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THE IIBA'S PERSPECTIVE ON TRADE DIPLOMACY AND ITS REFLECTION ON RELATIONS BETWEEN TURKEY-IRAN

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ABSTRACT

The relations between Turkey and Iran are analyzed on the basis of global politics and geopolitics. In this context, the economic sanctions, the Syrian civil war, the military conflicts in Iraq and the South Caucasus pose political and economic risks between Turkey and Iran. On the other hand, non-state actors and capital groups in particular play a decisive role in bilateral relations. While capital groups develop economic relations through foreign policy, they have also developed the concept of "trade diplomacy" and created institutional structures in this way. Trade diplomacy was seen as the basis for solutions in the field of political competition. The aim of this study is to analyze the role of the Independent Industrialists and Entrepreneurs Association (MÜSİAD), which has played a strong role in shaping Turkey's economic policies and Turkey-Iran relations in the last twenty years. The article evaluates the IIBA's economic perspective, the concept of "trade diplomacy" and the institutional structures created in this context. The organization, which has risen through its conservative identity, has adapted to secular capital behavior with its regional and global economic strategies.

Keywords: IIBA, Trade Diplomacy, Identity.

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MÜSİAD'IN TİCARET DİPLOMASİSİ PERSPEKTİFİ VE TÜRKİYE İRAN İLİŞKİLERİNE YANSIMASI

Yasemin KONUKCU¹

ÖZ

Türkiye-İran ilişkileri küresel siyaset ve jeopolitik üzerinden analiz edilmektedir. Bu bağlamda ekonomik ambargo, Suriye İç Savaşı, Irak ve Güney Kafkasya'daki askeri çatışmalar, Türkiye ve İran arasındaki siyasal ve ekonomik riskleri oluşturmaktadır. Diğer yandan ikili ilişkilerde devlet dışı aktörler ve özellikle sermaye gruplarının belirleyici bir rolü bulunmaktadır. Sermaye grupları, dış politika üzerinden ekonomik ilişkileri inşa ederken “ticaret diplomasisi” kavramını geliştirmiş ve bu minvalde kurumsal yapılar ortaya çıkmıştır. Ticaret diplomasisi, siyasal rekabet alanlarına çözüm için zemin olarak değerlendirilmektedir. Bu çalışmanın amacı, Türkiye'nin son yirmi yılında ekonomi politikasının oluşturulmasında ve uluslararası ilişkilerinde güçlü bir rolü olan Müstakil Sanayici ve İşadamları Derneğinin (MÜSİAD), Türkiye- İran ilişkilerindeki rolünün analiz edilmesidir. Makalede, MÜSİAD'ın ekonomik perspektifi, bu minvalde oluşturulan “ticaret diplomasisi” kavramı ve kurumsal yapılar değerlendirilmiştir. Muhafazakâr kimlik üzerinden yükselişe geçen örgüt, bölgesel ve küresel ekonomik stratejileri ile seküler sermaye davranışlarına uyum sağlamıştır.

Anahtar Kelimeler: MÜSİAD, Ticaret Diplomasisi, Kimlik.

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1. INTRODUCTION

Neoliberalism, which was defined as the dominant world system in the 1990s, has now taken on new forms adapted to the economic structure of developing countries. The Independent Industrialists and Businessmen's Association (IIBA-Müstakil Sanayici ve İşadamları Derneği/MÜSİAD), which is the subject of this study, has adapted to this process with its own dynamics and has become competitive in the international arena. The aim of this study is first to discuss the originality of the capital's internal dynamics based on its conservative identity and to analyze its impact on Turkish-Iranian relations. In addition, the study discusses the process of articulating the dominant external and internal dynamics of conservative capital to central capitalism, focusing on the phenomenon of identity in the rise of capital capacity.

The strategies of capital groups to access transnational resources and markets in the capitalist accumulation process also influence the bilateral relations of countries. In the management of these relations, the interests of capital forces create a sphere of influence as an "invisible hand" alongside political decisions. In this regard, the evaluation of Turkey-Iran relations by economic actors provides an opportunity to evaluate the "rational" and economic dimension in the relations.

