Focus

Fight or Acquiesce? Religion and Political Process in Turkey’s and Egypt’s Neoliberalizations

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ABSTRACT

The Polanyian expectation that disruptive marketization will lead to movements and policies that seek to ‘embed’ the market in society needs to be tempered by closer scrutiny to historical, religious and political contexts. This article studies how movements respond to marketization. The analysis proceeds through a comparison of the Turkish and Egyptian neoliberalizations, religious movements of the last decades, secular opposition, and finally recent processes, which have led to generally different social takes on neoliberalism. The irony of the Turkish case is that with the empowerment of the Islamists, religious opposition to neoliberalism was muted and secular opposition further marginalized and labelled as ‘anti-democratic’. As a result, free market policies were not only sustained, but deepened and intensified, turning Turkey into a neoliberal ‘success story’. The (thus far) sustained mobilization of youth and labour in Egypt makes a direct imitation unlikely. Another major factor that would prevent a ‘Turkish’ solution to Egypt’s crisis is the contrasting structure of the religious fields. Moreover, while the passive revolution has further solidified the professional and unified religious field in Turkey, the revolutionary process in Egypt seems to reinforce the fragmentation of the religious field. The article points out that making Islam compatible with neoliberalism would be more difficult in a country with a fragmented religious field, such as Egypt. Although neoliberalism was imposed from above and resisted from below in both nations, in Turkey it came to be embraced in the name of Islam and democracy, whereas in Egypt it remains an imposition and popular struggles against it persist. It is suggested that this process and field-based approach to a Polanyian problem can also shed new light on discussions about ‘actually existing neoliberalisms’.

INTRODUCTION

How can we account for the varying popularity of market reforms, and contrasts in struggles against them, across different countries? This article studies the comparable yet distinct neoliberal paths of Turkey and Egypt. Although these paths have shaped anti-market mobilization, the analyses

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below demonstrate that economic indicators do not account for all the variations regarding the popular embrace of neoliberalism (the ideology of free market rule).

A long legacy of Polanyian critique of economic liberalism accedes that marketization generates wealth and growth, but points out that it cannot generate jobs and social equity (Richard and Waterbury, 2007; Stiglitz, 2002). It is therefore not surprising that Turkey’s more thorough neoliberalization is matched by higher unemployment and inequality than in Egypt. However, Polanyi and Polanyians have also expected that such social disruption will lead to social disturbance and an eventual ‘embedding’ of the market (Block, 2003; Evans, 2008; Somers, 2008). Polanyi’s (2001 [1944]: 174–84) original argument implied that the more intense the market destructiveness, the more bottom-up the counter-movement against marketization will be. Later arguments pointed out that other factors, such as traditions of self-organization, mediated the influence of market reforms (Burawoy, 2004: 221–22). Yet the question remains: how should we comparatively analyse the relations between marketization and movements against marketization? What factors make a bottom-up movement more likely? This article sheds light on these questions by focusing on the interactions between market reforms, religious fields and political processes.¹

Although this article does not provide a comprehensive analysis of the religious and political fields, the study is based on a comparative political sociology approach to Bourdieu’s concept of the field. A field is a competitive network of forces, where each organization wields power based on its differences from the other players. In this game of differentiation, each player has at its disposal not only certain resources (such as finances, distinct organizational forms and capacities, etc.), but also contrasting dispositions as regards how the game should be played. It is suggested here that the structure of religious fields vary cross-nationally (as well as on other scales) based on how unified or fragmented they are — i.e., whether one major organization can claim to speak in the name of religion in the whole country, for example, through absorbing the major religious players into a mass party.²

Turkish society is much more unequal, but less mobilized against neoliberalism than Egypt. It is not clear yet whether the market will be embedded in Egypt, but there is significant opposition to marketization. Why has Turkish neoliberalization met with limited protest? No doubt, the tortured readjustment to a liberal welfare state (health policies in particular) is an important basis of consent, but restricted poverty programmes cannot by themselves explain quiescence regarding other ills of neoliberalization (such as

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¹ A full theorization of how fields and processes interact to produce varieties of the counter-movement is beyond the scope of this paper.

² The analyses below suggest that religious fields also vary as to whether the dispositions of its major actors are professional, messianic or traditionalist. These variations, and the factors underlying them, will be studied in depth elsewhere.
unemployment, deteriorating education, poverty, persistent inequality). We can only understand this by studying how religion and politics have been able to render the market popular in Turkey, whereas their interaction took a rather different direction in Egypt.

This revision of Polanyian analysis is based on a suggestion, only hinted at in this article, that a thorough understanding of neoliberalization requires a two-pronged approach that studies articulations of the macro and micro dimensions of neoliberalism. Most of the literature on neoliberalism has been bifurcated: scholars have either focused on privatization, deregulation, cuts in welfare spending and agricultural subsidies, and fiscal discipline (Davis, 2006; Harvey, 2005); or, alternatively, on the development of an individualist and responsibility-centred personhood (Brown, 2005; Foucault, 2008 [1978–1979]; Ong, 2006). However, multi-faceted processes in each dimension might interact with one another to lead to different paths of neoliberalization. While this article focuses primarily on the macro-dimensions of neoliberalization, it incorporates the meso levels (the political and religious fields), which allows us to better link the macro and micro processes. Even though the neoliberalization of personal dispositions is not studied in depth here, the working definition of neoliberalization, as an always contested and impure process (Peck, 2010), thus includes (market-oriented) elements that stretch from privatization, deregulation, cuts in (or commodified restructuring of) welfare spending and agricultural subsidies, and de-unionization, to the micro-level development of market-oriented dispositions (cf. Keil, 2002). This combined focus is helpful, I suggest, because a market-oriented shift in the dispositions of broad, multi-class sectors of the population is beneficial to the sustenance of the macro indicators of neoliberalization.

NEOLIBERAL POLICIES

Mustafa Kemal Atatürk’s revolution from above left a legacy of authoritarian corporatism in Turkey which gradually liberalized after 1950. Class struggle was denied and sectors were incorporated into the state based on occupation and employment status (though not to the same degree as in Egypt). Although the general orientation of the Egyptian regime was similar, it was also less democratic. Corporatist incorporation (Ayubi, 1994), much deeper than in Turkey, was organized through a state-run union and workers’ quotas in parliament and other elected bodies. A state-guided, import-substituting industrial capitalism was the rule of the land in both contexts.

In Turkey, social policies were based on a conservative, family-oriented corporatism, which assumes that the primary beneficiaries of welfare are people whose families cannot take care of them (Buğra and Keyder, 2006). In typical corporatist fashion, social benefits (not only health and pension, but even holiday camps and social clubs) were organized on the basis of sectors. This meant that formal employees in the public and private sectors
were disproportionately privileged when compared to informal workers and peddlers.

Initially, ‘Arab socialism’ aimed to extend social services and even employment to the whole population and distribute these equitably. The Egyptian vision was bolder than Turkish corporatism. But with sluggish development, it became clear that social benefits were going to be restricted to formal employees in the public and private sectors. As in Turkey, informal workers were the losers of corporatism (Waterbury, 1983: 223). The Egyptian regime tried to make amends for this weakness through subsidies of basic necessities (most of all, bread) that would spread to the whole population. Yet, especially under Sadat and Mubarak, even bread subsidies became much less systematic.

An indecisive liberalization of the economy in an overall corporatist context marked Turkey between 1950 and 1980, and Egypt between circa 1971 and circa 1990. In Turkey, the September 1980 junta put into effect the neoliberal reforms suggested by policy makers earlier that year (on 24 January). Simultaneously it expanded official Islam’s sphere of influence in order to fight the Left, whilst suppressing autonomous expressions of Islam so as to prevent the emergence of a religious opposition to the new direction that the country was heading towards. Following the military’s closure of all existing parties and civil organizations in 1980, a new centre-right party (the Motherland Party or ANAP) led the neo-liberalization process which was supported by secular businessmen, pious tradesmen and a new secular professional class concentrated in the private sector.

