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## AN INVESTIGATION OF SUKUK IN THE GCC COUNTRIES

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### Abstract

Since the 1970s, the GCC (Gulf Cooperation Council which is composed of Saudi Arabia, UAE, Qatar, Bahrain, Kuwait, and Oman) members succeeded to have economic development through their natural resource endowment. Nevertheless, starting from the 2000s, they have been struggling with local and international economic and political shocks. It became indispensable to diversify their economies to protect their economies from unexpected external shocks. Islamic financial instruments, particularly sukuk offers alternative solutions to these countries. In this vein, this study focuses on sukuk and its possible role in the macroeconomic performance and sustainable economic growth of the GCC. As a relatively new Islamic financial instrument, sukuk was first issued in 2001-2002 for drawing funds from international funds. Since then, sukuk became one of the most crucial Islamic financial instrument in passing 20 years. The aim of this study is to pinpoint the benefits of sukuk practices for the the GCC economies and analyze how sukuk can contribute to the economic growth in the member countries. The anaysis will be based on the case study. It is concluded that sukuk market has a great potential to contribute to the macroeconomic performance of the GCC. Development of sukuk markets in the GCC will not only promote the financial inclusion but also induce economic growth.

**Keywords:** Islamic Economy, the GCC, sukuk, economic growth, macroeconomic performance.



### GCC ÜLKELERİNDE SUKUK ÜZERİNE BİR İNCELEME

1970'lerle birlikte özellikle muhafazakâr müslümanların faizin haram olması ilkesinden hareketle alternatif bir finansman modeli konusunda artan taleplerini karşılamak üzere İslam ekonomisi ilgi görmeye başlamıştır. Öte yandan, sömüğe

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sonrası dönemde, bağımsızlığını ilan eden Müslüman ülkeler ve kalkınma çabası içine giren diğer Müslüman topluluklar, yüksek düzeyde artan fon ihtiyaçlarını karşılamak üzere kaynak arayışı içine girmişlerdir. Petrolün küresel ekonomide önemli bir hammadde olması ve hızla artan fiyatları ile birlikte, 1970'lerden itibaren Suudi Arabistan, BAE, Katar, Bahreyn, Kuveyt ve Umman'dan oluşan Körfez İşbirliği Ülkeleri (GCC) ekonomik kalkınmalarını yer altı zenginliklerinin çıkartılması ve ihracına dayalı olarak gerçekleştirmişlerdir. Ancak bu ülkeler, 2000'li yıllarla birlikte yerel ve dış kaynaklı ekonomik ve siyasi şoklarla sarsılmışlardır. Gelirleri neredeyse tamamen doğal gaz ihracatına bağlı olan bu ülkelerin dış kaynaklı şoklara karşı ekonomilerini koruyabilmek için sektör çeşitlenmesine gitmeleri kaçınılmaz olmuştur. İslami finans ve İslami finansal enstrümanlar bu çerçevede giderek daha fazla dikkat çekmektedir. 2001-2002 döneminde ilk defa ihraç edilen sukuk, geçen 20 yıllık süre içinde küresel ölçekte en önemli İslami finansal araçlardan birisi haline gelmiştir. Bu çalışmada, sukukun GCC ülkelerindeki yeri yanında makroekonomik performans ve ekonomik büyümeye katkıları vaka analizi çerçevesinde incelenecektir. Çalışmada GCC ülkelerinde sukuk piyasasının önemli bir yeri olduğu ve bu ülkelerin makroekonomik performanslarına önemli bir fon kaynağı olarak katkı sağlayabileceği sonucuna ulaşılmıştır. Bölgede sukuk piyasasının gelişmesi sadece finansal piyasaların gelişmesini sağlamakla kalmayacak aynı zamanda kamu ve özel sektöre sağlayacağı fonlarla ekonomik büyümeye katkı sağlayacaktır.

*[Türkçe geniş öz çalışmanın sonunda yer almaktadır.]*



## Introduction

In recent years, Sharia-compliant investment products and finance have become a part of the mainstream of the world economy. Actually, since the introduction of Islamic finance in the 1970s, almost all Muslim countries try to include Islamic financial operations in their financial systems. Since then, Islamic finance has grown significantly through the integration with the global commercial finance system. Starting from the early years of Islamic finance, there has been development in financial instruments not only to satisfy the investors but also to compete with the conventional sector. Furthermore, while most of the Muslim countries were suffering from the lack of capital for economic growth in the 1970s, there was a great number of Islamic funds all over the world. Those funds were either invested in the conventional system or out of the financial system because of religious beliefs. Mobilization of financial technological and innovating attractive Islamic financial instruments were very critical solutions to reach these

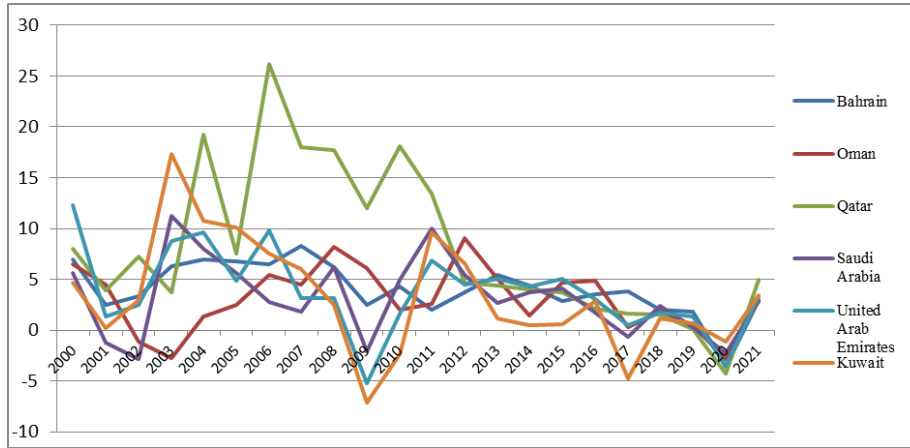


funds. One of the most significant developments in Islamic financial instruments is developing sukuk as asset-backed security in compliance with the Sharia. The last two decades witnessed a great expansion of sukuk all over the world and particularly in the Middle East countries and Malaysia. The Gulf countries represent the second greatest region of Islamic banking and Islamic financial transactions such as sukuk and takaful after Malaysia. Sukuk issuance became so successful that it has expanded to include diverse participants such as German government and the US oil and gas company (Abdel-Khaleq and Richardson, 2007, s. 409).

Since the 1970s, the GCC (Gulf Cooperation Council) members succeeded to have economic development through their natural resource endowment. Nevertheless, starting from the 2000s, they have been struggling with local and international economic and political shocks. Recently, oil and natural gas price fluctuations dropped their natural resource revenues. Besides, new technologies and environmental concerns decreased the oil demand and there has been decreasing dependency on oil all over the world. This caused a significant impact on the GCC as the fifth of the world's oil production. Due to oil price shock in 2014-2015, the fiscal position of the GCC countries has been deteriorating and by 2034 financial wealth could be depleted (Mirzoev et. al, 2020, s. v, 1).

As illustrated in Figure 1, the GCC economies could not exhibit sustainable economic growth over the period 2000-2021. Although they have remarkable growth rates in the first half of the 2000s, during the 2008 Global Financial Crisis period, they have great economic contractions. Starting from 2010, the local economies entered a healing period that lasted until 2013. In 2014-2015, the world witnessed great drops in oil prices. Oil price declines had a great negative impact on the GCC economies since those economies are highly dependent on natural resource exports. More currently, the Covid-19 pandemic hit the global economy. The Gulf region was not exceptional. According to IMF (2020a) GDP growth rates for Bahrain is -3,6; Oman -2,8; Qatar -4,3; Saudi Arabia -2,3; and the UAE -3,5. Many international authorities agree that the dire impacts of the pandemic will last many years.

**Figure 1.** Real GDP Growth of the GCC



Source: IMF (2020a)

\* 2021 is forecasted

Oil price fluctuations and continuing Covid-19 pandemic reminded the dependency on the natural resources and the need to alternative sectors. Therefore, the Gulf countries are more enthusiastic than ever to diversify their economies to find alternative sources to get revenues. In this context, the development of domestic and regional Islamic financial markets offers them great opportunities. Beyond doubt, the success of these alternative programs will be the heart of achieving strong and sustainable economic growth in the following years

This study goes to the heart of the analysis on the contribution of sukuk to the growth performance of the GCC. As sukuk are widely used Islamic capital market instruments particularly for long term financing, sukuk may have a great contribution to the sustainable economic growth of GCC. While the issuance of sukuk is basically motivated by religious principles, they also provide sources for investments. They also offer interest-free profit to their investors. The reliability of the Islamic financial instruments is also one of the main factors that increase the attractiveness of this system (Erdoğan, Gedikli and Çevik, 2020, s. 1). Hence, in the first part of the paper, we will analyze the theoretical background of sukuk, basic characteristics of sukuk, the difference between sukuk and conventional bond as well as the types of sukuk will be discussed. In the second part, the macroeconomic performances of the GCC countries will be evaluated. Next, global and regional development on sukuk issuance will be analyzed. Based on the current data, the contribution of sukuk to the investment and project financing will be evaluated. In the last part of the study the contribution of sukuk to the macroeconomic performance and sustainable economic growth

of the GCC will be discussed.

### **A. An Overview of Sukuk**

The word sukuk is the plural of the Arabic word *sakk*. The early Muslims used sukuk as a form of paper to represent the financial obligations of trade or other commercial transactions. In the modern Islamic financial system, however, sukuk are used as an instrument of Islamic capital markets (IIFM, 2013, s. 3). Sukuk represent participation rights in the underlying assets (Iqbal and Tsubota, 2006, s. 3). AAOIFI (2008) defined sukuk as *"Certificates of equal value representing undivided shares in the ownership of tangible assets, usufructs, and services or (in the ownership of) the assets of particular projects or special investment activity"*. Sukuk are similar to a trust certificate that has a proportional or undivided interest in an asset or assets pool. Sukuk are a form of investment certificate with bond and stock-like characteristics, issued to finance the production of trade activities and tangible assets. Sukuk can be an alternative source of financing particularly for corporations and sovereign entities. Besides, sukuk represent a profit coupon to be traded at a normal yield price (Taoual, 2016, s. 1-2). IIFM (2013, s. 3) defined sukuk as *"certificates of equal value representing undivided shares in ownership of tangible assets and services or the assets of particular projects or special investment activities"*. In a brief definition, sukuk can be defined as the Islamic equivalent of bonds that are in the scope of fixed income securities. Therefore, sukuk were first introduced to be an Islamic alternative to conventional bonds. Nevertheless, while interest is prohibited and there is no permission to provide a guarantee to have a nominal value of capital or return cause problem to be accepted by Sharia. In accordance with Sharia, the basic step for issuing Islamic security is to be backed by ownership of real property. Securitization is not different from the conventional form as transforming illiquid assets into liquid ones through financial markets. It should be noted that while the repackaged assets contain securities and loans in conventional securitization, it is not accepted by Sharia. To be in accordance with the Sharia rule of finance, there must be pooled assets; and the acquisition, maintenance, and utilization of sukuk should be provided in accordance with Sharia. Also, in case the capital is invested in Islamic finance, it can be liable to returns only if there is profit. Therefore, if guarantees are provided for capital or returns, sukuk would have the negative aspects of conventional bonds. According to profit-loss sharing, the value of sukuk should be redeemed at the end of its tenor according to market but not nominal value. Furthermore, investments must be real and suitable for generating halal income. These features can be

provided by risk aversion methods and precautionary measures that are confirmed by Sharia (Abdelrahman, 2019, s. 2-3). It should be noted that there is no debt financing in Islamic finance. The only debt accepted in Islam is Qard-ul-hassan, which is a benevolent loan that does not a compulsion on repayment (Saba, Rizvi, and Alabed, 2017, s. 26).

### **1. Sukuk vs. Conventional Bonds**

Although issues of Sukuk are similar to conventional bonds on issuance, rating, redemption procedures, coupon payments, and default clauses, there are some very critical differences between the two models of instruments. The basic difference between sukuk and conventional bond is that while conventional bond represents a contractual debt obligation, sukuk represents undivided beneficial ownership of the asset. In conventional sukuk, the issuer has to pay interest to the debt holder at the agreed date. On the contrary, in sukuk, interest is forbidden by Sharia. Sukuk cannot be issued on prohibited areas such as gambling, alcohol, bars, etc. Hence, all sukuk issuances should be confirmed by Sharia. Conventional bonds do not have such restrictions. Besides, bonds' value rests on the creditworthiness of the issuer. Sukuk prices can vary and they must be based on a specific asset, service, or project for a period of time. The conventional bonds do not have to be backed by an identified asset, but for asset-backed models, sukuk must be backed by real, identifiable, and existing assets. Sukuk may be also asset-based. Sukuk also provide equity-based financing that conventional bonds do not. Sukuk holders both bear and share risks along with profit that emerges from the underlying asset. Both investments do not have return guarantees. Unlike the conventional bond, the holder has the right to get the shares of revenues generated from the sukuk asset. Return on conventional bonds is determined according to the percentage of capital invested whereas the return on sukuk is determined on the basis of profit and revenue generated (Taoual, 2016, s. 1; Godlewski, Turk-Ariss, and Weill, 2013, s. 747; Haider and Azhar, 2010, s. 31). And also sukuk and conventional bonds have similar durations in the secondary markets. The return of sukuk is generally lower than conventional bonds. This is highly related to being illiquid instruments comparing with the conventional bonds which are the evidence of having poor secondary markets. The higher the illiquidity, the higher the risk on the portfolio at times of volatility (Cakir and Raei, 2007, s. 12)

### **2. Types of Sukuk**

Currently, there are different models of sukuk contracts that have been used in different investment and financial projects. *Ijarah* (existing owned,

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existing lease, and future assets), *manfah-usufructs* (existing and future assets) are asset-based sukuk models. *Istisna, salam, and murabahah* are debt-based sukuk contracts. Some types of *murabahah, musharakah, muzara'a* (sharecropping), *musaqqa* (irrigation), *mugharasa* (agriculture) are equity-based sukuk contracts. And *wakala* represents agency based sukuk model (Ahmed, 2014, s. 19). Besides, there are corporate and sovereign sukuk issuances in many countries including GCC, Jordan, Malaysia, Iran, Sudan, Turkey, Pakistan and other developing Muslim countries as well as nonmuslim countries such as Hong Kong. The more and diversified models of sukuk, the more avenues for liquidity management and development project financing.

The sukuk structure can be collected under two main categories, namely *asset-backed* and *asset-based* sukuk. Asset-backed sukuk are the financial operations involving the actual transfer of ownership of the balance sheet. Therefore, this category of sukuk contains the market risk and credit risk. In the asset-based sukuk, the issuer does not have to transfer the rights but get funds with a guarantee of the principal (Amrani, Hamza and Mostapha, 2017, s. 125). Table 1 represents the advantages and disadvantages of asset-backed and asset-based sukuk contracts.

**Table 1.** Advantages and Disadvantages of Asset-Based Sukuk and Asset-Backed Sukuk

Type of sukuk	Advantages	Disadvantages
<b>Asset-Backed Sukuk</b>	<ul style="list-style-type: none"> <li>-The holders of sukuk are the owners of assets.</li> <li>-The holders can take advantage of the surplus income from the underlying assets.</li> <li>-The holders can use the assets of sukuk in case of default.</li> <li>-The rating of the "asset-backed" sukuk is generally based on the strength of assets underlying and not on the solvency of the transmitter.</li> <li>-If the issuer of the asset-backed sukuk is a bank, the capital requirement is reduced through the actual sale of assets.</li> <li>-Asset-backed sukuk are more in accordance with the spirit of the</li> </ul>	<ul style="list-style-type: none"> <li>-Asset-backed sukuk only rely on the value of the underlying assets for the payment of the capital at maturity or in the event default.</li> <li>-Investors cannot use the issuer if the performance of the assets is not enough to pay coupons or if the value of the assets at maturity does not allow repayment of capital.</li> <li>-Sukuk holders suffer from market risk and credit risk.</li> <li>-Transfer of assets may require more time due to legal procedures (the sale of land etc.).</li> <li>-Sukuk may have additional costs related to the transfer of</li> </ul>

<p>Shari'a</p>	<p>property. -Regulatory framework for the actual sale is not possible in all Jurisdictions. -Insolvency and default laws are not developed enough in several jurisdictions</p>
<p><b>Asset-Based Sukuk</b></p> <ul style="list-style-type: none"> <li>-Sukuk holders resort to the issuer via a promise to buy assets back at a fixed value in advance (generally by nominal value) or via a warranty offered by the latter.</li> <li>-The holders only bear the credit risk.</li> <li>-The issuer can raise significant funds without being constrained by active performance.</li> <li>-No legal or financial constraints on the transfer of assets.</li> <li>-Assets can remain in the portfolio of the transmitter.</li> <li>-The promise to buy assets back by the issuer eliminates the possible risk of loss if the value of the assets deteriorates at maturity.</li> <li>-Sukuk scoring is based on the creditworthiness of the issuer and not on the strength of the assets underlying the sukuk.</li> <li>-Sukuk holders benefit a capital guarantee and a coupon periodical which depends only on the creditworthiness of the issuer.</li> <li>-Sukuk holders' assets values are indifferent at market</li> </ul>	<ul style="list-style-type: none"> <li>-Sukuk holders are not secure since they do not benefit from the use of assets.</li> <li>-Sukuk holders do not benefit from the possible gain realized by the appreciation actives.</li> <li>-Sukuk holders have no difference with creditors of classic bonds.</li> <li>-Any guarantee provided by the issuer is not necessarily related to actives.</li> </ul>

**Source:** Al-Khawarizmi Group (2012, s. 54)

The core contract model of sukuk is a trust funding model which is called *Mudarabah*. Mudarabah allows one party to act as an agent or manager

on behalf of the capital owner (principle) for the profit-sharing contract or an agreed fee before they start the business. Special purpose mudarabah is similar to the special purpose vehicle since it plays an important role in acquiring specific assets and issuing certificates against the assets. The only difference of special-purpose mudarabah is requiring Sharia-compliant. Besides, it can vary in nature. Aside from mudarabah, the majority of sukuk issuance is based on the assets that have financial claims with a spot sale called *salam* or deferred payment sale called *bay-muajjal* and deferred-delivery sale bay *salam* contracts. Salam-based instruments are suitable for short-term investments since commodity financing can have a short-term tenor ranging from three months to 1 year. Due to interest restriction and tradibility, investors prefer to hold salam-based sukuk up to the maturity of the certificate. To have long-term maturity and limited tradibility to investors, the *Ijarah-based sukuk* model is preferred (Iqbal and Tasubato, 2006, s. 4-5). Currently, the dominant form of sukuk is *ijarah sukuk* in global Islamic finance. The *ijarah* model sukuk is very similar to conventional leasing contracts which offer flexibility of fixed and floating-rate payoffs. *Ijarah sukuk* can be either *asset-backed* or *asset-based* and has medium-to-long term maturity. Asset-based *ijarah sukuk* are similar to the conventional unsecured bond. Although sukuk can be structured to represent debt to the sukuk holder, this model of sukuk is not tradable in the secondary markets and should be kept until maturity. To be tradable in compliance with Sharia, sukuk holders must represent monetary flow and they should keep all rights and obligations of ownership in the underlying asset. The cash-flow of *ijarah-based sukuk* that also consists of principal repayment and rental payments are transferred to the investor through coupon and principal payments (di Mauro et al., 2013, s. 61). *Musharakah sukuk* provides co-ownership of commodity or business with management and control rights. In this model, payments are supported by income generated by assets of investment. This model of sukuk is tradable. Another model of sukuk is *Istisnaa sukuk*. There is an ownership of debt created from *Istisnaa* transaction. This model of sukuk is untradeable (Ayub, 2007, s. 208). There is also *hybrid sukuk* which combines the multiple sukuk structures together. For example, *Ijara*, *Mudarabah* and *Istisnaa* are involved in a pool of assets. Diversification of pools of assets based on the expectations of investors is more attractive in the market (Haider and Azhar, 2010, s. 30). In Table 2, the types and properties of sukuk contracts are explained.

**Table 2.** Types and Features of Sukuk Contracts

<b>Contract Model</b>	<b>Mudarib (Originator)</b>	<b>Sukuk Holder (Investor)</b>	<b>Cash-flow to Sukuk Holder</b>	<b>Cash-flow at maturity</b>
Mudarabah	Mudarib (entrepreneur who needs financial assistance)	Rabb-ul Mal (fund provider)	Periodic cash-flows from the asset as determined at the beginning	Final payment is the last periodic payment of the tenor of the contract
Istisna	Purchaser of asset under construction	Fund provider of asset under construction	Payment from Mudarib if any	Profit from the sale of completed asset
Murabahah	Purchaser of asset	Fund provider of asset	Periodic payments received from Mudarib representing the price of the asset	No. Final payment is generally the last periodic payment of the contract
Ijarah (lease)	Lessee of asset pays lease payments periodically	Lessor	Periodic ijarah (lease) payments	At maturity from the sale of the asset
Wakalah (Principle-agent relationship)	Agent takes the responsibility of investment in the underlying asset	Principle owner of the asset to be invested	Cash flows handled from the investment	Depends on the invested asset or economic cycles. There is no fixed return
Bay Bithaman Ajil (sale based on deferred payments)	Purchaser of the asset	Owner/seller of the asset	Purchase of payment price in installments	Possible final balloon payment
Salam (for commodities to be delivered later)	Seller of the commodity to be delivered later	Purchaser of the commodity to be delivered later	Proceeds from the sale of commodity	The largest cash flow occurs in maturity. Cash flow comes from the sale

**Source:** Saba, Rizvi and Alabed (2017, s. 27)



### **3. Challenges of Sukuk**

Although sukuk market showed a fast-growing period in the last decade, there are some challenges to it. They are listed below (Saba, Rizvi and Alabed, 2017, s. 32; Balli et al., 2020, s. 3748, 3751):

- The shortage of supply of sukuk in the financial markets causes the lack of liquidity and tradability. The ones issued are held by the investors until maturity which leads illiquidity of these instruments. Furthermore, from the seller side, the problem is the lack of bids in the sukuk market. The shortage of supply is related to the nature of sukuk. Sukuk issuers need to get the confirmation of Sharia to structure sukuk that leads to limit the sukuk issuance. On the contrary, conventional issuers can access the market easier.
- Many pieces of research showed that investors and issuers prefer long term sukuk such as 3-5 years or even 5-10 years. Malaysia stopped the issuance of short-term sukuk. This shows that investors are ready to take the risk of longer tenors.
- Regulations, measures and legal systems also affect the interest towards sukuk. Local legal systems may put sukuk at a disadvantageous position against conventional bonds. The issuance of sukuk requires the issuance of the asset to provide a special purpose vehicle. Besides, additional taxes, stamps, or duties may make sukuk even more disadvantageous. Even though in many Muslim countries the laws brought sukuk and conventional bonds in the same position, there should be more global laws to support sukuk.
- Interpretations of Shariah law vary from jurisdiction to jurisdiction and from one madhhab to another madhhab. Hence, the structuring of Islamic financial instruments varies significantly between countries and regions and there is no standardization for sukuk.
- Conventional bond holders generally do not have the responsibility to bear the expenses of project, firm, joint venture, etc. This indicates that the underlying asset is not effective in determining the amount of return. On the contrary, sukuk holders have to share expenses. The higher the expenses the less the return. Besides, while the fair value of the conventional bond is based on its creditworthiness, the fair value of sukuk is based on the current market value of the underlined asset.

There are also some risks of sukuk. According to the implication of risks, they can be classified as systemic risk and idiosyncratic (firm risk) risks. In terms of sources, sukuk risks can be classified as market risk (rate of return risk, foreign exchange risk, price risk), credit risk, liquidity risk, Sharia compliance risk, and infrastructure rigidity risk. Sukuk risk depends on (Ali, 2005, s. 45):

- Time to mature
- Tradability and liquidity of sukuk
- Payment capacity of purchaser/entrepreneur
- Composition and nature of the underlying asset
- Fixed or flexible return structure of the contract
- Nature of fixed or flexible rate contract

#### **B. Macroeconomic Performance of the GCC**

The wealth of the GCC is highly dependent on oil revenues. The history of evolution can be divided into two periods: The first period is 1997-2007. In this period, all member countries had rapid wealth accumulation due to fast increasing oil prices. Saving rates reached 40% in 2007. The second period is 2008-2014. Global Financial Crisis and changes in oil prices increased volatility. Despite the economic downturn, the current spending of the GCC economies increased until the 2014 oil price shock. Some very critical political conflicts among the regional countries and the Arab Spring also worsened the situation. These improvements caused great declines in saving rates. Furthermore, the 2014 oil price shock led to great fiscal deficits. As the fifth-greatest oil exporter region, the GCC was affected badly. With this sharp decline, nearly \$6,5 trillion was transferred from oil-exporter to oil-importer countries. Furthermore, technological innovations provided an increase in oil supply. The proven reserves have increased the GCC region despite the great amount of extraction over the last decade. Having more oil supply in the global market will bring a more competitive market and the supply curve will be more price-elastic. Besides, the increasing awareness of sustainable environment concerns conveyed less consumption of natural resources. Instead, societies try to improve environment-friendly alternative energy resources. Oil revenue declines deteriorated the local economies and their fiscal positions (Mirzoev et al., 2020, s. 5, 7, 17 ). Furthermore, since oil prices continue to be low, revenue generated from oil export will be low at least in the short-term.

Apart from the decline in oil prices, the Covid-19 pandemic had

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devastating effects on the global economy. It seems the recovery period will be slow and gradual. At the beginning of the pandemic, the IMF declared that global economic growth would be -3%. However, as months passed, the IMF revised the global growth rate to -4.9%. For 2021, it is projected to be 5,4%. Starting from the beginning of 2020, the pandemic intensified first in China and Italy, and soon after it spread to different regions. The pandemic had great adverse effects on the developed and emerging economies because of lockdowns (IMF, 2020b, s. 1-2). The GCC also suffered from the pandemic. As illustrated in Table 3, the GCC growth rate is estimated as -2,93% for 2020 and 3,43% for 2021. Due to sharp declines of oil prices, the GCC had been having a hard time in the second half of the 2010s. In 2018 the GCC growth rate was 1,76% and in 2019 it was 0,78%.

**Table 3.** The GCC Growth Rates (% of GDP) (2015-2021)

Members	2015	2016	2017	2018	2019	2020	2021
Bahrain	2,9	3,5	3,8	2	1,8	-3,6	3
Oman	4,7	4,9	0,3	1,8	0,5	-2,8	3
Qatar	3,7	2,1	1,6	1,5	0,1	-4,3	5
Saudi Arabia	4,1	1,7	-0,7	2,4	0,3	-2,3	2,9
Kuwait	0,6	2,9	-4,7	1,2	0,7	-1,1	3,4
UAE	5,1	3,1	0,5	1,7	1,3	-3,5	3,3
<b>The GCC</b>	<b>3,51</b>	<b>3</b>	<b>0,1</b>	<b>1,76</b>	<b>0,78</b>	<b>-2,93</b>	<b>3,43</b>

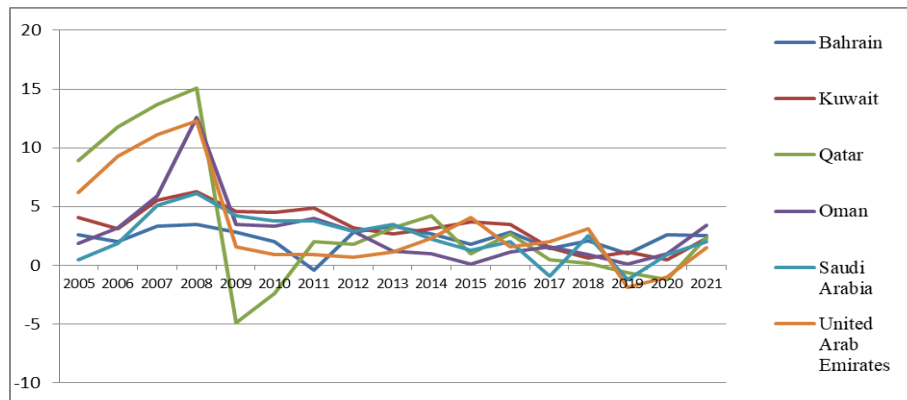
Source: IMF (2020a)

Because of this dramatic data, the member countries realized the urgency of economic reforms. The governments initiated wide-ranging structural and fiscal reforms as well as new and innovative areas for diversification of their economies.

Due to the pandemic, the world has been experiencing a recession period. In most recessions, consumers spend their savings or rely on family supports and consumption does not drop. On the contrary, consumption and services declined during the pandemic and in many countries, there are aggregate demand shocks. Job losses, lockdowns, and voluntary social distances brought weaker consumer confidence. Sharp declines in demand caused limited production and investments. Average inflation in developed countries had fallen about 1,3% since the end of 2019 to 0,4% as of April 2020. In emerging economies, it had dropped 1,2% at the end of 2019 to 4,2% in April 2020. Declining price pressure due to declines in aggregate demand in accompanies the effects of lower oil prices seems to have upward

cost-push pressure from the supply side which will affect the prices of commodities (IMF, 2020b, s. 3). Figure 2 represents the inflation rates of the GCC over the period 2005-2021. According to Figure 2, Qatar, UAE, and Oman experienced sharp inflation increases during the Global Financial Crisis. Starting in 2009, inflation rates declined. While the inflation rate was 15,1 in Qatar in 2008, it declined to -4,9 in 2009 and 2 in 2011. In 2020, the inflation rate of Bahrain is 2,6; Kuwait 0,5; Qatar -1,2; Oman 1; Saudi Arabia 0,9; and the UAE -1. The average inflation rate for the GCC was -1,9 in 2019 and 2,8 in 2020. The inflation rate is expected to be 2,35 in 2021.

**Figure 2.** Inflation Rates of the GCC (average consumer prices)

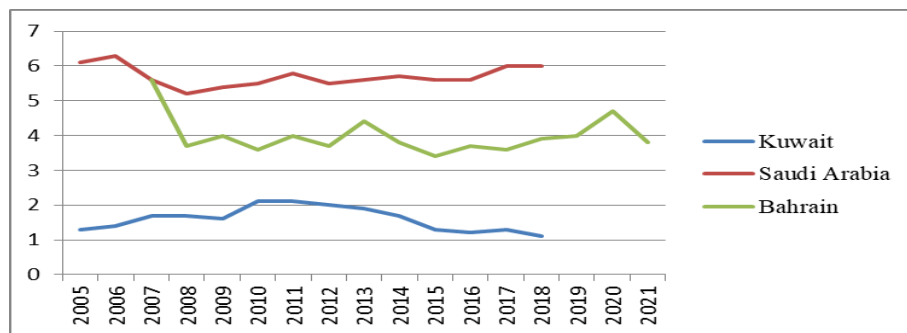


Source: IMF (2020a)

\*2021 inflation rate is forecasted

The pandemic also hit the labor markets. There were steep declines in employment rates in both developed and emerging countries. Many countries initiated short-term work schemes. The fall in 2020:Q2 was almost equal to 300 million full-time jobs. After April 2020, many countries reopened their economies. Nevertheless, it will take some more time to overcome the side effects of lockdown (IMF, 2020b, s. 2).

**Figure 3.** Unemployment Rates of the 3 members of the GCC



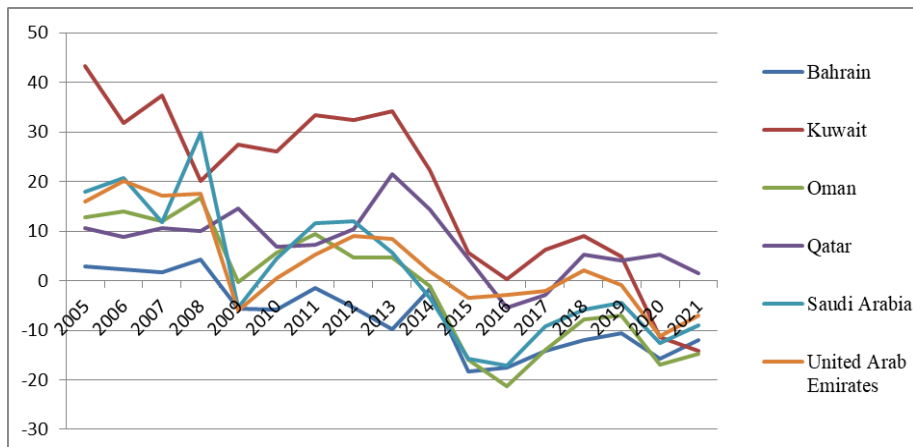
Source: IMF (2020a)

\*Data for Qatar and Omman were not available.

Figure 3 illustrates the unemployment rates of the GCC countries. However, we could reach just Kuwait, Saudi Arabia, and Bahrain's data. The latest data recorded for Kuwait and Saudi Arabia was 2018. The most current data belongs to Bahrain. The unemployment rate of Bahrain was 4 in 2019, and 4,7 in 2020. According to the estimations unemployment rate in Bahrain will decrease to 3,8 in 2021. The latest recorded unemployment rate in Saudi Arabia is 6 in 2018.

Figure 4 represents general government net lending/borrowing in the GCC countries. Due to the Global Financial Crisis, starting from 2009, Bahrain has been always in the net borrowing position. Oman and Saudi Arabia have become net borrowers since 2014 because of the sharp decline in oil prices. The pandemic affected the net lender countries Kuwait and Qatar as well.

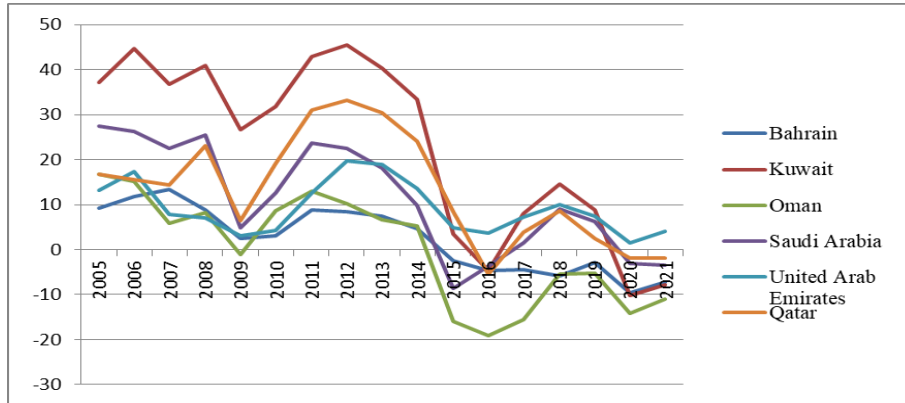
**Figure 4.** General Government Net Lending/Borrowing for the GCC



Source: IMF (2020a)

The current account balances of the GCC members are scratched in Figure 5. IMF (2020b, s. 4) recorded that average petroleum spot prices/barrel are at \$36.20 in 2020 and estimated as \$37.50 in 2021. Forecasts on oil future prices indicated that oil prices will rise to \$46 which is still about 25% below the 2019 average. Besides, nonfuel commodity prices are expected to rise as well. As the GCC member economies are highly dependent on oil revenues, low oil prices will cause worsening current account balances. These improvements indicate the urgency of diversification

**Figure 5.** Current Account Balance of the GCC (% of GDP)



Source: IMF (2020a)

### C. Sukuk in the GCC Countries

Under this headline, history of sukuk, and current sukuk market performance of the GCC countries are explained.

#### 1. History of Sukuk in the GCC Countries

Contrary to the common belief, sukuk is not a new invention of the Islamic finance industry. It takes its roots from the early days of Islamic civilization. The certificates of goods (sakk al-bada'i) (groceries) were used to pay the salaries of civil servants both as cash or cash equivalents provided by Umayyad Government in the 7<sup>th</sup> Century AD (the 1<sup>st</sup> Century Hijri). To get a fixed amount of commodities, the sukuk holders were supposed to present the sukuk on their maturity date at the treasury. Furthermore, the system allowed the holders to sell their sukuk to others for cash before the maturity date. Later, in the Middle-Age sukuk were also used as papers donating financial obligations from commercial activities (Saba, Rizvi and Alabed, 2017, s. 26). In the near past, in February 1988, at the Council of the Islamic Fiqh Academy of the Organization of Islamic Conference, the basis and development of the sukuk market were observed in Saudi Arabia. Soon after the conference, in 1990, one of the first sukuk issuances was realized in Malaysia with a value of RM 125 million. However, the sukuk market had to wait until 2001 to raise funds for long term investments. The sukuk market became international with the issuance of the first sovereign sukuk by the Government of Bahrain in September 2001 as Ijarah sukuk model. The early sukuk models were asset-backed and required to be backed by tangible assets. However, the shortfall in eligible assets because of taxes and legal restrictions on sales caused inconvenience of asset-backed sukuk (Radzi,

2018, s. 18-20). In this period, the description of sukuk was done as “an asset-backed bond which is designed or structured in accordance with Shari’ah and may be traded in the market” by IDB (2004). Malaysia was the first country which updated its legal framework to facilitate the sukuk. The first issuance in the GCC belongs to Qatar. Qatar Global Sukuk raised \$700 million sovereign sukuk. Soon after, Saudi Arabian petrochemical corporation SABIC raised \$800 million corporate sukuk in 2006. The western world was also keen on raising sukuk. The provincial government of Saxony Anhalt in Germany issued \$100 million sovereign sukuk in 2004 (Abdel-Khaled and Richardson, 2017, s. 413). Not to lose its market leader position, the UK designed its legislation to provide sukuk a playing field with the conventional securitization formats by tax treatment equivalent with the same model of financial products. One of the greatest improvements in sukuk history was the recognition and acceptance of sukuk outside the Islamic world in the second half of 2009. The first issuance was a 5-year Aaaa-rated \$100 million sukuk of the International Finance Corporation (IFC) which was arranged by HSBC, Dubai Islamic Bank and Kuwait Finance House-Bahrain. This issuance of sukuk was one of the milestones in sukuk history since it led to increase funding for development activities in emerging markets, including MENA and the GCC. Although the issuance amount was modest, its recognition by the international institutions as a financial tool like the World Bank was a great success (Godlewski et al., 2013, s. 748). The sukuk issuance showed a dramatic improvement between 2012-2013. In 2015, Bank Negara Malaysia decided to stop issuing short-term sukuk and sharp declines of oil prices had a reverse effect on sukuk issuance. Soon after, starting from 2016, sukuk issuance started to rise again and reached its highest value in 2019. Nevertheless, the Covid-19 pandemic probably will have a negative impact on sukuk market like on other sectors in 2020.

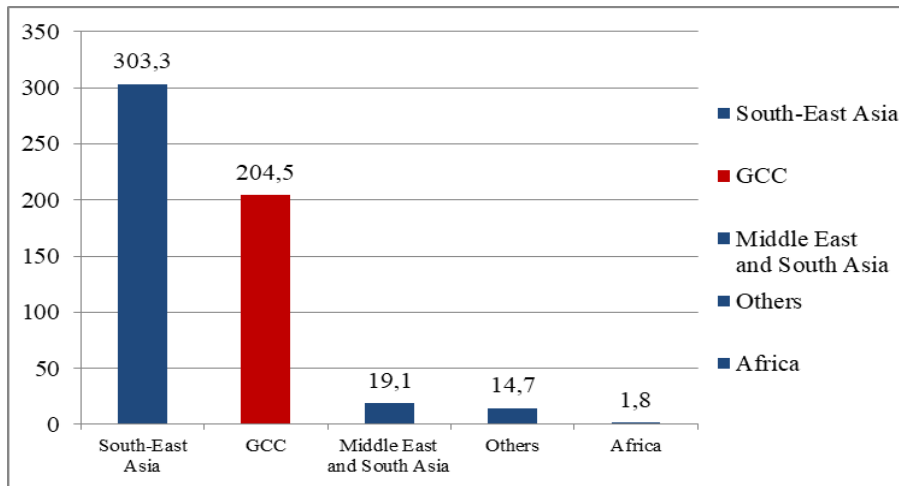
## 2. Sukuk Market in the GCC

Since the 1970s, Muslim countries invest on the Islamic financial assets. However, the major increase was recorded after the 1990s. Saudi Arabia, Malaysia and Iran are the top three countries which have the highest value of Islamic financial assets (Erdoğan, Gedikli and Derindağ, 2020, s. 973). Similarly, despite the fact that the modern history of sukuk goes back to the 1980s, almost all growth in the sukuk industry was recorded within the last 20 years. While the total amount of sukuk issuance was \$336 million in 2000, between 2000-2010 sukuk industry grew fast and the global outstanding volume of sukuk exceeded \$90 billion in 2007 (Godlewski et al., 2013, s. 747). Parallel to the issuance of sukuk, the countries also their

increased the Islamic financial assets.

The total value of \$426 billion was recorded for sukuk industry in 2017. In 2017, while global sukuk issuance was \$116.7 billion, 19 countries had sukuk issuances amounting to \$85 billion. 63% of was corporate issuances, 31% was sovereign issuances and 6% was agency. Although Malaysia has been dominating the global sukuk market with \$35 billion, Saudia Arabia, as one of the member countries in the GCC, followed Malaysia in 2017 by \$26 billion (Thomson Reuters, 2018, s. 20). As illustrated in Figure 6, the value of outstanding of sukuk in GCC was recorded as \$204,5 billion in 2019. The sukuk asset value of the GCC became the second region following South-east Asia. The total value of sukuk assets is over \$543 billion globally. With this remarkable improvement, sukuk is the second-largest contributor to global Islamic finance. One year later, in 2018, global sukuk issuance reached to \$123.2 billion with a 5.5% increase over 2017. The global sukuk assets were calculated as \$443.78 billion. 90.44% of it is issued by Malaysia, Saudi Arabia, UAE, Indonesia, and Bahrain (IIFM, 2019, s. 20). While in the first half of 2018, \$95.25 billion was raised, next year in the same period total of \$94.79 billion operations was calculated in the aggregate bonds and sukuk market. This represents a decline of 0.47% in 2019 compared with the previous year.

**Figure 6.** Global Value of Sukuk by Regions (2019, billion \$)

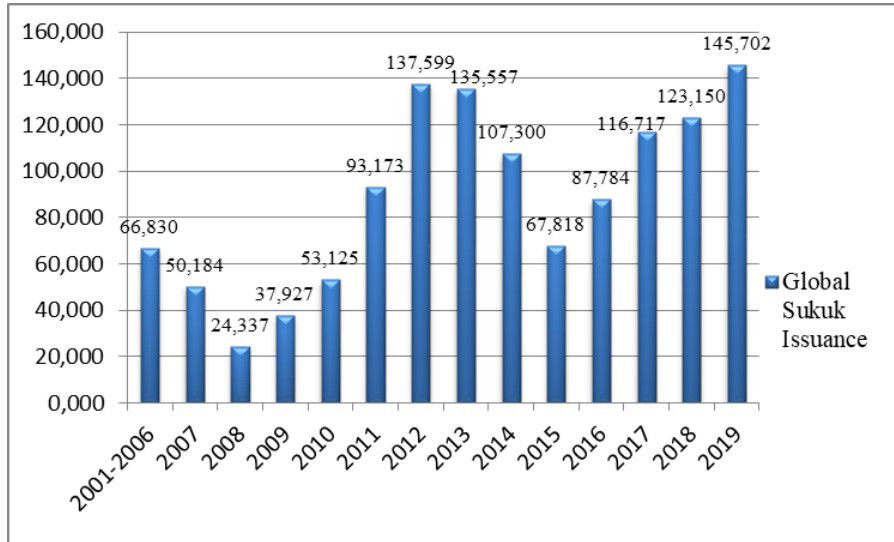


Source: Puri-Mirza (2020)

Figure 7 represents the total global sukuk issuance between 2001-2019.



**Figure 7.** Total Global Sukuk Issuance (millions \$, Jan 2001- Dec 2019)\*



Source: IIFM (2020, s. 28)

\*All tenors and all currencies

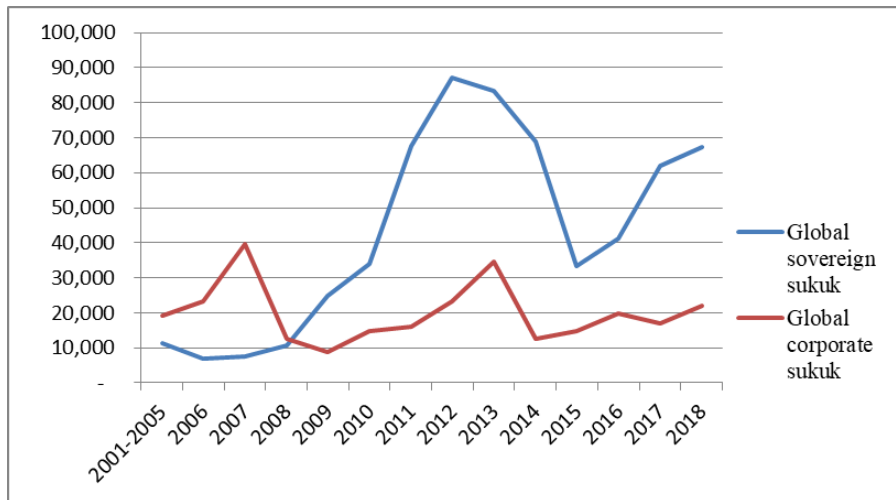
Actually, 2018 was a volatile year for sukuk like other assets. Due to fluctuations in rates, risk-asset sentiment as well as low oil prices negatively affected the GCC sukuk market. Besides, increasing GCC credit supply and the inclusion of five GCC Sovereigns in JP Morgan's increased GCC credit volatility in 2018 (Bitar, 2019, s. 107). In the GCC, in 2019 Qatar issued sovereign sukuk, and Saudi Arabian companies issued large foreign-currency-denominated sukuk. However, Bahrain and the UAE had declines in sukuk issuance volumes. The reason for sukuk issuance decline in Bahrain is that the government did not need to tap the capital markets since the \$10 billion GCC support package was initiated. In the UAE, the reason behind the drop in issuance volume is that corporates finished their issuance processes in 2018 to prepare for the less supportive market conditions (Damak and Roy, 2020, s. 15).

Moody's (2019) recorded that sukuk issuance climbed 6% to around \$130 billion in 2019. Although global sukuk issuance reached to top in 2019, it started to shrink in 2020 due to the pandemic effect. Numerically, sukuk issuance volume decreased 27% in the first half of the year. By the end of 2020, it is expected to be around \$100 billion which is 40% lower than in 2019. Besides, in the second half of the year, some sukuk may be issued to be used in social issues to support economic recovery rather than just to serve investors' financial interest (Damak, McGraw, and Roy, 2020). Hence, it can be concluded that as one of the core Islamic financial markets, the GCC

governments and their central banks tried to adjust their funding mix to support long-term growth in sukuk issuance volume (Moody's, 2019). Moody's (2020) expects to have a decline by 5% and decrease to \$170 billion in the GCC sukuk issuance in 2020 due to the global effects of the Covid-19 pandemic. The GCC members are expected to increase sukuk issuance towards the end of 2020 since there have been sharp declines in oil prices, and their increasing needs for financing.

The sukuk industry will have low-to-mid-single-digit growth in the 2020-2021 period after 11,4% growth in the global sukuk market in 2019. This modest expectation is highly related to measures implemented by many countries to control the Covid-19 pandemic. There may be a mild recovery period in 2021. Accordingly, it is also expected that there may be a favorable environment for accelerating and unlocking the long term potential of sukuk industry. Stakeholders realize the vitality of less complicated standardization for sukuk. They also understood the importance of leveraging technology. Therefore, the Islamic financial industry and particularly sukuk may suggest avenues of sustainable growth. (Damak, Roy and Mensah, 2020).

**Figure 8.** Global Sovereign and Corporate Sukuk Issuance (million \$, Jan 2001- Dec 2018)



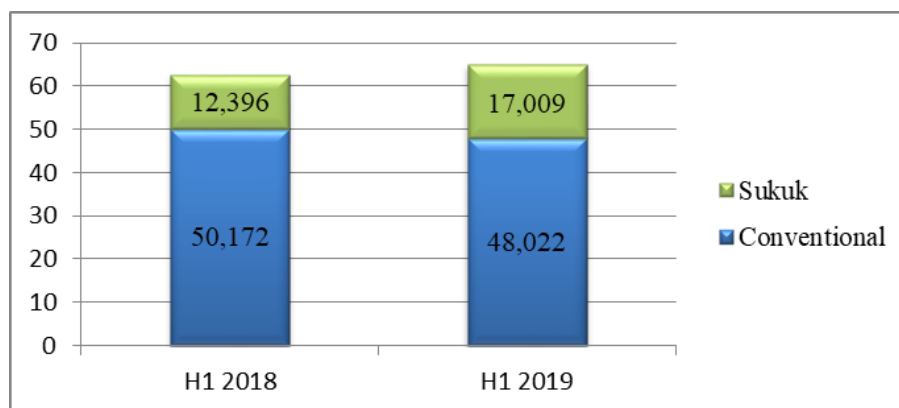
Source: IIFM (2019, s. 32-33)

Figure 8 illustrates the total global sukuk issuance according to their issuers' status. In this period, total sovereign sukuk issuance is \$606,391 million (55% of all global sukuk issuance), and total corporate sukuk issuance is \$278,459 million. In the given period, sovereign sukuk issuances dominated the global sukuk market. In Figure 7, the global sovereign sukuk

curve trend shows that it is not very much affected by the economic shocks. Particularly after the 2008 Global Crisis, issuance of sovereign sukuk increased rapidly. In 2018, Saudi Arabia, Malaysia, and Turkey had a strong foundation for the sukuk market. On the contrary, the issuance of corporate sukuk follows the economic cycle and it rises in good global economic conditions and shrinks during the economic contractions (IIFM, 2019, s. 32-33).

As illustrated in Figure 9, since there are dual systems in all GCC countries, the conventional bonds market still dominates the financial system of local economies. However, comparing with 2018:H1 raising \$50,172 million, GCC Bonds and sukuk market raised \$48,02 million in the first half of 2019. This amount is 4,29% less than the same period in 2018. On the contrary, sukuk raised \$17,01 million which is 37,21% higher than the amount raised in the previous year (Othman, Iyer and Buaijan, 2019, s. 5).

**Figure 9.** GCC Conventional and Sukuk Issuance (million \$, 2018:H1 vs. 2019:H1)



Source: Othman, Iyer and Buaijan (2019, s. 5)

Among all GCC countries, sukuk market in Saudi Arabia develops the fastest. To diversify funding, the Saudi government planned to issue \$31,5 billion of sukuk in 2019; the tenors were various up to 30 years. The aim was to increase demand and widen the investor base. Saudi regulators also introduced some measures for corporate sukuk issuance to encourage further issuances. Due to regulations, corporates benefit from lower fees for new and repeat issuers. Besides, smaller face valued of sukuk between SAR 1 million and SAR 1.000 can be easier to access for retail investors. And also, lower trading commissions and zero tax on investments in domestic sovereign sukuk brought a more active and liquid secondary market in Saudi

Arabia (Islamic Finance Foundation, 2020).

**Table 4.** GCC Countries Sukuk Issuance (Jan 2001- Dec 2019)

Country	Jan 2001 - Dec 2019			2019		
	Number of Issues	Amount (Million \$)	% of Total Value	Number of Issues	Amount (Million \$)	% of Total Value
Saudi Arabia	217	146,291	11,73%	48	28,475	19,54%
UAE	140	88,688	7,11%	16	9,310	6,39%
Qatar	53	33,667	2,70%	13	5,007	3,44%
Bahrain	437	33,735	2,70%	22	2,852	1,96%
Oman	13	6,188	0,50%	3	899	0,62%
Kuwait	20	4,458	0,36%	2	800	0,55%
Total	880	313,027	25,10%	104	47,342	32,49%

Source: IIFM (2020, s. 75-76)

Table 4 represents the total sukuk issuances of the GCC countries for the period Jan 2001-Dec 2019. The share of sukuk issuance of GCC countries is 25% in total global issuance. Although this rate is high compared with the other regions, Malaysia has \$733,448 million and 58,83% sukuk issuance as a single country for the given period. Just in 2019, Saudi Arabia seems to continue to be the leading country in the GCC in sukuk issuance with \$28,475 million and a 19,54% share. The UAE follows Saudi Arabia with \$9,310 million and a 6,39% market share.

In recent years, US dollar-denominated sukuk offered good returns with a low-risk profile despite the fact that there has been extreme oil price volatility. Until the first half of 2020, the sukuk market showed remarkable growth in the last few years where the GCC members became the dominate issuers. Similar to other developing countries, GCC economies are fragile with changing foreign capital flows. All in all, sukuk issued by the GCC offers investors a valuable alternative investment model with unique and favorable risk and return features (Saturna Capital, 2020, s. 19).

## **D. How Sukuk Support Macroeconomic Performance of the GCC**

Before explaining the contribution of sukuk to macroeconomic performance, the literature review is provided.

### **1. Literature Review**

Although financial development-economic growth nexus is not a new subject, the importance of this relationship has been realized in the late 1990s. In his early study, Schumpeter (2003) pointed out the importance of “instruments” which stand for credit, bank loans, and bonds in financing firms and contribute productivity. Similarly, in the book review of Newlyn (1974), it was explained that Shaw (1973) stressed the financial deepening for economic improvement. He added that there is no shortage of investment, but a shortage of savings for finance which is missing in the third world. De Gregorio and Guidotti (1995) also investigated the long-term relationship between financial development and economic growth relationship. They found a positive correlation between the two variables. In his study, Levine (2004) concluded that a well-developed financial system eases external financial constraints local firms may encounter that will result in positive impacts on economic growth. Abduh and Chowdhury (2012) investigated the dynamic relationship between Islamic banking and economic growth. They used the quarterly time-series data of economic growth, total financing, and total deposit over the period (Q1)2004-(Q2)2011 by using the Granger causality method. The authors concluded a positive and significant relationship between the two variables both in long and short terms. Beck, Demirgüç-Kunt and Merrouche (2013) compared the efficiency and stability of Islamic banks with their conventional counterparts. The authors found that although Islamic banks are less-cost effective, they have higher intermediation ratio, higher asset quality, and are well-capitalized. They underlined that the better stock performance of listed Islamic banks can endure the financial crisis due to their better asset quality. The latter study indicates the supportive position of the Islamic financial system and Islamic financial instruments in the economic downturns. Although there is a broad literature on financial development-economic growth nexus as well as stock market improvements and economic growth relationship, in more than two decades of sukuk issuance, there are few empirical studies addressing the macroeconomic effects of sukuk on economic development. Echchabi, Abd.Aziz and Idriss (2016) analyzed the effects of sukuk issuance on the GDP and trade for GCC, Malaysia, Indonesia, Turkey, Pakistan, Singapore, China, Brunei, Kazakhstan, Germany, the UK, France, and the Gambia spanning the

period 2005-2012 using the Granger Causality test. The empirical results indicated that for all countries together, the sukuk issuance had a positive effect on the GDP. However, for the separate analysis, the authors could not identify the significant effect of the sukuk issuance on GDP in the selected economies. Smaoui and Nechi (2017) analyzed the effects of sukuk market development on economic growth over the period 1995-2015 in all sukuk-issuing countries. The authors indicated that sukuk market development (both sovereign and corporate) supports long-term economic growth. The authors also suggested that by eliminating the negative effects of religious self-exclusion, sukuk market development stimulates the financial inclusion.

## **2. Contributions of Sukuk Market Development to the Economic Growth**

The development of the domestic sukuk market contributes to economic growth in different ways: First of all, by mobilizing savings, the sukuk market supports the efficient functioning of capital markets by stimulating the financing to long-term debtors. As long-term funding is vital for the productivity, capital rationing role of sukuk provides one of the major links between the financial development-growth nexus. Second, together with the bond and stock market, the sukuk market also contributes to the deepening of the financial system in the local economies. Without sukuk markets, banks will have less possibility to get deposits that may urge them to apply for unsound or unsafe loans. A good functioning sukuk market helps banks with investing in sukuk certificates that alleviate asymmetric information and reverse selection problem. Moreover, fostering the appropriate allocations of resources modifies economic growth. Third, a well-functioning sukuk market brings opportunities to have technological innovations and thus improving labor productivity in the private sector. Fourth, since sukuk certificates are risk-sharing, both parties are supposed to share the business risks in return for sharing profits. This brings safer investments, and hence economic growth. Fifth, sukuk securities motivate religious investors who are reluctant to invest interest-based bonds. This leads to higher financial inclusion and thereby higher investment and more economic growth (Smaoui and Nechi, 2017, s. 137). Sixth, in economic cyclical periods, sukuk borrowers are more advantageous than conventional bond borrowers. For the long-term maturity, long-term sukuk offers more convenient investment alternatives which will provide less volatility due to low yield spread. Furthermore, because of the prohibition of gharar (too much uncertainty), there will be less risky operations and a sounder trading mechanism. Besides, sukuk holders are mostly reluctant to sell their assets

in the short-term. This is highly related to the lack of adequate alternatives to switch the instrument. Consistency of sukuk carries them to the level of higher soundness to global shocks (Balli et al., 2020, s. 2). Sukuk can be also used in environment protection strategies and green financing. All GCC countries signed the Paris Climate accord. However, there is still not efficient and sustainable climate strategies that address green financing. As a current improvement, the UAE introduced new frameworks to facilitate green bonds in Dubai and Abu Dhabi. The UAE-based Majid Al Futtaim Group issued green sukuk in the first half of 2019 for \$135 billion. This amount is still small compared with the \$168 billion green bond issuance in the global market in 2018. Issuance of green sukuk may attract not only conventional investors but also Islamic investors. Green sukuk issuance may also push the demand and bring better financial conditions (IIFM, 2020, s. 130, 17). In Table-5, the contribution of each sukuk contract model to macroeconomic performance is illustrated.