In addition to academic resources, the IIBA regularly publishes journals and shares the institution's views on economics, diplomacy and international relations with political power and the public. Despite theoretical and empirical studies in this area, the IIBA's approach to identity and capital accumulation in foreign policy and interstate economic relations has received little attention. This article aims to contribute to closing the above-mentioned gap. In addition to the literature review, the journals regularly published by the IIBA were examined as a method. The study is based on a qualitative research method.

In the academic literature, economic relations between Turkey and Iran are analyzed in a state-centric manner. In the context of IIBA, the literature is "identity-centered". Emin Baki Adas' article 'the Making of Entrepreneurial Islam and the Islamic Spirit of Capitalism' examines the cultural politics of Islamic entrepreneurship. This article argues that there is no difference between global capital and local/national capital. However, the article supports this claim at the level of entrepreneurship through Ayşe Buğra, (1999) 'Islam in Economic Organizations', (2002) 'Labor, Capital, and Religion: Harmony and Conflict among Political Constituencies' and (2008) 'Devlet ve İşadamları'. Her studies include a multidimensional analysis of the relations between capital and the state. Haldun Güllalp (1999) analyzes the rise of conservative politics in his article "Political Islam in Turkey: The Rise and Fall of the Welfare Party". In addition to its academic resources, the IIBA regularly publishes specialized journals. The institution's views on diplomacy and international relations are shared with the political power and the public. The economic dimension of relations between Turkey and Iran is discussed in comparative political science studies. The article 'The Iranian Economy in the Twentieth Century: A Global Perspective', written by Hadi Salehi Esfahani and M. Hashem Pesaran, focuses on the transformation of the Iranian economy in the twentieth century.

The article "The Rentier State, Interest Groups, and the Paradox of Autonomy" by Hootan Shambayat is very interesting. According to Shambayat, "rentierism strengthens state autonomy by eliminating economically motivated interest groups and making a segment of the bourgeoisie dependent on the state". This assertion describes the situation in the 1990s. Today, however, we can observe that capitalist groups are trying to emancipate themselves from state authority. Derya Büyüktanır, who wrote the article "Public Diplomacy Activities of TÜSİAD and MÜSİAD During the AK Party Era", focuses on public diplomacy and the importance of NGOs. In this article, IIBA is considered as an influential actor in public diplomacy. The economic and political relations between Turkey and Iran are frequently discussed in academic studies. However, bilateral relations are often ignored in the context of non-governmental organizations or capital institutions.

2. ECONOMIC ACCUMULATION PROCESS

The capital groups that define themselves through their conservative identity in Turkey have gone through several important phases in history. From the proclamation of the Republic until the 1950s, these groups remained in a defensive position, as they were not competitive enough against Istanbul capital, which had a low accumulation potential and pursued state-sponsored development. The first phase in which the defensive position was broken was the period when the Democratic Party was in power, which defended a liberal economic model based on the idea of economic dependence on the West and the USA. The cultural, social and political foundations, which for the capital groups represent the other pillars of economic accumulation, continued uninterrupted despite the 1960 coup. While the organization continued in cultural and social terms, the economic activities made an important progress during the Justice Party period (Bulut, 1999).

The economic activities of conservative capital initially concentrated on winning the representation of industrial goods in which minorities were strong. To this end, small and medium-sized enterprises came onto the stage. Capital accumulation has reached or been brought to a medium level. Since the 1970s, small and medium-sized enterprises from the above-mentioned economic groups have taken steps towards capital participation, which has

developed economic accumulation behaviors and habits. (Commercial priorities and rules are also applied in this capital group. In the 1980s, capital accumulation and corporatization, commercial organization and activities based on congregationalization began to increase significantly (Başçı, 2017). Conservative capitalists, who have increased greatly in number, have discovered the importance of wealth and capital accumulation to make a new leap in quality and volume. In this context, it should be noted that cultural and religious affiliations are valued connections and opportunities in rational investment. Religious identity, communalism and commercial organization have become catalysts for each other. Industrialists and merchants acquired national character during this period. Significant investments were made in the textile, metal, timber, food and agricultural industries. In trade, a leap from retail to wholesale can be observed (Bulut, 1999).