Society was still divided mostly along class lines and the grievance with neoliberalization expressed itself in a vote for the social democratic party SHP. However, this party was a weaker and a less leftist version of the CHP3 of the 1970s; in the absence of a strong socialist and communist left (whose leaders and members were hanged, imprisoned and exiled en masse), the SHP was also free from pressure to pay lip service to egalitarian ideals. Hence, rather than opposing neoliberalization, the SHP promised to temper it, after the example of the Third Way parties in the West. Yet, the SHP’s municipal and governmental performance was dismal.

Divided and inept, IMF-monitored centrist parties mismanaged (though still erratically ‘liberalized’) the economy throughout the 1990s, a mismanagement that ultimately led to the financial meltdown of 2001, when the whole country became much poorer overnight (Keyder, 2004). As Jamie Peck4 (2010) ironically posits, in our times failures of free market economics are resolved through free market economics. Kemal Derviş, a top-level World Bank figure, was hastily summoned. He created the blueprint

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3. CHP, or the Republican People’s Party, is the founding party of the republic. Its main ideology is secular nationalism, but it has had contrasting overtones (state capitalist, left-populist, proto-Third Way, proto-fascist) over the decades.
for aggressive deregulation and privatization measures that gripped Turkey for the coming decade. The already tight links with (and subordination to) Washington Consensus institutions such as the IMF and the World Bank were further strengthened through such moves.  

Egypt has been home to extensive privatization and deregulation from the 1970s to the 1990s: these reforms brought with them sustained growth in the first half of the 1980s along with declining real wages, and increasing unemployment and poverty (Kienle, 1998). IMF-imposed subsidy cuts (of bread, sugar, etc.) resulted in riots and seventy-seven deaths in 1977. The IMF quickly gave out huge loans; subsidies were restored. After that point, the subsidies were gradually and covertly eliminated. Salevurakis and Abdel-Haleim (2008: 40) state that ‘the number of subsidized foods decreased from eighteen in 1980 to only four in 1995. Bread, wheat flour, sugar, and edible oil were all that remained subsidized in that year’. In the 1970s and 1980s, the regime’s overall strategy was the inclusion of Islamic radicals and partial democratization in order to deal with increasing unrest.

After Sadat’s Open Door policies, cuts in government credits to farmers and rural provision (e.g., marketing provision) increased poverty in the countryside (Bush, 2007: 1603–05), transformations which were comparable to those Turkey underwent in the 1980s onward. Political opposition to these rural reforms was not non-existent, but it was weak (ibid.: 1606–08). However, Sadat’s neoliberalization (and even the first few years of Mubarak’s rule) retrospectively seems to have been half-hearted, despite the protests it generated. Deregulation, privatization and the shift of emphasis from industry to services and finance were inconclusive (Shechter, 2008; Stewart, 1999: 142). The real neoliberal shift came in the beginning of the 1990s under Mubarak and was accompanied by a wholesale repression of all social forces that could voice protest. The strikes and violence seen at the beginning of the 1990s were quickly repressed. Several ways of measuring poverty all indicate that the last quarter of the century saw a sharp increase in poverty (Ibrahim, 2004: 482). GDP growth fluctuated between 1980 and 2000. The fastest growing sector was construction (Ibrahim, 2004: 485). In the 2000s, even the cabinet came to be dominated by businessmen, the peak of the neoliberalization of the state apparatus.

Despite many differences, the two countries also display certain parallels in their process of marketization. In both countries industrialization has slowed down in recent decades. The motors of growth have been tourism, finance and construction (with still some manufacturing in the margins, such as the textile sector, which is significant in both countries). The predominance of tourism, construction and finance prevented big leaps in industrialization or technological development despite sustained growth in both cases.

5. There are signs that the AKP government, self-confident due to the credibility it has gained as a result of its pursuit of free market policies, is now loosening ties with the IMF.
Table 1. Percentage Change in GDP

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
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<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
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</thead>
<tbody>
<tr>
<td>Egypt</td>
<td>5.4</td>
<td>3.5</td>
<td>3.2</td>
<td>3.2</td>
<td>4.1</td>
<td>4.5</td>
<td>6.8</td>
<td>7.1</td>
<td>7.2</td>
<td>4.7</td>
<td>5.1</td>
</tr>
<tr>
<td>Turkey</td>
<td>6.8</td>
<td>−5.7</td>
<td>6.2</td>
<td>5.3</td>
<td>9.4</td>
<td>8.4</td>
<td>6.9</td>
<td>4.7</td>
<td>0.7</td>
<td>−4.8</td>
<td>8.9</td>
</tr>
</tbody>
</table>

Source: World Economic Outlook Database, IMF.

Table 2. Unemployment Total (% of total Labour Force)

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<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Egypt</td>
<td>9.0</td>
<td>9.0</td>
<td>9.4</td>
<td>10.2</td>
<td>10.4</td>
<td>10.7</td>
<td>11.2</td>
<td>10.6</td>
<td>8.9</td>
<td>8.7</td>
<td>9.4</td>
<td>9.2</td>
</tr>
<tr>
<td>Turkey</td>
<td>6.6</td>
<td>6.5</td>
<td>8.4</td>
<td>10.4</td>
<td>10.5</td>
<td>10.8</td>
<td>10.6</td>
<td>10.2</td>
<td>10.3</td>
<td>11.0</td>
<td>14.0</td>
<td>11.9</td>
</tr>
</tbody>
</table>


Table 3. Expenditure Shares by Percentile of Population

<table>
<thead>
<tr>
<th></th>
<th>Lowest 10%</th>
<th>Lowest 20%</th>
<th>Second 20%</th>
<th>Third 20%</th>
<th>Fourth 20%</th>
<th>Highest 20%</th>
<th>Highest 10%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Egypt</td>
<td>2004–05</td>
<td>3.9</td>
<td>9.0</td>
<td>12.6</td>
<td>16.1</td>
<td>20.9</td>
<td>41.5</td>
</tr>
<tr>
<td>Turkey</td>
<td>2006</td>
<td>2.0</td>
<td>5.4</td>
<td>10.3</td>
<td>15.2</td>
<td>22.0</td>
<td>47.1</td>
</tr>
</tbody>
</table>


(Richter and Steiner, 2008: 955). This contrasts sharply to the high-tech oriented neoliberalization of India, for example.

Overall, it can be argued that Turkish neoliberalization has been much more successful and (as any Polanyian would predict) more socially disruptive than its Egyptian counterpart. Table 1 shows that Turkish growth rates have been incomparably higher between 2001 and the global crisis of 2008, rendering an already wealthier Turkish society even more affluent than that of Egypt. However, Turkish unemployment (see Table 2) and inequality have been significantly higher too. According to the Human Development Report 2009 (UNDP, 2009), the Gini coefficient (1992–2007) was 43.2 for Turkey and 32.1 for Egypt, demonstrating much starker imbalance in the distribution of wealth in Turkey. A comparison of income distribution by percentiles (Table 3) also shows inequality to be more extreme in Turkey.

There are also indications that the urban–rural divide in Turkey, already more pronounced than that of Egypt (see Table 4), has intensified in the process of neoliberalization. This is indicated, for instance, by increasing rural poverty rates — even during years that urban poverty declined in Turkey.

6. In 2010, Turkish GDP was around US$ 742 billion, while that of Egypt was US$ 218 billion, leaving the Egyptians with less than US$ 3,000 GDP per capita, compared to the Turks who enjoyed more than US$ 10,000 (for the first time in history in 2008, and then again in 2010).
Table 4. Population Below National Poverty Line

<table>
<thead>
<tr>
<th>Year</th>
<th>Rural%</th>
<th>Urban%</th>
<th>National%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Egypt</td>
<td>1995–96</td>
<td>23.3</td>
<td>22.5</td>
</tr>
<tr>
<td>Turkey</td>
<td>2002</td>
<td>34.5</td>
<td>22.0</td>
</tr>
</tbody>
</table>

Note: The World Bank calculates national poverty lines differently in each country, so a substantive comparison between Egyptian and Turkish (relative) rural poverty is not possible. No comparable numbers regarding relative poverty are available for later years. Recent reports indicate that rural poverty has skyrocketed in both countries, and absolute poverty remains significantly higher in Egypt when compared to Turkey. Source: World Development Indicators 2010, World Bank.