**Table 5.** Sukuk Models and Their Macroeconomic Effects

<b>Contract model</b>	<b>How to support economic activities</b>	<b>How to support to control unemployment</b>	<b>How to support to control inflation</b>
<b>Musharakah</b>	With this model, bank and financial shortages can be overcome for entrepreneurs who has limited capital. Providing required funds to needy people will help in removing the shadow economy that will provide more tax income for the government.	Musharakah models support employment by creating jobs, promotes enterprise and partnership ventures.	Musharakah has a supportive effect on controlling inflation and baseless credit, promoting joint ventures without detailed investigations since this model requires risk and shared profit sharing. Each side needs to check all pros and cons before initiating a business that will provide an automatic regulator for the system.
<b>Mudarabah</b>	This model provides an interest-free tool for skill utilization and supports the	Mudarabah is supportive of employment strategies since this	Mudarabah supports to control inflation by offering interest-free

	<p>mobilization of resources by employing participants as mudarib. Fund providers will bear both loss and profit chances. SME's, entrepreneurs with high skills, or people with good projects may have the opportunity to invest with this model of contracts.</p>	<p>model of contracts encourages business management by skilled people and thus they promote commercial activities.</p>	<p>business activities. It is a fact that credit and interest creation of banks is one of the main sources of inflation in an economy. Mudarabah engagements offer profit/loss sharing but not earning predetermined interest which exploits the needs of entrepreneurs who have the shortage of investment funds</p>
<b>Salam</b>	<p>Salam is suitable for the agricultural sector. With this model, necessary funds can be provided without applying usurious loans which may bring extra financial burden to the debtors.</p>	<p>Salam offers great opportunities to reduce unemployment in rural areas by offering very attractive business models to farmers. The more qualified the life standard of rural people, the less possibility to the need to move to urban areas. This will cause less unemployment in cities</p>	<p>Salam is beneficial in controlling inflation if there is a fast-growing food price in the economy. By supporting aggregate food supply and by reducing food deterioration, boosting the yield of land will all satisfy the excessive demand towards food. Thus inflation will be decelerated.</p>
<b>Istisna</b>	<p>Istisna contracts can be used in the housing sector. Providing funds will encourage the construction sector.</p>	<p>Istisna will support to increase employment in this sector by providing funds for new projects.</p>	<p>Istisna has a limited effect on controlling inflation.</p>

Source: Saleem (2007, s. 16-20; 22-24)

Because of current economic downturns, there is an increasing demand for sukuk particularly from Islamic banks since Islamic banks are limited in the financial instruments to be used to manage their asset-liability



mismatch. They cannot borrow or lend in the interbank markets or at the central banks' discount windows. Sukuk can fill this gap and provide a very comfortable opportunity for the development of a needed secondary Islamic capital market (Godlewski et al., 2013). Beyond doubt, supporting sukuk issuance in the region will be very beneficial for the diversification of the sectors. As a non-oil source, sukuk offer great fiscal revenue. Still, the fiscal revenue that GCC countries generate from natural resources is higher than non-hydrocarbon sources (about 80 cents from a dollar of hydrocarbon GDP) (Mirzoev et al., 2020, s. 30, 33).

On the other hand, in their study for Malaysian listed companies, Godlewski et al. (2013) pointed out some problems of sukuk issuance. According to the empirical results, there has been a demand-supply mismatch since there is an increasing demand for sukuk from Islamic financial institutions but limited supply on the market. This leads to excessive demand for sukuk. While this makes it easy to sell these instruments, companies that are financially weak or unable to issue conventional bonds may prefer sukuk issuance. Since market players realize this manner, they will not react positively to the issuance of sukuk. Furthermore, companies in good financial conditions know that financially weak firms are likely to issue sukuk, strong companies prefer selling conventional bonds to avoid sending a negative signal about their companies' soundness. Similar problems occur in the GCC as well. Therefore, some further measurements on sukuk issuance and regulations for government incentives are needed.

### **Conclusion**

Not only sharp declines in oil prices but also the prevailing Covid-19 pandemic had adverse effects on the global economy. Particularly oil-exporting countries such as the GCC have been struggling with the low oil prices since 2014-2015. Since the GCC economies are highly dependent on oil revenues, they were affected even worse. While oil revenues were getting less, those countries refused to cut the government expenditures. Besides, the global lockdown worsened the macroeconomic conditions of the GCC. Hence, current improvements in energy-saving technologies and innovative products, increasing awareness of environmental protection, and decreasing oil prices dramatically affected the GCC economies. They realized the necessity of diversification in their economies. Islamic finance can provide an alternative solution to local macroeconomic problems.

The development of Islamic finance brought more integration with the

global financial system. Particularly Sharia-compliant sukuk securities offer an alternative and strong solution to satisfy the needs of developing countries. In this vein, with their great Muslim population and suitable financial infrastructure, sukuk can provide attractive opportunities to these countries. Different models of sukuk contracts as well as sovereign and corporate sukuk issuances can be lifeblood to both public and private sectors of the GCC.



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## GCC ÜLKELERİNDE SUKUK ÜZERİNE BİR İNCELEME

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### Geniş Öz

İslami finansal ürün ve enstrümanlar küresel ekonomi içinde giderek artan bir ağırlığa sahiptir. 1900'lü yılların ikinci yarısından itibaren sömürgeci devletlerin baskılarından kurtulup özgürlüklerini ilan eden ya da egemenliklerini daha rahat yaşamaya başlayan Müslüman ülkelerde İslami kimliğin yeniden canlanması ile birlikte İslam ekonomisi ve İslami finans hızla önem kazanmıştır. 1970'lerle birlikte özellikle muhafazakâr müslümanların faizin haram olması ilkesinden hareketle alternatif bir finansman modeli konusunda artan taleplerini karşılamak üzere İslam ekonomisi, kısa sürede İslami bankacılık hizmetleri ile ilgi görmeye başlamıştır. Öte yandan, sömüğe sonrası dönemde, bağımsızlığını ilan eden Müslüman ülkeler ve kalkınma çabası içine giren diğer Müslüman topluluklar, yüksek düzeyde artan fon ihtiyaçlarını karşılamak üzere kaynak arayışı içine girmişlerdir. Bir yanda küresel ölçekte artan ve faizsiz işlem yapmak için alan arayan büyük ölçekte İslami fonlar varken diğer yandan kalkınma için kaynak bulmakta güçlük çeken Müslüman ülkelerin beklentilerini karşılama gayreti, İslami finansın bu ülkelerde hızla güçlenmesine uygun bir ekosistemin oluşmasına yol açmıştır.

Başlarda sadece bankacılık hizmetleri ağırlıklı olarak ortaya çıkan İslami finans, giderek daha inovatif ve yeni enstrümanların ortaya çıkması ile yatırımcılarına güçlü alternatif imkanlar sunmaya başlamıştır. Bunlar arasında en dikkat çekenini hiç kuşkusuz varlığa dayalı sukukun (asset-backed sukuk) kullanıma başlanmasıdır. 2000'li yıllarla birlikte Malezya'dan başlayarak hızla tüm dünyada kullanılmaya başlanan sukuk, asıl büyüme performansını 2010'larda göstermiştir. Malezya'dan sonra sukukun en fazla

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ihraç edildiği ve enstrüman olarak işlem gördüğü bölge Körfez ülkeleri ve özellikle Körfez İşbirliği Konseyi (GCC) ülkeleri olmuştur. Günümüzde GCC ülkelerinde sukuk, altyapı, eğitim, sağlık, ulaşım ve iletişim başta olmak üzere birçok alanda kullanılan oldukça işlevsel bir enstrüman haline gelmiştir. Son yıllarda devlet tarafından çıkarılan sukuk (sovereign sukuk) ile özel sector tarafından çıkarılan sukuk (corporate sukuk) ihraçları da oldukça talep görmektedir. Yakın tarihte 2008 Küresel Finansal Kriz'de ve halen içinden geçmekte olduğumuz Covid-19 Pandemisi sürecinde, GCC ülkelerinde gerek yerel ekonomilerin kırılmalıklarının azaltılması ve gerekse resesyonun sebep olduğu ekonomik daralmalara karşı fon ihtiyacının giderilmesinde diğer İslami finansal enstrümanlar ile birlikte sukuk oldukça tercih edilen bir finansal araç olarak kullanılmaktadır.

Bu çalışmada seçilen ülke grubu Suudi Arabistan, Katar, Kuveyt, Bahreyn, BAE ve Umman'dan oluşan Körfez İşbirliği Konseyi (GCC) ülkeleridir. Bu ülkelerin ortak özelliği, her birisinin ekonomilerinin ağırlıklı olarak doğal kaynak çıkarma ve ihracına dayalı olmasıdır. Bu ülkeler onlarca yıl boyunca yüksek petrol gelirleri edip, elde ettikleri gelirle ülkenin ihtiyacı olan diğer tüm mal ve hizmetleri ithal ederek ekonomilerini ayakta tutmayı başarmışlardır. Her birisi otokratik yönetimlerce idare edilen GCC ülkelerinde, 2015 yılından itibaren petrol fiyatlarında yaşanan keskin düşüşler başlangıçta görmezden gelinmiş ve alışlageldiği şekilde kamu harcamalarına devam edilmiştir. Özellikle Suudi Arabistan, petrol fiyatlarında ani düşüşlerin yaşandığı dönemde altyapı yatırımlarına ağırlık vermiş, azalan petrol gelirlerine rağmen devlet harcamalarında herhangi bir kesintiye gitmeyi reddetmiştir. Ancak petrol fiyatlarındaki düşüklüklerin birçok uluslararası kaynağa göre en az 2025'e kadar devam edecek olması, bu ülkelerin içinden geçmekte oldukları ekonomik darboğazı aşmada alternatif çözümler geliştirmeleri gereğini ortaya koymuştur. Üstelik, son yıllarda gelişen teknoloji ile aratan enerji verimliliği ile daha az enerji kullanılarak daha etkin sonuçların alınması, alternatif enerji kaynaklarının geliştirilerek petrol ve doğal gazla olan bağımlılığın giderek azalması ve en önemlisi küresel ısınma ve sera gazı etkileri nedeniyle çevreyi koruyan ve çevreye dost enerji teknolojileri konusunda farkındalığın gelişmesi, fosil yakıtlara dayalı enerji ihtiyacı ve talebinin giderek azalmasına yol açmıştır.

Politik-ekonomik de bir gereklilik olan enerji bağımlılığının azaltılması konusunda enerji ithalatçısı olan ülkelerin enerji konusunda dışa bağımlılığı azaltıcı alternatif enerji kaynakları geliştirme ve/veya kendi ülke sınırları içinde yerli enerji kaynakları bulma ve geliştirme stratejileri de enerji ihracına dayalı ekonomilerde önemli bir sorun olmaya başlamıştır. Kaldı ki

çok yüksek miktarda petrol ve diğer doğal kaynakların çıkarılmasına karşın, gelişen teknoloji ile birlikte yeni enerji kaynaklarının da bulunması, enerji arzında artışa da yol açmaktadır. Artan arz, enerji fiyatlarının en azından kısa ve orta vadede düşmeye devam edeceğine yönelik güçlü sinyaller vermektedir.

GCC gibi enerji ihracatına dayalı ekonomilerde bu durum, Covid-19 pandemisinin küresel ekonomiyi vurması ile birlikte oldukça karamsar bir tablonun ortaya çıkmasına yol açmıştır. Hızla azalan petrol gelirleri, petrol fiyatlarındaki oynaklık, ekonomilerde önemli sıkıntıların baş göstermesine yol açmıştır. Sadece doğal kaynak çıkartmaya dayalı olan ekonomilerin sektörel çeşitlendirilmesi bu ülkeler için riski minimize etme noktasında en stratejik çözümlerin başında gelmektedir.

Bu çerçevede bu çalışmada, İslami finansal bir enstrüman olan sukukun GCC ülkelerinin makroekonomik performanslarına ve ekonomik büyümelerine katkıları incelenecektir. Vaka analizi şeklinde tasarlanan çalışmada, özellikle uzun vadeli finansmanda sukuk GCC ülkelerinde sürdürülebilir ekonomik büyümede önemli katkılar ortaya koyabilme potansiyeline sahiptir. Sukuk ihracının temelinde her ne kadar İslam'da faizin haram olması nedeniyle dini hassasiyeti olan yatırımcılarından gelen talepler yer alsada sukuk kar amacı ile hareket eden konvansiyonel yatırımcılar için de güçlü alternatif yatırım imkanları sunabilmektedir. Mudaraba, Müşaraka, İstisna, İcara başta olmak üzere çok farklı modellerde oluşturulabilecek kontrat modelleri ile sukuk her düzeyde yatırımcı ve fon arayan kurum/girişimci için geniş bir yelpazede avantajlı imkanlar sağlamaktadır.

Bu bilgiler ışığında çalışmanın ilk bölümü sukukun teorik ve kavramsal çerçevesine ayrılmıştır. Sukukun tarihsel gelişim süreci, türleri, sukuk modelleri, konvansiyonel modellerden farklılıkları ayrıntılı şekilde incelenmiştir. Çalışmanın ikinci bölümünde GCC ülkelerinin makroekonomik performansı incelenmiştir. İşsizlik, enflasyon, büyüme gibi makro verilere dayalı olarak bölge ülkelerin makroekonomik durumları ayrıntılı olarak ele alınmıştır. Üçüncü bölümde IMF'den elde edilen veriler ışığında GCC bölgesinde ve küresel ölçekte sukuk ihracı ve ülkelerin bu alandaki performansları mukayeseli olarak ele alınmıştır. Çalışmanın son bölümünde ise GCC ülkelerinde sukukun makroekonomik performans ve ekonomik büyümeye katkıları ayrıntılı şekilde analiz edilmiştir.

**Anahtar Kelimeler:** İslami Ekonomi, GCC, sukuk, ekonomik büyüme, makroekonomik performans.







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# DETERMINATION OF FACTORS AFFECTING THE PROFITABILITY VARIABLES BY PANEL DATA ANALYSIS IN THE ISLAMIC BANKS: THE CASE OF TURKEY\*

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## Abstract

Islamic banks, which operate on the profit and loss sharing basis, have an important role in the financial system in terms of the collected funds bringing into the real economy. Therefore, for a strong economic structure, the market share of Islamic banks in the financial system needs to increase. The profitability level of banks is one of the most important financial performance indicators. Determining the factors that affect profitability indicates which issues are vital.

The aim of this paper is to determine the factors that affect the profitability of participation banks operating in Turkey. In this context, panel data estimation methods were applied by using the data obtained from the financial statements (2006-2019) of three participation banks (Kuveyt Türk, Albaraka ve Türkiye Finans) and various macroeconomic indicators of the country. The most appropriate model was tried to be determined. In this study, the effect of capital adequacy ratio, bank size, credit risk, operational risk, operating effectiveness, inflation and GNP growth rate on return on assets (ROA) and return on equity (ROE) was analyzed. According to the results of the analysis, bank size, credit risk, operating effectiveness and inflation rates has an effect on ROA. Also, the effect of credit risk, operational risk, operating effectiveness and inflation rates on ROE is determined. Independent variables that do not have an impact on the profitability of banks are determined as capital adequacy ratio and growth. Also, according to the results of the analysis, it is possible to express that banks'

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specific variables are more effective on the profitability of participation banks than macroeconomic indicators.

**Keywords:** Islamic Economy, Banks, Islamic Banking, Profitability, Macroeconomic Indicators, Panel Data Analysis.



## İSLAMİ BANKALARDA KÂRLILIK DEĞİŞKENİNİ ETKİLEYEN FAKTÖRLERİN PANEL VERİ ANALİZİ İLE BELİRLENMESİ: TÜRKİYE ÖRNEĞİ

Kâr ve zarara katılma esasına göre çalışan İslami bankalar, topladığı fonları reel ekonomiye kazandırması açısından finansal sistem içerisinde önemli bir role sahiptir. Dolayısıyla güçlü bir ekonomik yapı için, İslami bankaların finansal sistem içerisindeki payının artması gerekmektedir. Bankaların kârlılık düzeyi önemli finansal performans göstergelerinden biridir. Kârlılığı etkileyen değişkenlerin belirlenmesi ise, hangi unsurların hayati öneme sahip olduğunu gösterir.

Bu çalışma, Türkiye’de faaliyet gösteren katılım bankalarının kârlılığı üzerinde etkili olan faktörlerin belirlenmesini amaçlamaktadır. Bu kapsamda, Türkiye’de faaliyet gösteren üç katılım bankasının (Kuveyt Türk, Albaraka ve Türkiye Finans) 2006-2019 yıllarına ait mali tablolarından elde edilen veriler ile ülkenin çeşitli makroekonomik göstergeleri kullanılarak panel veri tahmin yöntemleri uygulanmış ve en uygun model belirlenmeye çalışılmıştır. Çalışmada, sermaye yeterlilik oranı, banka büyüklüğü, kredi riski, operasyonel risk, faaliyet etkinliği, enflasyon ve GSMH büyüme oranının aktif kârlılığı (ROA) ve özkaynak kârlılığı (ROE) üzerine etkisi analiz edilmiştir. Analiz sonuçlarına göre, ROA üzerinde banka büyüklüğü, kredi riski, faaliyet etkinliği ve enflasyon oranlarının etkili olduğu görülmüştür. ROE üzerinde ise kredi riski, operasyonel risk, faaliyet etkinliği ve enflasyon oranlarının etkili olduğu tespit edilmiştir. Bankaların kârlılığı üzerinde etkisi olmayan bağımsız değişkenler sermaye yeterliliği oranı ve büyüme olarak belirlenmiştir. Ayrıca analiz sonuçlarına göre, katılım bankalarının kârlılığı üzerinde bankaların kendine özgü değişkenlerinin, makroekonomik göstergelere göre daha etkili olduğunu ifade etmek mümkündür.

*[Türkçe geniş öz çalışmanın sonunda yer almaktadır.]*



### Introduction

The importance of Islamic Banking, which operate on the profit and loss sharing basis, in the global financial system has increased day by day. The fact that Islamic banks are not only limited to Islamic countries but spread all over the world is an indicator of this today. The global crisis

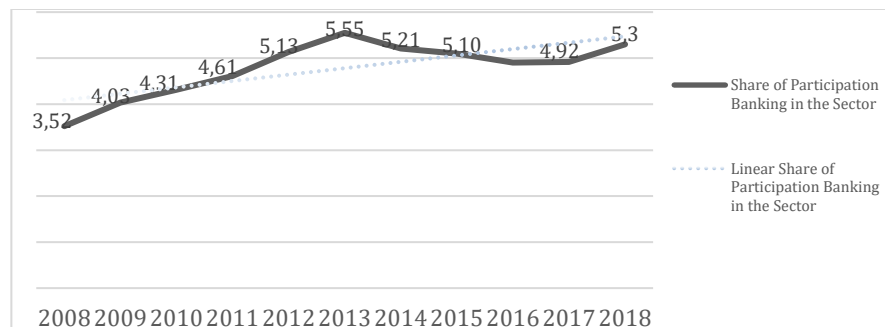
experienced in 2008 was particularly influential in the increase of interest in Islamic banks worldwide. While the trust to conventional banking system was seriously shaken during the global crisis, the Islamic banking system has proved to have a crisis-resistant structure with its financial performance.

The system, called as “Islamic Banking” and “Interest-Free Banking” in the world, began his journey in 1985 as in Turkey with “Private Financial Institutions”. Their name changed as the “Participation Bank”, still the same, by the Banking Law enacted in 2005. (Hazıroğlu, 2017).

When the size of Islamic finance and banking within the global financial system are examined, it is seen that its share in the system is gradually increasing. Islamic financial sector assets rose to US\$ 2.44 trillion in 2017. This figure is expected to increase to US\$ 3.8 trillion by 2023. In addition, out of 1,389 institutions operating in the international interest-free finance system in 2017, 505 are Islamic banks providing services on the basis of interest-free banking. The total assets of the said Islamic banks reached US\$ 1.72 trillion in 2017. (ICD-Thomson Reuters 2018)

The sector share of the participation banks whose numbers have increased to 6 (Albaraka Türk, Kuveyt Türk, Türkiye Finans, Ziraat Participation and Vakıf Participation and Emlak Participation Bank, which started operations in Turkey in 2019) has been increased day by day, although not yet at the desired level. At the post-crisis period, the share of participation banks in the sector increased to 4.03% in 2009, to 4.31% in 2010, to 4.61% in 2011 and to 5.13% in 2012. By 2013, the share of participation banking in the sector reached its highest level with 5.55%. This rate was realized 5.21% in 2014, 5.10% in 2015, 4.9% in 2016 and 4.92% in 2017. The share of participation banking in the sector was realized as 5.3% in 2018.

**Figure 1:** Market Share in The Sector Participation Banking in Turkey (2008-2018)



**Source:** Participation Banks Association of Turkey (TKBB), Access Date: December 13, 2019, [www.tkbb.org.tr](http://www.tkbb.org.tr)

It is extremely significant that the share receives from the banking sector is increased. Because participation banks have an important role for growth, which is one of the main macroeconomic targets of the country's economy, as it funds the real sector with the funds. Therefore, the profitability level of banks is one of the important financial performance indicators. In this context, determining the variables that affect the profitability of banks is important in terms of showing which factors are vital.

The aim of this study is to determine the factors that influence the profitability of the participation banks operating in Turkey and to contribute to the existing literature by making differences in terms of analysis period, variables, and sample.

### **A. Literature Review**

In the literature, there are relatively few studies examining factors affecting the profitability of participation banks compared to conventional banks. Some of the studies examining the factors that influence the profitability of participation banks in the world and in Turkey will be presented in this part of the paper.

Akhtar et al. (2011) conducted an analysis with the ordinary least squares method in order to investigate the bank-specific factors affecting the profitability performance of Islamic banks operating in Pakistan for the period 2006-2009 in their studies. In the study, return on assets (ROA) and return on equity (ROE) were used as dependent variables. In the analysis, two models have been established in which the ROA and ROE variables are one by one dependent variables. Bank size, the ratio of equity to debts, the ratio of non-performing loans, asset management, operational efficiency and capital adequacy were used as explanatory variables in both models. According to the results of the analysis, the ratio of equity to debts and capital adequacy ratio have a statistically significant and positive effect on ROA and ROE. In addition, while there is a statistically significant and negative relationship between non-performing loans and ROA, there is a statistically significant and positive relationship between asset management and ROA. There is a statistically significant and negative relationship between operational efficiency with ROA and ROE. There was no statistically significant relationship between bank size with ROA and ROE.

Idris et al. (2011) analysed with the Generalized Least Square (GLS) panel data method in order to investigate the factors affecting the profitability of 9 foreign and local Islamic banks operating in Malaysia for the period 2007-2009 in their studies. In the study, return on assets (ROA) was

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determined as dependent variable as an indicator of profitability. Capital adequacy, credit risk, liquidity, bank size and expenses management are determined as independent internal factors. According to the results of the analysis, it was concluded that only bank size is an important factor in determining profitability from the internals.

Hidayat and Abduh (2012) applied panel data analysis using internal and macroeconomic indicators to analyze the impact of the global financial crisis on the financial performance of 8 Islamic banks with regular financial data in Bahrain for the period 2005-2010 in their studies. In the study, return on assets (ROA) and return on equity (ROE) were determined as dependent variables as an indicator of profitability. According to the results of the analysis, it is seen that the total assets, equity and overhead expenses, which are among the bank-specific variables, are the factors affecting the performance of Islamic banks. The financial crisis has an impact especially on Islamic banking performance in Bahrain, but this effect had occurred after the crisis period.

Eljelly (2013) applied panel data analysis using internal and macroeconomic indicators to investigate the profitability determinants of 16 Islamic banks operating in Sudan for the period 2000-2010 in his study. According to the results of the analysis, the cost, liquidity and size of the bank have positive effects on profitability, however, it has been determined that the selected external macroeconomic factors have no effect on profitability.

Asadullah (2017) applied panel data analysis using internal and macroeconomic indicators to investigate the profitability determinants of 5 Islamic banks in Pakistan for the period 2006-2015. In the study, return on assets (ROA) was determined as dependent variable as an indicator of profitability. While bank size and liquidity are determined as independent internal variables, inflation and gross domestic product (GDP) are determined as independent macroeconomic variables. According to the results of the analysis, while liquidity has a positive effect and bank size has a negative effect on the profitability of Islamic banks. In addition, it has been concluded that macroeconomic variables such as gross domestic product (GDP) and inflation have no effect on the profitability of Islamic banks.

Dodi et al. (2018) used generalized method of moments (GMM) in their studies to identify factors affecting the profitability of Islamic banks in Indonesia for the period 2008-2017. In the study, return on assets (ROA) and return on equity (ROE) were determined as dependent variables. While capital adequacy, credit risk, liquidity risk and bank size are determined as

bank-specific independent variables, gross domestic product (GDP) and inflation are determined as macroeconomic independent variables. According to the results of the analysis, while bank size has a positive effect on return on assets (ROA) and return on equity (ROE), it has been determined that capital adequacy, credit risk and liquidity have a negative effect. It is determined that only inflation that one of the macroeconomic variables has a positive effect on profitability and GDP has no significant effect on profitability.

Kusumastuti and Alam (2019) used multiple linear regression analysis method in order to determine the factors affecting the profitability of Islamic banks in Indonesia for the 2015-2017 period. In the study, while return on assets (ROA) is determined as dependent variable, capital adequacy ratio, operating effectiveness ratio and non-performing loans are determined as independent variables. According to the results of the analysis, while the operating effectiveness has a significant effect on the return on assets of the banks, the capital adequacy ratio and non-performing loans have no significant effect on the return on assets of the banks.

Görüş and Özgür (2016), used ordinary least squares (OLS) method in their studies to analyze the impact on bank profitability of bank-specific factors of the five participation banks (Albaraka Türk Participation Bank, Bank Asya, Kuveyt Türk Participation Bank, Türkiye Finans Participation Bank, Ziraat Participation Bank) in Turkey for the 2006-2016 period. In the study, as the dependent variable on return on assets (ROA), the ratio of equity to total assets, loan quality, ratio of loans to total assets, net interest margin, ratio of operating expenses to total assets, market share and the ratio of non-interest income to total assets were determined as independent variables. According to the results of the analysis, the ratio of equity to assets, net interest margin and market share have a positive effect on return on assets. Among these variables, net interest margin with 0.432 coefficient was determined as the strongest in-bank factor affecting bank profitability.

Karakuş and Yılmaz Küçük (2016) performed panel regression analysis using internal factors and macroeconomic indicators in order to determine the factors determining the profitability of the 4 participation banks operating in Turkey for the period 2010-2014. According to the results obtained, it was determined that there is a negative relationship between the US Dollar effective exchange rate, consumer price index, gross domestic product, fixed assets to total assets ratio and return on assets and return on equity, which is used as an indicator of profitability. In addition, it

has been determined that there is a positive relationship between the number of employees and both profitability variables. Furthermore, industrial production index, the banking sector credit volume, weighted average interest rate of loans applied by banks, unemployment rate and total funds collected to total assets ratio were found to have positive effects on return on assets. Real sector confidence index, unemployment rate and credit used to total assets ratio have a negative effect on return on equity. In addition, hourly earnings index, other operating expenses to total assets ratio, off-balance sheet liabilities to total assets ratio and ratio of short-term loans to total loans have a positive effect on return on equity.

Yüksel (2016), conducted an analysis with the MARS method in order to determine the factors affecting the profitability of 4 participation banks (Türkiye Finans, Bank Asya, Kuveyt Türk ve Albaraka Türk) for the period 2005-2015. While return on assets (ROA) is used as the dependent variable in the study, capital to total assets ratio, total credit to total assets ratio, total deposits to total assets ratio, non-performing loans to total loans ratio, non-interest income to total income ratio, unemployment rate, inflation rate, interest rate, growth rate, exchange rate were used as independent variables. According to the results of the analysis, it has been determined that there is a positive relationship between total assets used as bank size indicator and bank profitability.

Aktaş and Avcı (2017) conducted data envelopment analysis (DEA) and panel data analysis to determine the financial ratios that affect the performance of Islamic banks using data from 7 countries (Malaysia, Saudi Arabia, Qatar, Kuwait, Iran, United Arab Emirates and Turkey) for the period 2011-2015. Within the scope of the study, for the Data Envelopment Analysis, collected funds, fixed assets, equity and personnel expenses are input variables and funds provided and other active assets were used as output variables. The effectiveness scores obtained as a result of data envelopment analysis were used as the dependent variable, and asset profitability ratio, equity profitability ratio, loan deposit ratio and debt ratio were used as independent variables. According to the results of the analysis, while the asset profitability and debt ratio of banks has an positive effect; the return on equity and loan deposit ratio has a negative effect on the performance of Islamic banks.

Aka (2019) applied panel data analysis to determine the factors affecting the profitability of 3 participation banks for the period 2010-2018 in his study. In order to measure profitability, return on assets (ROA) and

return on equity (ROE) are used as dependent variables, while asset size, logarithm of operational efficiency, loan deposit ratio, ratio of non-performing loans, leverage ratio and logarithm of the bank market density are determined as independent variables. According to the results of the analysis, a significant relationship was determined between asset size, leverage ratio, the ratio of non-performing loans, loan deposit rate, operational efficiency and bank market density and bank profitability.

### B. Data Set and Methods

In this study, factors affecting the profitability of participation banks operating in Turkey will be analysed. In this context, the financial indicators between 2006Q1 and 2019Q2 of Kuveyt Türk, Albaraka ve Türkiye Finans participation banks operating in Turkey constitute the data of the study.

In the study, there is a panel data model consisting of compiling the data of these 3 participation banks according to both units and time. The number of horizontal section units of panel data is  $n = 3$ , and the number of time units obtained for each horizontal section unit is  $t = 54$ . The data set consists of a total of 162 observations.

Considering the variables used in the studies in the literature, 9 variables were used to determine the factors affecting the profitability of participation banks. In the study, return on assets (ROA) and return on equity (ROE) were determined as dependent variables as indicators of bank profitability. As independent internal variables, capital adequacy ratio, bank size, credit risk, operational risk, operating effectiveness; inflation and GNP growth rate were taken as independent external variables.

In the study, data on participation banks were obtained from the Participation Banks Association of Turkey ([www.tkbb.org.tr](http://www.tkbb.org.tr)) database. Data on macroeconomic indicators used in the study, Central Bank of the Republic of Turkey ([www.tcmb.gov.tr](http://www.tcmb.gov.tr)) and Turkey Statistical Institute ([www.tuik.gov.tr](http://www.tuik.gov.tr)) were obtained from the database of.

**Table 1:** Dependent and Independent Variables Used in the Study

	<b>Return on Assets (ROA)</b>	<b>Net Profit/Total Assets</b>
Profitability	Return on Equity (ROE)	Net Profit / Equity Total
	Bank Size (BS)	(log (Total Assets))
Endogenous Variables	Capital Adequacy Ratio (CAR)	(Equity/Risk-Weighted Assets)
	Credit Risk (CR)	Provision for Doubtful Account/ Loans and Receivables



	Operational Risk (OR)	Total Operating Expenses / Net Profit Share Income
	Operating Effectiveness (OE)	Operating Income / Total Assets
Macroeconomic Variables	Inflation (Inf)	CPI Based Inflation Rate
	Gross National Product (GNP)	% Change in Gross National Product

In the study, panel data regression method was applied to determine the variables that are thought to affect the return on assets and return on equity of participation banks. Necessary tests have been done on which model to apply and it has been checked whether the assumptions of the model are provided. Stata package program was used in data analysis.

To determine the independent variables that affects the profitability of banks;

H<sub>1</sub>: Explanatory variables have an impact on return on assets.

H<sub>2</sub>: Explanatory variables have an impact on return on equity.

alternative hypotheses have been created. Panel data regression equations created to test H<sub>1</sub> and H<sub>2</sub> hypotheses are given in equations (1) and (2).

$$ROA_{it} = \beta_0 + \beta_1 \cdot CAR_{it} + \beta_2 \cdot BS_{it} + \beta_3 \cdot CR_{it} + \beta_4 \cdot OR_{it} + \beta_5 \cdot OE_{it} + \beta_6 \cdot Inf_t + \beta_7 \cdot GNP_t + \varepsilon_{it} \quad (1)$$

$$ROE_{it} = \beta_0 + \beta_1 \cdot CAR_{it} + \beta_2 \cdot BS_{it} + \beta_3 \cdot CR_{it} + \beta_4 \cdot OR_{it} + \beta_5 \cdot OE_{it} + \beta_6 \cdot Inf_t + \beta_7 \cdot GNP_t + \varepsilon_{it} \quad (2)$$

$$i = 1, \dots, n, t = 1, \dots, T$$

### C. Findings

In Table 2, descriptive statistics for variables are calculated separately for general, horizontal section units and time period.

**Table 2:** Descriptive Statistics of Variables

Variables	Mean	Standard Deviation	Minimum	Maximum	No of Observations	
ROA	General	0.0096	0.0062	0.0006	0.0339	N = 162
	Within group		0.0005	0.0092	0.0102	n = 3

	Between group		0.0062	0.0009	0.0333	T = 54
<b>ROE</b>	General	0.0945	0.0544	0.0083	0.3221	N = 162
	Within group		0.0016	0.0932	0.0962	n = 3
	Between group		0.0544	0.0088	0.3234	T = 54
<b>CAR</b>	General	0.1519	0.0211	0.1164	0.2312	N = 162
	Within group		0.0021	0.1503	0.1543	n = 3
	Between group		0.0211	0.118	0.2321	T = 54
<b>BS</b>	General	7.1655	0.4225	6.3136	7.9394	N = 162
	Within group		0.0783	7.0752	7.213	n = 3
	Between group		0.4176	6.3302	7.892	T = 54
<b>CR</b>	General	0.0228	0.0071	0.0103	0.0409	N = 162
	Within group		0.0015	0.0211	0.0237	n = 3
	Between group		0.007	0.0094	0.04	T = 54
<b>OR</b>	General	1.1916	0.7249	0.7016	6.7031	N = 162
	Within group		0.1822	1.0767	1.4017	n = 3
	Between group		0.7094	0.608	6.7983	T = 54
<b>OE</b>	General	0.0402	0.0198	0.0111	0.1014	N = 162
	Within group		0.0016	0.0386	0.0418	n = 3
	Between group		0.0197	0.0097	0.1005	T = 54
<b>Inf</b>	General	0.0946	0.0347	0.0435	0.2239	N = 162
	Within group		0	0.0946	0.0946	n = 3
	Between group		0.0347	0.0435	0.2239	T = 54
<b>GNP</b>	General	0.0485	0.051	-0.146	0.126	N = 162
	Within group		0	0.0485	0.0485	n = 3
	Between group		0.051	-0.146	0.126	T = 54

**Table 3:** Correlation Coefficients for Independent Variables

	CAR	BS	CR	OR	OE	Inf	GNP
CAR	1	0.0927	0.122	-0.2156	0.2512	0.2268	-0.1532
BS		1	0.2494	-0.3278	-0.1278	0.3618	0.0142
CR			1	0.2246	0.0706	0.3561	-0.0449
OR				1	0.0783	0.2562	-0.0993
OE					1	0.3355	-0.2893
Inf						1	-0.2979
GNP							1

When the correlations between the independent variables in Table 3 are examined, it is observed that there is no significant correlation. To investigate the multicollinearity problem, tolerance and VIF values were obtained (Table 4). For VIF values being above 10 and tolerance values below 0.10 indicate multicollinearity. Multicollinearity was not detected in the data.

**Table 4:** Tolerance and VIF Values for Independent Variables

Variables	Tolerance	VIF
CAR	0.512	1.95
BS	0.565	1.77
CR	0.6	1.67
OR	0.752	1.33
OE	0.79	1.27
Inf	0.81	1.23
GNP	0.859	1.16

In line with the hypothesis, classical model, fixed effect model and random effect model will be examined in order to determine which model is suitable for panel data. The F test and the Augmented Lagrange Multiplier (ALM) test were used to test the suitability of the classical model, where the parameter estimation was made by the pooled ordinary least squares (OLS) method. To test whether the data differs by units with the F test, constrained and unconstrained model is used. The unconstrained model states that coefficients vary depending on units (Yerdelen Tatoglu, 2013). The test statistic proposed by Bera et al. (2001) for the ALM test is the corrected version of the Breusch-Pagan (1980) test in the case of serial correlation.

When table 5 is examined, the F test for the ROA variable gave the

result that the coefficients did not differ between the units. ALM test cannot reject the  $H_0$  hypothesis, which claims to have no unit and time effects. For ROE variable, F test and ALM test express that there is no difference between units. It is appropriate to apply pooled OLS method to the data.

**Table 5:** Testing unit and time effects

Dependent Variable	$H_0$	Test	Test Statistics	p value	Decision
ROA	There is no unit effect.	F	2.840	0.062	$H_0$ acceptance
	Variances of unit effects are zero.	ALM	0.070	0.796	$H_0$ acceptance
ROE	There is no unit effect.	F	0.410	0.667	$H_0$ acceptance
	Variances of unit effects are zero.	ALM	2.020	0.979	$H_0$ acceptance

It is assumed that the error terms of the model obtained by the pooled OLS method do not contain autocorrelation and have constant variance. By Breusch-Pagan (1979) / Cook-Weisberg (1983) test squares of error terms obtained from OLS regression are taken as dependent variable and a regression model is established with independent variables.  $NR^2$  value obtained from the model is compared with  $\chi^2_{(p)}$  value. Here  $N$  is the number of observation and  $p$  is the number of independent variable. Wooldridge test is a robust method that can be applied in the absence of unit effects in the data to examine whether the error terms are autocorrelated (Drukker, 2003).

$$\Delta Y_{it} = \Delta X_{it}\beta + \Delta \varepsilon_{it} \quad (3)$$

In the model (3), the regression of error terms with lagged values is calculated. The validity of the regression is examined with the F test.

**Table 6:** Pooled OLS Assumptions in Panel Data

Dependent Variable	$H_0$	Test	Test Statistics	p value	Decision
ROA	No autocorrelation	Wooldridge	13.13	0.068	$H_0$ acceptance
	Constant variance	Breusch-Pagan / Cook-Weisberg Test	110.09	0.000	$H_0$ rejection
ROE	No autocorrelation	Wooldridge	19.47	0.047	$H_0$ rejection
	Constant variance	Breusch-Pagan / Cook-Weisberg Test	89.02	0.000	$H_0$ rejection

According to table 6, there is a disruption in the assumption of constant variance for both variables. No a major autocorrelation problem was observed in the ROA series.  $H_0$  hypothesis, which states that there is no autocorrelation for ROE, could not be rejected. For this reason, PCSE (Panel Corrected Standard Errors) estimator, which produces robust standard errors, is used in the variance estimation of the parameters. In case of constant variance disruption in the series, corrected standard error panel regression estimates suggested by Beck-Katz (1995) can be used (Çınar, 2011). In the series, Prais-Winsten corrected standard error estimator, which corrects both heteroscedastic and autocorrelation problems, is used (Hurd, 1972).

**Table 7:** Consistent Standard Error Pooled OLS Coefficients

		Coefficient	Std. D.	z	p of z	R <sup>2</sup>	Wald Chi <sup>2</sup>	p of Chi <sup>2</sup>
ROA	CAR	0.017	0.011	1.55	0.122	0.83	497.13	0.000*
	BS	-0.004*	0.001	-5.91	0.000			
	CR	-0.205*	0.036	-5.66	0.000			
	OR	-0.0001	0.0003	-0.31	0.753			
	OE	0.246*	0.014	17.08	0.000			
	Inf	-0.038*	0.01	-3.9	0.000			
	GNP	0.007	0.005	1.28	0.202			
	Constant	0.035*	0.005	6.7	0.000			
ROE	CAR	-0.055	0.144	-0.38	0.701	0.81	436.25	0.000*
	BS	-0.012	0.01	-1.23	0.220			
	CR	-1.932*	0.49	-3.94	0.000			
	OR	0.007**	0.004	1.820	0.069			
	OE	2.359*	0.119	19.75	0.000			
	Inf	-0.316*	0.115	-2.74	0.006			
	GNP	0.095	0.065	1.47	0.141			
	Constant	0.156*	0.071	2.20	0.028			

\*: Significant at 5% level

\*\*: Significant at 10% level

When the analysis results in Table 7 are examined, p of Chi<sup>2</sup> value with “0.000” indicates that the model is generally meaningful. Also, when R<sup>2</sup> values are examined, it shows that the independent variables of capital adequacy ratio, bank size, credit risk, operational risk, operating effectiveness, inflation and GNP growth rate explain 83% of return on assets

and 81% of return on equity which are dependent variables.

Capital adequacy ratio does not have a statistically significant effect on return on assets and return on equity. In other words, the capital adequacy ratio does not have any effect on the profitability of the participation banks involved in the study.

Bank size has a statistically significant effect on the return on assets of participation banks. However, the direction of this effect is negative, meaning that the size of the participation banks decreased the return on assets. Bank size does not have a statistically significant effect on the return on equity of participation banks.

Credit risk has a statistically significant effect on the return on assets and return on equity of participation banks. The direction of the mentioned effect is negative and it is concluded that as the credit risk increases, banks' return on assets and return on equity decreased.

Operational risk does not have a statistically significant effect on the return on assets of participation banks. Operational risk has a statistically significant and positive effect on return on equity.

Operating effectiveness has a statistically significant effect on the return on assets and return on equity of participation banks. The direction of the mentioned effect is positive, as the operating effectiveness increases, both the return on assets and return on equity of participation banks increase.

When the effect of selected macroeconomic variables of the country on profitability is examined, it is determined that inflation has a statistically significant effect on the return on assets and return on equity of participation banks. The direction of the mentioned effect is negative and as inflation increases, banks' return on assets and return on equity decrease. The growth rate of GNP, which is one of the macroeconomic indicators, does not have a statistically significant effect on both the return on assets and return on equity of participation banks.

### **Conclusion**

Profitability is one of the most important issues for all businesses operating in the market. Because the existence of a business is closely related to the profit obtained as a result of its activities. Although the profit to be obtained by the enterprises is important, it is also very important that the said profitability is sustainable. Therefore, profitability is also an important financial performance indicator for banks, which are a commercial and

financial institution. In this context, it is important to determine which factors affecting the profitability of banks.

In this study, to determine the factors has an impact on the profitability of the participation banks operating in Turkey, panel data analysis was carried out using quarterly data obtained from the financial statements of the three participation banks (Kuveyt Türk, Albaraka ve Türkiye Finans) for 2006-2019 years and various macroeconomic indicators of the country.

In the study, the effect of capital adequacy ratio, bank size, credit risk, operational risk, operating effectiveness, inflation and GNP growth rate on return on assets (ROA) and return on equity (ROE), which are determined as indicators of profitability, were analyzed.

According to the results of the analysis, it is observed that bank size, credit risk, operating effectiveness and inflation rates is effective on ROA. One unit increase in bank size, credit risk and inflation rate cause respectively 0.004, 0.205 and 0.038 unit decrease in ROA, while one unit increase in operating effectiveness causes 0.246 unit increase in ROA.

Credit risk, operational risk, operating effectiveness and inflation rates is determined as that effects to ROE. One unit increase in credit risk and inflation rate cause respectively 1,932 and 0.316 unit decrease in ROE, while one unit increase in operational risk and operating effectiveness cause respectively 0.007 and 2,359 unit increase in ROE.

In addition, according to the results of the analysis, capital adequacy ratio and growth have no effect on the return on assets and return on equity.

As a result, it is possible to express that banks' specific variables are more effective on the profitability of participation banks than on macroeconomic indicators. Therefore, participation banks reaching size of assets at a level not to decrease their profitability, decreasing the ratio of loans that have become doubtful among given loans, increasing the operating income among the total assets, reduction of operating expenses will play an important role in determining the profitability of the sector.



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# İSLAMİ BANKALARDA KÂRLILIK DEĞİŞKENİNİ ETKİLEYEN FAKTÖRLERİN PANEL VERİ ANALİZİ İLE BELİRLENMESİ: TÜRKİYE ÖRNEĞİ\*

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## Geniş Öz

Piyasada faaliyet gösteren tüm işletmeler için kârlılık önemli meselelerin başında gelmektedir. Çünkü, bir işletmenin varlığını devam ettirebilmesi işletmenin faaliyetleri sonucu elde ettiği kâr ile yakın ilişkilidir. İşletmelerin elde edeceği kâr önemli olmakla birlikte aynı zamanda söz konusu kârlılığın sürdürülebilir olması da son derece önemlidir. Dolayısıyla ticari ve finansal bir kuruluş olan bankalar için de kârlılık önemli finansal performans göstergelerinden biridir.

Kâr ve zarara katılma esasına göre çalışan İslami bankacılığın, küresel finans sistemi içerisinde önemi gün geçtikçe artmaktadır. Günümüzde İslami bankaların sadece İslam ülkeleri ile sınırlı kalmayıp, dünya geneline yayılması bunun bir göstergesidir. Dünya genelinde, İslami bankalara olan ilginin artmasında özellikle 2008 yılında yaşanan küresel kriz etkili olmuştur. Konvansiyonel bankacılık sistemi küresel kriz döneminde ciddi şekilde sarsılırken, İslami bankacılık sistemi gösterdiği finansal performans ile krizlere dayanıklı bir yapıya sahip olduğunu kanıtlamıştır.

Küresel finans sistemi içerisinde, İslami finans ve bankacılığın boyutları incelendiğinde sistem içerisinde payının giderek arttığı görülmektedir. İslami finans sektörü varlıkları 2017 yılında 2,44 trilyon ABD dolarına

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\* Bu çalışma, 7-8 Aralık 2019 tarihleri arasında İstanbul'da düzenlenen İslami Ekonomi, Finans ve Etik Kongresinde sözlü olarak sunulmuştur.

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yükselmiştir. Bu rakamın 2023 yılına kadar 3,8 trilyon ABD dolarına yükselmesi öngörülmektedir. Ayrıca, 2017 yılında uluslararası faizsiz finans sisteminde faaliyet gösteren 1,389 adet kuruluştan 505'i faizsiz bankacılık esasında hizmet sunan İslami bankalardan oluşmaktadır. Söz konusu, 505 adet İslami bankanın toplam varlıkları 2017 yılında 1,72 trilyon ABD dolarına ulaşmıştır. (ICD-Thomson Reuters, 2018)

Dünyada “İslami Bankacılık” ve “Faizsiz Bankacılık” olarak adlandırılan faizsiz finans kuruluşları, Türkiye’de 1985 yılında “Özel Finans Kurumları” olarak başladığı yolculuğuna 2005 yılında çıkarılan Bankacılık Kanunu ile “Katılım Bankası” adıyla devam etmektedir (Hazıroğlu, 2017). Türkiye’de 2019 yılında faaliyete geçen Emlak Katılım bankası ile Albaraka Türk, Kuveyt Türk, Türkiye Finans, Ziraat Katılım ve Vakıf Katılım olmak üzere sayıları 6’ya yükselen, katılım bankalarının sektör içindeki payı henüz istenilen düzeyde olmasa da zaman içerisinde sektörden aldığı payın arttığı görülmektedir.

Kâr ve zarara katılma esasına göre çalışan İslami bankalar, topladığı fonları reel ekonomiye kazandırması açısından finansal sistem içerisinde önemli bir role sahiptir. Dolayısıyla güçlü bir ekonomik yapı için, İslami bankaların finansal sistem içerisindeki payının artması gerekmektedir. Bankaların kârlılık düzeyi önemli finansal performans göstergelerinden biridir. Kârlılığı etkileyen değişkenlerin belirlenmesi ise, hangi unsurların hayati öneme sahip olduğunu gösterir. Bu çalışma, Türkiye’de faaliyet gösteren katılım bankalarının kârlılığı üzerinde etkili olan faktörlerin belirlenmesini amaçlamaktadır. Bu kapsamda, Türkiye’de faaliyet gösteren üç katılım bankasının (Kuveyt Türk, Albaraka ve Türkiye Finans) 2006-2019 yıllarına ait mali tablolarından elde edilen veriler ile ülkenin çeşitli makroekonomik göstergeleri kullanılarak panel veri tahmin yöntemleri uygulanmış ve en uygun model belirlenmeye çalışılmıştır. Panel verinin yatay kesit birim sayısı  $n = 3$ , her bir yatay kesit birimi için elde edilen zaman birimi sayısı ise  $t = 54$ ’tür. Veri seti toplam 162 gözlemden oluşmaktadır.

Literatürde yer alan çalışmalarda kullanılan değişkenler dikkate alınarak katılım bankalarının kârlılığı üzerinde etkili olan faktörleri belirlemek amacıyla 9 değişken kullanılmıştır. Çalışmada, sermaye yeterlilik oranı, banka büyüklüğü, kredi riski, operasyonel risk, faaliyet etkinliği, enflasyon ve GSMH büyüme oranının aktif kârlılığı (ROA) ve özkaynak kârlılığı (ROE) üzerine etkisi analiz edilmiştir. Çalışmada, katılım bankalarına ilişkin veriler Türkiye Katılım Bankaları Birliği’ne ([www.tkbb.org.tr](http://www.tkbb.org.tr)), çalışmada kullanılan makroekonomik göstergelere ait veriler ise T.C. Merkez Bankası ([www.tcmb.gov.tr](http://www.tcmb.gov.tr)) ve Türkiye İstatistik Kurumu’na ([www.tuik.gov.tr](http://www.tuik.gov.tr)) ait veri tabanlarından elde edilmiştir.

Çalışmada katılım bankalarının aktif kârlılığını ve özkaynak kârlılığını etkilediği düşünülen değişkenleri belirlemek için panel veri regresyon yöntemi uygulanmıştır. Hangi modelin uygulanacağına ilişkin gerekli testler yapılmış ve modelin varsayımlarının sağlanıp sağlanmadığı kontrol edilmiştir. Veri çözümlemesinde Stata paket programından faydalanılmıştır.

Bankaların kârlılığını etkileyen bağımsız değişkenleri belirlemek için;

H<sub>1</sub>: Açıklayıcı değişkenlerin aktif kârlılığı üzerinde etkisi vardır.

H<sub>2</sub>: Açıklayıcı değişkenlerin özkaynak kârlılığı üzerinde etkisi vardır.

alternatif hipotezleri oluşturulmuştur. H<sub>1</sub> ve H<sub>2</sub> hipotezlerini sınamak için oluşturulan panel veri regresyon denklemleri (1) ve (2) eşitliklerinde verilmiştir.

$$ROA_{it} = \beta_0 + \beta_1.CAR_{it} + \beta_2.BS_{it} + \beta_3.CR_{it} + \beta_4.OR_{it} + \beta_5.OE_{it} + \beta_6.Inf_t + \beta_7.GNR_t + \varepsilon_{it} \quad (1)$$

$$ROE_{it} = \beta_0 + \beta_1.CAR_{it} + \beta_2.BS_{it} + \beta_3.CR_{it} + \beta_4.OR_{it} + \beta_5.OE_{it} + \beta_6.Inf_t + \beta_7.GNR_t + \varepsilon_{it} \quad (2)$$

$$i = 1, \dots, n, \quad t = 1, \dots, T$$

Analiz sonuçlarına göre, ROA üzerinde banka büyüklüğü, kredi riski, faaliyet etkinliği ve enflasyon oranlarının etkili olduğu görülmüştür. Banka büyüklüğündeki, kredi riskindeki ve enflasyon oranındaki bir birim artış, ROA'da sırasıyla 0.004, 0.205 ve 0.038 birim azalışa neden olurken, faaliyet etkinliğindeki bir birim artış, ROA'da 0.246 birim artışa neden olmaktadır.

ROE üzerinde ise kredi riski, operasyonel risk, faaliyet etkinliği ve enflasyon oranlarının etkili olduğu tespit edilmiştir. Kredi riskindeki ve enflasyon oranındaki bir birim artış, ROE'de sırasıyla 1.932 ve 0.316 birim azalışa neden olurken, operasyonel risk ve faaliyet etkinliğindeki bir birim artış, ROE'de sırasıyla 0.007 ve 2.359 birim artışa neden olmaktadır.

Bankaların kârlılığı üzerinde etkisi olmayan bağımsız değişkenler sermaye yeterliliği oranı ve büyüme olarak belirlenmiştir. Ayrıca analiz sonuçlarına göre, katılım bankalarının kârlılığı üzerinde bankaların kendine özgü değişkenlerinin, makroekonomik göstergelere göre daha etkili olduğunu ifade etmek mümkündür. Dolayısıyla, katılım bankalarının aktif kârlılığını azaltmayacak düzeyde aktif büyüklüğüne erişmesi, verilen krediler içerisinde şüpheli hala gelen kredi oranının azaltılması, toplam aktifler içerisinde faaliyet gelirlerinin artırılması, faaliyet giderlerinin azaltılması sektörün kârlılığını belirlemede önemli rol oynayacaktır.

**Anahtar Kelimeler:** İslami Ekonomi, Katılım Bankaları, Kârlılık, Makroekonomik Göstergeler, Panel Veri Analizi.









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# ENTREPRENEURSHIP AS A SOCIAL AND ECONOMIC ACTIVITY IN THE ISLAMIC ECONOMY: A DESCRIPTIVE ANALYSIS

 Ümit Deniz İLHAN<sup>a</sup>

 Zehra Nuray NİŞANCI<sup>b</sup>

## Abstract

The religion of Islam, not only points to the relationship of the devotee with the Almighty Creator Allah and the worships that the devotee is obliged to but also includes the regulatory principles for all aspects of life itself. Therefore, it would be a correct inference to say that the verses in the Holy Qur'an as the source of the religion of Islam, and the Sunnah which are thought to express the actions and sayings of the Prophet Muhammad as the prophet of the religion of Islam have drawn the framework of Islamic economic structure for social and economic activities as well. On the other side, the phenomenon of entrepreneurship, which is one of the fundamental dynamics of social and economic life, is among the subjects of interest of researchers interested in the Islamic economy as Islam encourages entrepreneurship. In this context, in the study, where the qualitative analysis method was adopted and descriptive analysis technique was used, since they contain the basic values on which the religion of Islam has built, the principles of entrepreneurship in the Islamic economy are interpreted based on the Holy Qur'an and the Sunnah. According to the findings, which are detailed by taking into account the business functions such as i) supply, finance, and accounting ii) production and service iii) marketing iv) human resources v) research and development as well as vi) social responsibility vii) consumption, saving, and investment themes, it is concluded that the religion of Islam has some binding principles on entrepreneurship regarding all these themes.

**Keywords:** Islamic Economy, Islam, Entrepreneurship, Islamic Entrepreneurship.



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## İSLAM EKONOMİSİNDE SOSYAL VE İKTİSADİ BİR FAALİYET OLARAK GİRİŞİMCİLİK: BETİMSSEL BİR ANALİZ

Müslümanlar, İslam dininin kulun yüce yaratıcı Allah ile olan münasebetine ve yükümlülüğündeki ibadetlere işaret ettiğine ve hayatın her alanını düzenleyici detayları kapsadığına inanmaktadırlar. Bu yönüyle İslamiyet, insanlara yaşam biçimlerine hitap edecek şekilde rehberlik eden ve kapsamlı değerler sunan bir dünya görüşü ve yaşam biçimi olarak görülmektedir. Nitekim yine Müslümanlar, İslam dininin kutsal kitabı Kuran-ı Kerim'in, "mânâ, işaret veya hüküm içeren, kısa veya uzun cümleler" olarak ifade edilebilen 6000'den fazla ayet ve "ayetlerden oluşan belirli bölümler" olarak ifade edilebilen 114 sure halinde MS 600'lü yıllar boyunca 23 yılda Allah tarafından Cebrail adındaki melek aracılığıyla İslam dininin peygamberi Hz. Muhammed'e vahiyler halinde iletildiğine inanmaktadırlar. Hz. Muhammed'in davranışları ve sözleri olduğu kabul edilen Sünnet ise Hadisler aracılığıyla günümüze kadar ulaşmıştır. Daha açık bir ifadeyle Sünnet, Hz. Muhammed'in Müslümanlarca uyulması gerekli sayılan davranışları ve herhangi bir konuda söylemiş olduğu sözleri olup bir rivayet zinciri ile kendisine isnad edilen bu davranış ve sözler, sözlü kültür ürünleri olan Hadisler aracılığıyla aktarılmıştır. Bu nedenle İslam dininin referans kaynağı olarak Kur'an-ı Kerim'in ve Sünnetin hayatın her alanında olduğu gibi sosyal ve iktisadi faaliyetlere ilişkin İslami ekonomik yapının da çerçevesini çizmiş olduğunu söylemek doğru bir çıkarımdır.

