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Interests, passions and politics: business associations and the sovereignty dispute in Turkey

Azer Kılıç *

Abstract

This paper examines business associations in a context where the state is being contested from below, focusing on Diyarbakır, a major Kurdish city in Turkey. Against the backdrop of armed conflict, reform processes triggered by the country's EU candidacy and socio-economic change, Diyarbakır has become a contested zone over which the Turkish government and the Kurdish movement have been competing for control. Local business associations have also been implicated in such contestation. Considering the situation of dual power and moral economy at the local level, the paper examines how these associations deal with an adverse situation that is characterized by political instability and uncertainty. The analysis shows that business leaders have been able to make the 'best' of the situation.

Keywords: business associations; civil war; moral norms; social movements; state; strategic interactions.

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The study of business associations largely relies on the nation-state as a unit of analysis and on more or less stable institutional settings (Martin & Swank, 2012; Schmitter & Streeck, 1999; Schneider, 2004; Spillman, 2012). Little attention has been paid to the situation with regard to subnational challenges to the state and institutional instability. A number of works elaborate on the roles business actors may play in local peace-building processes and in the consolidation of democracy (Ben-Porat, 2005; Charney, 1999; Rettberg, 2007; Schmitter, 1992, 1995; Streeck & Crouch, 2006; Varshney, 2003), while others focus on economic factors as one cause of civil wars, usually driven by the dichotomy of 'greed and grievance' (Cederman *et al.*, 2010; Collier & Hoeffler, 1998; Horowitz, 1985; Østby *et al.*, 2009). Yet the impact of political contestation on business associations and interest representation, as well as the responses of business associations to these conditions, is underanalysed.

How do associational leaders cope with a context where the state is being contested from below and where associations turn into one of the sites of such contestation? Do subnational challenges to the state's sovereignty mean a weakening of associational capacity and autonomy? How do leaders articulate and pursue common interests (both economic and non-economic) *vis-à-vis* their political interlocutors? Local business associations in Diyarbakır, a major city in predominantly Kurdish-populated south-eastern Turkey, provide a case in point for observing these questions, as they are located in a 'contested zone' (Kalyvas, 2006) over which two political actors exercise limited sovereignty and compete for control.

The sovereignty dispute between the Turkish government and the Kurdish movement takes place against the backdrop of armed conflict between the Turkish army and the guerrilla organization the PKK (*Partiya Karkerên Kürdistan* – Kurdistan Workers Party), which lasted three decades and cost the lives of more than 30,000 people and the internal displacement of more than a million others. Since 1999, however, the conflict has been temporarily defused, as a result of developments including the capture of the PKK leader Abdullah Öcalan, Turkey's candidacy for European Union (EU) membership, and various initiatives by the AKP (*Adalet ve Kalkınma Partisi* – Justice and Development Party) which has been in power for four successive terms since 2002.

Local business associations have emerged in Diyarbakır as politically salient actors in this transitional process. They have been addressed by international delegates as the representatives of the Kurds at the local level, influenced by the political rivalry over their environment and engaged in diverse activities forging alliances and calling for peace. This study focuses on interactions between Diyarbakır's business associations and various political actors, investigating how business leaders behave in such a contested context. While there are significant constraints in a contested environment involving political insecurity, institutional instability and uncertainty, the paper argues that business leaders have been successful in making the 'best' of this difficult situation, enjoying some bargaining power and protecting their relative autonomy. This is because these leaders are usually mindful of the balance of power in their

manoeuvres, taking part in dual engagements and adjusting common interests within their diverse activities.

The paper proceeds as follows. The next section elaborates the frame of analysis and provides background information on the case study. The discussion goes on to focus on the local business associations, while the final part reflects on these findings and on recent developments. The analysis focuses on the period between 2005 and 2012, during which organized business activism reached its peak before peace talks between the government and the PKK became public in 2013 and came to a halt in 2015 – leading once again to intense clashes. It draws on a larger project on interest associations, including archival research, a three-month fieldwork visit in 2011 to Diyarbakır and a one-month visit to the national capital Ankara, where the author carried out about 80 semi-structured interviews with, among others, past and present leaders and members of interest associations as well as politicians.

Setting the stage

The literature on business associations largely relates to relatively stable and institutionalized political systems, while the case at hand is one of instability and contestation. Yet, historical work on the contested processes of state formation and on capitalist development provides useful tools for examining the environment of associational politics in such a situation. In this section, firstly, I elaborate on the nature of the environment in question, which can be described as one of 'dual power' and 'dual economy'. Secondly, I focus on the Turkish government's efforts to counteract the situation of duality by 'calling upon the interests'. Thirdly, I discuss the place of business associations in this scenario before proceeding to the case analysis.

The situation of dual power and dual economy

The situation of dual power is mostly seen in contexts of civil wars, pre-revolutionary situations, anti-colonial movements and other challenges to state sovereignty (Kalyvas, 2006; Scott, 2009; Tilly, 1978; Wood, 2003). It is characterized by the existence of two (or more) rival claims to authority, drawing on competing institutions and sources of legitimacy, which produces a situation of 'divided sovereignty'. The fact that a significant part of the population honours the rival claim is vital under such a definition; this can be in the form of paying taxes, providing personnel for armies, honouring symbols and sharing resources despite the objections of a still-existing government (Tilly, 1978, p. 192). Such a situation is supposed to end when only one authority comes to control the state apparatus and the population within its territory. An alternative approach, on the other hand, sees dual power as a means of gradual transformative change based on the creation of new institutions and/or the redefinition of existing ones (Rockefeller, 2007; cf. Streeck & Thelen, 2005). It is worth noting that the revolutionary notion of dual power is usually attributed to V.I. Lenin,

and the non-revolutionary notion to Murray Bookchin – both of whom were read and referred to by the PKK's leader, Abdullah Öcalan, at different phases of the conflict. The situation of dual power also leads to shifts in the political configuration of space: each actor usually has spatial segments under its control, and there are zones in which control is contested and limited sovereignty is exercised, namely 'contested zones' (Kalyvas, 2006).

