Hegemony in the Making: TÜSİAD's Hegemonic Role in the Context of Turkey's EU Membership Process[1]

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Abstract

This article aims at a critical contribution to neo-Gramscian political economy literature on agency of transnational capitalist class in shaping the global socio-economic order through the empirical analysis of hegemonic agency of TÜSİAD (Turkish Industry and Business Association) in formation of EU membership as a *hegemonic project* in Turkey in the first half of the 2000s. Drawing Poulantzas close to Gramsci and using his distinction between the *power bloc* and the dominated classes/groups, it introduces the notion of *double moments of hegemony*, which marks a comprehensive and multi-dimensional understanding of hegemony as a process involving two interrelated moments – within the power bloc and over a class-divided society. This conceptual contribution helps us to depict the *political* agency of transnational capitalist class in the making of the neoliberal mode of regulation, beyond its economic role in shaping the regime of accumulation. This conception not only provides an alternative against the conventional notion of hegemony within the neo-Gramscian IPE as limited with the processes, alliances, compromises and struggles within the power bloc but also contributes to the broader field of Gramscian studies in terms of analysing the strategic-agential dimension in the making of hegemony, focusing on the (material and discursive) means and mechanisms in which hegemony is produced and maintained. A Gramscian analysis of TÜSİAD as a *hegemonic agent*, a *political party* and a *collective organic intellectual* builds on an empirical research on those means and mechanisms utilized in shaping the EU membership as a hegemonic project.

Keywords: TÜSİAD, Turkey-EU relations, hegemony, hegemonic project, neo-Gramscian IPE.

Introduction

The agency of transnational capitalist class in shaping the global socio-economic order and formation of hegemony has been studied on different occasions, especially by neo-Gramscian scholars. Examples include Van der Pijl's work on the making of a transatlantic ruling class (1984), Gill's study on Trilateral Commission as an organic intellectual (1991) and van Apeldoorn's analysis of the role of European Roundtable of Industrialists (ERT) in shaping the European socio-economic order. My aim is to contribute the literature on the agency of transnational capital class through analysing an unconventional example - TÜSİAD (Turkish Industry and Business Association).

TÜSİAD appears unconventional within the literature, as its scale of organisation is not trans/supra-national such as Trilateral Commission or European Roundtable of Industrialists (ERT), even though it is a part of the transnational capitalist class[2], and, also, as it does not belong to the core of West (transatlantic) geography but to its margins – so-called the developing world. Yet, TÜSİAD, as my paper demonstrates, sets a strong example to the role of the (transnational) capitalist class in shaping the national interest and hegemonic projects within specific forms of state.

This article explores the specific ways in which the agency of transnational capitalist class is produced and performed through a detailed empirical study of TÜSİAD's role in

formation of the EU membership as a hegemonic project in Turkey between 1999 and 2005[3]. It contributes not only to the literature on TÜSİAD[4] but also to the broader discussion on the role of business associations within contemporary forms of governance. Going beyond the limited pluralist understanding of business associations as lobby groups or organisations of interest representation, my approach focuses on the strategic capacity of TÜSİAD to formulate a political vision and produce consent through and within complex political, ideological and discursive struggles. A Gramscian analysis of a business association as a *hegemonic agent*, a *political party* and a *collective organic intellectual* provides the conceptual tools to analyse the political agency of the transnational capitalist class in the making of the neoliberal mode of regulation, beyond its economic role in shaping the regime of accumulation.

Besides contributing to the critical IPE literature, especially the neo-Gramscian strands focusing on transnational capitalist class and the wider literature on the agency of business associations, this article also accommodates with the broader area of Gramscian studies and theory of hegemony. In spite of the inflated use of the concept of hegemony in the last decades, there are far fewer extended inquiries into the means, mechanisms, strategies, discourses, actors and struggles involved in producing hegemony in specific spatio-temporal contexts. There is a particular lack of studies exploring the agential-strategic dimension of hegemony, without ignoring the structural processes[5]. In this manner, an analysis of the strategic agency of TÜSİAD in shaping EU membership as a hegemonic project hopefully contributes to the broader discussion on and around the concept of hegemony, through a detailed empirical study[6].

TÜSİAD as a Hegemonic Agent

An unconventional analysis of a business organisation as a *hegemonic agent* indicates a comprehensive political role beyond representation of collective interests or lobbying. It is inspired by the neo-Gramscian IPE literature and based on the work of Gramsci, who maintained that, in certain conditions, the bourgeoisie has the capacity to 'transcend the corporate limits of a merely economic group', and to raise itself to the ethico-political level of hegemony, 'capable of absorbing the entire society, assimilating it to its own cultural and economic level' (Gramsci, 2000: 205; 1971, 260). This Gramscian approach provides an operative theoretical framework to understand and analyse an organization such as TÜSİAD, which re-organized itself as a political actor in the conditions of the hegemonic crises of the 1990s (which will be discussed below), seeing that 'the economic stability is a function of political stability' with the words of the ex-president of its High Advisory Council (Koç, 30/05/2003).

It is not a coincidence that the studies on the political agency of the transnational capitalist class are focused on the post-1970s period as the political capacities of the capitalist class has been improved in relation with the decreasing political capacities of the state within the neoliberal form of governance (see Crouch, 2004 and Della Porta and Giani, 2006). As the state loses its steering abilities under the global pressures of an increasingly unregulated market, its capacity to develop a long term vision on behalf of the dominant class without giving in to its immediate economic-corporate interests (Poulantzas, 1978) also weakens. Here, I use Poulantzas' own work to question his notion of the structurally-grounded inability of the capitalist class to achieve internal unity and act as a hegemonic agent because of its tendency to sink into fractional struggles (Poulantzas, 1978). If we adopt Poulantzas' Foucauldian understanding of power as 'a relational system of material places occupied by

particular agents', then the political power and capacities of the state and the capitalist class should be analysed in relation with each other in each and every specific spatio-temporal context. In the case of TÜSİAD, the hegemonic agency of the capitalist class develops in relation with both temporal (global neoliberal restructuring of the state-market, state-society relations in the post Bretton-Woods era) and spatial (the specificities of Turkish case) conjunctures. Based on such a relational understanding of power, this article focuses on the development of TÜSİAD's hegemonic capacity, focusing on its relation with the spatial aspect, i.e. the incapacity of the Turkish state to act as a strategic actor in defining the national interest and shaping a *hegemonic project*.

Instability and short-termism have become key structural features of mainstream politics in Turkey, evidenced in unstable coalitions, successive political crises, and early elections. In addition, deep contradictions within the state structure, especially between the military and governments, provided the ground for three military coups in three decades (in 1960, 1971 and 1980), prevented the Turkish state from establishing a certain level of unity and developing a long-term strategic orientation. Consequently, and in a relational sense, big capital, through TÜSİAD, was forced to compensate for this political, intellectual and moral failure by developing a long-term, strategic orientation beyond the short-term economic-corporate interests and a hegemonic capacity to realize their collective long-term interests.

Jessop's strategic-relational approach [7] is helpful in analysing this response as it suggests that actors are more or less capable of reflecting on structurally-inscribed historical conditions and the prevailing "rules of the game" and, in this light, may be able to change them over appropriate time horizons (Jessop, 2003: 141). This approach is compatible with Gramsci's analysis of the strategic capacities of actors to understand, evaluate, and seek to modify inherited structure(s) through conscious action/struggle. TÜSİAD's emergent hegemonic capacities should then be analysed from a strategic-relational perspective, considering the crises conditions of the 1990s. In the 1990s the country was gripped by a turbulent hegemonic crisis because neither the state nor any other conventional political actor could organize the social formation around a particular hegemonic project. In its search for stability, TÜSİAD developed a political imaginary (the EU membership project), which would steer the roll-out phase of neoliberal transformation and would have the hegemonic potential to address wide sections of society.