*[Türkçe geniş öz çalışmanın sonunda yer almaktadır.]*



### Introduction

There has been no indifference to continuously changing economic activities in any period. Especially in the last century, new technological transformations brought shifts to new systems, and economic activities remained at the center of the attention of those interested in economics (Ertuğrul, 2020). Thus, the transformations in economic relations and the increasing importance of the science of economy have resulted in the comparability of the Islamic economy with other economic structures as well. The main factor in this process is the belief that the phenomenon of religion has a strong function as almost a social institution that determines the framework of all kinds of relations in human life including economic relations. Indeed, religion has had an effect in every field and every period, from the daily lives of people to their work values, from production and consumption forms to spending habits (Anderson, Dodd, & Scott, 2000; Eren, 2012; McCleary & Barro, 2006).



Of course, the relationship between religion and economic activities should not be considered unique to the religion of Islam. As a matter of fact, such a relationship is regulated by several orders, prohibitions, and recommendations especially in the context of other heavenly religions (Eskicioğlu, 1999). In addition to covering, on one hand, the relationship between the devotee and Allah, and on the other hand, the worship of the devotee, the religion of Islam also reveals a world view which includes a comprehensive system of values that will guide all aspects of life (Kutub, 1989). Such that, the verse “With Him are the keys of the unseen, the treasures that none knoweth but He. He knoweth whatever there is on the earth and in the sea. Not a leaf doth fall but with His knowledge: there is not a grain in the darkness (or depths) of the earth, nor anything fresh or dry (green or withered), but is (inscribed) in a record clear (to those who can read).” (Quran 6:59) is a clear claim of the fact that everything will be understood through understanding the Holy Qur’an which is mentioned as “a clear record”. Therefore, in the relationship between the devotee and Allah, the basic guides are the Holy Qur’an and the Sunnah since they contain the values on which the religion of Islam has been built.

At this point, it is essential to make a short statement about the Holy Qur’an and the Sunnah. The holy book of the Islamic religion, the Holy Qur’an, was conveyed to the prophet of the Islamic religion, the prophet Muhammad, in revelations through the angel called Gabriel by Allah for 23 years during the 600’s. It consists of more than 6000 verses (short or long sentences containing a meaning, sign, or sentence) and 114 suras (certain chapters of verses). The Sunnah, which is claimed to be the words and behaviors of the prophet Muhammad in the face of events was conveyed through Hadiths. In other words, Hadiths are verbal culture products consisting of words and behaviors attributed to the prophet Mohammad.

In this respect, it would be fair to say that the Holy Qur’an and the Sunnah have drawn the framework of Islamic economic structure regarding social and economic activities. For this reason, nowadays, the studies that cover the scope of the Islamic economy are frequently included in economic literature, and Islam’s perspective on social and economic life and the way it deals with the problems are being discussed to be understood fully.

On the other side, undoubtedly, the phenomenon of entrepreneurship, which is accepted as one of the basic dynamics of social and economic life can also be evaluated from the Islamic point of view. Accordingly, the impact of religion on entrepreneurship is nowadays being considered as one of the

most interesting topics.

In this regard, first of all, in addition to being employed by others for a fixed wage, Islam recommends people to engage in entrepreneurship activities with the advice to use all the resources available on earth and create opportunities with these resources (Altuntepe, 2019). However, Islam encourages the Muslim entrepreneur to engage only in ethically and religiously accepted business activities. Moreover, the religion of Islam considers every activity of all Muslims as worship, without discriminating between men and women in condition that they obey religious rules (Hamid & Saari, 2011). The following verse can be seen as evidence of this fact: "If any do deeds of righteousness, - be they male or female - and have faith, they will enter Heaven, and not the least injustice will be done to them." (Qur'an 4/124). As can be seen, the common aim of Islamic disciplines, that focuses to regulate life by covering every aspect of it, is to embody the rules and provisions that will put into practice the moral values envisaged by the religion of Islam (Ongan, 2008).

In this study, in the literature review section, first, the framework of the Islamic economy then, the framework of entrepreneurship is drawn. Next, entrepreneurship in the Islamic economy is put forward in line with the data in the literature. In the research section, the methodology and the findings obtained through the analysis are given in detail. Thus, as being one of the social and economic activities, the interpretation of the principles of entrepreneurship, in the context of the Islamic religion is the original value of this study. It is believed that this study will be a guide on one side for researchers in the related literature and on the other side for practitioners in the relevant field. Furthermore, it is thought that the study will contribute to ensuring both worldly and otherworldly peace at the individual and social level as a result of the proper implementation of the Islamic economy by revealing that it has a set of distinctive principles compared to other economic structures.

#### **A. Literature Review**

In this part of the study, the Islamic economy, entrepreneurship, and entrepreneurship in the Islamic economy are explained respectively.

##### **1. Islamic Economy**

It is undoubtful that the religion of Islam, which introduced regulations on all aspects of life, has no regulations on economic issues that constitute an important part of human life. With the following verse as "...This day have I perfected your religion for you, completed My favor upon

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you, and have chosen for you Islam as your religion...” (Qur’an 5/3), it is reported that the set of rules that has been sent to the people through the prophets since the creation of the universe has been concluded with the Holy Qur’an and that people should behave accordingly (Zaim, 2014). Besides, besides being understood from other verses as well, the importance given to the economic system in the Islamic religion is also clearly understood from the longest surah in the Holy Qur’an, Baqara, with 286 verses which are all about trade, mutual agreements, and lending. Moreover, in the Sunnah, the issue of the economy has kept its importance and the prophet Muhammad is being told to have advised his companions by emphasizing the economic system in his Farewell Sermon (Küçük, 2017).

Accordingly, the economic model of Islam, which is called the Islamic economy, will have emerged theoretically when the orders, prohibitions, and recommendations brought by the religion of Islam are interpreted through the Holy Qur’an and the Sunnah. Although with the emergence and spread of the religion of Islam, the Islamic principles naturally took place in the lives of Islamic societies, as a result of the Industrial Revolution and with globalization, the practices of these principles were hampered. So, keeping in mind that there is an accelerated effort in the last 50 years in terms of reviving the Islamic economy, it is essential to briefly discuss the period from past to present by focusing on the capitalist economy and socialist economy before focusing on the Islamic economy.

Indeed, although it has affected the countries at different levels, the Industrial Revolution is considered to be one of the most important changes and transformations in human history. It is not only related to industrialization. As a process reflected in social and political institutions, it has also influenced the transformation of the social structure (İlhan, 2019). The economic and social system, which has been in existence since the Industrial Revolution is capitalism whose mainstay and indispensable elements are to produce more, to gain more, and to grow continuously (Çayiroğlu, 2014). Capitalism thus reveals an economic system that always tries to increase the amount of production and sales, and which is based on capital accumulation to make large investments. The capital accumulation provided by allocating the largest share of earnings to capital very often results in the insufficiency of the wages of the labor force for subsistence (Küçük, 2017). Capitalism, which has become a way of life with this understanding, has commodified life and even values by intervening in almost all areas of them. Thus, many things, including cultural products, have become trade commodities (Çayiroğlu, 2014). Capitalism, in its

understanding, has even envisioned a human model. Accordingly, the human model predicted by capitalism is “homo-economicus” who accepts himself/herself as an economic entity, arranges all his/her thoughts and behaviors according to his/her economic interests, and makes rational choices to maximize his/her benefits and profits (Nyborg, 2000).

As such, in capitalism, where every means to maximize profit is tolerated, utilitarianism and personal interests have become the main purpose of life, while social aid and solidarity have weakened and the balance in income distribution has been disrupted. In such conditions, entrepreneurs and capitalists have exploited the masses to obtain large capitals. A majority of people on the other side, who had to work at low wages in difficult conditions, have been forced to continue their lives in the struggle for subsistence (Çayıroğlu, 2014). Thus, capitalism, whose foundation is based on inequality and the accumulation of capital in certain hands, has failed to ensure the welfare of the societies.

According to K. Marx (2003), one of the pioneers of socialist economics, the worker gets cheap as trade merchandise when he/she continues to produce and contributes to the power and scope of production. In this way, the capitalist model of production transforms labor, alienated from the product, into an object primarily by causing alienation between labor and product. Another alienation in this process, according to Marx (2003) is alienation from the work activity itself. Because working has become an obligatory activity that must be endured to survive beyond the desire of man to create and produce. In the Industrial Period, when capitalism emerged and flourished, the uncontrolled use of the labor of the increasing number of workers and their being forced to work in severe conditions increased the gap between social classes over time, and this gap created the conditions for large-scale workers' resistance and class conflicts (İlhan, 2019).

Socialism, which emerged at this point, argues that individual and social welfare can not be achieved in the capitalist economy. A minority, who owns and exploits labor, can prosper in the capitalist system whereas the working class exploited by capital will have to work continuously under severe conditions. Thus, for the solution of the fundamental problem put forward, the socialist economy proposed a system that embodies completely opposite approaches to capitalism. In this context, according to socialism, which put labor instead of capital based on profit, the interests of the society must have the priority than the interests of the individual; the means of

power and production should be controlled by the society; production should be determined according to the basic needs but not according to the profit; productions should be distributed equally in the society or they should be distributed with the inequalities that the society will justify; individuals should contribute to society in proportion to their abilities and share in total production according to their needs; there should be no private enterprise and private property should be limited (Çayiroğlu, 2014). As it is seen, with these aspects, socialism has ignored many things such as private property, individual enterprise, individual talent, and effort. Therefore, the targeted balance in socialism has not been achieved (Kutub, 1989).

Thus, in recent years, it has been debated whether the Islamic economy will be an alternative system due to the collapse of socialism and the fact that capitalism constantly produces problems and causes crises (Kazancı, 2016). Islamic economy, which is accepted as the form of the application of the orders, prohibitions, and recommendations of the Islamic religion on all issues of the science of economy (Eskicioğlu, 1999) considers the life of the otherworld as well (Efe, 2017). Because, according to Islam, for a faithful Muslim, any work, behavior, and/or practice that is beneficial means worship and pray to Allah. The belief that worldly life is a test to be evaluated in the otherworld constitutes the assurance that the system will always operate in line with ethics (Tabakoğlu, 2005). That is why the Islamic economy asserts that the individual should not act as homo-economicus (Dilek, Küçük, & Özdirek, 2017). On the contrary, the individual should continue his/her activities as homo-islamicus by applying Islamic principles in the economic system (Haneef & Furgani, 2009). Accordingly, an individual should try to regulate his/her feelings of meeting his/her needs, and reasonably maximize his/her benefits within the framework of Allah's orders, prohibitions, and recommendations. Naturally, to act in this way, he/she must have Islamic knowledge and must have put his/her knowledge into practice (Zaim, 1995).

## **2. Entrepreneurship**

The phenomenon of entrepreneurship has started to be defined scientifically with the Industrial Revolution first and entered the literature then. But due to the developing and changing economic and socio-cultural conditions, the perception of entrepreneurship, and accordingly the definitions of entrepreneurship have continuously changed. In this context, one of the earliest definitions of entrepreneurship was made by R. Cantillon at the beginning of the 18th century as the purchase and production of the

inputs and services of the production to be sold at an undetermined price with an emphasis on the “risk-taking” feature of the entrepreneur in entrepreneurship activity (Schumpeter, 1949). Entrepreneurship definitions have been developed over time by drawing attention to other features that the entrepreneurs should have. For example, in the 1900s, J. B. Say highlighted the importance of organizing and managing inputs and emphasized the “managing” feature of the entrepreneurs (Binks & Vale, 1990). In the 2000s, J. A. Schumpeter defined the entrepreneur by identifying with “innovation and dynamism” (Brockhous, 1980). Within the framework of the technological development reached today and the digital applications developed accordingly, entrepreneurship has gained a new feature and has been defining by emphasizing on “digital products or services”, “digital distribution”, “digital workplace”, “digital market” and/or some combination of these (Davidson & Vaast, 2010; Yaghoubi, Salehi, Eftekharian, & Samipourgirl, 2012). At this point, it is worth noting that entrepreneurs can be both a private or a legal personality. Being aware of all these, in this study entrepreneurship is defined as “the combination of idle or unused production tools with a certain risk by a private or a legal personality, and in this process organization and management of all resources efficiently including information, technology, and time with the concern of producing goods and/or services and supplying them to the market.”

Entrepreneurship is important in the socio-economic development of countries, in increasing welfare, and in carrying cultural diversity to the global dimension due to its contributions such as creating added value, providing employment, creating innovation, strengthening inter-sectoral ties, providing social benefits, eliminating income level differences, and fighting poverty (Boone & Kurtz, 2013; Nişancı, Oğrak, & Özmutaf, 2015). Especially, today, in digitalization-based economies, entrepreneurship is accepted as the main actor of development (Boone & Kurtz, 2013; Bogenhold, 2019) It seems possible that the societies use this value effectively will provide their social, political, technological, and information-oriented development faster, and will take place as an important actor in the globalizing world. All of these cause entrepreneurship to be one of the popular concepts in economic literature and remain its popularity in the 21st century.

### **3. Entrepreneurship in the Islamic Economy**

As stated in the introduction part, in every period, religion has had an important effect in every field of life. In this context, it is a common belief that

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religion has therefore defined the framework of economic relations (Anderson, Dodd, & Scott, 2000; Audretsch, Bonte, & Tamvada, 2007; Dodd & Seaman, 1998; Eren, 2012; Iannaccone, 1998; McCleary & Barro, 2006; Smith, 1904; Weber, 1963). That is why religion is believed to have an important effect on entrepreneurship, which is one of the important determinants of economic relations, as well (Dodd & Seaman, 1998; Eren, 2012).

When the subject is handled in terms of the religion of Islam, it is seen that the researchers have not reached a consensus on the aspect of the effects of Islam on entrepreneurship. Accordingly, some researchers (McClelland, 1961; Weber, 1963; Perkins, 2003) argue that Islam does not encourage entrepreneurial activities and even deters individuals from entrepreneurship by claiming that economic growth is hindered in religious economies, and at the same time, there is not enough incentives and motivation to be able to take action (Hassan & Hippler, 2014). Those who say otherwise (Mebroi & Mosbah, 2020; Wilson, 2006; Zapalska, Brozik, & Shuklian, 2005) claim that Islam supports productive entrepreneurial activities in line with its attitude that supports economic growth.

Although this dualist approach in the literature is taken into consideration, it is seen that, in general, the religion of Islam considers working as an honorable activity by giving considerable importance to the value of labor in economic growth (Faizal, Ridhwan, & Kalsom, 2013; Ratten, Ramadani, Dana, & Gerguri-Rashiti, 2017). Work in this sense can either be a paid work or an entrepreneurial activity that offers employment opportunities for others as well. As a matter of fact, it can also be said that besides encouraging entrepreneurship, Islam has almost a compulsory attitude towards it. To support this, there are several verses and hadiths some of which are as: "That man can have nothing but what he strives for" (Qur'an 53/39); "...Never will I suffer to be lost the work of any of you, be he male or female..." (Qur'an 3/195); "The income earned through one's labor, and the income from every purchase without cheating is halal and pleasant." (Rûdânî, Vol: 2, Hadith No:4569).

Besides, work is regarded as sacred as long as it is considered as a means of worshiping to Allah and performed in halal focus. Accordingly, the Muslim entrepreneur should consider gaining the mercy and blessings of Allah both in this world and in the otherworld, and should not perform his/her entrepreneurship activities for profit only (Faizal, Ridhwan, & Kalsom, 2013). When approached from this point of view, entrepreneurship

activities seem to be valuable in terms of being the source of the sustenance of both the individual and his/her employees, and being an instrument in fulfilling responsibilities that Allah has imposed as a Muslim. For this reason, an entrepreneur should believe in Allah and seek wealth to fulfill all the teachings of Allah.

### **B. Methodology**

Based on the assumption that religion has an effect on economic relations and drawn the framework of entrepreneurship as well, in this study, the principles of entrepreneurship in the Islamic economy are tried to be interpreted. Meanwhile, it is worth noting that the purpose of this research is not to reveal the Islamic economy completely. This can only be the subject of a book-level study as a result of more comprehensive research.

In this context, the qualitative analysis method was adopted and a descriptive analysis technique was used to analyze the principles of entrepreneurship in the Islamic economy. Thus, first, by considering today's modern basic business functions, seven themes were predetermined as i) supply, finance, and accounting ii) production and service iii) marketing iv) human resources v) research and development vi) social responsibility vii) consumption, saving, and investment. Then, to support these themes, the Holy Qur'an and the Sunnah were analyzed. Finally, the findings obtained are revealed and the conclusion is made.

Accordingly, the research question has been determined as "Are there principles regarding entrepreneurship in the Islamic economy?". The sub-research questions determined are as follows: i) Are there principles related to supply, finance, and accounting regarding entrepreneurship in the Islamic economy? ii) Are there principles related to production and service regarding entrepreneurship in the Islamic economy? iii) Are there principles related to marketing regarding entrepreneurship in the Islamic economy? iv) Are there principles related to human resources regarding entrepreneurship in the Islamic economy? v) Are there principles related to research and development regarding entrepreneurship in the Islamic economy? vi) Are there principles related to social responsibility regarding entrepreneurship in the Islamic economy? vii) Are there principles related to consumption, saving, and investment regarding entrepreneurship in the Islamic economy?

### **C. Findings**

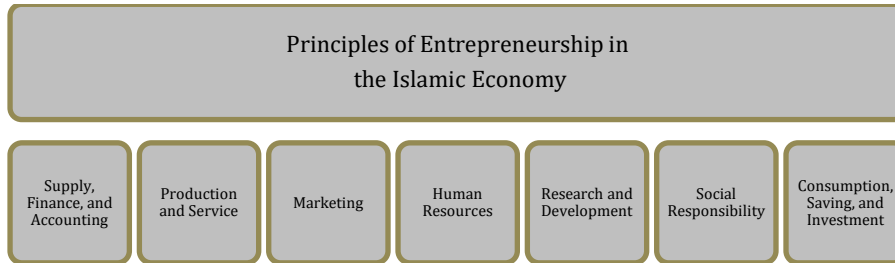
In this section, to interpret the principles of entrepreneurship in the Islamic economy, the themes mentioned in Figure 1, which are predetermined by considering the modern business functions, and the

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findings obtained to support these themes are given.

**Figure 1:** Principles of Entrepreneurship in the Islamic Economy



### 3.1. Principles Related to Supply Finance and Accounting

The first theme determined by the research framework is “supply, finance, and accounting”. In general, it is essential for an entrepreneur to comply with the orders, prohibitions, and recommendations of Islam in all supply activities, to obtain financial resources legitimately, and to record them following Islamic principles. In this regard, the use of ways such as gambling, theft, fraud, embezzlement, interestism, usury and smuggling are prohibited, except for the halal and legal sources (Zuhayli, 1994). The verses and hadiths below are clear proofs that these are forbidden as a phenomenon that disrupts the economic order:

- “Those who swallow usury cannot rise up save as he ariseth whom the devil hath prostrated by (his) touch. That is because they say: Trade is just like usury; whereas Allah permitteth trading and forbiddeth usury. He unto whom an admonition from his Lord cometh, and (he) refraineth (in obedience thereto), he shall keep (the profits of) that which is past, and his affair (henceforth) is with Allah. As for him who returneth (to usury) Such are rightful owners of the Fire. They will abide therein.” (Qur’an 2/275).
- “Allah will deprive usury of all blessing, but will give increase for deeds of charity: For He loveth not creatures ungrateful and wicked.” (Qur’an 2/276).
- “Those who traded by placing their goods on the market were surrendered, and those who engaged in black market were cursed.” (İbn Mâce, Ticârât, 6, Hadith No: 2153).
- “Even if the person who stocks a food item for forty days then distributes it as charity, this deed cannot be atonement.” (Rûdânî, Vol: 2, Hadith No: 4756).

As a capital, a person's savings, the debt received from the family or

relatives, the partnership made, and the financial support obtained from Islamic financial institutions or non-interest institutions are recommended. Here are some of the related verses and a hadith:

- “Who is he that will loan to Allah a beautiful loan, which Allah will double unto his credit and multiply many times? It is Allah that giveth (you) Want or plenty, and to Him shall be your return.” (Qur’an 2/245).
- “If the debtor is in a difficulty, grant him time Till it is easy for him to repay. But if ye remit it by way of charity, that is best for you if ye only knew.” (Qur’an 2/280).
- “...The best of you pays off your debt in the best way.” (Sahîh-i Buharî, Vol: 1, Hadith No: 1066)

Regarding accounting, it is recommended to give priority to mandatory expenditures such as labor costs, management costs, zakat, debts, without being distracted by the honesty and integrity focus:

- “...When ye deal with each other, in transactions involving future obligations in a fixed period of time, reduce them to writing. Let a scribe write down faithfully as between the parties: let not the scribe refuse to write: as Allah Has taught him, so let him write...” (Qur’an 2/282).
- “Give full measure when ye measure, and weigh with a balance that is straight...” (Qur’an 17/35).

### 3.2. Principles Related to Production and Service

The second theme determined by the research framework is “production and service”. With a general statement on this matter, although the economic enterprises aim to achieve satisfactory profit, it is a basic and binding constraint to produce and serve halal products according to halal methods and use the sources considered as halal in all processes. Besides, having an understanding of healthy and clean products and services for humanity is also important. The word “tayyibat”, which is used in the meaning of “clean and pure things” in the Holy Qur'an, emphasizes the necessity of them (Mevdudi, 1996). Thus, it is understood that halal things intend that they are clean and legitimately earned. To serve this cycle, it is undoubtedly inferred that producing and/or serving clean and legitimate things are recommended:

- “...Enjoy (all) things good and pure, and work righteousness: for I am wellacquainted with (all) that ye do.” (Qur’an 23/51).
- “...Eat of what is on earth, Lawful and good(169); and do not follow

the footsteps of the evil one, for he is to you an avowed enemy.” (Qur’an 2/168).

### **3.3. Principles Related to Marketing**

Another theme determined to explain the principles of entrepreneurship in the Islamic economy is “marketing”. In this respect, it is also a general principle that things that are forbidden and accepted as haram in the religion of Islam should not be marketed. It is recommended that all kinds of information about the product and service be presented transparently without uncertainty and cheating. Besides, no one's ignorance or weakness should not be turned into an opportunity and abuse should be avoided (Köse, 2015). Moreover, pricing in a way that does not create victimization and unfair competition is another point of interest. Some of the verses and hadiths regarding these issues can be listed as below:

- “...Eat not up your property among yourselves in vanities: But let there be amongst you Traffic and trade by mutual good-will: Nor kill (or destroy) yourselves: for verily Allah hath been to you Most Merciful!” (Qur’an 4/29).
- “It would not be halal for a Muslim to sell a defective property to his religious brother without explaining his defect.” (İbn Mâce, Ticaret, 6, Hadith No: 45)
- “Oath to the lie increases the sales of the good, but destroys the abundance of earnings.” (Sahîh-i Buharî, Vol. 1, Hadith No: 999).

### **3.4. Principles Related to Human Resources**

Another theme determined by the research framework is “human resources”. First of all, Islam sees rights and justice as the principle of all human relations. For this reason, Islam recommends that the employer behave fairly in management, determine the workload and wages of the employee fairly, and behave to the employees without any discrimination:

- “Allah doth command you to render back your Trusts to those to whom they are due; And when ye judge between man and man, that ye judge with justice...” (Qur’an, 4/58).
- “Your slaves are only your brothers. Allah has entrusted them to you. Feed them from what you eat, dress them from what you wear...” (Canan, Vol. 11, Hadith No: 2).

On the other side, it is recommended that employees should be paid in time without delay:

- “Pay the worker his dues before his sweat has dried up.” (Canan, Vol.

17, Hadith No: 763).

In addition to these, it is also recommended that the employer respect the employee's moral rights. In this regard, the right of the employee to worship may be seen as the top priority of them. Thus, as it will be inferred from the following verse, the employer should provide suitable conditions for the employees who want to fulfill their worships such as praying, fasting:

- “By men whom neither traffic nor merchandise can divert from the Remembrance of Allah, nor from regular Prayer, nor from the practice of regular Charity: Their (only) fear is for the Day when hearts and eyes will be transformed (in a world wholly new).” (Qur’an 24/37).

In the religion of Islam, there are recommendations to meet the need for appreciation as well:

- “Whoever works righteousness, man or woman, and has Faith, verily, to him will We give a new Life, a life that is good and pure and We will bestow on such their reward according to the best of their actions.” (Qur’an 16/97).
- “Who does not thank the people is not thankful to Allah.” (Canan, Vol. 3, Hadith No: 4).

It is worth noting that there are also recommendations for the employee to protect the employer's rights. For this reason, the employee should comply with the terms of the contract, which are arranged following the principles of equity and with mutual consent:

- “... Truly the best of men for thee to employ is the (man) who is strong and trusty.” (Qur’an 28/26).

### **3.5. Principles Related to Research and Development**

The fifth theme determined to explain the principles of entrepreneurship in the Islamic economy is “research and development”. As a religion of knowledge, Islam always encourages individuals to acquire knowledge and apply what they have learned in their lives. First of all, every Muslim should learn to fulfill his/her responsibilities in terms of both worldly and otherworldly life. Thus, acquiring knowledge and applying it will make Muslims happy in both worlds by enlightening their lifestyles (İlter, 2016). In the Holy Qur'an, people are asked to know the creator, to obtain the information that will bring them to both worlds, and to praise people with knowledge:

- “...Those truly fear Allah, among His Servants, who have

knowledge:(3913) for Allah is Exalted in Might, Oft-Forgiving.” (Qur’an 35/28).

- “...Are those equal, those who know and those who do not know? It is those who are endued with understanding that receive admonition.” (Qur’an 39/9).
- “...Allah will rise up, to (suitable) ranks (and degrees), those of you who believe and who have been granted (mystic) Knowledge.” (Qur’an 58/9).

### **3.6. Principles Related to Social Responsibility**

The sixth theme determined to explain the principles of entrepreneurship in the Islamic economy is “social responsibility”. In general, it is recommended to act with the understanding that human beings are not completely free as they want to benefit from the blessings. As can be understood from the following verses, Allah is the sole owner of the entire universe:

- “... For to Allah belongeth the dominion of the heavens and the earth, and all that is between...” (Qur’an 5/17).
- “To Allah belongs all that is in the heavens and on earth: To Him do all questions go back (for decision).” (Qur’an 3/109).

Therefore, one should not forget that the natural environment is entrusted to him/her. In this context, one should consider maintaining the balance of life, using everything in a certain measure and scale, and not overdoing it. Because, nature has been created for humans with a very delicate balance in itself, and it will meet all needs of people:

- “And We have provided therein means of subsistence,- for you and for those for whose sustenance ye are not responsible.” (Qur’an 15/20).
- “It is He Who has made the earth manageable for you, so traverse ye through its tracts and enjoy of the Sustenance which He furnishes: but unto Him is the Resurrection.” (Qur’an 67/15).
- “There is not an animal (that lives) on the earth, nor a being that flies on its wings, but (forms part of) communities like you. Nothing have we omitted from the Book, and they (all) shall be gathered to their Lord in the end.” (Qur’an 6/38).
- “If a Muslim plants a plant or a tree, whatever eaten from it (by an animal) is a charity for him till the Day of Judgement.” (Muslim, Vol. 2, Hadith No: 1421).

### 3.7. Principles Related to Consumption Saving and Investment

The last theme determined by the research framework is “consumption, saving, and investment”. First of all, an entrepreneur should use his/her wealth and income only with the permission of the real property owner, knowing that the wealth and income he/she gained is not just the result of his/her work, but the discretion of Allah:

- “...Lord of Power (And Rule), Thou givest power to whom Thou pleasest, and Thou strippest off power from whom Thou pleasest: Thou enduest with honour whom Thou pleasest, and Thou bringest low whom Thou pleasest: In Thy hand is all good. Verily, over all things Thou hast power.” (Qur’an 3/26).
- “Allah doth enlarge, or grant by (strict) measure, the Sustenance (which He giveth) to whomso He pleaseth. (The wordly) rejoice in the life of this world: But the life of this world is but little comfort in the Hereafter.” (Qur’an 13/26).

The religion of Islam does not put a restriction on spending provided that it is halal and waste is avoided:

- “...make not unlawful the good things which Allah hath made lawful for you, but commit no excess: for Allah loveth not those given to excess.” (Qur’an 5/87).
- “... wear your beautiful appare at every time and place of prayer: eat and drink: But waste not by excess, for Allah loveth not the wasters.” (Qur’an 7/31).

On the other side, the Muslim entrepreneur should know that other people and society have the right on his/her property thus he/she has been assigned some duties against Allah's property, like zakat and charity:

- “And in their wealth and possessions (was remembered) the right of the (needy,) him who asked, and him who (for some reason) was Prevented (from asking).” (Qur’an 51/19).
- “The believers must (eventually) win through, Those who humble themselves in their prayers; Who avoid vain talk; Who are active in deeds of charity.” (Qur’an 23/1-4).
- “And let not those who covetously withhold of the gifts which Allah Hath given them of His Grace(483), think that it is good for them: Nay, it will be the worse for them: soon shall the things which they covetously withheld be tied to their necks Like a twisted collar, on the Day of Judgment...” (Qur’an 3/180).

In the Holy Qur’an, it is also stated that the trade of those who work

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following the consent of Allah and share their earnings with others is profitable:

- “Those who rehearse the Book of Allah, establish regular Prayer, and spend (in Charity) out of what We have provided for them, secretly and openly, hope for a commerce that will never fail.” (Qur’an 35/29).

There are also several warnings about investment and saving. These warnings are aimed at those who accumulate their goods, capital, and wealth by stinging; increase their wealth by obtaining risk-free interest income; do not spend in charity; do not give their zakat; and do not turn into investments that will be benefited:

- “Woe to every (kind of) scandal-monger and backbiter, Who pileth up wealth and layeth it by, Thinking that his wealth would make him last for ever!” (Qur’an 104/3).
- “... And there are those who bury gold and silver and spend it not in the way of Allah. announce unto them a most grievous penalty.” (Qur’an 9/34).
- “... In order that it may not (merely) make a circuit between the wealthy among you...” (Qur’an 59/7)

### **Conclusion**

Generally, it is accepted that religion affects individual preferences in every field by drawing a frame on people's philosophies of life. The religion of Islam also provides people with a world view full of comprehensive values that guides their way of life through orders, prohibitions, and recommendations. In this context, it is undoubtful that Islam has some orders, prohibitions, and recommendations in the field of economy. As a matter of fact, these orders, prohibitions, and recommendations continue to be discussed under the concept of the Islamic economy today. At this point, the phenomenon of entrepreneurship is one of the issues that continue to be discussed in the context of the Islamic economy, as being one of the basic dynamics of social and economic life, as well.

Although there has been no consensus between the researchers on how Islamic religion affects entrepreneurship, by giving considerable importance to the value of labor in economic growth, it can be said that Islamic religion has an even a compulsory entrepreneurial attitude in terms of entrepreneurs' creating employment for others besides for themselves. However, undoubtedly, Islam encourages the Muslim entrepreneur to carry out business activities that are only ethically and religiously accepted and

offers a set of principles to guide entrepreneurship.

In this context, this study, in which the principles of entrepreneurship as a social and economic activity in the Islamic economy are analyzed based on the Holy Qur'an and the Sunnah, shows that entrepreneurship in the Islamic economy has a unique set of principles, unlike other economic structures. As a matter of fact, when the findings obtained from the analysis are analyzed under the predetermined themes as i) supply, finance, and accounting ii) production and service iii) marketing iv) human resources v) research and development vi) social responsibility vii) consumption, saving, and investment, it is concluded that Islam has some binding principles related to entrepreneurship regarding all these themes. Thus, the answer to the research question, which covers all these themes, can be summarized as follows: Muslim entrepreneurs should adopt gaining the mercy and blessing of Allah as the main goal in the otherworld with this world, and should not perform the entrepreneurship activities only for individual profit; should stay away from things that are forbidden in Islam and accepted as haram; being aware of their social and environmental responsibilities, should exclude a selfish and accumulating approach, and perform all their activities in a legitimate and halal way according to Islamic principles; should adopt justice as the principle of all human relations, and carry out entrepreneurial activities for the benefit of the entire universe within the framework of honesty and ethics principles.

It would be correct to mention a few limitations when evaluating the findings of this study. First of all, this research does not fully reveal the Islamic economy and entrepreneurship in the Islamic economy. This can only be the subject of a book-level study as a result of more comprehensive research. In the study, with the claim that the Islamic economy has some principles related to entrepreneurship, these principles are interpreted on a basic level and attention is drawn. Also, since the study carries a certain page constraint, the Holy Qur'an and the Sunnah which are given to support these principles, have not been entirely transcribed, but only a limited number of verses and hadiths are presented as a shred of evidence. Therefore, the subject is not limited to the themes, verses, and the hadiths discussed in this study within the scope of entrepreneurship, but can also be interpreted under different themes with further verses and hadiths.

When the study is evaluated in terms of its contribution to literature and practice, it can be said that it offers an important content for researchers in the related literature on the one hand, and practitioners in the relevant



field on the other hand. Thus, the study has a unique value in terms of interpreting the principles of entrepreneurship, which is one of the basic social and economic activities, within the scope of the religion of Islami. At this point, with the awareness that entrepreneurship in the Islamic economy has several unique principles different from those in other economic structures, it is important to put these principles into practice rather than just theoretically interpreting and make the necessary arrangements and improvements in working life by considering the situations that may be encountered in practice. Because the correct understanding of the economy that the religion of Islam has determined and its fruit yield in practice depends on the application of these findings in theory. Thus, entrepreneurs have a great duty to participate in economic activities that will contribute to the progress and development of the Islamic economy with a holistic understanding and to apply these and similar research findings listed in the literature. Only in this way, it is believed that both worldly and otherworldly peace can be reached at the individual and social levels.



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# İSLAM EKONOMİSİNDE SOSYAL VE İKTİSADİ BİR FAALİYET OLARAK GİRİŞİMCİLİK: BETİMSSEL BİR ANALİZ

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## Geniş Öz

Müslümanlar, İslam dininin kulun yüce yaratıcı Allah ile olan münasebetine ve yükümlülüğündeki ibadetlere işaret ettiğine ve hayatın her alanını düzenleyici detayları kapsadığına inanmaktadırlar. Bu yönüyle İslamiyet, insanlara yaşam biçimlerine hitap edecek şekilde rehberlik eden ve kapsamlı değerler sunan bir dünya görüşü ve yaşam biçimi olarak görülmektedir. Nitekim yine Müslümanlar, İslam dininin kutsal kitabı Kuran-ı Kerim'in, "mânâ, işaret veya hüküm içeren, kısa veya uzun cümleler" olarak ifade edilebilen 6000'den fazla ayet ve "ayetlerden oluşan belirli bölümler" olarak ifade edilebilen 114 sure halinde MS 600'lü yıllar boyunca 23 yılda Allah tarafından Cebrail adındaki melek aracılığıyla İslam dininin peygamberi Hz. Muhammed'e vahiyler halinde iletilmiş olduğuna inanmaktadırlar. Hz. Muhammed'in davranışları ve sözleri olduğu kabul edilen Sünnet ise Hadisler aracılığıyla günümüze kadar ulaşmıştır. Daha açık bir ifadeyle Sünnet, Hz. Muhammed'in Müslümanlarca uyulması gerekli sayılan davranışları ve herhangi bir konuda söylemiş olduğu sözleri olup bir rivayet zinciri ile kendisine isnad edilen bu davranış ve sözler, sözlü kültür ürünleri olan Hadisler aracılığıyla aktarılagelmiştir. Bu nedenle İslam dininin referans kaynağı olarak Kur'an-ı Kerim'in ve Sünnetin hayatın her alanında olduğu gibi sosyal ve iktisadi faaliyetlere ilişkin İslami ekonomik yapının da çerçevesini çizmiş olduğunu söylemek doğru bir çıkarımdır.

Şu halde İslâm dininin ekonomi ile ilgili getirmiş olduğu emir, yasak ve tavsiyelerin Kur'an-ı Kerim ve Sünnet aracılığıyla ortaya konması ile teorik olarak ortaya çıkmış olan ve bugün İslam ekonomisi olarak adlandırılan bu yapının özelliklerini içinde bulunan zamanın anlayışı ve gerekliliğine uygun olarak yorumlamak da ayrıca önem arz etmektedir. Bu nedenledir ki günümüzde ekonomi literatüründe sıklıkla İslam ekonomisinin kapsamını

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ele alan çalışmalara yer verilmekte, İslamiyetin sosyal ve iktisadi hayata dair bakış açısı ve sorunları ele alışı tartışılıp anlaşılmaya çalışılmaktadır.

Öte yandan sosyal ve iktisadi hayatın temel dinamiklerinden olan ve bu çalışmada “özel veya tüzel kişilik tarafından atıl veya kullanılmayan üretim araçlarının belli bir risk alınarak bir mal veya hizmet üretme kaygısıyla birleştirilmesi ve bilgi, teknoloji ve zaman da dâhil olmak üzere tüm kaynakların etkin bir biçimde örgütlenerek yönetilmesi ile bu süreç sonunda elde edilen mal veya hizmetin pazara arz edilmesi” olarak tanımlanabilen girişimcilik olgusu da İslam dininin girişimciliği teşvik etmesi bakımından İslam ekonomisi ile ilgilenen araştırmacıların ilgi odağında olan konulardandır. Daha geniş bir açıdan bakılacak olursa esasen genel olarak din olgusunun tüm kültürlerde ve inanç sistemlerinde adeta bir sosyal kurum niteliğinde hayatın geneline etki ettiği bilinmektedir. Bu bağlamda İslâmiyet’in insanlara yeryüzünde mevcut olan tüm kaynakları kullanmaları ve bu kaynaklarla fırsat oluşturmaları gerektiği önerisi kapsamında, sabit bir ücret karşılığında başkaları tarafından istihdam edilmenin yanı sıra girişimcilik faaliyetlerinde bulunmalarının da tavsiye edildiği göz ardı edilmemelidir. Öyle ki İslam dini, iktisadi gelişimde emeğin konumuna azımsanmayacak bir önem vererek çalışmanın öncelikli olarak Allah’a ibadet etme aracı olarak görülüp helal odağında gerçekleştirilmesini hükmetmektedir. Bu nedenle bu dünya ile birlikte ahirette de Allah’ın merhametini ve nimetini kazanmayı asıl amaç olarak görüp sadece kâr amacı gütmeyerek girişimcilik faaliyetlerinde bulunmak da helal bir çalışma olarak görülmüştür. Hatta girişimcilik bireyin hem kendisinin hem de çalışanlarının rızıkına kaynak olması ve Allah’ın bir Müslüman olarak bireye yüklemiş olduğu zekât, sadaka, yardım gibi sorumlulukları yerine getirmeye vesile olabilmesi açısından ayrıca değerli görülmektedir. Ancak şüphesizdir ki, İslâmiyet Müslüman girişimciyi yalnız ahlaki ve dini bakımdan kabul gören iş faaliyetlerinde bulunması yönünde teşvik etmekte ve bu doğrultuda girişimciliği yönlendirici bir takım ilke ve esaslar sunmaktadır. Bu şekilde İslâmiyet getirdiği sınırlamalar ile topluma zarar verebilecek faaliyetleri azaltırken hem dünyevi hayat hem de ahiret hayatı için bütüncül faydayı amaçlamaktadır.

Bu çalışmada, öncelikle literatür taraması kısmında İslâm ekonomisi kavramının çerçevesi çizilmekte, daha sonra girişimcilik olgusuna değinilmekte ve nihayetinde İslâm ekonomisinde girişimcilik olgusu ortaya konarak açıklanmaktadır. Araştırma kısmında ise nitel analiz yöntemi benimsenip, betimsel analiz tekniği kullanılarak İslam ekonomisinde girişimciliğe ait ilke ve esaslar İslam dininin üzerinde inşa edildiği temel değerleri içermeleri bakımından Kur’an-ı Kerim ve Sünnet aracılığıyla analiz edilmektedir. Yapılan analiz sonucunda elde edilen bulgular, i) tedarik, finansman ve muhasebe ii) üretim ve hizmet iii) pazarlama iv) insan kaynakları v) araştırma ve geliştirme gibi işletme fonksiyonlarının yanı sıra vi) sosyal sorumluluk vii) tüketim, tasarruf ve yatırım temaları da dikkate

alınarak detaylandırılarak yorumlanmıştır. Buna göre, İslam dininin tüm bu temalarda girişimcilik ile ilgili bir takım ilke ve esasları olduğu sonucuna varılmıştır.

Böylece, sosyal ve iktisadi faaliyetlerden olan girişimciliğe ait ilke ve esasların İslam dininin kapsayıcılığı çerçevesinde ele alınarak İslam ekonomisi bağlamında yorumlanması bu çalışmanın özgün değeri olup, çalışmanın bir tarafta ilgili literatürdeki araştırmacılar için, diğer tarafta ilgili alandaki uygulayıcılar için bir rehber olacağına inanılmaktadır. Ayrıca çalışmanın İslâm ekonomisinde girişimciliğin diğer ekonomik yapılardakilerden farklı kendine özgü bir takım ilke ve esaslara sahip olduğunun ortaya konması suretiyle bunların layıkıyla uygulanması neticesinde bireysel ve toplumsal düzeyde hem maddi hem de manevi huzurun sağlanmasına katkısı olacağı ümit edilmektedir.

**Anahtar Kelimeler:** İslami Ekonomi, İslam, Girişimcilik, İslami Girişimcilik.












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# THE EFFECTS OF THE COVID-19 PANDEMIC ON CONVENTIONAL AND ISLAMIC STOCK MARKETS IN TURKEY

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## Abstract

In order to reveal the macroeconomic effects of the Covid-19 pandemic, financial markets should also be handled in addition to the real sector. Investigating the changes in the stock market may give clues to analyze the effects of the pandemic on financial markets. The researches in question can be carried out for a country group or a single country. Studies that are conducted for a single country allow researchers to analyze problems more precisely and put forward more specific and convenient policy suggestions. Furthermore, while investigating the effect of the pandemic on stock markets, handling conventional and Islamic stock markets together can provide more comparative and realistic data in determining the policies regarding financial markets.

The aim of the study is to examine the reaction of conventional and Islamic stock markets to the Covid-19 outbreak in Turkey. In the study, the DCC-GARCH method was applied by using the daily data from Feb 10, 2011 to Sep 02, 2020. The empirical results indicated that Islamic stock markets are more stable to the global Covid-19 outbreak shock than the conventional stock market in Turkey. Based on these findings it can be suggested that Turkey should take steps to support the development of the Islamic financial system to have a sounder financial system.

**Keywords:** Islamic Economy, Covid-19, Participation index, ISE 100 index, Financial markets.



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## TÜRKİYE'DE COVID-19 PANDEMİSİNİN GELENEKSEL VE İSLAMİ BORSALAR ÜZERİNDEKİ ETKİLERİ

Covid -19 pandemisinin makro ekonomik etkilerinin ortaya konması açısından reel sektörün yanısıra finansal piyasaların da takip edilmesi gerekmektedir. Pandeminin finansal piyasalar üzerindeki etkisi araştırılırken özellikle borsada meydana gelen değişikliklerin ortaya konması gerekmektedir. Söz konusu araştırmalar ülke gurubu için yapılabileceği gibi tek ülke için de gerçekleştirilebilir. Tek ülke verileri kullanılarak gerçekleştirilecek çalışmalar sorunun daha derinlemesine analiz edilmesine imkan sağlamaktadır. Pandeminin borsa üzerindeki etkisi araştırılırken geleneksel ve İslami endeksleri birlikte dikkate almak finansal piyasalara ilişkin politikaların belirlenmesinde daha gerçekçi verilerin elde edilmesini mümkün kılacaktır.

Bu çalışmanın amacı, Covid -19 pandemisine geleneksel ve İslami borsanın bulaşma ve ayrışma açısından gösterdiği tepkiyi incelemektir. Çalışmada 10 Şubat 2011 – 02 Eylül 2020 dönemine ilişkin günlük veriler kullanılmış ve DCC-GARCH yönteminden yararlanılmıştır. Elde edilen sonuçlara göre, Türkiye'de küresel Covid -19 pandemisi şoku karşısında İslami borsa, geleneksel borsadan daha istikrarlıdır. Bu sonuca göre Türkiye'de İslami finansal sistemin geliştirilmesine yönelik adımlar güçlendirilmelidir.

*[Türkçe geniş öz çalışmanın sonunda yer almaktadır.]*



### Introduction

The coronavirus, which was first seen in Wuhan, China in December 2019, spread all over the world in a short time and turned into a pandemic. Unfortunately, all economies have been struggling against the Covid-19 Pandemic and so far there is no specific solution to alleviate the negative effects of the pandemic. To reveal the impacts of the pandemic on economies can be possible by examining not only changes in indicators such as inflation, economic growth, foreign trade, and unemployment but also the dynamism and volatility in financial markets. Changes in financial markets, in particular, are one of the most important variables followed by economic agents. By monitoring these markets, economic agents adjust their portfolios as well as their investment decisions. Nevertheless, the guiding function of financial markets weakens when instability in these markets goes up. To reveal the magnitude of the instability in financial markets, it is a trusted way to investigate the impacts of the pandemic on stock market indices. The investigation of instability trends in stock market indices in the pandemic period can be provided for a single country or a country group.

This study goes to the heart of the matter on the impact of the Covid-19 pandemic on the financial markets of Turkey. Indeed, strong structural reforms were carried out in Turkey in the 2000s and the country showed a remarkable macroeconomic performance. However, comparing with the conventional system, Islamic financial markets has still a small part in the financial sector of Turkey.

It should be noted that analyzing the financial sector performance of a developing country with a strong economic potential during the pandemic period will guide the measures to be taken for the uninterrupted and sustainable economic growth. In our study, to evaluate the stability in the financial markets, the Islamic index was also taken into account in addition to the conventional index. Actually, the magnitude of Islamic finance in the financial system of Turkey is very limited. It should be underlined that accessing low-cost additional funding by strengthening the Islamic financial system leads a new and alternative opportunity to raise public and private sector investments. Revealing the strength of the participation index in the economic downturns such as the pandemic period can be used as a data source for policy implementations for the development of the Islamic financial system. Furthermore, the fact that Islamic finance has a stabilizing feature in economic downturns will encourage policymakers to apply Islamic financial instruments more in different investments.

The aim of the study is to examine the reaction of the conventional and Islamic stock market to the Covid-19 outbreak in Turkey. The daily data over the period Feb 10, 2011 –Sep 02, 2020 were included and the DCC-GARCH method was applied in the analysis. To the best of our knowledge, this paper is the first attempt in the literature which investigates the impacts of the Covid-19 Pandemic on conventional and Islamic stock markets in Turkey. This paper also comes to the fore as one of the first studies to examine the dynamic relationship between the Islamic stock market and Volatility Implied Index in Turkey.

The rest of the paper is composed of three parts: In the first part, there is the literature review; in the second part, the econometric analysis was explained; and in the third part the data and the empirical results were discussed.

### A. Literature Review

Not only macroeconomic variables<sup>1</sup> but also outbreaks are effective both on the Islamic stock market and the conventional stock market. Ichev and Marinč (2018) found that the Ebola epidemic caused negative returns in financial markets in the 2014-2016 period. Chen et al. (2009) investigated the negative impacts of the SARS epidemic on stock returns in Taiwan for the period of September 25, 2002 to May 21, 2003. It was concluded that while the SARS had a negative impact on the tourism, wholesale, and retail industries, it had a positive effect on the biotechnology sector. Chen et al. (2018) examined the impact of SARS on the stock market integration between China and four Asian stock markets (Hong Kong, Taiwan, Singapore, and Japan) over the period 1998-2008. The authors found that the SARS weakened the long-term relationship between China and the stock markets included in the research.

In the proceeding paragraphs, the findings of the studies investigating the effects of the Covid-19 pandemic on the stock market are summarized by considering their research subject.

Topcu and Gulal (2020) examined the impact of Covid-19 on 26 emerging stock markets for the period of March 10, 2020-April 30, 2020. The empirical findings showed that the negative effects of the pandemic are gradually alleviating. The authors also concluded that the impacts of the pandemic were not felt at the same level in every region. Asian emerging markets have been the uttermost affected region by the pandemic. Al-Awadhi et al. (2020) investigated the negative impacts of a pandemic on the Chinese stock market in the period January 10, 2020 to March 16, 2020. Empirical findings showed that the pandemic had significant adverse effects on stock market returns. Okoriea and Lin (2020) investigated the fractal contagion effect of the pandemic on the stock markets using data from 32 countries for the period of 1st October 2019 to 31st December 2019 and 1st January 2020 to 31st March 2020. Based on the test results, it was concluded that the Covid-19 pandemic had a significant short-term contagion effect on the stock markets.

Baek, Mohanty, and Mina (2020), investigated the effects of the pandemic on the U.S. stock market volatility at the industry level over the period January 2, 2020- April 30, 2020. It was determined that changes in

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<sup>1</sup> Bhuiyana and Chowdhury (2020); Parab and Reddy (2020); Erdoğan, Gedikli and Çevik (2019 and 2020).

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volatility is more sensitive to the Covid-19 news rather than the economic variables. By using the data over the period February 27, 2020 to April 30, 2020, Jelilov et al. (2020) investigated the effect of the pandemic on the relationship between stock market returns and inflation in Nigeria. According to the findings, the pandemic not only accelerates the volatility but also distorts the positive relationship between the variables. On the same subject, Waheed et al. (2020) searched the impacts on the Pakistani stock market for the period of February 26, 2020-April 17, 2020. They determined that although the stock market made a dip at the beginning of the pandemic, it had recovery signals after the measures were initiated to decrease the negative effects of the recession. Apergis and Apergis (2020) conducted a similar study for China and searched the impacts on stock market returns and volatility for the period January 22, 2020- April 30, 2020. The authors concluded that the pandemic had a significant negative effect on stock returns. It was also found that the pandemic had a positive and statistically significant effect on stock market returns volatility.

In another study, Ashraf (2020) investigated the impacts of the pandemic in 64 countries over the period of January 22, 2020-April 17, 2020. The author concluded a reverse relationship between the number of infected people and stock market returns. In other words, as the number of cases increased, stock market returns decreased. Albulescu (2020) investigated the impact of official statements on the new cases and the mortality rate on financial markets volatility in the US in the period March 10, 2020 to May 15, 2020. In the study, the S&P 500 3-month realized volatility index was used as an indicator of the volatility of financial markets. It has been demonstrated that the presence of new cases and the increase in the mortality rate raised financial volatility both domestically and globally. Bakas and Triantafyllou (2020) investigated the effect of economic uncertainty related to pandemics on the volatility of commodity markets. The empirical results indicated that while the uncertainty had a significantly negative effect on crude oil market volatility; it had a positive but less significant effect on the gold market. Yar (2020) examined the impacts of the pandemic on the performance of the Pakistani stock market for the first half of 2020. The author pointed out that the pandemic recoveries were effective in the performance of the market. However, the relationship between Covid-19 positive cases and deaths and the performance of the index was not significant.

## **B. Econometric Framework**

In this study, we employ bivariate multivariate GARCH models such as

the Dynamic Conditional Correlations (DCC) model suggested by Engle (2002), Asymmetric DCC (ADCC) model suggested by Cappiello, Engle, and Sheppard (2006), and the corrected DCC (cDCC) model suggested by Aielli (2013) to obtain dynamic conditional correlations between stock market (conventional and Islamic) and Volatility Implied Index (VIX). There is well-documented literature that examines the validity of the decoupling hypothesis for the Islamic stock markets by using a multivariate DCC model (Rizvi and Arshad, 2014; Kenourgios, Naifar, and Dimitriou, 2016; Rahim and Masih, 2016).

The DCC-GARCH model has some advantages. First, it provides time-varying conditional correlation coefficients to test the contagion effects, if any, in both tranquil and crisis periods. Moreover, it allows dynamic correlation coefficients to be obtained through standardized residuals, taking into account heteroscedasticity.

DCC-GARCH model consists of a two-stage estimation process. In the first stage, the univariate GARCH model is estimated. In the second stage, dynamic conditional correlations are calculated. The bivariate DCC-GARCH model can be implemented as follows: let  $y_t \equiv [y_{1t} \ y_{2t}]'$  be a  $2 \times 1$  vector containing the past observations in a conditional mean equation. The reduced-form VAR represented in the conditional mean equation as follows:

$$A(L)y_t = \varepsilon_t, \quad \varepsilon_t \sim \text{Student} - t(0, H_t) \quad t = 1, \dots, T \quad (1)$$

where  $A(L)$  is a matrix for the autoregressive coefficients,  $L$  is the lag operator and  $\varepsilon_t = [\varepsilon_{1t}, \varepsilon_{2t}]$  is a vector of standardized residuals with the following specification;

$$H_t \equiv D_t^{1/2} R_t D_t^{1/2} \quad (2)$$

where  $D_t = \text{diag}\{\sqrt{h_{it}}\}$  is a  $2 \times 2$  diagonal matrix of time-varying standard deviation from the GJR-GARCH (1,1) models and  $R_t \equiv \{\rho_{ij}\}_t$  for  $ij = 1, 2$ , which symmetric dynamic conditional correlation coefficients of the standardized residuals.

The conditional standard deviations in  $D_t$ , is obtained from the univariate GJR-GARCH (1,1) model as follows:

$$h_{it} = \omega_i + \alpha_i \varepsilon_{it-1}^2 + \gamma_i \varepsilon_{it-1}^2 I_{\{\varepsilon_{t-1} < 0\}} + \beta_i h_{it-1} \quad \forall i = 1, 2. \quad (3)$$

Engle (2002) showed the structure of DCC as follows:

$$R_t = (Q_t^*)^{-1/2} Q_t (Q_t^*)^{-1/2}, \quad (4)$$

where

$$Q_t = (1 - a - b)S + a\varepsilon_{t-1}\varepsilon'_{t-1} + bQ_{t-1} \quad (5)$$

In Equation (5),  $a$  and  $b$  are nonnegative scalar (the sum of them must be less than 1 for stationarity),  $S$  indicates the time-invariant conditional covariance matrix of the standardized residuals and  $S \equiv [s_{12}]$ .  $Q_t^*$  is a  $2 \times 2$  inverted diagonal matrix with the square root of the diagonal elements of  $Q_t$ . The time-varying conditional correlations are calculated as:

$$\begin{aligned} \rho_{12,t} &= \frac{\omega_{12,t-1} + \alpha_{t-1}\varepsilon_{1,t-1}\varepsilon_{2,t-1} + \beta\rho_{12,t-1}}{\sqrt{\{\omega_{11,t-1} + \alpha_{t-1}\varepsilon_{1,t-1}^2 + \beta\rho_{11,t-1}\}\{\omega_{22,t-1} + \alpha_{t-1}\varepsilon_{2,t-1}^2 + \beta\rho_{22,t-1}\}}} \quad (6) \end{aligned}$$

where  $\omega_{12,t} \equiv (1 - a - b)s_{12}/\sqrt{q_{11,t} q_{22,t}}$  and  $\alpha_t \equiv \alpha/\sqrt{q_{11,t} q_{22,t}}$

Cappiello et al. (2006) emphasized the leverage effect in the conditional correlations and suggested an asymmetric version of DCC (ADCC). ADCC model allows us to examine the presence of leverage effect not only in the return series but also in the conditional correlations. The econometric framework of the ADCC model as follows:

$$Q_t = (1 - a - b)S - \tau_k N + a(Q_{t-1}^* \varepsilon_{t-1} \varepsilon'_{t-1} Q_{t-1}^*) + \tau_k (n_{t-1} n'_{t-1}) + bQ_{t-1}$$

where  $\varepsilon_t$  and  $S$  are the same in the DCC model.  $n_t = I_{[\varepsilon_t < 0]}$  with  $I_{[\varepsilon_t < 0]}$  is an indicator function that is equal to 1 when  $\varepsilon_t < 0$  and 0 otherwise.  $N = E[n_t n'_t]$  is the unconditional matrix of  $n_t$ .

