, democracy and effective governing in Turkey.

**(A) TUSİAD:** Since its establishment in 1971-73, TUSİAD has undergone radical changes and transformations. Known as “the largest and most powerful business organisation and pressure group in Turkey” and sometimes called “the

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<sup>2</sup> For more detail, see Özbudun, E. and Keyman, E.F. (2002) ‘Globalisation and Turkey: Actors, Discourses and Strategies’, in Peter Berger and Samuel Huntington (eds) *Many Globalisation*, forthcoming, Oxford: Oxford University Press.

club of the rich”, TUSIAD had perceived the 1961 Constitution as too democratic for Turkey. It also supported the 1980 military-coup. Currently, however, TUSIAD acts as the strong voice in the call for the democratisation of Turkey in accordance with the standards of democracy in Europe and argues for the need to protect civil rights and liberalisation. It presents itself as an organisation that “has changed over time”. The change, which the organisation has gone through in the last two decades, has to a large extent been framed by globalisation; that is, by the changing nature of world economic and political affairs that have made democracy not only necessary but further the sufficient condition for modernisation and development.

To substantiate this general point, the following claims are made by the members of TUSIAD:

(i) They perceive globalisation to be a process that operates beyond the borders of national societies. As a process, globalisation is mainly concerned with the globalisation of the market, and is about the emergence of the interconnectedness between countries, especially with respect to the movements of capital, finance and trade. Likewise, globalisation is regarded as an “objective reality”, a “social fact” which should not be resisted nor celebrated, but should be viewed as the new context of economic development, as well as the historical context for national politics. According to TUSIAD, as opposed to the import-substitution industrialisation during the 1960s and 1970s, in which the nation-state was the major actor of national development, we are living in a time when the globalisation of market relations, taking place beyond the reach of the nation-states, plays the role of being the main point of reference for the economic life and its actors;

(ii) In this sense, globalisation brings about a set of new relations that are novel in their own context; relations such as the emergence of new trade relations which make geographical distances recede, the increasing importance of supra-national relations (for example the European Union for Turkey) which create new regulations beyond the borders of the nation-state, and the fragmentation of domestic market relations into regions, each of which has its own economic relations abroad (for example the Black Sea Economic Cooperation). TUSIAD sees European Integration as a short-term effect of globalisation, and approaches the European Union (the EU) by embedding it into a globalising world. It supports Turkey’s full membership to the EU by seeing it as a positive development for the creation of a different and democratic Turkey;

(iii) However, globalisation, according to the members of TUSIAD, also brings about a new culture in economic life, that is, it forces the economic actors to acquire a “new economic rationality” in accordance to which they are supposed to act, prepare economic strategies, and take decisions. Globalisation creates a new discourse of economic life that frames cognitively the strategies and the decisions of economic actors. This implies that the possibility of economic success lies in

the mentalities of economic actors themselves, their ability to articulate cognitively the new economic rationality, and their capacity to make long-term strategies to secure their position in global markets which can only be possible by focusing on technological innovation and quality maintenance;

(iv) Two points can be extrapolated from the new economic rationality. According to a TUSIAD member, a new economic rationality also creates changes in the mentalities of economic actors whose identity-formation now involves new values, such as technological orientation, the advocating of knowledge and information over tradition, the adaptation of a global network society and the preference of the long-term strategies over short-term gains; Secondly, the adaptation to the new economic rationality also brings about a new cultural platform for the creation of a cultural identity based on “a set of symbols” by which economic actors differentiate themselves from one another, as well as from the early generation industrialist and businessmen. In this sense, one of the impacts of globalisation in economic life has been the creation of “symbolic capital” internal to the identity-formation of economic actors. This identity involves post-modern references to such symbols as life-styles, taste, outlook, body, and consumption patterns, makes symbols important aspects of identity, and breaks with tradition and locality by privileging MacWorld over past-national culture. In this context, it is suggested that economic globalisation generates changes not only in economic organisation, but also in the identity-formation of economic actors;