In the Kurdish case, the PKK launched its armed struggle in the mid-1980s, drawing on a Marxist-Leninist rhetoric and with the goal of national liberation for the Kurds, who are the largest minority ethnic group in Turkey, constituting some 15 to 20 per cent of the population predominantly located in the south-eastern region of the country – giving the conflict both ethnic and territorial dimensions. The group has been deprived of cultural-linguistic rights, has lived in a relatively underdeveloped region and has been subjected to periodic state oppression as a result of an authoritarian process of nation-building throughout the twentieth century (Marcus, 2007; McDowall, 1997; van Bruinessen, 1992).

As early as 1986, however, the PKK declared that 'liberated zones' were in the making (van Bruinessen, 2005, p. 371). The expression referred to the PKK taking control over locations and asserting itself as the sole authority within them. As its power increased in the decade that followed (Bozarslan, 1996; Ölmez, 1995; van Bruinessen, 2005), a situation of dual power emerged in the Kurdish region with rival claims to authority by the Turkish government and the growing PKK-led Kurdish movement.[1] Contemporary Diyarbakır as a city, and its associational environment, can be described as a 'contested zone' in this context.

The Kurdish movement's claim to power led to the creation of alternative institutions and sources of legitimacy. A former PKK commander explained the process as follows: 'The idea was that whatever the state does, we do, that we should sort of share authority, they operate during the day, and we operate at night … So if the state taxes, then we have to tax too' (quoted in Marcus, 2007, p. 182). The movement undertook state-like activities in the arenas of justice (e.g. 'popular courts' allegedly run by PKK cadres and the roles played in the resolution of socio-economic disputes by the pro-Kurdish party at the local level), fiscal policy ('taxes' allegedly collected by PKK cadres from the wealthy and local companies), welfare provision (charitable activities organized by the pro-Kurdish party at the local level for war survivors), military recruitment and security (Aktan, 2010; Bozarslan, 2003; Geerse, 2011; Marcus, 2007; van Bruinessen, 2005). The PKK was to officially abandon the goal of an independent Kurdish state by 1999 and to advocate a 'stateless solution', while the conflict became intermittent in the following period. Yet the dual-power situation has persisted.

One important development concerning this situation has been the pro-Kurdish political party's rise to municipal governments in Diyarbakır and in the region since 1999, as well as party members' entry to the national parliament in the 2000s (Watts, 2010). It is worth noting, however, that the pro-Kurdish

party, unlike the PKK, has to operate within a given legal and administrative structure. This might make the situation seem similar to the tension-ridden examples of more regular multiplicities of power, such as a situation of municipal government by a major opposition party compared to a local governorship appointed by a national ruling party. However, the dual-power situation is not about rivalry among different levels of the state or among subnational political actors in a context of political and institutional stability. It is about extraordinary states, where the rivalry is for sovereign state power and the rivals may take the form of an internationally recognized state and quasi-states. This is a question, then, of state formation. As to the behaviour of business actors in such diverse contexts of multiplicities of power, I argue that the most significant variable is the severity of the risks involved, which are potentially higher in contexts of contested sovereignty, characterized by political violence and problems with the rule of law. Whether business actors would be worse or better off in such a contested context is, however, contingent on political interactions.

The situation of dual power is accompanied by a dual economy. By the notion of dual economy, similarly, I mean a multiplication of economic systems within a country. E.P. Thompson, for instance, employs the notion to refer to the coexistence of a marketized economy and an economy that is still subject to customary law in African colonial contexts (Thompson, 1991, pp. 174–175). In this case there is, on the one hand, a market economy at the national level which the Turkish government has aimed to rationalize further in the recent neoliberal period. On the other hand, we might observe a moral economy at the local level in the Kurdish region. The notion of a moral economy also originates in Thompson's work (1971), referring to the idea of social norms and obligations taking precedence over the outcomes of market processes in the context of eighteenth-century food riots in England. I use the notion loosely here to refer to a set of institutions that underline social obligations, limiting or regulating the rational pursuit of self-interest and which promote bonds of intra-group solidarity.

Yet, the dual economy in question is not merely about the expansion of markets and social resistance to it; it is linked to the political situation. Ariel Salzmann (2010) sees the peculiar notion of a moral economy as a 'by-product of state formation' in her study of whether a normative order determined the inclusion and exclusion of religious minorities in the pre-modern period. According to this perspective, the notion may also refer to the terms of conduct between rulers and the ruled, defining power, participation and inclusion and hence serving political integration.

Similarly, the moral economy in the Kurdish region can be seen as a by-product of the dual-power situation, that is, the growing power of the Kurdish movement, forming bonds of intra-group solidarity as well as defining the terms of conduct between the movement and the local population. We see an emphasis on 'patriotism' (*yurtseverlik*) and 'sacrifice' (*bedel*) as sources of legitimacy. This emphasis works in such a way that political-moral commitments may influence economic action and outweigh material interests. There are

various manifestations of this moral economy in local life. Major examples relate to respect and gratitude for those who sacrifice their lives for the cause, particularly 'martyrs'. For instance, guerrilla survivors are recognized as 'families of worth' (*değer ailesi*) and may be given special privileges in accessing resources, such as an informal safety net organized by the movement (and even powerful positions in the movement; for this latter claim, see Ozsoy, 2010). This is reminiscent of the survivors' insurance at the state level as part of the national military service system.

Another example is shop closure as a form of protest. Shop-closure protests were frequently employed in the 1990s, particularly during public funerals for guerrillas from the city, and illustrate how social commitments may prevail over the pursuit of self-interest. The accounts related by locals to the author during her fieldwork tended to emphasize the voluntary nature of these protests and the fact that they could be spontaneous or coordinated by the movement's activists. This form of protest was less common in the 2000s, and also became more contested, as discussed below.

Calling upon interests to counteract passions

In *The passions and the interests*, Hirschman (1997) shows how seventeenth- and eighteenth-century thinkers came to advocate the pursuit of interests – formerly condemned as avarice – to counterbalance the destructive and dangerous passions of human beings. We see that these conceptions had multiple meanings throughout history. For instance, an old notion of passions included lust for both money and power. The medieval and early modern uses celebrated glory, heroism and honour as passions. With Machiavelli in particular, on the other hand, we see an increasing focus on interests as a question of statecraft, duly evolving into concern about the problems of individual conduct and the question of a viable social order. A broad Machiavellian notion of interest meant advancing one's power, influence and wealth. As time passed, the meaning was narrowed down to the pursuit of material and economic advantage and implied predictability. According to Hirschman, the triumph of capitalism took place against this backdrop of intellectual transformation. The *doux commerce* thesis from the late seventeenth century onwards is especially revealing; that is, the idea of commerce as a civilizing agent, creating not only wealth but also a type of human being who was more honest, reliable and orderly (Hirschman, 1982).