Aielli (2013) showed that the DCC model produces inconsistent estimations when the systems are large and hence time-varying conditional correlations obtained from the DCC model lead to misleading conclusions. In this manner, Aielli (2013) suggested a more tractable DCC model that is called the corrected DCC (cDCC) model and it provides more consistent results for the large system estimators. The structure of the cDCC model as follows:

$$Q_t = (1 - a - b)S^* + a(Q_{t-1}^{*1/2} \varepsilon_{t-1} \varepsilon'_{t-1} Q_{t-1}^{*1/2}) + bQ_{t-1} \quad (8)$$

In Equation (6),  $S^*$  indicates the unconditional covariance matrix of  $Q_t^* \varepsilon_t$ . The adjusted time-varying conditional correlations are calculated as:

$$\rho_{12,t}^* = \frac{\omega_{12,t-1} + \alpha\varepsilon_{1,t-1}\varepsilon_{2,t-1} + \beta\rho_{12,t-1}}{\sqrt{\{\omega_{11,t-1} + \alpha\varepsilon_{1,t-1}^2 + \beta\rho_{11,t-1}\}\{\omega_{22,t-1} + \alpha\varepsilon_{2,t-1}^2 + \beta\rho_{22,t-1}\}}} \quad (9)$$

$$\text{where } \omega_{12,t} \equiv (1 - a - b)s_{12}/\sqrt{q_{11,t} q_{22,t}}$$

### C. Data and Empirical Results

The aim of the study is to examine the reaction of the conventional and Islamic stock market in Turkey to the Covid-19 outbreak in terms of the contagion hypothesis. The increasing number of cases and deaths from Covid-19 has raised concerns about the global economy, health system, cost of living worldwide and the global pandemic has caused fear among the investors as well as all humanity. In this context, it can be said that one of the important reasons for the collapse of financial markets during the global pandemic period is the anxiety and fears of investors about the future. Therefore, there is a growing literature that focuses on creating a fear index for the Covid-19 outbreak. For instance, Salisu and Akanni (2020) used reported numbers of cases and deaths from Covid-19 to construct a fear index. Chen et al. (2020) considered Google search queries on coronavirus-related words to create a fear sentiment index. On the other hand, these indices may provide short-time span data. It should be noted that the investor fear index is not a new topic in the finance literature, and there are many studies in the literature on this subject before the Covid-19 outbreak. In this manner, the Volatility Implied Index (VIX) has been used as a proxy for investor sentiment or fear specifically during the global financial crisis. Therefore, a large number of studies determined that developed and emerging stock markets are significantly affected by VIX specifically during financial turmoil periods (Whaley, 2000; Korkmaz and Çevik, 2009; Sarwar, 2012; and Cheuathonghua, Padungsaksawasdi, and Boonchoo, 2019).

The VIX that is measured as the implied volatility of the S&P 500 index options represents stock market volatility and it also shows expected stock market volatility over the next month. Therefore, the increase in VIX indicates that the uncertainty in the market will increase in the next 30 days, and hence the index is also called a fear index. In this context, Chen, Liu, and Zhao (2020) found that the fear sentiment index that is calculated by using Google search queries is positively correlated with VIX. Similarly, Leduc and

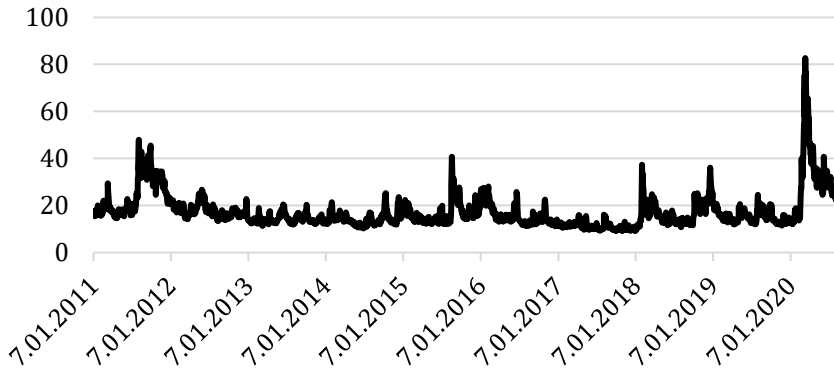


Li (2020) considered the VIX as an uncertainty variable. Al-Yahyaee et al. (2019) indicated that international investors consider the VIX as an uncertainty index.

In line with this information, the volatility implied index is considered as a fear index and examines the relationship between the VIX and conventional and Islamic stock markets in Turkey specifically for the periods of the Covid-19 outbreak. Daily closing prices of the Istanbul Stock Exchange (ISE) 100 index and Participation Index (PI) are collected from the Central Bank Republic of Turkey and TR Investing web site for the 2011-2020 period. We obtained daily VIX prices from [www.yahoo.finance](http://www.yahoo.finance). The total number of observations is 2340. We calculate the logarithmic return series for all the indexes using the log difference of the series:  $r_t = \ln(P_t/P_{t-1}) \times 100$

We present the VIX in Figure 1. According to results in Figure 1, VIX has reached its highest value on March 16, 2020, after the declaration of the coronavirus (Covid-19) as a pandemic by the World Health Organization (WHO) on March 11, 2020. This is higher than the index level during the global financial crisis. The results clearly show that the investors' fear significantly increased during the period of the Covid-19 outbreak.

Figure 1. Daily VIX Series



We present summary statistics for the return series in Table 1. The results in Table 1 show that daily mean return is positive for all series. On the other hand, the mean return of the Participation Index is higher than ISE. The VIX exhibits higher volatility according to standard deviations. The distributions of returns series are not normal as they exhibit excess kurtosis. The ARCH LM test results show that all returns series exhibit volatility clustering. The unit root test results suggest that all return series are stationary in levels.

**Table 1:** Descriptive Statistics

	ISE	PI	VIX
Mean	0.019	0.047	0.019
Median	0.082	0.105	-0.586
Maximum	6.238	6.600	76.825
Minimum	-11.064	-11.049	-31.414
Std. Dev.	1.449	1.275	8.009
Skewness	-0.678	-0.988	1.176
Kurtosis	7.134	10.172	9.786
Jarque-Bera	1845.806 [0.000]	5396.447 [0.000]	5028.985 [0.000]
Q (50)	50.784 [0.442]	49.006 [0.513]	66.722 [0.056]
Q <sub>s</sub> (50)	290.146 [0.000]	452.771 [0.000]	186.818 [0.000]
ARCH (5)	24.180 [0.000]	39.824 [0.000]	21.626 [0.000]
ADF	-23.380***	-18.957***	-21.197***
PP	-48.860***	-46.393***	-56.734***
KPSS	0.026***	0.035***	0.033***

Note: \*\*\* indicates stationary at the %1 significance level. The values in square brackets are p-value.

Table 2 shows the Pearson correlations for the return series. According to the results in Table 2, there is a positive and significant correlation between Participation Index and ISE. On the other hand, stock markets are negatively correlated with VIX and it is consistent with theoretical expectations. It can be seen from Table 2, the absolute value of the correlation between ISE and VIX is found to be higher than the absolute value of the correlation between PI and VIX and it indicates that VIX is more correlated with the conventional stock market than Islamic stock market. This finding is expected because the Shariah screening is prone to making Islamic stock markets more stable and predictable specifically to the global shocks.

**Table 2.** Pearson Correlations

	ISE	PI	VIX
ISE	1.000		
PI	0.873***	1.000	
VIX	-0.265***	-0.238***	1.000

Note: \*\*\* indicates significant correlations at the %1 significance level.

Even if the results in Table 2 show the presence of a negative correlation between VIX and Turkish stock markets, the relationship between the markets can vary over time. Specifically, the relationship between financial markets may change during financial turmoil periods when it is compared to tranquil periods. In this context, we employ the bivariate DCC model to ascertain time-varying conditional correlations.

Since our empirical strategy is based on estimations of three different DCC models, we first examine the optimal ARMA structure in the then mean model, and Schwarz Bayesian information criterion (BIC) suggests the ARMA(1,1) model. We employ the GJR-GARCH model for each return series to account for the leverage effects in estimation in the first step and GJR-GARCH (1,1) specification is found to be adequate in modeling the volatility of the return series. Then, we employ three different DCC models with the multivariate t distribution, and we present model selection criteria for each model in Table 3. All information criteria in Table 3 strongly suggest the cDCC model to estimate time-varying correlations between VIX and stock market index.

**Table 3.** Model Selection Criteria

	ISE & VIX			PI & VIX		
	DCC	cDCC	ADCC	DCC	cDCC	ADCC
AIC	10.062	<u>10.061</u>	10.063	9.724	<u>9.723</u>	9.724
BIC	10.072	<u>10.071</u>	10.075	9.734	<u>9.733</u>	9.736
HQ	10.066	<u>10.065</u>	10.067	9.726	<u>9.727</u>	9.729
Log-lik	-11768.469	-11768.344	-11.768.461	-11372.980	-11372.908	-11372.692

Note: AIC, BIC and HQ indicate Akaike, Schwarz and Hannan-Quinn model information criteria respectively. Log-lik is the log-likelihood value of model.

After confirming the best model for the dynamic conditional correlations, we employ the cDCC model, and model results in both the first and second steps are presented in Table 4. According to the GJR-GARCH model results, the ARCH parameter is found to be statistically significant only in the VIX model. These results show that persistence in the shocks is significant only in the VIX model. The estimates of the  $\beta$  parameter are significant at 1% level in all models. Note that the  $\beta$  parameter shows persistence in the volatility clustering and the results in Table 4 indicate that

volatility clustering in the stock market is more persistent than VIX. The leverage parameter is found to be positive and statistically significant for ISE and PI and this finding implies the presence of leverage. On the other hand, the  $\gamma$  parameter is negative and statistically significant for VIX and this result suggests that negative news increases the investors' fear more than positive news.

In the second step, *c*DCC model parameters are estimated by using standardized residuals that are obtained from the GJR-GARCH model in the first step and we present the results in Table 4. Note that *a* shows the effect of shocks on conditional correlations and *b* indicates the persistence in the conditional correlations. Although both parameters are positive, only the *b* parameters are found to be statistically significant. These findings indicate that persistence in the correlations is very high and past shocks in the markets do not affect conditional correlations. The dynamic conditional correlations are negative and statistically significant and these results indicate the contagion effect between VIX and stock markets. In other words, an increase in VIX is accompanied by a decrease in stock returns. However, the effect of VIX on ISE is found to be higher than the Islamic stock market.

**Table 4.** Multivariate GARCH model results

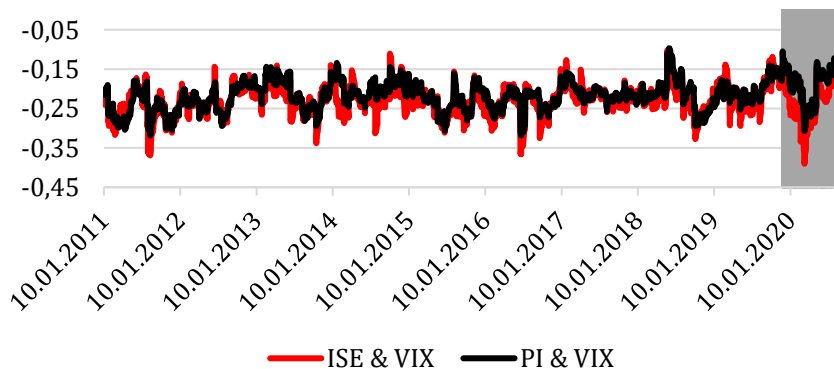
<b>GJR-GARCH Model</b>						
	$\omega$	<i>A</i>	$\beta$	$\gamma$	Q(50)	Q <sub>s</sub> (50)
<b>ISE</b>	0.125***	-0.001	0.870***	0.130***	44.102 [0.707]	33.422 [0.965]
<b>PI</b>	0.126***	0.014	0.813***	0.174***	41.020 [0.813]	26.740 [0.997]
<b>VIX</b>	10.460***	0.270***	0.694***	-0.317***	54.825 [0.296]	42.178 [0.776]
<b>cDCC Model</b>						
	$\rho$	<i>A</i>	<i>b</i>	<i>v</i>	L-M (50)	L-M <sub>s</sub> (50)
<b>ISE &amp; VIX</b>	-0.225***	0.014	0.921***	6.056***	176.273 [0.864]	192.060 [0.605]
<b>PI &amp; VIX</b>	-0.211***	0.010	0.956***	5.625***	176.145 [0.865]	207.885 [0.300]

Note: The figures in square brackets show the *p*-values. *v* is the multivariate student *t*

distribution parameter.  $Q(50)$  and  $Q_s(50)$  indicate Box-Pierce serial correlation test values for the residuals and the squared residuals respectively. M-L and  $M-L_s$  indicate Li and McLeod's multivariate Portmanteau statistics for the residuals and the squared residuals respectively.

We present the time-varying conditional correlations in Figure 2. The shaded areas indicate the periods of December 1, 2019 (the first Covid-19 case appeared), and September 2, 2020. The results in Figure 2 show that the absolute values of time-varying correlations between the conventional stock market and VIX started to increase at the beginning of 2020 and reached the highest level when the disease was declared a pandemic. The time-varying correlations between ISE and VIX exceed -0.45 as of March 2020 and it is recorded as its highest value during the sample period. On the other hand, the absolute value of time-varying correlations between PI and VIX is generally lower than the time-varying correlations between ISE and VIX. In this context, the time-varying correlations between PI and VIX exceed -0.30 as of March 2020 and it is not higher than the conditional correlations that are calculated in 2011 and 2016. These findings indicate that uncertainty in financial markets increased significantly due to Covid-19 and developed and emerging markets were affected by this disaster. The financial markets in Turkey were also affected by the global pandemic but it seems that the impact of this disaster on the Participation index is more limited than the conventional index in Turkey. It can be expected and also consistent with empirical studies in the literature because two-stage Shariah screening makes Islamic stock markets more stable and predictable to the global shocks.

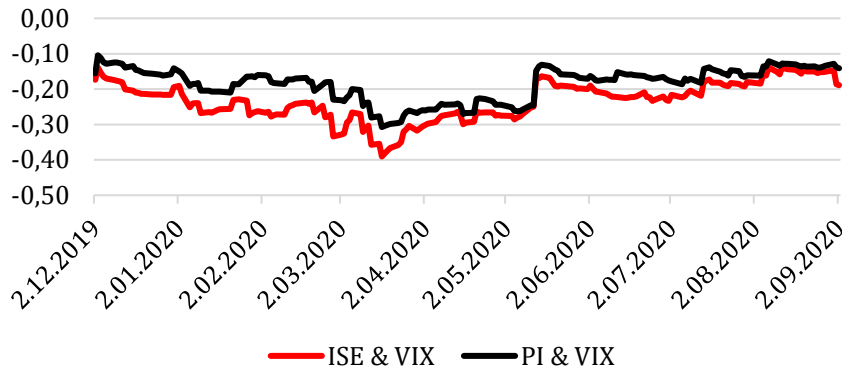
**Figure 2.** Time-varying correlations for the full sample



To understand the dynamic relationship between the fear index and stock markets in the Covid-19 outbreak period in detail, we also show the

time-varying correlations in Figure 3 for the periods of December 2019 and September 2020.

**Figure 3.** Time-varying correlations for global pandemic periods



The results in Figure 3 more clearly show that the absolute value of time-varying correlations for PI & VIX is significantly lower than the absolute value of time-varying correlations for ISE & VIX.

Finally, the descriptive statistics of the time-varying correlations for full sample periods and the Covid-19 periods (December 1, 2019-September 2, 2020) and *t*-test results are presented in Table 5. The results in Table 5 indicate that the mean of the absolute value of time-varying correlations between ISE and VIX after the Covid-19 outbreak is statistically higher than the mean of the absolute value of time-varying correlations for full sample periods. The contagion analysis reinforces the hypothesis that the correlations between the stock markets and VIX have significantly increased during the global Covid-19 pandemic. On the other hand, the absolute value of time-varying correlations between ISE and VIX decreased after the Covid-19 outbreak and this finding suggests that Islamic stock markets are less sensitive to global shocks than conventional markets. We also employ a *t*-test to compare the mean of conditional correlations between ISE & VIX and PI & VIX and the test results in Table 5 show that the conditional correlations for ISE & VIX and PI & VIX are statistically different from each other at 1% level. Hence, it can be said that Islamic stock markets are more stable to the global Covid-19 outbreak shock than the conventional stock market. These results are consistent with the empirical findings of Yarovaya, Elsayed, and Hammoudeh (2020) and Ashraf, Rizwan, and Ahmad (2020). They empirically show that Islamic financial markets exhibit safe haven properties during the Covid-19 outbreak.

**Table 5.** Descriptive statistics for the time-varying conditional correlations

	Full Periods				% difference	t-test
	Mean	Min.	Max.	Std. Dev.		
ISE & VIX	-0.229	-0.391	-0.101	0.040	-0.013	-11.307***
PI & VIX	-0.216	-0.319	-0.096	0.038		
	COVID-19				% difference	t-test
	Mean	Min.	Max.	Std. Dev.		
ISE & VIX	-0.233	-0.390	-0.135	0.056	-0.048	-8.817***
PI & VIX	-0.185	-0.307	-0.104	0.047		

Note: \*\*\* indicates statistically significant test statistic at the 1% level.

### Conclusions

The aim of the study is that examine the reaction of conventional and Islamic stock market in Turkey to the Covid-19 outbreak in terms of contagion hypothesis. The studies in the literature show that one of the important reasons for the simultaneous collapse of financial markets during the Covid-19 outbreak is the anxiety and fears of investors about the future. Hence, we consider the volatility implied index as a fear index and examine the relationship between the VIX and conventional and Islamic stock markets in Turkey specifically for the periods of the Covid-19 outbreak by using dynamic conditional correlations. The empirical result shows that both conventional and Islamic stock markets are negatively correlated with the fear index. On the other hand, the absolute value of time-varying correlations between PI & VIX is generally lower than the time-varying correlations between ISE & VIX. When we compare the conditional correlations between VIX and stock markets in terms of the full sample period and after the Covid-19 outbreak period, we determine that the conditional correlations between ISE & VIX increased and the conditional correlations between PI & VIX decreased after the Covid-19 outbreak. Therefore, it is concluded that Islamic stock markets are more stable to the global Covid-19 outbreak shock than the conventional stock market in Turkey. These results are consistent with the empirical findings of Yarovaya et al. (2020) and Ashraf et al. (2020). In both studies, the empirical results showed that Islamic financial markets had safe haven characteristics during the Covid-19 outbreak.

One may think that the reason for less affection of the Islamic financial system from the pandemic and its more stable appearance can be attributed to its small weight compared to the conventional financial system in the financial industry in Turkey. Notwithstanding this fact, the findings of this

study should be used as supportive data for the attempts to strengthen the Islamic financial system in Turkey. Turkey should take the advantage of its strong and remarkable healthcare management performance both within the pandemic period and in the post-pandemic period. Accordingly, Turkey should apply to the Islamic financial instruments more especially for financing of public investments such as hospital and infrastructure constructions. Financing of various infrastructure investments by cost-effective and interest-free Islamic financial instruments will be the important steps to be taken to strengthen the Islamic financial system in Turkey.



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# TÜRKİYE'DE COVID-19 PANDEMİSİNİN GELENEKSEL VE İSLAMİ BORSALAR ÜZERİNDEKİ ETKİLERİ

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## Geniş Öz

Aralık 2019'da Çin'in Wuhan şehrinde ortaya çıkan koronavirüs, kısa sürede bütün dünyaya yayılmış ve pandemiye dönüşmüştür. Covid 19 pandemisi gelişmişlik düzeyi ne olursa olsun bütün ekonomileri derinden sarsmaya devam etmektedir. Bütün ülkelerde iktisadi büyüme performansı sürekli zayıflamakta ve durgunluk eğilimleri iyice gün yüzüne çıkmaktadır. Pandemi ile mücadelede etkin bir tıbbi tedavi yöntemi geliştirilmediği sürece küresel depresyona gidişi durdurmak mümkün olmayacaktır. Pandeminin ekonomi üzerindeki etkilerinin ortaya konması, bu dönemdeki temel makro ekonomik göstergelerdeki değişikliğin yanısıra finansal piyasalardaki hareketliliğin incelenmesi ile mümkündür. Finansal piyasalardaki değişiklikler iktisadi birimlerin takip ettiği en önemli değişkenlerden birisidir. İktisadi birimler bu piyasaları takip ederek portföylerini ayarladıkları gibi yatırım kararlarını da belirlerler. Ancak finansal piyasaların yol göstericilik işlevi, bu piyasalardaki belirsizliğin ve istikrarsızlığın arttığı durumlarda zayıflamaktadır. Finansal piyasalardaki istikrarsızlığın boyutlarının ortaya konması açısından, pandeminin borsa endeksleri üzerindeki etkisinin araştırılması başvurulacak yollardan birisidir. Söz konusu araştırmalar ülke gurubu için yapılabileceği gibi tek ülke için de gerçekleştirilebilir. Tek ülke verilerini kullanarak gerçekleştirilecek çalışmalar, sorunun daha derinlemesine ortaya konmasına imkan sağlamaktadır. Pandeminin borsa üzerindeki etkisi araştırılırken, geleneksel ve İslami endeksleri birlikte dikkate almak finansal piyasalara ilişkin politikaların belirlenmesinde daha gerçekçi verilerin elde edilmesi açısından önemlidir. Pandeminin etkilerini net olarak görmek için

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henüz yeterli bir zaman diliminin geçmediği düşünülebilir. Ancak görece kısa dönemli verileri kullanarak ya da pandemi öncesi dönemi de dikkate alarak daha uzun dönemli bir perspektifle analizler yapmak ve makro ekonomik göstergelerin yanısıra finansal piyasalardaki eğilimler hakkında somut sinyaller yakalamak mümkündür. Makro ekonomik sorunlar ile mücadelede hem kısa dönemli hem de uzun dönemli stratejilerin uygulanması ile başarıya ulaşılabilir. Pandeminin süresine ilişkin belirsizlik nedeniyle finansal piyasalardaki değişimin sürekli takip edilmesi, tutarlı politikaların geliştirilmesi açısından elzemdir.

Bu çalışmanın amacı, Covid -19 pandemisine geleneksel ve İslami borsanın bulaşma ve ayrışma açısından gösterdiği tepkiyi incelemektir. Çalışmada 10 Şubat 2011 – 02 Eylül 2020 dönemine ilişkin günlük veriler kullanılmış ve DCC-GARCH yönteminden yararlanılmıştır. Pandemi döneminde küresel ölçekteki vaka ve hayatını kaybedenlerin sayısının sürekli artması, makro ekonomik göstergeleri negatif yönde etkilediğinden, finansal piyasalardaki yatırımcılarda korku ve tedirginlik eğilimlerini arttırmaktadır. Bu dönemde finansal piyasalardaki istikrarsızlığın en önemli nedenleri arasında yatırımcıların gelecek korkusu ön sıralarda yer almaktadır. Dolayısıyla, ilgili literatüre katkı yapmayı hedefleyen bilim insanları Covid -19 pandemisi için bir korku endeksi geliştirme çabası içerisine girmişlerdir. Ancak finans literatüründe yatırımcı korku endeksi geliştirme çabası Covid -19 pandemisi ile birlikte gündeme gelmiş yeni bir konu değildir. Covid -19 pandemisi öncesi dönemde de birçok çalışmada bu konunun ele alındığını görmek mümkündür. Zımnı Volatilité Endeksi (Volatility Implied Index: VIX), özellikle küresel finans krizi döneminde yatırımcı duyarlılığını ya da korkusunu temsil etmek üzere kullanılmıştır.

Bu çalışmanın literatüre katkısı iki noktada öne çıkmaktadır. Birincisi, bildiğimiz kadarıyla, Covid -19 pandemisinin geleneksel ve İslami endeksler üzerindeki etkisini Türkiye’de inceleyen başka bir araştırma henüz bulunmamaktadır. İkincisi, bu çalışma İslami borsa ile Volatility Implied Index arasındaki dinamik ilişkiyi Türkiye özelinde inceleyen ilk araştırmalardan birisidir. Elde edilen sonuçlara göre, Türkiye’de küresel Covid -19 pandemisi şoku karşısında İslami borsa, geleneksel borsadan daha istikrarlıdır. Bu sonuca göre Türkiye’de İslami finansal sistemin geliştirilmesine yönelik adımlar güçlendirilmelidir. İslami finansal sistemin pandemiden görece daha az etkilenmesi, diğer bir ifade ile daha istikrarlı olması geleneksel finansal sistem ile karşılaştırıldığında ağırlığının küçük olmasına bağlanabilir. Ancak bu sonucun İslami finansal sistemin güçlendirilmesine yönelik girişimler için destekleyici bir veri olarak kullanılması gerekmektedir. Pandemi dönemi ve sonrasında, Türkiye, sağlık

yönetimi konusunda gösterdiği güçlü ve saygın performansı çok iyi değerlendirip özellikle kamu yatırımlarının finansmanında İslami finansal enstrümanlardan yararlanmalıdır. Düşük maliyetli ve faizsiz olma özelliğine sahip İslami finansal enstrümanların kullanılması İslami finansal sistemin güçlendirilmesi açısından atılacak en önemli adımların başında gelmektedir. Çalışma üç bölümden meydana gelmektedir. Birinci bölümde, literatür araştırması yer almaktadır. Literatür araştırması başlığı altında makro ekonomik değişkenlerin yanısıra Ebole ve SARS gibi salgınların etkilerini araştıran çalışmalardan kısaca bahsedilmiş, akabinde Covid -19 pandemisi-borsa ilişkilerini ele alan çalışmaların bulguları özetlenmiştir. İkinci bölümde, ekonometrik çerçevede üzerinde durulmuştur. Üçüncü bölümde ise veri ve ampirik sonuçlar ele alınmıştır.

**Anahtar Kelimeler:** İslami Ekonomi, Covid-19, Katılım Endeksi, BİST 100 Endeksi, Finansal Piyasalar.





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# THE ROLE OF ISLAMIC ECONOMY IN REDUCTION OF SOCIAL INJUSTICE AND SUSTAINABLE DEVELOPMENT GOALS

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 Kamola BAYRAM<sup>b</sup>

## Abstract

Today, the most severe problems faced by people are the income injustice and increase of poverty. During the rapid change process that began in the 1980s, the problem of the income distribution was no longer perceived as a common economic problem, but as a political and social problem. Economic and social policies implemented since the 1950s have not been able to solve the problems and have made many problems more apparent. In short, in today's world, an unbalanced structure has emerged, where financial prosperity is increasing, and social welfare is gradually diminishing.

This study addresses three main problems (i) what the answers to a more livable life expectancy that will meet the needs of everyone and every sector based on the understanding that the Islamic economy has a future-oriented understanding, (ii) what are the strategies for eliminating injustices in income distribution in terms of Islamic economy are? (iii) what are the perspectives of Islamic economy that will be put forward in order to develop the concept of Sustainable Development?

In this study, because the Islamic economy has an understanding of the future, it will address the inequalities in income distribution and the strategies that will be put forward for the formation of sustainable development understanding, which will meet the needs of everyone and all segments and will provide answers to a more livable life expectancy.

In order to approach the injustices in income distribution and sustainable development strategies from the perspective of Islamic economy, it is necessary to put forward political stability on this issue, to revise the ideas put forward to date, to present complementary proposals by identifying missing aspects of current developments and to identify the current threats and opportunities. This study will reveal the social vision of the Islamic economy by addressing all aspects of income injustice and sustainable survival strategies.

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**Keywords:** Islamic Economy, Sustainable Development, Islam, Injustice, SD Goals.



## SOSYAL ADALETSİZLİKLERİN AZALTILMASI VE SÜRDÜRÜLEBİLİR KALKINMA HEDEFLERİ AÇISINDAN İSLAM EKONOMİSİNİN ROLÜ

Gelecek nesillerin ihtiyaçlarını karşılayabilme olanağından ödün vermeksizin günümüz neslinin ihtiyaçlarını karşılayabilecek bir kalkınma modeli olarak ilan edilen *sürdürülebilir kalkınma hedefleri* (SKH), 20. yüzyıl sonlarına doğru dünya gündeminde yerini almış ve 1990'lı yıllarda imzalanan uluslararası antlaşmalarla küresel bir uygulama planı haline gelmiştir. Küresel anlamdaki sosyal adaletsizlikleri azaltma, yoksullukla mücadele ve sürdürülebilir bir refah anlayışını dünya geneline hakim kılma, eğitim, çevresel ve ekolojik sorunlarla mücadele etme gibi bir çok insani hedefi amaçlayan bu politikalar ilk dönemlerden itibaren ilgi uyandırmış ve bir çok devlet tarafından da politika aracı olarak kullanılmıştır.

Küresel düzeyde varlığını sürdüren sosyal adaletsizlikler ve kat kat artan gelir eşitsizlikleri ile yoksulluk oranları günümüz dünyasının karşılaştığı en ciddi sorunlardan birisi haline gelmiş ve sürdürülebilir kalkınma politikalarının işlevi tartışılmaya başlanmıştır. 1980'lerle başlayan hızlı değişim süreciyle birlikte gelir dağılımı sorunu sıradan bir ekonomi sorunu olmaktan çıkmış politik ve sosyal bir sorun olarak algılanmaya başlanmıştır. Dünya ölçeğinde 1950'li yıllardan itibaren uygulanan ve günümüzde de değişik boyutlarıyla sürdürülmeye çalışılan SKH var olan adaletsizlikleri, yoksulluğu ve sosyo-kültürel sorunları daha da belirgin hale getirmiştir iddiasıyla birçok eleştiriye maruz kalmıştır.

*[Türkçe geniş öz çalışmanın sonunda yer almaktadır.]*



### Introduction

According to the dominant paradigm defining the societies living in the world, when “developed, underdeveloped, and developing” concepts are taken into consideration, one can see that the majority of Islamic countries in the category of developing countries (United, 2016) Therefore, it is necessary to redefine the concept of development and the relationship of Muslim states with this concept. Although the reality of countries in this category is exposed to a number of factors that hinder development, such as colonial, civil war, geographical location and demographic differences in terms of political history, we must focus on whether development policies and social justice are established (Macit, 2005, pp. 67–68).



While poverty continues to be a severe problem throughout the world and especially in Islamic countries, the world we live in has become an inexorable place due to political and moral deterioration. The world economic system, which is centralized in the focus of social and ecological imbalances, has come to a stage of severe stagnation and collapse due to a global crisis that cannot be overcome despite intense efforts. Although the concept of *development strategies and sustainability* was introduced 30 years ago due to social, ecological and economic crises, it failed to solve the problems of humanity and crises (Harding, 2006, p. 229; Sneddon, Howarth, & Norgaard, 2006, p. 256).

The concept of development aims not only economic growth, but also the betterment of the quality of life of all humanity, improvement of the standards of life, to ensure that all people have equal access to resources, conscious environmental understanding, ecological balance, education and health. Sustainable development is to consume the resources of humanity in the world consciously and to respect the rights of future generations and to establish a balanced lifestyle (Seyidođlu, 1999, p. 580)

The concept of sustainable development, which was included in the "Our Common Future" report published in 1987 after the studies of the World Commission on Environment and Development (Brundtland Commission) in 1987 for the first time in the historical process, has been published within the framework of the United Nations' program and target reports has gained a global dimension with international conferences (IMF, 2016; United Nations, 1987)

While studies in the fields of development, sustainable development and social justice have increased in the Western world, the interest in this issue in Islamic societies is unfortunately not very encouraging. In this study, the concepts of enrichment, progress, growth and development will be examined in general terms within the framework of the views emerging from the history of economics. Then the approach of Islamic economic thought to these concepts will be highlighted.

Besides, the process of transition from the concept of development to the concept of sustainable development will be discussed, and a general evaluation will be derived. The theoretical and practical aspects of sustainable development objectives, what are the objections to sustainable development objectives in terms of Islamic economy, and the relationship between the accepted objectives and current practices will be examined. Finally, the scorecard and current status of the SC objectives in terms of

social justice will be presented.

### **A. Conceptual Framework of Social Justice**

One of the most common definitions expressing the framework of social justice is the regulation of the relationship of the social individual with other members of the society to realize the common good in general (Miller, 1999). However, the concept of social justice is a modern and new concept which traces its roots back to the 19th century and was not studied by pioneer philosophers such as Aristotle, Plato, Ibn Rushd, Kant, Rousseau in historical thought, as justice, injustice, law and equality are discussed or studied. The concept of social justice and its negative form, social injustice, first emerged with the political language that developed after the industrial revolution and became an objection to the exploitation of capitalist labour and a focus for the improvement of humanity - the human condition. In the literature, by Proudhon, justice has been identified with social justice and social justice with human dignity (United Nations, 2006, pp. 11–12).

Those who advocate the elimination of injustices in the society through a change of order (Radical Social Justice Movement) by associating it with the concept of justice, tried to establish social justice through the state. On the other hand, justice was defined through the establishment method, for example, Nozick's "pure market justice", which prevent state intervention, Hayek's "market justice" that allows limited state intervention, and Rawls' "distributive justice" that gives the state an important role in the intervention. (Hayek, 1978, pp. 58–59; Nozick, 2001, p. 84; Rawls, 1999, pp. 542–544). Furthermore, in the above doctrines, equality is the basis of justice initiatives. In particular, distributive justice differs from regulatory justice in terms of equality. The basic approach of distributive justice is that individuals in society assume a role in life according to their capacities and receive the remuneration of this status according to the principle of equality. However, it should not be forgotten that the equation here is explained with economic gains. Since the income obtained by the settled order brought by the market economy and the division of this income among individuals was not found sufficient in terms of rationality, the distributive justice theory was developed, and it was aimed to achieve equality with this theory (Kurt, 2006, p. 206).

While social justice, which is explained through justice, the welfare state and the social welfare state, deals with the distribution of resources in the society in a narrow sense, it deals with the extent to which the resources and services produced for individuals living in the social reach and equality

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of opportunity in this regard, which implies the elevating justice from being a mere discourse and putting it into practice in a social sense, which concerns the practical field (law-economics) rather than theory only (Barry, 2017, pp. 15–17).

On the political level, where social justice is associated with the existing and social injustice with the neglected, it is expressed as a reflection of income distribution or development and has been discussed in the literature by making a national/international or individual / state distinction, sometimes it has been discussed in a purely economical sense and sometimes with its multi-faceted structure (Er, 2006; Kuçuradi, 2011). It is also stated that social-economic theories such as the welfare market and consumer welfare can only be realized on a ground where social justice is ensured (Sirgy, 2008, pp. 207–208). The possibility of unfair societies to establish social justice and the fairness of societies where social justice is not realized will be on the same plane and will be exempt from social benefits (Jafari & Sandıkcı, 2015, p. 60). While the elimination of social injustice at the international level is seen almost as a problem for many different reasons, it seems possible to be remedied at the national level (Kuçuradi, 2011, p. 13). However, it should not be forgotten that what constitutes the possibility of social justice is not space and time, but a fair social structure. According to Fârâbî, a just society may be possible with the combination of justice and virtue (Fârâbî, 1980, pp. 43–46).

### **B. Projection on Social Injustice**

The history, which has witnessed the brutal life under the shadow of justice, has carried its own sovereignty, which it has built on the other since the medieval, to the present day with many discourses and slogans and has always survived by constantly changing its formal appearance without losing its cruelty. For example, those who introduce geographical discoveries as the key to great scientific developments for humanity do not show the brutality full of injustice in their background. Before the discoveries, people who live in freedom and prosperity in their own lands were brutally deprived of their freedom and well-being, and their religion, language, and culture were forcibly changed with the arrival of white people. Those who resisted this coercion were slaughtered, and those who submitted were enslaved (Casas, 1999). Rousseau expresses the brutality of the rich in subjugating individuals in society as follows;

As soon as the rich tasted the pleasure of ruling their share, they began to belittle all other pleasures; While using their old slaves to

subdue new slaves, they think of nothing but making their neighbours servants. They were like hungry wolves who once tasted human flesh, refusing all other food with gruff, only wanting to swallow humans (Rousseau, 2017, pp. 137–138).

Capitalist societies usurping the future of free peoples by taking their colonial power behind them were not only an attitude in economic terms. Especially after the 18th century, the prevailing attitude was that the poor should never get rid of poverty, and the new generation should not dream of a future beyond the plough or loom. This approach was the main motive behind the failure of economic theories based on labour and incentives (motivation) and their result in the exploitation of labour, which is regarded as the most valuable property of man. Another reason was that for the continuation of Christian ethics, the poor in society and the rich helping these poor as a religious duty was perceived as a theological ritual. Therefore, the continuation of poverty was a prerequisite for preventing the deterioration of social hierarchy and for the continuity of Christian theology (Fleischacker, 2013, p. 127).

When it comes to the 20th century, the concepts of developed, developing and the underdeveloped state as a political discourse constitute the most obvious example of the polarization of the world and the legitimization of a subordinate language with politics and policies. Due to the endless ambitions of the capitalist states, they spread beyond their own nations to other geographies of the world to expand their production and market networks. As a result of this wild spread, they made efforts to allocate cheaper labour and more people's future due to their competition with their rivals (Beaud, 2016, pp. 189–191).

When we look at the capacity of the dominant economic thought to make people reach happiness, the scientific and epistemic definitions that are made with the aim of increasing the satisfaction of humanity by dividing the scarce resources available in the world to limitless human needs will easily be seen (Görmüş, 2015, p. 162). According to the OECD's 2012 report, the unfair distribution of income (Gini coefficient) in the world between 1980 and 2010 increased by 10% and the gap between the rich and the poor became even more pronounced (OECD, 2012). Wealth inequality among individuals has continued to improve day by day since 1980, especially in countries where capitalist reforms were implemented (Wid.World, 2018). For example, in the ranking of states with the highest income inequality, China ranks 1st, the USA ranks 4th, and Israel ranks 5th (OECD, 2012). While the researches and the reports revealed the gravity of the situation, many

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different classifications have to be brought to the definition of inequalities, especially poverty, in the literature (Erdem, 2003).

The Problems in the definition and the flaws of the system built on this definition made many other corrective programs mandatory, and the discourse and projects of the dominant paradigm never left the market empty. Based on their description, it is seen that they try to put into effect many projects such as Sustainable Development Goals (SDGs) to reduce them by saying that poverty and injustice are a normal situation. If the usual economic activities continue, global inequality and poverty will increase even more for the 2050 vision (Wid.World, 2018). This dominant paradigm put forward with Adam Smith considered wages against labour, interest against capital, rent against the land, and profit against the entrepreneur as appropriate and within this framework has developed countless policies to the date.

According to the 2019 Global Multidimensional Poverty Index, the striking picture of social injustice around the world has been presented and according to the findings, it has been stated that while the high-income living level has not changed, a serious transfer from the average living level to the lower-income level of life is continuing (UNDP, 2019). While 1.3 billion people are exposed to multidimensional inequality worldwide, 2 billion people are struggling with poverty.

Sub-Saharan African countries and South Asia constitute regions where multidimensional social injustices cluster. The proportion of those living in this region who are exposed to multidimensional inequalities to the world is 84.5%. For example, the multifaceted inequality rate on a national basis in South Sudan, which is located in this region, is 91.9%. Multidimensional inequality rates differ from country to country, as well as by variables such as rural life and urban life, adult and children, women and men. For example, the multidimensional inequality rate in children is twice as high as in normal adults, and children around the world suffer from inequality. In Chad, Ethiopia, Burkina Faso, Niger and South Sudan, around 90% or more of children under 10 are multidimensionally poor (UNDP, 2019).

From the point of view of the deficiencies of the definition, according to Imam Ghazali, economics is the knowledge of using relatively scarce resources in a way that will increase the welfare of the whole humanity without creating any injustice and environmental problems within the rules of Shariah, and this understanding of fair distribution is the most critical

motivation of Islamic economics in reducing social injustice (Orman, 2016a). From the general point of view of Islamic economics, as a manifestation of the attributes of Allah's er-Razzak and Generous, it is also able to meet the needs of the people in the world, and the resources are not unlimited. The scarcity of resources is related to either people's inability to reach those bounties due to lack of information or problems due to excessive greed and consumption. The problem here is the injustice of the rich due to excessive greed and consumption (Zaman, 2008).

The fact that the human model designed within the dominant paradigm is rational and wants to maximize its benefit at all times and under all conditions prevents from the very beginning to think of another and become an altruist. However, according to the understanding of Islamic economics, Human beings, whose boundaries are drawn by Allah, have an attitude to fulfil their needs while being just, not wasting, thinking of others, cooperating with others and possessing a social responsibility consciousness (Zâim, 1995). Besides, within the prevailing paradigm, private property has priority over the right to live, and all kinds of aid, donations, unrequited assistance and zakat are never accepted to reduce ownership (wealth). Even property is considered sacred, and people have been directed to accumulate and increase continuously. As a result, property and wealth were concentrated in the hands of a certain group and a serious income injustice occurred between the rich and the poor within the society.

Social justice is not a phenomenon that can only be realized through the fair sharing of "things". It is a concept that can be established by distributing all kinds of needs that will enable people to live in a way that is worthy of human dignity (Kuçuradi, 2011). The mechanism that will establish social justice in the Islamic tradition has been put forward by the theory of purposeful human rights, and the religion, mind, life, property and generation of people are protected. The potential of these five fundamental principles that will allow humane living has been private as the typical call of all prophets sent by Allah and has gained a universal dimension by being adopted by the Islamic tradition (al-Ghazali, 1988, p. 288).

### **C. Evolution of Development, Growth and Progress in Economic Thought (Mercantilism, Physiocracy, Classical Economic, Capitalism, Neo-Classical)**

Since the day of creation human beings are working to meet their needs. They worked as a gatherer and hunter to meet these needs. Later, they meet needs by dealing with agriculture. With the accumulation of savings,

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the process of industrialization was started and the old necessities were gradually abandoned and industrial activities have started. Subsequently, industry and industrial activities alone were not sufficient and new actors were needed. Together with many actors such as information technology, innovation and high technology, people continued to meet their needs. In all these processes, we see that the concepts such as enrichment, growth, progress and development have evolved and changed according to (Yavilioğlu, 2002, p. 59).

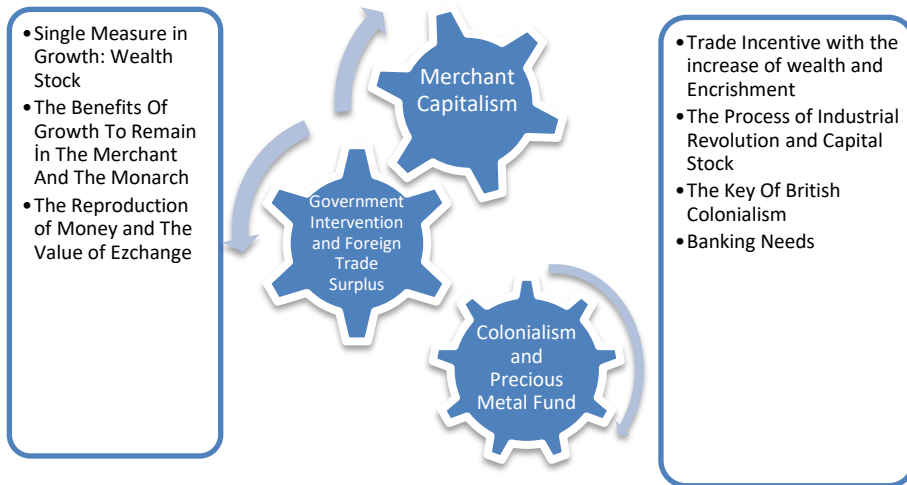
Since the beginning of the 15th century, when economic thought was systematically dealt with, almost every trend of economic thought approached these concepts in different ways. This process that started with Mercantilism continued with the Physiocrats and by the 18th century it was redefined by Classical economic thought. The criticisms of Classical economic thought and the post 1929 Great Depression were then re-examined by Marxist-Capitalist thought. This redefinition process continued with Schumpeter, the founder of innovative economics, further diversified by Keynes, and identified by additional factors by the Neo Classicalists. This was not enough and today many economists are trying to put forward different definitions and views on this issue. After briefly analyzing these views in our study, we will try to examine the views of Islamic economics which will be included in today's definitions (Savaş, 2000, pp. 138–139).

According to Mercantilism, which was at the center of the European economic thought system between 1500 and 1800, the focus of growth, development and enrichment was precious mine-based trade. During this period, which was named as the age of explorers, the precious metals obtained through colonial activities comprise the main capital. The trade of these precious mines created a source of wealth and was constantly encouraged by patronizing state policies. Growth and progress can be mentioned in terms of volume of commercial activities (Kazgan, 2004, pp. 43–48). According to this understanding, which is also known as commercial capitalism, the acquisition of the necessary minerals for trade, taking restrictive measures through the state channel in commercial and industrial activities, the balance of payments and seeing the interests of the country above all in international competition constituted the basic dynamics of this idea (Özsağır, 2008, p. 3). The common point of the founding ideas of Mercantilism, which was found to be incompatible in theory and practice, was that precious metals were seen as the only measure of wealth, progress and development. From this point of view, wealth increase, i.e. enrichment, can be achieved by obtaining precious metals. W. R. Allen “foreign trade creates

wealth, strength in wealth, with this force, we protect our trade and religion” and expressed the essence of mercantilist thought (Savaş, 2000, p. 139). In this system of thinking, the functions and functions of the state are very important. Growth, development and enrichment activities are carried out indirectly by the government. In other words, it is seen that merchants and sovereigns are in close relationship since economic wealth refers to the wealth of both the economy and the state. The precious metal, the only criterion of wealth, must remain within the borders of the country. So the balance of foreign trade should be positive and the treasury should be strengthened. In order to achieve this, the government should take measures to reduce imports and increase exports (Kazgan, 2004, p. 45)

According to the thought system that we tried to summarize above, the criterion of progress, growth, development and enrichment is indexed only to precious metals and wealth is measured as much as the substance owned. Concepts such as production, distribution and social justice have hardly been mentioned. This idea, in which poverty was considered as an opportunity to gain wealth, was also the basis of the Capitalist thought system (Figure 1).

**Figure 1:** Mercantilism Thought System and Results



**Source:** Inspired By The Author Adam Smith’s Book The Wealth of Nations

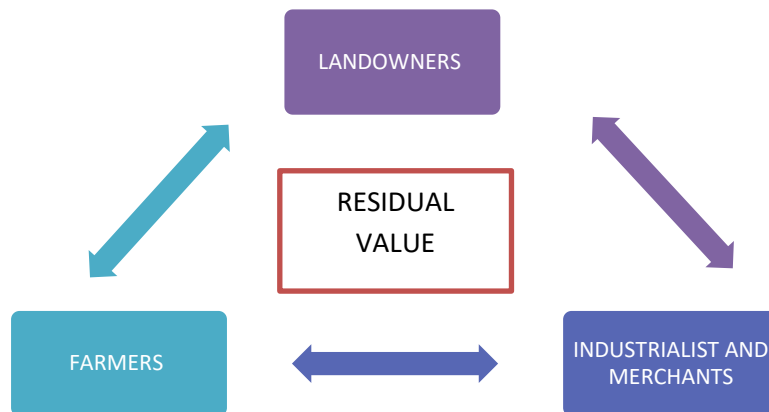
According to this system of thought, which was put forward by the French reformers as a reaction to Mercantilism, which carried out research on wealth and production, they aimed to establish an economic system based on production since trade enrichment would not be enough. They tried to form an economic model by adopting policies based on farming, fisheries, mining and agriculture based on the fact that the aid of the land is inevitable



for trade to provide enrichment. Physiocrats, who believe that a trade based on production, rather than a trade based on exchange, will enrich and develop the country, giving importance to agriculture as the dynamic factor of growth. They predicted that the state would not intervene in the economy and that the market would operate with a natural order. The main objective at the end of production is to generate the residual value (Figure 2). They called this theory circular flow. In other words, they have adopted a sustainable growth policy by obtaining more of the raw materials included in production as a result of this production. This reveals the interest of agricultural capital earnings (Kazgan, 2004, pp. 56–58)

They predicted that the source of wealth is the net product. They divided society into certain classes in the light of the policies adopted in this way. The main reason for this categorical distinction is adopted as landowners, farmers, traders and industrialists. As a result, the only criterion for growth and development is output. Therefore, it has been criticized by many economists (Savaş, 2000, p. 230)

**Figure 2:** Circular Flow in Physiocratic Economic Thought



**Source:** Inspired by the author Karl Marx's book *Das Capital, Volume II: The Critique of Political Economy*.

This movement of thought, which was influential in the last quarter of the 18th century and in the 19th century, made the concept of labor force the focal point, arguing that only the capital flows were not sufficient against the concept of output which is the sole basis of the growth of Physiocrats. They did not accept the assumption of continuous growth as in Mercantilism and Physiocracy, and expressed that there would be a period of recession in the economy after growth. They also stated that the phenomenon that is effective in growth would not be realized with only one concept, but also played a vital

role in technological developments and social factors.

According to them, the goals of the theoretically revealed factors have not been realized and different theories have begun to be produced against the real situation. Adam Smith mentions progress rather than development. For example, he explained Britain's industrialization process with progress, not development. He also linked the material progress to the accumulation of capital and this accumulation to the tendency to raise money in the wealthy class (Smith, 1982, pp. 276–280). In addition, until the World War II, almost all economists have been explaining the concept of material progress as the concept of development (Yavilioğlu, 2002, p. 60)

On the other hand, the other factor that attracted attention in this period was the population. According to classics, population is one of the most important indicators of growth. The thesis that the resources available against the increasing population will not be sufficient has been frequently brought up. Therefore, a paradigm taking into account the dynamics of the population has been proposed. Both A. Smith and D. Ricardo could not explain the growth of developed countries as a model in their growth theories. Their theories for the underdeveloped countries are in conflict with reality. On the other hand, the growth model which they put forward as decreasing yields and increasing yields law has a systematic understanding of labor and capital (Figure 3). However, it was not a real successful model.

**Figure 3:** Ricardian Growth Model

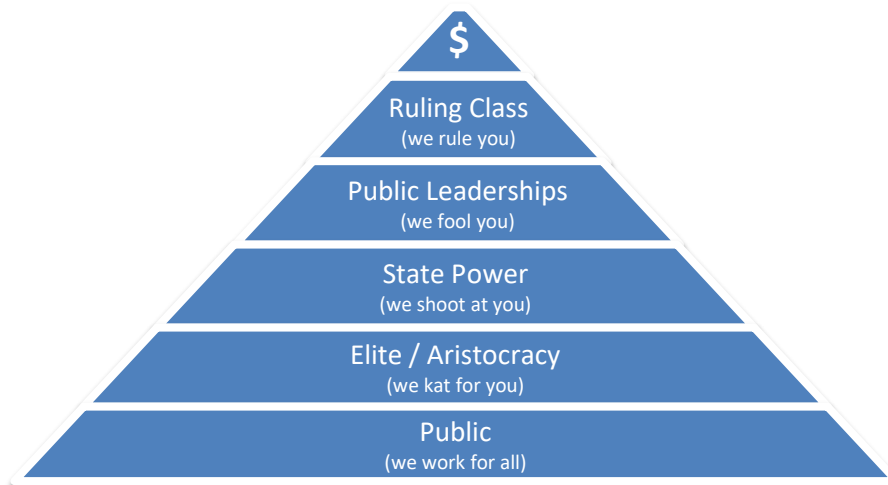


**Source:** Inspired by the author Halil Seyitoglu's book Uluslararası İktisat

This idea, which has been cored by Karl Marx and has been valid in the world market since the 19th century and has been adopted by many countries, comes to the fore with the theory of labor-value and surplus-value. In fact, the main reasons for putting forward these and similar theories are International instabilities, changing balances after the first and second world wars, competition based on colonialism and economic crises occurring worldwide. In this system of thinking, the most important factor that determines the growth is capital "*Capital*". Capital is the transformation of surplus value into Capital.

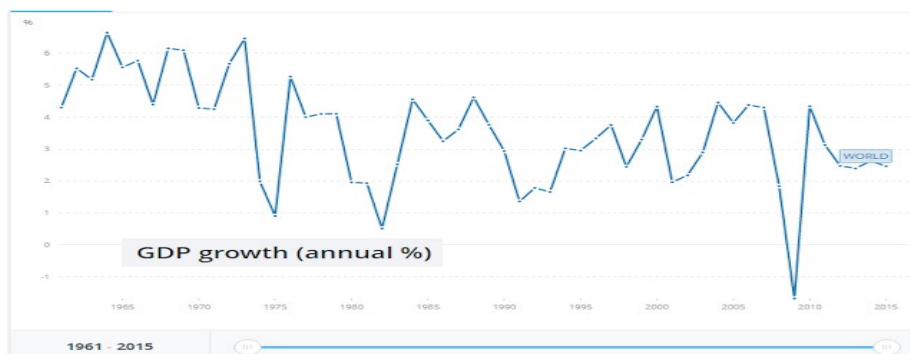
In this view, it is aimed to seize labor, to take control of natural resources and thus to keep the market under control. While establishing this, the state structure was used as the most important tool (Figure 4). The state administrators who cooperate with the community leaders have established a brutal system by keeping the capital accumulation produced by the people away from the public (Chapra, 1995, p. 72).

**Figure 4:** The Pyramid of Capitalism (Issued by Nedeljkovich, Brashick and Kuharich, Cleveland: The International Publishing Co., 1911)



In the world economic system, especially from the 20th century, many reflections of this system of thought reach to the present day. In particular, the accumulation of capital and the dominance in finance have enabled many economic factors to be realized on these foundations. When we look at the last century of this system (Graph 1), we can see the stability of growth clearly.

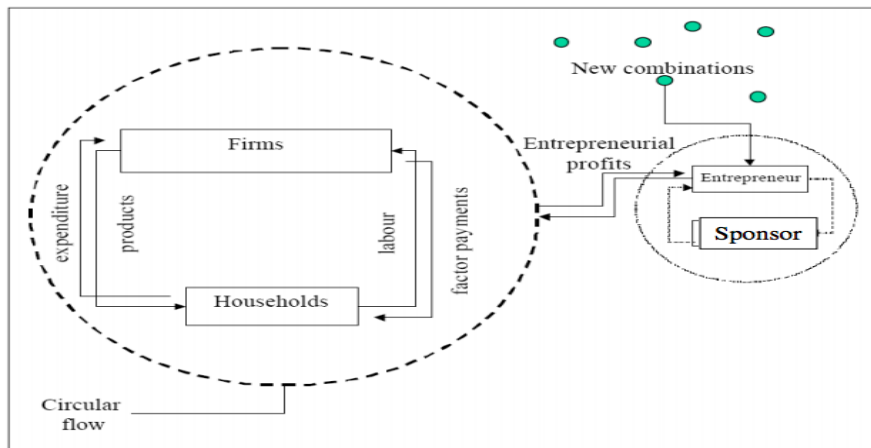
**Graph 1:** World Economy Growth Stability (1961-2015)



Source: (IMF, 2016)

Innovative economics, which determines growth and development according to other material and immaterial factors, determines labor and capital as material; they considered technological and social development as an intangible factor. Adopting an innovative economic model, Schumpeter stated that the economic growth will be achieved through innovations in goods, production techniques, market, input and organization factors. In a capitalist model, he stated that growth by the entrepreneur would find space in the social and technological sense and predicted that the determination of a method form that would allow the formation of entrepreneurs would increase the speed of growth. He said that the more entrepreneurs are created, the more growth will take place (Schumpeter, 1936, pp. 701–795). It can be said that the concept of innovation with the understanding of entrepreneurship and innovation entered the economic literature with this idea (Figure 5).

**Figure 5:** Schumpeter Economic Growth Model

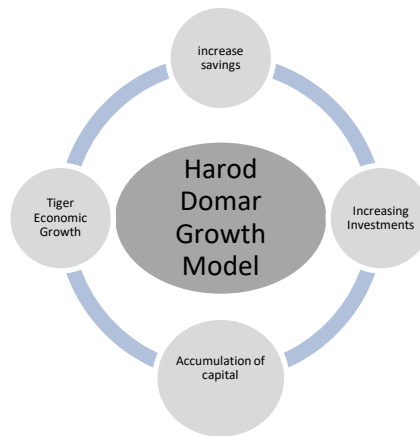


**Source:** Inspired by the author Aubrey Poon's article *A Comparison of the Theories of Joseph Alois Schumpeter and John Maynard Keynes*

John Maynard Keynes, who put forward theories on how to overcome world crises and economic stagnation, published his book titled *"The General Theory of Employment, Interest and Money"* in 1936 following the US economic crisis of 1929 and his thoughts on the following principles. It was steadfast. An interventionist understanding of the state argued that, except in the usual cases, employment in the economy is complete, each supply will create its own demand, the balance will occur by increasing public services and decreasing taxes and thus, increasing commercial transactions and encouraging households to spend (Smithies, 1951, pp. 163–169). The Horrod

Domar model, which was created after the idea of Keynes and inspired by his ideas, stated that the capital created by savings and savings in the economy would be spent on investments and that increasing capital would result in increasing investments. It has been stated that this capital accumulation will bring about rapid economic growth (Figure 6).

