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**Political Islam and the New Global Economy:
The Political Economy of Islamist Social Movements
in Egypt and Turkey**

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I. Introduction: Statement of the Argument

Since September 11, 2001 much ink has been spilled analyzing “Islamic fundamentalism” or ostensibly more authoritatively, but not necessarily more precisely, “Wahhabism” and their threat to US national security and Western civilization. The armed radicals of al-Qa`ida and similar groups, while they have received the lion’s share of public attention, are only one relatively small component of a broad movement of Islamic activism that has emerged since the mid-1970s. “Islamists” or “Islamic activists” or proponents of “political Islam” – I use these terms interchangeably – are Muslims who do not necessarily accept received understandings of the Islamic tradition as the ultimate determinants of contemporary Muslim identity and practice. Rather, they self-consciously seek to refashion that tradition in response to the challenges – however defined – faced by their community and to mobilize Muslim sentiment and identity in support of their vision of a proper Islamic society.¹ Even if that vision is presented as a return to an ideal past, it addresses modern political, economic, and cultural problems. The term “fundamentalism” is inadequate to describe this phenomenon because it suggests a Protestant literalist reading of the Bible which has no analog in Islam and because it implies a backward-looking rather than a modern social movement.

It was a conceit of modernization theory that Islam was waning in the Middle East and that modernity patterned on the Euro-American model was the inevitable trajectory of the region.² Islam has always been present in the array of cultural elements available to define local identities. In the twentieth century it was mobilized for a wide range of contradictory political purposes: in Iran, the Constitutional Revolution of 1905-11 and the Islamic Revolution of 1979; In Palestine, the nationalist revolt of 1936-39 and abstention from PLO-led nationalist activity by the Mujamma` al-Islami in the Gaza Strip in the 1980s; in Algeria, participation in the FLN-led struggle for independence in 1954-62 and opposition to FLN rule in the 1980s and 1990s. In 1956 Egyptian President Gamal `Abd al-Nasir spoke from the pulpit of al-Azhar mosque to urge his people to fight against the

tripartite aggression of Britain, France, and Israel. In 1962 Saudi Arabia, supported by the United States, established the Muslim World League, seeking to raise the banner of Islam in opposition to Arab nationalism and Arab socialism epitomized by `Abd al-Nasir.

Much of what has been written about political Islam consists of studies of its ideas.³ Of course, we do want to know what Islamists think and consider seriously the distinctions among them, unlike those who launched a war on Iraq without considering the radically different worldviews of al-Qa`ida and secularist Ba`thism. However, such approaches may overestimate the historical continuity of Islamic ideas and practices and tend to explain contemporary Islamist activism as an expression of a religious essence abstracted from time, place, and social context.

A second current of thought emphasizes psycho-social factors in the formation of political Islam. To the extent that this approach identifies specific grievances that motivate Islamists and enhance their capacity to build a popular base by establishing institutions to ameliorate such grievances, this approach is valuable. However, some analysis in this mode tends to regard Islamism as a form of “false consciousness” – an ideology that inappropriately displaces secular political action.⁴ Secular nationalists and progressives, who regard the followers of political Islam among the popular classes as properly “their” people, are particularly inclined to these views. A variation on this theme is that Saudi oil money surreptitiously propagated a radical version of Islam while infiltrating and restructuring national economies.⁵ Some proponents of this viewpoint see the cadres of violent elements of Islamist movements as marginal elements of society who reject modernity and suffer from alienation or Durkheimian anomie.⁶

In contrast, I argue that changes in the global and regional political economy are linked, although sometimes in unexpected ways, to the reimagination of political community, culture, and identity expressed in the resurgence of political Islam since the early 1970s. Political Islam is not only a family of “antisystemic movements,” in the terminology of Arrighi, Hopkins, and Wallerstein.⁷ It consists of a family of diverse and

even internally contradictory social movements that may be systemic or anti-systemic. In the era of neo-liberal economic restructuring, it has been both simultaneously. Political Islam has a broad social base beyond the violent radical fringes that have recently occupied the attention of the West. People of disparate classes and geographic regions with differing in religious practices, political affiliations and voting patterns, and economic and social visions all claim the banner of “Islam.”

This is clearly evident in Egypt and Turkey. As they are the two most populous and industrially developed Muslim majority countries in the Middle East, they constitute appropriate case studies to illustrate this argument (a case can also be made for Morocco, Jordan, and several other countries, but that would require finishing the book for which this paper is just a beginning).⁸

This argument builds on the work of those who have analyzed political Islam as urban, or in the case of Upper Egypt and Anatolia, provincial, protest movements.⁹ I also acknowledge the effort, begun in the early 1980s and then relatively neglected for two decades, to understand political Islam through the lens of network or social movement theory.¹⁰ This method partly explains the successes of Islamist movements in mobilizing the core of their activists and public advocates: the educated, modern middle classes.

I differ with these approaches in two respects. First, I do not regard political Islam solely as a protest movement; it can also serve as a means of suppressing or mediating social conflict or as a cultural framework for capital accumulation. Second, I do not agree with those social movement theorists who argue that the institutions established by the middle-class Islamist networks are not sites of recruitment and primarily provide services “by and for the middle classes.”¹¹ On the urban periphery of Cairo and in Upper Egypt radical Islamists have successfully mobilized the poor, the unemployed, and private sector tradespeople and service workers. In Turkey, the Welfare Party (Refah Partisi – RP) and its successor, the Justice and Development Party (Adelet ve Kalkınma Partisi – AKP) have deployed culturally appropriate language, social networks, good governance,

and attention to people's quotidian problems to mobilize the urban working poor around an Islamist program. The social base of political Islam extends well beyond the modern, middle class intelligentsia. This is because, in contradictory ways, Islamism appeals to both the losers and the winners of global neo-liberal economic restructuring.

Political Islam has become the most popular framework of resistance to autocratic Middle Eastern regimes and the new regional political economy. These movements are the outcome of three interlocking developments: 1) the defeat of secular Arab nationalism in the Arab-Israeli war of 1967; 2) changes in the global economy initiated by the delinking of the dollar from gold in 1971 and the recession of 1973-75; and 3) the demise of economic nationalism exemplified by Egypt's announcement of an "open door" (*infitah*) policy in 1974 and Turkey's January 24, 1980 economic measures. Understood in these contexts, political Islam does not represent a recrudescence of medieval thinking and rejection of modernity. It is, rather, an integral part of modernity.

The Bretton Woods agreement of 1944 and the global recession of 1973-75 delimit a period of rapid expansion and stability of the world capitalist economy. This period marked the climax of the Fordist-Keynesian regime of capital accumulation. The global recession of 1973-75 initiated a decade of stagnation and inflation (stagflation) in the industrialized capitalist countries. This was not merely a downturn in the business cycle, but a structural decline in productivity and profits lasting at least until the mid-1990s. Consequently, Fordism-Kenesianism was gradually replaced by the neo-liberal regime of capital accumulation based on flexible specialization promoted by the Reagan and Thatcher administrations in the United States and Great Britain and the stabilization and structural adjustment programs in Asia, Africa, and Latin America installed under the guidance of the International Monetary Fund and the World Bank.¹²

The brief, but significant, Arab oil embargo proclaimed in response to US support for Israel in the 1973 Arab-Israeli War symbolized the demise of global Fordism. The oil embargo of 1973-74 and the subsequent spike in oil prices, though not the principal

structural causes of the 1973-75 recession and the stagflation of the subsequent decade were the temporally most proximate phenomena. Oil constituted an important link between the centers of the world market and its Muslim peripheries throughout the twentieth century. But the relationship between oil and Islam has often been treated polemically. Before the collapse of oil prices in 1985-86, many argued that the 1973 Arab-Israeli war linked the “barrel of oil” and the “crescent of Islam” causing a resurgence of Islam.¹³ This once trendy analysis is now obviously inadequate to understand the historical conjuncture in which specific forms of political Islam emerged as movements of opposition to the social and economic restructuring induced by the oil boom and global neo-liberalism and simultaneously as frameworks for capital accumulation.

In Egypt and Turkey the adoption of neo-liberal economic policies was accompanied by an alliance between state elites and Islamists against challenges from the secular left. In both cases the Islamists soon turned against those who had invited them into the political arena – an expression of the instability of the rentier coalitions based on petroleum revenues that came to dominate political life in many Middle Eastern states and their failure to establish stable social structures of capital accumulation or a new political vision. Declining state budgets and cutbacks in social spending dictated by the international financial institutions following neo-liberal orthodoxy increasingly restricted state efficacy to urban upper middle class and elite areas. Income distributions polarized. States became unable to provide previously established levels of services or to insure adequate supplies of commodities to all sectors of their territory and population, undermining the terms of the social compact established in the era of authoritarian populism and state-led import-substitution industrialization under the banner of Arab nationalism and Arab socialism. The 1980 IMF intervention in Turkey and the economic policies adopted by the military regime after the coup of September 12, 1980 and the subsequent governments led by Turgut Özal had similar effects.

By undermining state capacities, the economic stabilization and structural adjustment programs of the IMF and World Bank provided a windfall to Islamist movements, enabling them to speak in the name of resistance to foreign domination and exploitation of “the people.” Those movements established a popular base by offering social services that states could no longer afford to provide. Populist elements in the Islamist discourse linked the corruption and autocracy of state elites with their inability to provide social services, jobs with a living wage, and an attractive future.

Although the twenty-fold increase in the price of oil from 1973 to 1981 certainly had something to do with the upsurge of political Islam, the Islamist upsurge since the mid-1970s cannot be understood narrowly as a function of oil. Petroleum wealth provided the capital for the formation of “Islamic” banks and investment companies that did not provide interest (*riba*) on deposits, which many Muslim authorities consider to be forbidden, but co-investment and profit sharing which is permitted by the *shari`a*. Some of these firms began by serving the needs of migrant laborers from Egypt, Sudan, Jordan, Palestine, and Yemen who found work in Saudi Arabia and other Persian Gulf countries during the oil boom. Islamic movements were often funded by recycling the earnings of these workers through informal currency transfer and exchange networks and by wealth amassed during the oil boom. Many Arabs who worked in the conservative oil producing states of the Persian Gulf were influenced by the forms of Islam practiced there.

Comparable circuits of cash and politicized religion involved linked Turkish migrant workers in Europe and capital investment in Anatolia. Islamic identities were often strengthened by a sojourn in Europe as a response to discrimination and hostility against Muslim migrants. With its more than 70,000 members, The European National Outlook Organization (*Avrupa Milli Görüş Teşkilatı*) founded in the early 1970s has had ideological and financial connections to the series of Turkish Islamist political parties since then.¹⁴ In the mid-1980s the Saudi-funded Muslim World League, flush with petrodollars and substantial contributions from ARAMCO, paid the salaries of Turkish

imams in West German mosques and funded the construction of mosques in Turkey, while the Saudi government paid the salaries of Arabic teachers in Turkish universities.¹⁵ The large Kombassan Holding and the smaller Yımpa_, both Muslim-identified firms based in Anatolia with connections to the Islamist parties, collected millions of dollars in small investments from migrant workers in Europe in a trust-based system that avoided the sin of interest but gave no contractual guarantees of a return.¹⁶

A “second wave” of Islamist movements in the late 1980s and 1990s was propelled by the collapse of oil prices in 1985-86, intensification of stabilization and structural adjustment programs administered by the international financial institutions, and blowback from the anti-Soviet *jihad* in Afghanistan. Armed insurrections led by “Arab Afghans” who returned to Egypt and Algeria after participating in the anti-Soviet *jihad* were the most salient forms of Islamist violence in the 1990s. They served to justify the increasingly autocratic practices of those regimes as well as their neighbors, Tunisia and Morocco. In Turkey the political violence of the 1970s was abruptly suppressed by the 1980 military coup. When political parties were permitted once again in 1983 many Muslim-identified members of the business class supported the socially conservative, business-oriented Motherland (Anavatan Partisi – ANAP) or True Path (Do_ru Yol Partisi – DYP) parties. Neither was overtly Islamist though they embraced the new religio-national cultural identity advanced by the military: the “Turkish-Islamic synthesis.” More populist elements supported the moderate Islamist Welfare Party (RP) and its successors.