Table 5. Rural Population (% of total)

<table>
<thead>
<tr>
<th></th>
<th>1990</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Egypt</td>
<td>57</td>
<td>57</td>
</tr>
<tr>
<td>Turkey</td>
<td>41</td>
<td>31</td>
</tr>
</tbody>
</table>


Table 6. Expenditure on Education (% of GDP)

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Egypt</td>
<td>4.8</td>
<td>4.0</td>
<td>3.7</td>
<td>3.8</td>
</tr>
<tr>
<td>Turkey</td>
<td>3.1</td>
<td>3.0</td>
<td>3.4</td>
<td>3.1</td>
</tr>
</tbody>
</table>

Source: Author’s compilation from UNDP, International Human Development Indicators 2011 and Eğitim Sen (2011).

(e.g., see TÜİK, 2011). By contrast, Egyptian rural and urban poverty have increased in more parallel fashion with each other. Combined with the thorough commodification of agriculture, the result has been a vast rural exodus in Turkey (as Table 5 shows). Since sustainable urban support structures were mostly absent and urban employment was steadily increasing, what accounts for this migration was mostly push, rather than pull, factors.

At the same time, the Turkish welfare state has not collapsed, but only recoiled and readjusted. Unlike the Egyptian state’s substantial cuts in social provision, the Turkish state has restructured welfare to respond to the needs of the most vulnerable (rather than organized labour and civil servants), such as the disabled. As Table 6 indicates, the education expenditure in Turkey has remained quite low, despite mounting student protests in the mid-1990s, one of the primary slogans of which was ‘savaşa değil, eğitim bütçe’ (‘budget for education, not war’) referring to the Kurdish war and demanding that military expenditure be reduced and spending on education be increased. However, the Justice and Development Party (AKP) government (2002–present) has restructured the health system in Turkey, dismantling corporatist privileges and liberalizing the system, thus attacking formal employees but
Table 7. Expenditure on Public Health (% of GDP)

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
</tr>
</thead>
<tbody>
<tr>
<td>Egypt</td>
<td>2.3</td>
<td>2.6</td>
<td>2.4</td>
</tr>
<tr>
<td>Turkey</td>
<td>4.1</td>
<td>3.5</td>
<td>3.4</td>
</tr>
</tbody>
</table>

Source: Author’s compilation from UNDP, International Human Development Indicators 2011.

serving the informal workers and peddlers (Buğra and Keyder, 2006), in an overall context of higher health spending when compared to Egypt (see Table 7).

What remained untouched from the old corporatist package, however, was the assumption that family networks are the primary caretakers. Indeed, the gendered dimension of this assumption (the organization of women’s access to the welfare system through the working male) was further strengthened by the AKP’s understanding of Islamic codes (Buğra and Yakut-Cakar, 2010: 530–32). Another re-enactment of old style welfarism was election-time spending (i.e., direct provision, especially to the poor, closer to election time) and other forms of direct cash transfers that seem to display a ‘bribing’ mentality (Buğra and Candas, 2011: 521, 523). Perhaps due to these ‘impurities’ of market rule (and the AKP’s divergence from the bookish mantra of ‘no government involvement in the economy’), as well as economic growth, absolute poverty did not increase significantly during the AKP period.7

On another front, concomitant to the commodification of land and real estate, the AKP governments have sponsored a programme of mass housing. However, unlike the health policies, there are no solid indicators that the housing programmes have been successful in garnering even the partial consent of informal labouring sectors. In their study of the AKP’s mass housing projects, Bartu Candan and Kolluoğlu (2008) show that the AKP ‘packages’ neoliberal urban transformation as ‘social inclusion’, emphasizing participation and transparency, and government support in the provision of mass housing. However, the authors also provide ample evidence of the disempowering effect of this programme. Residents who cannot afford the monthly mortgages, the formal services and the formalized credit mechanisms of formal mass housing are dislocated from their shanties (2008: 22–23, 27–28). Therefore, the initial thrust of some AKP policies may account for earlier urban poor support for the AKP. Yet, given how pronounced the dimension of dispossession has become, it is difficult to maintain the

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7. These aspects of Turkish neoliberalization can be compared to Latin American ‘neoliberal populism’ which is characterized by targeted poverty programmes and election-time spending, as well as attacks on privileged sectors and the successful management of inflation (Roberts, 2006; Weyland, 1996: 11–12, 17–21). However, unlike these regimes (Ellner, 2003: 151; Roberts, 2006: 140), the AKP is able to integrate the poor into the party and neoliberalize their orientations to work and the economy (Tuğal, 2009).
thesis that it is the *economic* bribery of the AKP that keeps popular classes relatively quiescent.

In sum, poverty, unemployment and polarization persist in Turkey, as in Egypt. Microfinance, accompanied by inflated expectations, has been the internationally supported solution to this malaise in Egypt (Elyachar, 2002; Roy, 2010). Both states have also relied on expanding civic charity as one of the main solutions to the problems associated with the recoiling and readjustment of the welfare state. The welfare debate in both countries has also witnessed a discourse on ‘teaching people how to catch fish’ rather than giving them fish, i.e., making the poor self-reliant (Atia, 2008; Buğra and Keyder, 2006). Hence, a new ‘welfare governance’ based on (mostly non-transparent) government–charity partnerships that mobilize poor people’s entrepreneurial capacities (Buğra and Candas, 2011: 522) tends to replace the formal welfare system in both cases.

These parallels and differences between Egyptian and Turkish welfare restructuring still do not explain why the ‘free market’ can remain so popular and (relatively) uncontested in Turkey, given that the changes in the Turkish welfare system have not counter-balanced the overall more polarizing effects of neoliberalization. Some scholars could legitimately claim that a high rate of growth decreases the likelihood of social unrest, due to the hopes of a trickle-down effect. However, the contrast between the Motherland Party period (when Turkey witnessed major social unrest) and the period 2000–2010 cautions against such an easy explanation.

Could the rise of a pious bourgeoisie (raising the hopes of all dispossessed sectors) be the explanatory factor, as frequently argued in some of the political economic literature? Building on the relatively more established argument that the existence of such a bourgeoisie has led to the ‘moderation’ of Islam in Turkey, Gumuscu (2010) has advanced the thesis that the absence of a strong and independent Muslim bourgeoisie explains the lack of moderation in Egypt. Hence, it could be argued that, in contrast to Egypt, the existence of an independent pious Turkish business sector (allegedly lobbying for limits to state power, and hence democratization), resonates with the anti-state and anti-democratic leanings of society at large, thus legitimizing the government’s free market programme.

In spite of the valid insight that there are parallels between transformations in Islamic business and shifts in Islamic culture, there are problems with this thesis. First, business prosperity and safety in Turkey are still very much dependent on politics and the state, as recent events show (the downgrading and marginalization of some major capitalist families, and the state-backed prospering of others). Second, while Gumuscu’s overall claim is that there is no strong pious bourgeoisie in Egypt, her empirical analysis hints that there is, but due to political risks and the aversion of the Muslim

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8. Önis (2006); for a recent example, see Baskan (2010).
Brotherhood (the major Islamist organization in Egypt) to bourgeois lifestyles, involvement of pious businessmen in the Brotherhood’s inner operations is limited (Gumuscu, 2010: 854). The Brotherhood’s emphasis on *humbleness* and *modesty* conflicts with the pious bourgeoisie’s emphasis on accumulation and consumption. If this is indeed the case, what really has to be explained is why the organization would uphold this understanding of religion if it is at the cost of benefits that could accrue from fully mobilizing the bourgeoisie.