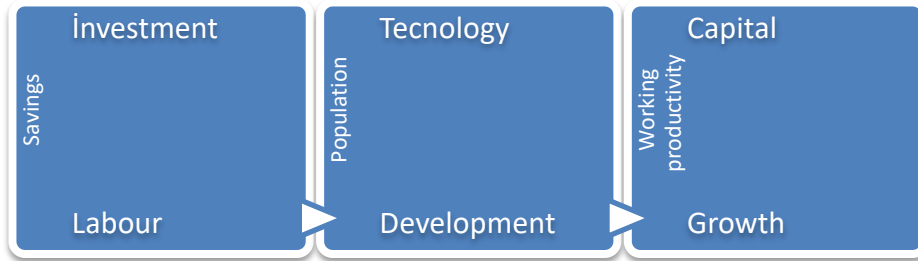
**Figure 6:** Harrod-Domar Growth Model



**Source:** Inspired by the author R. F. Harrod's Artichal An Essay in Dynamic Theory

Adopting a closed economy model, defending competitive market conditions, seeing economic behavior as rational, decreasing for production, capital and labor; for the production function, this model advocates a constant return and envisages a comprehensive model including technological developments and population factor (Figure 7). The Solow model envisions the balance of investment and technological developments and labor as the basic dynamics of growth and development (Chapra, 1995, pp. 167–169). Solow also stated that the main difference between the two countries is dynamic and rapid population growth is not a good situation for economic development and per capita growth rate will necessarily occur with technological developments. After neo-classical thinking, technological developments and innovative activities have shown a rapid increase compared to previous periods and caused a serious questioning of previous ideas (Karakayalı, 2010). According to Neo classics, these factors are external and it is understood that there are factors affecting growth and development besides those owned.

**Figure 7:** Solow Development and Growth Model



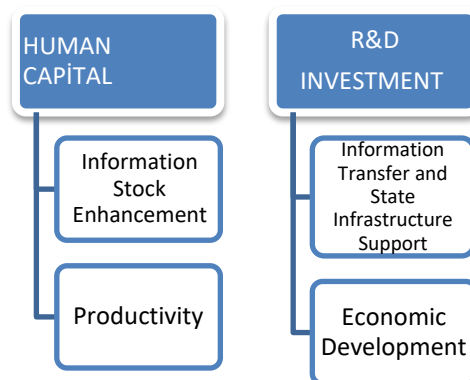
**Source:** Inspired by the author Karakayalı's Book Theories Growth and Development (Karakayalı, 2010)

We tried to summarize the historical adventure of Growth and Development in the above section. Neo-Classical thought theories that we can accept as the last period thinking about growth and development have not been accepted and alternative searches on this subject have continued. The search for new models is based on micro foundations. It is seen that other factors are added to the factors affecting the traditional growth and development (Romer, 1986, p. 1005). Romer, one of the most important figures of this idea called new growth or internal growth theory, accepted technical knowledge as an internal factor and explained the production input as cost-free. Together with Romer, knowledge has become the focus of growth in economic literature and has caused capital to lose its relatively superior position. The fact that capital is depleted as it is spent and information is valuable as it is spent increases the belief that investments should be made towards this field, contrary to previous ideas about growth.

Another contributor to this method was G. Lukas. The most important element that stands out in Lukas is the concept of human capital. In addition to physical capital, human capital is also a major factor in growth and development. Japan and Germany are examples of rapidly growing economies with human capital. The emergence of the concept of R & D, the importance of investments in technology and the increasing interest in information sources have changed many traditional ideas. Recently, in addition to these factors, public goods, communication and information movements have gained significant importance. Whether these factors, which are one of the necessities of the age, are integrated into the economic system as a whole, directly affects growth. Thus, the transition from the industrial economy to the information economy, unqualified labor and the importance of dry capital decreased, and instead, increased information technologies and information investments came to the forefront (Lucas,

1988). In summary, today's development and growth methodology, human capital investments and R & D activities are combined with other factors predominantly, transferring the accumulated knowledge to the needed areas with the support of the state infrastructure and an increase in productivity has been achieved (Figure 8).

**Figure 8:** Post-Neo Classical Growth and Development Model



**Source:** Inspired by the author Lukas and Romer's articles (Karakayali, 2010)

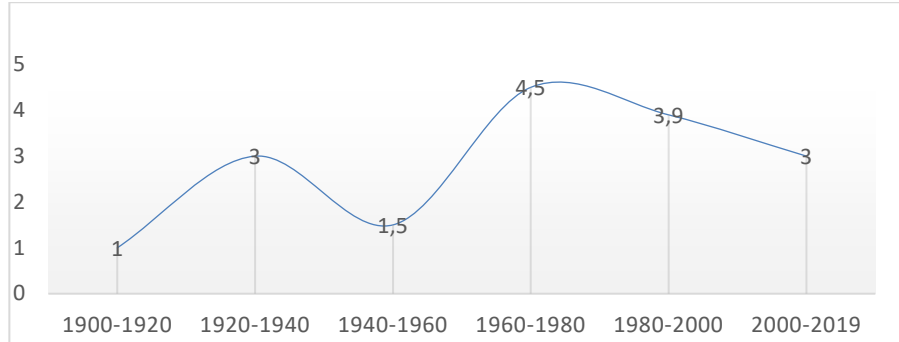
#### **D. Current Status**

Development and its derivative concepts have been the most important areas of interest in the world economy from the beginning. From the beginning of the World War, it has become an official policy on the basis of countries. While the speculative meaning and controversy that these concepts contain is still ongoing, the methodological criticisms and real situation directed to it in recent years have made the intricate structure of development even more complex. Full employment, economic stability, equal distribution of resources among individuals and tremendous targets such as fair income distribution constitute the basis of development policies and the fact that growth in the GNP rate is placed at the center is accepted as the main parameter of the emerging problem (Peterson, 1994, p. 481).

The mainstream theories that growth will always benefit employment and support stability will often be mentioned. The imbalance between growth and distribution was regarded as the sole basis. In addition, the extreme imbalance in developing countries has become a serious problem. Therefore, it was meaningless to talk about equal distribution, stability and employment without growth. There was also a serious expectation that this problem would be overcome by growth. Namely; The growth in income during the distribution process would gradually spread towards the lower ranks of the society and this benefit, which emerged with industrialization in

the following periods, would expand and reach all segments (Hasan, 2006).

**Graph 2:** Growth rates of world countries between 1900 and 2019



**Source:** (IMF, 2016)

As it can be seen from the table above, the GNP-based growth targets of developing countries have been put into practice rapidly since the 1950s and unilateral growth targets have been largely achieved (Chart 2). This was much faster than the growth rate of developed or developing countries in any period before the 1950s. The world has become rich, has grown gradually according to the GNP and the target has been achieved. However, all the paradigms and theories about growth are only reflected in the GNP rate. In the enriched world economy, the gap between the rich and the poor has been opened both between individuals and on the basis of states. While the real situation differs so much from the indicators in terms of economy, the ecological balance has also been subjected to a terrible disruption. Rapid developments and industrial activities have led to the depletion of the ozone layer, global climate changes, the destruction of forests and nature, and the gradual decline of living diversity. Rapid growth has become increasingly catastrophic with environmental problems, particularly poverty and social injustices, rather than an advantage (Kaypak, 2011; Tıraş, 2012, p. 23).

**Table 1:** Worldwide GDP Per Capita (in USD)

REGION	1880	1910	1950	1970	2019
<b>West Europe</b>	1.960	3.457	4.578	11.417	19.912
<b>ABD, Australia, New Zeland</b>	2.419	5.233	9.268	16.179	28.039
<b>Asia</b>	556	969	717	1.718	4.434
<b>Latin America</b>	676	1.494	2.503	4.513	5.786
<b>Eastern Europe, SSCB</b>	941	1.558	2.602	5.731	5.705



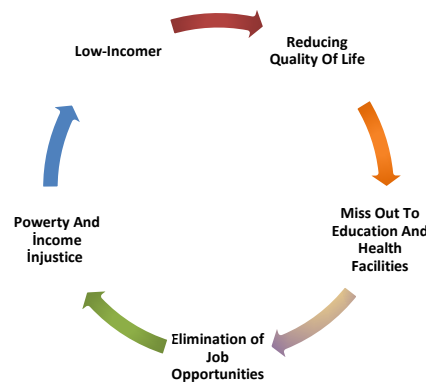
<b>Africa</b>	500	637	890	1.410	1.549
<b>Highest Difference And Lowest Difference</b>	5/1	8/1	13/1	12/1	18/1

Source: J. Bolt and Van Zanden: The Maddison Project

These global indicators of income distribution (Table 1) tell us nothing but inequality. The richness, growth, development and progress activities that started with industrialization revealed many utopian paintings such that humanity facilitates and enriches life, increases the quality of life, and increases the need for labor by increasing resources. However, it is a fact that the income gap between different regions of the world has increased. For example; While the income of the richest countries was three times that of the poorest countries in the late 19th century, this figure increased 15 times in the middle of the 20th century and has now reached 21 times (Emin, 2016, pp. 32–35).

This income imbalance also brings about many social problems. It negatively affects human life by revealing negative situations in many subjects such as health, education and social expenditure which are necessary for the continuation of human life. As a result, vicious cycles are seen in the life of a society where social justice cannot be established (Figure 9).

Figure 9: Vicious Circle of Income Inequality



Source:(Emin, 2016, p. 32)

### E. Literature Review

While the global market share of Islamic finance in developed countries is 7% with 2.4 trillion dollars, the market share in less developed countries is around 34%. In 2023, this volume will grow even more when

this volume reaches 3.8 trillion dollars. In this respect, the potential of applying Islamic financial practices in underdeveloped countries where social injustice is ordinary is more substantial (TheCityUK, 2019).

Within the framework of the SDGs, many issues such as the human and physical capital potential of Muslim countries, financial size in the Gulf countries, historical experience and accumulation from their past draw attention and especially the density of the young population is seen as an essential opportunity for SDG realization (Ahmed, Mohieldin, Verbeek, & Aboulmagd, 2015). The attitude of Islamic thought and Islamic worldview against social, economic and environmental difficulties and the synergy it will put forward in this context is a phenomenon that is not utopian but reciprocated with social finance institutions. With social projects and programs that are not directly for profit but have serious social importance, it is discussed how and how this synergy can be created, and solutions are offered with many applications (zakat, foundation, microfinance) by mobilizing the potential funds available in its geography (resource mobilization) (Ismail & Shaikh, 2017). In the case of Islamic finance mobilizing resources in the modern sense, the potential of realizing 11 of the direct SDGs has also been demonstrated with its current practices (Gundogdu, 2018). The current commercial practices of Islamic economics in establishing social justice and reducing social injustices have been examined, and the existing potentials of financing instruments (microfinance, qard al-hasan, zakat, waqf based financial instruments) to reduce poverty and increase rural development in the context of countries proved to be applicable (Abdalla, 1999; Osman, 1999; Sadr, 1999). For example, the current practices of Islamic fintech companies, which have recently become widespread in the Islamic finance industry, encourage increasing entrepreneurship by financing underdeveloped sectors such as agricultural enterprises and SMEs in Indonesia. In addition, it is seen that these companies collect funds such as donations, charity, and zakat and distribute them to the needy with a sense of social responsibility and carry out social projects for non-privileged individuals. Looking at these efforts, it is seen as directly synonymous with the goals of reducing poverty (SDG 1), fighting hunger (SDG 2) and eradicating social inequalities (SDG 10), which constitute the biggest challenge of the SDG goals (Hudaefi, 2020).

The institutional activities of the Islamic economy to overcome social exclusion, deprivation and poverty within the framework of the social protection base with the understanding of zakat are also drawing attention. For example, the role of Zakat funds in providing social protection in the

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Middle East and North Africa region has been examined in the example of Jordan and Sudan, and the findings have shown that the SDGs and the concept of zakat are fitting in an institutional framework (Bilo & Machado, 2020). Maududi, who is accepted as one of the pioneers of Islamic economics, proposed an institutional reform by using the income distribution function of zakat as an alternative model for the fair distribution of welfare and contribution to social justice (Mawdûdî, 2014, pp. 83–90).

After the 2000s, the ideal-oriented Islamic finance understanding has started to develop commercial methods that include social responsibility in order to reduce the negative effects of dominant finance rather than commercial practices (Asutay, 2007, p. 16). In this context, they integrated the idea of microfinance with socially responsible investments and turned the lender into an Islamic microfinance idea based on musharakah and mudharabah partnership, which makes the lender responsible according to the work situation of the debtor and made it applicable in many countries (Askari, Iqbal, & Mirakhor, 2008; Seibel, 2008).

It has been demonstrated that most of seventeen the development goals determined within the scope of SDG coincide with the long-term social goals of Islam and that the culture formed within the framework of the foundation understanding is a good opportunity to reduce development and social injustices, and the necessity of building the strongest social network of the Islamic economy on waqf foundations is emphasized. The social benefit and financial capacity created by the waqf-based activities carried out in Muslim countries have a capacity sufficient to meet both the "goal" understanding and SDG goals (Abdullah, 2018).

#### **F. Process of Transition from Development to Sustainable Development**

Although the concept of development emerged in the economic literature after the World War II, the concept of progress used in the same sense was used in the 13th Century began to be mentioned. On the one hand, the increase in labor and capital, thanks to the continuously developing technical knowledge and increasing natural resources; on the other hand, rapidly growing social, economic and political problems have started to take an important place on the world agenda.

The Wealth of Nations, published by Adam Smith in 1776, predicted an ever-increasing economic growth and the consequence that humanity would become more prosperous (Wallerstein, 1983, p. 78). While the policies carried out in accordance with these discourses continued to deplete the

future of humanity, the report prepared by the Roman club in 1972 stated that unlimited growth was impossible due to limited resources (Visser & Brundtland, 2013).

We have expressed the general views of growth, development, progress and enrichment in terms of economic considerations in the above sections. When we examine the ideas put forward in this regard, it is seen that the concept of development is only concerned with the economic dimension and other socio-cultural fields are neglected (Yavilioğlu, 2002, p.63). However, every emerging economic thought has been put forward either to complete a deficiency of its predecessor, to enrich it with additional ideas or to change it by showing that it is not functional or it has taken its place as an alternative. As a result, in the 21st century, the dimensions of the concept of development had to undergo a radical change in parallel with the dimensions of the changing sociology of the world. Thus, the concept of development and growth has not only had an economic dimension but has more important dimensions than the economy.

Since World War II, the enlightened masses in both Europe and America have become interested in economic policies of Asian and African countries and especially development problems. In order to prevent the existing problems in the world economy, the mentioned reason under this interest was introduced as the balance of the world economy by raising the economies of the less developed countries to the level of developed countries. However, most experts in this field know that the main reason behind this interest is to expand the economic markets of the more developed countries that they want to restructure and to create new demands. The need to reorganize the economies and markets that changed hands after the war was seriously crucial. In addition, the new regimes of the Asian and African countries, which demanded political freedoms by escaping from the order of exploitation, can be consciously considered as the other reasons of this increasing interest in the economic demands of the Western intellectuals (Hasan, 2006).

Many developments in world politics, and especially the modernization process, have replaced the traditional theories of the period with a global and dominant discourse. Universal concepts such as growth, progress, development and sustainable development (SD) have been gathered under a single initiative and became managerial. It has evolved into sovereign programs implemented by the strong states against the weak. This has led to the deliberate ignorance of many models applied in traditional

times or in the history, or not being taken into account because they are not appropriate to the current understanding. Zakat institutions, foundations and microfinance studies in Islamic thought are the most obvious examples of this (Kudat, 2018, p. 197).

We have stated that the growth and progress policies implemented by developed states against developing or underdeveloped states have evolved into development strategies in the following period, and in the following processes, in particular, the goal of sustainable development by international institutions. Therefore, the sustainable development goals, which serve as a buffer for the problems created by capitalism's development, enrichment and growth policies and put on the market as a panacea, are also seriously questioned by many environments.

### **G. Sustainable Development (SD)**

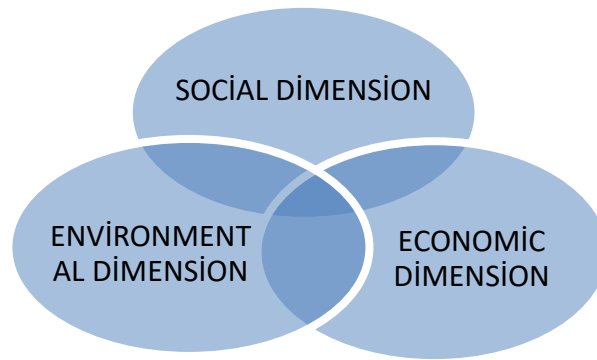
In 1987, the Brundtland Report, published systematically by the World Environment Commission under the title *Our Common Future*; 'Economic the efficient use of resources economically, the protection of the environment and natural capital, and the equal distribution of the benefits and costs of development between time and spatial units (Visser & Brundtland, 2013). From this date onwards, the concept of SD started to enter our daily life quickly, first with its Rio Declaration and Agenda 21 report; it took its place in international politics and then all local and national policies in a short time. The concept of sustainability refers to the possibility of sustaining an opportunity or action; development is defined as increasing individual and social welfare in general. In order to continue its conceptual continuity, many fields such as sustainable energy, sustainable agriculture, sustainable tourism, sustainable environment and sustainable life have been associated with this subject, numerous studies have been conducted, symposiums and congresses have been organized and many publications related to this subject have been put forward in academic circles (Çokişler & Çokişler, 2017).

The adverse effects of the current economic development targets on the environment, people, society and International level have been emphasized both in our study and in many other studies (Dulupçu, 2001). In this respect, the aim of the report is not only the improvement of economic indicators such as development, industrialization, growth and enrichment, but the equal and fair distribution of the benefits resulting from these improvements to all societies and all segments of the society, that is, increasing social welfare in all areas of the society (Visser & Brundtland,

2013).

There are three main areas where the objectives stated in the SD report are concentrated (Tıraş, 2012, pp. 60–61). These are determined as increasing economic development, protecting the environment and increasing social welfare (Figure 10). In order to increase and maintain the economic development, the world economy must grow 5-10 times more than the 1987 growth rates. The growth here refers to the growth in GNP rates. Environmental protection means preserving the ecological balance without destroying nature during development efforts. In addition, increasing social welfare includes many dimensions such as education, health, justice, social status, equality, political rights and freedoms in order to improve the quality of life beyond the basic needs of humanity.

**Figure 10:** Key Areas of Sustainable Development



**Source:** (UN, 2015)

Although it has been enacted since its publication and in many state policies, it seems that the objectives of the SD have not been achieved. In their own reports, they only mention achievements: since 1990, more than 1 billion people have survived extreme poverty; since 1990, child mortality rates have decreased by more than half; since 1990, the number of drop-out children has decreased by more than half; since 2000, the HIV / AIDS transmission rate has decreased by about 40% (UN, 2015). In particular, equality of opportunity, social justice, income distribution, inequalities in the distribution of power and prosperity and freedom of much progress has not been achieved (Marcuse, 2016, p. 110). The story of a combination of capitalist understanding and the objectives of the CC has already been the subject of debate. The reason for this is that if there is profitability in a capitalist economy and profit maximization is to be increased, IP targets can be applied. Otherwise, high-cost environmental measures, social justice and

the elimination of inequality are issues that do not profit in capitalist thinking and do not respond individually.

Because no business that is not profitable and cannot maximize the benefit of the individual in terms of profitability can find a place in capitalist thinking (Doğaner, 2002, p. 6; Marcuse, 2016, p. 107). On the other hand, the assumption that the needs are unlimited is the main argument of capitalist thought. The limitation of the individual in terms of consumption and production or the activities of observing the rights of another human being cannot find a place in capitalist thinking (Robinson, 2004, p. 371). However, it is the same resource that imposes the objectives of the CB on every platform and imposes on the world. From this point of view, it becomes a necessity that existing SD targets should be rethought.

On the other hand, the uncertainty of the definition of needs is one of the most important issues discussed in terms of SD objectives. From the first day of publication, it is impossible to construct and implement these goals on the uncertainty of what the concept of necessity is and how people will meet it under the changing world conditions (Harding, 2006, p. 234). The relationship between underdevelopment and sustainable development is another issue discussed. The claim that the underdeveloped countries should be included in the world economic system under free market conditions, and thus the achievement of IP targets, is not considered reasonable by many social scientists and economists. The most important reason of this is that these goals are seen as a trap that underdeveloped countries have developed by the developed states in order to ensure their dependence on them and to provide hegemony under the name of global government (Bozoğlu, 2008)

In addition, the emphasis is on the economic aspect of development and the neglect of its social aspect and the pursuit of policies that aim at economic development and push human development to the background. It is another critical issue that the developed countries contradict with the targets such as production, industrialization and technological investments determined in the framework of development and the policies which have an understanding that makes human beings superior to the environment while doing these are another critical issue (Robinson, 2004, p. 376)

#### **H. SDG Country Statistics**

In 1990, the World Bank adopted the poverty line of one dollar per day according to purchasing power in order to monitor the international poverty level, make comparisons among countries and use in the analysis. This rate was increased to 1.90 dollars in 2015 due to the criticism and changing real

conditions from the determined day. Those with the income below 1.25 dollars were grouped into the extreme poverty group. Although this rate is suitable for measurement in emerging countries where subsistence standards are very low, such as Bangladesh, it is not a rate that measures poverty as the minimum cost of living in developed or developing countries is higher. Therefore, global poverty reports do not fully reflect the truth.

The implementation of SDG at the country level and achieving its goals necessitates very serious financial support for developing countries. For example, the financing required for Bangladesh's SDG strategy is USD 928 billion (Paul, 2019), which corresponds to approximately 20% of the country's GDP. Since the burden of the public sector in this strategy is very heavy, it also imposes a serious burden on the country budget. Lack of financial resources makes it impossible to achieve sustainable development goals. Four per cent of the population is below the extreme poverty line, and 31% is below the poverty line, which is 3.20 dollars per day. The malnutrition rate is 70.1% in both adults and children and has a large population close to the hunger limit (Sachs, 2020).

### **I. Sustainable Development in terms of Islamic Economics**

It is an indisputable fact that we need universal development goals that are human-centered and embody the system of values, which are a common denominator for all, that make social benefit superior to individual benefit and apply justice to all spheres of social life. The following verses of the Qur'an bear ample testimony on the point (Quran, 6:3 and ff)

It is He Who created the heavens and the earth In true -proportions- (Quran,6:3). Mischief has appeared on land and sea because of (the need) that hands of men have earned(Quran, 30:41). He created the heaven and the earth in true -proportions- (Quran,39:5) Verily, all things have We created in proportion and measure (Quran, 54:49). He Who created the seven heavens one above another; No want of proportion will thou see in the Creation of Allah) Most Gracious. So turn thy vision again. Seest thou any flaw? Again turn thy vision a second time (thy) vision will comeback to thee dull and discomfited, in a state worn out (Quran, 67:3-4).

It can be said that the objectives of the Islamic economic thought are generally theoretically acceptable. However, with some exceptions, it is generally in line with Islamic economic thought. However, the criticisms are mainly related to the dimension of the implementation of the objectives. For example, it is almost impossible to implement these targets, which are perceived as a general rule everywhere and always, for many reasons,



especially in underdeveloped countries. Keep people alive and state that we need universal development goals dominated by the understanding of life, we think that the objectives of the SD should be revised and regulated in these respects.

### **1. Human and Need Concept**

According to traditional economic theories and especially the paradigm that has been dominant since the 20th century, human beings have a individualistic structure. This paradigm argues that the choice of individual should be the basis for the person who has to make and choose. According to this basic assumption, human is associated with the definition of individual rationality or home economicus and aims to achieve resource maximization and resource limitation by prioritizing personal interests. Human needs are unlimited in this respect; resources are considered to be limited.

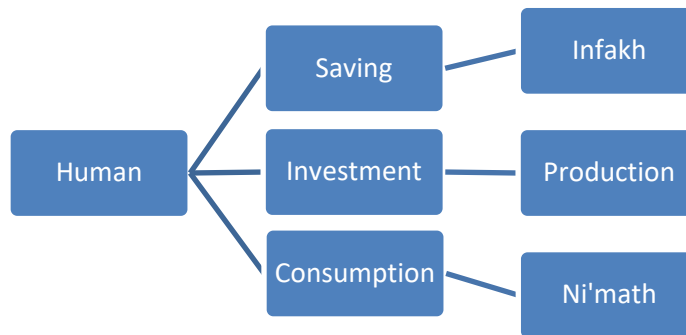
Although the choice and preference of the individual is the most important factor here, it is unclear to what extent he will make these choices and preferences. It is unanswered, such as what needs are, to what extent they are limited, and what behavior should be fulfilled when meeting the needs. According to Islamic economics, the definition of human being that exhibits rational behavior in any case, considering personal interest concerns, is not acceptable.

The economic, social programs and development plans that will be created by taking human-value approach as the center will raise the backward countries to the level of developed countries and make the world we live in more livable for everyone. In terms of Islamic economics, it is a fundamental philosophy that Allah, who is the owner of the universe, creates enough resources for all mankind and provides for each living thing separately. Therefore, defending the thesis that the resources are not enough and will run out is against the realities of existence of the universe. While most of the history of humanity is behind us, there is no data on the lack of resources. This thesis, which is put forward by calculating the population accounts and the existing resource distribution, is consistently far from being grounded. It is unacceptable to build a thought on assumptions and to implement them. Because, Muslims argue that the world's resources will be sufficient to meet human needs if they are used efficiently and fairly. And they do not admit that human needs are unlimited. Moreover, they believe that world resources should be used efficiently without wasting (Chapra, 1995, p. 6).

For the reasons mentioned above, it is necessary to eliminate the

ambiguity of the definition of needs in the targets determined in terms of meeting the needs of current and future generations within the SD targets and to make a definition in order to protect the value judgments of human beings and to set appropriate targets accordingly. In this study, in general terms, human is an individual who is aware of the blessings that are given to him, who can make donations and donations by considering the situation of others, saves his economic and social needs without wasting and contributes to the production by means of the remaining opportunities (Figure 11).

**Figure 11:** Human Factor in Islamic Economic Thought



**Source:** Inspired by the author M.Umar Chapra's Book Islam and Economic Challenge

**a. In terms of Priority of Development**

Both the Rio Declaration and Agenda 21 reports show that economic development is centered on the objectives of CB. The main reference of human development was envisaged as economic development and the plans for social development were ignored. In this respect, there is a need not only for an economic program that focuses on the economy, but also for applications that put people at the center and establish their development in every aspect. There is also a need for a serious revision of the definition of development as mentioned in the above chapters of the SD objectives. The application of these objectives which foresee economic growth as a development will not contribute to the solution of the problems. According to this perspective development; in addition to quantitative evaluation of the economy, it is an inclusive concept that requires qualitative aspects to be taken into consideration and even the developments in many different areas outside the economy should be taken into consideration (Doğaner, 2002, pp. 1-3).

Since Islamic economic thought is accepted as a social entity, human development actions should be considered as a whole and evaluated in

social, human, economic, political and environmental aspects. However, economic development is only one title in this holistic structure.

### **b. In Terms of Determination of Application Areas**

Existing SD targets are requested to be implemented in the same way everywhere from the day of announcement. This applies not only to the less developed countries but also to the developed countries. However, there is a difference between countries in terms of development area and needs. However, the objectives of the SD are regulated in the interstate documents mostly in line with the interests and objectives of the developed countries (Çokişler & Çokişler, 2017). A participatory democracy cannot be mentioned when setting these goals. In other words, it was put forward by the hands of certain states without consultation with the peoples of the world. For African countries where there are starving people, the regulation on the emission of greenhouse gases makes no sense (Robinson, 2004). Because, in a region where people cannot meet their food needs, they cannot reach to clean water and unhealthy living conditions prevail, many IP targets are suspended. For this reason, it is necessary to determine the targets of IP according to each country or region and to implement the programs according to the needs of that region. From this point of view, we argue that in this study, it is necessary to determine specific IP targets according to each region and not according to general-valid conditions as Islamic Economic thought.

### **c. In Terms of Establishing Social Justice**

Although the concept of Social Justice first appeared in the literature since the 1840s, it is seen that this concept was used much earlier. The history of the emergence of theoretical and practical applications related to this concept dates back to the 19th century and the objective is to eliminate the defective aspects of capitalism and to develop a fair market economy (Orman, 2016b).

Beyond meeting basic vital needs as Islamic economic thought, improving the quality of life of people regardless of language, religion, race, benefiting from halal nutrition, education, health, justice and environmental services, social justice, equality, political participation and representation are the social dimension of development. (Sneddon et al., 2006, p. 256). The concept of social justice, which is based on the combination of all these factors, is seriously neglected in today's world and occurs with many imbalances between societies. In order to eliminate this, all institutions and organizations participating in the society, especially the state, should carry

out the works in order to create equal opportunities in the services and practices to be put forward, to ensure that everyone benefits from equal rights and services, to make the weak one strong and equal, and to complete the missing sides in terms of human values(Chapra, 1995, p. 252).

**2. In Terms of Establishing Social Justice**

Although the Concept of Social Justice first appeared in the literature since the 1840s, it is seen that this concept was used much earlier. The history of the emergence of theoretical and practical applications related to this concept dates back to the 19th Century, and the objective is to eliminate the defective aspects of capitalism and to develop a fair market economy (Orman, 2016a, pp. 3-4).

Increasing urbanization with the industrial revolution has led to the gradual decline of traditional institutions in the society that establishes social welfare and the emergence of new organizations - like trade unions - and even the responsibility of this issue has almost become a burden on the state (Koray, 2003, pp. 95-110). In the 1970s, with the effect of liberal policies, struggling with the problems in the social field began to be burdened with other social organizations in the society instead of the state (Gümüş, 2018, pp. 42-51). With the distribution of institutional social responsibility to all components of society (state-society), it may be possible to model the contribution of Islamic Economy to reduce social injustices and establish sustainable prosperity as follows;

**Table. 2:** The Contribution of Islamic Economy

<b>Institutions in Terms of Social Responsibility</b>	<b>Corporate Types</b>	<b>Basic Responsibilities</b>	<b>Social Responsibility Functions</b>
<b>Religion</b>	Official and Non-Official Religious Institutions	Spiritual Consciousness, Balanced Life, Working Consciousness, Struggle Against Difficulties and Moral Motivation	Providing consultancy services to the sociological base on values education, moral teachings, social and religious issues
<b>Public Institutions</b>	Central Government and Local Governments Related Public Institutions	Effectively managing the country's resources and distributing them to the community members fairly, discovering and developing people's talents and skills,	Preventing poverty, meeting basic life needs (education, health, food, water, transportation, etc.), planning the future of the society, allocating funds, supporting projects

			creating a conscious society culture.
<b>Civil Society Organizations</b>	Foundations, Awqaf, Non-Profit Organizations, Trade Unions, Clubs, Associations and Congregations	Social awareness, moral support and social aid activities	Sustainable support, education, the meeting material and moral needs and organizations in social issues, gaining an understanding of volunteering, social support services with projects preventing individualization.
<b>Private Sector</b>	Manufacturers, Businesses, Industrial Organizations and Service Sector	Providing Employment, Goods and Services	All activities aimed at increasing social welfare in the Goods and Services Sector, working with social responsibility awareness, employment mobilization focusing on human values
<b>Islamic Financial Institutions</b>	Banks, Stock Exchange, Sharia Boards, Takaful companies and Other Financial Services	Acting with a Social Responsibility Approach, microfinance support, qard al-hasan funds, financial support for employment projects	Preparing projects that will contribute to society in education, culture and social solidarity, reducing social problems by supporting non-refundable grant supports, money-saving funds and microfinance organizations, prioritizing support for investments with employment priority

It is possible to carry out the social responsibility consciousness that it has created based on all the structures and basic axioms that the Islamic economy embodies above, in cooperation with its rich institutional infrastructure (Yeniçeri, 2009, pp. 48–49). The effective execution of these duties belonging to social responsibility awareness will significantly contribute to reducing social injustices by establishing social protection. Most of the individual activities that exist in the Islamic tradition and in

today's Muslim societies, but are carried out scattered without a center, should be turned into a strong organization and turned into a social policy, followed and controlled. For example, the UN Economic and Social Council (ECOSOC), which determines all aspects of sustainable development and policies within the scope of "Agenda 2030" by the UN, and the High Level Political Forum (HLPF), which is responsible for the supervision of this, is an organization that should also be in Islamic countries (UNDP, 2019). Organizations such as the Organization of Islamic Cooperation, the Organization of the Islamic Conference, D-8, the Arab League and the Asean community should meet each year and produce serious projects and carry out concrete studies instead of publishing oral and written declarations. This ore, which exists in the yeast and its potential of Islamic society, has not been activated yet.

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### **3. In Terms of Ignoring Historical Experience and Practices**

Although SD belongs to the nineteenth century as a concept, there are many practices in past societies and especially in Islamic thought that aim to ensure the prosperity of people and enable social development. However, the dominant paradigm is ignoring these and similar historical experiences and is seeking to rediscover the wheel according to its own design.

The foundation culture, zakat policies and microfinance practices in Islamic thought can be considered as alternative SD targets. Sustainable production and consumption opportunities were created by creating a foundation culture in Islamic societies, regular funding sources were provided for those in need, it served as a transfer from rich to poor to provide social welfare and carried out a strong development function by providing

nutrition, education and health services (Gundogdu, 2018, p. 389).

The concept of SD is not a one-way concept, but has multiple components. Therefore, all segments of society should participate in this activity. Government, non-governmental organizations, associations and foundations have to contribute to the realization of these objectives. Long-term and costly social support activities such as SD and poverty alleviation cannot be left to the state alone. In this respect, our foundation culture is a historical indication that this is applicable.

Zakat practices are also very functional in this respect and have served many social benefits in the course of historical adventure. As an alternative to interest-rate microfinance institutions, interest-free microfinance institutions have also been established over the years and the financing methods used in Islamic banking have been used. After the 2000s, a micro-credit instrument based on *karz-i-hasen*, which did not impose any burden on the entrepreneur other than debt, was also used and gained considerable success. Thus, the poor entrepreneur has the opportunity to have the capacity of life water, which can stand on its own feet, by keeping all the profits within its own structure (Yunus, 1987, p. 31). With this structure, ancient foundations and *karz-ı hasen* institutions met with the modern microfinance institution and a strong model emerged to reduce the problems of poverty and income distribution today (Kudat, 2018, p. 51). In this respect, microfinance applications are extremely important for SD and are highly functional to make the society productive (Chapra, 1995, p. 329).

### **Conclusions and Recommendations**

The devastating effect of capitalist thought on developed countries by the developed countries and the fact that this trap is in effect in many countries is an indicator of the imbalance of the world. The gradual accumulation of wealth in the hands of a single class also leads to the impoverishment of a very large mass of people living in the world. According to the World Bank data, 3.5 billion people corresponding to half of the world's population earn less than 5 USD per day and live a poor life. Muslim countries account for half of this population. Therefore, it is understood that the countries most in need of global development goals are Muslim societies (Chapra, 1995, pp. 342–344).

Although the objectives of the SD have aroused excitement in many places from the time it was published, the difficulties of implementation and many reasons that have developed in the future have weakened the belief in the SD and failed to solve the problems. Uncertainty of the definition of need,

setting goals on the axis of capitalist thinking, not wanting to apply the same practices everywhere, ignoring regional and country differences, having an economy-centered structure, ignoring other areas, claiming that it is environment-centered, and not including environmental policies, weakening and leading to failure (Masca, 2009, p. 197).

In terms of Islamic economics, some of the SD objectives seem to be acceptable. Considering the main points of action of the objectives of the Islamic economics, it is seen that there are serious problems. In addition, it is seen that Islamic economics as a complementary element has the potential to produce some solutions and allow new applications. Foundation culture, zakat practices and interest-free microfinance instruments in Islamic society should be considered in this respect (Chapra, 1995, p. 213).

In order for the Islamic world to implement SD programs, it should work to eliminate the backwardness and poverty, colonial exposure and conflicts within itself. Development against backwardness, full independence against colonialism and full Islamic unity against division should be established. Institutions such as Islamic Conference, Islamic Development Bank and D-8 should contribute to this process. While these problems persist, it is seen that the implementation of SD targets is impossible.



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## SOSYAL ADALETSİZLİKLERİN AZALTILMASI VE SÜRDÜRÜLEBİLİR KALKINMA HEDEFLERİ AÇISINDAN İSLAM EKONOMİSİNİN ROLÜ

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### Geniş Öz

Gelecek nesillerin ihtiyaçlarını karşılayabilme olanağından ödün vermeksizin günümüz neslinin ihtiyaçlarını karşılayabilecek bir kalkınma modeli olarak ilan edilen “sürdürülebilir kalkınma”, 20. yüzyıl sonlarına doğru dünya gündeminde yerini almış ve 1990’lı yıllarda imzalanan uluslararası antlaşmalarla küresel bir uygulama planı haline gelmiştir. Küresel anlamda gelir dağılımındaki eşitsizlikleri azaltma, yoksullukla mücadele ve sürdürülebilir bir refah anlayışını dünya geneline hakim kılma, çevresel ve ekolojik sorunlarla mücadele etme gibi bir çok insani hedefi amaçlayan bu politika ilk dönemlerden itibaren ilgi uyandırmış ve bir çok devlet tarafından da politika aracı olarak kullanılmıştır.

Küresel düzeyde varlığını sürdüren gelir adaletsizliği ve kat kat artan yoksulluk oranları günümüz dünyasının karşılaştığı en ciddi sorunlardan birisi haline gelmiş ve sürdürülebilir kalkınma politikalarının işlevi tartışılmaya başlanmıştır. 1980’lerle başlayan hızlı değişim süreciyle birlikte gelir dağılımı sorunu sıradan bir ekonomi sorunu olmaktan çıkmış politik ve sosyal bir sorun olarak algılanmaya başlanmıştır. Dünya ölçeğinde 1950’li yıllardan itibaren uygulanan ve günümüzde de değişik boyutlarıyla sürdürülmeye çalışılan sosyo-ekonomik politikalar var olan olumsuzlukları ve yoksulluğu daha da belirgin hale getirmiştir iddiasıyla birçok eleştiriye maruz kalmıştır.

Mevcut küresel sistemde finansal açıdan daha da zenginleşen dünya diğer taraftan birçok sosyal problemi de beraberinde getirerek toplumsal refahın azaldığı dengesiz bir yapıya bürünmüştür. Diğer bir tartışma konusu da sosyo-ekonomik bir yaklaşım ile çevresel ilişkileri ele alan kalkınma stratejilerinin etkin bir şekilde kullanıldığında bugünün ihtiyaçlarına cevap verme açısından verimli olabileceği ancak gelecek nesillerin ihtiyaçlarını

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tüketmek açısından da ciddi zararlara yol açabileceği hususu olmuştur. Ayrıca ekonomik büyümenin sınırları konusunda net bir yaklaşım olmadığı için boyutlarının ne olacağı sorusu da belirsiz kalmıştır. Bu yüzden sürdürülebilir kalkınma stratejilerinin tüm yönleriyle ele alınması ve mevcut sorunların giderilerek daha makul ve uygulanabilir bir sistemsel yapıya kavuşturulması elzemdir. Sürdürülebilir kalkınma stratejileri ile gelir dağılımındaki adaletsizlikleri İslam ekonomisi perspektiften ele alabilmek için bu konudaki politik kararlığın İslam ülkeleri tarafından ortaya konulması gerekmektedir. Bugüne kadar ortaya konulmuş politikaların yeniden gözden geçirilmesi, var olan gelişmelerin eksik yönlerinin belirlenerek tamamlayıcı önerilerin sunulması ve ortaya çıkan güncel tehdit ve fırsatların iyi belirlenmesi gerekmekte olup bu çalışma da bu amaca katkı sunmak adına hazırlanmıştır.

Çalışmamızda nicel araştırma yöntemlerinden tümevarım metodu kullanılmış olup öncelikle tarihi dönemlendirmelerden hareketle iktisadi düşünce içerisinde büyüme, ilerleme ve kalkınma kavramları incelenmiştir. Tarihsel olarak incelenen bu süreçten sonra mevcut kalkınma stratejileri değerlendirilmiş, olumlu ve olumsuz yönleri ifade edilmiştir. Daha sonra İslam ekonomisinin büyüme ve kalkınma anlayışı ortaya konmaya çalışılmış ve sürdürülebilir kalkınma hedefleriyle karşılaştırması yapılmıştır. Ayrıca, İslam ekonomisinin geleceği sahiplenen bir anlayışa sahip olmasından hareketle, (i) herkesin ve her kesimin ihtiyaçlarını karşılayacak daha yaşanabilir bir hayat ortaya konulacak politikaları, (ii) gelir dağılımındaki adaletsizlikleri giderecek ve tam anlamıyla sürdürülebilir kalkınma anlayışının oluşmasına katkı sağlayacak stratejileri, (iii) hangi politika araçları ile bu kapsamı gerçekleştirebileceği ele alınmıştır. Bu çalışma tüm boyutlarıyla gelir adaletsizliği ve sürdürülebilir kalkınma stratejilerini ele alarak İslam ekonomisinin sosyal vizyonunu ortaya koymayı hedeflemektedir.

İslam ekonomisinin sürdürülebilir kalkınma hedeflerini ontolojik olarak genel anlamda kabul ettiği söylenebilir. İnsani olanakların iyileştirilmesi adına dünyada ortaya konulan her çabanın aynı zaman da İslam ekonomisinin genel ilkeleriyle de uyumlu olduğu rahatlıkla söylenebilir. Bu konuda İslam ekonomi anlayışının bir itirazı yoktur. İslam ekonomi düşüncesi adına yapılan itiraz bu politikaların uygulanma felsefesiyle ilgilidir. Egemen ülkelerin geri kalmış ülkeler üzerinde daha da egemen olmasına olanak sağlayacak bu pratiklerin, geri kalmışlık, yoksulluk ve bölünmüşlük durumlarından beslenerek tahakküm aracına dönüştürülmesi kabul edilemez bir durumdur. Büyüme, ilerleme, kalkınma; bunun karşısında geri kalmış, az gelişmiş veya gelişmekte olan ülkeler gibi peşinen bir tasnifin yapılması, isimsel açıdan makul ancak içeriği rahatlıkla oynanabilecek politikalarla egemen devletlerin mazlum coğrafyalara tahakkümü, insanlığın ve İslamiliğin kabul etmeyeceği durumlardır.

Çalışmamızda bu düşüncenin kaynağı olması açısından ortaçağ döneminden



itibaren büyüme, ilerleme ve kalkınma kavramlarının analizini yapılarak bu konuya açıklık kazandırmaya çalışılacak ve günümüz iktisadi politikalarının bu kavramlara bakış açısını mukayese edilerek dönüşümün boyutlarını ortaya konulacaktır. Her toplumun veya devletin kendi kadri çabasınınca bu kavramlara ilişkin politikalar ürettiği ve bu uygulamalarında neredeyse evrensel olduğundan hareketle egemen devletlerin elinde adeta başkalaşım geçirerek birer politik silaha dönüştürüldüğünün örnekleri de zikredilecektir.

İslam ekonomi anlayışında sürdürülebilir kalkınmaya yönelik politik adımların yanı sıra sosyal kurumlarında devreye sokularak bu alana ciddi katkılar sunacağına inamaktayız. Tarihi tecrübe içerisinde kendi toplumu genelinde ve temas ettiği diğer toplumlar özelinde düşünülürse inşa, imar ve sosyal açıdan toplumsal bir yaşamışlık örneği önümüzde durmaktadır. İslam toplumlarında vakıf kültürü oluşturularak sürdürülebilir üretim ve tüketim olanakları oluşturulmuş, ihtiyaç sahipleri için düzenli finansman kaynakları sağlanmış, toplumsal refahın sağlanması için zenginden fakire bir transfer işlevi görmüş, beslenme, eğitim ve sağlık hizmetleri vererek güçlü bir kalkınma fonksiyonu yürütmüştür. Var olandan hareketle var olması gerekeni izah etme yöntemiyle İslam ekonomisinin bu konuda söyleyeceği çözüm önerilerine de değinilecektir. Vakıf, zekât, infak, sadaka, mikrofinans, imece, teâvün gibi sosyal uygulamaların sürdürülebilir kalkınmaya ne dendl bir ivme kazandıracığı da ele alınacaktır. İslam ekonomi düşüncesi içerisinde sosyal bir kurum olarak var olan vakıf kültürü, zekât politikaları ve mikrofinans uygulamalarının alternatif veya iyileştirici olması açısından SK politikalarına katkısı ve sosyal adaleti tesis etme potansiyeli değerlendirilecektir.

**Anahtar Kelimeler:** İslami Ekonomi, Sürdürülebilir Kalkınma, İslam, Adalet, Sürdürülebilir Kalkınma Hedefleri.








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# DO PARTICIPATION BANKS CONTRIBUTE TO ECONOMIC GROWTH? TIME-SERIES EVIDENCE FROM TURKEY

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## Abstract

One of the most important goals of developing nations is to achieve rapid economic growth. There is a consensus in the literature of economics that a well-developed financial sector will accelerate economic growth. However, few studies have examined the link between participation banks and economic growth. To contribute to the literature, this study aims to analyze the relationship between participation banks and economic growth for the case of Turkey. To reach this purpose, we established a neoclassical growth model by employing gross domestic product, total credits given by participation banks, gross fixed capital formation and the number of employed persons using time series data covering the period of 2005Q4-2020Q2. We conducted a battery of unit root tests, co-integration, and causality tests. The results reveal that there is a long run stable relationship among the variables. As for the long-run estimators, a 1% increase in gross fixed capital formation, employment and credits given by participation banks will lead to 0.715%, 0.422% and 0.021% increase in economic growth in Turkey. These findings suggest that participation banks, as well as capital and labor, have a statistically significant impact on the economic growth of Turkey. The causality test results show that there is a one-way causal relationship from participation banks' funds to economic growth both in the short and long run but not vice versa. Two important policy implications emerge from this study. Firstly, participation banks may play an essential role in bringing idle funds to the banking system in Turkey. Therefore, participation banks should be seen as complementary to conventional banks rather than a substitute. Secondly, participation banks should diversify their products by introducing new financial products and services to unleash their untapped potential.

**Keywords:** Islamic economy, participation banks, economic growth, unit root, structural break, co-integration, causality.

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## KATILIM BANKALARI EKONOMİK BÜYÜMEYE KATKI SAĞLIYOR MU? TÜRKİYE İÇİN ZAMAN SERİSİ ANALİZİ

Gelişmekte olan ülkelerin en önemli hedeflerinden biri hızlı ekonomik büyümeyi sağlamaktır. Gelişmiş bir finans sektörünün ekonomik büyümeyi hızlandıracağı konusunda iktisat literatüründe bir uzlaşma vardır. Ancak Türkiye örneğinde katılım bankaları ile ekonomik büyüme arasındaki ilişkiyi inceleyen az sayıda çalışma vardır. Literatüre katkı sağlamak amacıyla, bu çalışmanın amacı katılım bankaları ile ekonomik büyüme arasındaki ilişkiyi araştırmaktır. Bu amaca ulaşmak için gayrisafi yurtiçi hasıla, katılım bankaları tarafından kullanılan krediler, sabit sermaye oluşumu ve istihdam edilen kişi sayısı verileri kullanılarak 2005Ç4-2020Ç2 dönemini kapsayan bir neo-klasik üretim fonksiyonu oluşturulmuştur. Analiz kısmında bir dizi birim kök, eşbütünleşme ve nedensellik testleri gerçekleştirilmiştir. Sonuçlar ele alınan değişkenler arasında istikrarlı bir uzun dönem eşbütünleşme ilişkisinin varlığına işaret etmektedir. Uzun dönem eşbütünleşme katsayılarına göre ise, sabit sermaye oluşu, istihdam ve katılım bankalarının kullandığı kredilerde %1’lik bir artış ekonomik büyüme üzerinde sırasıyla %0.715, %0.422 and %0.021 artışa yol açmaktadır. Bu sonuçlara göre, emek ve sermayenin yanı sıra, katılım bankalarının kullandığı kredilerin de büyüme üzerine anlamlı bir etkisi vardır. Nedensellik testi sonuçlarına göre ise, katılım bankalarının kredilerinden ekonomik büyümeye doğru hem kısa hem uzun dönemde tek yönlü bir nedensellik ilişkisi vardır.

Bu çalışmanın iki önemli politika önerisi vardır. Birincisi, katılım bankaları atıl fonların bankacılık sistemine kazandırılmasında önemli bir rol oynayabilir. Bu nedenle, katılım bankalarının geleneksel bankaların ikamesi olarak değil de tamamlayıcısı olarak görülmesi gerekir. İkincisi, katılım bankaları sahip oldukları potansiyeli açığa çıkarmak için yeni finansal ürünler ve hizmetler sunarak ürünlerini çeşitlendirmelidir.

*[Türkçe geniş öz çalışmanın sonunda yer almaktadır.]*



### Introduction

“Riba” is an Arabic noun derived from the verb “raba” literally meaning “to increase”, “to grow”, “to exceed”. In Islamic terminology, riba means profit gained with no effort. Riba includes interest paid by banks or on loans such as home loans, car loans or credit card debt. One of the main concerns of Muslims, when it comes to financial transactions, is to avoid riba in any form. This is despite the fact that the basic foundation of modern business and

finance involves interest-based transactions. The Prophet foretold of a time when the spread of *riba* would be so overwhelming that it would be extremely difficult for Muslims to avoid it. This situation calls for Muslims to be extra cautious before deciding on what financial methods to use in any personal or business transaction (Kettell, 2011, p. 51).

There are many proofs showing that *riba* is haram in Islam. There are twelve verses in the Quran dealing with *riba*, and the word *riba* occurs eight times. This is a clear verse prohibiting *riba*: "...Allah has permitted trade and has forbidden *riba*." (Qur'an 2:275). In the Quran, Allah does not declare war on anyone except the people who deal in *riba*: "O you who believe, fear Allah and give up what remains of your demand for *riba* if you are indeed believers. If you do it not, take notice of war from Allah and His Messenger." (Qur'an 2:278-279). To these, an earlier revelation may be added: "O you who have believed, do not consume usury, doubled and multiplied, but fear Allah that you may be successful." (Qur'an: 3:130).

Islamic scholars have put forward five reasons for the prohibition of *riba* (Kettell 2011, p.53): "It is unjust, it corrupts society, it implies the improper appropriation of other people's property, it results in negative economic growth, it demeans and diminishes human personality".

There have been many impediments to the development of financial markets in developing countries such as underdevelopment of financial institutions and the lack of diversity of institutions and instruments. The problem even deteriorates in countries where a significant number of individuals tend not to engage in the conventional interest-based banking system for various reasons. Eventually, this leads to a leakage of savings from the financial system and savings are often channeled to unproductive areas.

Although there have been extensive studies investigating the relationship between conventional finance and economic growth, there are limited studies that examine the relationship between Islamic finance and economic growth. Because of the insufficient studies, Islamic banking and finance research has not achieved international recognition. The aim of this study is to explore the relationship between Islamic banking and economic growth for the Turkish economy over the period of 2005Q4-2020Q2.

The remainder of this study is organized as follows. In the following section, we present the history and functioning of the participation banking in Turkey. Subsequently, we provide a brief review of pertinent literature. We then present the data, introduce the econometric methodology and discuss the empirical results. The paper concludes with highlighting the

findings of the research and its main policy implications.

### **A. Participation Banking in Turkey**

The banking system in Turkey comprises of deposit banks (conventional banks), development and investment banks, and participation banks, also referred to as interest-free banks or Islamic banks. The history of participation banks in Turkish financial system dates to 1983 with the establishment of “Special Finance Houses”. The first application of interest-free banks in Turkey was the establishment of Albaraka Türk in 1985, which opened its doors to clients who preferred to stay away from conventional banks due to interest rate sensitivity and continued with Faysal Finans entering the sector in the same year. Another Gulf-origin bank, Kuveyt Türk, also gained a place in the participation banking sector in 1989. Later, Faysal Finance turned into Family Finans and in 2005 Türkiye Finans was established when Anadolu Finans and Family Finans, which entered the sector in 1991, merged.

Turkish capital owners stayed away from the Islamic banks until the first domestically owned participation banks were launched in 1991. Over the years, participation banks in Turkey have grown significantly as they satisfy Muslims’ preferences of not paying or getting paid interest on loans and of not getting engaged in any kind of investment in firms that sell goods or services considered haram in Islamic teachings. 2005 became a turning point for Islamic banking in Turkey as participation banks received bank status replacing the name “special finance house” as “participation bank”, according to 5411 Banking Law. In addition, all participation banks became a member of the Participation Banks Association of Turkey (TKKB), an umbrella organization of the participation banks operating in Turkey.

In 2015, Ziraat Participation Bank officially began operating, being the first state-owned participation bank. One year later, another state-owned bank following Islamic banking policies, Vakıf Katılım, was founded. In 2019, Emlak Katılım became the newest member of the participation banking industry after getting granted banking license by the Banking Regulation and Supervision Agency (BDDK). As of 2020, three private and three state-run participations banks -Albaraka, Kuveyt Türk, Türkiye Finans, Ziraat Katılım, Vakıf Katılım and Emlak Katılım are currently active in Turkey.

The participation banks, like all other banks in Turkey, operate under the prevailing Turkish Banking Law, regulated and supervised by BDDK. The functionality of participation banks is similar to conventional banks, but they differ in their collecting and lending methods of funds. A wide number of

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banking services are provided by participation banks including inbound and outbound money remittances, letters of guarantee, cheque book services, credit cards, foreign currency transactions, internet and telephone banking, all interest-free.

Parallel to the rapid economic growth Turkey has gone through starting from the 2000s, the participation banking sector has grown very sharply. Total assets of participation banks in Turkey reached TRY 284 billion in 2019, from TRY 2.3 billion in 2001. In addition, the number of participation banks' branches rose sharply from 188 in 2003 to 1,179 in 2019 (TKKB, 2020). The total amount of funds collected by the participation banks have recently exceeded TRY 215 billion while the funds allocated reached approximately TRY 150 billion. While in 2001, participation banks had only accounted for the 1.08% of the Turkish banking industry in terms of asset volume, they managed to increase their share up to 6.3% in 2019.

In light of these achievements, Turkey's more than 30 years of experience in participation banking reveals how ambitious the country is about participation banks. However, despite the remarkable progress in participation banking in the last decade, the market share of participation banks is still far away from other countries. According to World Islamic Banking Competitiveness Report of Ernst & Young (2016), market share of participation bank is 48.9% in Saudi Arabia, 45.2% in Kuwait, 29.3% in Bahrain, 25.8% in Qatar, 21.6% in the United Arab Emirates and 21.3% in Malaysia.

## **B. Literature Review**

Understanding the dynamics of economic growth is one of the most appealing areas of research in the literature of empirical economics. Recent examples of investigating the determinants of economic growth include domestic savings (Aghion, Comin, Howitt, & Tecu, 2016), defense spending (Çetin, Yıldırım, Koy, & Köksal, 2018), tax structure (Ecevit, Yücel, & Yücel, 2016), female labor participation (Erdem et al., 2016b) and shadow economy (Köksal, Işık, & Katircioğlu, 2020). Also, there has been a growing body of literature that recognizes the importance of the relationship between the financial sector and the overall economy. In economic theory, the development of the banking system leads to economic growth as the activity of banks enlarges the savings and improves the efficiency of resource allocation as well as stimulating the innovation.

Most of the studies investigating the relationship between financial development and economic growth focus on conventional banks as a

measure of the financial sector. Participation banks, on the other hand, may play an important role in promoting the economic growth by channeling the idle savings, staying away from conventional banks primarily due to concerns about interest-bearing accounts, into the economy. However, not much attention has been paid to participation banks as a determinant of economic growth.

In their pioneering study, Furqani and Mulyany (2009) search for the relationship between Islamic banking and economic growth for the case of Malaysia using quarterly time series spanning the period of 1997:1-2005:4. The results of cointegration test and vector error correction model show that in the short-run only fixed investment (one of the proxies for economic growth) Granger causes Islamic banks to develop, whereas in the long-run there is a bidirectional relationship between Islamic banking and fixed investment.

Goaied and Sassi (2011) have investigated the nexus of Islamic financial development and economic growth in the MENA region. The authors demonstrate that the nexus is quite heterogeneous across MENA countries where the relationship is negative for Petroleum Exporting MENA Countries and positive but not significant in MENA countries without oil.

Abduh and Azmi Omar (2012) investigate the short-run and the long-run relationship between Islamic banking development and economic growth for Indonesia. Employing the ARDL bounds testing approach covering the period from 2003:1 to 2010:2, the authors find that there is a significant bidirectional relationship between the variables both in the short and long-run.