The EU Membership was standing in the centre of TÜSİAD's future vision as it addressed the desire of further global integration and political stability deemed necessary to attract foreign capital and investments. Also the project fits well with the neoliberal transformation of the social formation, which was in need of institutional regulation by the end of the 1990s. The EU accession criteria trigger an institutionally-mediated process of neo-liberal adjustment and this 'voluntary coercion' (Holman, 2004) is crucial to explain the high commitment of big capital to the EU accession process in Turkey and other candidate countries. In this manner, for TÜSİAD the economic criteria were complementing the IMF programme (TÜSİAD, 13/12/1999), functioning as an external anchor to 'lock-in' the reform process (Öniş, 2003). At the same time, the prospect of membership in the EU was capable of addressing different demands and desires of the majority of the Turkish people, ranging from economic prosperity to human rights and the solution of the Kurdish question.

Double Moments of Hegemony

As mentioned above, Neo-Gramscian IPE in general, and the Amsterdam School in

particular, challenged the lack of strategic-agential dimension within the theory of hegemony, by focusing on the formation of a transnational capitalist class and its role in neoliberal governance. The neo-Gramscian literature of IPE is also an inspiring source in terms of their theoretical effort to develop conceptual tools to shed light on the mechanisms of articulation of accumulation regimes, state projects and hegemonic visions. However, it also has serious limitations in terms of the analysis of hegemonic processes. The limitations of the neo-Gramscian IPE literature focusing on the hegemonic agency of transnational capitalist class stems from the limited understanding of the concept of hegemony. Here, I argue a Poulantzasian conceptual vaccine to neo-Gramscian IPE might be helpful to go beyond the conventional understating of hegemony and its limitations.

The concept of *power bloc* is developed by Poulantzas as 'a contradictory unity of politically dominant classes and fractions under the protection of the hegemonic fraction' (Poulantzas, 1978: 239). It resembles the Gramscian notion of historical bloc at first sight, but differs from the latter as it does not include the dominated/subaltern classes and groups. Historical bloc[8], on the other hand, marks the dynamic ensemble of social relations within a particular social formation, which involves an organic relationship between people and intellectuals, governors and governed, or leaders and led (Rupert, 1993; Buci-Glucksmann, 1980). The term is also used to identify the relationships among class forces, the practical configuration of class relations, alliances, etc. (Sassoon, cited in Morton, 2007: 96). The use of Poulantzas here allows us to take a step beyond the broader configuration of class forces and relations and distinguish between the hegemonic processes (compromises, alliances, conflicts, struggles, discourses, strategies, etc.) within the power bloc and those within which hegemony is produced and maintained over the popular masses. Neo-Gramscian IPE, Amsterdam School in particular, tends to limit the analysis with the former, adopting a largely top-down perspective on hegemony as Germain & Kenny (1998) and Owen Worth (2008) stress.

A good example is Bastiaan van Apeldoon's study on ERT (2002), which focuses on the agency of the transnational capitalist class on the EU level and has been inspiring to develop my own analysis both in terms of its rich insights and limitations. The strength of the study is its capacity to detect the strategic role of ERT in formulating the general capitalist class interest, from the vantage point of transnational industrial capital, and in shaping Europe's socio-economic order (van Apeldoorn, 2002). Hence, van Apeldoorn shows the capacity of the representatives of transnational industrial capital to transcend 'the corporatist level inasmuch as it is tendentially articulated at level of hegemony' (van Apeldoorn, 2002: 106)[9]. Although his sets a good example in terms of exploring the hegemonic capacities of European transnational industrial capital, developed and exercised through ERT, it also reflects the limitations of (early) neo-Gramscian IPE.

To go beyond those limitations and develop an alternative analysis, I claim, one needs to take a step forward both in the conceptual and the empirical levels. In the conceptual level, adopting Poulantzas' conceptual distinction between the power bloc and subordinated classes/groups is useful. What follows is that the political practices of the hegemonic class could be analysed under two rubrics: constitution of 'the unity of the dominant class(es) out of the isolation of their economic interests' and constitution of their strictly political interests 'by means of a whole political-ideological operation of its own' as 'the representative of the general interests of the people/nation' (Poulantzas, 1978: 137)[10]. In the light of Poulantzas' insights, I conceive hegemony as a process including two interrelated moments – which I call *double moments of hegemony*, within the power bloc and over a

class-divided society.

This conceptual contribution, inspired by Poulantzas, is also compatible with the spirit of Gramsci's work, who wrote at length on the hegemonic processes take place in the social realm, in the areas of education, popular culture, folklore and religion and whose concept of hegemony is much more complex, layered and multi-dimensional than the version neo-Gramscian IPE adopts. For the purposes of my study, Gramsci's depiction of three levels of collective action is particularly important. The first moment of collective action Gramsci defines is the economic-corporate level, in which 'a tradesman feels obliged to stand by another tradesman, a manufacturer by another manufacturer, etc.' (Gramsci, 1971: 181). The second moment is that 'in which consciousness is reached of the solidarity of interests among all the members of a social class' (Gramsci, 1971: 181). In this moment, a class conceives itself as a class, organize itself around its interests and intervenes in the legislation and administration in line with those interests.

However, Gramsci adds, the class acts still within the economic field in the second moment. The ERT, which seems to limit its activities to the level of European power bloc and strives to shape the European socio-economic order (first towards neo-mercantalist then neo-liberal principles) might be a suitable case to explore this second moment. But this is not where the story ends for the theory of hegemony. Only in the 'third moment', a class 'transcends the corporate limits of the purely economic class, and ("in their present and future development") can and must become the interests of the other subordinate groups, too' (Gramsci, 1971: 181). In this *political* phase, classes organize themselves as parties, in the very societal level, addressing the demands and interests of different sections of the population. My conceptualization of double moments of hegemony and empirical work on TÜSİAD response to Gramsci's distinction of economic and political phases of collective action.

Beyond the conceptual level, however, van Apeldoorn's scope of analysis is also embedded in the limitations of the empirical case itself (as ERT seems to limit its activities to the level of the European power bloc). Then, considering the spiral process of social research in which the empirical work and theoretical framework inform and modify each other at every step, one could argue that another empirical study is the way forward to develop a more comprehensive understanding of hegemony. TÜSİAD is a good example as, unlike ERT, it operates at both levels (within power bloc *and* wider public) and engages in a broader range of activities[11]. In this manner, this article uses the case of TÜSİAD to illustrate hegemonic capacities of the capitalist class both within the power bloc and over the society.

TÜSİAD, I argue, also provides a good example to explore the political moment Gramsci defines, where a class, through its organization, operates in the social realm to shape the hegemonic struggles within society through various material and discursive means (compromises, alliances, technologies of power and knowledge, discursive strategies, etc.). This is a struggle partly to *relate* with the actual demands and interests of different sections of the society and partly to *invent* them. It is a continuous process of articulation, identification and invention to balance the interests of different classes and groups in and around a hegemonic project (which would, inevitably, favour the interests of a particular - in this case the capitalist - class).

If my observation of the different sites, scales, and range of ERT's and TÜSİAD's activities is correct, this particular empirical study, conducted on the activities of TÜSİAD in

Turkey within the context of the EU membership process, would open up theoretical opportunities to develop a more comprehensive understanding of hegemony, one that can address the hegemonic activities and struggles at the societal level, besides those in the power bloc. Indeed, a central objective of my study is to utilize the theoretical opportunities provided by the unique example of TÜSİAD and contribute some broader, if modest, conclusions to theoretical work on hegemony[12].

The focus of analysis, i.e. the hegemonic agency of TÜSİAD in the case of EU membership process of Turkey, between 1999 and 2004, is chosen as it serves to the purpose of exploring the double moments of hegemony. The EU membership process acted as a successful *hegemonic project,* albeit for a certain period of time, which was instrumental in addressing and articulating the demands and interests of the popular masses, beyond providing unity and direction to the political regime. Hence, as a social and political project which cannot be reduced to an accumulation strategy, it involves the formation of hegemony within the social sphere, among the masses, the 'subaltern' as Gramsci calls them, which goes way ahead of the alliances and compromises take place within the power bloc.