The ways in which the Turkish government tried to cope with the Kurdish issue are surprisingly very similar to the story Hirschman tells.[2] Historically, the Kurdish conflict had often been depicted by state officials as a problem of remnants of feudal values and institutions as well as regional underdevelopment, while it was claimed that economic improvement would bring a solution (see Yeğen, 1999). The AKP governments' approach has been double-edged in this regard. First, thanks to the EU process, the government acknowledged the rights dimension of the issue (or 'passions') to some extent: it initiated a

few pro-Kurdish reforms, such as the introduction of cultural-linguistic rights, which allow radio-TV broadcasting and private courses in the Kurdish language, and laid claim to the democratization of the political system via constitutional reforms. Second, it made use of the old rhetoric of unruly values and underdevelopment, challenging the power of the Kurdish movement with regard to its political actors and moral economy. The Kurdish movement was faced with increasing pressures from 2009 onwards, largely via political trials resulting in the mass incarceration of its members on the grounds of allegedly founding a 'parallel state', in the words of the then Prime Minister, Tayyip Erdoğan.

In the context of a moral economy at the local level, the AKP leaders attempted two strategies of political engineering which appear in Hirschman's story as ideational trends: (i) 'differentiating among passions as a countervailing strategy' and (ii) 'opposing interests to passions'. Each approach comes with a definition of 'legitimate benevolent motives' and 'illegitimate harmful motives'. In the case at hand, passions may refer to anything non-economic, such as loyalty to the Kurdish movement and its leaders, gratitude towards guerrilla martyrs, rights claims, grievances held by Kurds against the state or, alternatively, common religious bonds. Hence, the first strategy – differentiating among passions – was embodied in Islamic references used by the government to integrate the Kurds into its social base along religious lines (see Candaş & Buğra, 2010) and accusations levelled at the Kurdish movement of religious perversion, such as allegedly considering guerrilla leader Öcalan a prophet and believing in Zoroastrianism (*Milliyet*, 30 April 2011). The nastiest of the government's efforts to delegitimize the passions embraced by the movement was probably the accusation of 'necrophilia' with regard to the movement's repeated demands for clarification of the allegedly accidental killing of Kurdish smugglers by Turkish jets in Roboski near the Turkish–Iraqi border (*Milliyet*, 28 May 2012).

The second strategy – opposing interests to passions – was first seen in the attention paid to interest associations as a potential alternative to the Kurdish movement. It was also openly expressed on many occasions: for instance, during his campaign for the 2009 local elections, then Prime Minister Erdoğan accused the pro-Kurdish party of engaging in 'identity politics' and ignoring the 'social needs' in the municipalities the party ruled, and accused the PKK of being opposed to the economic improvement of the region. Instead, Erdoğan promised to provide '[public] services' (*hizmet*), which would satisfy the needs of the local population and ensure regional development (*Milliyet*, 25 October 2008). One member of his cabinet even 'warned' electorates that uncooperative municipal rulers would have a problem in getting central funds for their projects (*Milliyet*, 23 February 2009). While the local elections did not change the pro-Kurdish party's hold on Diyarbakır in this period, the results of the national elections oscillated between the two rivals (see Table 1; also see the Conclusion on more recent events).

Table 1 Diyarbakır in the national elections (per cent of votes)

	2002	2007	2011	June 2015	November 2015
Pro-Kurdish Party	56.1	42.7	58.2	77.7	71.4
AKP	16	40.9	32.2	14.8	22.3

Source: Turkish Statistical Institute and Yeğen (2011).

The strategy of 'calling upon interests to counteract passions' has been employed more often and has been more influential. This happened against the backdrop of the successful macro-economic performance over a period with sustained growth levels (Öniş, 2012). Furthermore, the government engaged in various targeted policies under the slogan of 'positive discrimination'. For instance, special subsidies were introduced for small and medium-sized enterprises in the Kurdish region. Diyarbakır was promoted within this programme in the 2009 and 2010 electoral periods (KOSGEB, 2010), while local business leaders played a role in the allocation of these resources, as detailed below.

The local economy has improved significantly compared to the war economy of the 1990s, thanks to political normalization, increasing public investment[3] and social transfers, as well as new opportunities for capital accumulation within[4] and outside the country. As the Turkish government improved its political and economic relations with Iraq and the Kurdistan Regional Government in the north of Iraq in the aftermath of the 2003 US-led war, Diyarbakır's improving economy found an outlet in exports (see Figure 1), as well as limited direct investments in Iraqi Kurdistan, some of which are based on franchising contracts with Turkish companies.[5]

Enter business associations

As described above, the strategy of calling upon interests to counteract the passions advocated by the Kurdish movement had two forms: (i) the promise of material and economic advantages for the local population, and (ii) a focus on local interest associations. The local interest associations started drawing attention by 2005. In that year Erdoğan made his first visit to Diyarbakır, where he promised a solution to the Kurdish issue through democratization, marking the start of a period of negotiations that reached a peak in 2013 with a call by Öcalan to end the armed struggle. Following Erdoğan's promise in Diyarbakır, a major local business leader, Şahismail Bedirhanoğlu, read a press statement on behalf of over 60 local associations, including business-oriented ones, to express their support for Erdoğan and underline their potential role in finding a solution (*Radikal*, 20 August 2005). From then on, the leaders of local business associations often appeared in the media making collective press statements, appearing on TV discussion programmes and being interviewed for national dailies. Business leaders also had occasional meetings with leading statesmen, such as