Focusing on the Malaysian economy, Abdul Manap et al. (2012) examine the causal relationship between Islamic banking development and economic growth. Using Toda-Yamamoto and bootstrap Granger causality tests and spanning the period of 1998:1-2012Q:2, they find a significant unidirectional causality from Islamic financial development to economic growth.

Farahani and Dastan (2013) investigate the role of Islamic banks financing on the economic performance of selected countries (i.e., Malaysia, Indonesia, Bahrain, UAE, Saudi Arabia, Egypt, Kuwait, Qatar and Yemen) using quarterly data (2000:1-2010:4). Applying FMOLS model and Granger Causality tests, they find a positive and statistically significant relationship between economic growth and Islamic banks' financing both in the short run and in the long run. More interestingly, the obtained long-run relationship is



stronger than that of the short run.

Tabash and Dhankar (2013) explore the link between the development of the Islamic finance system and economic growth using annual time series from 1990 to 2008 for the case of Bahrain. The results indicate that there is a positive and statistically significant relationship between economic growth and Islamic banks' financing in the long-term.

Al-Oqool et al. (2014) examine the relationship between financial Islamic banking development and economic growth over the periods of 1980-2012 for Jordan. The authors formulate two models within the context of the VECM framework. According to the findings, in the short-run there is not a causality relationship between financial Islamic banking development and economic growth. In the long run, they detect unidirectional relation from real GDP (a proxy for economic growth) to deposits (a proxy for Islamic banking).

With regard to the Turkish participation banks, there exists a limited number of studies on the relationship between participation banks and economic growth. Dar (2013) argues that Turkey has the potential to become the next hub for Islamic banking and finance. The author emphasizes that it is crucial for Turkey to show more commitment to Islamic banking and use it as a strategic tool to attract funding.

Daly and Frikha (2016) compare the contribution of both participation banks and conventional banks to economic growth for a set of 10 countries, including Turkey. The authors study a sample of 66 conventional banks and 54 participation banks between 2005 and 2012. Employing three ordinary least-square regressions, the authors reveal that participation banks contribute better to economic growth than conventional banks. Moreover, the authors argue that cooperation between the two financing models improves economic growth.

Using Johansen cointegration and Granger causality test, Kalayci and Tekin (2016) examine the cointegration and causal relationships between economic growth, foreign direct investment and participation banks in Turkey over the period 2002-2014. Empirical results show that economic growth is determined by foreign direct investment and participation banks in the long run. Empirical results also show that there exists bidirectional causality between participation banks' funds and economic growth.

Jobarteh and Ergec (2017) investigate the impact of Islamic finance development on economic growth by using the ADF unit root test, cointegration and Granger causality approach over the period 2005-2015. The

results of the model indicate that there are a unidirectional short-run and long-run causality running from Islamic finance development to economic growth.

More recently, Koçak (2018) analyzes the impacts of Islamic finance on economic growth in Turkey covering 2005Q1-2015Q4. Employing unit root tests without/with structural breaks and cointegration tests, the author argues that Islamic banking in Turkey has a positive and statistically significant effect on economic growth.

### C. Data and methodology

This paper employs advanced time series analysis in order to investigate the link between participation banks and economic growth in Turkey. We follow the economic growth literature, in which gross domestic product (GDP) is utilized as a proxy for economic growth (Cetin, Ecevit, & Yucel, 2018; Islam, 1995; Mankiw, Romer, & Weil, 1992, among others). We use total credits given by participation banks (PB) as a proxy for Islamic banking. Also, we use gross fixed capital formation (GCF) and the number of employed persons (EMP) as control variables. We compiled GDP, participation banks' total credits, gross fixed capital formation, and the number of employed person data from the Electronic Data Delivery System of the Central Bank of the Republic of Turkey, which are expressed in natural logarithms and noted by  $\ln GDP$ ,  $\ln PB$ ,  $\ln GCF$  and  $\ln EMP$ , respectively. Even though we have monthly data for participation banks' total credits, we had to restrict our sample to quarterly frequencies as GDP data is released quarterly. Therefore, the quarterly time series spanning the period of 2005Q4-2020Q2 for Turkey was used in the study.

We examine the impacts of participation banks' total financing on economic growth using the below equation;

$$\ln GDP_t = \beta_0 + \beta_1 \ln GCF_t + \beta_2 \ln EMP_t + \beta_3 \ln PB_t + \varepsilon_t. \quad (1)$$

where  $\beta_0, \beta_1, \beta_2, \beta_3$  are the parameters to be estimated,  $t$  is the time period and  $\varepsilon$  is the error term. Table 1 summarizes the descriptive statistics of the variables. It appears that  $\ln PB$  has the highest standard deviation, which means higher variations and thereby more volatility as a result of the remarkable performance that the Islamic finance sector in Turkey has shown in recent years. The probability of Jarque-Bera statistics is greater than the 5% significance level for all the variables meaning that all the series are normally distributed.

**Table 1.** Descriptive statistics of variables

	<i>lnGDP</i>	<i>lnGCF</i>	<i>lnEMP</i>	<i>lnPB</i>
<b>Mean</b>	19.896	18.602	10.089	16.699
<b>Median</b>	19.886	18.620	10.108	16.292
<b>Maximum</b>	20.912	19.575	10.285	19.044
<b>Minimum</b>	18.906	17.594	9.854	14.635
<b>Std. Dev.</b>	0.567	0.605	0.133	1.425
<b>Skewness</b>	0.138	0.039	-0.236	0.167
<b>Kurtosis</b>	1.819	1.648	1.664	1.514
<b>Jarque-Bera</b>	3.614	4.507	4.932	5.699
<b>Probability</b>	0.164	0.105	0.084	0.057
<b>Sum</b>	1173.916	1097.548	595.301	985.254
<b>Sum Sq. Dev.</b>	18.661	21.235	1.036	117.879
<b>Observations</b>	59	59	59	59
<i>lnGDP</i>	1.000			
<i>lnGCF</i>	0.989***	1.000		
<i>lnEMP</i>	0.947***	0.955***	1.000	
<i>lnPB</i>	0.874***	0.892***	0.843***	1.000

Note: \*\*\* denotes statistical significance at the 1% level.

The lower panel of Table 1 indicates the Pearson correlation matrix of the variables. According to results, a statistically significant high positive correlation is observed between all variables.

The empirical methodology consists of four stages. In the first stage, stationary properties of the series are examined using both conventional unit root tests such as Augmented Dickey-Fuller (ADF), Dickey Fuller-Generalized Least Squares (DF-GLS) and Kwiatkowski-Phillips-Schmidt-Shin (KPSS) and unit root tests with structural break(s) such as Lee and Strazicich (Lee & Strazicich, 2003, 2013), Carrion-i-Silvestre and Sansó (2007), Narayan and Popp (2010) and Carrion-i-Silvestre et al. (2009). In the second stage, the cointegration test allowing for an unknown number of structural breaks developed by Maki (2012) is conducted to explore the long-run relationship between series. To avoid multicollinearity, we opt for fully modified ordinary least squares (FMOLS) estimator to obtain long-run coefficients, which corrects the possible correlation between the series. In the third stage, the existence and direction of causal relations between series are investigated with the Hatemi-J (2012) asymmetric causality test. Finally, long-run coefficients were calculated with FMOLS estimator.

### 1. Unit root tests

In their seminal study, Granger and Newbold (1974) showed that if the series are nonstationary, the spurious regression problem will occur. In

another inspiring study, Nelson and Plosser (1982) provided statistical evidence which confirmed the hypothesis of a unit root in the autoregressive representations of twelve macroeconomic time series for the US economy, including GDP, employment, wages, stock prices and interest rates. Later, Johansen and Juselius (1990) also pointed out that most macroeconomic times series are nonstationary.

Unit root tests are performed to check whether the variables are stationary in order to avoid the spurious regression problem. Therefore, testing the unit root properties of the time series is crucial before proceeding with further tests. ADF, DF-GLS, and KPSS unit root tests are commonly used in the applied econometric studies. These tests do not take into account the presence of structural breaks in the series and, therefore, tend to accept the unit root hypothesis, which should be, in fact, rejected (Perron, 1989). In his study, Yucel (2020) showed that empirical findings change from nonstationary to stationary when structural breaks are incorporated. Therefore, we employed Lee and Strazicich (2013) and Lee and Strazicich (2003) minimum Lagrange multiplier (LM) unit root tests with one and two structural breaks, respectively. To further investigate the unit root properties of the variables, we also employed Narayan and Popp (2010) unit root test with two structural breaks in level and slope at an unknown time, Carrion-i-Silvestre and Sansó (2007) KPSS test with two structural breaks and finally, Carrion-i-Silvestre et al. (2009) GLS-based unit root test with multiple structural breaks.

Following Kim and Perron (2009), Carrion-i-Silvestre et al. (2009) generate a GLS-based unit root testing procedures by (i) considering for an arbitrary number of changes in level and the slope of the trend function, (ii) choosing the so-called quasi-GLS detrending method recommended by Elliott et al. (1996) that permits tests which have local asymptotic power functions close to the local asymptotic Gaussian power envelope and (iii) taking into account a variety of tests, in particular M-class unit root tests which were presented in Stock (1999) and examined in Ng and Perron (2001).

The structural break dates in Carrion-i-Silvestre et al. (2009) unit root test are obtained from Bai and Perron (2003) by using a dynamic programming method. Following Elliott et al. (1996) and Perron and Rodríguez (2003), the feasible point optimal statistic is given by:

$$P_T^{GLS}(\lambda^0) = \frac{\{S(\bar{\alpha}, \lambda^0) - \bar{\alpha}, S(1, \lambda^0)\}}{s^2(\lambda^0)}, \quad (2)$$

where  $\lambda$  signifies the estimate of the break fraction,  $\bar{\alpha} = 1 + \bar{c}/T$  ( $\bar{c}$  is the non-centrality parameter) and  $s^2(\lambda^0)$  is an estimate of the spectral density at frequency zero of the disturbance term  $v_t$  (Erdem et al., 2016a). Furthermore, *M-class* statistics are calculated considering multiple structural breaks as follows:

$$MZ_{\alpha}^{GLS}(\lambda^0) = \left(T^{-1} \tilde{y}_T^2 - s(\lambda^0)^2\right) \left(2T^{-2} \sum_{t=1}^T \tilde{y}_{t-1}^2\right)^{-1}, \quad (3)$$

$$MSB^{GLS}(\lambda^0) = \left(s(\lambda^0)^{-2} T^{-2} \sum_{t=1}^T \tilde{y}_{t-1}^2\right)^{1/2}, \quad (4)$$

$$MZ_t^{GLS}(\lambda^0) = \left(T^{-1} \tilde{y}_T^2 - s(\lambda^0)^2\right) \left(4s(\lambda^0)^2 T^{-2} \sum_{t=1}^T \tilde{y}_{t-1}^2\right)^{-1/2}, \quad (5)$$

with  $\tilde{y}_t = y_t - \hat{\psi}'z_t(\lambda^0)$ , where  $\hat{\psi}$  minimizes the objective function<sup>1</sup> and  $s(\lambda^0)^2$  is an autoregressive estimation function. Carrion-i-Silvestre et al. (2009) used another statistic, following Ng and Perron (2001), named *modified feasible point optimal test*. This test is computed as follows:

$$MPT_T^{GLS}(\lambda^0) = \frac{\left(\bar{c}^{-2} T^{-2} \sum_{t=1}^T \tilde{y}_{t-1}^2 + (1 - \bar{c}) T^{-1} \tilde{y}_T^2\right)}{s(\lambda^0)^2}. \quad (6)$$

The test statistic in Equation (6) is considerable because its limiting distribution fits with that of the feasible point optimal test. The asymptotic critical values are obtained from bootstrap replications. If the estimated test statistic is lower than the critical value, the null hypothesis is rejected. The rejection of the null hypothesis in the GLS-based unit root tests implies the presence of a stationary process in the data.

## 2. Cointegration analysis

After determining that the variables are not stationary at their levels, the next stage is to investigate whether there exists a cointegration relationship among the variables. Conventional cointegration tests which do not consider the presence of structural breaks mostly produce biased results for nonstationary variables (Westerlund & Edgerton, 2006). Therefore, these tests perform poorly while testing for long-term relationships, as stated by

<sup>1</sup> Interested reader may refer to Carrion-i-Silvestre et al. (2009) for further details.

Gregory et al. (1996). The cointegration test developed by Maki (2012) allows an examination of cointegration relationship for an unknown number of multiple structural breaks. Maki (2012) test follows Bai and Perron (1998) test for multiple structural breaks and the unit root test with  $m$ -structural breaks introduced by Kapetanios (2005). Four different regression models depending on whether the shifts affect the level, the slope, or the trend are formed as:

$$y_t = \psi + \sum_{i=1}^k \psi_i D_{i,t} + \beta' x_t + u_t, \quad (7)$$

$$y_t = \psi + \sum_{i=1}^k \psi_i D_{i,t} + \beta' x_t + \sum_{i=1}^k \beta'_i x_t D_{i,t} + u_t, \quad (8)$$

$$y_t = \psi + \sum_{i=1}^k \psi_i D_{i,t} + \xi t + \beta' x_t + \sum_{i=1}^k \beta'_i x_t D_{i,t} + u_t, \quad (9)$$

$$y_t = \psi + \sum_{i=1}^k \psi_i D_{i,t} + \xi t + \sum_{i=1}^k \xi_i t D_{i,t} + \beta' x_t + \sum_{i=1}^k \beta'_i x_t D_{i,t} + u_t, \quad (10)$$

where  $t = 1, 2, \dots, T$ .  $y_t$  and  $x_t$  denote observable  $I(1)$  variables, and  $u_t$  is the equilibrium error.  $\psi_i$ ,  $\beta'_i$  and  $\xi_i$ , signify shifts in the level, slope and trend coefficients, respectively,  $D_{i,t}$  is a dummy variable and takes a value of 1 if  $t > T_{Bi}$  ( $i = 1, \dots, k$ ) and 0 otherwise, where  $k$  is the maximum number of breaks and  $T_{Bi}$  symbolizes the time period of the break. Eq. (7), the level shift model, covers changes in the level ( $\psi$ ) only. Eq. (8), which is called the regime shifts model, considers structural breaks in the level ( $\psi$ ) and slope ( $\beta$ ). Eq. (9) is the regime shift model with trend ( $\xi$ ) and finally Eq. (10) accounts for structural breaks in levels, trends and regressors. The null hypothesis of the test is no cointegration, and the alternative hypothesis is cointegration under the structural breaks (Maki, 2012).

### 3. Empirical results

Before testing for a long-run relationship, the stationary properties of the variables are examined using conventional unit root tests. ADF and DF-GLS unit root tests are based on the null hypothesis of non-stationarity, whereas the KPSS unit root test considers the null hypothesis of stationarity. The robustness of unit root test results with respect to alternative null hypotheses is investigated by considering these kinds of tests. The results of the conventional unit root tests are given in Table 2:

**Table 2.** Conventional Unit Root Tests Results

Level	ADF test stat.	DF-GLS test stat.	KPSS test stat.
<i>lnGDP</i>	-3.036 (4)	-2.329 (4)	0.136* [8]
<i>lnEMP</i>	0.012 (4)	-1.207 (4)	0.140* [8]
<i>lnGCF</i>	-1.721 (3)	-1.338 (3)	0.107 [5]
<i>lnPB</i>	-2.144 (0)	-1.642 (0)	0.139* [9]
<b>First Difference</b>			
<i>lnGDP</i>	-12.022*** (1)	-8.131*** (1)	0.121* [12]
<i>lnEMP</i>	-15.313*** (1)	-14.824*** (1)	0.157** [7]
<i>lnGCF</i>	-3.581** (5)	-5.837*** (2)	0.126* [13]
<i>lnPB</i>	-7.443*** (0)	-7.490*** (0)	0.121* [14]

*Notes:* The numbers in the parentheses indicate lag orders selected based on Schwarz Info Criterion. Maximum number of the lags set to 5. The numbers in the brackets indicate the truncation for the Bartlett Kernel, as suggested by the Newey and West test. \*\*\*, \*\* and \* denote statistical significance at the 1%, 5% and 10% levels, respectively. The critical values for KPSS test are 0.216, 0.146 and 0.119 for 1%, 5% and 10%, respectively.

According to Table 2, the ADF and DF-GLS test results show that the null hypothesis of unit root cannot be rejected for all of the variables, implying that the series is not stationary at their levels for the intercept and trend case. To investigate with more detail the unit root characteristics of the series, we employ the KPSS unit root test of which null-hypothesis is stationary. The results reveal that the null hypothesis of stationarity is rejected at the 10% significance level for *lnGDP*, *lnEMP* and *lnPB*. It cannot be rejected for *lnGCF* at levels. However, all variables are stationary at their first differences; in other words, all the variables are integrated of order one,  $I(1)$ .

Given the low power of the conventional unit root tests in the existence of structural breaks, we further investigate with Carrion-i-Silvestre and Sansó (2007) (CiSS-2007), Lee and Strazicich (2003, 2013) (LS-2003, LS-2013), Narayan and Popp (2010) (NP-2010) unit root test with one or two structural breaks (see, Table 3) and Carrion-i-Silvestre et al., (2009) (CiSKP-2009) unit root test, which allows for multiple endogenous structural breaks. CiSKP-2009 test allows up to five structural breaks but considering the structure of the variables and the time period, we restrict the number of structural breaks to three.

**Table 3.** Unit root tests with one or two structural breaks

Level	LS-2013 LM-Stat.	$\widehat{T}_B$ ( $\lambda$ )	LS-2003 LM-Stat.	$\widehat{T}_B$ ( $\lambda_1;\lambda_2$ )	NP-2010 ADF-Stat.	$\widehat{T}_B$	CiSS-2007 KPSS-Stat.	$\widehat{T}_B$ ( $\lambda_1;\lambda_2$ )
<i>lnGDP</i>	-4.052 (4)	2016Q4 (0.73)	-5.009 (4)	2008Q3 2016Q4 (0.2;0.76)	-5.272** (4)	2008Q3 2013Q4	0.016	2008Q4 2019Q2 (0.22;0.93)
<i>lnEMP</i>	-3.749 (4)	2016Q2 (0.72)	-4.882 (4)	2010Q1 2017Q2 (0.30;0.79)	-3.404 (4)	2013Q3 2017Q2	0.094***	2010Q1 2018Q3 (0.30;0.88)
<i>lnGCF</i>	-2.733 (3)	2010Q4 (0.35)	-5.439* (3)	2008Q3 2010Q4 (0.20;0.35)	-4.449 (3)	2008Q3 2012Q3	0.012	2008Q4 2011Q4 (0.22;0.42)
<i>lnPB</i>	-2.999 (0)	2008Q4 (0.22)	-3.869 (0)	2008Q3 2014Q3 (0.20;0.61)	-9.314*** (0)	2008Q3 2014Q2	0.037	2007Q3 2014Q3 (0.13;0.61)
<b>First Difference</b>								
<i>lnGDP</i>	-6.043*** (3)	(0.70)	-9.912*** (3)	(0.22;0.72)	-25.116*** (3)	-	0.086**	(0.34;0.86)
<i>lnEMP</i>	-5.206*** (3)	(0.55)	-13.12*** (3)	(0.22;0.36)	-14.848*** (3)	-	0.382***	(0.15;0.20)
<i>lnGCF</i>	-6.186*** (3)	(0.63)	-7.552*** (3)	(0.22;0.39)	-5.735*** (3)	-	0.117**	(0.20;0.24)
<i>lnPB</i>	-7.672*** (0)	(0.20)	-8.912*** (0)	(0.58;0.63)	-9.686*** (0)	-	0.054	(0.12;0.15)

Notes: \*\*\*, \*\*, and \* denote statistical significance at the 1%, 5%, and 10% levels, respectively. Schwarz Information Criterion is used to detect the optimal lag length. Maximum lag length is set to five.  $\widehat{T}_B$  represents the break date(s).

Under the null hypothesis of a unit root, LM (LS-2003, LS-2013) and NP (2010) test statistics show that the series is mostly nonstationary at their levels. As conventional tests results, all of the series are stationary at their first differences at 1% significance level, meaning that all the variables are integrated of order one,  $I(1)$ . On the other hand, in KPSS test of CiSS-2007, we cannot reject the null hypothesis of stationary for *lnGDP*, *lnGCF* and *lnPB* at a 5% significance level. Additionally, in order to obtain more robust results, CiSKP-2009, a GLS-based unit root test with multiple structural breaks, is also employed in the study.

**Table 4.** CiSKP-2009 unit root test results

Variable	$P_T$	$MP_T$	$MZ_\alpha$	MSB	$MZ_t$	TB
<i>lnGDP</i>	9.198 [7.476]	9.328 [7.476]	-28.683 [-33.865]	0.129 [0.121]	-3.711 [-4.096]	2007Q1 2008Q4 2013Q4
<i>lnGCF</i>	7.734 [6.895]	7.548 [6.895]	-28.993 [-31.159]	0.130 [0.126]	-3.756 [-3.906]	2007Q1 2008Q3 2010Q1
<i>lnEMP</i>	9.009 [7.751]	9.187 [7.751]	-27.331 [-32.734]	0.135 [0.122]	-3.697 [-4.036]	2007Q1 2009Q1 2018Q2
<i>lnPB</i>	25.096 [7.326]	23.009 [7.326]	-10.755 [-33.473]	0.212 [0.122]	-2.278 [-4.086]	2007Q3 2014Q3 2018Q3

Notes: Numbers in brackets are critical values obtained from bootstrapping. TB represents a break date. The model estimated shifts in slope and intercept.



Table 4 presents the estimated  $P_T^{GLS}(\lambda^0)$ ,  $MP_T^{GLS}(\lambda^0)$ ,  $MZ_a^{GLS}(\lambda^0)$ ,  $MSB^{GLS}(\lambda^0)$  and  $MZ_t^{GLS}(\lambda^0)$  statistics and break dates of CiSKP-2009 unit root test results for  $\ln GDP$ ,  $\ln GCF$ ,  $\ln EMP$  and  $\ln PB$ . Our findings indicate that the null hypothesis of unit root cannot be rejected for all of the variables at their levels because the estimated test statistics are greater than the critical value for all tests. In other words,  $M$ -class unit root tests provide clear evidence of  $I(1)$  under three structural breaks for both variables. These results are consistent with conventional unit root tests and other structural break tests findings. Moreover, this approach has successfully detected structural breaks in the series, such as 2008 the subprime mortgage crisis in the United States. Although this crisis did not break out in Turkey, its effect was strong enough to lead to a break in the series.

After determining that all variables are integrated of order one, we turn to the cointegration analysis to investigate the long-run relationship between Islamic financing, economic growth, capital and labor. Given the importance of structural breaks in the cointegration analysis, we employed the Maki (2012) cointegration test, which allows multiple structural breaks. The results of cointegration tests under multiple structural breaks are presented in Table 5.

**Table 5.** Maki (2012) cointegration test results

Model	Test statistic	Critical values			Break dates
		1%	5%	10%	
<b>Model 0 (level shift)</b>	-9.21***	-6.555	-6.038	-5.773	2007Q2; 2008Q2; 2010Q1; 2018Q3; 2019Q2
<b>Model 1 (level shift with trend)</b>	-8.73***	-6.784	-6.250	-5.976	2008Q2; 2009Q2; 2010Q1; 2018Q3; 2019Q2
<b>Model 2 (regime shifts)</b>	-11.3***	-8.673	-8.110	-7.796	2008Q2; 2009Q2; 2011Q2; 2018Q3; 2019Q2
<b>Model 3 (regime shifts and trend)</b>	-11.0***	-9.428	-8.800	-8.508	2008Q1; 2009Q2; 2010Q1; 2017Q1; 2018Q3

Notes: \*\*\* denotes statistical significance at the 1% level. Critical values are obtained from Table 1 in Maki (2012). Schwarz Info Criterion is used to detect the optimal lag length. The trimming rate is selected as 5%.

Table 5 shows the absolute value of the test statistics greater than the absolute value of the critical values at a 1% significance level for each model. Hence, the null hypothesis of no-cointegration between Islamic finance and economic growth is strongly rejected. These results reveal strong evidence

that Islamic finance, gross capital formation, employment and economic growth in Turkey have long-run relationship under structural breaks. Moreover, the break dates obtained from the cointegration analysis are consistent with our expectations. For example, the structural break dates covering the period 2007Q2 and 2010Q1 refer to the years of the global (subprime mortgage) crisis, which had a profound impact all over the world. Also, the breaking dates from 2017Q1 to 2019Q2 reflect the economic effects of the coup attempt in July 2016.

**Table 6.** FMOLS estimation of long-term coefficients

<b>Dependent variable: <i>lnGDP</i></b>			
<b>Regressor</b>	<b>Coefficient</b>	<b>Standard Error</b>	<b><i>p</i>-value</b>
<i>lnGCF</i>	0.715***	0.029	0.000
<i>lnEMP</i>	0.422***	0.122	0.001
<i>lnPB</i>	0.021***	0.007	0.006
<i>DU<sub>2007Q2</sub></i>	0.076***	0.019	0.000
<i>DU<sub>2008Q2</sub></i>	0.154***	0.016	0.000
<i>DU<sub>2010Q1</sub></i>	-0.090***	0.015	0.000
<i>DU<sub>2018Q3</sub></i>	0.143***	0.015	0.000
<i>DU<sub>2019Q2</sub></i>	0.078***	0.018	0.000
<b>Constant</b>	1.793*	0.903	0.052
<b>R-squared</b>	0.995		
<b>Adjusted R-squared</b>	0.994		
<b>S.E. of regression</b>	0.040		
<b>Long-run variance</b>	0.000		

*Notes:* \*\*\*, \*\*, and \* denote statistical significance at the 1%, 5%, and 10% levels, respectively. Break dates were selected based on model 0 in Maki (2012). Long-run covariance estimate: Bartlett kernel, Newey-West fixed bandwidth = 4. DU represents time dummies.

After detecting the cointegration relationship, we proceed with cointegration estimator in order to obtain long-run coefficients of the level shift model. In this sense, we use FMOLS estimation methods, which account for serial correlation and endogeneity problems (Erdem et al., 2016a). Break dates obtained from Maki (2012) test results and that belongs to Model 0 are added to the model as time dummies. According to the estimated level shift model in Table 6, *lnGCF* (0.715,  $p$ -value  $\leq 0.01$ ), *lnEMP* (0.422,  $p$ -value  $\leq 0.01$ ) and *lnPB* (0.021,  $p$ -value  $\leq 0.01$ ) variables show a positive and statistically significant effect on *LnGDP* in line with our expectations. Also, all time dummies and constant variable are found to have significant impact. More specifically, a 1% increase in gross capital formation and employment

will increase Turkey's economic growth by 0.715 and 0.422 respectively. These findings indicate that Turkey's production is capital-intensive. As for participation banks, a 1% increase in the credits given by these banks will accelerate economic growth by 0.021% in Turkey. The importance of this contribution could be better understood considering that participations banks received bank status relatively recently and their share in Turkish banking sector is only around 6% in 2019 in terms of asset volume.

Our results regarding the impact of participation banks on economic is support by the study of Furqani and Mulyany (2009) for Malaysia, Abduh and Azmi Omar (2012) for Indonesia, Tabash and Dhankar (2013) for Bahrain, Koçak (2018) for Turkey. However, our findings is not consistent with the results of Goaiad and Sassi (2011) for MENA region.

**Table 7.** Hatemi-J (2012) asymmetric causality test results

Causalities	Modified Wald statistics	Bootstrap critical values		
		1%	5%	10%
$\ln PB^+ \Rightarrow \ln GDP^+$	14.921 (6)	54.034	27.632	19.846
$\ln PB^+ \Rightarrow \ln GDP^-$	21.522* (6)	58.930	24.502	17.290
$\ln PB^- \Rightarrow \ln GDP^-$	18.835 (6)	56.020	28.306	19.193
$\ln PB^- \Rightarrow \ln GDP^+$	46.984** (6)	54.625	26.885	19.342
$\ln GDP^+ \Rightarrow \ln PB^+$	26.087* (6)	55.517	26.524	18.955
$\ln GDP^+ \Rightarrow \ln PB^-$	7.159 (5)	32.603	18.566	13.929
$\ln GDP^- \Rightarrow \ln PB^-$	28.426* (6)	85.744	29.302	19.225
$\ln GDP^- \Rightarrow \ln PB^+$	4.856 (5)	36.400	20.445	15.682

Notes: \*\*\*, \*\*, and \* denote statistical significance at the 1%, 5%, and 10% levels, respectively. The numbers in the parentheses indicate lag orders selected based on Hatemi-J Criterion (HJC). Critical values are created with 10,000 bootstrap replications.

The Hatemi-J (2012) asymmetric causality test results between  $\ln GDP$  and  $\ln PB$  are presented in Table 7. According to the results, the null hypothesis of no causality is rejected in four out of eight cases. More specifically, the null hypotheses of  $\ln PB^+$  does not Granger cause  $\ln GDP^-$ ,  $\ln PB^-$  does not Granger cause  $\ln GDP^+$ ,  $\ln GDP^+$  does not Granger cause  $\ln PB^+$  and  $\ln GDP^-$  does not Granger cause  $\ln PB^-$  are rejected at least at the 10% significance level. According to this result, positive shocks in Islamic financing are the cause of negative economic growth shocks, while negative shocks are the cause of positive economic growth. On the other hand, a positive shock in economic growth is the cause of a positive shock in Islamic financing, and a negative shock is the cause of a negative shock. Hence, the results indicate that the *growth hypothesis* is valid between Islamic finance and economic growth for the Turkish economy over the period 2005Q4–2020Q2. The results of causality test are in line with the studies of Abdul

Manap et al. (2012) for Malaysia, Farahani and Dastan (2013) for selected Islam countries and Kalayci and Tekin (2016) for Turkey. To the contrary, the causality results are not supported by the study of Al-Oqool et al. (2014) for Jordan who did not find a causality in the short run.

The main inference to be drawn from our results is that policies promoting participation banking will lead to economic growth in Turkey. This is not to suggest; however, participation banks should not be seen as a substitute for conventional banks. On the contrary, participation banks should be considered as complementary to conventional banking. In its Financial Stability Report recently published, Central Bank of the Republic of Turkey states that although its value is not known precisely, Turkey's household gold stockpiles total at least 2,200 tones, worth some TRY 400 billion (CBRT, 2018, p. 25). Participation banks might play an essential role in spurring economic growth by channeling a vast amount of idle savings unconverted into an investment due to concerns about interest-bearing accounts into the economy.

#### **Conclusion and policy recommendations**

There is a growing body of literature that recognizes the importance of the financial sector in economic growth within the conventional financing framework. In contrast, studies conducted within the scope of Islamic finance are limited. Aiming to contribute to the literature of Islamic finance, we analyzed the relationship among gross domestic product, gross fixed capital formation, number of employed persons and total credits given by participation banks for the case of Turkey. We conducted unit root tests without and with structural breaks, Maki (2012) cointegration test with multiple structural breaks and Hatemi-J (2012) asymmetric causality tests over the period of 2005Q4-2020Q2.

The findings reveal that there is a long-run stable relationship among the variables: participation banks' total funds, economic growth, and gross fixed capital formation. Also, the linear causality test supports strong evidence of one-way causal relations from participation banks' funds to economic growth both in the short-run and long-run but not vice versa.

These findings have a number of important policy implications. Firstly, an increase in the credits given by participation banks leads to economic growth. Therefore, by bringing the idle funds into the participation banking system and/or stimulating participation banks, economic growth may be accelerated. Secondly, participation banks could be used as a stabilator in economic crises as these banks are better to absorb external shocks

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compared to conventional banks (i.e., the banks' financing losses are partially absorbed by the depositors). It should also be noted that the funds collected by participation banks depend on the interest-sensitivity of the individuals rather than their income. Finally, participation banks in Turkey have an important potential to embrace a tidy sum of people who are outside of the financial system. Thus, Islamic banks should diversify its current products as well as introducing new financial products and services.



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## KATILIM BANKALARI EKONOMİK BÜYÜMEYE KATKI SAĞLIYOR MU? TÜRKİYE İÇİN ZAMAN SERİSİ ANALİZİ

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### Geniş Öz

“Ribâ” kelimesi Arapça mastar olup, sözcüğün kökeninde “mutlak çoğalma” anlamı vardır. İslami terminolojide riba, çaba sarf edilmeden elde edilen kazanç anlamına gelir. Finansal işlemler söz konusu olduğunda Müslümanların temel sorumluluklarından biri, ribadan kaçınmaktır. Hz. Peygamber bir hadisi şerifinde şöyle buyurmuştur: “İnsanlar öyle bir devre ulaşacak ki, o zamanda riba yemeyen kalmayacak”. Bu hadisi şerif Müslümanları kişisel veya ticari işlemlerinde hangi finansal yöntemleri kullanacaklarına karar vermeden önce daha dikkatli olmaya çağırmaktadır (Kettell, 2011, s. 51).

İslam’da ribanın haram olduğuna dair pek çok delil vardır. Kuran’da riba ile ilgili on iki ayet vardır ve riba kelimesi sekiz defa geçmektedir. Şu ayet ribayı açık bir şekilde yasaklamaktadır: “... Allah ticareti helal, ribayı ise haram kılmıştır” (Bakara 2/275). İslam alimleri, ribanın yasaklanmasının arkasında beş neden öne sürmüşlerdir (Kettell 2011, s. 53): “Adaletsizdir, toplumu yozlaştırır, diğer insanların mallarına uygunsuz bir şekilde el konulmasına sebep olur, negatif ekonomik büyümeye neden olur ve insan kişiliğine zarar verir.

Türkiye’deki bankacılık sistemi mevduat bankaları (geleneksel bankalar), kalkınma ve yatırım bankaları ve faizsiz bankalar veya İslami bankalar olarak da adlandırılan katılım bankalarından oluşmaktadır. Katılım bankalarının Türk finansal sistemindeki geçmişi, 1983 yılında “Özel Finans Kurumları” kurulmasına dayanır. Türkiye’de faizsiz bankacılığın ilk uygulaması, faiz hassasiyeti nedeniyle geleneksel bankalardan uzak durmayı tercih eden müşterilere kapılarını açan Albaraka Türk’ün ve Faysal Finans’ın 1985 yılında kurulması olmuştur.

Türk sermaye sahipleri, 1991 yılında ilk yerli katılım bankası kurulana kadar

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katılım bankalarına mesafeli durmuştur. Yıllar geçtikçe Türkiye'deki katılım bankaları, müşterilerin faiz ödememe ve İslami öğretilerde haram sayılan mal veya hizmetleri satan firmalara yatırım yapmama tercihlerini karşıladıkları için kayda değer bir büyüme göstermiştir. 2005 yılında 5411 sayılı Bankacılık Kanunu'nda katılım bankalarının “özel finans kurumu” yerine “katılım bankası” adını alarak banka statüsü kazanmaları, Türkiye'de İslami bankacılık için bir dönüm noktası olmuştur. Ayrıca, tüm katılım bankaları, Türkiye'de faaliyet gösteren katılım bankalarının çatı kuruluşu olan Türkiye Katılım Bankaları Birliği'ne (TKKB) üye olmuştur.

Türkiye'de 2020 yılı itibarıyla üç özel ve üç kamu iştiraki banka -Albaraka, Kuveyt Türk, Türkiye Finans, Ziraat Katılım, Vakıf Katılım ve Emlak Katılım faaliyetlerini sürdürmektedir. Katılım bankaları, Türkiye'deki diğer tüm bankalar gibi, BDDK tarafından düzenlenen ve denetlenen Türk Bankacılık Kanunu'na göre faaliyet göstermektedir. Katılım bankalarının işlevselliği geleneksel bankalara benzemekte ancak fon toplama ve ödünç verme yöntemlerinde farklılık göstermektedirler.

Türkiye'nin 2000'li yıllardan itibaren yaşadığı hızlı ekonomik büyüme paralel olarak katılım bankacılığı sektörü önemli bir gelişme kaydetmiştir. Türkiye'deki katılım bankalarının toplam varlıkları 2001'de 2,3 milyar TL iken 2019'da 284 milyar TL'ye ulaşmıştır. Ayrıca katılım bankalarının şube sayısı 2003'te 188 iken 2019'da 1,179'a yükselmiştir (TKKB, 2020). Katılım bankalarının son dönemde topladıkları toplam fon miktarı 215 milyar TL'yi aşarken, tahsis edilen fonlar yaklaşık 150 milyar TL'ye ulaşmıştır. 2001 yılında katılım bankaları aktif hacmi açısından Türk bankacılık sektörünün sadece %1,08'ini oluştururken, 2019'da paylarını %6,3'e kadar artırmayı başarmışlardır.

Bu başarıların ışığında, Türkiye'nin 30 yılı aşkın katılım bankacılığı deneyimi, ülkenin katılım bankaları konusunda ne kadar iddialı olduğunu ortaya koymaktadır. Ancak, özellikle son on yılda katılım bankacılığında kaydedilen önemli ilerlemeye rağmen, katılım bankalarının pazar payı hala diğer Müslüman ülkelerin oldukça gerisindedir. Ernst & Young'ın Dünya İslami Bankacılık Rekabet Edebilirlik Raporu'na (2016) göre katılım bankacılığının pazar payı Suudi Arabistan'da %48,9, Kuveyt'te %45,2, Bahreyn'de %29,3, Katar'da %25,8, Birleşik Arap Emirlikleri'nde %21,6 ve Malezya'da %21,3 oranındadır.

Gelişmiş bir finans sektörünün ekonomik büyümeyi hızlandıracağı konusunda iktisat literatüründe bir uzlaşma vardır. Ancak Türkiye örneğinde katılım bankaları ile ekonomik büyüme arasındaki ilişkiyi inceleyen az sayıda çalışma vardır. Bu çalışma, Türkiye'deki katılım bankaları ile ekonomik büyüme arasındaki ilişkiyi ileri zaman serileri analizi kullanarak araştırmak suretiyle literatüre katkıda bulunmayı amaçlamaktadır. Araştırma kapsamında Türkiye örneğinde gayrisafi yurtiçi hasıla (GSYİH), brüt sabit sermaye oluşumu, istihdam edilen kişi sayısı ve katılım bankaları tarafından verilen toplam krediler kullanılarak neo-klasik bir

üretim fonksiyonu oluşturulmuştur. Katılım bankalarının toplam kredileri ve istihdam için aylık veri olmasına rağmen, GSYİH verilerinin üç ayda bir yayımlanması nedeniyle çalışmanın örnekleme üç aylık frekanslarla sınırlanmıştır. Bu nedenle, çalışmada doğal logaritmaları alınmış değişkenlerin 2005Q4-2020Q2 dönemini kapsayacak şekilde üç aylık zaman serileri kullanılmıştır.

Çalışmamızın ekonometrik metodolojisi dört aşamadan oluşmaktadır. Birinci aşamada, serilerin birim kök özellikleri, ADF, DF-GLS, ve KPSS gibi geleneksel birim kök testleri ve Lee & Strazicich (2003, 2013), Carrion-i-Silvestre & Sansó (2007), Narayan & Popp (2010) ve Carrion-i-Silvestre ve diğerleri gibi yapısal kırılmalı birim kök testleri kullanılarak incelenmiştir. İkinci aşamada, seriler arasındaki uzun dönemli ilişkiyi keşfetmek için Maki (2012) tarafından geliştirilen çoklu yapısal kırılmaya izin veren eşbütünleşme testi kullanılmıştır. Üçüncü aşamada seriler arası nedensellik ilişkilerinin varlığı ve yönü Hatemi-J (2012) asimetrik nedensellik testi ile incelenmiştir. Son olarak, uzun dönem katsayıları elde etmek için çoklu bağlantı probleminden kaçınmak amacıyla seriler arasındaki olası korelasyonu düzelteren tamamen değiştirilmiş sıradan en küçük kareler (FMOLS) tahmincisi tercih edilmiştir.


Uzun dönem eşbütünleşme katsayılarına göre, sermaye, istihdam ve katılım bankalarının kullandığı kredilerde %1'lik bir artış Türkiye'nin ekonomik büyümesi üzerinde sırasıyla %0,715, %0,422 and %0,021'lik bir artışa yol açmaktadır. Bu sonuçlara göre, Türkiye'nin ekonomik büyümesinde emek ve sermayenin yanı sıra, katılım bankalarının kullandığı kredilerin de büyüme üzerine anlamlı bir etkisi vardır. Nedensellik testi sonuçlarına göre ise, katılım bankalarının kredilerinden ekonomik büyümeye doğru hem kısa hem uzun dönemde tek yönlü bir nedensellik ilişkisi vardır.


Bu çalışmanın iki önemli politika önerisi vardır. Birincisi, katılım bankaları atıl fonların bankacılık sistemine kazandırılmasında önemli bir rol oynayabilir. Bu nedenle, katılım bankalarının geleneksel bankaların ikamesi olarak değil de tamamlayıcısı olarak görülmesi gerekmektedir. İkincisi, katılım bankaları sahip oldukları potansiyeli açığa çıkarmak için yeni finansal ürünler ve hizmetler sunarak ürünlerini çeşitlendirmelidir.

**Anahtar Kelimeler:** İslami Ekonomi, katılım bankaları, ekonomik büyüme, birim kök, yapısal kırılma, eşbütünleşme, nedensellik.



# DİNİ TUTUM AÇISINDAN TESETTÜR MODA GIYİM TERCİHİNDE ETKİLİ OLAN FAKTÖRLERİN BELİRLENMESİNE YÖNELİK BİR ÇALIŞMA

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## Öz

Araştırmanın ana amacı dini tutumun tesettür ve moda giyim üzerindeki etkisini belirlemektir. Dini tutumun tesettür ve moda giyimine olan etkisi ve dini tutumun satın alma davranışı üzerindeki etkisi incelenmektedir. Kolayda örnek yöntemi kullanılarak 270 tesettürlü kadından alınan bilgiler SPSS paket programı aracılığı ile analiz edilmiştir. Araştırma “Dini Tutum Ölçeği”, “Satın Alma Davranışı Ölçeği” ve “Tesettür Moda Giyim Davranışı Ölçeği” olmak üzere üç ölçekten oluşturulmuştur.

Dini Tutum Ölçeği açısından; “Zor zamanlarda Allah’ın bana yardım ettiğini düşünüyorum”, “Yardım talep edenlere Allah rızası için yardım ederim” ve “İnanmış dinin gereklerini yerine getirmeye çalışırım” en değerli olan ifadelerdir. Satın Alma Davranışları Ölçeği açısından; “Bana göre kıyafetlerin inancıma uygunluk düzeyi kaliteden daha önemlidir”, “Bana göre kıyafetlerin inancıma uygunluk düzeyi fiyattan daha önemlidir” ve “Yeni şeyler satın almak eğlencelidir” ifadeleri en önemli değişkenler olarak bulunmuştur. Tesettür Moda Giyim Davranışı Ölçeği açısından; “İnancıma uygun giysiler giyerim”, “Satın aldığım markaların inançlarıma uygun olmasına dikkat ederim” ve “İslami yükümlülüğe uygun kıyafet sahibi olmak İslami kimliğimi artırır” ifadeleri en önemli görülen değişkenlerdir.

Dini Tutum Ölçeğinin Faktör Analizi sonucu, “İçselleştirilmiş İnanç Duygusu” ve “Geleneksel Dindarlık Anlayışı” şeklinde iki faktör belirlenmiştir. Satın Alma Davranışları ile ilgili Faktör Analizi sonucu, “Çeşitlendirilmiş Satın Alma Davranışı”, “Karmaşık Satın Alma Davranışı”, “Alışılmış Satın Alma Davranışı”, “Sosyalleştirilmiş Satın Alma Davranışı”, “Marka Farklılaştırmasına Yönelen Satın Alma Davranışı” ve “İnanca Uygun Satın Alma Davranışı” olmak üzere altı

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faktör belirlenmiştir. Tesettür Moda Giyim Davranışı Faktör Analizi sonucu, “Modayı Takip Eden Bireyler”, “İnanç Unsurunu Ön Plana Alan Bireyler” ve “Statüyü Ön Plana Alan Bireyler” olmak üzere üç faktör belirlenmiştir.

**Anahtar kelimeler:** İslami Ekonomi, Dini Tutum, Tesettür, Moda Giyim, Tesettür Moda Giyim İlişkisi.



### AN APPLIED RESEARCH TO DETERMINE THE FACTORS THAT PREFER HIJAB FASHION APPAREL IN TERMS OF RELIGIOUS ATTITUDES

The main purpose of the study was to determine the effect of religious attitude on hijab and fashion clothing. The effect of religious attitude on hijab and fashion clothing and the effect of religious attitude on purchasing behavior are examined. Using the sample method, information obtained from 270 women with hijab was analyzed by SPSS package program. The study consisted of three scales: “Religious Attitude Scale”, “Purchasing Behavior Scale” and “Hijab Fashion Clothing Behavior Scale”

In terms of Religious Attitude Scale; “I think that God helped me in difficult times”, “I help for Allah's sake those who ask for help” and “I try to fulfill the requirements of the religion I believe in” are the most valuable statements.

In terms of Purchasing Behavior Scale; “In my opinion, the suitability of clothes to my belief is more important than quality”, “In my opinion, the suitability of clothes to my belief is more important than price” and “It's fun to buy new things” were the most important variables.

*[The Extended Abstract is at the end of the article.]*



### Giriş

Din kavramı insanları her dönem de etkileyen önemli bir kavram olduğundan insanlık tarihi kadar eskidir. Öyle ki ne kadar geçmişe gidilirse gidilsin dini olmayan bir topluma rastlanmamıştır (Keskin, 2004). Giyinme insana has bir durum olmakla beraber yaratılış gereğidir. Bu sebeple örtünme bütün ilahi dinlerde üzerinde önemle durulan bir husustur (Erdem, 2015). Kur'an'da giyinme ile ilgili yaklaşık olarak 10 ayet (Araf 26, 27, 31; Nahl 81; Ahzap, 59; Nur 31) bulunmaktadır.

Sözlükte “gizlenmek” anlamına gelen tesettür, dini bir kavram olarak, kişinin bir zaruret bulunmaksızın açılması ve bakılması helal olmayan uzuvlarını örtmesi anlamına gelmektedir. Tesettürden genellikle kadınların, nikâhlanabileceği erkeklere karşı örtünmesi anlaşılmaktadır (Erdem, 2015). Kadın ve erkeklerin sokaktaki giyimleri, toplum hayatında huzuru sağlama,

dini-ahlaki değerleri koruma ve bazı olumsuzlukları önleme çerçevesinde ele alınmaktadır (Koca, 2013). Günümüzde ise Tesettür kavramı değişim ve gelişimler etkilenmiş, tesettür modası şeklinde bir kavramın ortaya çıkmasıyla ve tüketim kültürü ile modanın birleşmiş hali şeklinde görülmektedir.

Bu araştırma genel anlamda dini tutumun tesettür moda giyim tercihinde etkisini ölçmektedir. Tesettürlü kadınların dini tutumları ve bu tutumları yaşam tarzlarından biri olan giyim ve moda ile olan bakış açıları ve tercihleri açısından ne kadar önem arz ettiği ve etkilediğinin ölçmekte olup dini tutumun gerçek anlamda etkisi anlamlandırılmaya çalışılmıştır. Yapılan yazın çalışmasında nitel/nicel açılarından böyle bir araştırma yapılmadığı görülmüştür. Dolayısıyla teorik ve pratik açıdan konunun tartışılmaya ihtiyacı bulunduğu ortaya çıkmaktadır.

Bu bağlamda araştırmada Dini tutum ölçeği, karar verme tarzı ölçeği, moda giyim İlgilenimi ölçeği, Satın Alma Sonrası Ağızdan Ağıza İletişim Niyeti Ölçeği, Ürün-İşletme Tercihi ölçeği, Dinin Etkisini Hissetme Ölçeği ve son olarak da Sosyal Medya İlgilenimi Ölçeği esas alınarak araştırma yapılmıştır.

#### **A. Kavramsal Çerçeve ve Literatür Taraması**

Din Arapça kökenli bir kelime olup “örf, adet, itaat vb.” anlamlarda kullanılmaktadır. Türkçede kullanışı ise inanç sistemi, bir inancın kaideler bütünü şeklindedir (Kara Coşkun, 2004). Tutum, bir psikolojik obje ile ilgili düşünce, duygu ve davranışlarını düzenli bir biçimde oluşturan bir eğilimdir (Kavas, 2013). Din, mensuplarının tutum ve davranışlarını yönlendirmektedir. Dinin insan hayatında önemli bir yeri bulunmaktadır (Özbaydar, 1970:5). “Dinî tutum, kişinin dinle ilgili düşünce, duygu ve davranışlarını istikrarlı olarak belirleme tarzıdır. Bireyin dinle ilgili bilgi ve inançları (zihni unsur), dinin bütününden ya da herhangi bir esasından hoşlanması veya hoşlanmaması (duygu unsuru) ve dinle ilgili davranışları, yani lehte ve aleyhteki birtakım faaliyetleri (davranış unsuru) onun dinî tutumunu oluşturmaktadır” (Peker, 1993:88; Uysal, 1996; Apaydın, 2002; Plotnik, 2009). Dini tutum bireyin dinle ilgili duygu, düşünce ve davranışların istikrarlı olmasını ifade etmekte (Arslan, 2009), dini tutum oluşması ise doğuştan olmayıp dünyanın etkisi ile (taklit, öğrenme, deneyim vb.) oluşmaktadır. Eğitim, çalışma, iş alışkanlıklarının kazandırılması veya dine yönelim gibi hususlar, tutum değişikliğini gerektirmektedir (Kağıtçıbaşı, 1999:119; Freedman, Sears ve Carlsmith, 1998:387-388).

Tutum; Olumsuzluktan olumluya uzanan bir süreklilik çizgisi üzerinde bir nesne, birey veya olaylarla ilgili değerlendirmeyi içeren ve o nesne, birey

veya olay karşısında belli bir şekilde davranmaya yatkın hale gelme durumudur (Plotnik, 2009). Tutum, doğrudan doğruya gözlenebilen bir davranış değil, davranışa hazırlayıcı bir eğilim olduğuna göre, gözle görülmemektedir. Fakat gözlenebilen bazı davranışlara yol açtığından, bu davranışların gözlenmesi sonucu herhangi bir tutumun var olduğu söylenebilmektedir. Örneğin; sabah ezanından rahatsız olduğunu ileri süren birisinin dine karşı olumsuz bir tutuma sahip olduğu hükmüne varılabilmektedir (Peker, 2008).

Birey dinî inancı gereği dinin emirlerini yerine getirmek, yasaklarından kaçınmak, doğru, dürüst, çalışkan ve güvenilir olmak yönünde bir tutum geliştirebilmektedir. Bu durum bireyin dine karşı olumlu bir tutum sahibi olduğuna işaret etmektedir. Dinî hükümleri yerine getirmekte duyarlı olanlara 'dinî tutumları kuvvetli', olmayanlara 'dinî tutumları zayıf' denir (Uysal, 1996:30). Köklü ve aşırı tutumları değiştirmek zordur (Krech ve Crutchfield, 1999:244). Tutumların gücünü zihni, duygu ve davranış unsurlarının kuvvetleri toplamı oluştururken dinî tutumların gücünü de, dinî zihniyet, duygu ve davranışların güçleri toplamı oluşturmaktadır. Dinî bir tutum gücü oranında diğer tutumları etki altına alarak merkezileşebilmektedir (Bem, 1970:17). Dinî insana mutluluk ve huzur verdiği inanan dindar bir insan, din hakkında olumlu bir tutuma sahipken, dinî insanların geri kalmasına sebep olduğu kanaatinde olan biri ise, din hakkında olumsuz tutum geliştirmektedir. Yine aynı dine inananlar arasında farklı dinî tutumlar görülebilmektedir. İçki müptelası olan ya da içki alıp satarak para kazanan bir Müslüman, içki hakkında olumlu tutum takınabilir; buna karşılık bir başka Müslüman Kur'an'daki içkiyi yasaklayan ayetlere bakarak bu konuda olumsuz tutum takınabilmektedir (Erkan, 2013). Yani dini tutum kişinin dinle ilgili düşünce, duygu ve davranışlarını belirleme tarzıdır. İnanç; tutum ve davranışlar, sebep-sonuç ilişkileri ile birbirlerine sıkı sıkıya bağlıdır. İnsanlar bazı olaylar karşısında tutumlarını belirli bazı inançlarına göre şekillendirmektedirler.

Çağdaşlaşan dünya ile birlikte de tesettür modası kavramı oluşmuş bu da tanım itibariyle değişen ve farklılaşan toplumla uyumlaştırılmış bir örtünme biçimi şeklinde karşımıza çıkmaktadır. Moda kavramı Maslow'un ihtiyaçlar piramidinin en üst basamağında yer alan kendini gerçekleştirme basamağında yer almaktadır. 1900 yıllarında ortaya çıkan tesettür moda giyim kavramı İslam giyimi de modernlik ve çağdaşlık ile etkilenmiştir (Tepe, 2018; Öz ve Tepe, 2019).

Sproles'e (1981) göre moda kavramı, "belirli bir zaman ve durum için



tüketici tarafından uyarlanmış geçici döngüsel fenomenlerdir.” Ayrıca moda giyim ile birlikte, tüketicilerin otomobil, ev, yemek, müzik, estetik... gibi seçimleriyle ilgili olduğu da söylenebilmektedir. ‘Modern tüketim toplumlarında insanların yaşam tarzlarının çeşitli görünülerinin sosyal statüyü ve başarıyı yansıttığını’ ifade etmektedir. Bu bağlamda moda, cep telefonu, otomobil, saat gibi görünür olan bütün ürünler üzerinde etkilidir (Hines ve Bruce, 2007:169). Ertürk’ün (2011) araştırmasından da yola çıkarak moda ürünlerinin renk, kumaş, baskı, silüet, aksesuar ve kesim gibi görünüm unsurlarından oluştuğu söylenebilmektedir. Ayrıca tüketicinin duygusal eğilimleri de moda eğilimlerini göstermektedir.

Tesettür en basit tabiri ile “İslam’a uygun giyim” olarak tanımlanabilmektedir. Tesettür bedeninin hicaba uygun olarak örtünmesini anlatmaktadır. İslam dinine göre kadının örtünmesi, giysisi ahlaki bir işleve, kadının iffetini koruması işlevine sahiptir. Bir edep vasıtası olan kadın giysisinin Kadın’ın bedenini sarmaması, vücut şeklini ve hattını göstermemesi, tersine gizlemesi, örtünerek bakışlardan kaçmak için bir araç olarak kabul edilmektedir (Göle, 1993:88). Tesettür İslamcı kimliğin kültürel ve siyasal bir simgesi olduğu gibi İslamcı ticari ve ekonomik piyasanın da tüketim nesnesi haline gelmiştir (Meşe, 2015). Sade, süsüz ve basit desenli modeller kadına ilişkin sert, bağlayıcı ve bütünsel bir iffet/edep anlayışını ifade etmektedir. Hâlbuki ikinci nesil tesettür, “pazarlama tekniklerinin ön plana çıktığı, kullanıcının maneviyatına yoğunlaşmaktansa daha çok taleplerine önem veren daha profesyonel bir mantığın ürünleridir” (Haenni, 2014:40). Tesettür ve moda kavramlarının yan yana gelmesi ilk kez 1995’te Tekbir Giyim tarafından yapılan tesettür defilesiyle başlamıştır. 1980’li yıllarda özellikle kadın dergilerine verilen manto, pardösü ve başörtüsü reklamlarında el ile çizilmiş illüstrasyonlardan, 1990’lı yıllarda yüzleri makyajlı ama vücut dili ile mazbut bir görüntü sergileyen Tekbir Giyim’in ilk tesettür kataloglarına, oradan da yine aynı firmanın 2000’li yılların başındaki, makyajlı ve vücut dilini öne çıkararak “ben buradayım” vurgulayan fotoğraflarla bezenmiş kataloglarına doğru bir değişim yaşanmıştır (Barbarasoğlu, 2006:126-129). Böylece tesettür modası kavramı oluşumlarını göstermiştir. Pazarlama alanına da giren tesettür şu an ifade edilen İslami pazarlama çerçevesinde şekillenmeye devam etmektedir. İslami pazarlar olarak adlandırılan pazarlarda var olan ve dini gerekçeler gereği diğerlerinden farklılaşan tüketim pratiklerinin modern tüketim kültüründen de oldukça etkilendiği ve değişime uğradığı görülmektedir. İslami açıdan Müslüman kadının giyimi tesettür giyim adı altında şekillenen bir giyim-kuşam pratiğine dönüşmekte ve diğer kadınlardan farklı olarak bir

dizi dini kurala tabi olmaktadır. 2000’li yıllardan sonra ise tesettürlü kadınların iş hayatı ve kamusal alanlarda daha çok var olması, tesettür moda ve yaşam tarzı dergilerinin çıkması, medya ve İslami tüketim alanındaki gelişmelerle tesettür giyimin de sosyal statü, yaşam tarzı ve kültürel değerler göstergesi ekseninde gelişmesi ve değişmesine sebep olmuştur (Deniz, 2019). Türkiye’de İslami kesimin özellikle son dönemlerde tüketim kültürü bağlamında dönüşen ve moda kavramıyla birleştirilen tesettürün, “tesettür modası” ile yeni anlayış içine girdiği ve İslami ölçütlerin yerini moda ve tüketimin belirleyici olduğu bir tesettür anlayışına doğru dönüştüğü görülmektedir. Tesettür modası ile örtünme pratiği yeni anlamlara dönüşmektedir. Moda ile birlikte tesettür, dini ve siyasal anlamın ötesinde ve tüketimin bir nesnesi olarak karşımıza çıkmaktadır (İlyasoglu, 1994). 1980’lerde vücudun hatlarını gösteren her türlü elbise tesettür dışı kabul edilip dışlanırken 2000’li yıllarda bu nokta atlanmakta moda uygun olup olmaması daha önemli hale gelmektedir (Demirezen, 2015). Arslan ve Çaylak’ın (2018) yaptığı çalışmada, gençlerin giyinmeye yönelik dinin belirleyici etkisi ve dini hassasiyetin tesettür algısını etkilediği ve dini hassasiyeti yüksek olan kişilerin giyim tercihinde yine dindarlık da yüksek eğilim gösterdiği tespit edilmiştir.