(v) TUSIAD maintains the idea that at the level of society at large the processes of globalisation have given rise to two interrelated facts, namely the rise of cultural identity which has taken the forms of the resurgence of Islam and the “Kurdish problem” and the need for the protection of civil rights. Both of these facts require a democratic organisation of the state-society relations in Turkey. TUSIAD thinks that Turkey’s exposure to the globalising world has two-dimensions: the first is the problem of integration into the EU, and secondly, the status and the location of Turkey in world politics. Turkey has the potential to become what they call “a country that belongs to the first league”, but they believe that in order to achieve both, Turkey has to solve the problems stemming from the lack of democratisation and political liberalism, problems such as the violation of human rights, the protection of civil rights and the acceptance of the rule of law as the fundamental basis of state power. Globalisation in this sense appears both as the process related to the emergence of the problems confronting the Turkish state and as the primary-point of reference for the solution of this problem through democratisation;

(vi) Therefore, for TUSIAD, the possibility of the realisation of its economic interests embedded in the global market is directly linked to the democratisation of Turkey at large. Especially during the 1990s, TUSIAD has also acted as a civil society organisation by assuming a “democratic-identity” having a societal vision to make Turkey a liberal, plural democratic society for which the EU provides a

useful and feasible context. This means that as opposed to the 1970s and the 1980s, TUSIAD “has changed” in the 1990s by acting not only as an economic actor but also as a civil society organisation assuming responsibility for what is good for Turkey at large and striving for democratisation which is the necessary condition for “the elevation of Turkey to the first league in world affairs”; and

**(B) MUSIAD:** There is no doubt that MUSIAD is the most important business organisation that claims to carry with itself an “Islamic identity”. Since its inception, it has played a crucial role in (a) linking together business organisations having closer ties with the rise of Islam, (b) supporting, promoting and protecting their economic interests, and (c) developing a societal vision on the basis of Islamic principles.<sup>3</sup> By creating a “powerful network based upon trust-relations” among Islamic economic actors, MUSIAD has become as significant and powerful as TUSIAD, even to the degree of confronting its dominance in Turkish economic life. With MUSIAD, we have seen the emergence of economic Islam with its actors, strategies and discourses. We have also seen that the link between Islam and Western rationality is possible, and that the fact that Islamic discourse is embedded in economic and cultural globalisation, creates the co-existence between Islamic identity and free market ideology.

This general account of MUSIAD can be substantiated on the basis of the following points we have extrapolated from our research of MUSIAD:

(i) Like TUSIAD, MUSIAD too views globalisation as a process whereby exchange activities go beyond the borders of the nation-state and operate within a global market. For them, globalisation creates interconnectedness among societies, economies and cultures, and sets “the rules of the game” which requires a rational thinking, long-term strategies and organisational capacities. In this sense, globalisation becomes the new historical context for economic development. MUSIAD also attributes a positive quality to globalisation because it is as a result of the globalisation of market relations that a suitable ground was created for the rise and the success of “economic Islam;

(ii) However, unlike TUSIAD, MUSIAD is founded on Islamic principles, such as the feeling of trust and solidarity, the primacy of community over the individual, the discourse of the just-self over the self-interested actor, and the privileged status of ethical codes over individual morality. Thus, MUSIAD argues that Islamic discourse is far more compatible with globalised market relations than the existing state-supported bourgeois class in Turkey, insofar as it creates the relation of trust and solidarity in a given in Turkey. The reason for the compatibility of Islam and the free market is given by MUSIAD with reference to the “East Asian model of development”, in which, it is believed, the success

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<sup>3</sup> For detail, see Buğra, Ayşe (1999) *Islam in Economic organizations*, İstanbul: TESEV.

comes from “the “strategic fit” between the traditional institutions that regulate social relations and the requirements of global markets”.