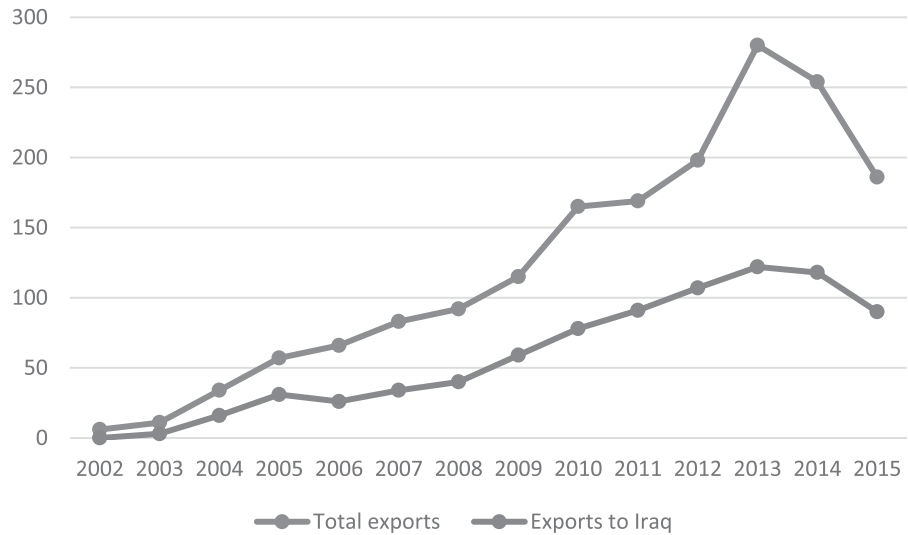

Figure 1 Diyarbakır's export activities (millions $).
Source: Turkish Statistical Institute (2016).

the President, the Prime Minister, the Chief of the General Staff and ministers of the time, either in Diyarbakır or in Ankara when the former were accorded special visits.[6] The focus of these activities varied depending on current events: the most common topic was the call for the PKK and the Army to end the clashes. There were also calls for the government to conduct negotiations with the pro-Kurdish party and to include Öcalan in these negotiations.[7]

Through these media appearances, associations came to appear as an alternative actor, 'less radical' and 'more interest-driven' than the 'passion-driven' Kurdish movement, a depiction which was criticized by some columnists for relying on a binary of 'good Kurds' *versus* 'bad Kurds'.[8] In 2006, for instance, Kutbettin Arzu, the then president of the Diyarbakır Chamber of Commerce and Industry, differentiated his pro-government approach from that of other local actors: 'there are not only those who support a solution to this issue, but also those who support a solution through violence. They [some recent clashes in the city] are the activities of those who support violence'.[9] Class distinction also entered into the discourse. Şahismail Bedirhanoğlu, then president of a local voluntary business association, contended that a bourgeoisie was emerging in the region and added:

> there are issues on which the businesspeople of the region both agree and disagree with the political parties. We are against violence. Violence cannot be a means of rights struggle. Democratic channels should be used. Otherwise, we cannot ensure regional economic development.[10]

Against the backdrop of a more or less institutionalized local moral economy, the government's strategy was to mobilize corporatist organizations in addition to advocating a pro-market ethos. The AKP's efforts to interfere in corporatist organizations are not limited to Diyarbakır; they have also been in evidence in other localities and at the national level, including through the introduction of legislative measures (Buğra & Savaşkan, 2014; Kılıç, 2013). The reasons for this interest may vary between local and national levels; a general factor, however, might be the susceptibility of corporatist organizations to political manipulation and the roles they may play in maintaining social order, providing a link between the state and individuals, as seen in the historical example of state corporatism (Schmitter, 1974).

In the case of Diyarbakır, the corporatist association for the local business community – the Chamber of Commerce and Industry – not only attracted the attention of political actors but also played a leading role for local voluntary associations. Its corporatist properties – compulsory membership, monopoly of representation, internal electoral processes and public status – gave the Chamber a larger constituency, greater capacity and social legitimacy, as well as better access to political channels. It also had a history of cooperative relations with national governments. These advantages assumed significance against the backdrop of a newly developed and fragmented environment of voluntary business associations at the local level.

Business associations – be they compulsory or voluntary – organized at the national level also play important roles in political life. However, their political outlooks and alliances are more explicit, better established and defined in competition with one another along such axes as secularism and religious conservatism, alongside other established and emerging economic actors (Buğra & Savaşkan, 2014). Such inter-organizational rivalry takes place under conditions of sovereignty being *historically unitary* and *unambiguous* at the national level. However, a location on the margins of the state, where sovereignty is *contested*, *multiple* and *ambiguous*, complicates the issue (cf. Scott, 2009): in this context, we tend to find patterns of inter-organizational cooperation instead.

Local business associations in Diyarbakır

Local business associations in Diyarbakır have come to the forefront as politically salient actors *vis-à-vis* the sovereignty dispute. The mainstream media have depicted business leaders as an alternative to the Kurdish movement and its moral economy, representing them as alternative actors who were presumed to be rational and in pursuit of narrow interests rather than driven by 'unruly' passions. This led to such associations, particularly the Chamber of Commerce and Industry, turning into a site of contestation, drawing the AKP and the Kurdish movement into this site.[11] Business leaders, on the other hand, developed strategies to avoid the potentially adverse effects of this contestation, in order to protect their organizational autonomy and to pursue common interests and 'passions' as they defined them.

In the following section, drawing on fieldwork and archival research, I will firstly focus on associational leadership from a historical perspective in order to highlight the continuity and change in the associations' interaction with political actors *vis-à-vis* the Kurdish issue. Secondly, I will highlight the incentives and disincentives used by the relevant dual powers to influence local business associations. Thirdly, I will provide examples of a major strategy which the associational leaders have used to handle the political situation. Fourthly, I will elaborate on how associational leaders adjust and negotiate common interests and passions.

Associational leadership: past and present

Founded in 1907, the Chamber of Commerce and Industry is the oldest and largest business association in Diyarbakır. Below I focus on the Chamber's leadership; I also consider the rhetoric and activities of leaders of major voluntary associations as they acted in cooperation with the Chamber as its members, while the Chamber appeared as the leader for the local business community as a whole (for a list of major business associations, see Table 2).[12]

Local business associations were not particularly politically active prior to the AKP period. In their interaction with state officials, leaders mostly focused on economic problems and demands, while defining the Kurdish issue mainly in

Table 2 Major business associations in Diyarbakır, 2011

Status	Association	Foundation date	Approximate membership
Compulsory	Diyarbakır Chamber of Commerce and Industry	1907	19,660 (firms)
Voluntary	GÜNSİAD	1992	634 (businesspersons)
	DİSİAD	1996	100
	DİGİAD	1993	315
	MÜSİAD	1997	41
	DİYAD	2008	35

Source: Author's classification based on fieldwork.

relation to regional underdevelopment, similar to the state's approach at the time. The Kurdish movement, on the other hand, was not interested in the Chamber (author's interview with Kutbettin Arzu, Ankara, 27 September 2011). According to the leader of a voluntary business association in the 1990s, 'The economy is the antibiotic for bringing back those who go to the mountain and preventing others from going up there … If [a person] had a home, job, and food, and could look after [his/her] family, who would go to the mountain?' (Vasfi Akyıl, *Milliyet*, 2 March 1999).