The First Moment – Formation of Hegemony within the Power Bloc

The first moment, in which, with van Apeldoorn (2004: 155), 'capitalists transcend the logic of market competition and reach a temporary unity of strategic orientation and purpose, enabling them to articulate (vis-à-vis other social classes or groups, as well as vis-à-vis the state) a "general capitalist interest"', is crucial in cementing a power bloc and formulating a hegemonic project. In this first moment a specific section/fraction of the dominant class establishes its hegemony over others through developing a specific account of the general class interest (albeit from its own perspective) and introducing a hegemonic project in line with that. Formulating a general class interest involves various moments of struggle both between the fractions of the dominant class and between dominant and dominated classes as 'a class's objective interests do not appear directly as the threshold of its existence as a distinct class, as some kind of 'situation' of the class-'in-itself' but as the horizon of its action as a social force' (Poulantzas, 1978: 111-112).

The capitalist class is not a uniform entity, of course, but a complex and contradictory ensemble of different sections and fractions. Several theoretical and methodological frameworks conceptualize sections/fractions of capital on the basis of criteria such as: productive vs. money, national vs. comprador, monopoly vs. non-monopoly, and small vs. big. One of the most influential of these frameworks is the 'fractions of capital' approach represented by the Amsterdam School, which differentiates the productive and money (financial) capital in terms of their respective visions and interests. This distinction between productive and money capital could hold for certain historical periods but it should not be seen as an ahistorical property of the organisation of the capitalist class, since the conditions of existence and the composition, and hence the visions and interests, of financial and productive capital are shaped historically. For instance, as production began to be organized globally, the argument that productive capital is 'structurally' tied to the fate of national states and that the ideological outlook of the productive capitalist tends to be oriented towards social protection might no longer be as valid as in the immediate post-war period. Also, given the circumstances of concentration imposed by globalization, it is less likely that productive and money capital appear separate; indeed, in most cases, they tend to be bound together.

In Turkey, it is impossible to separate financial from industrial capital because every big holding has financial and productive branches[13]. Therefore, this distinction is analytically unhelpful for the Turkish case. Explaining why this distinction is not helpful to analyse Turkish case, Fuat Ercan (2009) makes another argument that functions of capital should not be confused by fractions, and capital fractions, thus, should not be defined by the sectoral differences. Fractions of capital, for him, are about organisational formations of capitalists that aim to shape the objective conditions (in political, social, economic and ideological ways) in their favour. Ercan's point stresses the importance of agency and how it is organised and defined by the capitalist actors themselves (i.e. how do they become 'a class for itself' in the classical Marxist language). If we look at the membership criteria of TÜSİAD for example we see that what matters, for the formation of shared interests, a common vision and a strong agency to pursue those, is not sector, but size. So, I argue, a more useful distinction, given the holding company structure in Turkey, is that between big capital and small or medium-sized capital. If we choose to analyse the contradictions within the capitalist class using the size of the capitalist enterprises as the main criteria, we can see TÜSİAD as the representative of the hegemonic fraction (big capital) within the power bloc, which also contains small and medium-sized capital. TÜSİAD used various tools and mechanisms to pursue its leadership role and to unite other fractions of capital, the small and medium-sized capital, around the project of EU membership in the first half of the 2000s. The most important was to establish the Turkish Industrialists' and Businessmen's Associations Platform (TSP hereafter) in 2000[14].

The TSP was an attempt to unite the big Istanbul-based capital with Anatolia's SMEs, represented by local and regional SİADs. It comprised 48 local and regional SİADs such as Ankara SİAD, Trabzon SİAD, Bursa SİAD, Mersin SİAD, etc. TÜSİAD, which took the initiative in establishing the Platform, acts as the big brother within the TSP. In this sense, the TSP is a means through which TÜSİAD undertakes the intellectual-moral leadership of the power bloc. Besides its moral-intellectual leadership, TÜSİAD also functions to maintain a compromise among different sections of Turkish capital by balancing their material interests around its own interests and objectives.

A detailed examination of the press announcements and summit decisions of the TSP reveals how TÜSİAD uses the TSP to balance the diverse demands and interests of different sections of Turkish capital, to manage the contradictions and tensions between them, and to unite different interests and demands around its own agenda, namely the EU membership project. For instance, issues such as regional development, elimination of regional differences, encouragement and subsidizing of the SMEs (TSP: 25/11/1999); minimization of inequalities in income distribution and elimination of poverty (TSP: 03/12/2004), which was not mentioned in TÜSİAD's own declarations, stand out in TSP's press announcements and summit decisions.

This means that TÜSİAD gives local and regional SİADs a forum to raise their voices, express their demands and pursue their interests through the TSP with the aim to balance the diverse interests of different sections of capital. In this sense, we can state that TÜSİAD, through the TSP, takes systematic account of interests and demands of small and medium-sized capital, 'shifts its position and makes compromises on secondary issues' (Jessop, 1982: 148) in order to establish its hegemony within the power bloc and mobilize their support on its primary agenda. Indeed, the centrality of the theme of EU membership, in terms of the strong support of the TSP to the EU membership project in general, denotes the success of TÜSİAD in its hegemonic attempt, for the historical period in question. To illustrate: TSP

defined the EU membership project as the sole development strategy and social model for Turkey and as essential for both short-term macroeconomic stability and long-term development targets; stated that EU membership is a vital national cause that should not be used for election propaganda; and declared that the launch of the accession negotiations with the EU is the primary agenda of the country (TSP: 04/06/2004). Defining the EU project as the 'future of our children', the TSP also targets the government with a striking warning-threat tone by insisting that statements on EU membership issue should be considered carefully because 'the market' reacts to even tiny changes in EU-Turkey relations (TSP: 24/09/2004). It is very striking that in each summit of TSP (TÜRKONFED after 2004), the chair of TÜSİAD makes the final speech after the chair of TSP, relating the demands of the local and regional business associations and sectoral federations to the main agenda of big business, the EU membership process for the time period.

The Second Moment – Formation of Hegemony within Society

Besides articulating different sections of capital in the EU membership project, TÜSİAD was also instrumental in the making of the 'national-popular', i.e. in the formulation of the project as the collective will of Turkish society. This process of the formation of societal hegemony involves more than persuasion as hegemony is qualitatively different from, and cannot be reduced to, legitimacy or consensus because it entails not passive acceptance by the dominated classes but their active attraction thereto. Hegemony is not the result of political persuasion, imposition or inculcation but it is formed through intellectual and moral leadership (Buci-Glucksmann, 1980: 56-57; 1982: 120). This intellectual leadership is closely related to the strategic capacity to formulate the interests of its own class/group as a national-popular programme that can address the subordinate classes/groups as well. However, for the formation of hegemony in the societal level, this programme, the hegemonic project, should be diffused within the society through various discursive tools, techniques and practices; it should be adopted by various social agents, shape the popular understandings of people, their common sense and by doing that, should form a new collective will. This marks, what I call, the second moment of hegemony.

What makes TÜSİAD an exceptional and interesting case is its highly developed understanding of the importance of this second moment of hegemony, and its attempts to disseminate its visions and interests in the societal level in the form of a hegemonic project. Statements of TÜSİAD's founding members are illuminating in this regard. Eczacıbaşı, the owner of one of the oldest and biggest capital groups in Turkey and one of the most powerful businessmen, defines TÜSİAD's primary mission as determining the direction of national interest. He also states that the 'democratic pressure groups' could succeed as long as they unite the interests of the sections they represent with those of the country. He also underlines that such groups should also *convince* the society in their formula of unification. (Eczacıbaşı, 1992: 13). In this sense, it is not surprising that TÜSİAD has constantly stressed the importance of social consensus and identifies the formation of social consensus as one of its main missions (TÜSİAD: 05/06/2002). TÜSİAD's founders continuously underline that they are pursuing the interests of the whole country, not the particular interests of a person, organization, group or class (Koç, 25/01/2007; Kayhan 15/01/1999). One of its ex-chairmen, Ömer Sabancı, similarly defines TÜSİAD as the only organization capable of developing a vision, designing a future and proposing certain strategies for the country as a whole which does not abstain criticizing the political power and even encountering with it when the political power (the government) act against the 'national interest' (Sabancı, 25/01/2007).