**THE RELIGIOUS MOVEMENTS**

The analysis presented below aims to demonstrate that a unified and organized political party allowed Islamists in Turkey to steer their support base in a market-oriented direction, when the opportunity presented itself. By contrast, the fragmented Egyptian religious field prevented even the more market-oriented Islamists from having a significant effect on society, the economy and politics.

When the Islamist party re-emerged in Turkey under the name the Welfare Party (RP) in the 1980s, based on the legacy of a chain of closed-down legal Islamist parties, it had an anti-liberal, social justice-oriented platform. This religious mobilization also developed a communitarian market vision, parallel to that of Polanyi, but mixed inconsistently with free market and national developmentalist elements. Along with supporting provincial businessmen and artisans, as 1970s Islamism had done, the RP’s programme placed a strong emphasis on redistributive social justice. On the one hand, the party furthered the interests of an expanding provincial business class which was more susceptible to adapting to neoliberalization than the state-protected bourgeoisie (though it was going to become clear in a few years that this new, allegedly ‘independent’ class was as interested in state protection as its competitor, the established urban bourgeoisie). With the changing needs of the provincial bourgeoisie, heavy (state-led, massive, non-flexible) industrialization was dropped from the programme to emphasize flexible production. Hence, the party clearly had *some* neoliberal inclinations. On the other hand, the party’s proposed socioeconomic programme envisioned a world where morality dominated the market (Erbakan, 1991). Such a market bound by morality would enable small businessmen to operate without exploiting the poor, who would also be protected by the state. Hence, the party (its newspapers, ideologues, politicians) claimed to be ‘anti-capitalist’, some Islamists even citing non-Marxist socialists such as Robert Owen (one of Polanyi’s main inspirations). Manuals of the party promised unionization for every worker and living wages; party rallies were adorned with slogans that announced the ‘end of exploitation’. This contradictory discourse, which articulated an acceptance of open markets with communitarian socialism, resulted in immense support from the urban poor.
The RP emerged as leading party from the 1994 municipal elections (Çınar, 2005), which was followed by a redistribution of urban resources by Islamist municipalities. The ideological impetus of the party had enabled it to stay ‘clean’ in the post-1980 environment, where secular actors pursued the corrupt wealth generated by irregular privatization. The RP also emerged as leading party from the 1995 national elections. It managed to form a coalition government with the centre-right. The military gradually pushed the RP out of government and then out of legal existence (1997–1998). This culminated in the founding of the Virtue Party (FP). The FP got rid of the anti-capitalist rhetoric in the RP’s programme. Rather than reacting against global competition from the West, the FP sought to negotiate the terms of this competition. This was a clear sign that the neoliberal wing of the RP was starting to gain the upper hand in the Islamist party.

The steps the military took against Islamic education and clothing were met with widespread street protests. However, Islamists could not make full use of street action in the 1990s onwards — largely due to top Welfare Party and Virtue Party leaders’ reluctance, their authority over some radicals and party youth, and their marginalization of other Islamist radicals and youth leaders. The many abortive attempts to establish radical organizations and the failed street protests reinforced existing tendencies of de-radicalization, as the disappointed and disillusioned radicals repented and started to seek Islamic change from within the system. This resulted in the absorption of once anti-secular leaders, activists, movements, networks and lifestyles into a secular democracy. The significant difference from Egypt at this juncture was not the interplay between radicalization-repression-de-radicalization-re-radicalization (of which there was plenty in both cases), but the lack of any alternative, organized religio-political institutions to turn to (such as a professionalized party), due to the unified religious field in Turkey (i.e., the gradual monopolization of religious authority by a legal Islamist party). There were multiple Sufi communities in Turkey, but they institutionalized their impact through cooperating with centre-left, centre-right and Islamist parties, instead of building their own, separate party; and, in contrast to Egypt, there was only one major Islamist political party in Turkey.

The former radicals’ engagement in trade and hence operation in a market economy made them question the viability of a wholly distinct ‘Islamic economy’. However, this half-hearted questioning did not amount to a complete rejection of the ‘Islamic economy’ until a new Islamic political party, the AKP, normalized the market economy and the secular state among its constituencies. The former radical activists and networks joined the party and started to work for its empowerment. An entrenched Islamic political tradition tempered even the existing radicalism.

How did this party emerge? The neoliberal, (relatively) pro-democratic, and pro-US younger generation of the Virtue Party first tried to take over the existing party structure. When its leaders lost at the ballot during a major
party congress on 15 May 2000, they established a new organization in 2001, the AKP. The AKP leaders promised the secular media and the military that they would not use religion for political purposes. They reframed their appeal in centre-conservative terms, emphasizing their allegiance to the free market (in line with the interests of their own increasingly bourgeois support base), parliamentary democracy, and the EU process. They also incorporated politicians from the now failed centre-right parties. The liberal (less rigidly secularist, more pro-American and less authoritarian) wing of the military, as well as centre-rightists in the secular media, gave signals that they would be willing to work with such a reformed Islamic party.

The gradual rise of a law-, piety- and modesty-oriented Islam in Egypt, with no clear break from its corporatist past, exhibits a stark contrast to this ‘free market turn’ of Islam in Turkey. While it is true that state and Islamic forces have been able to further naturalize Islamic identities in both countries, the meaning of this identity has come to be different in the two contexts. While many Turkish conservatives freely mix secular and Islamic ways of life, this mixture is more cautious in Egypt (despite a bourgeoning literature on Islamic fashion shows, etc.). Today, the most vibrant currents within Egyptian Islamism accept existing institutions and do their best to encourage the (‘secular’) state to put Islamic law into practice (Rutherford, 2008), an attitude to the regime that has not changed even after the revolutionary events of 2011.

We have to turn to field dynamics to understand why Egyptian Islamism has not become as neoliberal as its Turkish counterpart. The Muslim Brotherhood is the central node in Egyptian Islamic political society, but today shares the religious field with other mighty opponents (such as Jamaa Islamiyya, Sufi groups, and various preachers and organizations known as the Salafis, which all reject the Brotherhood’s spiritual and political leadership). It was founded in 1928 by Hasan al-Banna and, in its first decades, developed as a socio-political movement organizing itself around athletic clubs, evening schools, welfare provision, and anti-colonial activism (Lia, 1998; Mitchell, 1969). The founding leaders of the Muslim Brotherhood had an anti-institutionalist bias: they did not want to be established as an association, club, or anything ‘official’, but rather presented themselves primarily as ‘an Idea’ (Carré, 1983: 12). To clarify this further, the Brotherhood was never against organization (indeed, from the early years onward, it had a complex organizational structure), but it remained suspicious of legal and formal institutionalization (and hence, of establishing a formal political party), in sharp contrast to the institutionally disposed Turkish Islamists.

The early Brotherhood propagated Islamic socialism (Ismail, 1998: 207), which was never a clear position among Turkish Islamists. Their understanding of socialism was, in the spirit of the times, mostly state-based. After prosecution by the Egyptian President Nasser in the 1960s, Brotherhood members escaped abroad and engaged in economic activity, which
they continued in Egypt after President Sadat’s *infitah* (‘Open Door’ or trade deregulation policies after 1973). Since the 1970s, the creation of jobs in the private sector and explosion of foreign trade benefited these Brotherhood members, with many becoming wealthy (Ates, 2005). The emigrant money coming from the Gulf escaped state control and was invested in Islamic banks. The financialization of the economy and the turn away from industrial investment was thus seen to be legitimized by Islam in the 1970s and 1980s. Trading with the West or on the black market was also deemed Islamic through religious verdicts (Ismail, 1998: 213–14). Subsequently, the Brothers started to shift to a mixed economy position, quitting their allegiance to socialism.