However, as described above, business associations have become more politically active since 2005, enjoying hitherto unprecedented public visibility. Business leaders began to participate in political and social activities, playing the role of a third actor *vis-à-vis* the dual-power rivalry. They called for an end to the armed conflict, made rights claims and pressed for political reforms, as well as seeking to avoid becoming objects of contestation in themselves.

Given the substantial changes in the political environment, business leaders have voiced a discourse that was quite different from that of the previous decade. Following Erdoğan's visit to Diyarbakır as Prime Minister in 2005, Kutbettin Arzu, then the Chamber's leader and later an AKP member of parliament, expressed support for the government's promise of a solution to the Kurdish issue and urged the PKK 'to lay down arms unconditionally'. Supporting the government's 'slow but important' initiatives concerning linguistic rights, he also demanded that 'positive discrimination' be applied to the region in the form of economic incentives (*Milliyet*, 18 and 21 August 2005). He later argued that 'the region has economic, political, social and cultural problems … I do not want to reduce it to a single dimension such as the Kurdish issue or the Turkish issue. The issue belongs to Turkey' (Kutbettin Arzu, *Evrensel*, 7 April 2006).

Another notable aspect of the new discourse of business leaders is the emerging categorization of Kurds in ways that are similar to the aforementioned government efforts. In response to a question that contrasted his optimistic

approach with the clashes that had recently taken place in Diyarbakır between local protesters and police following the public funeral of PKK guerrillas, Arzu argued that 'there are not only those who support a solution to this issue through peace and democracy, but also those who support a solution through violence' (*Evrensel*, 7 April 2006). As mentioned before, some also introduced a class distinction into the discourse, referring to an 'emerging bourgeoisie' in the Kurdish region who advocated the use of 'democratic channels' over 'violence as a means of political struggle' (*Milliyet*, 25 August 2010). Since business leaders also publicly supported a highly contested constitutional referendum in 2010, designed by the AKP government, for its democratization claims, these discourses underpinned the associations' legitimacy in terms of a liberal view of civil society juxtaposed with a Kurdish movement which is partly engaged in an armed struggle.

Considering the public discourse of the business leaders and the later incorporation of two of them into the AKP front in the national parliament, it appeared the AKP had been successful in co-opting the business community in its fight against the Kurdish movement. However, an examination of the strategic interactions of the associational leaders shows that they have taken a more or less balanced position *vis-à-vis* the dual-power actors and adjusted common interests and particular passions accordingly. Before proceeding to these associational strategies, it is worth taking a look at the major incentives and disincentives business leaders encountered.

The rivalry over the associations: incentives and disincentives

From 2005 onwards, the AKP started paying more attention to local business associations, particularly the Chamber of Commerce and Industry. As the associations became more vocal and visible, the Kurdish movement also had to take them into account, in competition with the government. Both actors attempted to influence the Chamber's internal elections, via support for specific candidates, and its overall political positioning. For that purpose, they made use of a number of incentives and disincentives: access to new resources, political career opportunities and intimidation. The first two were used mainly by the AKP government, whereas both political actors made use of the third; that is, intimidation.

New resources have emerged due in large part to project funding provided either by international organizations, such as the European Union and the United Nations Development Programme, or by the Turkish state. The European Union appears as the most important funder, thanks to Turkey's candidacy process. Such funds are mostly allocated through a public body in Ankara (the Central Finance and Contracts Unit), and the Chamber had no difficulty in accessing these funds.[13] Funds are also provided by local public organizations, such as the regional Karacadağ Development Agency[14] and, to a lesser extent, by the ministerial programme for social support, SODES. Several local associations that generally have been on good terms with the government,

including the Chamber and some of the major voluntary business associations, are among the beneficiaries of SODES, while almost no association visibly aligned with the Kurdish movement appears among the beneficiaries.[15] The actual amounts are less relevant here; what matters is that the funding indicates the Chamber's access to new resources.

The Chamber also appears to be an important channel for its members to access funds for projects and investment. The Chamber carried out some large projects in cooperation with the local voluntary business associations. Furthermore, the ministerial agency KOSGEB's credit incentives for small and medium-sized enterprises, including a special incentive programme for Diyarbakır alone, were mostly informally channelled by the Chamber, especially in 2009 and 2010 (author's interview with Expert 3, *KOSGEB*, Diyarbakır, 10 May 2011). This was the period around the 2009 local elections, when the AKP defined its major goal as winning Diyarbakır over, and which also coincided with the Chamber leadership of Galip Ensarioğlu, who was later elected as an AKP member of parliament in 2011. It is worth noting that two past leaders of the Chamber successively became MPs on the AKP ticket. Diyarbakır received the second largest number of loan-interest supports across the entire country.[16] Ensarioğlu (2009) noted that it was the first time that Diyarbakır's enterprises had been able to benefit from credits in such volume. This is important considering the fact that regional businesspeople often report how difficult it was in the past to acquire credit from private-sector banks because of the high-risk environment.

As for the Kurdish movement, while it did not offer access to rich monetary resources, rumours circulated that some businesspeople might have been favoured in procurement processes and for zoning permits handled by the municipality. Considering the moral economy mentioned earlier, the PKK might also have persisted in seeking to collect 'tax' from companies and the wealthy. Given the illegality of the issue, and as it was highly controversial at the time of the fieldwork due to mass incarceration across the region, I did not delve into it for ethical reasons; however, more than one of the businesspeople interviewed for this research claimed that the practice was continuing. Another important issue in material terms relates to the fact that the local municipalities were run by the pro-Kurdish party. A past leader of the Chamber argued that it would be difficult for local businesspeople to be on bad terms with the Kurdish movement since, for instance, they are dependent on the municipality even for basic services such as the provision of tap water (author's interview with Mehmet Kaya, Diyarbakır, 26 March 2011).