### **B. Araştırmanın Varsayımları ve Kısıtları**

Katılımcıların ankete samimi cevap verdiği ve gerçek durumlarını yansıttığı varsayılmıştır. Kısıtlar ise seçilen örneklemin tesettürlü kadınları temsil ettiği ve zaman kısıtıdır. Çünkü araştırmanın belli bir zaman diliminde yapılması (01.03.2019-31.07.2019) öngörülmesidir.

### **C. Araştırmanın Yönetimi**

Araştırma konusu ve problemi açısından bakıldığında araştırmanın amacı gereği nicel araştırma yöntemi için uygun olduğu kararı verilmiş olup nicel araştırma yöntemi yani nicel desen kullanılmıştır. Araştırmada sosyal bilimlerin de tercih edilen anket yöntemi kullanılmıştır. Anket formu 8 ölçekten faydalanılarak hazırlanmıştır. Bu ölçekler; Ok’un (2011) Dini Tutum Ölçeği, Dursun, Alnaçık ve Tümer kabadayı, (2013) Karar Verme Tarzı Ölçeği, O’Cass’ın (2004) Moda Giyim İlgilenimi Ölçeği, İşlek’in (2012) Satın Alma Sonrası Ağızdan Ağıza İletişim Niyeti Ölçeği, Özkaynak (2018) Ürün-İşletme Tercih Ölçeği, Yapıcı (2006) Dinin Etkisini Hissetme Ölçeği, Küçükemroğlu (1999) ile Wells ve Tigert, (1977) Yaşam Tarzı Ölçeği ve son olarak da Alhidari vd. (2015) Sosyal Medya İlgilenimi Ölçeği kullanılmıştır.

Dini Tutum Açısından Tesettür Moda Giyim Tercihinde Etkili Olan Faktörlerin Belirlenmesine yönelik hazırlanan ankette 5’li Likert Ölçek tercih

edilmiştir. 1: kesinlikle katılmıyorum, 2: katılmıyorum, 3: kararsızım, 4: katılıyorum, 5: kesinlikle katılıyorum aralığında değerlendirme yapmaları istenmiştir. Araştırmanın anketi toplamda 4 bölümden oluşmaktadır. Birinci bölüm, dini tutum ve inançla ilgili ifadeler, İkinci bölüm, satın alma davranışını yansıtan ifadeler, Üçüncü bölüm, tesettür modası ve giyim davranışını yansıtan ifadeler ve dördüncü bölüm ise cevaplayıcıların demografik özelliklerini yansıtmaktadır.

Araştırma evreni, Tesettürlü kadınlar uygulama alanı olarak oluşturmaktadır. Bu evren içinden oransız eleman örnekleme yöntemi ile seçilen toplam 270 tesettürlü kadın araştırmanın örneklemini oluşturmaktadır. Bu araştırma örneklemini oluşturan kadınların tesettürlü olmasına dikkat edilmiştir. Araştırmada verilerin değerlendirilmesinde SPSS paket programı kullanılmıştır.

#### D. Bulgular

**Tablo 1:** Demografik Değişkenlere Ait Betimleyici İstatistikler

Eğitim durumu	Frekans	(%)	Yaş	Frekans	(%)
İlköğretim	27	10,0	18 - 25 yaş	135	50,0
Lise	65	24,1	26 - 35 yaş	53	19,6
Üniversite	163	60,4	36 - 45 yaş	53	19,6
Lisansüstü/Doktora	15	5,6	46 yaş ve üzeri	29	10,7
Toplam	270	100,0	Toplam	270	100,0
Meslek	Frekans	(%)	Gelir Düzeyi	Frekans	(%)
Memur	40	14,8	0-2000	145	53,7
İşçi	52	19,3	2021-2999	52	19,3
Ev hanımı	40	14,8	3000-4499	40	14,8
Öğrenci	109	40,4	4500-5999	19	7,0
Esnaf	29	10,7	6000 ve üzeri	14	5,2

Toplam	270	100,0	Toplam	270	100,0
			<b>Medeni hal</b>	<b>Frekans</b>	<b>(%)</b>
			Evli	109	40,4
			Bekar	161	59,6
			<b>Toplam</b>	<b>270</b>	<b>100,0</b>

Tablo 1 incelendiğinde toplam 270 katılımcının demografik özelliklerinin betimleyici istatistik analizi doğrultusunda araştırmanın profil bilgileri sonuçlandırılmıştır. Araştırmanın özelliği dikkate alınarak katılımcıların bütünü tesettürlü kadınlardan oluşturulmuştur. Medeni durum açısından incelendiğinde %59,6 ile bekar kadın katılımcılar önemli bir bölümünü kapsamıştır. Yaş grubuna bakıldığında 18-25 yaş arası %50,0 ile genç yaş grubunun daha yüksek katılım gösterdiği anlaşılmıştır. Eğitim seviyesi özelliklerinde %60,4'luk kısmını üniversite mezunlarından olması ankete katılanların eğitim durumunun yüksek olduğunu göstermektedir. Yine katılımcıların önemli bir kısmı üniversite eğitime sahip olduğu ve gelir açısından daha çok orta gelir grubuna sahip oldukları anlaşılmaktadır.

**Tablo 2:** Dini Tutum Ölçeğinin Ortalama Değer, Standart Sapma ve Katılım Düzeyi

İfadeler	Ortalama	Std. Sp.	Katılım D.
İnanmışım dinin gereklerini yerine getirmeye çalışırım.	4,44	0,646	Yüksek
Yaşamımın dini değerlere uygun olup olmadığına dikkat ederim	4,36	,653	Yüksek
Ezan, dua veya ayet gibi dini okumaları dinlediğimde duygulanırım	4,25	,777	Yüksek
Dini etkinliklere katıldığımda gerçekten zevk alırım.	4,24	,784	Yüksek
Dinin gereksiz olduğunu düşünüyorum. (-)	1,08	,367	Düşük
Dini inancın insanlara yararından çok zararı olduğunu düşünüyorum (-)	1,10	,387	Düşük
Allah'ın bana çok yakın olduğunu hissediyorum	4,40	,648	Yüksek
Zor zamanlarda Allah'ın bana yardım ettiğini düşünüyorum	4,60	,531	Yüksek

Sosyal çevrem tarafından iyi bir Müslüman olarak görülmem hoşuma gider.	4,34	,811	Yüksek
Yardım talep edenlere Allah rızası için yardım ederim.	4,48	,620	Yüksek
Davranışlarımı Allah'ın her yerde beni gördüğü bilinciyle yapmaya gayret ederim	4,36	,658	Yüksek
İnsanlar günlük hayatlarını dine göre şekillendirmelidir.	4,36	,763	Yüksek

( $\bar{x}$ = 1,00-2,33 Düşük,  $\bar{x}$ = 2,34-3,66 Orta ve  $\bar{x}$ = 3,67-5,00 Yüksek Katılım Düzeyini temsil etmektedir.)

Dini Tutum Ölçeği açısından; “Zor zamanlarda Allah'ın bana yardım ettiğini düşünüyorum”, “Yardım talep edenlere Allah rızası için yardım ederim”, “İnanmışım dinin gereklerini yerine getirmeye çalışırım”, “Allah'ın bana çok yakın olduğunu hissediyorum”, “Yaşamımın dini değerlere uygun olup olmadığına dikkat ederim”, “Davranışlarımı Allah'ın her yerde beni gördüğü bilinciyle yapmaya gayret ederim”, “İnsanlar günlük hayatlarını dine göre şekillendirmelidir”, “Sosyal çevrem tarafından iyi bir Müslüman olarak görülmem hoşuma gider”, “Ezan, dua veya ayet gibi dini okumaları dinlediğimde duygulanırım” ve “Dini etkinliklere katıldığımda gerçekten zevk alırım” değerli ifadeler olduğu söylenebilir. Çünkü bütün ifadelerin ortalaması ve katılım düzeyi yüksektir. Dolayısıyla dini tutum ölçeği açısından “Zor zamanlarda Allah'ın bana yardım ettiğini düşünüyorum”, “Yardım talep edenlere Allah rızası için yardım ederim”, “İnanmışım dinin gereklerini yerine getirmeye çalışırım” ve “Allah'ın bana çok yakın olduğunu hissediyorum” ifadeleri en önemli olan değişkenlerdir.

Dini tutum ölçeği açısından; “Dinin gereksiz olduğunu düşünüyorum. (-)” ve “Dini inancın insanlara yararından çok zararı olduğunu düşünüyorum (-)” ifadelerinin önemlilik düzeyi düşüktür. Çünkü bu ifadeler 1,08 ile 1,10 arası bir katılım düzeyi göstermektedir. Bu katılım düzeyi de düşük olduğunu göstermektedir. Yani, Tesettürlü kadınlar dinin gerekli olduğunu ve yaşamın her boyutunda zararlı değil yararlı olduğunu ve önemli olduğunu ifade etmektedirler.

**Tablo 3:** Satın Alma Davranışları Ölçeğinin Ortalama Değer, Standart Sapma ve Katılım Düzeyi

İfadeler	Ortalama	Std. Sp.	Katılım D.
Aldığım ürünlerin kalitelerinin yüksek olması benim için çok önemlidir	3,83	1,030	Yüksek

Konu bir ürün satın almak olunca, en iyisini satın almaya çalışırım.	3,82	1,027	Yüksek
Satın aldığım ürünlere yönelik standartlarım ve beklentilerim oldukça yüksektir	3,70	1,013	Yüksek
Genellikle daha pahalı markaları tercih ederim	2,53	1,284	Orta
Bir ürün ne kadar pahalı ise o kadar kalitelidir	2,64	1,305	Orta
En çok satılan markaları almayı tercih ederim	3,04	1,291	Orta
Sürekli olarak gardırobumu değişen moda uygun olarak yenilerim.	2,41	1,291	Orta
Tarzımın moda uygun olması benim için çok önemlidir	2,92	1,310	Orta
Çoğunlukla indirimde olan ürünleri satın alırım	3,89	,891	Yüksek
Genellikle ne kadar para harcadığıma dikkat ederim	3,99	,902	Yüksek
Alışveriş yaparken düşünmeden karar veririm	2,59	2,235	Orta
Sonrasında pişman olduğum pek çok dikkatsiz alışveriş yapmışımdır	2,80	1,259	Orta
Tekrar tekrar satın aldığım favorim olan markalar vardır.	3,37	1,196	Orta
Hoşuma giden bir ürün ya da marka bulduğum zaman, onu kolay kolay bırakmam.	3,63	1,083	Orta
Ürünler hakkında ne kadar çok şey öğrenirsem, seçim yapmak da o kadar zorlanırım.	3,32	1,115	Orta
Farklı ürünlerle ilgili edindiğim bilgiler kafamın karışmasına yol açıyor.	3,32	1,061	Orta
Alışveriş yapmak benim için zevkli bir aktivite değildir.	2,36	1,285	Orta
Mağaza dolaşarak alışveriş yapmak	2,50	1,284	Orta

zaman kaybıdır.			
Çok fazla marka seçeneği olmasından dolayı seçim yaparken aklım karışır.	3,23	1,130	Orta
Satın aldığım ürün ile ilgili sosyal medyada yorum ve değerlendirmelerde bulunurum.	2,54	1,269	Orta
Satın aldığım ürün ile ilgili sosyal medyada diğer kullanıcılarla fikirlerimi paylaşıyorum.	2,50	1,188	Orta
Satın aldığım ürün ile ilgili sosyal medyada ki arkadaşlarımla fikirlerimi paylaşıyorum.	3,02	3,420	Orta
İnancıma uygun kıyafet satan mağazalar tercih ederim.	3,95	,796	Yüksek
İnancıma uygun kıyafetlere sahip olmak dini yaşamımda kararlılığımı gösterir.	3,98	,799	Yüksek
Bana göre kıyafetlerin inancıma uygunluk düzeyi kaliteden daha önemlidir.	4,05	,816	Yüksek
Bana göre kıyafetlerin inancıma uygunluk düzeyi fiyattan daha önemlidir.	4,07	,868	Yüksek
Çok çeşide sahip olmak için farklı mağazalardan farklı markalar seçerim	3,21	1,283	Orta
Yeni şeyler satın almak eğlencelidir	3,99	,790	Yüksek
Alışılmıştan biraz farklı ürün gördüğüm zaman alırım.	3,54	2,101	Orta
Favori markamı bulmak için çaba gösteririm	2,77	1,318	Orta
Alışverişlerimde çok özen göstermem.	2,42	1,246	Orta
Yeterince iyi gördüğüm ilk ürünü çok düşünmeden satın alırım	3,35	1,110	Orta
Alışveriş yaparken dikkatsizimdir	2,39	1,170	Orta
Sonradan keşke yapmasaydım dediğim dikkatsiz alışverişleri sıkça yaparım	2,59	1,243	Orta
Alışveriş konusunda uzman olduğumu	2,90	1,155	Orta

söyleyebilirim			
Alışveriş yaparken deneyimlerime çok güvenirim	3,47	,974	Orta
Satın aldığım markaları sürekli olarak değiştiririm.	2,69	1,127	Orta
Eğer aynı markaları sürekli kullanırsam bundan sıkılırım	2,59	1,166	Orta
Bazen değişiklik olsun diye farklı markaları satın alırım	3,07	1,202	Orta
En iyisini almak için alışverişe çok zaman ayırırım.	3,21	1,228	Orta
Alışverişimi planlamak için çok zaman harcarım	2,84	1,224	Orta
Alışverişe gitmek en çok keyif aldığım aktivitelerden birisidir	3,68	1,054	Yüksek
Çoğu kez planladığım birçok şey satın alırım.	3,40	1,174	Orta
Hoşuma giden bir şeyle karşılaştığım zaman liste dışı alışveriş yaparım	3,74	,998	Yüksek

( $\bar{x}$  = 1,00-2,33 Düşük,  $\bar{x}$  = 2,34-3,66 Orta ve  $\bar{x}$  = 3,67-5,00 Yüksek Katılım Düzeyini temsil etmektedir.)

Satın Alma Davranışları Ölçeği açısından; “Bana göre kıyafetlerin inancıma uygunluk düzeyi kaliteden daha önemlidir”, “Bana göre kıyafetlerin inancıma uygunluk düzeyi fiyattan daha önemlidir”, “Yeni şeyler satın almak eğlencelidir”, “Genellikle ne kadar para harcadığıma dikkat ederim”, “İnancıma uygun kıyafetlere sahip olmak dini yaşamımda kararlılığımı gösterir” ve “İnancıma uygun kıyafet satan mağazalar tercih ederim” ifadeleri çok önemlidir. Çünkü söz konusu değişkenlerin ortalama değerleri oldukça yüksektir. Dolayısıyla satın alma davranışı ölçeği açısından “Bana göre kıyafetlerin inancıma uygunluk düzeyi kaliteden daha önemlidir”, “Bana göre kıyafetlerin inancıma uygunluk düzeyi fiyattan daha önemlidir” ve “Yeni şeyler satın almak eğlencelidir” ifadeleri en önemli olan değişkenler olduğu söylenebilir.

Satın Alma Davranışları Ölçeği açısından; “Çoğunlukla indirimde olan ürünleri satın alırım”, “Aldığım ürünlerin kalitelerinin yüksek olması benim için çok önemlidir”, “Konu bir ürün satın almak olunca, en iyisini satın almaya çalışırım”, “Hoşuma giden bir şeyle karşılaştığım zaman liste dışı alışveriş



yaparım”, “Satın aldığım ürünlere yönelik standartlarım ve beklentilerim oldukça yüksektir” ve “Alışverişe gitmek en çok keyif aldığım aktivitelerden birisidir” ifadeleri önemlidir. Çünkü bu ifadeler 3,89 ile 3,68 arası katılım gösterdiği görülmekte olup bu da katılım düzeylerinin yüksek olduğunu göstermektedir.

Satın Alma Davranışları Ölçeği açısından; “Hoşuma giden bir ürün ya da marka bulduğum zaman, onu kolay kolay bırakmam”, “Alışılmıştan biraz farklı ürün gördüğüm zaman alırım”, “Alışveriş yaparken deneyimlerime çok güvenirim” ve “Çoğu kez planlamadığım birçok şey satın alırım” ifadeleri ikinci derecede önemlidir. Çünkü bu ifadelerin 3,63 ile 3,40 arası katılım gösterdiği sonuçlandırılmış olup bu sonuçlar katılım düzeylerinin orta düzeyde katılım gösterdiğini ifade etmektedir.

Satın Alma Davranışları Ölçeği açısından; “Tekrar tekrar satın aldığım favorim olan markalar vardır”, “Yeterince iyi gördüğüm ilk ürünü çok düşünmeden satın alırım”, “Ürünler hakkında ne kadar çok şey öğrenirsem, seçim yapmak da o kadar zorlanırım”, “Farklı ürünlerle ilgili edindiğim bilgiler kafamın karışmasına yol açıyor”, “Çok fazla marka seçeneği olmasından dolayı seçim yaparken aklım karışır”, “Çok çeşide sahip olmak için farklı mağazalardan farklı markalar seçerim”, “En iyisini almak için alışverişe çok zaman ayırırım”, “Bazen değişiklik olsun diye farklı markaları satın alırım”, “En çok satılan markaları almayı tercih ederim” ve “Satın aldığım ürün ile ilgili sosyal medyadaki arkadaşlarımla fikirlerimi paylaşıyorum” ikinci derecede önemlidir. Çünkü bu ifadeler 3,37 ile 3,02 arası değişmekte olup bu da katılım düzeylerinin orta düzeyde katılım gösterdiği sonucunu göstermektedir.

Satın Alma Davranışları Ölçeği açısından; “Tarzımın modaya uygun olması benim için çok önemlidir”, “Alışveriş konusunda uzman olduğumu söyleyebilirim”, “Alışverişimi planlamak için çok zaman harcarım”, “Sonrasında pişman olduğum pek çok dikkatsiz alışveriş yapmışımdır”, “Favori markamı bulmak için çaba gösteririm”, “Satın aldığım markaları sürekli olarak değiştiririm”, “Bir ürün ne kadar pahalı ise o kadar kaliteli”, “Alışveriş yaparken düşünmeden karar veririm”, “Sonradan keşke yapmasaydım dediğim dikkatsiz alışverişleri sıkça yaparım” ve “Eğer aynı markaları sürekli kullanırsam bundan sıkılırım” ikinci derecede önemli olan ifadelerdir. Çünkü bu ifadeler 2,92 ile 2,59 arası değişmektedir. Bu da orta düzeyde katılım düzeyini ifade etmektedir.

Satın Alma Davranışları Ölçeği açısından; “Satın aldığım ürün ile ilgili sosyal medyada yorum ve değerlendirmelerde bulunurum”, “Genellikle daha

pahalı markaları tercih ederim”, “Mağaza dolaşarak alışveriş yapmak zaman kaybıdır”, “Satın aldığım ürün ile ilgili sosyal medyada diğer kullanıcılarla fikirlerimi paylaşıyorum”, “Alışverişlerimde çok özen göstermem”, “Sürekli olarak gardırobumu değişen moda uygun olarak yenilerim”, “Alışveriş yaparken dikkatsizimdir” ve “Alışveriş yapmak benim için zevkli bir aktivite değildir” ifadelerinin ölçek içindeki önemi daha düşüktür. Çünkü bu ifadeler 2,54 ile 2,36 arası katılım gösterdiği sonuçlanmış olup bu sonuçlar katılım düzeylerinin düşük düzeyde katılım gösterdiğini ifade etmektedir.

**Tablo 4:** Tesettür Moda Giyim Davranışı Ölçeğinin Ortalama Değer, Standart Sapma ve Katılım Düzeyi

İfadeler	Ortalama	Std. Sap.	Katılım D.
Moda giyimi benim için çok şey ifade ediyor.	2,80	1,344	Orta
Modaya uygun giyinmeyi hayatımın merkezi olarak düşünüyorum.	2,49	1,298	Orta
Modaya uygun giyinebilmek için zaman harcıyorum.	2,78	1,355	Orta
Moda giyimi ile ilgiliyim.	3,04	1,291	Orta
Moda giyimine çok fazla odaklıyım.	2,71	1,352	Orta
Moda giyim ürünleri yaşam tarzımla ilişkilidir.	3,03	1,320	Orta
İnancıma uygun giysiler giyerim.	4,06	,711	Yüksek
Günlük hayatta kararlarımı (özellikle kıyafet konusunda) Kuran'daki esaslara göre karar veririm.	3,74	,832	Yüksek
İslami yükümlülüğe uygun kıyafet sahibi olmak İslami kimliğimi artırır.	3,86	,917	Yüksek
Bütün yaklaşımlarımda olduğu gibi ürün/marka tercih ederken de inancım ön plandadır.	3,85	,900	Yüksek
Satın aldığım markaların inançlarıma uygun olmasına dikkat ederim	3,90	,832	Yüksek
Dindar insanın ticari hayatta daha dürüst ve güvenilir olduğu her zaman doğru değildir	3,42	1,182	Orta
Zamanımın önemli bir kısmını güzel giyinmeye ayırıyorum.	3,22	1,207	Orta
Arkadaşlarımla ürünler ve markalar	3,06	1,256	Orta

hakkında konuşmak için zaman harcarım.			
Seçimlerimde ürünün moda olmasını rahat olmasına tercih ederim.	2,69	1,354	Orta
Genellikle reklamı çok yapılan markalar en iyi olanlardır	2,33	1,237	Düşük
Genellikle yeni ürünü deneyen ilk kişi olurum	2,39	1,264	Orta
Dikkat çekici, modaaya uygun bir stilimin olması benim için çok önemlidir.	2,84	1,377	Orta

( $\bar{x}$  = 1,00-2,33 Düşük,  $\bar{x}$  = 2,34-3,66 Orta ve  $\bar{x}$  = 3,67-5,00 Yüksek Katılım Düzeyini temsil etmektedir.)

Tesettür Moda Giyim Davranışı Ölçeği açısından; “İnancıma uygun giysiler giyerim”, “Satın aldığım markaların inançlarıma uygun olmasına dikkat ederim”, “İslami yükümlülüğe uygun kıyafet sahibi olmak İslami kimliğimi artırır”, “Bütün yaklaşımlarımda olduğu gibi ürün/marka tercih ederken de inancım ön plandadır” ve “Günlük hayatta kararlarımı (özellikle kıyafet konusunda) Kuran’daki esaslara göre karar veririm” ifadeleri en önemli görülen değişkenlerdir. Çünkü söz konusu değişkenlerin ortalama değerleri oldukça yüksektir. Dolayısıyla tesettür moda giyim davranışı ölçeği açısından “İnancıma uygun giysiler giyerim” ve “Satın aldığım markaların inançlarıma uygun olmasına dikkat ederim” ifadeleri en önemli olan değişkenler olduğu söylenebilir.

Tesettür Moda Giyim Davranışı Ölçeği açısından; “Dindar insanın ticari hayatta daha dürüst ve güvenilir olduğu her zaman doğru değildir”, “Zamanımın önemli bir kısmını güzel giyinmeye ayırırım”, “Arkadaşlarımla ürünler ve markalar hakkında konuşmak için zaman harcarım”, “Moda giyimi ile ilgiliyim” ve “Moda giyim ürünleri yaşam tarzımla ilişkilidir” ifadeleri ikinci derecede önemli olan ifadelerdir. Çünkü bu değişkenlerin ortalama değerleri yüksektir. “Dindar insanın ticari hayatta daha dürüst ve güvenilir olduğu her zaman doğru değildir” ve “Zamanımın önemli bir kısmını güzel giyinmeye ayırırım” ifadeleri diğerleri içerisinde önemli olan değişkenler olduğu söylenebilir.

Tesettür Moda Giyim Davranışı Ölçeği açısından; “Dikkat çekici, modaaya uygun bir stilimin olması benim için çok önemlidir”, “Moda giyimi benim için çok şey ifade ediyor”, “Modaya uygun giyinebilmek için zaman harcıyorum”, “Moda giyimine çok fazla odaklıyım”, “Seçimlerimde ürünün moda olmasını rahat olmasına tercih ederim”, “Modaya uygun giyinmeyi hayatımın merkezi olarak düşünüyorum” ve “Genellikle yeni ürünü deneyen

ilk kişi olurum” ifadeleri de ikinci derecede önemlidir. Çünkü bu değişkenlerin ortalama değerleri orta yüksekliktedir. “Dikkat çekici, modaaya uygun bir stilimin olması benim için çok önemlidir” ve “Moda giyimi benim için çok şey ifade ediyor” değişkenleri diğer ifadeler içerisinde orta yüksekliği daha önemli olan ifadeler olduğu söylenebilir.

Tesettür Moda Giyim Davranışı Ölçeği açısından; “Genellikle reklamı çok yapılan markalar en iyi olanlardır” ifadesi ise önemli olmayan unsurdur. Çünkü bu değişkenin ortalaması ve katılım düzeyi düşük olarak çıkmıştır.

### 1. Dini Tutum Faktör Analizi

**Tablo 5:** KMO ve Bartlett Küresellik Testi

Kaiser-Meyer-Olkin Küresellik Testi		,808
	Ki-Kare	1474,315
Bartlett'in Küresellik Testi	Serbestlik Derecesi	66
	Önem Düzeyi	,000

Tablo 5'te Dini Tutum ölçeğinin faktör analizine uygunluğuna bakmak için KMO ve Bartlett testi uygulanmıştır. Yapılan analiz sonucunda çıkan değerlerin (KMO değeri 0.808 sonucu  $p=0.000$ ) araştırma yapılmaya uygun yani anlamlı çıktığı gözlemlenmiştir. 0,808 değeri sosyal ve beşeri bilimler için önemli bir orandır.

**Tablo 6:** Dini Tutum Ölçeğinin Faktör Yükleri, Faktörlerin Özdeğerleri ve Açıklanan Varyans

Faktör İsimleri	Faktör Yükleri	Açıklanan Varyans %	Kümülatif %
Faktör 1: İçselleştirilmiş İnanç Duygusu	2,313	44,940	44,940
Faktör 2: Geleneksel Dindarlık Anlayışı	,515	9,995	54,935

Tablo 5'te görüldüğü gibi Dini Tutum Ölçeği faktör analizinin sonucunda iki faktör belirlenmiştir. Faktörler; İçselleştirilmiş İnanç Duygusu ve Geleneksel Dindarlık Anlayışı olarak isimlendirilmiştir. Ayrıca her iki faktörün toplam varyansın yaklaşık olarak % 55'ini açıklamaktadır.

Faktörler ayrıntılı şekli Tablo 6 da ifade edilmiştir. Faktör yüklerine bakıldığında düşük değer (0,30 altında olan) iki değer tespit edilmiş olup bunlar sırasıyla “Dinin gereksiz olduğunu düşünüyorum” ve “Dini inancın insanlara yararından çok zararı olduğunu düşünüyorum” şeklindeki ifadelerdir. Düşük değerler haricinde ifadelerden 5 tanesinin faktör 1;

**Tablo 7:** Dini Tutum Ölçeğinin Faktörleri

İfadeler	Faktör Yükleri	
	1	2
<b>Faktör 1: İçselleştirilmiş İnanç Duygusu</b>		
Dini etkinliklere katıldığımda gerçekten zevk alırım.	,744	
Ezan, dua veya ayet gibi dini okumaları dinlediğimde duygulanırım	,717	
Allah'ın bana çok yakın olduğunu hissediyorum.	,694	
Zor zamanlarda Allah'ın bana yardım ettiğini düşünüyorum	,677	
Yardım talep edenlere Allah rızası için yardım ederim.	,510	
Dinin gereksiz olduğunu düşünüyorum. (-)	-,275	-,083
Dini inancın insanlara yararından çok zararı olduğunu düşünüyorum (-)	-,255	-,143
<b>Faktör 2: Geleneksel Dindarlık Anlayışı</b>		
Sosyal çevrem tarafından iyi bir Müslüman olarak görülmem hoşuma gider.		,908
İnsanlar günlük hayatlarını dine göre şekillendirmelidir.		,628
Davranışlarımı Allah'ın her yerde beni gördüğü bilinciyle yapmaya gayret ederim		,575
İnanmışım dinin gereklerini yerine getirmeye çalışırım		,573
Yaşamımın dini değerlere uygun olup olmadığına dikkat ederim		,543

içselleştirilmiş inanç duygusunu ifade ettiği ve geri kalan 5 ifadenin de faktör 2; geleneksel dindarlık anlayışını ifade ettiği söylenebilmektedir. Birinci faktördeki faktör yük değerleri 0,74 ile 0,51 arası değişmekte olup ikinci faktördeki faktör yük değerleri 0,91 ile 0,54 arası değişmektedir. Faktör içerisindeki maddelerin faktör yük değerlerine bakıldığında en düşük faktör yük değeri ile en yüksek faktör yük değeri arasında ki farkın az olması dini tutum ölçeğinin içsel tutarlılık düzeyinin oldukça iyi olduğu yorumunu söyletebilmektedir.

## 2. Satın Alma Davranışları ile ilgili Faktör Analizi

**Tablo 8:** KMO ve Bartlett'in Küresellik Testi

Kaiser-Meyer-Olkin Küresellik Testi		,880
Bartlett'in Küresellik Testi	Ki-Kare	6212,953
	Serbestlik Derecesi	946

Önem Düzeyi ,000

Tablo 8 incelendiğinde satın alma davranışının faktör analizine uygunluğunu incelemek üzere KMO ve Bartlett test uygulandığı görülmektedir. Yapılan bu analiz sonuçlarına bakıldığında değerlerin (KMO değeri 0.880 sonucu  $p=0.000$ ) araştırma yapmaya uygun, anlamlı çıktığı görülmektedir.

**Tablo 9:** Satın Alma Davranışı Ölçeğinin Faktör Yükleri, Faktörlerin Özdeğerleri ve Açıklanan Varyans Değerleri

Faktör İsimleri	Faktör Yükleri	Açıklanan Varyans %	Kümülatif %
Faktör 1: Çeşitlendirilmiş Satın Alma Davranışı	21,564	29,126	29,126
Faktör 2: Karmaşık Satın Alma Davranışı	11,604	15,673	44,799
Faktör 3: Alışılmış Satın Alma Davranışı	6,266	8,463	53,262
Faktör 4: Sosyalleştirilmiş Satın Alma Davranışı	4,499	6,077	59,339
Faktör 5: Marka Farklılaştırmasına Yönelen Satın Alma Davranışı	4,214	5,692	65,031
Faktör 6: İnanca Uygun Satın Alma Davranışı	3,938	5,319	70,350

Tablo 8'e bakıldığında satın alma davranışının faktör analizi yapıldığı görülmekte olup bu analiz sonucu 6 faktör sonucuna ulaşılmıştır. Bu faktörler sırasıyla ifade edilirse; Faktör 1: çeşitlendirilmiş satın alma davranışı, Faktör 2: Karmaşık satın alma davranışı, Faktör 3: Alışılmış satın alma davranışı, Faktör 4: Sosyalleştirilmiş satın alma davranışı, Faktör 5: Marka farklılaştırmasına yönelik satın alma davranışı ve son olarak da Faktör 6: inanca uygun satın alma davranışı şeklinde literatür ve araştırmalar dikkate alınarak isimlendirilmiştir. Açıklanan varyansları dikkate alındığında toplam varyansın %70'ini ifade ettiği görülmektedir.

**Tablo 10:** Satın Alma Davranışı Ölçeğinin Faktör Yükleri ve Faktör İsimleri

İfadeler	Faktör Yükleri
<b>Faktör 1: Çeşitlendirilmiş Satın Alma Davranışı</b>	
Alışveriş yaparken düşünmeden karar veririm	,971
Bazen değişiklik olsun diye farklı markaları satın alırım	,727
Alışveriş konusunda uzman olduğumu söyleyebilirim	,647
Alışverişe gitmek en çok keyif aldığım aktivitelerden birisidir	,641

En iyisini almak için alışverişe çok zaman ayırıyorum.	,635
Eğer aynı markaları sürekli kullanırsam bundan sıkılırım	,607
Çoğu kez planlamadığım birçok şey satın alırım.	,606
Satın aldığım markaları sürekli olarak değiştiririm.	,592
Alışveriş yaparken deneyimlerime çok güvenirim	,578
Hoşuma giden bir şeyle karşılaştığım zaman liste dışı alışveriş yaparım	,566
Çok çeşide sahip olmak için farklı mağazalardan farklı markalar seçerim	,552
Alışverişimi planlamak için çok zaman harcarım	,549
Yeni şeyler satın almak eğlencelidir	,521
Favori markamı bulmak için çaba gösteririm	,427
Hoşuma giden bir ürün ya da marka bulduğum zaman, onu kolay kolay bırakmam.	,423
Yeterince iyi gördüğüm ilk ürünü çok düşünmeden satın alırım	,317
<b>Faktör 2: Karmaşık Satın Alma Davranışı</b>	
Alışılmıştan biraz farklı ürün gördüğüm zaman alırım.	,961
Konu bir ürün satın almak olunca, en iyisini satın almaya çalışırım.	,729
Aldığım ürünlerin kalitelerinin yüksek olması benim için çok önemlidir	,718
Genellikle daha pahalı markaları tercih ederim	,702
Satın aldığım ürünlere yönelik standartlarım ve beklentilerim oldukça yüksektir	,698
Bir ürün ne kadar pahalı ise o kadar kaliteli	,615
En çok satılan markaları almayı tercih ederim	,578
Tarzımın modaaya uygun olması benim için çok önemlidir	,562
Sürekli olarak gardrobumu değişen modaaya uygun olarak yenilerim.	,527
Tekrar tekrar satın aldığım favorim olan markalar vardır.	,436
<b>Faktör 3: Alışılmış Satın Alma Davranışı</b>	
Alışverişlerimde çok özen göstermem.	,763
Mağaza dolaşarak alışveriş yapmak zaman kaybıdır.	,738
Alışveriş yapmak benim için zevkli bir aktivite değildir.	,716
Alışveriş yaparken dikkatsizimdir	,656
Sonradan keşke yapmasaydım dediğim dikkatsiz alışverişleri sıkça yaparım	,530

Sonrasında pişman olduğum pek çok dikkatsiz alışveriş yapmışımdır	,416
<b>Faktör 4: Sosyalleştirilmiş Satın Alma Davranışı</b>	
Satın aldığım ürün ile ilgili sosyal medyada ki arkadaşlarımla fikirlerimi paylaşıyorum.	,975
Satın aldığım ürün ile ilgili sosyal medyada yorum ve değerlendirmelerde bulunurum.	,565
Satın aldığım ürün ile ilgili sosyal medyada diğer kullanıcılarla fikirlerimi paylaşıyorum.	,556
Genellikle ne kadar para harcadığıma dikkat ederim	,391
Çoğunlukla indirimde olan ürünleri satın alırım	,328
<b>Faktör 5: Marka Farklılaştırmasına Yönelen Satın Alma Davranışı</b>	
Çok fazla marka seçeneği olmasından dolayı seçim yaparken aklım karışır.	,759
Farklı ürünlerle ilgili edindiğim bilgiler kafamın karışmasına yol açıyor.	,740
Ürünler hakkında ne kadar çok şey öğrenirsem, seçim yapmak da o kadar zorlanırım.	,665
<b>Faktör 6: İnanca Uygun Satın Alma Davranışı</b>	
Bana göre kıyafetlerin inancıma uygunluk düzeyi kaliteden daha önemlidir.	,780
İnancıma uygun kıyafetlere sahip olmak dini yaşamımda kararlılığımı gösterir.	,753
İnancıma uygun kıyafet satan mağazalar tercih ederim.	,731
Bana göre kıyafetlerin inancıma uygunluk düzeyi fiyattan daha önemlidir.	,730

Tablo 9 incelendiğinde faktör analizinin ifadeleri ayrıntılı şekilde gösterilmektedir. İfadelerin faktör yüklerine bakıldığında sonuçlanan 6 faktörün birinci faktöründe 16 ifade, ikinci faktörün 10 ifade, üçüncü faktöründe 6 ifade, dördüncü faktöründe 5 ifade, beşinci faktöründe 3 ifade ve son olarak da altıncı faktöründe 4 ifade ile oluşturduğu gözlemlenmektedir. Faktör yük değerlerine bakıldığında faktör 1'in yük değerleri 0,31 ile 0,97 arası değişmekte, faktör 2'nin yük değerleri 0,43 ile 0,96 arası değişmekte faktör 3'ün yük değeri 0,41 ile 0,76 arası değişmekte, faktör 4'ün faktör yük değerleri 0,32 ile 0,97 değişmektedir. Son olarak faktör 5 ve faktör 6'nın faktör yük değerleri 0,78 ile 0,66 arası değişmekte olup aralarındaki faktör yük değerleri farkının az olduğu gözlemlenmiş ve bu da içsel tutarlılık



düzeyinin oldukça iyi olduğunu göstermektedir.

### 3. Tesettür Moda Giyim Davranışı Faktör Analizi

**Tablo 11:** KMO ve Bartlett'in Küresellik Testi

Kaiser-Meyer-Olkin Küresellik Testi		,901
	Ki-Kare	3484,811
Bartlett'in Küresellik Testi	Serbestlik Derecesi	153
	Önem Düzeyi	,000

Tablo 10 incelendiğinde Tesettür moda giyim davranışı faktör analizine uygunluğunu incelemek üzere KMO ve Bartlett test uygulandığı görülmektedir. Yapılan bu analiz sonucu KMO ve Bartlett sonuçlarına (KMO değeri 0.901 sonucu  $p=0.000$ ) bakıldığında 0,70 üzeri çıktığı görülmüş olup bu da Tesettür moda giyim davranışı ölçeğinin araştırma yapmaya uygun olduğu sonucuna varmamızı sağlamaktadır.

**Tablo 12:** Tesettür Moda Giyim Davranışı Ölçeğinin Faktör Yükleri, Faktörlerin Özdeğerleri ve Açıklanan Varyans Değerleri

Faktör İsimleri	Faktör Yükleri	Açıklanan Varyans %	Kümülatif %
Faktör 1: Modayı Takip Eden Bireyler	13,410	52,726	52,726
Faktör 2: İnanç Unsurlarını Ön Plana Alan Bireyler	2,254	8,861	61,587
Faktör 3: Statüyü Ön Plana Alan Bireyler	1,901	7,475	69,062

Tablo 11 incelendiğinde faktör analizi yapıldığı görülmekte olup yapılan bu analiz sonucu da 3 faktöre ulaşıldığı tespit edilmiştir. Bu faktörler sırasıyla birinci faktörde modayı takip eden bireyler, ikinci faktörde inanç unsurlarını ön plana alan bireyler ve son olarak da üçüncü faktör Statüyü ön plana alan bireyler olarak araştırmalar ve literatür dikkate alınarak isimlendirilmiştir. Bu faktörlerin açıklanan varyanslarına bakıldığında toplam varyansın %69'unu açıkladığını söyleyebilmekteyiz.

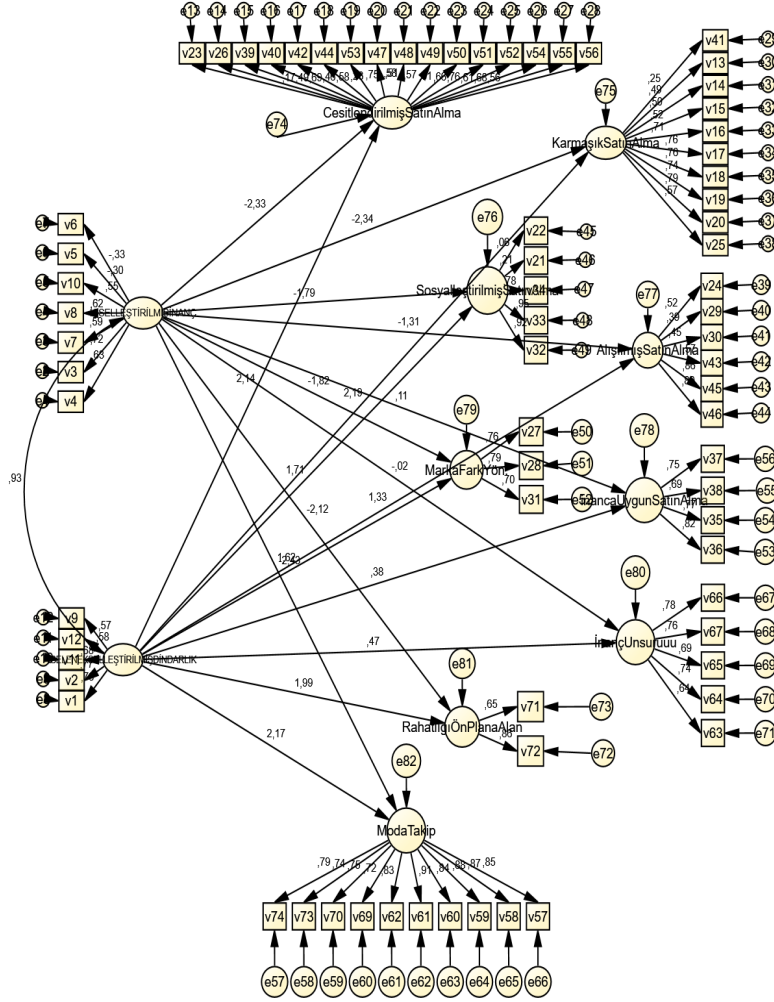
**Tablo 13:** Tesettür Moda Giyim Davranışı Ölçeğinin Faktör Yükleri ve İsimleri

İfadeler	Faktör Yükleri
<b>Faktör 1: Modayı Takip Eden Bireyler</b>	
Modaya uygun giyinebilmek için zaman harcıyorum.	,909
Moda giyimi ile ilgiliyim.	,896

Moda giyimine çok fazla odaklıyım.	,877
Moda giyim ürünleri yaşam tarzımla ilişkilidir.	,869
Modaya uygun giyinmeyi hayatımın merkezi olarak düşünüyorum.	,833
Moda giyimi benim için çok şey ifade ediyor.	,813
Dikkat çekici, modaaya uygun bir stilimin olması benim için çok önemlidir.	,772
Arkadaşlarımla ürünler ve markalar hakkında konuşmak için zaman harcarım.	,735
Zamanımın önemli bir kısmını güzel giyinmeye ayırırım.	,723
Genellikle yeni ürünü deneyen ilk kişi olurum	,620
<b>Faktör 2: İnanç Unsurunu Ön Plana Alan Bireyler</b>	
Bütün yaklaşımlarımda olduğu gibi ürün/marka tercih ederken de inancım ön plandadır.	,831
Satın aldığım markaların inançlarıma uygun olmasına dikkat ederim	,800
İslami yükümlülüğe uygun kıyafet sahibi olmak İslami kimliğimi artırır.	,793
Günlük hayatta kararlarımı (özellikle kıyafet konusunda) Kurandaki esaslara göre veririm.	,785
İnancıma uygun giysiler giyerim.	,680
<b>Faktör 3: Statüyü Ön Plana Alan Bireyler</b>	
Seçimlerimde ürünün moda olmasını rahat olmasına tercih ederim.	,793
Genellikle reklamı çok yapılan markalar en iyi olanlardır	,660
Dindar insanın ticari hayatta daha dürüst ve güvenilir olduğu her zaman doğru değildir	,505

Tablo 12 incelendiğinde tesettür moda giyim tercihi ölçeğine yapılan faktör analizi sonucu ortaya çıkan 3 faktörün ayrıntılı şekilde faktör yük değerleri verildiği görülmektedir. Faktör 1'e bakıldığında 10 ifadeden oluştuğu ve faktör yük değerlerinin 0,62 ile 0,90 arası değiştiği, faktör 2'e bakıldığında 5 ifadeden oluştuğu ve faktör yük değerleri 0,68 ile 0,83 arası değiştiği ve son olarak da faktör 3'ün 3 ifadeden oluşup 0,50 ile 0,83 arası değiştiği gözlemlenmektedir. Faktör yük değerlerine bakıldığında en küçük faktör yük değeri ile en büyük faktör yük değeri arası farkın fazla olmadığı ve bu da iç tutarlılığın oldukça iyi olduğu sonucunu bize göstermektedir.

Şekil 1: Path (Yol) Diyagramı ve Standardize Edilmiş Yol Katsayıları



Tablo 14: Uyum iyiliği Değerleri

Uyum İyiliği	Değer	Onaylanma
X <sup>2</sup> / df	2,319	✓
RMSEA	,070	✓
GFI	,854	✓
CFI	,720	✓
TLI	,803	✓

**Tablo 15:** Path (Yol) Analizine İlişkin Parametre Değerleri

Ölçüm Modeli	Tahmini Parametreler	Standardize Edilmiş Regresyon Yükleri	P
İçselleştirilmiş İnanç	→ Çeşitlendirilmiş Satın Alma Davranışı	,706	,009
İçselleştirilmiş İnanç	→ Karmaşık Satın Alma Davranışı	,701	,000
İçselleştirilmiş İnanç	→ Alışılmış Satın Alma Davranışı	,367	,000
İçselleştirilmiş İnanç	→ Marka Farkındalığına Yönelen Satın Alma Davranışı	,513	,000
İçselleştirilmiş İnanç	→ Statüyü Ön Plana Alan Bireyler	,687	,000
İçselleştirilmiş İnanç	→ Modayı Takip Eden Bireyler	,771	,000
Gelenekselleştirilmiş Dindarlık	→ Çeşitlendirilmiş Satın Alma Davranışı	,657	,009
Gelenekselleştirilmiş Dindarlık	→ Karmaşık Satın Alma Davranışı	,665	,000
Gelenekselleştirilmiş Dindarlık	→ Alışılmış Satın Alma Davranışı	,366	,000
Gelenekselleştirilmiş Dindarlık	→ Marka Farkındalığına Yönelen Satın Alma Davranışı	,487	,000
Gelenekselleştirilmiş Dindarlık	→ İnanca Uygun Satın Alma Davranışı	,228	,025
Gelenekselleştirilmiş Dindarlık	→ İnanç Unsurlarını Ön Alan Bireyler	,250	,007
Gelenekselleştirilmiş Dindarlık	→ Statüyü Ön Plana Alan Bireyler	,655	,000
Gelenekselleştirilmiş Dindarlık	→ Modayı Takip Eden Bireyler	,717	,000

Dini tutumun tesettür moda giyimi ve satın alma davranışını nasıl etkilediğinin araştırıldığı bu çalışmada Yapısal Eşitlik Modellemesi (YEM) ile Path (yol) analizi yapılmıştır. Yapısal eşitlik modelinin kullanılmasındaki temel sebep değişkenler arasındaki doğrusal ilişkiyi gösteren korelasyon katsayısı ile değişkenler arasındaki neden sonuç ilişkisini yorumlamanın

yetersiz kalmasıdır (Orhan ve Kaşıkçı, 2002). Çalışmada araştırmanın daha çok yoğunlaştığı değerler dikkate alınarak modelin uyumu test edilmiştir. YEM testinde araştırmalarda en sık kullanılan uyum istatistiklerinden biri serbestlik derecesinin Ki-Kareye oranıdır ( $X^2/df$ ). Dini tutum açısından tesettür moda giyim tercihinde etkili olan faktörlerin belirlenmesine yönelik araştırmada söz konusu bu oran 2,319 olarak belirlenmiştir. Oranın 5'ten küçük olması kabul edilebilir uyum göstergesidir. Çalışmada kök hata kareler ortalamasını ifade eden ve uyum değeri olarak 0,08'in altındaki değerleri referans alan (Browne ve Cudeck, 1993) RMSA değeri ise 0,70 olarak tespit edilmiştir. Uyum İyiliği İndeksi (GFI) ise 1'e yakın (0,854) değerler kabul edilebilir değerler olarak uyum göstermektedir. Karşılaştırmalı uyum indeksi olan CFI ise 0,720 olarak çıkması uyum indeksinin 0 ile 1 arasında yer alması ve 1'e yakın olması kabul edilebilir bir göstergedir (Byrne,2010). Benzer koşullar TLI (0,803) değeri için de geçerlidir. Sonuç olarak analiz sonucu elde edilen uyum iyiliği değerleri modelin kabul edilebilir olduğunu göstermektedir. Başka bir ifade ile araştırmadan elde edilen veriler modelin öngörülen kuramsal yapısı ile uyumaktadır.

Path (yol) analizine ilişkin parametre değerleri incelendiğinde dini tutumun alt boyutlarından içselleştirilmiş inancın çeşitlendirilmiş satın alma davranışını ileri düzeyde anlamlı bir şekilde etkilediği (0,706;  $p=,009$ ) tespit edilmiştir. Bütün dinlerde alışveriş davranışını etkileyen inanç sisteminin bir parçası veya geleneklerden biri olan oruç tutma ve bayram kutlamaları mevcuttur, aynı şekilde giyim, kadınların günlük faaliyetleri, bireysel temizlik ürünleri kullanımı ve eğlence davranışları üzerinde dini etkiler görülebilmektedir (Bailey ve Sood, 1993:328). Hem inanç unsuruna göre hem de inanç sistemi ile bütünleşen kültürün norm ve değerlerine göre çeşitlendirilebilecek dini tutumlar satın alma davranışını çeşitlendirmesi olağan bir durumdur. Burada önemli husus tüketicilerin satın alma süreçlerinde çeşitli ürün veya hizmet arasından hangi ürün veya hizmet için dini hayat tarzı faktörünün satın alma davranışlarında etkili olup olmadığının belirlenmesi gerektiğidir. Bu da dini değer ve normlara göre şekillenebilecek bir durumdur. Bu noktada insanlar dini tutumları neticesinde karmaşık satın alma davranışına yönelebilecektir. Bulgular arasında içselleştirilmiş inancın karmaşık satın alma davranışını ileri düzeyde anlamlı bir şekilde etkilediği görülmektedir (0,701;  $p=,000$ ). Tüketicilerin yüksek ilgileniminin olduğu ve markalar arasındaki farkları göz ardı edemediği karmaşık satın alma davranışı daha çok içselleştirilmiş dini tutumdan etkilenmektedir. Yani içsel benliğinde benimsemiş olarak da ifade edilebilecek içsel inanç unsuruna sahip bireylerin markalar arasındaki farka

daha fazla dikkat ettikleri ve ilgilenimlerinin yüksek olduğu söylenebilir.

Tüketici eğilimlerini belirleyen çevresel dinamik ve değerler doğru tanımlandığında ürün tasarlama aşamasından pazarlama iletişimi süreçlerine kadar birçok süreçte beklenen tüketici geri dönüşü de içsel inanç olgusuna göre de değişebilecektir. Choi (2010) Güney Kore’de yaptığı çalışmada, dindarlık olgusu yüksek olan kişilerin, daha az dindar kişilere göre daha az marka ürün ya da mağaza değiştirdiklerini tespit etmiştir.

Çalışmadaki bulgulardan biri de içselleştirilmiş inancın alışılmış satın alma davranışını orta düzeyde pozitif yönde anlamlı bir şekilde etkilediğidir (0,701;  $p=,000$ ). Tüketicilerin etraflıca bilgi edinmediği ve markanın özelliklerini değerlendirmeden ve hangi markanın satın alınacağına dair detaylıca düşünmeden karar verdiği (Kotler, 2000) satın alma davranışı olan alışılmış satın alma içselleştirilmiş inançtan etkilenmektedir. Bu durum inançsal yönü ağır basan kitlenin modayı takip eden katılımcılar ile daha az takip eden bireyler arasındaki satın alma tutum ve davranışlarındaki farklılıklardan kaynaklandığı düşünülebilmektedir. Essoo ve Dibb (2004) belirli bir dinin, kişilerin satın alma kararları üzerinde etkisinden bahsettiği çalışmasında din unsurunun pazar bölümlendirmesinde kullanılabileceğini ve dindarlığın kültürel farklılıklara göre ve alt gruplara göre şekillendiği düşünüldüğünde satın alma davranışının da her grup içerisinde homojen iken, gruplar arasında farklılık gösterebileceğini belirtmiştir. Yani bireyin içinde yaşadığı dini duygular kendisini çeşitliliğe dayanan satın alma davranışına yöneltebileceği gibi hem karmaşık hem alışılmış hem de marka farklılığına yönelen (0,513;  $p=,000$ ) satın alma davranışına da yönelttiği söylenebilmektedir. Dahası bu çalışmada satın alma davranışlarını etkileyen dini tutumlar sadece içselleştirilmiş inanç etkisine dair bulgular ile sınırlı değildir. Ayrıca gelenekselleştirilmiş dindarlık faktörü, içsel inanç unsuru gibi çeşitliliğe dayanan satın alma davranışını (0,657;  $p=,009$ ) hem karmaşık (0,665;  $p=,000$ ) hem alışılmış satın alma davranışını (0,366;  $p=,000$ ) hem de marka farklılığına yönelen satın alma davranışını (0,487;  $p=,000$ ) pozitif yönde etkilediği görülmektedir. Öte yandan gelenekselleştirilmiş dindarlık inanca uygun satın alma davranışını da orta düzeyde ve pozitif yönde anlamlı bir şekilde etkilemektedir (0,228;  $p=,025$ ). Burada dikkat edilecek husus dindarlık olgusunun hem içsel hem de geleneksel oluşunun satın alma davranışlarını etkilediği konusudur. Fakat etki düzeyleri incelendiğinde ise içselleştirilmiş inancın sahip bireylerin satın alma davranış unsurlarına tesirinin daha fazla olduğu görülebilmektedir. Geleneklere dayanan, bireyin kendi iç dünyasında belki de onaylamasa da toplumun tutum, değer ve normlarına göre kabul etmek zorunda kaldığı dini tutum ve davranışlar satın

alma davranışını şekillendirse de kendi doğrularını yaşayarak ve din olgusunu benliğinde hissederek gerçekleştirdiği satın alma davranışlarının tesirinin daha yüksek olduğu söylenebilmektedir.

İçselleştirilmiş inanç ile geleneksel dindarlık unsurlarının moda giyim davranışı üzerinde de etkileri tespit edilmiştir. İçselleştirilmiş inanç modayı takip eden bireyleri pozitif yönde anlamlı bir şekilde etkilemektedir (0,771;  $p=,000$ ). İçselleştirilmiş inanç unsuruna sahip tüketiciler ile dini eğilimlerin zayıf olduğu tüketicilerin tutumları arasındaki farkın son yıllardaki moda akımları ile daralması neticesinde etkisini tüm dinlerden almış ve kültürel çeşitliliğe sahip, dini inanç ve kimliklere son derece saygı duyan yeni moda akımları ön plana çıkmaya başlamıştır. Özellikle Türkiye’de mütevazı giyim olarak adlandırılan bu akım ile bireyler arasında tesettür moda giyimi ön planda tutulmuş ve bireysel inanç derecesine göre bu giyim farklılıkları şekillenmeye başlamıştır.