Cooperation with political actors and parties is important for the transformation of medium and small capitalists into national industrial enterprises. After 1980, the government led by Turgut Özal and its neoliberal economic policies contributed to the rapid rise of conservative capitalists. In this context, the understanding of the crucial importance of the partnership of political and economic forces for capital accumulation in the 1980s showed the need to restructure the political leg of conservative capital. This is because during this period, the funds provided by the Özal government were transferred directly from the rich Arab countries to groups that were defined as a "non-interest" model and had links to conservative and religious organizations. In addition, it can be observed that the strengthened capital uses traditional cultural values and ties in the large Anatolian cities to create cheap labor (Yavuz, 2005). In the 1990s, it became a rival of Istanbul-based capital, gained representational capacity through structures that directly defend its own unique interests in the political arena, and a conservative capital structure emerged that gained a relatively international character. In this context, the IIBA, the main organization of the capital group, was founded in May 1990. The IIBA, whose main body consists of Anatolian capitalists, was founded as an umbrella organization that would create the logistical infrastructure of an interest unit, rather than as a political organization in the sense of its founding purpose (Can, 1997).

The crucial issue to consider at that time is the ability of capital to combine economic interests with the phenomenon of identity and belonging. They built their economic rise on a social basis, using symbols that related to religious identity, against liberal and minority capitalists and created a unique place for themselves in the marketplace. The 1980s and 1990s were a period of economic and political leap for Anatolian capital. Capitalists who had started their activities in the banking and oil trading sectors began to import raw materials in the 1990s. They also took a step forward in the commercial sector and founded wholesale companies, especially in the food sector. In turn, liberal capitalists opened supermarket chains that turned the distribution chain in Turkey on its head and targeted consumers directly. Conservative capital quickly adapted to this new commercial perspective. In addition, private financial institutions and interest-free banks have played an important role in releasing unused savings and the movement of capital in Turkey. New opportunities and resources were created in the financial sector by gaining the trust of conservative social circles and promising high incomes in a short period of time (Göngüroğlu, Karamahmetoğlu, 2014). In this context, the new strategies of capital have been defined as a new economic model in Turkey. The 'new' economic model that the IIBA leadership has been advocating since the 1990s has a non-interventionist and decentralized character. While the economic model in question is rejecting the assumption of the direct producer role by the state, it also excludes the bureaucratic management structures of large public enterprises. When the employee-employer relations between the conservative entrepreneurs and the employees in their workplaces are examined, it is found that the way in which the problems of wage and business life are solved is no different from other workplaces (Bulut, 1999).

In this context, it becomes clear that the basic principles of the neoliberal economic model have been adopted about basic workers' rights such as unionization, working hours and wages, and that these problems are defined as dependent on capital accumulation and growth. It should be noted that in the relationship between labor and capital, the dominance of authoritarian, paternalistic relations based on informal and personal relationships, which serve to keep labor costs at a minimum level, has been further strengthened by eliminating modern tools for enforcing rights such as trade unions, collective bargaining and insurance (Doğan, 2007).

2.1. Structural Analysis of Anatolian Capital

In the economic, political, social and biological thinking of capital accumulation, the fundamental conviction in the "struggle for existence" is that only the "strongest" will survive (Hobsbawm, 2003). For this reason, conservative and liberal capitals avoided a destructive conflict with the existing order. In this respect, one of the structural characteristics of capital is conformism. The modern debates that came to the fore in the 1990s, and the emerging doubts that religion would be excluded from social life and made an individual choice, created a new area of conformism for conservative capital.

In this context, according to Hobsbawm, it is not only the apparent failure of liberal rationalism and tradition to find an emotional way to replace communal religious cults and rituals, but also the cherished values of stability, morality and social order that prevent the decline of religion for the middle classes and the reluctance to abandon

its support (Hobsbawm, 2003). Therefore, conservative capital has adopted a political strategy that combines the above-mentioned dynamics of the middle class with its own struggle for 'existence' another dynamic in the structure of conservative capital is pragmatism. For this reason, it can be observed that capital defines the existing structure in historically centralized authoritarian states and in states that have adopted a limited and "night watchman" role as an alternative as a legitimate basis. In this respect, pragmatism also serves to prevent criticism of a structural order.