When it comes to intimidation, this seems to have been part of the story since the 1990s. A number of businesspeople were murdered by counter-guerrilla forces under the auspices of the state in the 1990s for allegedly supporting terrorism. In the 2000s, under AKP rule, the Anti-Terror Law might have been regarded as a source of fear as it mainly targeted the Kurdish movement activists. There are also reputational concerns, including the possibility of being labelled a 'traitor' – as reported by a formerly publicly visible

businessperson who argued that the government could label someone if they merely appeared to be aligned with the pro-Kurdish party. He also referred to the same possibility of being labelled by the Kurdish movement, in addition to potential pressure from one's family circles. Such sources of insecurity position Kurdish businesspeople as occupying a middle ground between the Turkish government and the Kurdish movement, a view which was expressed by a number of the interviewees. All of these opportunities and constraints affect associational behaviour and render it too complex to be reduced to the pursuit of either economic interests or some pre-defined passions.

Manoeuvring within a situation of dual power

Living in a contested zone shaped by a structure of dual power, business leaders need to respect the balance of power to avoid potential risks. The fact that contestation takes place in various sites, including the social and the cultural sphere as well as the political, has increased the room for manoeuvre, however. Business leaders have taken part in dual engagements in areas beyond their typical domains: they cooperated with each political actor in separate projects while taking steps against the wishes of these actors at other times, creating an environment of ambiguous and fluid alliances based on strategic positioning and contingent events.

As the Chamber has a public status, its leader occupies positions in other public bodies such as the regional development agency and the national association TOBB (*Türkiye Odalar ve Borsalar Birliği* – the Turkish Union of Chambers and Stock Exchanges). For example, improving political and economic relations with Iraq after the 2003 war highlighted an advantage for local business leaders in the eyes of TOBB: knowledge of the Kurdish language and the ethnic bonds shared with Iraqi Kurds. The leaders aimed to play an intermediary role, joining TOBB's visits to Iraqi Kurdistan and underlining their socio-linguistic capital in the hope of gaining a bigger share of the trade between the two countries (author's interviews with Galip Ensarioğlu and Kutbettin Arzu, Ankara, 23 and 27 September 2011; for export activities, see Figure 1).

As mentioned above, the leaders also participated in occasional meetings with the Prime Minister and other cabinet members in relation to the Kurdish issue, with two of these leaders joining the AKP front as members of parliament in the 2007 and 2011 national elections. A more interesting relationship is indicated by the participation of the Chamber's then leader, along with leaders from voluntary associations such as GÜNSİAD and DİSİAD, on the board of trustees for the Diyarbakır Foundation for Culture and Arts. Founded in 2008, the Foundation is known to be close to the Gülenist Islamist network, a network which was aligned with the government at the time, influential within state institutions such as the police force and the judiciary system, and played a significant role in judicial and other efforts to contain the Kurdish movement.[17] The involvement

of business leaders in the Foundation's board has symbolic significance within the context of local politics.

At the same time, business leaders also participated in platforms associated with the Kurdish movement. For instance, they attended the meetings of the Democratic Society Congress, an initiative of the movement founded in 2007 to bring together civil society actors under its leadership. A previous leader of the Chamber argued that business leaders would not take part in a platform organized by the movement at times of intense conflict in the 1990s. Even so, a couple of business leaders were involved in the organizational committee for a peace demonstration backed by the movement in Diyarbakır in 2009, an event which resulted in the committee members being put on trial in accordance with the Anti-Terror Law for propagandizing for the PKK via the slogans voiced at the demonstration (*Taraf*, 22 December 2010). Such propaganda was undoubtedly not the objective of the participating business leaders.

A more revealing example is involvement in the Sarmaşık Philanthropy Association. The association was (re)established on the basis of a heterogeneous founding board, which consists of a large number of local associational leaders and prominent figures of different class positions and political alignments; for all intents and purposes a case of ethno-national redistribution based on the moral economy. Yet it seems more like a tactic to avoid potential obstacles and accusations levelled by the AKP government, who had been vigorously carrying out poverty-alleviation activities and had closed down a previous charitable association founded by the Diyarbakır Metropolitan Municipality alone. Business leaders of the Chamber and voluntary associations (e.g. GÜNSİAD, DİSİAD, MÜSİAD and DİYAD) have also been on the board. However, the fact that, unlike other members, some of the business leaders did not donate – and were also, in conversation with the author, critical of social aid in general – supports an argument that the leaders tend to pursue strategic objectives in their dual engagements, given the opportunities and constraints of the dual-power situation.

Multiple engagements are also seen among the associational constituency. Some of the Chamber's leading members, for instance, are at the same time members of different voluntary associations, such as DİSİAD and DİGİAD, while voluntary associations come together under the leadership of the Chamber for most of its political activities as mentioned above.[18] What is interesting here is that these two voluntary associations are affiliates of politically opposed national associations (secularist and Islamist). Similar stories of economic cooperation among local businesspeople of rival political alignments are also told. Hence, political polarization appears less intense within the local business community than at the national level (see Buğra & Savaşkan, 2014). The need to cope with the dual-power situation, as well as the presence of the Kurdish issue as a long-lasting existential problem, provides common ground for businesspeople. The variation in the lines of cleavage at the national and local levels reinforces this point: one of the established lines of cleavage at the national level is drawn on issues of secularism and Islamism. This is also why

the government attempted to differentiate among *passions* with a categorization of the 'pious' versus the 'perverse' in its efforts to integrate Kurds under its leadership. Local politics, on the other hand, are defined by the ethnic issue more than anything else, such that we see a united front within the local business community.

Negotiating interests and passions

Dealing with the pressures of interests and passions was another important task for the business leaders. As stated earlier, the Chamber's leaders and other business leaders typically supported then PM Erdoğan's initiatives concerning a solution to the Kurdish issue through institutional reforms and the promise of democratization, portraying an image of alignment with the government. However, when the pro-Kurdish parties and activists came under intense pressure due to a party-closure case at the Constitutional Court and mass incarceration of the movement's activists starting from 2009, business leaders voiced their opposition. They also called on the government to commence negotiations with the pro-Kurdish party and to include imprisoned leader Öcalan in these negotiations. The AKP government had refused to talk to the pro-Kurdish party unless it too defined the PKK as a 'terrorist organization'. In addition to playing a moderating role, such approaches might be related to the business leaders' concern for democratization as well as a commitment to some of the pro-Kurdish rights claims. Yet, it is worth noting that the business leaders were able to act in such a way thanks to the new political environment.