In defining TÜSİAD as a hegemonic agent I develop an alternative approach to a very established line of thought in Turkish social sciences, which understands the social formation on the basis of 'strong state – weak bourgeoisie/civil society' dichotomy. This line of thought interprets TÜSİAD's attempt to associate its own demands and interests with the national/general interest as a sign of a 'historical' weakness of the bourgeoisie, its lack of legitimacy and its dependence on the state (Buğra, 1994; Demirkol, 2009). Theory of hegemony, I argue, opens up a new conceptual path to develop an alternative interpretation as the formation of hegemony is crystallized in the linkage established between the general-national interest and the interest of the dominant class. Through this linkage the dominant class articulates the demands and interests of subordinate classes/groups. However, as Yalman (2001: 31) emphasizes, liberal-individualism and statist-institutionalism could not analyse the hegemonic attempts of the dominant class, as they cannot escape the confines of the Weberian problematic of legitimacy. Moreover, neither state-led development of the capitalist class nor its activities of social responsibility, charity, etc., are unique to the Turkish social formation. Thus neither feature proves the weakness of the capitalist class, its dependence on the 'strong' state, or its lack of legitimacy. On the contrary, according to my own research, defining itself on the basis of national interests does not indicate the weakness of the bourgeois class but its hegemonic strength. TÜSİAD's role in settling the Cyprus problem exemplifies this. In addition, an 'intrinsically legitimate status' is not something that, as Buğra holds (1994: 8), western bourgeoisies naturally have and the Turkish bourgeoisie lacks; it is something to be won through complex hegemonic-ideological struggles in each and every spatio-temporal context.

Ayse Buğra and Osman Savaşkan provide a sophisticated version of this account in their new book *New Capitalism in Turkey: The Relationship between Politics, Religion and Business* (2014), which is represents a particular combination of Polanyian political economy, institutionalist analysis and a version of historical sociology that aims to 'bring the state back in' to the analysis of state-society relations. Even though Buğra and Savaşkan see the formation of TÜSİAD in 1971 as an attempt to be 'less dependent to the state' (2014: 36), they still maintain their analysis of dependency of big business to the state in defending that the nature of the relationship between the government and voluntary business organisations determines the strength and weakness of the business organisations in question (2014: 190). According to Buğra and Savaşkan confrontational relationships with the government weaken voluntary business organisations and their power and influence on their members, while coherent relations with the government do the opposite. This one-dimensional relationship between the government and big business not only overlooks the relational nature of state-society relations, but also ignores the historical facts that the government can also be weakened, and even be overthrown, through the confrontation with the big business as it happened in 1979, when the CHP (Republican Peoples Party) government was forced to resign after a big media campaign of TÜSİAD against the government, demanding full liberalization, strict monetary measures, abolition of state controls and a comprehensive tax reform (Arat, 1991).

In opposing this particular interpretation of state-business relations crystallized in Buğra's approach, I aim to develop the notion of hegemony in the Turkish context, by analysing TÜSİAD's hegemonic agency not only within the power bloc but also over the society. I do this in two steps: analysing TÜSİAD's functioning as a *collective organic intellectual* to shape the common sense and form a collective will and as *a political party* to regulate the political sphere. It is an established fact that the activities of TÜSİAD have been expanded and varied during the 1990s as the organisation started to develop perspectives

and policies in each and every aspect of economic, social and political life from democratisation to women's rights, from public reform to competitiveness (Güzelsarı and Aydın, 2010: 60-61). However, no analysis has been made to conceptualize the transformation of TÜSIAD into an intellectual and political agent during the 1990s, in relation with the political conjuncture and the global dynamics. I aim to analyse this transformation with Gramscian concepts, paying close attention to both the organizational structure of the organization and its activities.

TÜSİAD as a Collective Organic Intellectual

Hegemonic processes involve a struggle in and around the *common sense*[15] and any attempt to build hegemony is also an attempt to shape common sense, to 'make it a coherent unity' (Gramsci, 1971: 324). This is mainly the task of intellectuals, 'a group of people specialized in conceptual and philosophical elaboration of ideas' (Gramsci 1971: 334), by remaining in contact with the 'simple', giving common sense a certain sense of coherence in line with the hegemonic project in question. The Gramscian notion of the organic intellectual[16] is central to understanding the hegemonic role of TÜSİAD. In other words, the 'secret' of TÜSİAD's hegemonic capacity lies in its use of the country's intellectual resources for the realization of its class interests. I claim that TÜSİAD functions as a collective organic intellectual, a concentrated, intensified materialization of bourgeois intelligence.

TÜSİAD's re-constitution of itself as a collective organic intellectual had been realized through an organizational re-structuring to enhance its hegemonic-intellectual capacities. In a sense, organizational, hegemonic, political and intellectual capacities of the organization have been developed in close connection with each other. In the centre of this enhancement stands the development of TÜSİAD's political-hegemonic imaginary in the 1990s (see below). TÜSİAD re-organized itself as an organic intellectual to produce knowledge and strategy on the main issues and problems facing Turkey within the conditions of the 1990s. The urge was to overcome the crisis of hegemony by formulating new policies, strategies and discourses. TÜSİAD's hegemonic power, in this sense, grew in close connection with its capacity to produce knowledge.

In 1992 TÜSİAD began to publish a monthly journal called *Görüş* (Opinion). Its purpose was, as explained by its then-chairman Bülent Eczacıbaşı, communicating TÜSİAD's proposals on the country's socio-economic problems to the public and thereby mobilize public opinion behind them (Eczacıbaşı, 1992: 1, 3). This decision could be seen as the initial point in the development of its political hegemonic imaginary and also its hegemonic agency within the wider society. And, the publication of 'Perspectives on Democratization in Turkey' in 1997, written by a distinguished academic, Prof. Bülent Tanör, can be seen as a second turning point as it was TÜSİAD's first report which was not related with its default subject, economy, and triggered huge discussions in the country.

In line with those steps and in accordance with its new role, TÜSİAD has gone through a substantial organizational re-structuring. It started establishing working groups and employing young experts and intellectuals to produce the knowledge required for a hegemonic strategy, in 1994. Currently hundreds of young scholars and professionals, all of them very well educated either in the best universities of Turkey or abroad and most of them with masters and PhD degrees, are working for TÜSİAD. The important characteristic of its organizational structure is that TÜSİAD associates the leading capitalists of the country, who

are the members of the major boards of TÜSİAD, namely the High Advisory Council and the Board of Directors, and young experts-intellectuals.

Although the Board of Directors takes main decisions in light of the recommendations of the High Advisory Council, it is only the tip of a huge iceberg. Below, there is a large body of experts and intellectuals who provide the material-intellectual basis on which TÜSİAD acts. In other words, the top councils of TÜSİAD filter the material and knowledge that they could not produce themselves, from their vantage points and interests. This material is prepared by experts working in its committees and working groups. Ten main committees are chaired by the members of the Board of Directors and a further thirty-five working groups work under those committees[17]. The experts employed in these working groups mainly monitor the environment, gather background information and specific data used to develop a strategic vision on this specific areas. They are the backroom actors who prepare the ground for the formation of TÜSİAD's long-term, strategic outlook by working on various specific subjects critical for its overall hegemonic imagination.

The TÜSİAD-University Partnership Forums, formed to 'conduct research projects at an international standard and collaborate with related research centres in foreign countries with the aim of supporting TÜSİAD's research and opinion-forming process with academics and scientists'[18] are crucial in terms of knowledge production and projection. TÜSİAD established three university partnership forums: The TÜSİAD–Sabancı University Competitiveness Forum (REF), The TÜSİAD–Koç University Economic Research Forum (EAF) and the TÜSİAD–Boğaziçi University Foreign Policy Forum (DPF). All three forums have a Board of Directors and an Executive Board of themselves, which unite high level members of TÜSİAD with academics from the university in question. Also each forum employs several junior level researchers and administrative staff to conduct the projects.