(iii) In this context, MUSIAD argues that its discourses, strategies and actors create what is called, the “proper Islamic discourse” which is neither backward, nor mystical, nor solely traditional, but, on the contrary, is progressive, open to economic and technological innovation, compatible with free trade and capitalism, and able to create the sources of wealth. This means that like TUSIAD, MUSIAD promotes technology and quality maintenance. Its actors prefer and prepare long-term and rational strategies over short-term interests to secure their success, and their entrepreneurial activities are embedded in capitalism and the economic rules of capitalist rationality. Economic Islam, then, promotes capitalism as economic globalisation but situates it in Islamic discourse as its cultural basis. As the representative of economic Islam, MUSIAD articulates Islamic religion with economic globalisation, but at the same time creates a societal vision, based on the primacy of cultural/communitarian identity over individualistic morality;

(iv) This vision has been directly derived from MUSIAD’s positive view of globalisation, which provides a basis both for the challenge MUSIAD initiates against the existing politico-economic order (that is, statism and secularism), and for its promotion of Homo Islamicus. Thus, MUSIAD sees globalisation as a factor contributing to the development of pluralism and multiculturalism, thereby creating a platform for democratisation in Turkey. This leads MUSIAD to support Turkey’s integration to the EU. Here, globalisation is seen in relation to the integration process in Europe, where Turkey wants to be a full-member of the EU. Here, again, globalisation functions as both a conditioning and an enabling factor: (a) conditioning in the sense that it requires, even forces the Turkish state to be open to democracy, which creates a legitimate ground for Islamic discourse as an element of pluralism and multiculturalism; and (b) enabling in the sense that it enables economic Islam to operate beyond the borders of the nation-state;

(v) However, two points should be made at this juncture: first, MUSIAD’s view of pluralism and multiculturalism is not liberal, insofar as it accords primacy to community over the individual. In fact, for them, it is not individuality but community, in which self-identity is discursively constructed and defined. Community, based on Islamic discourse, comes before individual preferences and morality, so that the references to democracy, freedom and morality, and in this sense pluralism and multiculturalism, are situated in and framed by the communitarian ideology rather than liberalism. Secondly, this communitarian ideology, which also explains the link between economic Islam and its aspiration of the East Asian model of economic development, gives a clear expression to MUSIAD’s view of the community-based economic organisation. MUSIAD constitutes a community-based economic organisation, founded upon an articulation of Islamic cultural/moral identity and free trade, which overrides class/power/wealth differences between capital and labour. This means that

Islam defines the identity of both the owner and the producer, makes them part of the economic community, and masks the inequality, the unevenness and the difference between them in terms of power and wealth. For example, the discourse of justice and fairness that economic Islam uses never involves references to organisational rights of producers for unionisation, strike, security, health and welfare. In fact, the communitarian ideology that economic Islam promotes acts against the principles of the welfare state and distributive justice in general, and the organisational rights of the producers in particular. Herein, we can see that MUSIAD is in fact a class-based organisation which uses Islamic discourse to “justify” its communitarian ideology and to “mobilise” its economic activities. Herein, we can see also that at the ideological level, MUSIAD and its Islamic economic identity differs radically from TUSIAD and its economic identity that has recently placed a special emphasis on the language of civil rights as a basis for the process of democratisation in Turkey.

**(C) SIADs:** In recent years, we have witnessed the increasing importance, both qualitatively and quantitatively, in the province (city)-based and the regional-based industrialist and business organisations (SIADs). Thus, in addition to TUSIAD and MUSIAD, Turkish economic life now involves SIADs as economic actors with their own discourses and strategies. Even though they are not as strong and influential as TUSIAD and MUSIAD, they deserve our attention, insofar as (a) they have created a dynamic economic life in Anatolia, especially with the emergence of the economically successful Anatolian cities, known as “Anatolian tigers”; (b) their economic success stories, they have played an important role in changing our “orientalist vision” of Anatolia as an agriculture-based, underdeveloped and traditional social totality; and therefore (c) they have shown us that there are different ways in which the global is articulated with the local and creates different “social forms” and “societal visions”.