II. Egypt

Islamism and the Rollback of Nasirism in Egypt

Hundreds of Muslim Brothers were arrested in 1954 following an attempt by one of their number to assassinate President Gamal `Abd al-Nasir the leader of the Free Officers who overthrew the Egyptian monarchy on July 23, 1952. One of their most

influential leaders, Sayyid Qutb was released from jail in May 1964. In 1965 he joined and perhaps became the leader of an effort to reconstitute the Society of Muslim Brothers. Qutb's stature grew after the regime executed him in 1966, alleging that the "1965 organization" sought to overthrow the regime with arms supplied from Saudi Arabia.

Anwar al-Sadat was close to the Muslim Brothers before he joined the Free Officers. In 1970 he succeeded `Abd al-Nasir as President of Egypt. Almost immediately he began to redefine Egypt's identity as a society of "science and faith."

Osman Ahmad Osman – a multimillionaire with business interests in the public and private sectors, a power broker in the ruling National Democratic Party, and a member of the president's family through the marriage of their children – was perhaps the second most powerful man in al-Sadat's regime. As a pupil in the Isma`iliyya primary school, Osman was taught by the founder and first General Guide of the Society of Muslim Brothers, Hasan al-Banna. Osman joined the society, and although he dropped his official membership after graduating from university, Osman remained spiritually connected, continued to pay dues, and lavished public praise on the Brothers. After the 1954 assassination attempt, Osman persuaded `Abd al-Nasir that Muslim Brothers would be less of a threat to the regime if his Arab Contractors Company provided them with lucrative employment in its Saudi and Kuwaiti branches.¹⁷

As part of al-Sadat's strategy to roll back Nasirism and reorient Egypt towards the West, he began to free jailed Muslim Brothers in 1971; and he invited the exiles in Saudi Arabia and the Gulf to return to Egypt. Neither al-Sadat nor his successor, Husni Mubarak, offered full legal recognition of the Muslim Brothers. Nonetheless, all the Brothers were released from prison by mid-1975. In 1976 publication of the weekly, *al-Da`wa* (The Call), was resumed without official acknowledgement that it was published by the Muslim Brothers, although this was common knowledge.

The Brothers had developed sharp differences over the ideas advanced by Sayyid

Qutb in *Ma`alim fi al-tariq* (Signposts or Milestones), the first drafts of which began to circulate among imprisoned Brothers in 1962. Shukri Mustafa led those who adopted Qutb's view that Egypt was a state of unbelief and that the Brothers should withdraw from society to strengthen themselves and prepare for an active struggle to establish a proper Islamic state. After his release from prison, Mustafa established the Society of Muslims (Jama`at al-Muslimin), better known as the Takfir wa'l-Hijra group – meaning roughly to retreat from a society of unbelief.

The old guard leadership of the Muslim Brothers rejected this notion and affirmed their historic position that through preaching (*da`wa*) nominal Muslims could be brought to a higher state of commitment and practice. In 1969 the society's second General Guide, Hasan al-Hudaybi, wrote a strong riposte to Sayyid Qutb: *Du`a, la quda* (Preachers not judges). Al-Hudaybi repudiated the violence employed by the Brothers' Rovers in 1947-49 and probably in 1954. `Umar al-Tilmisani, who became General Guide in 1973, shared these views.

A third current, eventually joined by Shukri Mustafa, argued, based on the thought of the late-medieval jurists Ibn Taymiyya and Ibn Qayyim al-Jawziyya, argued that a Muslim state not ruled by *shari`a* law was a *jahili* (pre-Islamic pagan) society against which a *jihad* could be launched.¹⁸

A militant student movement led by Marxists and Nasirists and sharply critical of Anwar al-Sadat's failure to liberate the occupied Sinai Peninsula despite having declared 1971 "the decisive year," was in the forefront of Egyptian university politics in the early 1970s. To diffuse this criticism of his regime, al-Sadat delegated Muhammad Osman Isma`il to encourage the formation of Islamic student groups on university campuses.¹⁹ By 1976, this loose network of groups successfully dislodged the left from its dominance in student politics by a combination of intimidation, physical force, and provision of services like cheap photocopies of textbooks and transportation to school in gender-segregated minibuses for women who wore *hijab* (a headscarf or more elaborate

covering). At first, the student Islamic groups did not have a clear political orientation. A number of them came to embrace withdrawal from society or jihadist doctrines and joined the marginal groups that committed extravagant but strategically hopeless acts of violence: the Technical Military Academy group inspired by the Jordanian-based Islamic Liberation Party (in 1974) and the Society of Muslims (in 1977).²⁰

Some student radicals joined the Jihad organization which assassinated Anwar al-Sadat in 1981. Jihad's roots were in the Islamic group at Asyut University in Upper Egypt led by `Umar `Abd al-Rahman and Karam Zuhdi. In 1979-80 the Asyut student-based group united with a Cairo-based group led by `Abd al-Salam Farag, remnants of the two organizations that had been smashed in 1974 and 1977, and other small regional societies. Because the assassination of al-Sadat did not result in a general uprising, as they hoped, some elements of Jihad disavowed the strategy of immediate armed struggle, although they did not oppose it in principle. In 1984 they broke away and readopted the name Islamic Group (in the singular). Some of their members migrated to the urban fringes of Cairo. Another faction of Jihad members with a global, rather than a local Egyptian, perspective wanted to engage immediately with the enemy. Many of them followed Ayman al-Zawahiri to conduct *jihad* in Afghanistan, activity sanctioned by the regime until 1991.²¹

The available evidence does not establish any connection between the violent groups of 1974-81 and the Society of Muslim Brothers, except that some of the radical leaders were former Brothers. The Muslim Brothers invested substantial effort to win over the members of the student Islamic groups, as the generation that emerged from prison had few younger followers. The older Brothers debated and publicly criticized the student radicals; eventually, many student Islamists did join the society.²²

The New Islamist Business Class

After proclaiming victory in the 1973 Arab-Israeli War, al-Sadat felt he had

established sufficient legitimacy to announce his intention to reorient Egypt's economic and political life. His April 1974 "October Working Paper" announced the new open door (*infatih*) economic policy, which became the emblem of the demise of Middle Eastern state-led development and economic nationalism. Despite this and other grand pronouncements, there was little structural change in the Egyptian economy in the 1970s and early 1980s.²³ The end of the oil boom in 1985-86 and the explosion of third world debt – signaled regionally by the 1978 Turkish foreign exchange crisis and globally by the 1982 Mexican default – made Egypt more vulnerable to pressures from its small entrepreneurial class, the US government, and the international financial institutions, resulting in more intense social conflict and ultimately a more decisive transition to the new economic order following the 1991 Gulf War.

The open door policy allowed a new class of importers, financiers, middlemen, and profiteers to form. Some of its members were self-made. Others used the assets and connections available to them as managers of public enterprises. Yet others revived and reconfigured the fortunes of monarchy-era elite families. A substantial fraction of this "*infatih* class" had an Islamist cast. By 1980 elders of eight of the eighteen families who dominated Egypt's private sector were affiliated with the Muslim Brothers. Economic enterprises linked to the society, many concentrated in real estate and currency speculation, may have constituted as much as 40 percent of the private sector.²⁴

The leadership of the Muslim Brothers in the 1970s and 1980s was associated with old-money and landed families, a tendency that began when Hasan al-Hudaybi became General Guide in 1953. The family of his successor, `Umar al-Tilmisani, owned 300 feddans (acres) and seven houses. Al-Tilmisani's deputy and eventual successor as General Guide, Mustafa Mashhur, came from a wealthy land-owning family in Sharqiyya province. The prominence of such figures led Robert Springborg to conclude, "It can reasonably be claimed that those currently in control of the Muslim Brothers are of the Islamic *infatih* bourgeoisie who 'bought' the organization with resources acquired

through collaboration with the Sadat regime.”²⁵

A substantial fraction of Egypt’s emergent Islamic business class, especially those linked to old money and power, invested in banking and financial services – one of the first sectors of the economy to exploit the open door policy. The Faisal Islamic Bank was established in 1977 by Prince Muhammad Ibn Faisal of the Saudi royal family. One of the founders of its Egyptian branch was `Umar Mar`i, a member of an old landed family. `Umar’s half-brother, Sayyid Mar`i, was related to Anwar al-Sadat by marriage. `Umar had been jailed as a Muslim Brother by `Abd al-Nasir and recruited others from a similar background to work in the bank.²⁶ By 1985, Faisal Islamic Bank and its smaller competitor, the Islamic International Bank of Investment and Development, held 16.8 percent of the deposits in Egypt’s commercial banking system.²⁷ The share of deposits in Islamic banks declined in the late 1980s, probably due to nervousness about the government’s investigation of the Islamic investment companies.

The Islamic investment companies constituted another sector of the new Islamist business class. In the mid-1980s there were nearly 200 such firms of various sizes organized as individual proprietorships and joint-stock companies; perhaps one million Egyptians had invested in them. Estimates of their total assets vary from \$20-60 billion based on little publicly available evidence. Minister of Social Affairs Amal `Abd al-Rahim Osman claimed a figure of £E 24 billion.²⁸ The six largest, in decreasing order, were Rayyan, Sharif, al-Sa`d, al-Huda, Badr, and al-Hilal.

The principal source of capital of these companies was Gulf oil wealth. Rayyan began operating in Saudi Arabia in 1978 by collecting deposits and repatriating funds from migrant workers. In 1982 Fathi, the oldest of the three Rayyan brothers, returned to Egypt from Saudi Arabia and led the establishment of the Rayyan firm, which soon became the largest of Egypt’s Islamic investment companies. Before the big run on the Islamic investment houses in November 1986 Rayyan’s capital was estimated at £E 5 billion.²⁹ Badr, established in 1980, had similar origins.

In contrast to the elitist Muslim Brothers, the Islamic investment firms were associated with the nouveau riche of the *infitah* era. Fathi Rayyan did not graduate from university. Muhammad Ashraf Sa`d was the son of a low-ranking government official. He migrated to France, where he worked as a manual laborer. When he returned to Egypt in 1986, he had become more devout.³⁰ `Abd al-Latif Sharif, founder of the second largest of the Islamic investment firms, had been a member of the Society of Muslim Brothers and was imprisoned by `Abd al-Nasir. After his release from prison by Anwar al-Sadat, he accumulated capital by establishing a plastics and construction company based in Alexandria.³¹

Although `Abd al-Latif Sharif had been a Muslim Brother and Ahmad Tawfiq al-Rayyan, Fathi's younger brother and also a principal of the firm, had been a member of an Islamic group while a student in veterinary school, the owners and managers of the Islamic investment companies generally did not belong to the Society of Muslim Brothers or other Islamist organizations, although relations were generally supportive. The Islamic investment companies engaged in a Muslim moral economy discourse using the concepts of equity, mutual obligation, and responsibility. But it is unclear how devout some of the principals of these firms actually were. Rayyan boasted that it had many Christian and two Jewish investors.³² Clement Henry Moore suggests that, "The entrepreneurs wrapped themselves in Islam in the manner that US presidential candidates use the American flag."³³

Despite the humble origins of several of the founders, the Islamic investment companies were politically well-connected. Former Minister of Interior Nabawi Isma`il was on the board of Rayyan.³⁴ Osman Ahmad Osman was a big supporter of the Islamic investment companies. He offered both business partnerships and financial advice, particularly to the Rayyan and Sharif firms.³⁵ Both the opposition Labor Party, which began to adopt Islamist positions in 1984, and the secularist Wafd supported the Islamic investment firms when they came under scrutiny by the Central Bank of Egypt.³⁶

The Central Bank began trying to audit these firms and regulate the movement of their assets in November 1986. Most of the Islamic investment firms collapsed in May 1988, one month before the enactment of a new investment law. However, it is not likely that the government was motivated purely by the desire to uphold financial transparency.

In June 1985 Islamist radicals attempted to assassinate President Husni Mubarak, during his trip to Addis Ababa. This was followed by a rash of fire bombings of video rental stores by the Najun min al-Nar (Escapees from Hellfire) group, attacks on Christians in several provinces in 1986 and 1987, and three attempted assassinations of prominent pro-regime personalities in 1987. The Mubarak regime was suspicious, though it never provided evidence, that these activities were financed by funds laundered through the Islamic investment firms and came to regard them as subversive institutions that had to be crushed.