Apart from the research projects, these forums organize meetings, seminars, and conferences; publish working papers, reports and books in close connection with global research centres and universities. On one level, they produce knowledge, elaborate conceptual tools within a liberal-individualist theoretical universe; while on the other level they create various platforms to introduce the results of their work first to the business community, intellectuals and the political elite, and then to the society in general. The stress on the global dimension is very important here, as the political and intellectual sources of power of TÜSİAD are not purely domestic. It tries constantly through different means to keep a lively contact with a global political and intellectual community, transferring, adopting, re-constructing and re-contextualizing the global policies, strategies and discourses.

The regular publications of TÜSİAD are also important in formulation of opinions and strategies, animation of the discussion in and around those opinions and strategies, dissemination of them in the societal level and finally, normalisation of them as part of everyday discourses. *Görüş*, a journal published every two months to discuss the country's main agenda, includes articles by leading Turkish academics and intellectuals and by members of TÜSİAD. It is the flagship that leads others in introducing TÜSİAD's views and initiating public discussion. TÜSİAD also publishes *Manşet* (the Headline) monthly, *Konjonktür* (Quarterly Economic Outlook) every three months, *Annual Economic Assessment Report* and *Private View*, in English, every year.

Even more influential than the university partnership forums and regular publications are TÜSİAD's reports, which have become the trademarks of the organization. The reports

are central in terms of its intellectual capacities and its public 'opinion-forming' abilities. TÜSİAD issues many reports every year (57 reports between 2000-2004 – see the appendix), on various issues including the 'purely' political ones such as minority rights and legal reform, mostly written by influential intellectuals on behalf of the organization[19], to publicize its policy suggestions and to initiate public discussion in the process of the formation of the public opinion. These reports introduced certain ideas and policies that were unconventional at the time and prompted discussions that helped to change public opinion as well as the legal-political environment.

In addition to these, TÜSİAD also organizes seminars, meetings and conferences directly in its name, which provide a space for intellectual synergy among the young experts, leading Turkish intellectuals, businessmen and world-famous opinion leaders and lead to formulation of new policies, strategies and directions. These events range from ethical infrastructure to independent regulatory institutions, from intellectual property rights to information technology, from governance to US foreign policy. Most discussions at these events reflect global concepts, tendencies and discussions, thereby opening domestic intellectual space to the global one. TÜSİAD also uses public opinion surveys [20], competitions[21] and awards[22] to shape common sense. A dramatic example was the issuing of philosophy, geography and history textbooks for elementary and high schools in 2002. Those textbooks were written by distinguished academics and published to 'promote a contemporary understanding in education' (TÜSİAD: 05/05/2003). This activity intervenes in the roots of common sense, which is mainly shaped within the middle-level institutions of education. TÜSİAD's main aim was to challenge and change the nationalist clichés, which are buried heavily in the textbooks, shaping students' minds from an early age, and which, according to TÜSİAD, prevents the country from adjusting the requirements of globalization, i.e. integrating into the global economy and political bodies, such as the EU.

One dimension of TÜSİAD's intellectual activities is that the bourgeois intelligence, crystallized in a certain hegemonic project, cultivated in several intellectual sites in and around TÜSİAD, is reflected in the platforms where it interacts with other sections of the capitalist class (such as TSP and TÜRKONFED) and with the political elite (the first moment of hegemony). The effect of those activities, however, goes beyond the limits of the first moment as TÜSİAD's wide range of intellectual activities and its functioning as a collective organic intellectual provide it with social legitimacy, power to shape the decision making processes and the common sense, and a position as a 'public speaker' in the societal level. In particular, its reports act as an effective tool for the organization to differentiate itself from other voices as 'the' voice of reason that shows the direction, depicts the *Zeitgeist* and announces the tasks (what is to be done) to catch up with the spirit of the age in the light of 'expert knowledge'.

The use of the mainstream media in the announcement and promotion of TÜSİAD's activities as well as dissemination of its messages was extremely important as it represented the main channel through which TÜSİAD communicates with the people, a kind of bridge between the organization and the public opinion. Turkey's media sector became increasingly hyper-commercialized and oligopolistic. One big holding company, Doğan, the monopolistic leader of the sector, has a 45% market share and 43% of advertisement revenues. As media ownership has been concentrated in a few big holding companies, media content has been increasingly defined by the interests of big capital, leading to 'the instrumentalization of the Turkish media by business interests' (Kaya and Çakmur, 2010: 528). This 'fusion' is crystallized in the very top level of TÜSİAD as one of the members of TÜSİAD Board of

Directors between 2003 and 2010, who became the chairwoman in 2007, Arzuhan Doğan Yalçındağ, was also the head of the Doğan Holding Company. Thus, the person who was in control of large parts of the mainstream media was also the representative of big capital. It was no coincidence that each and every speech of TÜSİAD's leading figures and all its press announcements appeared on TV channels and in newspapers, immediately.

TÜSİAD as a Political Party

Defining the hegemonic moment in which a class transcends its own corporate interests, Gramsci says:

> it is the phase in which previously germinated ideologies become 'party', come into confrontation and conflict, until only one of them, or at least a single combination of them, tends to prevail, to gain the upper hand, to propagate itself over the whole social area – bringing about not only a unison of economic and political aims, but also intellectual and moral unity, posing all the questions around which struggle rages not on a corporate but on a 'universal' plane, and thus creating the hegemony of a fundamental social group over a series of subordinate groups (Gramsci, 1971: 181-182).

This definition is the key to grasping TÜSİAD's hegemonic role in a Turkish context in terms of the 'decisive passage from the structure to the complex sphere of superstructures', from the economic-corporate moment to the political one. Before analysing TÜSİAD as a party, one should stress that this term should not be interpreted literally. What Gramsci is interested in when he defines a social actor as a political party, is its (political, moral, cultural, technical) modus operandi rather than its organizational form. Hence, the term 'political party' is not limited to political parties as the agents of pluralist parliamentarism; even a newspaper can function as a political party as Gramsci claims for the cases of *The Times* in England and *Corriere della Sera* in Italy (1971: 148-149).

The emergent political agency of TÜSİAD has been recognized by some studies such as Buğra and Savaşkan's (2014: 214), who understand TÜSİAD's establishment and its later activities as a political intervention to the ongoing instability and uncertainty of the Turkish political and economic regime and Uğur and Yankaya's (2008) who analyze TÜSİAD as a 'policy entrepreneur' in the context of EU conditionality. However, analysing TÜSİAD as a political party in the Gramscian sense enables us to develop a more comprehensive understanding of the political agency of TÜSİAD than provided by abovementioned accounts.

In the 1990s, without a strong (mainstream) political actor, in the face of successive economic and representative crises, and with the rise of the Kurdish and Islamist movements, the regime was gripped by a structural crisis in Turkey. The need for political regulation and normalization of the regime became increasingly clear to capital's representatives. As the then vice-chair of TÜSİAD's Board of Directors, Pekin Baran, concisely states: 'We saw the viability of free market economy depended on the presence of a pluralistic political structure with the largest possible participation and dialogue within various segments of society' (Baran, 2004: 1). 'Parties come into existence, and constitute themselves as organizations, in order to influence the situation at moments which are historically vital for their class' (Gramsci, 1971: 211). The 1990s, in this sense, should be seen as a vital turning point for the class interests of the Turkish bourgeoisie, the historical moment of *catharsis,* forcing it to re-constitute its class organization as a political party.