The other leg of this pragmatism is the instrumentalization of religious identity. The current identity movement is a modern formation structured not in relation to the revival of ancient religious ties, but in relation to neoliberal economic policies. In this context, the identity movement "has broken away from its traditional rural context and is rooted in the urban market. Economic liberalization, the expansion of education and urbanization have created new opportunities for conflicting conceptions of identity. These new areas where identity can be formed and competed as a result of new economic and political forces have been created not only for identity-related purposes, but also to develop business and social connections within the new market economy (Yavuz, 2005).

It can be observed that in the wake of the success of political Islam, the discourse of "social exclusion" specific to identity politics has been used to encompass many different segments of society, aspiring entrepreneurs, a middle class consisting of Muslim intellectuals and professionals, and especially the urban poor formed by new immigrants (Buğra, 2004). In this context, conservative capital has valued identity politics not as a means of reviving the past but as a source of political and economic power. It also supported the economic discourse by organizing in the civic sphere.

2.2. Internationalization of Islamic Capital

It can be said that IIBA, a class organization with the newly acquired qualifications of the international economy in the 1990s, used religion both to build and develop networks of relations. The capital based on this framework shows a two-dimensional development process. The first is to incorporate religious elements as an identity into the economic discourse, and the second is to make maximum efforts to meet the demands of the global economy. These two starting points have played a key role in bringing about a multidimensional and creative development of the class efforts of conservative capital (Buğra, 2004). The economic development and accumulation process of IIBA has a structural background. According to Buğra,

1. The distinction between the political, economic and cultural aspects of social life has become blurred, and accordingly, the traditional right-left axis has been replaced by differentiations created by new forms of social belonging and identity (Buğra, 2004).
2. The role of the nation-state in the economy has diminished and, accordingly, its place among the goals of social movements in developed countries has become unimportant. (Arrigni:1996, quoted in Buğra, 2004).
3. The attention drawn to the success of East Asian economies and the institutions that preserve the social bonds of that success within their cultural uniqueness is explained by reference to an economic order embedded in the whole. (Woolsey, 1992, cited in Buğra, 2004).

Since the 2000s, institutionalization has been seen as an instrument for opening to global markets. IIBA organized fairs to help its members meet foreign investors and find partners for import and export, conducted research on issues concerning its members and presented them in reports to political authorities and the public, and carried out several activities to strengthen its members' sense of solidarity and networks (Gülalp, 2003). A large proportion of IIBA members managed to obtain the strong support of Arab financial institutions in this way.

This cooperation also means having a say in the international market. IIBA's desire to open to global markets has a structural characteristic, not a periodic or actor-dependent one. In this context, the inseparable affiliation to the global market and the transformation into a "comprador" bourgeoisie by cooperating with the global finance capitalists is compatible with the discourse of the domestic merchant bourgeoisie and does not contradict it. In this process, being a domestic capitalist began to mean direct participation in the production process and the rentier economy.

The IIBA has set itself the goal of building an industry that is integrated into the world and can compete with the most developed countries. The IIBA views regionalization and bloc formation as complementary to and vehicles for globalization. In this context, it believes that economic cooperation with the Arab countries and the Turkish republics as well as with East Asia is necessary. The organization also supports the D-8 project. The Memorandum of Understanding (MoU) to expand trade relations and strengthen cooperation between the IIBA and the D-8 countries (founded by Bangladesh, Egypt, Iran, Indonesia, Nigeria, Malaysia, Pakistan and Turkey) was signed in November 2022.

Since 1998, the IIBA has moved relatively far away from the Far Eastern countries on which it focused and turned towards Europe and America. The deep economic crisis that led to the collapse of the Asian tiger economies was the reason for this break (Bulut, 1999:104). Thus, with the IIBA's potential to manage crises and create different global focal points, the process of effective adaptation to the "world economy" (Balibar, 2007), which is organized around the center-periphery relationship and hierarchy, is no longer possible.

IIBA, which currently has branches in 76 countries, organizes the IIBA EXPO Mixed Trade Fair every two years, which it defines as an intercontinental trade network, and seeks to establish an international investment and coordination center to channel foreign capital. These examples are important as they explain IIBA's level of global integration.