In many ways, SIADS appear similar to TUSIAD and MUSIAD, in terms of their positive attribute to economic globalisation, their adherence of free trade ideology, their critique of the existing politico-economic order that privileges the strong state tradition over economic and cultural activities, and their support for Turkey’s integration to the EU. Also, in terms of the scale and the scope of their economic organisation, they represent, as in the case of MUSIAD, small and medium-scale enterprises taking place in different regions of Anatolia. Moreover, they promote a model of economic development, in which the link between free trade and traditional/communitarian cultural identity defines the very basis of economic life. In fact the condition of existence of SIADS and their *modus vivendi* is founded upon the promotion of community ties over individuality, which is seen as the pre-condition for economic success.

However, SIADs differ from TUSIAD and MUSIAD and gain specific characteristics in three fundamental ways:

(i) In their province- or region-based organisation, SIADs operate without state support and represent local development that depends exclusively on trade relations beyond the borders of the nation-state. In fact, they are the clearest cases in which the globalisation of the local can be observed. For this reason, SIADs view economic and cultural globalisation both as “internal” to their emergence and development, and as a process making a positive and valuable contribution to the protection of their local cultures;

(ii) All SIADs give primacy to community over individuality. They all define community as an “organic social and cultural unity”. In this sense, they all prefer homogeneity, commonality and sameness to pluralism and difference. Thus, they all promote conservative and communitarian societal visions over liberal individualism. And they all maintain that success in economic life derives from the protection and the organisation of cultural life as an “organic unity”. However, their view of what constitutes organic unity differs from MUSIAD, in that for SIADS Islamic discourse is not the exclusive source of cultural identity. Such references as nationalism, family ties, traditional norms, ethnicity and premordialism, also play a significant role in creating communitarian ties that make social and cultural life an organic unity. Successful SIADs, known as the Anatolian Tigers, for example in Gaziantep, Konya, Kayseri, Çorum, Denizli, Aydın, Adana and Antalya, explain their economic development by emphasising the importance of establishing organic organisational and cultural ties among powerful actors in their own communities. In fact, one of the ideas commonly shared by SIADs is related to the significant emphasis placed on the role of culture for economic development: that is, the extent to which organic unity is produced and reproduced in a given community determines the degree of success in economic life. Therefore, while those success stories were pointing out the value of organic unity for a successful linkage between the local and the global, in the provinces where underdevelopment remains, the economic actors complained about the lack of community spirit to create organic unity;

(iii) This emphasis on organic unity explains the overarching power of nationalism and conservatism at the political level in most of the provinces and regions of Anatolia, where moral and ethical community as an organic unity is seen as an unquestioned basis of the development of economic and cultural life. For this reason, SIADS, while promoting the linkage between the local and the global, also function as the “bearers of conservatism and nationalism” in their societal visions. It should be pointed out, however, that their societal visions are limited in content, scope and scale to the provinces wherein they operate. They are concerned about, and with, the success of their own provinces, and thus, unlike TUSIAD and MUSIAD whose societal vision concerns Turkish society at large, SIADS remain small-scale organisations both discursively and functionally, with their limited societal visions and their attempt to create an organic unity in their own communities.

Having outlined the main outcomes of the research I have done on the linkage between globalisation and economic life in Turkey, it can be concluded that such linkage takes the form of “the relation of co-existence” between the global and the national/ the local. However, the meaning that economic actors attribute to the impact of globalisation vary in accordance with their economic discourses and strategies. While all of them see globalisation as an internal element of the changing nature of economic and cultural life in Turkey, and further they all support Turkey’s integration to the EU, they differ in terms of their own societal visions. This difference manifests itself in the simultaneous promotion of both the universal language of civil rights and individuality, and the protection of cultural/ moral identity and the creation of a community as an organic unity. This means, first and foremost, that free trade-based economic development coexists with both liberalism and communitarianism in Turkish economic life, and secondly that the possibility for a more effective governing of Turkey lies in a serious attempt to restructure Turkish politics on the basis of the principles of accountability, transparency, responsibility and democracy. Taking globalisation and European integration seriously beyond the realm of populism and self-interest would constitute, in this context, a starting-point for the creation of a different Turkey.