Like a political party TÜSİAD conceived itself as supremely well-qualified to formulate a long-term vision for the country (TÜSİAD: 20/01/1997) and, sees itself as the primary prosecutor of the political, economic and social transformations (TÜSİAD: 19/07/2004). Its mission to undertake political transformation is so central to its functioning that to achieve a 'smooth change from within the system' belongs to its self-definition (TÜSİAD: 20/01/2007). As a party, TÜSİAD sets the political agenda, fixes targets and suggests solutions in different political contexts. Many examples illustrate this. In terms of agenda setting, after the Helsinki Summit, TÜSİAD consistently maintained that the main political aspiration of the country, including the political agenda of the government and parliament is (and should be) to advance the EU membership process (TÜSİAD: 09/11/2000). It systematically issued sub-titles of the EU adjustment and defined the process step by step under the titles of political reforms, economic program, deepening of the Customs Union agreement and financial cooperation (TÜSİAD: 23/06/2001).

Besides setting the agenda, TÜSİAD also fixes the targets for the historical period in question, conditioning both the governmental authorities and the society. In the context of the EU membership process, TÜSİAD has been designating the targets, especially after critical events such as European Council Summits in terms of the conduct of the reform process. TÜSİAD also proposes new policies, legislations, solutions not only in the economic field, as expected from a professional organization, but in all important political and social matters, such as democratization, involving minority rights, individual freedoms and freedom of thought (1997, 2001 and 2002), judiciary reform (2003), re-constitution of health (2004) and educational (2003) systems, reform of public administration (2002, 2003) and election (2002) systems, equality between men and women (2000), etc. It thereby was capable of connecting wider interests and demands of the public under the umbrella of its hegemonic project.

Here, the strategic capacity of TÜSİAD, especially in terms of analysing the structural-historical conditions, reflecting upon them and formulating policy proposals to intervene and transform the situation with all due speed and flexibility should be underlined. TÜSİAD uses those sources to act with great speed to intervene in crisis situations. One example was its role in the settlement of the Cyprus question, taking initiative to resolve the conflicts emerged within the process by developing policies; suggesting and promoting certain solutions, orienting, warning, even threating the government(s)[23].

Another one is its intervention to the coalition government crisis that emerged just before the adoption of the third round of EU adjustment laws. One coalition member, the MHP, opposed broadcasting in languages other than Turkish and challenged the abolition of capital punishment as it would nullify the death sentence on Abdullah Öcalan, the PKK leader. With great speed and flexibility, TÜSİAD acknowledged the crack in the government coalition and, given the urgency of the situation, issued a declaration five days before the parliamentary session. This called on the parliamentary parties to break the government-opposition duality and form flexible alliances to ensure the adoption of the EU adjustment laws to satisfy the expectations of the public opinion (TÜSİAD: 29/07/2002). In other words, faced with a political crisis that would affect the course of EU membership, TÜSİAD formulated a policy to dissolve the unity of the coalition government and foster different parliamentary alliances to enact the EU adjustment laws. This strategy succeeded: The laws were passed with the support of two coalition members and the opposition despite the MHP's negative vote. Hence, an alternative coalition for that one critical occasion was established with the direction and support of TÜSİAD. As these examples show, TÜSİAD's role as a

political party is related closely to the activities of actual political parties in the Turkish political scene. TÜSİAD pursues its political role through orienting, directing, supporting, encouraging, discouraging, warning and threatening the actors of the political sphere, especially the government, to bring them in line with its own interests. It does so by creating a particular social and political environment such as publishing a report on death penalty and minority rights before the issue reached Parliament in order to prepare the political atmosphere and the public opinion on this issue (TÜSİAD: 05/2002).

EU membership stood at the centre of the activities of TÜSİAD both as a political party and a collective organic intellectual in the first half of the 2000s. It showed a remarkable capacity to present the EU membership as the solution of all the chronic problems of the country and as the only way to achieve a better future for people, through various means. This presentation and identification was a subject of hegemonic struggle, given against the nationalist anti-EU camp[24], which based its argument on the popular reaction against the biased attitude of the EU against Turkey and continuously underlined the risks and threats the EU membership process contains, directed against the national sovereignty, integrity and independence of Turkish Republic. Given the limits of the article, a detailed analysis of the hegemonic struggle between the nationalist anti-EU and the liberal pro-EU camps cannot be provided.

Conclusion: Hegemonic Struggles and the Crises of Hegemony

TÜSİAD was substantially successful in maintaining its hegemonic project, the EU membership, in the first half of the 2000s as it becomes not only the main target of the capitalist class in general but also dominated the political arena and the common sense at the same time. Eurobarometer surveys found that 68% of the population supported EU membership in 2001, rising to 71% in 2002 and finally to 73% in 2003.[25] In the first half of 2004 (in February and March), the public support remained very high, albeit slightly lower than 2003: 71 percent.[26] Similarly, a series of surveys conducted from 1996 to 2006 by Prof. Ali Çarkoğlu with the support of the Sabancı University suggest that public support peaked at 74% in early 2003[27], which was the highest among the candidate countries at the time.

Hegemony, however, is inherently unstable and temporal as it depends on a continuous hegemonic struggle. In the face of new conditions (changing political environment within the EU, development of an 'enlargement fatigue' after the first wave of enlargements after 2004, growing disappointment of Turkish people after the 2004 Cyprus referendum[28] which strengthened the nationalist reaction) and new hegemonic forces (AKP – Justice and Development Party), both TÜSİAD's role as a hegemonic actor and EU membership position as a hegemonic project began to be threatened. After a period of a hegemonic crisis, the period between the start of accession negotiations between Turkey and the EU in October 2005 and general elections between July 2007, the hegemonic position of EU membership began to dissolve in the face of an alternative hegemonic project of Islamic neoliberalism represented by the AKP government.[29]

It is worth stressing here that the EU membership project has been neutralized not by an exclusive and reactionary nationalist intervention but through the inclusion and articulation of political Islam, which gradually weakened the project within the AKP's overall hegemonic vision. This new hegemonic vision aims at a religiously conservative society armed with a neoliberal understanding of free market capitalism. As a part of this vision, the AKP developed a new image of an independent and strong Turkey as a vigorous regional and

global player, which changed the position of the EU membership project from being the hegemonic future project to one of the possible alternatives.

Faced with the AKP's rise as a new hegemonic force, in Poulantzasian vocabulary, TÜSİAD has been pushed onto the *defensive* after a period of being the *offensive* force. The rise of AKP has revealed TÜSİAD's structural weaknesses and the limits of its hegemonic power and capacities. Although it was considerably strong in producing a moral and intellectual leadership, leaving strong traces in the common sense, TÜSİAD's weakest point as regards overall hegemonic leadership was the popular aspect of hegemony production. Since TÜSİAD lacks the mass membership of a normal political party to organize the masses and the vast resources of the state, which would have provided direct access to the popular masses and facilitated their mobilization, it had to use mediatory mechanisms, such as the mainstream media, to produce hegemony in societal level. This left the hegemonic leadership of TÜSİAD vulnerable and dependent on certain temporary political and social conditions. As the conditions changed, TÜSİAD lost its control over the institutions and mechanisms, such as the media and political authority, through which it reached the popular masses; and, eventually, it found its hegemony within the power bloc challenged by Islamic capital, represented by other voluntary business associations such as MÜSİAD (Independent Industialists' and Businessmen's Association), ASKON (Anatolian Businessmen's Association), TUSKON (Turkish Confederation of Businessmen and Industrialists) [30] and TÜMSİAD (All Industrialists' and Businessmen's Association).

The relationship between AKP and TÜSİAD has gradually deteriorated especially after 2007, in line with the gradual emergence of AKP's hegemonic project of Islamic neoliberalism. As TÜSİAD remained loyal to its ideal of a liberal democratic, secular and globally integrated free market regime, AKP's growing tendencies towards a more authoritarian form of capitalism – in which the arbitrary government intervention to punish and favour certain business groups has been normalised – has created a serious tension between those two actors. This tension become visible in Erdoğan's increasingly dismissive reactions to TÜSİAD's criticisms on issues such as the violation of freedom of thought and assembly, increasing police violence, violation of bureaucratic autonomy, judiciary independence and independence of the central bank, transformation of the primary education, changes in the public procurement law that violates principle of transparency, etc. From the presidency of Ümit Boyner (2010-2013) onwards, TÜSİAD raised its voice even more on what it conceives to be against contemporary (liberal) democratic norms, rule of law and civil rights and liberties.