In the 1970s, Islamists strengthened within the student body, and the public influence of al-Azhar (the centre of Islamic scholarship) was bolstered. Sadat wanted to use both Islamists and al-Azhar against the left (Zeghal, 1999), boosting the importance of Islamic legal scholarship in Egypt. The Muslim Brotherhood tried to help the regime prevent Islamist students from taking part in demonstrations, strikes and sabotage, but since it was not organized as a political party, it could not control the students completely (Baker, 1991). This provides an important contrast to the Turkish Islamic political party, which had considerable control over Islamist students in the 1980s. However, Sadat’s monopolization of power at the end of the 1970s interrupted the cooperation with Islamists. After Sadat’s assassination in 1981 and the regime’s relative liberalization, the Muslim Brotherhood started to participate in municipal, associational and parliamentary elections. This taught the Muslim Brotherhood to play by the rules of the game, just like the Turkish Islamists.

The Islamist movement in Egypt was always concerned with Islamic law. What changed at the beginning of the 1980s was that it became a greater priority for the Muslim Brotherhood. The tone of the Muslim Brotherhood thus became conciliatory particularly after the government, in May 1980, declared Islamic law as the only source of legislation. In contrast to Turkey, courts and al-Azhar scholars (as experts of Islamic law) also started to advance an allegedly more moderate form of Islamization in Egypt in order to claim radical Islam’s ground and limit its effectiveness (see Mehrez, 2001: 11–12). After this, the confrontational stance of the Muslim Brotherhood ceased (Sullivan and Adeb-Kotob, 1999: 57).

These moves away from an anti-state understanding of Islamization were indeed paralleled by the commodification of religion (the refashioning of Islamic symbols as artefacts that can be bought and sold) among some urban sectors, just like in Turkey in the 1990s (Ghannam, 2002; Herrera, 2001). Why was the Islamist leadership not accommodating of market-oriented practices, such as revealing and flexible Islamic covering that defied the

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10. Sadat’s administration had paved the way for this decisive move by positing in the 1971 constitution that Islam has a primary role in legislation (Al-Awadi, 2005: 37, 41).
standardization and modesty of the veil, the mobilization of Islamic symbols for consumerist purposes, etc.? Urban middle class and peasant elements were poorly integrated into the Egyptian Islamist movement, which inhibited a monopoly of the Muslim Brotherhood over Islamic political society, and reproduced influential violent Islamist organizations. In the 1980s and 1990s, radical armed organizations (Jamaa and Jihad) appealed to the urban and rural poor,\(^{11}\) whereas segments of the Muslim Brotherhood appealed to rentier capitalists, the labour aristocracy, petty merchants and professionals (Ismail, 1998: 200–01). Jamaa (led by university graduates of middle and working class origin; social justice-oriented) situated itself in opposition to the Muslim Brotherhood, which supported the government’s free market policies (in the countryside), and backed landowners against small farmers (Fandy, 1994).\(^{12}\) At least until the mid-1990s, the countryside was exposed to agitation by radicals.

This provides a contrast to Turkey where conservatives in the east and the west of the country are relatively more integrated through Islamic civil society, patronage and political society. Even though the countryside and the fringes of the cities are home to poverty also in Turkey, the poor are connected to official institutions (including welfare agencies) through patronage networks of political parties. The AKP’s further organization and institutionalization of these patronage networks can be taken as one reason why economic exclusion (which results from the transition to a free market) does not automatically lead to radicalization.

Parallel to these changes, the Brotherhood emerged as a proponent of a loose and community-based welfare system, contradictorily combined with an Islamic integration into neoliberalization. In the 1980s and 1990s, its overall economic programme supported the state and community’s taking care of the poor; narrowing of class divisions; and social security for all citizens. The programme of the 1987 election alliance with other Islamic parties supported the shrinking of the government bureaucracy; promotion of the private sector as the backbone of the economy; promotion of almsgiving; an interest-free banking system; and comprehensive government regulation and strategic planning of the economy (Abed-Kotob, 1995: 326–27; el-Ghobashy, 2005). The apparent contradictions here are reminiscent of the Turkish Islamists’ ‘Just Order’ programme in the 1980s and 1990s (that is, before their free market turn).

Since the 1980s and 1990s, too, the Brotherhood’s position with respect to market reform has been quite uneven. There are neoliberal economists associated with the Brotherhood. The organization has also more or less

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\(^{11}\) Even the more pragmatic and business-oriented Islamic activists in poor quarters remained opposed to the old regime (Ismail, 2006: 52–57).

\(^{12}\) Egypt’s official religious institution al-Azhar also supported law 96 (abolition of rent control in the countryside) and the expulsion of peasants, while Jamaa opposed it (Alam, 2003: 135).
consistently supported liberalization in the countryside. However, the newspapers, election platforms and other publications of the Brotherhood still combine elements of protectionism and free market dynamism. In the previous parliament (2005–2010), Brotherhood-connected MPs fought for higher wages, supported strikes and resisted privatization. No consistent Islamic programme, whether pro-market or anti-market, has emerged out of these decades of inconsistencies.

In short, there was no unification in the Islamic field as was the case in Turkey: no organization monopolized the representation of practising Muslims (against the secularists). The Egyptian state’s sustained crackdown in the second half of the 1990s — which was in part a reaction to the Algerian civil war (Ghadbian, 1997: 101) — interrupted the further strengthening of radical Islamic organizations. The crackdown was not followed, however, by the Muslim Brotherhood’s absorption of radical Islamists, due to its lack of professionalism. The Muslim Brotherhood did not have an explicit, coherent programme (Tamam, 2009) or the structure of a political party, which in combination could have provided an alternative route to these radicals, incorporating them and de-radicalizing them (as happened in Turkey after a similar crackdown in 1997). Hence, by 2011, the Islamist opposition was divided between the Brothers and more radical groups, none of which held a neoliberal position, and all of which were in a deadlock with the regime in establishing control over society. Ironically, and very different to the situation in Turkey, it was secular opposition forces (through their initiation of the revolutionary protests of 2011) who broke the stalemate between the regime and the Islamists.

SECULAR OPPOSITION

The secular opposition to Turkey’s religious neoliberalization has two major components: the Kemalist opposition, and the worker–civil servant opposition. Kemalists mostly focused on fighting the religious component of this package, and only infrequently protested against the depletion of corporatism (rather than developing a novel, working alternative to neoliberalism). Once the CHP re-opened in the mid-1990s, it relied mostly on its pre-1960s mission of authoritarian secular nationalism (at the expense of Kemalists’ flirtations with left-populism and then Third Way politics from the 1960s to the early 1990s). The CHP thus became the political leader against Islamism. However, due to the liquidation of its prominent social democratic leaders, it alienated even secularized sectors. In the 1990s and 2000s, some secular sectors still voted for the CHP because of its emphasis on anti-Islamism, thanks to which it claims the position of the second party in the parliament. But the party lacked the moral authority of the AKP, the leaders of which are perceived as true believers with popular origins, while most of the CHP’s voters deeply distrusted their leaders. Meanwhile, any political force to the
left of the CHP line was violently repressed not only by the recurrent coups, but also by ongoing torture and other forms of repression.

Turkish labour, the second major impediment to Islamic neoliberalization, had its post-liberalization spring between 1989 and 1995. First a worker’s movement, then a movement of proletarianized civil servants shook the system and neoliberalization stumbled (as attested by a slowing down of privatization in the 1990s and at least some initial wage gains). However, these movements not only lacked a political leader, but even a political interlocutor within the system. The new CHP was not in the least interested in labour issues. Not only its turn to the right, but institutional and structural factors account for this lack of interest of the CHP. The coups had cracked down on labour, made unionization quite difficult and direct links between parties and unions were banned. Last but not least, the financial turn of the economy and the expansion of the service sector had slowed down proletarianization and expanded the informal working class, with its notorious (if not insurmountable) difficulties of organization.

