



## Is Islam compatible with capitalism? (II)

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**The question "Is Islam compatible with capitalism?", is a vital/interesting question for Turkey and the report of the European Stability Initiative, "Islamic Calvinists: Change and Conservatism in Central Anatolia" (19 September 2005) explores exactly this question.**

This report, focused on the Kayseri province, raises the question of whether the experiences of Christianity in adapting to capitalism (Max Weber) are valid for Islam. (www.esiweb.org)

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The study's main finding can be summed up as follows: "Central Anatolia remains a religious and socially conservative society. Yet it has evolved a particular form of conservatism which is highly conducive to its new-founded economic success."

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The report draws the portrait of Kayseri's historical development as follows:

"...Modern Kayseri would be unrecognisable to a visitor from the 1950s. The city has grown from 65,500 inhabitants in 1950 to some 600,000 today. People moved in from rural areas to take advantage of jobs in the rapidly expanding New Industrial Zone, covering an area of more than 2,350 hectares west of the town. This is one of Turkey's largest industrial zones, and in 2004 it applied to the Guinness Book of World Records for starting the construction of 139 new businesses on a single day. In the past twelve months, more than 10,000 new urban apartments were connected to the electricity in Kayseri town."

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The report links this enormous progress in Kayseri particularly to the developments in the mattress and textile sectors.

"...Today, the business started by the two brothers – Boydak Holding – has grown into a conglomerate

comprising 22 companies and an export network spanning 70 countries. Managed by their six sons, the conglomerate includes a bank, a transport company, a trading arm and Turkey's largest cable factory. At its centre, however, are the country's two most famous furniture brands, Istikbal and Bellona. The yellow and blue label of Istikbal and the turquoise banner of Bellona can today be found in all Turkish towns. There are more than 1,000 Istikbal shops and more than 600 Bellona shops, selling furniture for every room of the modern apartment. In total, Boydak Holding employs more than 12,000 people (some 10,000 in Kayseri itself), and in 2004 had a turnover of US\$1.2 billion."

However the Dutch economist Leo van Velzen who did research in Kayseri in 1976, only 20 years ago, concluded: "at the moment there is no evidence to suggest that trade capitalism is caught up in a process of change which will yield industrial capitalism."

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On the other hand:

"...When the company ( Orta Anadolu) first began to produce denim for jeans in 1986, it produced five different types. Today it develops 300 prototypes annually, of which 100 are sold to the world's leading jeans brands. In 2003, Orta Anadolu was among Turkey's 25 most profitable companies. In the mid-90s it was supplying denim for some of the world's most famous brands, including Wrangler, Rifle, Diesel and Mavi. In February 2005, Orta Anadolu made new investments totalling US\$20 million, and now produces 45 million metres of denim per year – a staggering one percent of the world's denim output."

"Is Islam compatible with capitalism?" I will relate my conclusion to you on Sunday.