3. THE PERSPECTIVE OF IIBA IN THE CONSTRUCTION OF TURKEY-IRAN ECONOMIC RELATIONS

In the case of economic relations between Turkey and Iran, the level of analysis can be based on geopolitics, the structure of the international system or the sanctions imposed by international actors on the Iranian economy and bilateral relations. Despite various variables, it can be said that economic relations between the two countries are steadily increasing. The Council for Foreign Economic Relations (Dış İlişkiler Kurulu/DEİK), which was established in 1985, fully assumed the "task of managing the foreign economic relations of the Turkish private sector" with Law No. 6552 in 2014. The members of this institution consist of capital and entrepreneurs. The trade diplomacy approach institutionally places capital groups in a directly authorized position in shaping foreign economic relations.

According to the report on trade diplomacy by Alkan, Kaplan and Övenç (2018) published by IIBA, "trade diplomacy" should become a priority area of interest. It also aims to take an active role in the areas of information and education, networking activities and trade diplomacy. In the Turkish Economic Reports published annually, the IIBA communicates its ideas to the public, which it recommends for steering the country's policies in addition to economic issues.

"Turkish citizenship and life in Turkey have become more valuable. The principles for the naturalization of foreigners should be revised. As long as our health system is highly visible and there is a demand, critical people (such as people who will bring investment in line with the policies of the new era, people who will bring capital, scientists and artists whose migration is important) can be recruited in a formula that contributes to our country (the figure of 250,000 USD for the acquisition of real estate is low) and accelerated" (MÜSİAD, 2020). According to Mumyalmaz, "in the emerging picture, it is becoming increasingly clear that capital cannot have a color, but rather a set of conditions in which capital imposes its own criteria" (Mumyalmaz, 2014).

The reports produced in this context are passed on to government institutions, NGOs and other economic institutions. The economic report published in 2018 contained criticism of the "current economic order". The inequality in question is directed against the capital structures and economic opportunities of industrialized and developing countries. The stated solution is to overcome the injustice of the economic order in question with production-based exports.

"Close political, economic, commercial and cultural relations should be developed with the EU, Russia and the countries of the Middle East, in particular Bulgaria, Greece, Syria, Iraq, Iran, Azerbaijan, Georgia and Armenia. All levels of trade diplomacy should be used effectively and in a coordinated manner to develop bilateral, regional and diverse economic and commercial opportunities. It is important to analyze how prominent countries in the global economy use trade diplomacy" (Kaplan and Övenç, 2018). In this context, IIBA supports cooperation with developing countries. The trade volume between Turkey and Iran is estimated to be around 10 billion USD. Especially after 2015, after the P5+1 agreement, the opportunity has arisen for Iran to integrate into the global economy without obstacles.

At the 'Business Opportunities Panel in Iran' organised by the IIBA in the same year, Keyvan Zadeh, Chief Advisor to the Undersecretary for Economic Affairs at the Iranian Consulate General in Istanbul, said: "Iran has great potential in this regard. Our priority is for our Turkish brothers to enter the Iranian market and benefit from the opportunities." In his statement of intent to further expand economic relations between the two countries.

After 10 years of negotiations, a trade volume of 35 billion dollars is planned based on the preferential trade agreement between Turkey and Iran, which came into force in 2015. The agreement in question aims to mutually reduce tariffs and remove similar barriers to facilitate trade between the two countries. Under the agreement, tariffs on imports from Turkey will be reduced for the following products: plastics, forestry products, textiles, ready-made garments, furniture, steel products, ferrous and non-ferrous metals, white goods such as refrigerators and dishwashers, air conditioners and electrical/electronic products (Resmî Gazete, 2014).

In 2017, Mehmet Zeki Güvercin, board member of the IIBA and chairman of the International Trade and Cooperation Commission, attended the meeting organized by the provincial chamber of commerce in Bojnord, the center of Iran's North Khorasan province, and pointed out the potential of developing economic relations in the province (AA, 2017).

Having faced an economic sanction for more than 40 years, Iran has adjusted its economic policy accordingly. In terms of technological investment and in particular the development of nuclear technology, Iran, unlike the Gulf States, has concentrated on training its own scientists. Since economic dependence has been seen as the most important problem in recent years, technological development and an economic policy based on energy self-sufficiency means that Iran has relatively more opportunities than Turkey. In addition, the development of military capabilities and industry enables technology transfer across sectors (Torbat, 2010).