A third sector of the new Islamic business class is comprised of merchants, manufacturers, labor contractors, and small to medium sized businesses. The largest construction company in Asyut, Tali`at al-Iman (Vanguard of the Faith), was established by the son of `Abd al-Qadir `Awda, one of the six Muslim Brothers were executed for attempting to assassinate Gamal `Abd al-Nasir in 1954. The firm requires that its clients be good Muslims with recommendations from persons with “Islamic connections” and that men wear beards and women wear *hijab*. Several Islamic publishing houses, the largest is Dar al-Shuruq, flourished in the 1980s and 1990s. As it became more successful, Dar al-Shuruq began publishing the work of Muhammad Hasanayn Haykal, the most prominent personality in public life associated with the Nasir regime until his retirement in 2003. In Alexandria shoes were traditionally manufactured through a putting out system. The entrepreneurs of this system were close to the Islamist movement, and many of the home workers also became affiliated. Labor contractors who organized seasonally workers to clean canals and repair agricultural infrastructure were commonly affiliated with the Islamist movement.³⁷

Islamist Populism and Egypt's "Lumpen Intelligentsia"

There is a broad consensus that the armed radical Islamist cadres of 1974-81 were largely comprised of students and recent graduates, especially in the elite fields of engineering, medicine, and pharmacy. They hailed from provincial towns, disproportionately from the Upper Egyptian provinces of Minya, Asyut, and Sohag which have the highest concentration of Copts, and urban shanty towns like Cairo's Imbaba and `Ayn Shams. Their natal families were stable, and their fathers tended to be middle grade civil servants with no university education. They came to Cairo, Alexandria, or Asyut for university studies. In sum, they were above-average young adults in their twenties from the lower middle class with high motivation and aspirations for upward mobility.³⁸ In the Nasirist era, many of them would have become respectable public sector employees with a middling income.

The number of university graduates nearly tripled from 1975 to 1985. But because of cuts in the state budget and commodity subsidies imposed by the IMF, public sector employment no longer provided wages adequate to marry and raise a family. Hence, fewer university graduates sought public sector employment, even though they were entitled to a position by law. At the same time, the declining price of oil on the world market from 1982 on reduced opportunities for young men to migrate to oil-rich countries and amass savings to buy and furnish an apartment – the prerequisites of a middle-class marriage. The real unemployment rate in the mid-1980s was well over the official rate of 12 percent and was concentrated among first-time job seekers with intermediate and university degrees. This "lumpen intelligentsia," as Carrie Rosefsky Wickham dubs them, was deeply aggrieved that despite their hard work and academic achievements they had few prospects for material success. They became the primary social base of the Islamist movement in the 1980s.³⁹ While the social profile of most Islamist students and recent graduates of the mid-1980s matched that of the armed

radicals of 1974-81, many of them now joined the Society of Muslim Brothers. State repression of the militants and toleration of non-violent activities made armed struggle a less attractive option.

Husni Mubarak began his presidency by alleviating the repression which had led directly to al-Sadat's assassination. The 1,300 political prisoners, among them hundreds of Islamist activists, arrested without charges a month before the assassination were released. Opposition press and political parties were given more leeway, and an electoral alliance of the Muslim Brothers and the Wafd was permitted to participate in the 1984 parliamentary elections. A more ideologically compatible Muslim Brothers-Labor Party "Islamic Alliance" was established in 1987. It continues to this day, though its leaders have been jailed and its newspaper banned sporadically since 1994. A few of the most prominent student Islamist leaders of the 1970s became parliamentary representatives of the Wafd-Muslim Brothers alliance of 1984 or the Islamic Alliance of 1987. Muslim Brothers occupied thirty-eight of the sixty seats won by the Islamic Alliance in 1987, sending a strong signal to the government that they could become a powerful force, even within the constraints of Egypt's autocratic political system.

The Islamic Group launched a broad armed offensive signaled by the assassination of the secularist journalist, Farag Fuda, in June 1992. The arrest of `Umar `Abd al-Rahman in the United States in 1993 intensified the armed struggle centered in Upper Egypt. The tourist industry was a particular target of terrorist attacks by the Islamic Group, culminating in a massacre of fifty-eight foreigners and four Egyptians in Luxor on November 17, 1997. That incident cost the Islamic Group the support of the vast majority of its previous sympathizers. Its leaders have since renounced armed struggle. The combination of repression and loss of credibility ended the viability of the jihad option in Egypt.

In this context, working within the framework of the Muslim Brothers, non-violent propagation of the Islamist message, and organizing to win representation in both

the institutions of civil society and the parliament seemed to be the only potentially successful strategy. But a part of its counter-offensive against the Islamic Group, in 1995 the Mubarak regime declared that there were no substantial differences between the Islamic Group and the Muslim Brothers and began to crack down on the Brothers as well. This led some middle-generation Brothers – roughly those who had joined as university students in the 1970s – to seek a less confrontational way to remain in the political game.

The trajectory of Abu'l-`Ila Madi Abu'l-`Ila exemplifies the experiences and perspective of his cohort of young Islamist activists. In 1976 he enrolled in Minya University, where he became *amir* (commander) of the Islamic student association in the Faculty of Engineering and head of the Student Union. In 1978 he was elected vice-chair of the National Egyptian Student Union. The next year he led student protests against the Egyptian-Israeli peace treaty. Abu'l-`Ila's success as a student politician reflected a broad trend: in 1976 candidates of the Islamic groups won control of eight of twelve university student unions. In 1979 Abu'l-`Ila joined the Muslim Brothers. In 1988 he was elected assistant secretary-general of the Engineers' Association as a representative of Islamic Trend (see below). In 1996, as state repression against all expressions of Islam not under its control reached its peak, Abu'l-`Ila became one of the founders of the Center Party, which sought to emulate Turkey's Welfare Party and other legal Islamist parties in Yemen and Jordan. Nonetheless, the regime denied legal recognition to the Center Party. Abu'l-`Ila and others were jailed for five months on fabricated charges that the Center Party was a front for the Muslim Brothers. In fact, the leadership of the Brothers strenuously opposed this initiative. In late 1996 Abu'l-`Ila and fifteen other middle generation leaders publicly announced their resignations from the society.⁴⁰

Many recent graduates continued their Islamist activism through neighborhood organizing. Unable to afford housing in central urban districts, they congregated in urban peripheries where they deployed their idealism and professional skills to establish day-care centers, medical clinics, and other services. Young, unemployed or underemployed

professionals also served as *imams* in the hundreds of private mosques established by the movement.⁴¹

The parliamentary success of 1987 led `Abd al-Mun`im `Abd al-Futuh, head of the Cairo University Student Union from 1974 to 1977, and other young Muslim Brothers leaders to develop a plan to contest the leadership of Egypt's professional associations. Operating under the banner of the "Islamic Trend" or the "Islamic Voice," they and their allies ran for positions on the executive boards of associations enrolling some two million engineers, doctors, dentists, pharmacists, teachers, commercial employees, agronomists, and others. Most of the associations were in the Islamists' hands by 1992. Islamists also won control of the boards of most university faculty clubs, beginning with Cairo University in 1984.⁴²

Osman Ahmad Osman served as chair of the Engineers' Association from 1979 to 1990 and introduced the social service programs which became the hallmark of Islamist administration of the professional associations. Under his leadership the Engineers' Association established a private hospital, housing projects, a consumers' cooperative, a social welfare fund, group life insurance, and a social club for members. Osman's Islamist successors negotiated an arrangement that allowed engineers to work at their government jobs in the afternoon so that they could take more lucrative private employment in the mornings. The result was a fourfold increase in the aggregate salaries of engineers from 1985 to 1994.

Similar accomplishments won the support of many Copts, who comprise about 30 percent of the members of the Pharmacists' Association. In 1994, with 17,000 of 21,000 eligible voters participating, The Islamic Trend won seventeen of twenty-five seats on the board. The Coptic deputy secretary-general of the association, Muhammad `Abd al-Gawwad, said, "...their performance has been excellent...So it's not my business to know what they do at night behind closed doors in their Brotherhood offices."⁴³

The peak of Islamist success in the professional associations was the capture of

the traditionally leftist Journalists Association and the historic citadel of secular nationalism, the Bar Association, in 1992. These victories confirmed the hegemony of Islamism in public culture. In response, the government drafted legislation to make it more difficult for a low proportion of eligible voters to determine the outcome of professional association elections. There was no small degree of hypocrisy in this, as parliaments of the al-Sadat and Mubarak era were routinely installed with an even smaller proportion of the electorate participating than in professional association elections.

The Islamic Trend's message of equity, social justice, moral renewal, and criticism of official corruption and neglect of the common welfare provided an effective explanation for the social experiences and blocked ambitions of students and recent graduates and was an important factor in their professional association victories.⁴⁴ In a different era they would have been leftists. Indeed, the social profile of those arrested as members of illegal communist organizations around this same time resembles that of the Islamist cadres.⁴⁵ Wickham offers this social movement theory explanation for the Islamist successes:

Graduates became Islamists not because of the intrinsic appeal of the *da`wa* but because the networks of its transmission were deeply embedded in urban, lower-middle-class communities; its social carriers were familiar and respected; and its content resonated with the life experience and belief system of potential recruits.⁴⁶

In a different Turkish class context, Jenny White terms these social and cultural practices “vernacular politics.”⁴⁷ Because its appeal was familiar and “resonated with the life experience and belief system of potential recruits,” this form of Islamism, unlike that of the armed groups, was often not perceived as politics at all. Abu'l-`Ila Madi Abu'l-`Ila was using a rhetorical device when he declared in a 1977 speech, “There is nothing called religion and politics. We only know religion.”⁴⁸ But it was a plausible claim for much of his audience. Putting things this way did not require people to embrace anything other than the beliefs they had grown up with.

Islamic Populism and Terrorism in Upper Egypt and the Urban Periphery

Many peasants from Upper Egypt migrated to the Gulf oil countries in the 1970s. When they returned, they bought agricultural lands, gave charity to medical clinics, and funded the establishment of local markets – activities which raised their prestige and social status. Their children became the cadres of the Islamic Group, the only Islamist organization with a substantial base in Upper Egypt. When the Islamic Group broke away from the Jihad organization in 1984, some of its cadres migrated to Cairo. The Islamic Group adopted a two-track strategy: providing social services for the poor and conducting armed struggle targeting Copts, the tourist industry, and state officials. The Islamic Group's calls to redress poverty and injustice – expressed in more militant language than the Muslim Brothers-affiliated lumpen intelligentsia employed – provided an Islamic justification for improving the material lot and status of peasants, the lowest stratum in Upper Egypt's social hierarchy, and expressed the grievances of a region neglected by Egypt's Cairo-centered elites. Upper Egyptian popular customs became part of the definition of approved Islamic behavior promoted by the Islamic Group. Although the content was different than the vernacular politics the university graduates of the Muslim Brothers used in the professional associations and similar settings, the style of work of the Islamic Group was similar. Cadres were integrated into their communities through regional and family ties; they delivered needed social services; and they spoke in an accessible language “merging...popular values with Islamic traditions.”⁴⁹

In the 1980s and early 1990s the main bastions of the Islamic Group were Upper Egypt, the Western Munira neighborhood of Imbaba and its adjacent districts, and `Ayn Shams. Western Munira and `Ayn Shams are among the seventy-four “spontaneous” settlements (*`ashwa'iyat*) in Cairo that arose as shanty towns without electricity, water supply, sewage and other basic services. Their inhabitants typically worked in the informal sector of the economy as craft workers, petty-traders, low-level service workers,

and especially in construction. Many Upper Egyptian peasants migrated to the urban peripheries of Cairo seeking construction work and other unskilled employment when the construction sector expanded rapidly due to the oil boom. Police records from 1986, 1988, and 1993 and other reports suggested that, unlike the armed militants of 1974-81 and the Islamist students and graduates of the 1970s and 1980s, a high proportion of the armed militants of this period were tradespeople in their teens and early twenties with less than a university education hailing from villages or *`ashwa'iyat*.⁵⁰

Imbaba is home to some 800,000 inhabitants – 80 percent from Upper Egypt, and one-third Christians, who are generally better off than Muslims. The leader of the Islamic Group there was an illiterate electrician in his thirties, Shaykh Gabr Muhammad `Ali, who had “the charisma of Ayatollah Khomeini, the street smarts of a Mafia don, and the empathy of Robin Hood.”⁵¹ He ruled “the Islamic republic of Imbaba,” as it was known, through a combination of force, dispensation of “Islamic” justice and mediation, and provision of social services. Private mosques, unregulated by the state, formed the organizational infrastructure of the Islamic Group. Some 70 percent of them had some kind of health clinic attached to them. There were also many other Islamic NGOs.