More specifically, the business leaders embraced the minimum common demands – that is, 'passions' – co-formulated by the Kurdish movement and the city's other associational leaders. The demands included the right to education in the mother tongue, the introduction of constitutional safeguards concerning the recognition of Kurdish identity and the strengthening of local governments. My observation is that at least some of the business leaders and associational constituency genuinely embraced these demands as well. Still, the pro-Kurdish party has been influential in its articulation of business leaders being in support of common demands, by framing some of them as 'downplaying differences' in ideas and interests in order to bring together a variety of local actors (cf. McAdam *et al.*, 2008). This has been the case particularly when it comes to the goal of strengthening local governments.

Concerning this goal, the movement's leaders had elaborated on a proposal for 'democratic autonomy', drawing on Öcalan's ideas. There is possible support for the proposal to be applied to the whole country, but demands are mainly for it to be implemented in the Kurdish region. It advocates a form of decentralization in areas such as education, culture and the economy. Yet its economic dimension, as discussed in a meeting of the Democratic Society Congress in 2010, triggered harsh reactions from the participating business leaders

since it focuses on an alternative model of economic development reminiscent of the Marxist-Leninist rhetoric of the movement: an 'egalitarian solidaristic economy, driven not by profit maximization but by use value' (DTK, 2010). More specific ideas included the coordinating role of consumer and producer cooperatives.

The Chamber's then leader, Galip Ensarioğlu, as well as prominent business leaders from voluntary associations, strongly opposed these ideas. Instead, they advocated a liberal model for strengthening local governments, referring to the ongoing process of 'state rescaling' under AKP rule, which includes the devolution of power from the national centre to local public agencies in a manner that increases the opportunities for capital accumulation (author's interviews with Galip Ensarioğlu, Ankara, 23 September 2011 and Şahismail Bedirhanoğlu, Diyarbakır, 24 March 2011; for state rescaling, see Bayırbağ, 2010). Given these conflicting views, the pro-Kurdish party kept the proposal in its programme, maintaining some ambiguity regarding its economic content to enable a cross-class coalition and delaying the intra-group rivalry that the AKP government was effectively trying to provoke. I suggest that it also shows the increasing bargaining power of business leaders in this context.

Tensions between the business leaders and the Kurdish movement concerning interests have become increasingly significant in the changing political and economic landscape of the 2000s, which has been characterized by a re-negotiation of the moral economy. Shop-closure protests, an important element of the moral economy that developed in previous decades, have become a more contested issue. As repeated clashes took place resulting in casualties, this form of protest was practised again, including on occasions when then PM Erdoğan was visiting Kurdish cities. While Erdoğan criticized such protests, accusing the PKK of forcing shop keepers to participate, business leaders also publicly opposed shop-closures as a form of protest on the grounds of their negative economic impact. While some shop owners continued to engage in the practice, this might have been for reasons of safety due to the risk of clashes between funeral attendants and the riot police. My observation was that some of the local shop owners who identify themselves as 'patriots' are no longer supportive of the practice.

These two examples can be reflected upon in conjunction with the question of whether capital can be 'patriotic' or not. This question relates to the local practice of categorizing people as patriots or non-patriots. Patriots are supposed to be supportive of the struggle and to act in accordance with the moral economy. For those who are not considered patriotic, one can consider the example of a past leader of the Chamber who was accused by the movement's supporters of being a government 'collaborator' upon declaring his support for the 2010 Constitutional Referendum and his opposition to the proposal for local autonomy mentioned above. Yet it appears to be more difficult to impose political-moral commitments on business actors under the new conditions, considering both the balance of dual power and the economic

improvement in the city, which is attributed by some to AKP rule. Accordingly, there have been intra-group debates on the subject: for instance, concerning the municipal procurement activities contracted to businesspeople with diverse political alignments, the then mayor of the Diyarbakır Metropolitan Municipality stated in interview that capital has no religion, nationality or political ideology, and it has no patriotism (author's interview with Osman Baydemir, Diyarbakır, 16 June 2011). While public procurement laws, which also regulate the Metropolitan Municipality, suggest neutrality in theory, it is not always the case across the country in practice, and the statement in this case had more to say about intra-group negotiations.

The dual pressures of a logic of capitalist development steered by the AKP government and the moral economy of the Kurdish movement underline the dilemma between interests and passions. However, it appears the business leaders redefined interests and passions and reached a temporary equilibrium between them in their observance of the dual-power rivalry and changing political-economic conditions. While this equilibrium depicts a new cooperation on passions in the form of common demands (such as the right to education in the mother tongue), it also indicates a weakening of the moral economy to the advantage of the business community. Business associations were able to maintain their relative autonomy, expand the scope of their power and advocate a pro-market ethos in terms of interests defined by the associations.

Conclusion

The case of local business associations in Diyarbakır as a contested zone provides an interesting example of how interest associations are influenced by, and respond to, the situation of subnational challenges to the nation-state and institutional instability. What follows is an overview of the findings, coupled with some notes on more recent events.

Local business associations have been faced with a situation of dual power and dual economy, under which the Kurdish movement and the local moral economy appeared as an alternative authority with a particular ethos. Against this backdrop, the AKP government first tried to transfer the national cleavage structure to the local level by differentiating among passions: secularism *versus* religious conservatism. This line of cleavage is significant at the level of national associations, where inter-organizational rivalry prevails. However, it would not appear to be so influential at the local level in a contested zone, especially with regard to business associations which appear more or less united under the leadership of the Chamber of Commerce and Industry, and *vis-à-vis* the sovereignty dispute rooted in the ethnic issue. Government actors then placed emphasis on the strategy of pitting 'interests' against 'passions'. Local business associations attracted significant media attention in this regard, as the government positioned them as an alternative to the Kurdish movement and tried to influence their political behaviour by employing a number of incentives and disincentives. The

Kurdish movement entered the fray, engaging in counter-activities in this regard. While interest associations may indeed be an important link between the state and individual citizens, the government rested on a problematic assumption in its efforts to integrate Kurdish business actors into its social base: that is, the *doux commerce* thesis, or the belief in the 'civilizing effects of trade' through the rational pursuit of interests counteracting unruly passions.