With its only interlocutors now outside the system, the discourse of labour (and especially of civil servants) soon became socialist, pro-Kurdish and democratic. But the (still deeply nationalist) Turkish masses gradually deserted the militant unions and joined right-wing ones. The labour movement’s abrupt and radical politicization was also completely out of synch with the depoliticization (and sharp right-turn) that characterized society after the 1980 coup. The street protests stopped attracting big numbers by the mid-1990s. And by the end of the 2000s, the leftist unions (which had started unionization among civil servants in the 1990s) became the least influential among civil servants.\(^\text{13}\)

The secular left has had a different fate in Egypt. Most leftist organizations and leaders were either repressed or willingly usurped by the Nasserist regime, seeing in that regime an authentic voice of socialism. As Sadat and Mubarak quit corporatism, Nasserism became one of the rallying points of the opposition, much akin to the Kemalist left in Turkey. However, socialists and communists did not have as independent a voice. For instance, Tagammu, the main leftist party, has had dubious relations with the regime. Despite a seemingly strong footing within the system, these two parties combined (Nasserists and leftists) could never claim more than a few seats in parliament. The Brotherhood (along with its other conservative allies) was the only major party alongside Mubarak’s official party (the National Democratic Party).

The counterpoint to the weakness of secular non-neoliberal forces in parliament was their vibrancy on the street. Between 1998 and 2008, around 2 million Egyptian workers participated in more than 2,600 factory occupations. Joel Beinin (2009: 450) points out that this mobilization ‘constitutes

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13. Together with repression, an ever-rising Turkish nationalism was the reason for this defeat. That nationalism, in turn, was fuelled by a Kurdish guerrilla struggle in eastern Turkey.
the largest and most sustained social movement in Egypt since the campaign to oust the British occupiers following the end of World War II’. The tension escalated after 2006, with more than 600 collective labour actions per year (Beinin, 2009). Textile workers led the actions, but many workers from the private and public sectors, as well as professionals (teachers, clerks, pharmacists, doctors and university professors) also participated. The actions protested against the low wages and the failure to pay bonuses following privatization, the establishment of free trade zones, and the deregulation of employer–employee relations (ibid., 2009: 450–51). The strikes were initiated by local workers’ networks: the union officials adamantly resisted them (and in some cases, they were detained by workers) (ibid., 2009: 452). The strikes not only led to higher bonuses, but the first official recognition of non-regime unions. The workers’ movement had no national leadership: Kefaya (see below) tried to build bonds with the striking workers, but these were short-lived. The turning point in the attempt to nationalize protest was the formation of the 6 April Youth Movement.

More visible in the international mainstream media than the workers was a liberal democratic opposition. The first leap forward of the liberal forces on the street was in protest against fraud during the 2005 elections. The protestors gathered around an umbrella organization, Kefaya (‘Enough’, founded in 2004), containing elements of the left as well as the Islamists, but led by the liberals. Kefaya slowly died out after failing to achieve any political reforms. A left-wing version of Kefaya emerged in 2008, when a group of journalists and bloggers called upon Egyptian citizens to engage in a general strike to support striking al-Mahalla al-Kubra workers. The general strike never materialized, but left behind a more activist and lasting network when compared to Kefaya: the 6 April Youth Movement. The final major strike of the non-Islamist opposition during the Mubarak years was a movement against torture. The brutal murder of Khalid Sa‘eed (a blogger) by the police led to the formation of another blogger-journalist network in 2010, ‘We are all Khalid Sa‘eed.’ These two blogger groups called Egyptians to follow the example of their Tunisian brothers and sisters on National Police Day, 25 January 2011. This time, the call did not fall on deaf ears.

**THE PROCESSES: PASSIVE REVOLUTIONARY VS. REVOLUTIONARY**

The economic, religious and political balances summarized above have further shifted due to the contrasting processes of the recent years. A passive revolutionary absorption of Islamism into the Turkish system has further entrenched neoliberalization. By contrast, a revolutionary upsurge has spelled trouble for peaceful neoliberalization in Egypt.

Turkey’s Justice and Development Party (AKP) appropriated anti-state Islamic mobilization to reinforce the Turkish state and its neoliberalism. A
bourgeois-Islamic civil society slowly came into being in the atmosphere the AKP created, and the existing Islamic civil society molecularly changed in a market-oriented direction. Cultural centres, networks of friends, mosques and Islamic schools manufactured a pragmatic and business-oriented spirituality. For example, whereas the Welfare Party and Virtue Party leaders encouraged their members and contacts to pray whenever called upon, the AKP leaders and members chose to emphasize how hard work itself is a part of religion and did not publicly encourage people to pray (Tuğal, 2009). Religion, still practised, though less vigorously, was more individualized (e.g., former activists no longer put pressure on people around them to perform the daily prayers communally). Furthermore, some Sufi communities became increasingly professionalized and individualized (Turam, 2007), and the more professionalized became more prominent than the other Sufi communities. Finally, some sectors of the elite appropriated this emergent religiosity and became more observant themselves.

During the last years, not only Islamists but also many liberals and Marxists were absorbed into the AKP’s conservative and neoliberal agenda. Partially based on the social science of the last three decades (the common argument of which tended to be that pious people represent the ‘periphery’ and ‘civil society’ in opposition to the centre and the authoritarian state tradition), and partially motivated by the European and American search for a ‘moderate Islam’, these liberals and leftists joined forces with the ex-Islamists to fight the bureaucracy, Kemalist intelligentsia, and the increasing labour, environmental and youth activism — all of which they now perceive as one bloc against democracy. Another nascent hope was that the AKP would resolve the Kurdish issue through its mix of Islamic conservatism and democracy. Not surprisingly, therefore, many Turkish and Western liberals and leftists were mobilized to pass constitutional amendments that would increase the scope of the executive’s powers through curbing the powers of the judiciary (which is still, somewhat mistakenly, perceived as a secularist stronghold) and, allegedly, the military. After a successful referendum in 2010 the constitution was indeed amended. Instead of curbing military excess, however, the government ratcheted up military pressure on the Kurdish national movement and (to the dismay of only a few of the leftists in its coalition) police pressure on labour and other Turkish activism. The AKP also received carte blanche from these forces in its pre- and post-referendum cleansing of the media from ‘anti-democratic’ (read anti-AKP) elements. In sum, what marked AKP success was not deploying authoritarianism (as all neoliberal parties since 1980 have done), but dressing this in ‘democratic’ and ‘Islamic’ garb.

This identification of democratization and Islamization (and marketization) was strengthened, if not created, by the international scholarly and intellectual environment. Stretching from the right (Wall Street Journal, The Economist) to the ‘left’ (New York Times, Le Monde), the most influential international newspapers and magazines upheld not only the AKP, but its
most pro-market flank (the Gülen community) as Turkey’s (and indeed, the Muslim world’s) only true hope for democracy. Even if some non-Turkish scholars were less enthusiastic about the free market aspect of this package, they nonetheless contributed to the glorification of the ‘Turkish model’ by overlooking its neoliberal character and under-analysing its authoritarian aspects and implications in debates regarding ‘alternative modernities’. The sometimes explicit, sometimes covert assumption was that the only alternative to free market Islam was ‘radical Islam’ — the marginalization of all anti-AKP/Gülen forces was thus to be supported or overlooked. These processes further cemented the religious and political fields under AKP leadership: rather than concentrating on multiple axes of political and religious struggle against each other, a crushing majority of religious and political actors lined up behind the AKP to fight what they perceived to be the enemies of democracy and the market.