Recently the then-president Muharrem Yılmaz reviewed the criticisms of TÜSİAD in a concise manner in his opening speech of 44. General Assembly of the Association: 'A country where rule of law is disregarded, the judicial mechanism is functioning subpar of EU norms, the autonomy of regulatory authorities is doubtful, the companies are pressured through use of tax penalties and other fines, the tender law is changed many times over...can not possibly receive foreign investment.' (Yılmaz, 2014). He calls for commitment to the founding principles of the Republic and the Copenhagen Criteria and asks a significant question: 'To Which world does Turkey belong'? This question echoes Ümit Boyner's remark that Turkey should decide whether she wants to be a small China or a big Finland (Zaman Newspaper, 19/12/2010). In similar lines, we can argue that AKP's and TÜSİAD increasingly differentiated approaches towards the EU membership stems from their different imaginaries of capitalism and the liberal, modern and secular capitalist imaginary represented by the EU membership is losing ground against the authoritarian, patriarchal, conservative and arbitrary form of it.

However, the current configuration of hegemonic relations might also be temporal, emphasizing the structurally temporal character of hegemony, as the AKP's attempt at hegemony is under a strong challenge both of counter-hegemonic social forces, which became visible in the Gezi Park protests and of certain elements of the power bloc backed by international powers.

Notes

[1] This article is based on my PhD research conducted at Lancaster University between 2006 and 2011. A short version of the paper is presented at Spectrum Journal of Global Studies Conference in 2012 at METU, Ankara. I'd like to thank Prof. Bob Jessop for guidance and inspiration he provided throughout my PhD research and Prof. Andreas Bieler and Dr. Serhat Karakayali for their exceptional comments.

[2] For a discussion on transnationalisation of Turkish capitalist class(es) within the context of transnationalisation of the processes and relations of production, integration of the global capital and formation of a transnational historical bloc, see Şenalp and Şenalp, 2009. Şenalp and Şenalp argue that transnationalisation of Turkish capital in the post-1980 period has leaped forward after 1999 with the EU accession process and IMF programmes (which shared main economic principles of institionalisation of the neo-liberal transformation and removal of the obstacles preventing further global integration). This post-1999 period, for them, marks the formation of transnational historical bloc in Turkey, which includes domestic and foreign origined capitalist groups, supranational economic institutions and political bodies, business associations, etc. and which indicates not only to the transnationalisation of the economic activities but also the political decision making processes.

[3] The time period has been chosen with reference to the official recognition of Turkey as candidate for full membership in December 1999 and the start of accession negotiations in October 2005.

[4] The literature on TÜSİAD is dominated by statist-institutionalist (Buğra, 1994 and 1998; Arat, 1991) and liberal-pluralist (Öniş and Türem, 2001; Öniş, 2003; Ugur and Yankaya, 2008) perspectives. These studies view TÜSİAD in relatively narrow terms: as a business organization that serves the function of interest representation, as an NGO, as a pressure/lobby group, and, in one case, as a policy entrepreneur (Ugur and Yankaya, 2008).

[5] This lack, of course, is related with the way in which hegemony is conceptualized. The inherently temporal and unstable character of hegemony, which involves 'a continuous process of formation and superseding of unstable equilibria' (Gramsci, 1971: 182), requires sensitivity to the agential dimension. If hegemony is not structural, 'fundamental to the unity of all modern societies' as Joseph (2003) puts it, but rather temporal, relative and contextual, then, structural integration and social cohesion should be treated not as normal, but as deeply problematic (Jessop, 2003). In other words, the formation of hegemony is a matter of constant construction, as well as disintegration, shaped by multi-level interactions and struggles where different hegemonic imaginaries, meanings, discourses, interests and strategies intersect in various processes of dialogue, articulation, negotiation, embodiment, controversy and conflict.

[6] Considering the spiral movement between the theoretical framework and empirical work, empirical studies appear to be the primary way to test the analytical and explanatory capability of a theoretical framework and to improve the theory by raising questions, targeting gaps, vulnerabilities and inconsistencies (if any) involved in the theory, making it more sophisticated and variegated based on the historical/empirical results. In the case of theory of hegemony, historical/empirical studies are especially important as the term itself refers to the complex configuration of the relations of power and domination in a specific social formation. Hence, remaining loyal to Gramsci's acute spatial-temporal awareness, hegemony as a theoretical concept can only be understood and explained through a historical, empirical work focusing on a specific social formation, in a specific historical period. Such a work should explore the actors, dynamics and mechanisms of the production of hegemony; should reveal the processes, relations and practices through which hegemony is established, maintained, or challenged. As Kate Crehan points out, 'what in any given context constitutes hegemony can only be discovered through careful empirical analysis' (2002: 104).

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[7] Strategic-relational approach (SRA) offers a relational solution to controversies about structure-action dialectics by examining structure in relation to action and action in relation to structure (Jessop, 2005). Less elliptically, it claims that structures are strategically-selective – they privilege certain actions, policies, discourses and strategies over others and actions are constrained by structurally-inscribed historical conditions.

[8] which is defined as the unity of the structure and superstructures by Gramsci (2000: 192)

[9] Van Apeldoorn's analysis of the European Roundtable of Industrialists (ERT) is helpful in exploring (one dimension) of TÜSİAD's hegemonic agency thanks to the striking similarities between the two bodies in organizational structure and strategic capacity. TÜSİAD and ERT are both relatively small organizations of the heads of Europe's/Turkey's largest corporations. Having 'less diverging interests to balance' compared to the formal chambers of industry and commerce, which represent private enterprises of whatever size and fractional alignment, allows them 'to play a more strategic role, one that transcends lobbying or interest representation in a more restricted sense' (van Apeldoorn, 2002: 105). As voluntary, private organizations they have 'a number of advantages over formal associations' such as acting 'with a relative speed and flexibility' (van Apeldoorn, 2002: 104). In addition, TÜSİAD functions in a very similar way in terms of developing a long-term perspective, formulating class interests from the vantage point of big capital, and articulating those interests 'at the level of hegemony'. One example of such forward-looking is TÜSİAD's intervention into the organic crises of the 1970s. Faced with the continuing balance of payment crises, which led in turn to rising inflation, unemployment and scarcity of foreign exchange, TÜSİAD did not demand short-term amendments or benefits from the government but mobilized public support through a huge media campaign in a 'public move to demand a change in the political-economic system' (Arat, 1991: 140), which was adopted by the policy level with January 24' 1980 decisions and implemented by the military coup which took place later that year.

[10] see also Poulantzas: 'the hegemonic class is the one which concentrates in itself, at the political level, the double function of representing the general interest of the people/nation and of maintaining specific domination among the dominant classes and fractions' (1978: 141).

[11] While certain activities target the maintenance of a relatively unified class interest in its relations with different sections of the capitalist class and with the political authorities, others aim to represent and reproduce this class interest in the societal level as the general, national-popular interest.

[12] This attempt draws on the early works of Morton and Bieler (2001) on structure-agency debate and Worth's argument to engage with the formation of hegemony in civil societial sphere, which has been ignored by neo-Gramscian IPE (for a later version, see Worth, 2011), and welcomes new critical contributions to neo-Gramscian IPE such as Ayers (2008) and McNally and Schwarzmantel (2009).