Some Imbaba construction workers tried to join the Muslim Brothers, but were rejected as having insufficient education. The sharp difference between the Muslim Brothers and the Islamic Group was evident in the results of the 1992 local elections. The Muslim Brothers-Labor Party Islamic Alliance won 115 districts nationally. But because the Islamic Group declined to endorse the alliance, it won only six districts in Upper Egyptian, the stronghold of the Islamic Group – four in Minya and one each in Asyut and Suhag.⁵²

Rejected by the Muslim Brothers, many construction labor contractors joined the Imbaba branch of the Islamic Group along with young, unskilled apprentices. The organization of construction firms paralleled the hierarchical organization of the Islamic Group. Contractors were able to offer migrants from Upper Egypt employment and

access to spiritual guidance and social services. The Islamic Group found permanent employment for those injured at work and for those of its members who were already registered with state security and could therefore risk being publicly identified.⁵³ The adherence of labor contractors, foremen, and unskilled workers to the Islamic Group in Imbaba exemplifies the ability of a populist Islamist discourse to express the grievances of the poor while mediating conflicts that might otherwise have erupted on a class basis. It also demonstrates how the effects of the same political-economic development – the oil boom and bust – enabled groups with apparently contradictory interests to embrace Islamism in the face of the state’s neglect of their basic needs.

On December 8, 1992, following a spontaneous demonstration protesting a death sentence meted out to eight Islamists by an Alexandria military court, Imbaba was overrun by at least 12,000 paramilitary police and army troops. They remained for several weeks, arresting and abusing hundreds of residents. Imbaba was at least temporarily returned to the state’s control. But in March 1993 the Egyptian Organization for Human Rights issued a report charging that state violence had supplanted Islamist violence in the district.⁵⁴ The state security apparatus had conducted similar operations in `Ayn Shams in August and December 1988 to smash the Islamic Group’s organization there.

The Islamic Trend and the Working Class

Industrial workers were among the first to protest against the open door policy, although typically they received no organized support from trade union or political leaders. On January 1, 1975 workers commuting to the southern Cairo industrial suburb of Helwan occupied the Bab al-Luq railway station while others sat in at the Iron and Steel mill in Helwan. At the other end of metropolitan Cairo, textile workers in Shubra al-Khayma proclaimed a solidarity strike, and several mills were occupied. There were other strikes and collective actions over economic issues during 1975-76 in Cairo, al-

Mahalla al-Kubra, Helwan, Alexandria, Tanta, Nag` Hammadi, and Port Said.⁵⁵ The strike and protest movement was concentrated among workers in large public sector enterprises, who had been major beneficiaries of Nasirist statist development.

Factory workers initiated the explosive demonstrations and riots of January 18-19, 1977, which were sparked by the government's adoption of the recommendations of an IMF mission to cut subsidies on bread, sugar, tea, and other basic consumer goods. This resulted in immediate prices increases of 25-50 percent. Students, the unemployed, and others in urban crowds joined in. Many were inspired by Islamist sentiment expressed by the trashing of the casinos on Pyramids Road, long identified by the Muslim Brothers as symbols of foreign-influenced, moral dissolution. These were the largest and popular collective actions in Egypt since Cairo fire of January 26, 1952 and came close to toppling the regime of Anwar al-Sadat.

The relatively less repressive atmosphere of the early Mubarak era permitted a significant increase in strikes and other workers' collective action. Some fifty to seventy-five actions a year were reported in the Egyptian press during 1984-89, surely not a comprehensive tally.⁵⁶ The left was an active and sometimes a leading component in struggles involving major confrontations with the state, such as the massive strike and uprising of textile workers in Kafr al-Dawwar in September-October 1984, the strike at the Misr Spinning and Weaving Company in February 1985, the railway workers strike of July 1986, and the two sit-in strikes at the Iron and Steel Company in July and August 1989. Islamic forces generally avoided such confrontations.

However, the success of the Muslim Brothers-Labor Party candidates in the 1987 parliamentary elections encouraged the Islamic Alliance to participate in national trade union elections for the first time. Much of its trade union work was inspired by the Labor Party's leading ideologue, `Adil Husayn. Before his death in 2001, Husayn served as General Secretary of the party and editor of its newspaper, *al-Sha`b* (The People).⁵⁷ Husayn held a doctorate in economics and had formerly been a member of the

Communist Party. His two-volume critique of Egypt's open door policy advances a dependency theory analysis whose main elements he continued to uphold despite his embrace of Islamism in the 1980s.⁵⁸ In December 1997 Husayn addressed a workers' conference convened to protest the proposed Unified Labor Law, the keystone of the state's effort to ensure a docile labor force for private sector investors. His frame of reference was a corporatist approach to relations between labor and capital similar to ideas advanced by the Muslim Brothers since the 1940s:

Our position derives from our Islamic method which requires equity and justice in the Islamic society we are seeking. Muslims in such a society will be as one body in which the employer will be duty-bound to respect the rights of the workers and workers will be duty-bound to be diligent in their work to build the economy of the *umma*.⁵⁹

Despite this Islamic point of departure, the electoral platform of the Islamic Trend candidates in the 1991 trade union elections supported the right to strike, criticized the neo-liberal economic program for Egypt, opposed government interference in the trade union elections, and opposed the wholesale liquidation of the public sector.⁶⁰ Other versions of the Islamic program attacked the national leadership of the General Federation of Egyptian Trade Unions and demanded the restructuring of the trade union organization so that it could become independent of the government. Islamists also opposed the abolition of consumer subsidies, demanded that wages be linked to prices, and opposed the erosion of free education and health care “and all the other achievements which the July 23rd revolution realized for the workers.”⁶¹

These demands appropriate the discourse of the left. The Islamic Trend seemed to agree that the Free Officers coup of July 23, 1952 established the contours of the national political field, a view the Muslim Brothers had adamantly rejected in the 1950s and 1960s. Considering the right to strike a “human right”⁶² and invoking Egypt's obligations according to international labor conventions were new positions for Egyptian Islamists, suggesting that they did not entirely reject international law and western liberal discourse. They also indicate the tensions between the views of the wealthy leaders of the Muslim

Brothers and the more populist elements of the Labor Party. These tensions have thus far been contained within the discourse of an Islamic moral economy.

Much of the Islamic Trend's opposition to the neo-liberal economic program is laced with gratuitous anti-Jewish rhetoric, suggesting that Israel is exerting pressure on Egypt to sell off the public sector or that "Jewish merchandise" is destroying the life of Egyptian workers.⁶³ This sort of "racisme de guerre," as the late Maxime Rodinson termed it, has become quite common in Egypt as a result of widespread outrage over Israel's policies towards the Palestinians. But it is more pronounced among the Islamists.

Despite its adoption of demands and symbols associated with the left, in daily trade union work the Islamic Trend usually did not engage in militant collective action. Its policies seem to have been guided by the often-quoted *hadith* attributed to the Prophet: "God does not change what is in a people until they change what is in themselves." Thus, the program of the Islamic Trend for the 1991 trade union elections published in *al-Sha`b* was headlined: Workers of Egypt, Change What is in Yourselves (*Ya `ummal misr ghayyaru ma bi-anfusikum*).⁶⁴ The left criticized the Islamic Trend for limiting its trade union work to providing social services such as exhibitions of Islamic books and organizing pilgrimages to Mecca.

Left and Islamist forces made some headway in elections for enterprise-level trade union committees in 1991 and 1996. But they could not break the regime's control of the GFETU at the national level. Nonetheless, both shop floor and enterprise-level militant actions and the bureaucratic maneuvers of the GFETU leaders were a major factor delaying the full implementation of the neo-liberal economic program. During the 1980s and 1990s reorganization of the trade union movement was successfully resisted by the GFETU as well as by rank-and-file workers and lower level union officials supported by both the left and the Islamic Trend who feared it would diminish workers' rights and enhance the state's repressive capacity. This blocked enactment of the Unified Labor Law until 2003.

Although the Islamic Trend established itself as a political tendency opposed to the ruling National Democratic Party in the labor movement, it made only modest gains compared to its successes in the middle class professional associations. Public housing projects established for factory workers in the Nasirist era and trade unions have not been conducive sites for Islamist organizing because public sector industrial workers were among the primary beneficiaries of Nasirism and had a tradition of Arab socialist or leftist politics. Although their income and status declined due to the open door policy, they were not seriously threatened until the sell off of the public sector began in the 1990s. When grievances over wages and similar issues arose, workers relied on long-established social networks in stable neighborhoods and industrial towns – Shubra al-Khayma, Helwan, Mahalla al-Kubra and Kafr al-Dawwar – to mobilize for collective action.

The Egyptian trade union movement is dominated by the state apparatus, and elections at all its levels are constrained by a host of anti-democratic regulations, including the right of state authorities to disqualify candidates. Hence, there is little way to know how the apparent contradictions in the discourse and the populism of the Labor Party and the business interests of the Muslim Brothers might be resolved in a democratic environment. Would the Islamic Trend develop a form of Muslim social democracy, or would the weight of social conservatives in the Islamist movement prevent this? If the latter, what degree of support would the Islamists be able to retain? Keeping these contradictions unresolved helps to maintain the primary face of Egyptian political Islam as a social movement opposed to Washington consensus policies.

III. Turkey

Business-Oriented Islam in Turkey

Turgut Özal, was installed as Prime Minister of Turkey following the military coup of September 12, 1980 and charged with implementing the IMF's austerity program

whose first measures were adopted on January 24 of that year. He belonged to a conservative, religious family from the central Anatolian town of Malatya with ties to the Nak_ibendi sufi order (*tarikati*), the largest of the Ottoman period. After moving to Istanbul, Turgut and his older brother, Korkut, joined the Nak_ibendis' Iskenderpa_a lodge (*tekke*), which was a forum for the political and business elite.

Banned by Kemal Atatürk after the establishment of the Turkish republic, the Nak_ibendi order retained an underground following and gradually reemerged after 1950. In 1970 Nak_ibendi leader Mehmet Zahit Kotku was a central figure in the formation of Turkey's first Islamist party: the National Order Party (Milli Nizam Partisi – MNP) led by Necmettin Erbakan, who was also a Nak_ibendi. The MNP was banned the next year following a military coup. The Nak_ibendis' Iskenderpa_a lodge was a center for Erbakan's second attempt to establish an Islamist Party, the National Salvation Party (Milli Selamet Partisi – MSP).⁶⁵ Both Özal brothers belonged to the MSP; Korkut had served as one of its parliamentary representatives and cabinet members. The MSP was banned, along with all other parties, after the 1980 coup. Then, when parties and electoral politics were restored in 1983, it was reorganized as the Welfare Party (Refah Partisi – RP). The Iskenderpa_a Nak_ibendis tended to concentrate in Turgut Özal's Motherland Party (Anavatan Partisi – ANAP) rather than the RP, although the order maintained ties to both.⁶⁶

Özal's economic policies appealed to both the Muslim-identified and the laicist-Kemalist business communities.⁶⁷ But Kemalist elites tended to be linked to the large state economic enterprises that had previously dominated the economy. IMF doctrine was hostile to such institutions and therefore contributed to reducing the influence of laicist elites in Turkish life. Consequently, Muslim-identified entrepreneurs found opportunities in the new economic order that had not previously been available to them.

The expansion of a Muslim-identified business class was facilitated by the social networks of the Nak_ibendi order and the Nurcu community led by Fethullah Gülen.