A recent CHP leader’s (Kemal Kılıçdaroğlu) unsuccessful attempts to shift the secularist party CHP in a left-wing direction have demonstrated that the AKP’s articulations have become so naturalized that nobody can take a step without falling back on the oppositions that the governing party has set up between Islam, democracy and the free market on one hand, and secularism, authoritarianism and statism on the other. The pro-AKP neoliberal media (ranging from conservatives and ex-Islamists to secular liberals and liberalized ex-Marxists) have repeatedly accused the new CHP leadership of having a hidden agenda to resurrect the authoritarian military state; according to them, the new leader is just a naïve prop of a deep coup plan. Liberal and conservative journalists and politicians also hold that student protests against privatization of education and massive strikes are parts of the same coup plot. Subsequently, all public attempts to support a leftward move in the CHP have been interpreted to be authoritarian conspiracies. Under different conditions, left-wing critiques of secularist authoritarianism in the CHP would appear to be democratic; but today, the identification between the AKP and democracy has been so successfully planted in the common perception that anything that would damage the interests of the governing party is seen by the majority as being undemocratic. The old-guard authoritarian secularist forces in the CHP have used this suspicion-ridden environment to render the leftist attempts of the new leader ineffective. What is perhaps

14. Though still applauding the AKP’s overall direction, some Western forces (e.g., The Economist, New York Times) now express concern over the AKP’s monopolization of power, perhaps worrying that this will make the Turkish government unaccountable to them too.
15. Many influential former Marxists joined the neoliberal Islamic bloc due to such concerns. For a recent example, see Murat Belge’s interview in Radikal of 4 July 2011, where he argues that ‘fascists’ are behind the apparently leftist strikes, student movements and environmental protests of the last few years.
16. Even Kılıçdaroğlu himself shifted to the right in response to these pressures.
more important than the AKP’s sweeping electoral victories, then, is its success in destabilizing and marginalizing its opponents.

It might seem unlikely that Egyptian Islamists would follow these examples, but the events of 2011 led the global secular elite to push, more explicitly than ever before, Turkish Islamism as a model for Egypt. Before the 2011 protests, the Brotherhood was moving into a more conservative–protectionist direction. During 2009 and 2010, the regime ratcheted up the pressure against the Brotherhood. In response, some members of the Brotherhood decided to boycott the parliamentary elections of 2010. However, the conservative-dominated Guidance Bureau (in alliance with the elected assembly of the organization) opposed this idea; the organization participated in the elections. What was remarkable in this debate about participation was not only the content of the arguments. The Guidance Bureau used overtly moralistic language in its condemnation of the people who suggested that the organization should boycott the elections. Questioning the decision of the leaders, the Bureau held, was ‘immoral’ and against Brotherhood etiquette. This was emblematic of the organization’s traditionalistic and unprofessional orientation to politics (which, one could argue, was produced and reinforced by the fragmented religious field).

The Brotherhood could only win one seat in the heavily rigged elections. The governing National Democratic Party secured about 80 per cent of the seats. After this, the opposition within the Brotherhood was further emboldened. They started a campaign against the Guidance Bureau, which in turn threatened to expel them.

After the 2011 protests, a deeper split seemed to emerge. The Guidance Bureau called on the Egyptian people not to participate in the protests of 25 January, which started the revolutionary uprising in Egypt. Despite that, many Brotherhood members went to Liberation Square. After it became obvious that this was turning into a popular uprising, the Bureau switched its position and declared that it was a part of the uprising.

Once the president stepped down and the military, now taking charge, invited the protesters to go back home, the Guidance Bureau again called on Egyptians to end the protests. Even more provocatively, their leaders

19. After initial assaults on labour immediately after Mubarak’s overthrow, the pro-military government issued, in June, a law banning strikes and all other protests which would prevent the functioning of public institutions, while also promising American companies that ‘the market economy’ and foreign trade would keep on operating peacefully. See ‘Al-Hukuuma tabda’ qaamun tajriim al-adraab wa tuhaddid munadhdhimii al-iltijajaa bi mawaadd mukaafahat al-irhaab’ ['The Government Initiates a Law to Criminalize Strikes
called the strikes spreading all over Egypt ‘factional’ (*fi’awiyya*, a contested word, which could also be translated as class-related or syndical, depending on the context) and one of them went one step further by raising doubts that it was actually counter-revolutionaries who were inciting the strikes! At this juncture, Brotherhood members in the Square held meetings with leftist and nationalist groups, at the end of which they declared that they supported the strikes, that they were going to remain in the Square until the demands of the revolution had been met and the military stepped aside (a disobedience to the free market that would be unthinkable within AKP ranks, a sign of the unification, discipline and professionalization of the political field). This new coalition of forces also asked the government to raise wages, build a wider social safety net for all Egyptians, and expand the freedoms of unions.

There was something counterintuitive about these developments, since until then all major splits from and opposition to the Guidance Bureau (e.g., the Wasat) had taken liberal democratic forms. In the hope that these would eventually lead to neoliberal positions (as happened in Turkey), many in Western academic and policy circles supported the earlier splits. This was the first time that splits from and protest against the Bureau adopted a left-wing democratic stance.

Shortly after the overthrow of Mubarak, the ruling military council appointed a committee of judges to make revisions to the Constitution (instead of drafting a new constitution, as the revolutionary uprising demanded). One member of this committee was a Brotherhood member. The head of the committee was a former critic of the Mubarak regime and is known to be an Islamic conservative. The committee has shown no signs that it will discuss the second item of the Constitution (which states that Islamic law is the primary source of legislation in Egypt). Orthodox Islamic law has become unassailable as a result of the efforts of the Brotherhood and its interactions with the old regime over the decades. Indeed, all the conservative Islamic groups returned to Liberation Square in July, primarily chanting for an ‘Islamic Egypt’ and the application of Islamic law, intimating that their coming battle may be more focused on enforcing legal codes than on market-led growth.

The question now is how the Muslim Brotherhood will manage these uncertain times. Is it likely that the organization will share power with the military to keep Egyptian Islam on a law-focused path (as the

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20. In spite these proclamations, when the military actually intervened to disperse the protesters in the Square, the Guidance Bureau criticized this action.

21. These Brotherhood members also published a declaration in support of labor demands, as well as the strikes and labor protests, which the Brotherhood’s Guidance Bureau had called factional. See ‘Shabaab al-Ikhwaan yu’assisuun ittihaadan li tawhiid juhuud thuwwaar 25 Yunaayir’ [‘The Muslim Brotherhood Youth Establishes an Alliance to Unite the Efforts of the 25 January Revolution’] (17 February 2011) www.almasryalyoum.com
constitutional committee has signalled) whilst engaging in a compromise with the military regarding marketization? Could this lead to a conservative bloc as hegemonic as that in Turkey? The Brotherhood’s increased willingness to emulate certain aspects of the AKP experience makes this seem likely. The Brotherhood’s leadership could even take the whole Middle East ‘from the uneven development of neoliberalization’ (Brenner, Peck and Theodore, 2010: 211–16) to the regional success of a ‘deepened’ neoliberalism. However, there are serious impediments to drawing too strong a parallel between the two countries.

First of all, the workers and civil servants are situated quite differently in the two cases, not only structurally, but due to the processes of the last decades. The (still evolving) regime change in Egypt came through youth action in clear solidarity with the labour movement. By contrast, the regime change in Turkey happened despite workers’ resistance, which lost a lot of democratic credibility. The regime change, moreover, was not the result of a revolution and strikes. The strike wave of 1989–95 did not lead to a regime change, but was one of the factors that precipitated a terminal crisis of the old regime. The 1997 coup, meant to resolve the organic crisis at the expense of Islamic, Kurdish and leftist opposition, was even supported by the centre and left-wing workers’ unions, if not the civil servants’ unions. This gave the new regime a strong, and to some a legitimate, excuse to crush labour in the name of democratization. The Brotherhood leadership (but not all of the organization’s wings) has been trying to picture the still vigorous strikes and workplace occupations as in cahoots with the old regime (a sign that they are indeed learning from Turkey), but this is not a very convincing line, given the role of labour in the last few years. Many Brotherhood members even went against their leadership’s calls to end strikes and street protests after February 2011. A mobilized labour and youth, along with some public and even Brotherhood sympathy for them, will make it hard (if not impossible) for a future Brotherhood government to adopt a too strict neoliberal programme. The Brotherhood’s own corporatist economic inclinations might serve as another barrier.