3.1. Economic Relations After Economic Sanctions Against Iran

The sanctions against Iran affect the agreements and plans made with its economic partners as well as the country's economy. In this context, it appears that the economic dialogue established with Iran has not been assessed independently of the geopolitical risks. The adoption of a law by the Iranian parliament on January 19, 2019, which bans the import of domestically produced goods, shows that the country has returned to a protectionist policy, especially with the effect of increasing sanctions from the US and the EU. This economic policy is important for trade in goods that are exposed to competition between Turkey and Iran. At the same time, the advertising of foreign products that are similar to domestically manufactured products is prohibited.

With the re-imposition of global sanctions, Iran has banned the import of 1339 items and has not made any exceptions to this ban for countries with which it has a preferential trade agreement, such as Turkey. In this context, Turkey-Iran economic relations are not protected from crises arising from international relations. Tehran's the IIBA representative, Fatih Çayabatmaz stated that Turkey's exports to Iran, which amounted to 3.3 billion USD in 2017, fell to 2.2 billion dollars in 2018 and continue to decline, and suggested that border trade should be increased to prevent the decline in trade volume. Under border trade, traders and merchants have the right to trade. There are 3 important border gates between Turkey and Iran (Ağrı-Gurbulak-Iran, Van-Kapıkoy-Iran, Hakkâri-Esendere-Iran). In addition to the passage of trade goods, the border crossings stimulate the regional tourism sector (AA, 2019).

The fact that Iran is Turkey's border neighbor, has rich energy resources and maintains a relatively stable relationship with Turkey is seen as a great potential for trade. In addition to Iran's internal ethnic, religious and economic problems, other geopolitical risks are also being pursued by the IIBA. In addition, US and EU economic sanctions against Iran and the economic impact of instability in the Middle East have been scrutinized by the IIBA in reports. At the Expanded Presidential Meeting, the IIBA announced its goal of creating a safe haven for capital in the Middle East. However, it seems that the meeting was centered around the idea of being short term money attraction point. The emphasis on short term funds shows that the IIBA has made Middle Eastern countries other than Iran its focus.

According to Chairman Abdurrahman Kaan, "the demonstrations in both Iran and Iraq are interpreted differently by the business world. Social events around the world quickly lose their local identity and become the field of action of a global dynamic. In such cases, risk and threat are read in the same sentence. With his statement "Turkey can be turned into an attraction point for short term money in this region, with its geopolitical structure and economy that is in the process of equalization" (MÜSİAD, 2020), he showed that the political developments in the Middle East and Iran are evaluated from the perspective of capital rationality. He sees Iran as a potential and strong economic partner. The IIBA also notes that Turkey's economic hinterland is large and that trade partnerships should be entered into taking into account the risks and opportunities. It can be said that the general risks in the region have pushed back the emphasis on IIBA's identity in the development phase. "In general, the development of the functions of capital for capital accumulation This necessity leads to the development of mechanisms that we define as internalization and internationalization in the overall social circulation of capital in late capitalist countries" (Ercan, 2012).

Iran plans to use the BRICS PAY system from January 1, 2024, as the Society for World Interbank Financial Telecommunication (SWIFT) has created financial barriers. The BRICS member countries, including Brazil, Russia, India, China and South Africa, are encouraging Iran to join the union. The establishment of the Union, which represents around 41% of the world's population, is intended to create an alternative to Western hegemony in global organizations such as the IMF and the World Bank. The Union manages around 30% of world trade. Saudi Arabia, Argentina, the United Arab Emirates, Ethiopia, Iran and Egypt have been invited to join the Union in August 2023. Enlargement is defined as "a new world order" (AA, 2023). Iran uses existing global competition to its advantage. In geopolitical terms, however, Iran wants to actively use the port of Trabzon to continue its economic cooperation with EU member states. The aim is to establish joint trade zones by overcoming the trade problems between Turkey and Iran. Banking and regulatory problems are seen as practical obstacles to Turkish

and Iranian economic relations. Although Turkey has stated that it could become a member of the Union to benefit from the funds managed by BRICS, it has not yet taken any official steps.