Nak_ibendi and Nurcu networks provided transmission belts for upward mobility, facilitating acquisition of credit and scholarships.⁶⁸ They also constituted a form of “social capital to overcome the problem of information, trust, reciprocity, and connection in the market environment.”⁶⁹

Owners and managers of several relatively recently established enterprises in banking (al-Baraka Türk and Asya Finance), media (AK-TV, Moral FM), textiles (Huzur Giyim, Aydınli, Topba_, Tekbir, Tesettür), and ceramics live in the Erzurumlular neighborhood of Istanbul along with merchants and academics. Many of them are associated with either the Nak_ibendi order or the Nurcu community. The head of the association of the local mosque is Korkut Özal. The residents of Erzurumlular favor late Ottoman-style furniture, which has become highly fashionable, and sufi music. They disdain Arabesk – popular music in an “eastern”-style – as un-Islamic.⁷⁰

Despite their Muslim identification, the residents of Erzurumlular have not supported the RP or its successors – the Virtue Party (Fazilet Partisi – FP) and the Justice and Development Party (Adelet ve Kalkınma Partisi – AKP). In the 1983 and 1987 general elections they voted for Turgut Özal’s Motherland Party (ANAP). In 1995 more than 70 percent of their ballots went to the ANAP, led by Mesut Yılmaz after Özal’s sudden death in 1993, and Tansu Çiller’s True Path Party (DYP).⁷¹

The Nak_ibendi and Nurcu networks promote a distinctly modern, though not necessarily bourgeois, business-friendly culture. Fethullah Gülen believes that Anatolian Islam is more open and tolerant than Arab Islam and that religion should be a private matter not to be imposed on others. Esad Co_an (1938-2001), former leader of the Iskenderpa_a Nak_ibendi *tekke*, encouraged his followers to study foreign languages, use computers, and visit foreign countries. In 1994 the Iskenderpa_a *tekke* employed some 1,500 people in four private hospitals, private high schools, several business enterprises, a cultural foundation (ILKSAV), associations of lawyers and doctors, and a labor federation (HAKYOL). Despite its affiliated labor federation, the order has a pro-

business orientation expressed by Co_an's view that, "The most pragmatic and realistic people are businessmen and merchants. If a businessman is also a Muslim, he is the most in tune with his religious station in life."⁷² Such pronouncements provide Islamic legitimacy for the business activities and even the conspicuous consumption of Turkey's new Islamic business class. As the RP mayor of Çorum remarked, "Everyone nowadays is busy searching Koranic verses compatible with capitalism."⁷³

Saudi Capital and Özal's Turkey⁷⁴

Enhancing foreign investment was a central objective of Turgut Özal's economic policies. In 1986 foreign capital acquired the same legal status as domestic capital. Encouraged by the Muslim World League and its Standing Committee on Economic and Commercial Cooperation presided over by Turkey's President Kenan Evren, Saudi capital began to flow into Turkey in 1984. From 1984 to 1988 the number of Saudi firms with investments in Turkey increased from one to forty-six (4,500 percent). There were still a larger number of American, German, and Swiss firms, but the rate of growth in investments from these countries was far less.

Most Saudi capital was invested in banking and finance. Even before his government received a parliamentary vote of confidence, in December 1983 Turgut Özal revised regulations on private financial institutions to permit the establishment of two Islamic banks, Faisal Finance and Al Baraka Türk Private Finance Institution, and to exempt them from Turkish bankruptcy laws. These institutions financed Turkey's oil imports, valued at some \$200 million annually, an enterprise in which Korkut Özal was said to have an interest. At the same time, Korkut Özal also became a consultant for the Turkish branch of the Islamic Development Bank.

Faisal Finance is closely linked to the Özal Family Group. Other major partners are Salih Özcan and Ahmet Tevfik Paksu, both former MSP parliamentary representatives, and Halil Sivgin, formerly a member of the ultra-rightist National Action

Party (Milli Hareket Partisi – MHP). All three are Nak_ibendis. Özcan is also a member of the executive committee of the Muslim World League.

Al Baraka Türk Private Finance Institution is a partnership between the Saudi founder of the Baraka group, Shaykh Salih Kamil, and the Özal and Topba_ families (the Topba_es also own a major textile firm). Shaykh Salih had met Korkut Özal in 1982, who introduced him to Turgut. The Topba_ family, which includes Nak_ibendis among its members, and Al Baraka Türk have established an important Islamic foundation (*vakıf/waqf*) – Bereket Vakfı. In addition to his service on the board of Al Baraka Türk, Eymen Topba_ was the chair of the ANAP Istanbul branch. Like many Middle Eastern families, the Topba_es do not put all their political eggs in one basket. In the March 2004 local elections Dr. Kadir Topba_ won the mayoralty of Istanbul on the AKP ticket.

Obviously, the financial interests of the Özal family and their cronies were an important factor in facilitating the Saudi capital investments in Turkey. Two other considerations may be factors. As soon as it recovered from the 1982 Suq al-Manakh stock market crash, the Kuwait Finance House, the wealthiest of the Islamic banks, established a joint venture with Vakıflar Bank in 1988. This, along with the rapid growth of Saudi investments in the mid-1980s, suggests that Gulf-based capital placed a certain priority on investing in Turkey. This might simply be because Turkey is one of the three largest Middle Eastern Muslim countries (post-revolutionary Iran was off the map of possibilities during the Iran-Iraq war, and Egypt also received a substantial influx of Saudi capital). It could also be that Muslim-identified investors who embraced the program of the Muslim World League, which seeks to reestablish the caliphate, saw some significance in investing in the former heartland of the Ottoman Empire. Clement Henry Moore suggests that such investments also suited Turgut Özal's political strategy. With a background in the Islamist MSP, he knew, after the military crackdown on the left in 1980, that his only potential political challenge came from Islamists. Welcoming Islamic banks into Turkey and encouraging former members of the MSP or the ultra-right MHP

to form partnerships with Saudis was a way to detach these elements from the RP and reinforce his ANAP.⁷⁵ There is no evidence that this was Özal's conscious strategy, but this is what happened.

Anatolian Tigers

In 1990 small and medium sized firms, many of them based in central Anatolian towns and cities (as opposed to the traditional manufacturing centers of Istanbul, Izmir, and more recently Ankara) formed MÜS_AD (The Association of Independent Industrialists and Businessmen). MÜS_AD now has about 5,000 members, most of which employ less than fifty workers. Firms of the more established TÜS_AD (The Association of Turkish Industrialists and Businessmen) tend to be older, larger, concentrated in Istanbul, and linked to the state and its Kemalist elite.⁷⁶ MÜS_AD promotes Islamic business ethics “in the spirit of capitalism” and claims that the market is a realm of *jihad*.⁷⁷ Because firms like those comprising MÜS_AD felt marginalized and neglected by the Kemalist state, their owners formed an important part of Necmettin Erbakan's base when he led the MSP. Some of them came along with him into the RP after 1983; others supported the ANAP because they were among the main beneficiaries of Turgut Özal's economic policies.

Production and export of textiles became one of Turkey's leading economic sectors in the 1980s. By the early 1990s, 23 percent of all manufacturing firms were in the textile sector; they provided 22 percent of all manufacturing employment and 40 percent of urban employment.⁷⁸ To promote textile exports and growth of the industry in Muslim countries, MÜS_AD organized a “Cotton Union” comprised of Turkey, Pakistan, Uzbekistan, and Turkmenistan.⁷⁹ Several of MÜS_AD's textile and ceramic firms maintain production facilities or export to Turkic-speaking central Asian Muslim countries. Their export prowess earned them the moniker of “Anatolian tigers” – a term that expresses both the hope of emulating the developmental model of the East Asian

export-oriented economies and the belief that these societies became economic powers while retaining their cultural identity and traditional values.

Many textile firms and sub-contractors as well as manufacturers of small consumer items like pens necklaces and prayer beads organize their production by distributing piece-work to women in their homes – a typical mode of post-Fordist flexible specialization widely practiced around the world. Unmarried young women or housewives are often grateful for the opportunity to earn additional income without needing to leave their homes and abandon their domestic obligations. These “informal” jobs are considered “family-friendly,” and often not considered work at all, even if they occupy as much as twenty hours a week. Firms avoid unionization, pay far lower wages, and have much lower overhead than they would if they operated a standard factory enterprise, enhancing their capacity to export their products at an internationally competitive price. Relations between the female piece-workers and the labor contractors are imbedded in social ties of kinship (often fictive) and mutual obligation – precisely the relationship between labor and capital advocated by Islamist entrepreneurs.⁸⁰

Several firms use Islamic connections or symbols to enhance their marketing. The distribution network of Aydınli textiles, one of the largest in the country, is almost entirely in the hands of members of the Nak_ıbendi order, which is also popular in its export markets in central Asia. The Tesettür firm, whose name means “Islamic style” women’s clothes, manufactures the tailored coats (*pardösüs*) and colorful matching headscarves which have become the chic style for Islamist women of the upper classes. Its owner is a Nak_ıbendi who resides in Erzurumlular.⁸¹ Tekbir is the largest Muslim apparel company; its name means to pronounce the formula “*Allahu ekber*” (God is greatest). It has 600 stores in Turkey and abroad, including nine in Germany, and one each in Denmark, Belgium, France, Australia, the USA, Lebanon, and Saudi Arabia.⁸² The Ülker biscuit company, which advertises that it uses no lard, captured the market from the previously dominant Eti brand. Nurcu groups distribute its products in Anatolia

and the Turkic republics.⁸³

As Yael Navaro-Yashin suggests, there is a large market for Islamic identity. She describes a fashion show of the Tekbir firm held in November 1994. The planned gender separation of the audience broke down due to the large and spontaneous crowd. The professional models strutted in high-heeled shoes, somewhat less provocatively than if they were wearing the “western” clothing they normally exhibited. When the show was over they changed into their customary mini-skirts and high-heeled boots. The moderate Islamist press associated with the RP published supportive reviews of the event, but more radical Islamists criticized it. Atilla Özdür’s critique argued that the laws of capitalism undermined “the Islamic principles of modesty, asceticism, and abstention from worldly pleasures” by promoting consumerism. There is an irresolvable contradiction between Islam and capitalist consumerism, he asserted.⁸⁴

Populist Islamism and the Welfare Party (RP)

One of Jenny White’s informants from Ümraniye, a working class district on the Asian side of Istanbul that grew out of a shanty town (*gecekondu*), pointed to the posh Bebek district as they drove by. “See that? [he said,] There are people who live here who feed their dog every week what I earn in a month.” White confirms that this was not much of an exaggeration.⁸⁵

In the 1980s Turkey became one of the ten countries with the largest gap between the rich and the poor; it now ranks twelfth in this disreputable list. The evident disparity between the conspicuous consumption of the nouveau riche – both Islamists and laicists – and the persistent poverty of the majority of Turks is one of the contexts for the rise of the RP. The working classes bore the brunt of the IMF-inspired economic measures of the 1980s. By 1988 real wages had declined to slightly more than half their 1979 level.⁸⁶ Unemployment rose from 5 percent in 1970 to 18 percent in 1982 and remained there until the mid-1990s. The Turkish Confederation of Revolutionary Trade Unions (Türkiye

Devrimci I_çi Sendikaları Konfederasyonu – D_SK), was banned in 1980 and permitted to resume operations only in 1992.

Sultanbeyli is another working class district that was originally a shanty town. It is popularly known as “the Qum of Turkey,” a reference to the local strength of political Islam. The residents of Sultanbeyli, like those of Ümraniye, support the RP and its successors. But neither the Nak_ibendis nor Fethullah Gülen’s Nurcu community have many followers in these areas. While the Nak_ibendis do have followers among the popular classes; the Fethullacılar generally have little support in either working-class or rural areas. In contrast to Erzurumlular, Arabesk music is popular in urban working-class districts like Sultanbeyli and Ümraniye. Its sentiments of alienation and demands for social justice express the outlook of urban subalterns, much like rai music in Algeria and France. Residents of Sultanbeyli told Hakan Yavuz that they believe an “Islamic state will distribute wealth, whereas the Kemalist state is distributing poverty.” For them an Islamic state means a just state in which their basic needs for health care, education, and unemployment insurance are met and their children have opportunities to advance.⁸⁷

While the RP represented a heterogeneous constituency beyond the poor and working classes, it spoke strongly in favor of social justice and ending the favoritism and corruption that so obviously benefited the Özals, the Topba_es, and their cronies. In Sultanbeyli, Ümraniye, and similar localities economic motivations, not religious radicalism, were a major factor in the RP’s stunning victories in the 1994 and 1996 local elections and the 1995 general election. Nationally, 41 percent of RP voters identified themselves as laicist.⁸⁸

The RP and its successor, the AKP, have governed the Ümraniye municipality since 1994 when they defeated the Kemalist Republican People’s Party (Cumhuriyet Halk Partisi – CHP). Despite some significant achievements, CHP activists in Ümraniye ultimately failed in two critical respects. First, their world-outlook was based on a French conception of laicist modernity. They were unwilling “to situate their message within

local cultural norms that they associated with the “Other” [i.e. backward, unmodern] Istanbul.”⁸⁹ Consequently, they tended to have a paternalistic attitude towards their constituency. Second, they were unable to prevent the residents of Ümraniye from falling deeper into poverty in the 1980s and 1990s.