Özellikle Yankaya (2014) Türkiye’de İslam’ı temsil eden unsurların artık pazarlanabildiğini ve tüketilebilir şekiller olarak esnek piyasa ortamında toplumsal değişimler ve eğilimlere göre uyarlandığını ve bundan sonra; sivil toplum, edebiyat, müzik, medya, dizi, ticaret, mimari yapı, tatil, moda defileleri, hatta sosyete hayatının bile islami karşılık ve yorumlamasının mümkün olduğunu belirtmiştir. Buradan anlaşılacağı gibi Türkiye’de içsel dindarlık olgusunu benimseyen bireyler hem modayı takip edeceği gibi belirli sınırlamalara rağmen daha esnek yorumları dikkate alarak hem de Statüyü ön plana alan bireyler olarak da (0,687;  $p=,000$ ) karşımıza çıkmaktadır. Gelenekselleştirilmiş dindarlıkta da bulgular çok farklı değildir. Modayı takip eden bireyler gelenekselleştirilmiş dindarlıktan pozitif yönde anlamlı bir şekilde etkilenirken (0,717;  $p=,000$ ), rahatlı ön plana alan bireyler de pozitif yönde anlamlı bir şekilde (0,655;  $p=,000$ ) etkilenmektedir. Farklı olarak inanç unsurunu ön plana alan bireyler gelenekselleştirilmiş dindarlıktan (0,250;  $p=,007$ ) pozitif yönde anlamlı bir şekilde etkilenmektedir. Arslan ve Çaylak (2018) tesettür giyimi etkileyen tüketim faktörleri üzerine yaptıkları çalışmada, bireyleri tüketimlerinde modaya olan ilgi ve arzularının ve markaya gösterdikleri hassasiyetin giyim konusunda dini konuda duyarlılıklarını azalttığı bulgusuna ulaşmışlardır. Buradaki temel etken tesettür moda algısı ile birlikte dinde reform gibi görülen yeniliklerin topluma zoraki ya da farkında olmadan benimsetilmesi ve bir nevi dayatılmış doktrin olarak toplumu deforme etme çabasıdır.

### **Sonuç ve Öneriler**

Bu araştırma tesettürlü kadınların bakış açılarını yansıtmaktadır.

Katılımcıların demografik özellikleri incelendiğinde yaş aralıklarına bakıldığında katılımcıların yarısı (%50) 18-25 yaş aralığını oluşturduğu diğer yarısı ise 26 ve üzerinde dağıldığı görülmektedir. Eğitim düzeyleri incelendiğinde ise katılımcı tesettürlü kadınların eğitilmiş oldukları ve çoğunluk olarak (%60) üniversite okudukları görülmektedir. Bu da katılımcıların daha nitelikli ve farkındalıkları yüksek bireylerden oluştuğunu söyleyebilmemizi sağlamaktadır. Mesleklerine bakıldığında çoğunluğun öğrenci olduğu (%40) ve gelir düzeyi olarak da 0-2000 arasının öğrenci olmaları da göz önünde bulundurularak çoğunluk bir gelir düzeyini (%53,7) temsil ettiği görülmektedir. Medeni halleri göz önüne alındığında ise bekar tesettürlü kadınların çoğunluğa (%59,6) sahip olduğu sonucuna ulaşılmıştır.

Tesettürlü kadınların bakış açıları itibariyle; Dini tutum değişkeninin içeriği doğrultusunda da toplamda 2 faktör bulunmuş olup bunlar sırasıyla; İçselleştirilmiş İnanç Duygusu ve Geleneksel Dindarlık Anlayışı boyutlarıdır. Satın alma davranışı değişkeni ise toplamda 6 faktörden oluşmuş olup bunlar; Çeşitlendirilmiş Satın Alma Davranışı, Karmaşık Satın Alma Davranışı, Alışılmış Satın Alma Davranışı, Sosyalleştirilmiş Satın Alma Davranışı, Marka Farklılaştırmasına Yönelen Satın Alma Davranışı ve İnanca Uygun Satın Alma Davranışı boyutlarıdır. Ve son olarak ise Tesettür Moda Giyim Davranışı değişkeni 3 faktörden oluşmuş olup bunlar da sırasıyla; Modayı Takip Eden Bireyler, İnanç Unsurunu Ön Plana Alan Bireyler ve Statüyü Ön Plana Alan bireyler şeklide boyutlardan oluşmaktadır.

Çalışma sonuçları itibari ile dini tutum değişkeni ile medeni durum arasında anlamlı bir farklılık bulunamamıştır. Diğer değişkenlerimizden satın alma davranışı ile tesettür moda giyim davranışı değişkenleri medeni duruma göre anlamlı farklılıklar göstermektedir.

Bu araştırma Tesettürlü kadınların görüş ve düşünceleri ile oluşturulmuştur. Bundan dolayı farklı katılımcılara yer verilmeyip genelleme yapılamamaktadır. Bundan sonraki araştırmalar için bu araştırmadan da yardım alınarak farklı katılımcılar dahilinde daha geniş bir evren ile araştırma gerçekleştirilebilir.



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## **A RESEARCH TO DETERMINE THE FACTORS THAT PREFER HIJAB FASHION APPAREL IN TERMS OF RELIGIOUS ATTITUDES**

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### **Extended Abstract**

The main purpose of the study was to determine the effect of religious attitude on hijab and fashion clothing. The effect of religious attitude on hijab and fashion clothing and the effect of religious attitude on purchasing behavior are examined. Using the sample method, information obtained from 270 women with hijab was analyzed by SPSS package program. The study consisted of three scales: "Religious Attitude Scale", "Purchasing Behavior Scale" and "Hijab Fashion Clothing Behavior Scale"

In terms of Religious Attitude Scale; "I think that God helped me in difficult times", "I help for Allah's sake those who ask for help" and "I try to fulfill the requirements of the religion I believe in" are the most valuable statements.

In terms of Purchasing Behavior Scale; "In my opinion, the suitability of clothes to my belief is more important than quality", "In my opinion, the suitability of clothes to my belief is more important than price" and "It's fun to buy new things" were the most important variables.

Hijab Fashion Clothing Behavior Scale; "I wear clothes that I believe in", "I pay attention to the fact that the brands I purchased are in accordance with my beliefs" and "Having a clothes that complies with Islamic obligation increases my Islamic identity" are the most important variables.

Hijab Fashion Clothing Behavior Scale; "It is not always true that religious people are more honest and reliable in commercial life." and "I spend most

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of my time on dressing up nicely” are expressions of secondary importance. Hijab Fashion Clothing Behavior Scale; “Usually advertised brands are the best” expression is not important.

**The result of Factor Analysis of Religious Attitude Scale**, “Internalized Faith Sense” and “Traditional Religiosity” as two factors were identified. **The result of Factor Analysis related to Purchasing Behavior**, “Diversified Purchasing Behavior”, “Complex Buying Behavior”, “Conventional Purchase Behavior”, “Socialized Purchasing Behavior”, “Purchasing Behavior towards Brand Differentiation” and “Faithful Purchase Behavior” as six factors have been identified. **Hijab Fashion Clothing Behavior Factor Analysis result**, “Fashion Followers”, “Individuals Prioritizing the Element of Faith” and “Individuals Who Focus On Status” as three factors were identified.

**Keywords:** Islamic Economy, Religious Attitude, Hijab, Fashion Clothing, Hijab Fashion Clothing Relationship.







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# MEASURING ISLAMIC FINANCIAL LITERACY AND DISCOVERING ITS RELATIONS WITH ENTREPRENEURSHIP AMONG UNIVERSITY STUDENTS IN TURKEY

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## Abstract

Financial Inclusion is one of the important parts of the financial system and Islamic Financial Literacy is a concept that requires knowledge about the Islamic financial system and can contribute positively to financial inclusion. This research has several goals. First, it aims to determine students' Islamic financial literacy levels in various faculties in a Turkish university. Secondly, it aims to investigate the relationship between Islamic financial literacy level and financial attitude and behavior. Third, the impact of Islamic financial literacy on the entrepreneurial tendency is predicted. Finally, determining whether the level of Islamic financial literacy differs according to various demographic factors, especially the faculty variable, whether it is taking finance, or Islamic finance courses, is among the sub-objectives of the study. The universe of the research consists of students studying in the third and fourth grades of the faculties of business, engineering, and theology at Düzce University. 513 questionnaire data obtained within the scope of the research and data were analyzed with SPSS 25 statistical program. As a result of the research, Islamic Financial Knowledge levels and Islamic Financial literacy were gauged. It was determined that the Islamic Financial Knowledge levels and Literacy were quite low among students and, students taking Islamic finance courses had high Islamic finance literacy. Also, looking attractiveness did not put a difference on Islamic financial knowledge, it provided a statistically significant relationship between those looking attractive to entrepreneurship and those not looking attractive to entrepreneur with respect to Islamic financial literacy level.

**Keywords:** Islamic Economy, Islamic Financial Literacy, Islamic Financial

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Knowledge, Entrepreneurship Intention, Entrepreneurship Tendency, Statistical Measurement.



## ÜNİVERSİTE ÖĞRENCİLERİNİN İSLAMİ FİNANSAL OKURYAZARLIĞININ ÖLÇÜLMESİ VE GİRİŞİMCİLİK İLE İLİŞKİSİ

Finansal Erişim, başta dünya bankası olmak üzere birçok araştırmaya konu olmuş finansal sistemin önemli parçalarından biridir. Finansal sisteme dahil olma, gelişmekte olan ve az gelişmiş ülkelerde gelişmiş ülkelere göre daha azdır. Bunun pek çok nedeni olsa da önemli nedenlerinden biri finansal okuryazarlık düzeyinin düşük olmasıdır. Finansal okuryazarlık kavramı, doğru tasarrufları yapmak ve bu tasarrufları doğru yatırımlara yönlendirmek, sermaye ve para piyasaları hakkında bilgi sahibi olmak ve bu bilgileri doğru yorumlamak olarak düşünülebilir. Ayrıca, İslami Finansal Okuryazarlık, İslami finansal sistem hakkında bilgi gerektiren ve finansal erişime olumlu katkı sağlayabilen bir kavramdır. Hayatında İslami kuralları benimsemiş bireyler, faiz duyarlılığının yanı sıra İslami finansal araçlar ve kurumlar hakkında yeterli bilgiye sahip olmadıkça birikimlerini finansal sisteme dahil edemezler. Bu nedenle, insanların İslami finansal okuryazarlık düzeylerinin belirlenmesi, İslami finansal araçlar ve kurumlar hakkındaki bilgi düzeyinin yükseltilmesi hem tasarrufların ekonomiye dahil edilmesi hem de faiz sorununun giderilmesi açısından fayda sağlayacaktır. Literatürde finansal okuryazarlık, cinsiyet, yaş, eğitim, tasarruf davranışı girişimcilik gibi çeşitli değişkenlerle ilişkilendirilmiştir. Bunların arasında en can alıcı değişkenlerden biri, günümüzde üretime ve istihdama olan katkısı düşünüldüğünde makroekonomik sistemler açısından büyük önem taşıyan girişimciliktir. Hiç şüphesiz girişimcilerin ve girişimci adayları olan üniversite öğrencilerinin finansal bilgi ve okuryazarlık düzeyleri gelecekte katkıda bulunacakları işletmeler açısından çok önem arz eden faktörlerden biridir. Finansal okuryazarlıktan belli açılardan ayrılan bu kavram üzerine çeşitli araştırmalar yapılmıştır.

*[Türkçe geniş öz çalışmanın sonunda yer almaktadır.]*



### Introduction

Technological developments, increasing opportunities and highly competitive environment make it necessary to have knowledge in the financial field and to use this information rationally as in other fields with the awareness of how critical the concept of time. Technological advances, which enable individuals to carry out their financial affairs and transactions via computers, in the beginning, and today through smart phones and mobile



applications, have made it necessary to have a good level of financial knowledge. In addition, the increase and developments in the variety of financial products and instruments have been another factor that necessitates people to have a certain level of financial knowledge. These situations and developments show that individuals who increase their financial knowledge level can better evaluate the opportunities and manage risks more accurately. Increasing the level of financial knowledge of individuals will contribute to the healthier development of their economy indirectly as well as their own financial decisions (Kaya, 2019).

The concept of financial literacy can be considered as making the right savings and directing these savings to the right investments, having information about the capital and money markets and interpreting this information accurately. On the other hand, the concept of Islamic finance imply that in addition to these features, having a belief in Islam and a life in accordance with this belief, having the knowledge and ability to use the basic concepts and dynamics of Islamic finance and to use them in accordance with the Islamic rules in all of their financial affairs and transactions (Karakuş, 2019). Individuals who have adopted Islamic rules in their lives cannot include their savings in the financial system unless they have enough information about Islamic financial instruments and institutions, besides they also have interest sensitivity. For this reason, determining the levels of Islamic financial literacy of people, improving the level of knowledge about Islamic financial instruments and institutions will benefit both in terms of including savings into the economy and eliminating the interest problem (Yıldırım, 2020). In the literature financial literacy have been linked various variables as gender, age, education, saving behavior entrepreneurship (Chen and Volpe; 1998; Clercq and Venter; 2009; Er et al., 2014; Potrich et al., 2015; Seyrek and Gül, 2017; Şahin and Barış, 2017). One of the crucial variables among these is entrepreneurship, which is of great importance in terms of macroeconomic systems, considering its contribution to production and employment today. Undoubtedly, financial knowledge levels of entrepreneurs and university students who are entrepreneur candidates are also one of the most important factors in terms of the health of the enterprises that they will create in the future. From this point of view, Islamic financial literacy levels of university students will be examined and their relationship with entrepreneurship will be investigated. In the following sections, conceptual background about the concept of Islamic Financial Literacy and a literature review will be presented.

## **A. Financial Literacy**

The concept of financial literacy has been a popular concept that many researches have been studied on it in finance literature. Evolving from this concept, in recent years, especially with the developments in Islamic financial institutions and instruments, besides the concept of financial literacy, the concept of Islamic financial literacy, has gained popularity in the literature.

### **1. Islamic Financial Literacy**

As many discoveries, Islamic finance concept emerged with people 'demands linked to religious, economic and social reasons. People direct their financial transactions under moral factors as well as financial factors. Spiritual factors, on the other hand, emerge as religious beliefs. One of the biggest factors affecting individuals' lives, attitudes and behaviors is their religious beliefs. The fact that Islamic religion prohibits interest appears to be the most important factor in the evaluation of the financial system in terms of Islam (Yıldırım, 2020). With the global importance of oil, the need to manage Arab capital accumulating and the evaluation of the funds that individuals have accumulated for Hajj in some Islamic countries, Islamic finance concept and Islamic financial institutions have emerged and developed (TKBB, 2019). The development of Islamic finance in Turkey followed by the development of Islamic banking as it has acted in parallel in the world. In Turkey in the 1980s, developments occurring in Islamic finance and Islamic banking sector was first revealed as a special financial institution. Subsequently, it has been included in the same law as conventional banking and has been named "Participation Banking" with the decision of the Council of Ministers in 2005 (TKBB, 2019).

As it is a new and up-to-date concept, there is no clear definition of Islamic Financial Literacy yet generally accepted. This concept can also be interpreted as a new perspective brought to the concept of Financial Literacy (Bekereci, 2018). In this perspective, the concept of Islamic Financial Literacy, close to the definition of Financial Literacy in the literature has been defined various ways but quite parallel definitions. Some of them are the followings; "Having knowledge about Islamic financial transactions, understanding and interpreting the basis of Islamic finance and making decisions in this direction" Çömlekçi (2017, "the knowledge that individuals will have through education or experience in Islamic finance concepts and products" Abdullah and Anderson (2015), "Having information about Islamic products and services, individuals' ability to observe the basic principles of

Islamic finance and to act in accordance with Islamic principles and rules while making financial decisions” Antara et al. (2016),) “the use of financial knowledge, attitude and behavior skills of individuals in the financial literacy definition in the literature on managing financial resources in line with Islamic principles” Siti et al. (2016).

Increasing the levels of Islamic financial literacy of individuals will enable the savings that remain idle due to religious concerns to be included in the financial system. In this way, it will be possible for individuals and institutions that have fund requests to obtain funds in accordance with religious rules and will create an effect that will increase the demand in this direction. In this context, it is very important to increase the levels of Islamic financial literacy of people. In summary, the incompatibility between the traditional financial system and the principles of Islamic finance, increasing the research on Islamic finance and taking care to develop the scale is of great importance for the development of Islamic finance and Islamic financial literacy. In this respect, in order to analyze Islamic finance in a holistic way, the provisions and basic information specified by Islamic law regarding financial markets should be assimilated by individuals (Bekereci, 2018). The development of Muslims' awareness of Islamic finance is not only economically beneficial, but also religiously compatible with their beliefs. The fact that Muslims do not care about the prohibition of interest and continue to use traditional financial products will cause the development of Islamic finance. Therefore, raising the level of Islamic financial literacy of the society, introducing Islamic financial instruments, raising the awareness of people on the subjects prohibited by Islam are also important according to the principle of “command goodness, avoid evil” (Yıldırım, 2020).

## **2. Literature Review**

As stated in the previous sections of the study, there are a bulk of studies on financial literacy and limited number of studies on Islamic financial literacy. Under this section, information on other studies that are similar to our work in the related field and which contain foundations related to the subject will be included.

The results of the study conducted by Oseifuah in 2010 showed that financial literacy contributed positively to individuals' entrepreneurship skills and success. In parallel, in a study conducted by Abubakar in 2015, it was observed that the difficulty of accessing financial markets caused by the low level of financial literacy is an obstacle to entrepreneurship.

Clercq and Vender (2009) conducted a research on 903 students

studying in South Africa in which they examined the effects of demographic factors on financial literacy. The results of the study revealed that there were significant differences between the financial literacy levels of individuals according to gender, race, age, language and income level.

Abdullah and Anderson (2015) examined the factors affecting individuals' levels of Islamic financial literacy on bank employees. As a result of the study, nine factors that affect Islamic financial literacy are introduced. They were that attitude towards Islamic financial products, perspective on banking tools, perspective on Islamic banking tools, asset planning and management, attitude towards individual financial management, effect of individual financial management, effect of families on Islamic financial products, factors determining securities investments and perspective on traditional banking products.

In another study by Abdillahi in 2015, the relationship between retirement planning and Islamic financial literacy was examined. As a result of the questionnaires conducted to 230 employees working at Malaysia Utara University, it was observed that there was a significant relationship between the participants' retirement plans and Islamic financial literacy levels, and their retirement plans were also affected by income and gender factors.

In the study carried out by Siti (2016), it was aimed to determine the demographic and psychological factors that have an impact on the levels of Islamic financial literacy of students studying at universities at the undergraduate level.

Similar to Abdillahi (2015), in this study, in the surveys conducted on 200 students studying at Utara University in Malaysia, it was determined that the psychological factors affecting Islamic financial literacy are financial satisfaction, religious values and hopelessness. In addition, it was observed that third grade students were at a higher financial literacy level than first and second grade students and male students were higher than female students.

Sardiana (2016) argued that Islamic financial literacy consists of three dimensions, including the ability to understand the characteristics of financial products, self-confidence and the level of knowledge about Islamic financial products. It was concluded that self-confidence and ability to understand Islamic financial products had no effect on the choice of Islamic financial products, but knowledge of Islamic financial products was highly effective.

In the study conducted by Er et al. (2014), the Islamic financial literacy

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levels of the Faculty of Theology and İİBF students at Karadeniz Technical University were examined. As a result of the survey conducted on a total of 326 students, it was observed that the levels of Islamic financial literacy of students were generally low. Students with a relatively high level of Islamic financial literacy were those who studied at the Faculty of Theology, those with experience in trading participation banks, men of gender and those who took an activity or lesson on the Islamic economy.

In order to measure the levels of Islamic financial literacy, Çömlekçi (2017), was conducted a survey on 401 Participation bank customers who had accounts in participation banks. The findings of the study show that bank clients' Islamic financial literacy levels are low, as well as it has been revealed that their clients' levels of Islamic financial knowledge and Islamic financial literacy had significant differences according to the profession group, age, gender, education level and income level.

Bekereci et al. (2018) aimed to measure the effects of psychological factors such as piety, helplessness and financial satisfaction on the Islamic financial literacy levels of university students. It was revealed that Islamic financial literacy differs in terms of belief and financial practice. When the survey results were analyzed in terms of desperation, religiosity and financial satisfaction factors, it was revealed that while the relevance was meaningful and similar effects for both dimensions, the factor of helplessness in the level of faith tendency and the factor of financial satisfaction in the level of financial practice.

Karakuş (2019) provided information on the results of the survey conducted on individuals of different ages and professions living in Adana. It had been observed that men's financial information levels were higher than women and the participants are generally using their financial information. The findings obtained in the study regarding the levels of Islamic financial literacy showed that the level of Islamic financial literacy was quite low and that the participants had a perception that interest was not haram.

According to the analysis results of the survey conducted by Yıldırım (2020) on 151 administrative and 212 academic staff working at Tokat Gaziosmanpaşa University, significant differences were found between the financial instrument knowledge level and gender. It was concluded that men had higher knowledge level about financial instruments than women. There was no significant difference between demographic factors such as gender, marital status, age, educational status and income range, and the level of Islamic financial literacy. The findings of the study showed that the academic

financial literacy levels of academic and administrative staff working at Tokat Gaziosmanpaşa University are quite low.

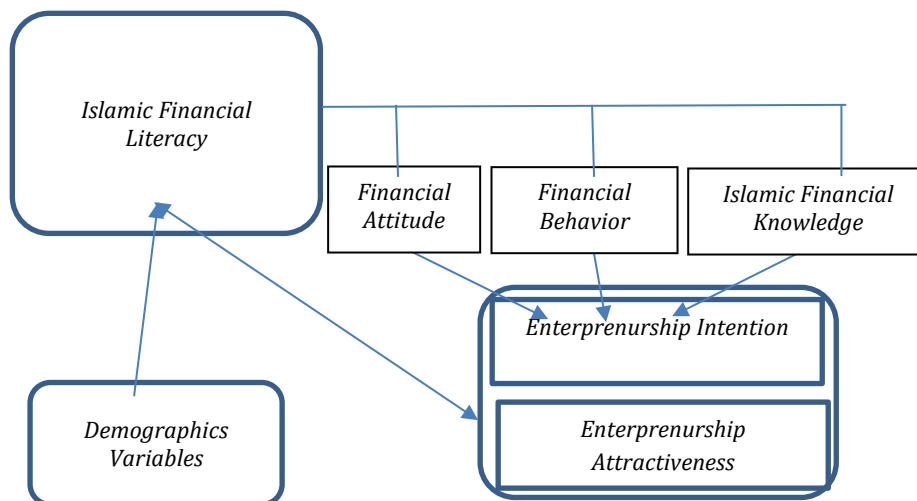
When analyzed in terms of developed scales, in 2015, Hidajat and Hamdani stated that there was no scale to measure the level of Islamic financial literacy with an Islamic perspective and therefore it should be examined under 22 topics suggested by Islamic financial literacy. Antara (2016) proposed scales consisting of 23 questions to measure halal literacy and 17 questions to measure Islamic financial literacy levels.

## B. Research Methodology

### 1. Research Objectives and Model

This research aims to investigate the level of Islamic financial literacy among university students and its relationship with entrepreneurship. Specifically, the study has the following objectives: a) researchers investigate the personal and departmental financial attitude, financial behavior, Islamic Financial Knowledge and Islamic financial literacy of a sample of Düzce University students by gender, faculty, family income, most used bank type. b) researchers examine relationships of the level of Islamic financial literacy and entrepreneurship intention, entrepreneurship attractiveness and some demographic data of Düzce University students. c) researchers examine the relationship between Düzce University students' financial attitudes, financial behavior, Islamic financial knowledge and their Islamic financial literacy level. In this direction, the model of study is shown in Figure 1.

**Figure 1.** Research Model



## **2. Sample, Data Collection and Instruments**

The population of the research consists of students studying in the third and fourth grades of the selected faculties, namely Business Administration, Theology (Islamic) and Engineering, in Düzce University, Turkey. The reason why these three faculties are selected as samples is the idea of comparing a faculty student that may have a lower relation with Islamic Finance and Faculty of Business and Theology, who may have a high relation with Islamic Finance. Also, the reason why third and fourth grades of the students are selected is that finance, Islamic finance and entrepreneurship courses are usually offered in the third and fourth grades, and students are already attended at least one of these courses until these grades. To be more specific, students of the Faculty of Business may be better equipped in terms of finance, Islamic finance and entrepreneurship, and students of the Faculty of Theology could be more equipped in Islamic finance in terms of Islamic terminology, and students from other faculties (e.g., engineering faculty) may take less Islamic finance and relatively entrepreneurship courses. Thus, comparisons of these faculties could give meaningful results. The survey was conducted between 2-23 December 2019 and distributed online through an online survey development software and reached 553 participants. After the elimination of incomplete or erroneous data, total sample consisted of 512 respondents.

This research uses a comprehensive survey to gauge the level of Islamic Financial Literacy and major aspects of it. While there is not any consensus on the definition of financial literacy and consequently its dimensions (OECD; 2012; Atkinson and Messy, 2012; Agarwalla et al., 2013 and Potrich et al., 2018), likewise Islamic financial literacy and hereby its dimensions, it can be expressed that Islamic Financial Literacy includes financial attitudes, financial behavior, Islamic financial knowledge based on the literature (Atkinson and Messy, 2012; Coşkun, 2016; Çömlekçi, 2017; Er and Mutlu, 2017; Setiawati et al., 2018). The survey used in the research to collect data consists of by four blocks of questions. The first part includes questions to gauge the financial attitude of the participants, while the second part includes questions on financial behavior. As Çömlekçi (2017) did, questions in the first and second parts was created using Potrich et al. (2015) and in the third part, the level of Islamic financial knowledge was measured using Antara et al. (2016). The content validity and clarity of the constructed survey are verified by three academician who are expert and knowledgeable in Islamic Finance. The consistency and quality of the survey are also strengthened using reliability analysis by Cronbach's alpha.

In brief, the first three parts of the survey participants are asked to answer 45 questions including 5 scale Likert-type questions (1=Strongly Disagree, 5=Strongly agree) of measuring their financial attitude (nine questions), financial behavior (twenty questions) and Islamic financial knowledge (sixteen questions, the first five of them for measuring basic Islamic financial knowledge, next eleven of them for measuring advanced Islamic financial knowledge and all of the sixteen questions used for measuring general Islamic financial knowledge). All these three parts questions used to gauge their Islamic Financial Literacy Level. For these 5 scale Likert-type questions in these three parts (financial attitudes, financial behavior, Islamic financial knowledge), only the 4th (agree), 5th (strongly agree) answers are accepted correct answer and 1 point has been attributed to them while others are attributed 0 point. In this way, the student who answered 1 question correctly achieved 1 point for each question from the financial attitude, financial behavior and Islamic financial knowledge part. Thus, a student could get maximum 9 point in financial attitude part, 20 point in financial behavior part, 16 point in Islamic financial literacy part and 45 point for all these three parts, which represents the maximum total points of Islamic financial literacy level. Financial attitude, financial behavior, Islamic financial knowledge and Islamic Financial Literacy score was calculated for all participants and this score was converted into percentage format. Accordingly, the higher the score a student got, the better is the level of the student. It is accepted that if the score calculated as a result of the responses given by the participants is below 60%, it has low level; between 60% and 79%, it has intermediate level; and 80% and above it has advanced level (Danes & Hira, 1987;Chen and Volpe, 1998).

The last part of survey includes some questions related to socioeconomic and demographic variables of respondents as students' intention to entrepreneurship and attractiveness of entrepreneurship, having an entrepreneurial mother or father, taking or attending an Islamic financial course previously, gender, faculty, family income etc.

### **C. Data Analysis and Results**

In the research, quantitative research method was used to achieve the aim of the study. In analyzing, frequency, percentage calculation, mean, and standard deviation, Cronbach's Alpha, ANOVA, T-test, and Chi-Square analyzes are used to fulfill the objectives of the study. First of all, reliability analyses of financial attitude, financial behavior general Islamic financial knowledge level and Islamic financial literacy were performed, and the



Cronbach's Alpha value found out 0.879, 0.832, 0.907, and 0.896, respectively. Also, reliability analyses of other Islamic financial knowledge levels (basic and advanced levels) were calculated and resulted in 0.772, 0.888, respectively. It is stated in the literature that the reliability coefficient should be above 0.7 level (Nunnally, 1967). In this context, it can be said that the data obtained from the research can be accepted as reliable. The level of Islamic financial literacy was measured by analyzing students' answers to questions on financial attitude, financial behavior and Islamic financial knowledge using the SPSS statistical package. Students' demographic characteristics data were also analyzed. The results are shown in Tables I.

**Table 1:** Demographic and Socioeconomic Characteristics of Participants

<b>Gender</b>	<b>Frequency</b>	<b>%</b>	<b>Taken at least one finance course</b>	<b>Frequency</b>	<b>%</b>
<b>Female</b>	228	44,5	Yes	314	61,3
<b>Male</b>	284	55,5	No	198	38,7
<b>Faculty</b>	<b>Frequency</b>	<b>%</b>	<b>Taken at least one Islamic finance course</b>	<b>Frequency</b>	<b>%</b>
<b>Business Administration</b>	322	62,9	Yes	77	15,0
<b>Theology</b>	65	12,7	No	435	85,0
<b>Engineering</b>	<b>Frequency</b>	<b>%</b>	<b>Attended at least one Islamic finance activity</b>	<b>Frequency</b>	<b>%</b>
<b>Family income</b>	Frequency	%	Yes	90	17,6
<b>Less than 1.500 (TL)</b>	80	15,6	No	422	82,4
<b>1.501-3000 (TL)</b>	<b>Frequency</b>	<b>%</b>	<b>Taken at least one entrepreneurship course</b>	<b>Frequency</b>	<b>%</b>
<b>3.001-5.000 (TL)</b>	146	28,5	Yes	353	68,9
<b>5.001-7.500 (TL)</b>	75	14,6	No	159	31,1

<b>7.501-10.000 (TL)</b>	31	6,1	Students' intention to entrepreneurship	Frequency	%
<b>10.000 (TL) and over</b>	24	4,7	Yes	374	73
<b>Most used bank type</b>	Frequency	%	No	138	27
<b>Conventional Bank</b>	482	94,1	Looking attractive to entrepreneurship	Frequency	%
<b>Islamic Bank</b>	29	5,7	Yes	454	88,7
<b>Not Used</b>	1	0,2	No	58	11,3
<b>Having an entrepreneurial parent</b>	Frequency	%			
<b>Yes</b>	120	23,4			
<b>No</b>	392	76,6			

**Note:** TL means Turkish Lira

As shown in Table 1, about 44,5 % of students are female, and about 55,5% are male. The majority of them are educated business administration faculty (%62,9) while engineering and theology students' percentages are 24,4 and 12,7, respectively. Moreover, most of the students (%95) frequently used conventional bank remaining (about 5%) mainly used Islamic bank. In terms of the respondents who had taken at least one Islamic finance courses, about 85 % had never taken the courses while leaving (15%) have taken an Islamic finance course in an academic term. Similarly, in regard of the respondents who had attended at least one Islamic finance activity (e.g., conference, workshop etc.), nearly 83% of students had never attended the activity, the rest of them (about 17%) had attended the activity at least once. Furthermore, while a great majority of students looked attractive to entrepreneurship (about 89%), the rest of them (11%) looked unattractive to entrepreneurship. Accordingly, nearly 73% students have intention to entrepreneurship, 27% of them do not have intention to entrepreneurship. Interestingly, these rates are inversely proportional to having an entrepreneurial family, which are about 77% do not have an entrepreneur parent remaining (23%) have.

**Table 2:** Level of Islamic Financial Knowledge and Islamic Financial Literacy

Islamic financial knowledge/literacy levels	Low (%)	Medium (%)	High (%)
Basic Islamic financial knowledge	280 (54,7)	94 (18,4)	138 (27,0)
Advanced Islamic financial knowledge	343 (67,0)	87 (17,0)	82 (16,0)
General Islamic financial knowledge	360 (70,3)	81 (15,8)	71 (13,9)
Islamic financial literacy	266 (52,0)	180 (35,1)	66 (12,9)

Students' basic, advanced and general Islamic financial knowledge and Islamic financial literacy levels are gauged, and resultant are represented in Table 2. As can be seen from Table 2, slightly more than half of the students (%54,7) had low level of basic Islamic financial knowledge and only %27 of them had high level of basic Islamic financial knowledge. In terms of advanced Islamic financial knowledge, the situation got worse and about %67 of students had low level, and just %16 of them had high level. Like this situation, nearly three quarters of the students (%70,3) had low level of general Islamic financial knowledge and merely about %14 of them had high level of general Islamic financial knowledge. Accordingly, Islamic financial literacy level shows similar results. Over half of the students (%52) had low level of Islamic financial literacy and only about %13 of them had high level of Islamic financial literacy.

In Table 3, in order to determine whether there is any of the differences between the means of financial attitude and financial behavior with respect to Islamic financial knowledge levels and Islamic literacy levels are statistically significant, ANOVA analyses has been performed.

**Table 3:** ANOVA results for Financial Attitude, Financial Behavior, Level of Islamic Financial Knowledge and Islamic Financial Literacy

Variables		Variance Source	Sum of Squares	df	Mean Square	F	P
Basic Islamic financial knowledge	Financial Attitude	Between Groups	29,86	2	14,93	4,22	,015
	Financial Behavior	Within Groups	192,36	2	96,18	6,01	,003
Advanced Islamic financial knowledge	Financial Attitude	Between Groups	22,25	2	11,13	3,13	,044
	Financial Behavior	Within Groups	401,66	2	200,83	12,89	,000

<b>General Islamic financial knowledge</b>	Financial Attitude	Between Groups	28,48	2	14,24	4,03	,018
	Financial Behavior	Within Groups	407,06	2	203,53	13,07	,000
<b>Islamic financial literacy</b>	Financial Attitude	Between Groups	266,84	2	133,42	43,46	,000
	Financial Behavior	Within Groups	2780,0	2	1390,0	127,4	,000

The table 3 shows that the differences between the means of financial attitude of students with respect to basic Islamic financial knowledge ( $F=4.223$ ,  $p=0.015<0.05$ ), advanced Islamic financial knowledge ( $F=3.133$ ,  $p=0.044<0.05$ ), general Islamic financial knowledge ( $F=4.025$ ,  $p=0.018<0.05$ ), Islamic financial literacy ( $F=43.458$ ,  $p=0,000<0.05$ ) are statistically significant. Similarly, the differences between the means of financial behavior of students with respect to basic Islamic financial knowledge ( $F=6.013$ ,  $p=0.003<0.05$ ), advanced Islamic financial knowledge ( $F=12.885$ ,  $p=0.000<0.05$ ), general Islamic financial knowledge ( $F=13.067$ ,  $p=0.000<0.05$ ), Islamic financial literacy ( $F=127.37$ ,  $p=0.000<0.05$ ) are statistically significant.

According to the results of post-hoc tests (Games-Howell test used since test of homogeneity of variance is significant) to find the source of the differences of financial attitude with respect to basic Islamic financial knowledge levels, the difference arises from between low and high groups of basic Islamic financial knowledge. Also, the results of post-hoc tests (Tukey and Scheffe test used since test of homogeneity of variance is insignificant) to find the source of the differences of financial behavior with respect to basic Islamic financial knowledge levels, the difference resulted from between low and high groups and, medium and high groups of basic Islamic financial knowledge. Similar to the results of post-hoc tests for financial attitude-basic Islamic financial knowledge levels and financial behavior-basic Islamic financial knowledge levels, the consequences of post-hoc tests for financial attitude-advanced Islamic financial knowledge and financial behavior-advanced Islamic financial knowledge levels had completely the same results in terms of both used tests and outcomes for the sources of the differences.

Meanwhile, the results of post-hoc tests for financial attitude-general Islamic financial knowledge levels and financial behavior-general Islamic financial knowledge levels were entirely parallel to the financial attitude-basic Islamic financial knowledge levels, financial behavior-basic Islamic financial knowledge levels, the financial attitude-advanced Islamic financial

knowledge levels, financial behavior- advanced Islamic financial knowledge levels. Moreover and importantly, to the results of post-hoc tests (Games-Howell test used for financial attitude-Islamic financial literacy levels and Tukey and Scheffe test used for financial behavior-Islamic financial literacy levels) to find the source of the differences of financial attitude -Islamic financial literacy levels and financial behavior-Islamic financial literacy levels , the difference arises from between all binary groups (low-high, low-medium and low-high groups).

**Table 4:** ANOVA results for Faculty and Islamic Financial Knowledge and Islamic Financial Literacy

Variables	FACULTY	Mean	Variance Source	Sum of Squares	df	Mean Square	F	P
Basic Islamic financial knowledge	Business Administration	2,35	Between Groups	30,099	2	15,1	5,26	,01
	Theology	2,37						
	Engineering	1,80	Within Groups	1455,6	509	2,86		
Advanced Islamic financial knowledge	Business Administration	4,34	Between Groups	194,91	2	97,5	7,12	,00
	Theology	4,57						
	Engineering	3,10	Within Groups	6963,2	509	13,9		
General Islamic financial knowledge	Business Administration	6,69	Between Groups	377,36	2	188,9	7,74	,00
	Theology	6,93						
	Engineering	4,90	Within Groups	12408,3	509	24,4		
Islamic financial literacy	Business Administration	26,42	Between Groups	1910,8	2	955,4	15,9	,00
	Theology	27,57						
	Engineering	22,96	Within Groups	30671,7	509	60,3		

Table 4 addresses and displays that the differences of the means of faculties with respect to basic Islamic financial knowledge (F=5.263, p=0.005<0.05), advanced Islamic financial knowledge (F=7.124, p=0.001<0.05), general Islamic financial knowledge (F=7.740, p=0.000<0.05), Islamic financial literacy (F=15.855, p=0,000<0.05) are statistically significant. In order to find the source of the differences of the

means of basic Islamic financial knowledge with respect to faculties, post-hoc tests (Tukey and Scheffe test used since test of homogeneity of variance is insignificant) performed and the results showed that the differences arises between Business Administration and Engineering faculties ( $p=0.004$ ). Also, according to the results of post-hoc tests (Games-Howell test used since test of homogeneity of variance is significant) to find the source of the differences of the means of advanced Islamic financial knowledge with respect to faculties, the difference resulted from between business Administration and engineering faculties ( $p=0.001$ ), and between theology and engineering faculties ( $p=0.049$ ).

Moreover, post-hoc tests (Tukey and Scheffe test used since test of homogeneity of variance is insignificant) exercised and the results showed that the differences of means of general Islamic financial knowledge with respect to faculties arises from between business administration and engineering faculties ( $p=0.000$ ) and also, theology and engineering faculties ( $p=0.048$ ). Furthermore, and the most important results of the post-hoc tests (Games-Howell test used since test of homogeneity of variance is significant) were obtained from the sources of differences of the means of Islamic financial literacy with respect to faculties. Similar to earlier scenario on the results of the ANOVA tests for advanced Islamic financial knowledge and general Islamic financial knowledge with respect to faculties, the differences of the means of Islamic financial literacy with respect to faculties resulted from between business administration and engineering faculties ( $p=0.000$ ), and between theology and engineering faculties ( $p=0.008$ ). In fact, as can be seen in Table 4, the means of Islamic financial knowledge levels and Islamic financial literacy with respect to faculties were given and the sources of differences could slightly be observed in the table as analyzed and reported by ANOVA tests.

Further analysis was made to see whether there are any differences between family income levels with respect to Islamic financial knowledge levels and Islamic financial literacy. According to ANOVA tests, there were not any differences between Islamic financial knowledge levels and Islamic financial literacy with respect to family income levels and so that the elaborated statistical analyses of this test do not included here.

As shown in Table 5, to find out whether male and female participants show difference in the Islamic financial knowledge levels and Islamic financial literacy, we run the analysis of t-test. As can be seen in the table, neither Islamic financial knowledge scores nor Islamic financial literacy

score showed a difference in terms of gender. To realize the results of these tests obviously, the means of both male and female participants were presented in the same table, and it revealed that the means of both male and female were very close to each other in all the levels.

**Table 5:** T-Test between Gender vs. Islamic Financial Knowledge and Islamic Financial Literacy Level

Variables	Means			Levene's Test for Equality of Variances		T-test for Equality of Means		
	Male	Female		F	Sig.	t	df	Sig.
	Basic Islamic financial knowledge	2,17		2,30	Equal Variances Assumed	6,15	,013	-,85
Equal Variances Not Assumed						-,86	502,8	,39
Advanced Islamic financial knowledge	4,20	4,16	Equal Variances Assumed	,53	,466	,11	510	,92
			Equal Variances Not Assumed			,11	496,0	,92
General Islamic financial knowledge	6,37	6,46	Equal Variances Assumed	2,58	,109	-,21	510	,83
			Equal Variances Not Assumed			-,21	502,02	,83
Islamic financial literacy	26,19	26,43	Equal Variances Assumed	2,21	,138	-,33	510	,74
			Equal Variances Not Assumed			-,34	503,98	,74

We also examine if scores are higher those of taken at least one Islamic finance course than those of not taken an Islamic finance course before. As presented in Table 6.

As it is clearly seen in the Table 6, the mean differences in all Islamic financial knowledge levels and Islamic financial literacy between those taking at least one Islamic finance course before and those not taking at least one Islamic finance course before are statistically significant. On average scores of participants those taken at least one Islamic finance course were pretty higher than those not taken at least one Islamic finance course in all Islamic financial knowledge levels and Islamic financial literacy. These results also supported and showed completely the same results with when

**Table 6:** T-Test between taking Islamic finance course vs. Islamic financial knowledge and Islamic F-financial literacy Levels

Variables	Means of taken at least one Islamic finance course			Levene's Test for Equality of Variances		T-test for Equality of Means		
	Yes	No		F	Sig.	t	df	Sig.
Basic Islamic financial knowledge	3,00	2,09	Equal Variances Assumed	1,28	,26	4,40	510	,00
			Equal Variances Not Assumed					
Advanced Islamic financial knowledge	6,29	3,81	Equal Variances Assumed	9,80	,00	5,50	510	,00
			Equal Variances Not Assumed					
General Islamic financial knowledge	9,29	5,90	Equal Variances Assumed	6,34	,01	5,64	510	,00
			Equal Variances Not Assumed					
Islamic financial literacy	29,58	25,71	Equal Variances Assumed	2,92	,09	3,98	510	,00
			Equal Variances Not Assumed					

we tested if scores of those attended at least one Islamic finance activity were higher than those not attended at least one Islamic finance activity, and also we got almost similar results with when we examined whether scores are higher those of taken at least one finance course than those of not taken a finance course except basic Islamic financial knowledge score.

One of the compelling analyses were carried out to find if there were significant statistical relationship between the situation of looking attractive to entrepreneurship and Islamic financial knowledge levels and Islamic financial literacy in Table 7. The table highlights that there was not any



**Table 7:**  $\chi^2$  tests between looking attractive to entrepreneurship vs. Islamic financial knowledge levels and Islamic financial literacy

Variables	Levels	Looking attractive to entrepreneurship			$\chi^2$	P
		Yes	No	Total		
<b>Basic Islamic financial knowledge</b>	Low	247	33	280	0,264	,0876
	Medium	83	11	94		
	High	124	14	138		
	Total	454 (88,7%)	58 (11,3%)	512 (100%)		
<b>Advanced Islamic financial knowledge</b>	Low	306	37	343	0,636	,727
	Medium	75	12	87		
	High	73	9	82		
	Total	454 (88,7%)	58 (11,3%)	512 (100%)		
<b>General Islamic financial knowledge</b>	Low	321	39	360	0,300	,861
	Medium	71	10	81		
	High	62	9	71		
	Total	454 (88,7%)	58 (11,3%)	512 (100%)		
<b>Islamic financial literacy</b>	Low	229	37	266	7,603	,022
	Medium	169	11	180		
	High	56	10	66		
	Total	454 (88,7%)	58 (11,3%)	512 (100%)		

significant ( $p=0,05$ ) statistical relationships between the situation of looking attractive to entrepreneurship and Islamic financial knowledge levels. On the other hand, there was just a statistically significant relationship between those looking attractive to entrepreneurship and those not looking attractive to entrepreneur with respect to Islamic financial literacy level. Students' intention to entrepreneurship resulted in the same consequences when we made further analyzes to find relationship between those having intention to entrepreneurship and those not having intention to entrepreneurship with respect to Islamic financial knowledge levels and Islamic financial literacy.

### Conclusions

Finance is one of the most important structure of development and financial inclusion is directly crucial to all nations and modern world. On the other hand, it is well known that financial inclusion is lower in less developed countries and the reasons of this situation are associated with various things like low level of financial literacy and religious reasons (Kumar, 2013; Zins and Weill, 2016). Being directly related to financial literacy and structured with religious background, Islamic financial literacy supports financial inclusion. Much of the current works have been done on the conventional financial knowledge and literacy while research on Islamic financial knowledge and literacy are limited. This research trying to explore to what extent do the students/respondents have on Islamic financial knowledge and Islamic financial literacy and its relations with demographic characteristics and entrepreneurship.

First, students' basic, advanced and general Islamic financial knowledge and Islamic financial literacy levels are measured and the results showed that over half of the students have had low level for basic Islamic financial knowledge and Islamic financial literacy in addition to more than two-thirds of students had low level of advanced and general Islamic financial knowledge. Meanwhile, while only about a quarter of students had high level of basic Islamic finance knowledge, the situations got much worse in advanced Islamic financial knowledge, general Islamic financial knowledge and Islamic financial literacy, which were about under fifteen percentage. This indicated that students need to attend and offered more Islamic finance courses and need to be more knowledgeable on Islamic finance. On the other hand, except a few universities (as Business Schools of Düzce and Sakarya Universities and Istanbul University Theology school etc.), most of the higher education institutions put very little emphasis on students' Islamic financial education and literacy. Also, these results resemble previous studies that levels of Islamic financial literacy vary among subgroups of participants (Potrich et al., 2015; Tuna and Ulu, 2016; Çömlekçi 2018).

Second, the differences between the means of financial attitude of students with respect to basic Islamic financial knowledge, advanced Islamic financial knowledge, general Islamic financial knowledge, Islamic financial literacy, and the means of financial behavior of students with respect to basic Islamic financial knowledge, advanced Islamic financial knowledge,, general Islamic financial knowledge and Islamic financial varied and were

statistically significant. These consequences suggest that students' perceptions towards financial attitude and behavior can be directed when their Islamic financial knowledge and Islamic financial literacy are controlled.

Third, the differences of the means of faculties with respect to basic Islamic financial knowledge, advanced Islamic financial knowledge, general Islamic financial knowledge, Islamic financial literacy varied and statistically significant. This result could be supported the fact that while those students educated from business administration faculty were offered elective Islamic financial course and those students educated from theology faculty prone to Islamic finance themes and questions, engineering students weren't offered either financial and Islamic financial course in general.

Fourth, neither scores of Islamic financial knowledge levels nor Islamic financial literacy showed a difference in terms of gender. These finding can be resulted from having low scores of Islamic financial knowledge levels and Islamic financial literacy in both groups.

Fifth, since the average scores of students those taken at least one Islamic finance course were pretty higher than those not taken at least one Islamic finance course in all Islamic financial knowledge levels and Islamic financial literacy. In the same way, these results also suited completely with the analyzes of scores of those attended at least one Islamic finance activity were higher than those not attended at least one Islamic finance activity. These results implied that offering Islamic financial courses and activities have positively affects Islamic financial knowledge and Islamic financial literacy and therefore financial inclusion (Gedikli and Erdoğan, 2019).

Last but not least, one of the compelling results obtained when investigating the relationship between the situation of looking attractive to entrepreneurship and Islamic financial knowledge levels. According to the investigation, while looking attractiveness did not put a difference on Islamic financial knowledge, it provided a statistically significant relationship between those looking attractive to entrepreneurship and those not looking attractive to entrepreneur with respect to Islamic financial literacy level. Similar to attractiveness to entrepreneurship and Islamic financial knowledge levels and literacy, students' intention to entrepreneurship resulted in the same vein after we made further analyzes to find relationship between those having intention to entrepreneurship and those not having intention to entrepreneurship with respect to Islamic financial knowledge levels and Islamic financial literacy.

In general, the results postulates that most of the students were low level of Islamic financial knowledge and literacy and these consequences had effects on their financial attitude, financial behavior, status of finding entrepreneurship attractive and intention of entrepreneurship. These results are similar to a large extent with related literature (Chen and Volpe, 2002; Clercq and Vender, 2009; Lusardi et al., 2010; Hafizah and Rahim, 2014; Potrich et al., 2015; Karaa and Kuğu, 2016; Tuna and Ulu, 2016; Çömlekçi, 2017; Biplob and Abdullah 2019).

It is hoped that the findings will contribute to the studies on financial inclusion and Islamic financial literacy. Especially, this study seems to be one of the first studies examining the relationships between Islamic financial literacy and entrepreneurship. The research was carried out only on the basis of undergraduate students. In the future, the situation can be examined with different groups as academicians, public personnel, Islamic banking user etc. to expand the scope of Islamic financial literacy. Overall, in order to increase and improve the level of Islamic financial knowledge and literacy, elective courses should be offered to all faculties, the financial knowledge gap of the theology students and the aspect of theological knowledge of students must be supported by relevant courses, sources and activities.



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# ÜNİVERSİTE ÖĞRENCİLERİNİN İSLAMİ FİNANSAL OKURYAZARLIĞININ ÖLÇÜLMESİ VE GİRİŞİMCİLİK İLE İLİŞKİSİ

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## Geniş Öz

Finansal Erişim, başta dünya bankası olmak üzere birçok araştırmaya konu olmuş finansal sistemin önemli parçalarından biridir. Finansal sisteme dahil olma, gelişmekte olan ve az gelişmiş ülkelerde gelişmiş ülkelere göre daha azdır. Bunun pek çok nedeni olsa da önemli nedenlerinden biri finansal okuryazarlık düzeyinin düşük olmasıdır. Finansal okuryazarlık kavramı, doğru tasarrufları yapmak ve bu tasarrufları doğru yatırımlara yönlendirmek, sermaye ve para piyasaları hakkında bilgi sahibi olmak ve bu bilgileri doğru yorumlamak olarak düşünülebilir. Ayrıca, İslami Finansal Okuryazarlık, İslami finansal sistem hakkında bilgi gerektiren ve finansal erişime olumlu katkı sağlayabilen bir kavramdır. Hayatında İslami kuralları benimsemiş bireyler, faiz duyarlılığının yanı sıra İslami finansal araçlar ve kurumlar hakkında yeterli bilgiye sahip olmadıkça birikimlerini finansal sisteme dahil edemezler. Bu nedenle, insanların İslami finansal okuryazarlık düzeylerinin belirlenmesi, İslami finansal araçlar ve kurumlar hakkındaki bilgi düzeyinin yükseltilmesi hem tasarrufların ekonomiye dahil edilmesi hem de faiz sorununun giderilmesi açısından fayda sağlayacaktır. Literatürde finansal okuryazarlık, cinsiyet, yaş, eğitim, tasarruf davranışı girişimcilik gibi çeşitli değişkenlerle ilişkilendirilmiştir. Bunların arasında en can alıcı değişkenlerden biri, günümüzde üretime ve istihdama olan katkısı düşünüldüğünde makroekonomik sistemler açısından büyük önem taşıyan girişimciliktir. Hiç şüphesiz girişimcilerin ve girişimci adayları olan üniversite öğrencilerinin finansal bilgi ve okuryazarlık düzeyleri gelecekte katkıda bulunacakları işletmeler açısından çok önem arz eden faktörlerden

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biridir. Finansal okuryazarlıktan belli açılardan ayrılan bu kavram üzerine çeşitli araştırmalar yapılmıştır. Yapılan bu araştırmanın birkaç amacı vardır. İlk olarak, araştırmanın temel amacı olarak Türkiye'de bir üniversitenin çeşitli fakültelerinde okuyan öğrencilerin İslami finansal okuryazarlık düzeylerinin belirlenmesi amaçlanmıştır. İkinci olarak, İslami finansal okuryazarlık düzeyi ile finansal tutum ve davranış arasındaki ilişkinin incelenmesi amaçlanmıştır. Üçüncüsü, İslami finans okuryazarlığının girişimcilik eğilimi üzerindeki etkisinin tahmin edilmesi amaçlanmıştır. Son olarak, İslami finans okuryazarlığı düzeyinin çeşitli demografik faktörlere göre farklılaşıp farklılaşmadığını, özellikle fakülte değişkeni ve finans ya da İslami finans dersi alıp almamaya göre farklılığın belirlenmesi çalışmanın alt amaçları arasındadır. Araştırmanın evreni, Düzce Üniversitesi İşletme, Mühendislik ve İlahiyat fakültelerinin üçüncü ve dördüncü sınıflarında öğrenim gören öğrencilerden oluşmaktadır. Bu üç fakültenin örnek olarak seçilmesinin nedeni, İslami Finans ile yüksek ilişkisi olabilecek İşletme ve İlahiyat Fakültesi ile İslami Finans ile daha az ilişkisi olabilecek bir fakülte öğrencilerinin karşılaştırılması fikridir. Ayrıca öğrencilerin üçüncü ve dördüncü sınıflarının seçilmesinin sebebi, finans, İslami finans ve girişimcilik derslerinin genellikle üçüncü ve dördüncü sınıflarda açılması ve öğrencilerin bu derslerden en az birine bu sınıflara kadar devam etmiş olmalarıdır. Araştırmada örnekleme yapılmış ve kartopu örnekleme yöntemi tercih edilmiştir. Araştırma kapsamında elde edilen 512 anket verisi SPSS 25 paket programı ile analiz edilmiştir. Araştırmada araştırmanın amacına ulaşmak için nicel araştırma yöntemi kullanılmıştır. Analizlerde çalışmanın amaçlarını gerçekleştirmek için frekans, yüzde hesaplama, ortalama ve standart sapma, Cronbach's Alpha, ANOVA, T-testi ve Kİ-Kare analizleri kullanılmıştır. Öncelikle, finansal tutum, finansal davranış genel İslami finansal bilgi düzeyi ve İslami finansal okuryazarlığın güvenilirlik analizleri yapılmış ve Cronbach's Alpha değeri sırasıyla 0.879, 0.832, 0.907 ve 0.896 olarak bulunmuştur. Ayrıca diğer İslami finansal bilgi düzeylerinin (temel ve ileri düzey) güvenilirlik analizleri hesaplanarak sırasıyla 0.772, 0.888 olarak sonuçlanmıştır. Literatürde güvenilirlik katsayısının 0.7 düzeyinin üzerinde olması gerektiği belirtildiğinden bu bağlamda araştırmadan elde edilen verilerin güvenilir olarak kabul edilebileceği söylenebilir. Araştırma sonucunda, öğrencilerin İslami finansal okuryazarlık düzeyi, finansal tutum, finansal davranış ve İslami finansal bilgi düzeyleri anket sorularına verilen cevaplar kullanılarak ölçülmüştür. Elde edilen ölçümler, öğrencilerin İslami Finansal Bilgi ve Okuryazarlık düzeylerinin oldukça düşük olduğunu göstermektedir. Yine de araştırma sonuçları, İslami finans dersleri alan öğrencilerin İslami finans okuryazarlığının yüksek olduğunu göstermiştir. Ayrıca, İslami Finansal Bilgi Düzeyi ile İslami Finans Okuryazarlığı düzeyinin

fakülte, cinsiyet ve ailenin gelir düzeyine göre önemli ölçüde farklılaştığı sonucuna varılmıştır. Son olarak, girişimciliği çekici bulup bulmama ile ve İslami finansal bilgi arasında bir ilişki çıkmazken, İslami finansal okuryazarlık düzeyi açısından girişimciliği çekici bulanlar ile bulmayanlar arasında istatistiksel olarak anlamlı bir ilişki olduğu sonucu elde edilmiştir. Bulguların finansal erişim, İslami finansal okuryazarlık, girişimcilik eğilimi ve girişimciliği çekici bulup bulmama çalışmalarına katkı sağlayacağı umulmaktadır. Özellikle bu çalışma, İslami finansal okuryazarlık ve girişimcilik arasındaki ilişkileri inceleyen az sayıdaki çalışmalardan biri olduğundan özgün nitelikte olduğu ve ileride konuyla ilgili yapılacak araştırmalara yol gösterici nitelikte olacaktır. Araştırma sadece temelde lisans öğrencilerine yapılması çalışmanın bir kısıtı olarak görülebilir. İleride yapılacak araştırmalarda çalışma evreni olarak akademisyenler, kamu personeli, İslami bankacılık kullanıcıları vb. farklı grupların da incelenmesi İslami finansal okuryazarlığın kapsamını farklı gruplarda görüp genişletmek açısından önemlidir. Genel olarak değerlendirildiğinde, İslami finansal bilgi ve okuryazarlık düzeyini artırmak ve iyileştirmek için tüm fakültele bu alanlarla ilgili seçmeli dersler konulmalıdır, Buna ek olarak, ilahiyat fakültesi öğrencilerinin finansal bilgi açığı, işletme öğrencilerin ilahiyat bilgisi açığı ve diğer fakülte öğrencilerinin hem ilahiyat hem finansal bilgi açığının kapatılması için fakültele seçmeli dersler, kütüphanelerde öğrencilere sunulabilecek çeşitli kaynaklar ve düzenlenebilecek panel, sempozyum gibi faaliyetlerle öğrencilerin desteklenmesi faydalı olacaktır.

**Anahtar Kelimeler:** İslami Ekonomi, İslami Finans Okuryazarlık, İslami Finans Bilgisi, Girişimcilik Niyeti, Girişimcilik Eğilimi, İstatistiksel Ölçüm.