The economic report published by the IIBA in 2018 points to the importance of the development potential in Islamic finance. According to the report, in the field of "banking and Islamic finance", "in Turkey, which has a strong banking infrastructure, important opportunities have emerged in the fields of investment banking and Islamic finance with the active participation of the state." Approximately 65% of total Islamic finance assets in the global system are held by Saudi Arabia, Malaysia and Iran. Qatar, the United Arab Emirates, Kuwait, Bahrain and Pakistan are other major players in this area. England is one of the countries offering the most advanced services in terms of participation in banks. Many Islamic finance funds are handled through UK-based brokerage firms. Turkey is a candidate to become an important center for Islamic finance with the new products it will develop and the investments it will make in the field of information and technology. "The Istanbul Global Finance Center project will initiate the development of Turkey's role in Islamic finance" (Alkan, Kaplan, Övenç, 2018).

The report puts Turkey's goal of becoming one of the central countries in Islamic finance on the agenda. It points out that the funds in question are distributed through intermediary institutions in the UK and that Turkey can be present in this distribution with new approaches. The IIBA, which also supports the Road and Belt Project developed by China, evaluates the logistical possibilities of Asian capital. The IIBA focuses on developing multifaceted economic relations with the EU, China, Russia and the countries of the Middle East. In this context,

It can be said that it has moved away from a regional economic policy and an identity-based perspective of economic cooperation. It can also be observed that the emphasis on identity has a pragmatic meaning. The fact that "businesses are directly linked to sects and communities" is not seen institutionally in the IIBA's public discourses and action plans. The logic of the rational structuring of capital in its economic structures and strategies is based on economic interest" (Mumyakhmaz, 2014).

3.2. IIBA and its Economic Relations Strategies with Iran

After 1979, the Iranian economic structure was reorganized, economic groups close to the Shah's regime were liquidated, a large transfer of income was made and a new economic model was introduced. This model expresses support for groups ideologically linked to the state. Energy companies were brought under state control through nationalization. The public sector accounts for 50% of GDP (Rogoda, 2022). Economic resources have been used to finance ideological interest groups (officially or unofficially). While state sovereignty is seen in the security and energy sectors of the Iranian economy, small and medium-sized enterprises, defined as bazaars, are seen as the center of wholesale and retail production and trade. The Iranian economy is based on the oil industry. In addition, the service sector and small and medium-sized enterprises are the most important factors in the economy.

Table 1. Iran's GDP Composition by Sectors

Service sector	58%
Mining industry	20%
Agriculture	11%
Oil	8%
Construction	4%

Reference: Amwaj, 2024.

Although the bazaar merchants are politically conservative, they seem to be close to the idea of economic growth and the development of trade networks. The development of entrepreneurial skills is the basis for capital accumulation in the development of economic relations. Therefore, the interaction of small and medium enterprises in the two countries should not be considered relatively unimportant compared to their large investments. The establishment of economic partnerships is particularly important for small and medium-sized enterprises. This situation represents a new stage in corporatization and internationalization. The IIBA cannot rely on a market economy system as in liberal countries. For this reason, seeking cooperation with small and medium-sized enterprises, which are market actors, eliminates the lack and insecurity of the market economy tools.

The IIBA is aware of the importance of small and medium-sized enterprises and focuses on trade diplomacy and the development of institutional structures. Identity and regional proximity are defined as an advantage. Building institutional links with Iran is aimed at gaining economic advantages. Establishing regular relations through

institutionalization paves the way for building business networks. The meetings organized with economic and political structures can be seen as an expression of the IIBA's proactive economic strategy. Meetings with chambers of commerce in Iran and meetings with businessmen are becoming routine. IIBA, which organizes business development meetings between Turkey and Iran, participates in Iran Expo fairs.

Another strategy is to reduce bureaucracy in trade relations. The IIBA, which has declared 2022 as the 'Year of Investment', organized meetings bringing together ambassadors and investors (Bloomberght, 2022). Explaining investment and production areas and plans to ambassadors can be seen as a further step in trade diplomacy.