In contrast to the paternalism of the Kemalists, RP activists were “of the people.” In the late 1990s there were 50,000 RP members in Ümraniye, nearly half of them women. The party’s local leaders were fully integrated into the social life of the district and have built a high level of personal trust with residents. They attended weddings and funerals, distributed funds and other assistance to the needy, and held regular open meetings where citizen could raise any issues of concern.

Beyond Ümraniye, the former mayor of Istanbul, Recep Tayyip Erdo_an, dubbed by Jenny White “the rock star of Turkish politics,” embodied the RP’s populist image. Erdo_an is a former football player who wore knitted shirts and modest suits when meeting constituents. He presented himself as a good neighbor whose message was that being a proper Muslim means helping others. After his election in 1994 he refused to live in the mayor’s official residence, remaining in his own modest apartment. “He’s just like us,” proclaimed many constituents.⁹⁰

Contradictions within Turkish Islamism

The populism of Erdo_an and RP activists in districts like Ümraniye and Sultanbeyli was not the party’s only component. The RP’s first leader, Necmettin Erbakan, was a traditional patriarchal-style Turkish politician. His original social base was the small- and medium-sized businessmen of his home town of Konya, some of whom he brought into the RP. The social-economic perspective Erbakan developed – the “Just Economic Order” – roughly represented their interests.”⁹¹ This economic model is based on abolition of interest (to be replaced by *selem* credit), low taxes levied only on production, and restricting the amount of money in circulation to the value of production.

But the “Just Order” is not a neo-liberal program. It is a form of corporatism in which the loose language of justice replaces a fixed set of rights and obligations rooted in law.

Erbakan and the RP did not oppose the investment of foreign capital or the continuing privatization of the state’s economic enterprises, although they preferred that they be sold to medium-sized Turkish businessmen (like the Anatolian Tigers) rather than simply to the highest bidder.⁹²

In contrast to Erbakan’s “Just Order,” a faction in the RP explicitly favored what they did not hesitate to call “Protestant Islam.” But in opposition to Weber’s individualistic “Protestant ethic,” Protestant Islam is “centered around networks of social relations involving trust, solidarity and loyalty embedded in a religious culture.”⁹³

The lavish wedding Erbakan gave for his daughter in 1994 scandalized some RP followers and may have been responsible for the party’s losing the Fatih district in the local elections that year. Fatih, with its strong Islamic identity and location in the center of Ottoman Istanbul, is a neighborhood the RP expected to win. It was reported that one Nak_ibendi_eyh ordered his followers to vote for a more modest candidate linked to the order.⁹⁴

Whatever effect this affair may have had in 1994, it did not prevent the RP from winning the largest proportion of the votes – 21 percent – in the December 1995 parliamentary elections. As prime minister at the head of a RP-DYP coalition government in 1996-97, Erbakan pursued a pragmatic course. At the behest of his coalition partner, Tansu Çiller, he dropped the RP’s opposition to Turkey’s entering the European Union and toned down the anti-Semitic rhetoric it had used to justify its position.⁹⁵ Turkey did not withdraw from the European Customs Union or NATO; and it did not turn away from its emerging strategic alliance with Israel – all positions Erbakan advocated before the elections. The RP did oppose Kemalist laicism. Consequently, the traditionally Kemalist military removed the RP from power with a “soft coup” in 1997. And in 1998 the Constitutional Court closed the RP, sentenced Recep Tayyip Erdo_an to

jail for ten months, and banned him from politics for life for reading a poem by the iconic Turkish nationalist, Ziya Gökalp.

RP leaders established the Virtue Party (Fazilet Partisi – FP) even before the Constitutional Court’s final decision banning the RP. Abdullah Gül, a youthful economist who spent eight years as a consultant for the Islamic Development Bank, had been deputy chair of the RP and a representative of its yuppie element. With guidance from Erdoğan, he transformed the FP from an “Islam-referenced” party to one defined by what he called a “new politics” based on universal conceptions of human rights, freedom, gender equality, multiculturalism (*çok renklilik*), and tolerance for different lifestyles and dress. (In the Turkish context multi-culturalism primarily means welcoming Kurdish Sunnis, although not necessarily Alevis, into Turkish politics and society.) In the 1999 parliamentary elections the FP received only 15 percent of the vote, less than the 21 percent won by the RP in 1995, most likely because part of its constituency did not want to waste a vote on a party likely to be dissolved. That fear was not misplaced. Despite Gül’s effort to recast FP’s image, the Constitutional Court dissolved the party in 2001.⁹⁶

On the fifth attempt to organize an Islamist Party, the social tensions within the RP/FP were expressed by the emergence of two parties from the former RP/FP. Erdoğan and Gül led the establishment of the Justice and Development Party (AKP), which continues the course they set for the FP. Presenting itself as a “Muslim democratic” party (an allusion to European Christian Democratic parties), the AKP scored an overwhelming victory in the November 2002 parliamentary elections, winning 363 parliamentary seats out of 550. Within months the ban on Erdoğan’s participation in politics was lifted, and he became Prime Minister. This success was followed by a similar success in the March 2004 local elections, in which the AKP won in three-quarters of all the localities.

Necmettin Erbakan’s more conservative and traditionalist followers, led by Recai Kutan, established the Happiness Party (Saadet Partisi – SP). The SP favors a free-market economy and the Islam-centered, pan-Turkist “national outlook” (*milli görüş*) Erbakan

first articulated in the 1970s, which has an element of Turkish racialism (hence antagonism to expressions of Kurdish culture and identity). The SP has little support from people in districts like Ümraniye. Youth there expressed dissatisfaction with him Erbakan as early as 1997, referring to him as a “dinosaur” and a “creature of the state” no different than other political leaders.⁹⁷ The SP does have some support in Sultanbeyli, perhaps because it controls the local construction industry, which is critical to the common practice of building homes without a permit. But the AKP also has supporters there.⁹⁸ Nationally, the SP’s weakness was expressed by its failure to win a single seat in the 2002 parliamentary elections; it received only 2.5 percent of the votes.

Islamism and the Working Class

Another expression of the social tensions within Turkish Islamism is the relationship between Hak-___, the Islamist labor confederation established in 1976, and MÜS_AD, both of which have been linked to the RP/FP/AKP. Hak-___ founder Necati Çelik was an RP member and remained head of the confederation until he became an RP representative in parliament and then Minister of Labor in the RP-DYP coalition government of 1996-97. The Islamist confederation became a significant factor in the Turkish labor movement in the 1980s because many former D_SK members affiliated during the years the radical trade union confederation was banned. Consequently, Hak-___ membership extends beyond the ranks of Islamists. While affirming its Islamic identity, Hak-___ does not believe this is a substitute for trade union organization. Hak-___ has adopted some of the historic positions of the left: it favors an economy based on redistribution of wealth and workers’ ownership and management of enterprises and opposes wholesale privatization of the public sector. Current Hak-___ president, Salim Uslu, accuses some MÜS_AD-affiliated firms of opposing union organization and acting in ways that are “not at all compatible with Islam whenever there is an industrial conflict that threatens their economic self interest.”⁹⁹ MÜS_AD-affiliated firms, he says, do not

have as good a record in respecting workers' rights as European- or American-owned firms. Perhaps for this reason, Hak-__ is fully committed to Turkey joining the EU. It is suspicious of MÜS_AD's enthusiasm for the "eastern" developmental model, which it regards as based on authoritarianism.¹⁰⁰

Although MÜS_AD does not officially oppose union representation of workers, it prefers that relations between workers and employers be regulated by mutual trust, affection, and justice, without formal rules. Like all employers, it opposes strikes.¹⁰¹ This formula has not always resulted in harmonious relations. During a strike at a MÜS_AD-affiliated textile company in Bursa in 1993, the Hak-__-affiliated textile workers union (Öz _plik-__) accused the firm's owner of using body guards associated with right-wing parties to intimidate and use physical force against union members. The owner of the firm denied using violence against union workers but did not deny that he tried to prevent the unionization of his enterprise. While the use of physical force is exceptional, this incident exemplifies the tensions between MÜS_AD and Hak-__.¹⁰²

While denouncing the excesses and corruption of the wealthy, the RP/FP/AKP does not use the language of class, preferring to speak of "the poor" or the "victims." These parties have opposed militant trade union action to achieve workers' rights, adopting positions complimentary to those of MÜS_AD in this respect. At the same time, Erdo_an's AKP government has energetically pursued EU membership with the full support of TUS_AD, an implicit repudiation of the "eastern" outlook of many MÜS_AD members. Despite overwhelming opposition of the population, Erdo_an tried to get the parliament to allow US forces to use Turkey as a staging area for the 2003 war against Iraq. Can the AKP maintain its social base among the poor and working classes and populist image in the face of such contradictions?

The tightrope Erdo_an and the AKP are walking is symbolized by recent weddings of his children even more lavish than the 1994 wedding for which Necmettin Erbakan was criticized. Greek Prime Minister Kostas Karamanlis was a witness at

daughter Esra's July 2004 wedding to Berat Albayrak, son of the owner of a pro-AKP newspaper. Esra had gone to university in the United States because she wears a headscarf, which she would not have been permitted to wear at a Turkish university. In August 2003 son Bilal, a Harvard undergraduate, married seventeen-year-old Reyhan Uzuner, a union criticized by Kemalists on the grounds that the bride was below the legal age of marriage without special consent from her parents. Demonstrators outside the wedding hall chanted, "Erdo_an, send your son to Iraq."

IV. Conclusion

There are important differences between the character and trajectory of political Islam in Egypt and Turkey. These specificities must be respected and not subordinated to facile generalizations. At the same time, the structural similarities of the two cases support the thesis advanced in the introduction to this paper.

Turkey is far from a European-style democracy; the military has overthrown governments four times since 1960. The junta of 1980-83 smashed the political terrorism of the ultra-right MHP (there was also some violence by ultra-leftists), and it destroyed the left pole in Turkish politics. This established the ground rules for post-1983 rotation of power among parties, which had already begun in 1950, the first time since 1923 that a party other than the CHP ruled Turkey. The Turkish generals went back to their barracks in 1983 and did not demur when their candidate was not elected prime minister in the elections that year.

Islamists were permitted to establish themselves in business associations and trade unions before the WP came to power in 1996. Although the military remains suspicious of Islamism, it has apparently decided not to challenge the AKP's legitimacy for now.

In the same period, Egypt has been ruled by military elites who drew their (by now utterly depleted) legitimacy from the coup/revolution of July 23, 1952. There has never been the slightest possibility that Egyptian Islamists or any other alternative

political force would be permitted access to state power. Al-Sadat's autocratic style and unwillingness to share power with the private-sector business elements he ostensibly encouraged undermined long-term political and economic stability. Even Islamist control of the professional associations was intolerable for the Mubarak regime.

Neo-liberal economic restructuring has been more thorough-going in Turkey than in Egypt, with attendant benefits and problems. The post-1980 regime was clearly allied with the business class and encouraged the "Turkish-Islamic synthesis" – an outlook embraced by the ANAP, the DYP, and the RP/FP/SP/AKP. Islamism has established itself as a broad-based, counter-hegemonic discourse in opposition to Kemalism; it is embraced by many of those who have led Turkey's success as an exporter of manufactures. Because of the more thorough neo-liberal economic restructuring, the gap between the rich and the poor is far greater than in Egypt, providing a continuing social base for Islamist populism.