[13] Examples include Koç Holding which produces automobiles (Ford and Tofaş) and consumer durables (Arcelik and Beko) and owns a bank (YapıKredi) and big finance group (KoçFinans); Sabancı Holding produces Toyota automobiles, tiles (Lassa), fabric (Yunsa), etc., and has a bank (Akbank) and other financial institutions, such as insurance (Aksigorta and AvivaSa), leasing (Ak Lease) and investment brokerage (Ak Securities, Ak Investment Fund and Ak Asset Management); Dogus Holding imports and sells automobiles, builds motorways, ports, tunnels and hydroelectric power plants, has four TV channels, four radio stations and seven periodicals and also has a bank (Garanti) and a big financial group with mortgage, investment, leasing and factoring companies. For a recent study showing the ways in which banking capital is interwoven with productive sectors, see Gültekin-Karakaş, 2009.

[14] TSP, under TÜSİAD's initiative, took a step towards further integration by transforming itself into the Turkish Enterprise and Business Confederation (TÜRKONFED) in November 2004, after the amendment of Turkish Civic Law on establishment of federations and confederations. Being more institutional and integrated than its precursor TSP, a confederation rather than a platform, TÜRKONFED remains as the ground on which big capital maintains its hegemony through articulating the demands of SMEs into a hegemonic project, filtering and balancing their interests in and around its own strategic orientation.

[15] Common sense is the 'philosophy of non-philosophers', 'the conception of the world which is uncritically absorbed by the various social and cultural environments in which the moral individuality of the average main is developed' (Gramsci, 1971: 419). Its significance is that it provides a popular ground, a historical inventory of ideas, representations, practices and experiences, on which the ideological forms of a particular historical period are shaped through a hegemonic-ideological struggle of meaning-making. That struggle aims to shape this 'fragmentary, incoherent and inconsequential'

conception of the world around a 'homogeneous, coherent and systematic' philosophy, 'to transcend a particular form of common sense and to create another which was closer to the conception of the world of the leading group' (Gramsci, 1971: 419-421).

[16] The term 'organic intellectual', in Gramsci, refers to the intellectual strata having 'organic structural ties with fundamental classes' (Crehan, 2002: 137). They are 'the dominant group's 'deputies' exercising the subaltern functions of social hegemony and political government' (Gramsci, 1971: 12). Thus, their role is critical in the formation of hegemony and societal integration. For, as Gramsci explains, the 'social system is integrated only when constituted as hegemonic system under direction of fundamental class which trusts its management to intellectuals' (Portelli, 1973: 10). Organic intellectuals play a key role in the 'organization and constitution of classes' (Buci-Glucksmann, 1980: 53) by performing 'the function of developing and sustaining the mental images, technologies and organizations which bind together the members of a class and of an historic bloc into a common identity' (Cox, 1983).

[17] The biggest holdings and most powerful capitalists have always been present in these councils either as members, or (most probably) as chairman. This can be clearly seen from the current and previous chairmen/women of the High Advisory Council and Board of Directors. The current chairwoman of Board of Directors, Canan Başaran Symes, is the chairwoman of the Turkish branch of an global giant: Allianz Insurance. Ex-chairman (2014-2015) Haluk Dinçer is the president of the Retail and Insurance Group of Sabancı Holding, the second largest holding company of Turkey. Muharrem Yılmaz (2013-2014) is the head of Sütaş, a leading company in food industry. Ümit Boyner (2010-2013) is the representative of Boyner Holding, one of the leading groups within the non-food retail industry. The ex-chairman of the High Advisory Council and the chairwoman of the Board of Directors (before Boyner) were the son/daughter of the owners of the first and fourth biggest holdings of Turkey respectively (Mustafa Koç, son of Rahmi Koç – Koç Holding and Arzuhan Doğan Yalçındağ, daughter of Aydın Doğan – Doğan Holding). Current chairman of the High Advisory Council, Tuncay Özilhan, is the CEO of the Anadolu Group, one of the largest holding companies of Turkey. If we consider the previous chairmen, we see that the biggest holdings such as Sabancı (Sakıp Sabancı and Ömer Sabancı), Ezcacıbaşı (Bülent Eczacıbaşı), Anadolu (Tuncay Özilhan), Akkök (Ömer Dinçkök), Tekfen (Feyyaz Berker), Boyner (Cem Boyner), etc., have been represented on the very top of TÜSİAD by their owners. The members of the High Advisory Council and Board of Directors are elected by all members of TÜSİAD, which displays the power of the biggest holdings-companies among the big capital. Thus, even among big capital, there is a kind of hierarchy in which the biggest of the big are on top.

[18] http://www.TÜSİAD.org/TÜSİAD/TÜSİAD---university-partnership-forums/

[19] Here, we need to stress that TÜSİAD also establishes close ties with the most prominent intellectual figures of the country (traditional intellectuals), mostly academics and journalists, besides raising its own organic intellectuals within its organization, commissioning them to write reports and inviting them to write in their periodicals. One interesting detail is its inclusive attitude. Indeed, it is perfectly normal to see an article of a left-wing scholar, such as Prof. Ayşe Buğra, or even a Marxist intellectual, such as Prof. Cem Somel in TÜSİAD's periodical *Görüş*. It could be said that TÜSİAD gives a space to the opinions of the oppositional, left-wing, Marxist intellectuals, even though it does not share them, because it shows its capacity of inclusion and assimilation of the oppositional lines of thoughts and/or benefits from their accumulated knowledge and wisdom. Considering that hegemonic capacity is mainly about including, transforming and shaping the ideas, demands and interests of different sections of society, this inclusive attitude gives a hint about TÜSİAD's hegemonic capacity.

[20] Such as the public opinion survey on public sector, which is made and used by TÜSİAD to show 'public demand' for the re-structuring of public sector (TÜSİAD: 12/2002).

[21] Such as the organization of photography competition for high school students in cooperation with the Ministry of Education on Europe Day, 9th May 2003 (TÜSİAD: 09/05/2003) to promote the idea of 'being European'.

[22] Such as the constitution of an award under the name of 'TÜSİAD Bosphorus Prize for European Understanding' to reward institutions or persons contribute the EU integration of Turkey, given to former European Union Ambassador of Germany, Dr. Dietrich von Kyaw for the first time in Berlin (TÜSİAD: 09/01/2004).

[23] TÜSİAD has been the major actor pushing for a shift in Turkey's official Cyprus policy as well as in public opinion between the Helsinki Summit (December 1999) and the Cyprus referendum (April 2004).

Its approach has been quite instrumental since it saw the Cyprus question as a sub-item on the EU membership agenda, as an obstacle to be solved before accession. TÜSİAD's role in the settlement process of the Cyprus question provides a perfect example to explore its functioning both as a collective organic intellectual and a political party. For a detailed analysis, see (Yaka, 2011).

[24] This camps consists of political parties such as the MHP (Nationalist Action Party), DSP (Democratic Left Party) and partly the CHP (Republican People's Party), NGOs such as ADD and newspapers such as *Cumhuriyet* at the time

[25]http://ec.europa.eu/public_opinion/archives/cceb/2001/aceb20011_summary.pdf; http://ec.europa.eu/public_opinion/archives/cceb/2002/cceb_2002_highlights_en.pdf; http://ec.europa.eu/public_opinion/archives/cceb/2003/2003.2_highlights.pdf.

[26] http://ec.europa.eu/public_opinion/archives/cceb/2004/cceb_2004.1_highlights.pdf.

[27] http://research.sabanciuniv.edu/21/1/3011800001129.pdf.

[28] It was widely expected in Turkey that positive vote of Turkish Cypriots to the Annan Plan would remove the 'Cyprus obstacle' on the way towards the EU membership, which, for general public opinion, has not happened

[29] Public support to the EU membership fell to 42% in October 2008, rising by only 3% in November 2009, the last survey made by Eurobarometer, see
http://ec.europa.eu/public_opinion/cf/showchart_column.cfm?keyID=5&nationID=30,&startdate=2004.10&enddate=2009.11;
http://ec.europa.eu/public_opinion/cf/showchart_column.cfm?keyID=5&nationID=30,&startdate=2004.10&enddate=2009.11.

[30] The relationship between TUSKON and the AKP government has radically been transformed in relation with the recent dispersion of the AKP – Gülen movement coalition in 2013.

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