The integration of the global economic structure with the information and technology sector can have a facilitating effect on the economic relations of the two countries. Gulamriza Rizaiyan, head of the Iranian booth at the 19th IIBA fair in 2022, said that they participated in cooperation and under the auspices of the Iranian Knowledge-Based Enterprises booth, consisting of 10 companies, the Innovation and Development Fund and the International Science and Technology Clearing Centre. Although there is a strong potential for economic cooperation in areas such as trade, finance and construction, a foundation has not yet been laid, especially in the fields of energy and security. This is because these sectors require long-term stability. The IIBA is reluctant to take risky initiatives. The imbalance in the global situation is exacerbating this reluctance. At the same time, problems in the banking sector, restrictions on money transfers to Iranian banks due to sanctions and customs practices constitute the greatest difficulties in trade relations.

4. CONCLUSION

Since its foundation in 1990, the IIBA has pursued a strategy of financial accumulation and growth in its economic activities. The small and medium-sized enterprises are organized according to the perspective of the "Islamic bourgeoisie". The IIBA, which has been active at regional level since the 2000s, defines itself through the principle of 'moral capitalism'.

The economic perspective of IIBA managers shows that they evaluate political crises and social events from the perspective of "risks and opportunities". Multidimensional economic relations were integrated into the discourse on national capital. In this respect, the economic and political perspective of Prime Minister Erbakan in 1997 is accepted as the starting point, but it is also understood that the initial phase is left behind.

The IIBA defines the economic role of the state as a coordinator and emphasizes that the forces of capital should be more effective in foreign policy. While economic policy is defined on the axis of capital, the awareness of the power of identity remains in the role of accumulation.

An international cooperation agreement (MO) was signed between the IIBA and the Iranian Industrialists and Businessmen Association at the MUSIAD EXPO 2020 trade fair. The MO agreement aims to expand bilateral trade relations and cooperation. In 2023, a network meeting was held between the coordination of the MUSIAD Export Development Commission between the IIBA and the Iran Erak Chamber of Commerce. In 2024, the Iranian businessmen delegation that came to Konya as part of the Konya- Iran B2B program organized by the IIBA Konya Branch held a bilateral business meeting with industrialists and businessmen from Konya. The Joint Economic Commission and the Türkiye-Iran Business Council are the mechanisms of cooperation between Turkey and Iran. In addition to these mechanisms, the IIBA emphasizes that trade and investment opportunities with chambers of commerce, cooperatives and other business circles in Iran must remain open.

As the IIBA has expanded its scope of action in the process of economic development, it has become a global economic actor and has reshaped its traditional discourse. Its "special characteristics" have largely remained at the level of Islamic financial discourse. In particular, the IIBA's discourse on Islamic financial systems has formed an underlying economic solidarity network that is particularly focused on the Gulf states.

Moreover, the IIBA seems to have fully embraced the perspective of globalization in the economic sphere. In addition to economic relations with Western countries, it gives priority to economic potential with Iran, Armenia, China and Russia and emphasizes the economy as the key to overcoming political problems. It does not take a passive capital position and strives to play an active role in foreign policy. It also closely monitors global risks and creates alternative spheres of influence in Africa and South America.

In the case of the IIBA, it is shown that the competitive logic of capital groups in developing countries and the institutionalization process are not fundamentally different from developed countries. While the IIBA is aligned with the political authority in Turkey, the determination of bilateral economic relations is significantly influenced by the changes resulting from Tehran's domestic politics, as the Revolutionary Guards are effective in critical sectors and the economy in Iran is state controlled.

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ÇALIŞMANIN ETİK İZNİ

Yapılan bu çalışmada “Yükseköğretim Kurumları Bilimsel Araştırma ve Yayın Etiği Yönergesi” kapsamında uyulması belirtilen tüm kurallara uyulmuştur. Yönergenin ikinci bölümü olan “Bilimsel Araştırma ve Yayın Etiğine Aykırı Eylemler” başlığı altında belirtilen eylemlerden hiçbiri gerçekleştirilmemiştir.

ARAŞTIRMACILARIN KATKI ORANI

1.yazarın araştırmaya katkı oranı %100'dür.

Yazar 1: Araştırmanın tamamını gerçekleştirmiştir.

ÇATIŞMA BEYANI

Araştırmada herhangi bir kişi ya da kurum ile finansal ya da kişisel yönden bağlantı bulunmamaktadır. Araştırmada herhangi bir çıkar çatışması bulunmamaktadır.