The riots of January 1977 nearly toppled the regime of Anwar al-Sadat and deterred him from vigorously adopting the kind of IMF recommendations Turkey implemented in 1980. Since then Egypt has instituted piecemeal institutional and policy reforms that have limited both foreign investment and the development of an autonomous local business class. The private sector is strong only in financial and commercial services, telecommunications, and luxury food products. It is not a substantial exporter. The inefficient public sector still produces the great majority of manufactured products.

Al-Sadat's collaboration with the Muslim Brothers was far less successful than the post-1980 Turkish-Islamic synthesis for two reasons. First, despite al-Sadat's authorization of a limited number of oppositional political parties, he had no intention of allowing himself to be removed from power. The Islamists al-Sadat originally encouraged broke with him over the 1979 peace treaty with Israel that abandoned the Palestinian cause and left Jerusalem's Dome of the Rock and al-Aqsa mosque in Israeli hands. This led to the radicalization of some students, who concluded that the Muslim

Brothers' strategy of working with the regime was mistaken. Although many, perhaps most, Egyptians favored peace, the 1979 Egyptian-Israeli treaty had little support among the political classes. Secular nationalists were no less critical than Islamists of al-Sadat's violation of the Egyptian-Arab national consensus on the Arab-Israeli conflict. The combination of autocratic rule, failure to raise living standards, and disappointment with the Egyptian-Israeli peace meant there were few tears in Egypt over al-Sadat's assassination.

Second, both al-Sadat and Mubarak were far less successful than the Turkish military regime of 1980-83 in eradicating political terrorism. After the Jihad group assassinated al-Sadat in 1981, Husni Mubarak would have needed exceptional boldness and conviction, not his strongest qualities, to risk legalizing an Islamist presence in Egyptian politics. His limited toleration of Islamists in the parliament and professional associations demonstrated that Islamists had the potential to become a powerful opposition and perhaps replace him entirely in a fully democratic political game. In the 1990s Mubarak cracked down on the Islamists in a sporadic, selective, and sometimes random fashion, deploying administrative detention, torture and other egregious violations of human rights and the rule of law.¹⁰³ This enhanced the radicals' support until the public recoiled in revulsion from the Islamic Group's November 1997 Luxor massacre.

Despite these differences, there is a common framework for the rise of Islamism in Egypt and Turkey, and elsewhere in the Middle East, since the 1970s. The social and economic restructuring of the region has tended to dissolve previously established class and national solidarities. The political appeal of Arab nationalism, Arab socialism, and laicist Kemalist republicanism has been severely eroded, perhaps irreparably so. In the post-Fordist era, identity politics has supplanted the politics of class and nation characteristic of Fordist regimes of capital accumulation. The coexistence of conspicuous consumption and poverty provoked a populist Islamist opposition to neo-liberalism.

However, that opposition has so far been contained by a corporatist-style Islamist moral economy discourse that is at least nominally embraced by the Islamist business class whose emergence has been enabled by oil wealth and neo-liberal economic restructuring. The new Islamist business class does not generally favor bourgeois individualism and bourgeois rights. Therefore, while this new class is modern in its embrace of science, technology, and advanced telecommunications, as well in its forms of Islamic practice, it does not necessarily promote the emergence of a European-style civil society and public sphere.

If the AKP is permitted to remain in power in Turkey, it may provide a test of the capacity of Islamist discourse to contain these contradictions. Sooner or later, the party will have to deliver the goods to its base among the popular classes or lose their support. In Egypt, any such test seems far off. President Mubarak is preparing to run for a fifth five year term in 2005. Rumors have circulated for some years that if and when he is ready to retire, his son Gamal will succeed him to the presidency. In May 2004 the regime closed the web site of the New Center Party, even as it was recruiting women and Christians in an effort to present a more moderate image as it applied for a third time for legal permission to function (to a committee dominated by the ruling National Democratic Party). Egypt is at a political impasse that will probably undermine its further economic development. Hence, Islamists will continue to have a free pass to criticize the regime based on a program that promises all things to all people.

¹ This definition is drawn from Jenny B. White, *Islamist Mobilization in Turkey: A Study in Vernacular Politics* (Seattle: University of Washington Press, 2002), 23 and Quintan Wiktorowicz, "Introduction: Islamic Activism and Social Movement Theory," in *Islamic Activism: A Social Movement Theory Approach*, ed. Quintan Wiktorowicz (Bloomington: Indiana University Press, 2004), 3.

² Saad Eddin Ibrahim was one of the first to notice this in "Anatomy of Egypt's Militant Islamic Groups: Methodological Note and Preliminary Finding," *International Journal of Middle East Studies* 12 (no. 4, 1980): 449.

³ John L. (ed.) Esposito, *Voices of Resurgent Islam* (Oxford: Oxford University Press, 1983); Emmanuel Sivan, *Radical Islam: Medieval Theology and Modern Politics* (New Haven: Yale University Press, 1985); Gilles Kepel and Yann Richard (eds.), *Intellectuels et militants de l'Islam contemporain* (Paris: Editions du Seuil, 1990); John Voll, "Fundamentalism in the Sunni Arab World: Egypt and the Sudan," in *Fundamentalisms Observed*, ed. Martin Marty and R. Scott Appleby (Chicago: University of Chicago Press, 1994); Abdulaziz Sachedina, "Activist Shi'ism in Iran, Iraq, and Lebanon," in *Fundamentalisms Observed*, ed. Martin Marty and R. Scott Appleby (Chicago: University of Chicago Press, 1994); Bassam Tibi, *The Challenge of Fundamentalism: Political Islam and the New World Disorder* (Berkeley: University of California Press, 2002); Raymond William Baker, *Islam Without Fear: Egypt and the New Islamists* (Cambridge: Harvard University Press, 2003).

⁴ Fadwa El Guindi, "Veiling Infitah with Muslim Ethic: Egypt's Contemporary Islamic Movement," *Social Problems* 28, no. 4 (April 1981): 465-85; Afaf Lutfi al-Sayyid Marsot, "Religion or Opposition? Urban Protest Movements in Egypt," *International Journal of Middle East Studies* 16, no. 4 (November 1984): 541-52; Nazih N. Ayubi, *Political Islam: Religion and Politics in the Arab World* (London: Routledge, 1991); Saad Eddin Ibrahim, "The Changing Face of Egypt's Islamic Activism," in *Security Challenges in the Mediterranean Region*, ed. Roberto Aliboni, George Joffé and Tim Niblock (London: Frank Cass, 1996), 37.

⁵ Daniel Pipes, *In the Path of God: Islam and Political Power* (New York: Basic Books, 1983); Fu'ad Zakariyya, *al-haqiqa wa'l-wahm fi al-haraka al-islamiyya al-mu'asira* (Cairo: Dar al-Fikr, 1986); Richard U. Moensch, "Oil, Ideology and State Autonomy in Egypt," *Arab Studies Quarterly* 10, no. 2 (Spring 1988): 176-92; Birol Ali Ye_ilada, *Islamic Fundamentalism in Turkey and the Saudi Connection*, Field Staff Reports, Africa/Middle East, 1988/89 No. 18 (Indianapolis: University Field Services International, 1988/89).

⁶ Hamied Ansari, "The Islamic Militants in Egyptian Politics," *International Journal of Middle East Studies* 16, no. 1 (March 1984): 123-44; Ibrahim, "The Changing Face of Egypt's Islamic Activism," 36.

⁷ Giovanni Arrighi, Terence K. Hopkins, and Immanuel Wallerstein, *Antisystemic Movements* (New York: Verso Books, 1989).

⁸ Egypt's population is about 70 million; Turkey's 66.5 million. Iran is a very

close third. No other country has half the population of these three.

⁹ Afaf Lutfi al-Sayyid Marsot, *Egypt in the Reign of Muhammad Ali* (Cambridge: Cambridge University Press, 1984); Mamoun Fandy, "Egypt's Islamic Group: Regional Revenge?" *Middle East Journal* 48, no. 4 (Autumn 1994): 607-25; Ay_e Bu_ra, "Class, Culture, and State: An Analysis of Interest Representation by Two Turkish Business Associations," *International Journal of Middle East Studies* 30, no. 4 (November 1998): 521-39; Salwa Ismail, "The Popular Movement Dimensions of Contemporary Militant Islamism: Socio-Spatial Determinants in the Cairo Urban Setting," *Comparative Studies in Society and History* 42, no. 1 (January 2000): 363-93.

¹⁰ Saad Eddin Ibrahim, *The New Arab Social Order: A Study of the Social Impact of Oil Wealth* (Boulder, CO: Westview Press, 1982); Guilain Denoeux, "Religious Networks and Urban Unrest: Lessons from Iranian and Egyptian Experiences," in *The Violence Within: Cultural and Political Opposition in Divided Nations*, ed. Kay B. Warren (Boulder: Westview Press, 1993), 123-55; Guilain Denoeux, *Urban Unrest in the Middle East: A Comparative Study of Informal Networks in Egypt, Iran, and Lebanon* (Albany: State University of New York Press, 1993a); Carrie Rosefsky Wickham, *Mobilizing Islam: Religion, Activism, and Political Change in Egypt* (New York: Columbia University Press, 2002); Wiktorowicz, *Islamic Activism: A Social Movement Approach*; Janine A. Clark, *Islam, Charity, and Activism: Middle-Class Networks and Social Welfare in Egypt, Jordan, and Yemen* (Bloomington: Indiana University Press, 2004).

¹¹ Clark, *Islam, Charity, and Activism*, 3; Assef Bayat, "Revolution Without Movement, Movement Without Revolution: Comparing Islamist Activism in Iran and Egypt," *Comparative Studies in Society and History* 40, no. 1 (January 1998): 164.

¹² Michael J. Piore and Charles F. Sabel, *The Second Industrial Divide: Possibilities for Prosperity* (New York: Basic Books, 1984); David Harvey, *The Condition of Postmodernity: An Enquiry Into the Origins of Cultural Change* (Oxford: Blackwell, 1989); Robert Brenner, *The Boom and the Bubble: The US in the World Economy* (London: Verso Books, 2002).

¹³ Ali A. Mazrui, *The Barrel of the Gun and the Barrel of Oil in North South Equation* (New York: World Order Models, 1978); Fouad Ajami, *The Arab Predicament: Arab Political Thought and Practice Since 1967* (Cambridge: Cambridge University Press, 1981); Pipes, *In the Path of God*; Zakariyya, *al-haqiqa wa'l-wahm fi al-haraka al-islamiyya al-mu'asira*.

¹⁴ M. Hakan Yavuz, "Political Islam and the Welfare (Refah) Party in Turkey," *Comparative Politics* 30, no. 1 (October 1997): 77.

¹⁵ Ye_ilada, *Islamic Fundamentalism in Turkey and the Saudi Connection*, 5, 9.

¹⁶ Bu_ra, "Class, Culture, and State," 532; White, *Islamist Mobilization in Turkey*, 124.

¹⁷ `Uthman Ahmad `Uthman, *Safahat min tajribati* (Cairo: Al-Maktab al-Misri al-Hadith, 1981), 359, 363, 364.

¹⁸ Gilles Kepel, *Muslim Extremism in Egypt: The Prophet and the Pharaoh*, 3rd

edition (Berkeley: University of California Press, 2003), 26-102; Hisham Mubarak, *al-Irhabiyun qadimun: dirasa muqarina bayna mawqif al-ikhwan al-muslimin wa-jama`at al-jihad min qadiyat al-`unf, 1928-1994* (Cairo: Markaz al-Mahrusa li'l-Nashr wa'l-Khadamat al-Sahafiyya, 1995), 82-105.

¹⁹ Mubarak, *al-Irhabiyun qadimun*, 123-40; Geneive Abdo, *No God but God; Egypt and the Triumph of Islam* (Oxford: Oxford University Press, 2000), 117-18, 121-22.

²⁰ Saad Eddin Ibrahim, "Anatomy of Egypt's Militant Islamic Groups: Methodological Note and Preliminary Finding," *International Journal of Middle East Studies* 12, no. 4 (December 1980): 422-53; Kepel, *Muslim Extremism in Egypt*, 141-56.

²¹ Gehad Auda, "The `Normalization' of the Islamic Movement in Egypt from the 1970s to the Early 1990s," in *Accounting for Fundamentalisms: The Dynamic Character of Movements*, eds. Martin Marty and R. Scott Appleby (Chicago: University of Chicago Press, 1994), 382; Hisham Mubarak, "Pieces of the Puzzle: How Has Egypt's Fractured Islamist Movement Come About?" *Cairo Times* (Cairo), January 8 1998.