A second factor that will make it difficult for religious forces to neoliberalize to the same extent as Turkey is the structure of the religious and political

fields, the fragmentation of which (thus far) has been further entrenched by the revolutionary process. The Brotherhood is in constant struggle with Salafi and other radical preachers and organizations (including the Jamaa) and has to adjust its tone according to their feedback. Consequently, while Islamists, liberalized right-wing nationalists, liberalized secularists and even liberalized Marxists could easily join forces against the left and Kemalism in Turkey, Islamists in Egypt are more likely to coalesce with old regime forces against leftists and liberals (as happened during the 2011 referendum regarding constitutional amendments).

The concentration of Islamic political and religious fields around one sole centre relieves the Turks from the burden of religious competition. These fragmented field structures in Egypt have a mutually reinforcing relation with the internal structure of the Brotherhood, which remains based on principles rather than political calculation (as opposed to the pragmatist AKP), and allows any splinters to be blamed as immoral (a tactic which apparently failed in Turkey during internal strife within the Virtue Party, a failure that enabled the establishment of the AKP).

These contrasts between the AKP and the Brotherhood might lose some of their intensity if the latter is also elected into office as a single party which would allow it to apportion the spoils of neoliberalization among its constituency. However, even in such a case, it is likely that the balance of religious forces analysed above would constitute right-wing and left-wing pressures on the Brotherhood, pushing it to focus more on morality, piety and *shariah* rather than unfettered growth and consumption in order to appease the Salafis and the Jamaa; and on redistribution to appease its left wing. The Brotherhood’s cold response to the ex-Islamist Turkish prime minister’s message (during his visit to Cairo in September 2011) that a secular state is good for pious Muslims too was therefore not only a reflection of an entrenched anti-secularism in the Brotherhood which, as the experience of Turkish Islamism shows, can be downplayed over the course of a passive revolutionary process. It was also a reflex shaped by the existing balance of religious power, which would have led to the further empowerment of the Salafis and the Jamaa had the Brotherhood let Erdoğan’s comments pass in silence. Furthermore, sustained youth and labour mobilization would push a Brotherhood government to either give major concessions to labour or quash labour in a manner much bloodier than in Turkey, making a sham of the Turkish model and the ‘moderate’ and ‘democratic’ Islam that is supposed to be exported to the Arab world.

It is easy to wish, as do many in Western and Turkish circles, for a liberal–conservative alliance that would mobilize the masses in favour of neoliberal reform and against activist labour and the vestiges of corporatism in Egypt. However, it would be quite difficult to build a sustainable one. It is, therefore, unlikely that the Egyptians will swallow, in peace, the sugar-coated pill of the oft-repeated but seldom discussed ‘Turkish model’.
CONCLUSION

Turkey’s and Egypt’s similar yet distinct neoliberalizations broaden our understanding of actually existing neoliberalisms. Brenner and Theodore (2002: 10) emphasize that neoliberalization takes a different shape throughout the globe due to the specific shape of pre-market reform regulation, the specific crisis the regulation regime faces at the moment of reform, and the dynamic ‘resolution’ of the crisis through the political struggle of its carriers and opponents (cf. Brenner, Peck and Theodore, 2010: 218–19). For instance, as Fourcade and Babb (2002) have noted, the US and Britain have taken on neoliberal reforms with quite ideological commitments, whereas Mexico and France have used neoliberal policies to resolve certain specific economic issues. Jamie Peck (2010: 134–39) has also pointed out the deeply ideological, intellectual and think tank-driven nature of American neoliberalization. In the Middle East, in contrast to both of these routes, market reforms also have a distinct political and military problem-solving capacity. Regimes have mobilized neoliberalization not only due to economic ideologies or pragmatic concerns, but also to fight their opponents. While the same can certainly be said of neoliberalization in the West (its capacity to combat organized labour and socialists), free market reforms were loaded with much more ideological significance in Middle Eastern regimes.

The ideology-laden neoliberalizations of Britain and the US have welfare as such, criminals, panhandlers and squeegee kids as their enemies (Jones and Ward, 2002: 135; Peck, 2010: 140–45). By contrast, Egyptian and Turkish neoliberalizations have not so much targeted the idea of welfare itself. Yet (unlike the more pragmatic, problem-solving neoliberalizations of Argentina and Mexico), they have been caught up in a weighty rhetoric of struggle against terrorism (frequently identified with crime, and implicitly identified with the poor and ethnic and regional minorities, cf. Bartu Candan and Kolluoğlu, 2008). An explicit struggle against banal crime and the poor has not been a part of the equation (with the marked exception of anti-drug discourse, but perhaps not actual policy, in Egypt). Along with terrorism, the main targets have been public enterprises, civil servants (memur) and left-wing labour unions.

Despite these common distinctions from other neoliberal paths, Egypt and Turkey have also displayed variations in neoliberal policy, partially due to differences in their pre-neoliberal economies and welfare policies. Though these variations influenced the counter-market movement, they did not completely dictate its overall contours, which were also shaped by religion and politics. This can be compared to Latin American cases, where hard

23. However, even within cases such as Britain there are serious variations: in Glasgow, for instance, the police has shifted from an outright war on the poor to cooperation (MacLeod, 2002). Internal variation within our cases should also be noted: one of the centres of Istanbul, İstiklal Caddesi, has been a frequent home to an explicit war on the poor, not only on terror.
economic indicators regarding the welfare states did not perfectly align with paths of privatization.

Based on research which suggests that legacies of strong pre-neoliberal welfare institutions allow citizens to resist marketization and demand redistribution, Sarah Brooks (2009: 203–5) points out that the privatization of pensions in Mexico and Brazil should have been more intense than in Uruguay and Argentina (where the pension systems were more efficacious and more equitable, or at least larger). However, while there was indeed thorough privatization in Mexico, Brazil’s market reforms were less successful than the stumbling privatizations in Argentina (due especially to successful popular struggle in Brazil); Uruguay, the most generous and just welfare state (ibid.: 237–42), was home to free market success. Yet, attesting to the importance of passive revolutionary processes — where formerly pro-social justice and pro-poor leaders, cadres and discourses are absorbed into the state — Lula and the Labour Party of Brazil were belatedly able to carry out the pension privatization plan that Cardoso had failed to pass, by deploying the language of social justice, anti-imperialism and Christianity (ibid.: 227–36).

Moreover, whereas much of the literature holds that deep financial crisis and hyperinflation lead to privatization (as they disarm the public and convince it that privatization is necessary), this was true only in Argentina. Crisis and hyperinflation did not lead to privatization of pensions in Brazil; in Uruguay, privatization was carried out in the absence of comparable crises. Mexico’s pension system, at the time of privatizing reform, was recording a financial surplus (ibid.: 18). Public reception of possible reform shaped privatization in all these instances. To put it differently, crises and institutional legacies cannot exclusively predict the path of free market reform. In all four cases, politicians constantly struggled to bring new information to the table and to change the understanding of equity of welfare, repeatedly ‘re-packaging’ what is just and unjust (ibid.: 94–97). The analysis above suggests that such political manoeuvres do not take place in a void; political and religious fields influence what Brooks (2009) has called ‘packaging’. We could ask, for instance, whether the religious fields had a different impact on free market reforms in Latin America as well, allowing Christianity to be deployed in certain ways and not in others at given junctures.

The analysis of the overlaps and contrasts between neoliberalization in Egypt and Turkey open up new avenues of research for students of neoliberalism, as well as for Polanyians who focus on the double movement (of marketization and the embedding of the market). Neoliberalization does not dismantle or revamp the welfare state identically in each case. Not only crises and pre-existing socioeconomic and institutional structures, but also religious and political fields and processes influence the way marketization shapes societies and states. Likewise, societies have distinct ways of demanding or mobilizing the embedding of the market. Future research needs
to explore the evolving links between political and religious structures and fields on the one hand, and varieties of the double movement on the other.

REFERENCES


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