²² `Umar al-Tilmisani, *Fi riyad al-tawhid* (Cairo: Dar al-Tiba`a wa'l-Nashr al-Islamiyya, 1985), 175-81.

²³ Alan Richards, "The Political Economy of Dilatory Reform: Egypt in the 1980s," *World Development* 19, no. 12 (December 1991): 1721-30.

²⁴ Samia Sa`id Imam, *Man yamluk misr? Dirasa tahliliyya li-usul nukhbat al-infithah al-ijtima`iyya, 1974-1980* (Cairo: Dar al-Mustaqbal al-`Arabi, 1987), 205, 211, 280-309.

²⁵ Robert Springborg, *Mubarak's Egypt: Fragmentation of the Political Order* (Boulder: Westview Press, 1989), 224, 232, 234, 236. Quote from 236.

²⁶ *Ibid.*, 65.

²⁷ Clement Henry Moore, "Islamic Banks and Competitive Politics in the Arab World and Turkey," *Middle East Journal* 44, no. 2 (Spring 1990): 236.

²⁸ *Ibid.*, 238.

²⁹ `Abd al-Qadir Shuhayb, *al-Ikhtiraq: qissat sharikat tawzif al-amwal fi misr* (Cairo: Sina li'l-Nashr, 1989), 29, 60, 80, 84, 98; Springborg, *Mubarak's Egypt*, 47, 59.

³⁰ Springborg, *Mubarak's Egypt*, 47.

³¹ Shuhayb, *al-Ikhtiraq*, 60; Springborg, *Mubarak's Egypt*, 47.

³² Springborg, *Mubarak's Egypt*, 48.

³³ Moore, "Islamic Banks and Competitive Politics in the Arab World and Turkey," 250.

³⁴ Springborg, *Mubarak's Egypt*, 52.

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- ³⁵ Shuhayb, *al-Ikhtiraq*, 138-39.
- ³⁶ *Ibid.*, 142, 146.
- ³⁷ Springborg, *Mubarak's Egypt*, 48, 52, 65-67.
- ³⁸ Ibrahim, "Anatomy of Egypt's Militant Islamic Groups," 437-40; Ansari, "The Islamic Militants in Egyptian Politics," 131-33; Kepel, *Muslim Extremism in Egypt*, 214-22.
- ³⁹ Wickham, *Mobilizing Islam*, 36-62.
- ⁴⁰ Abdo, *No God but God*, 88, 110-11, 124, 127; Wickham, *Mobilizing Islam*, 190, 218.
- ⁴¹ Wickham, *Mobilizing Islam*, 123-24.
- ⁴² Springborg, *Mubarak's Egypt*, 227, 228; Abdo, *No God but God*, 83-84; Wickham, *Mobilizing Islam*, 176-203.
- ⁴³ Abdo, *No God but God*, 91-93, 100-01.
- ⁴⁴ Wickham, *Mobilizing Islam*, 157-62.
- ⁴⁵ Ibrahim, "Anatomy of Egypt's Militant Islamic Groups," 453.
- ⁴⁶ Wickham, *Mobilizing Islam*, 163.
- ⁴⁷ White, *Islamist Mobilization in Turkey*.
- ⁴⁸ Abdo, *No God but God*, 127.
- ⁴⁹ Fandy, "Egypt's Islamic Group;" Mubarak, "Pieces of the Puzzle;" Ismail, "The Popular Movement Dimensions of Contemporary Militant Islamism," 386-88; Abdo, *No God but God*, 35-36. Quote from Isma`il, 387.
- ⁵⁰ Ibrahim, "The Changing Face of Egypt's Islamic Activism," 34-36; Khalid Mustafa Medani, "Informal Markets and Islamist Activism in a Neighborhood in Cairo, Imbaba," paper delivered to the Workshop on Empires and Cultures, Stanford University, April 2000; Ismail, "The Popular Movement Dimensions of Contemporary Militant Islamism: Socio-Spatial Determinants in the Cairo Urban Setting," 382-83, 384.
- ⁵¹ Abdo, *No God but God*, 20.
- ⁵² Fandy, "Egypt's Islamic Group," 624.
- ⁵³ Medani, "Informal Markets and Islamist Activism in a Neighborhood in Cairo."
- ⁵⁴ *Ibid.*; Abdo, *No God but God*, 19-40; Eric Denis, "La Mise en scène des `ashwiyyât. Premier acte: Imbâba, décembre 1992," *Egypte/Monde Arabe* no. 20 (4e trim 1994): 117-32.

⁵⁵ A.J. Baklanoff, *al-Tabaqa al-`amila fi misr al-mu`asira* (Damascus: Markaz al-Abhath wa'l-Dirasat al-Ishtirakiyya fi al-`Alam al-`Arabi, 1988); Huwayda `Adli, *al-`Ummal wa'l-siyyasa: al-dawr al-siyyasi li'l-haraka al-`ummaliyya fi misr min 1952-1981* (Cairo: Al-Ahali, 1993), 268; Joel Beinin, "Will the Real Egyptian Working Class Please Stand Up?" in *Workers and Working Classes in the Middle East: Struggles, Histories, Historiographies*, ed. Zachary Lockman (Albany: State University of New York Press, 1994), 247-70.

⁵⁶ Omar El Shafei, "Workers, Trade Unions, and the State in Egypt: 1984-1989," *Cairo Papers in Social Science* 18, no. 2 (Summer 1995): 36.

⁵⁷ For a vignette of `Adil Husayn see, François Burgat, *Face to Face with Political Islam* (London: I.B. Tauris, 2003), 37-42.

⁵⁸ `Adil Husayn, *al-Iqtisad al-misri min al-istiqlal ila al-taba`iyya, 1974-1979* (Cairo: Dar al-Mustaqbal al-`Arabi, 1982).

⁵⁹ *Al-Sha`b*, Dec. 16, 1997, p. 10. See also Jamal al-Banna in *al-Sha`b*, July 19, 1994.

⁶⁰ *Al-Sha`b*, Sept. 10, 1991.

⁶¹ *Misr al-Fatat*, Sept. 12, 1991.

⁶² *Al-Sha`b*, Apr. 5, 1994.

⁶³ `Adil Husayn and Rida al-Bitar in *al-Sha`b*, Dec. 16, 1997. See also the *zajal* (colloquial poem) delivered at the 1994 Labor Party workers' conference to oppose the draft Unified Labor Law whose concluding verse is "They have deceived us with promises and sold us to the Jews," *al-Sha`b*, April 19, 1994

⁶⁴ *Ibid.*, Sept. 10, 1991.

⁶⁵ Yavuz, "Political Islam and the Welfare (Refah) Party in Turkey," 66; M. Hakan Yavuz, "The Matrix of Modern Turkish Islamic Movements: The Naqshbandi Sufi Order," in *Naqshbandis in Western and Central Asia: Change and Continuity*, ed. Elisabeth Özdalga (Istanbul: Swedish Research Institute in Istanbul, 1999), 136.

⁶⁶ Ye_ılada, *Islamic Fundamentalism in Turkey and the Saudi Connection*, 4.

⁶⁷ Kemalism is often characterized as "secular." This misconstrues its ethos, which aims to assert state control over religion and to exclude unapproved expressions from the public sphere. This is directly derived from the Jacobin French concept of *laïcité*, as suggested by the Turkish word for the Kemalist outlook – *laiklik*.

⁶⁸ Yavuz, "The Matrix of Modern Turkish Islamic Movements," 143.

⁶⁹ M. Hakan Yavuz, "Opportunity Spaces, Identity, and Islamic Meaning in Turkey," in *Islamic Activism: A Social Movement Theory Approach*, ed. Quintan Wiktorowicz (Bloomington: Indiana University Press, 2004), 279.

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- ⁷⁰ Ibid., 278-79.
- ⁷¹ Ibid., 285.
- ⁷² Yavuz, "The Matrix of Modern Turkish Islamic Movements," 144.
- ⁷³ Bu_ra, "Class, Culture, and State," 531.
- ⁷⁴ Ye_ilada, *Islamic Fundamentalism in Turkey and the Saudi Connection*; Moore, "Islamic Banks and Competitive Politics in the Arab World and Turkey."
- ⁷⁵ Moore, "Islamic Banks and Competitive Politics in the Arab World and Turkey."
- ⁷⁶ Bu_ra, "Class, Culture, and State," 524-29.
- ⁷⁷ Yavuz, "Opportunity Spaces, Identity, and Islamic Meaning in Turkey," 279.
- ⁷⁸ Aysenur Okten, "Post-Fordist Work, Political Islam and Women in Urban Turkey," in *The Economics of Women and Work in the Middle East and North Africa*, ed. E. Mine Cinar (Amsterdam: JAI, 2001), 275.
- ⁷⁹ Ziya Öni_, "The Political Economy of Islamic Resurgence in Turkey: The Rise of the Welfare Party in Perspective," *Third World Quarterly* 18 (4 1997): 759.
- ⁸⁰ Okten, "Post-Fordist Work, Political Islam and Women in Urban Turkey;" Jenny B. White, *Money Makes Us Relatives: Women's Labor in Urban Turkey* (Austin: University of Texas Press, 1994).
- ⁸¹ Yavuz, "Opportunity Spaces, Identity, and Islamic Meaning in Turkey," 281.
- ⁸² Yael Navaro-Yashin, "The Market for Identities: Secularism, Islamism, Commodities," in *Fragments of Culture: The Everyday of Modern Turkey*, ed. Deniz Kandiyoti and Ay_e Saktanber (London: I.B. Tauris, 2002), 221-53.
- ⁸³ Yavuz, "Political Islam and the Welfare (Refah) Party in Turkey," 73.
- ⁸⁴ Navaro-Yashin, "The Market for Identities: Secularism, Islamism, Commodities," 242.
- ⁸⁵ White, *Islamist Mobilization in Turkey*, 101.
- ⁸⁶ Dani Rodrik, "Premature Liberalization, Incomplete Stabilization: The Özal Decade in Turkey," in *Lessons of Economic Stabilization and Its Aftermath*, ed. Michael Bruno, et al (Cambridge: MIT Press, 1991), 348.
- ⁸⁷ Ibid, 19, 55, 112-13; Yavuz, "Opportunity Spaces, Identity, and Islamic Meaning in Turkey," 282-85. Quote, xxx.
- ⁸⁸ White, *Islamist Mobilization in Turkey*, 79, 120.
- ⁸⁹ Ibid., 242.

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- ⁹⁰ Ibid., 137-38.
- ⁹¹ Necmettin Erbakan, *Adil Ekonomik Düzen* (Ankara: Semih Ofset Matbaacılık, 1991).
- ⁹² Ay_e Bu_ra, "Political Islam in Turkey in Historical Context: Strengths and Weaknesses," in *The Politics of Permanent Crisis: Class, Ideology and State in Turkey*, ed. Ne_can Balkan and Suncur Savran (New York: Nova Science Publishers, 2002), 127-32.
- ⁹³ Ibid., 132.
- ⁹⁴ White, *Islamist Mobilization in Turkey*, 143.
- ⁹⁵ Bu_ra, "Political Islam in Turkey in Historical Context," 131.
- ⁹⁶ White, *Islamist Mobilization in Turkey*, 146-48.
- ⁹⁷ Ibid., 144.
- ⁹⁸ Yavuz, "Opportunity Spaces, Identity, and Islamic Meaning in Turkey," 283, 284.
- ⁹⁹ Ay_e Bu_ra, "Labour, Capital, and Religion: Harmony and Conflict Among the Constituency of Political Islam in Turkey," *Middle Eastern Studies* 38, no. 2 (April 2002): 199.
- ¹⁰⁰ Bu_ra, "Political Islam in Turkey in Historical Context," 192, 196, 199, 200.
- ¹⁰¹ Bu_ra, "Class, Culture, and State," 532-33.
- ¹⁰² Bu_ra, "Labour, Capital, and Religion," 195.
- ¹⁰³ Mohammed M. Hafez, *Why Muslims Rebel: Repression and Resistance in the Islamic World* (Boulder: Lynne Rienner Publishers, 2003), 82-91.