Local business associations acting under the leadership of the Chamber, however, adjusted their strategies to cope with the situation of dual power. On the one hand, business leaders manoeuvred between the two power blocs by participating in their diverse projects, depicting an environment of ambiguous, multiple and fluid coalitions. This enabled them to observe the balance of power and avoid co-optation. On the other hand, the leaders negotiated interests and passions in their own diverse activities. Against the government, they supported passions in the form of common demands – such as the right to education in the mother tongue – with the wider Kurdish movement. Yet they also backed their more particularistic group interests – not merely economic advantages but also power and status – in negotiating the local moral economy which shapes relationships with the Kurdish movement, limits the rational pursuit of interests and emphasizes other passions such as social obligations. This negotiation appears to have led to a weakening of this moral economy, thanks to the government's competing pressures and to local economic improvements. Business leaders could navigate to their advantage the local debates about the economic dimension of decentralization proposals as well as the political-moral commitments expected from the local business community. They also enjoyed access to new resources and political career opportunities. Overall, business leaders have been successful in making the best of the situation, enjoying some bargaining power, protecting their relative autonomy and achieving a temporary equilibrium with regard to the dualities in authority and the economy.

Concerning the competing paradigms of interests and passions, the responses of business leaders show the relative salience of each for the local level. We see that business leaders were able to avoid polarization along with pre-defined motivational pressures, arguably thanks to the need to observe the balance of power. In other words, the local context of sovereignty, which is contested, multiple and ambiguous, contributed to inter-organizational cooperation within the local business community, compared to the inter-organizational rivalry at the national level where sovereignty is historically unitary and unambiguous.

Some notes on the post-2013 situation

This paper focuses on the transitional period of defused clashes and conflict resolution efforts before the peace talks reached a peak in early 2013, symbolized by the historic call of Öcalan to end the armed struggle. Since then local business leaders have become less visible in the media, while the political environment has changed tremendously. In late 2014, tensions started increasing between

the AKP government and the Kurdish movement because of the government's reluctance to aid the Kurds of Syrian Kobanê besieged by ISIS. This led to protests erupting across the country and, I would argue, contributed to the decrease in the votes the AKP received in the Kurdish region in the June 2015 national elections (see Table 1).

The June 2015 elections proved to be historic as the pro-Kurdish party entered the parliament for the first time in history by exceeding the 10 per cent electoral threshold. This made it practically difficult for Erdoğan to achieve his goal of transforming the parliamentary system to a presidential one. After the June elections, the clashes escalated between the Turkish army and the PKK once again, and the era of negotiations has been replaced by increased violence, most symbolic of which is the assassination of the Diyarbakır Bar Association's President, Tahir Elçi, who had attempted to play a moderating role. The national elections were repeated in November 2015, affecting the distribution of local votes to some extent (see Table 1). The failed coup attempt in July 2016, which had nothing to do with the Kurds, marked the launch of an extensive offensive against the Kurdish movement, in addition to the purges of suspected coup-plotters and dissidents across the country: the leading members of parliament from the pro-Kurdish party have been gaoled; the elected pro-Kurdish mayors of the Diyarbakır Metropolitan Municipality, as well as those of other pro-Kurdish municipalities in the region, were replaced by state appointees; and many of the pro-Kurdish news outlets and non-governmental organizations, including the Sarmaşık Philanthropy Association mentioned in the analysis above, were shut down. As to the local business associations, only one of them (DİGİAD) was shut down, as an affiliate of the national association linked to the Gülenists, the suspected coup-plotters. Yet this does not seem simply to indicate the end of the dual-power situation and the consolidation of sovereignty, as the country has entered into an era of increasing political violence and uncertainty, coupled with authoritarianism.

The post-2013 situation has several implications in relation to the purpose of this paper: the Kurdish population's reactions concerning the government's approach to the siege of Kobanê, and the pro-Kurdish party's historic success to the dismay of the AKP in the elections which followed, underline the salience of passions in contrast to economic interests. The post-coup offensive against the Kurdish movement, on the other hand, signals the replacement of the AKP's efforts to end the dual-power situation and to build hegemony by calling upon the interests – that is, by consent – with increasing reliance on coercive measures.

As to the local business associations, I suggest that they contributed notably to the period of negotiations by moderating political tensions. Yet, the same associations did not play a role in the onset of the transitional period of defused clashes. As noted at the outset, the latter had more to do with the capture of the guerrilla leader and the country's EU candidacy process. The associations did not play a role in the escalation of the conflict after 2015 either; it was the pro-Kurdish party's historic electoral success as well as the Middle East realpolitik in which the Turkish government and the PKK have

conflicting interests. And it is very unlikely that these associations will play a significant role in bringing an end to the conflict. As the new environment poses such extreme risks and the government does not appear welcoming to a moderating actor, the business associations have become passive in the most recent period. Yet they might still have an influence on the nature of any post-conflict settlement (cf. Schmitter, 1992). The privileged inclusion and empowerment of business associations – but not, for example, of organized labour – in the transitional period may be a basis for the strengthening of a pro-market ethos in a post-conflict society. Whether there will ever be peace within a democratic framework, however, is the greatest question for the moment.

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Notes

1 The Kurdish movement as defined here is represented by the PKK as its armed actor and the pro-Kurdish party as its legal civilian actor. In addition, one could think of a large number of non-governmental organizations and millions of supporters as elements of the movement. The PKK is usually perceived to be the leading actor of the movement, while the pro-Kurdish party, as well as the municipalities run by it in the region, appear to be subjected to constraints posed by both the PKK and the Turkish legal and administrative settings. The nature and types of constraints posed by the PKK are highly speculative, while the constraints posed by the Turkish state included most importantly the 10 per cent electoral threshold for parliamentary elections and cases of party closure at the Constitutional Court, which have resulted in the establishment of one pro-Kurdish party after another in the last two decades.

2 Within the literature on interest associations, we see references to Hirschman's notions of interests and passions mostly in the works of Philippe Schmitter (2008), a leading theorist of neo-corporatism. The concern with social order and political

governance in the classical literature on organized interests (Durkheim, 1933; Streeck & Schmitter, 1985) also relates to the intellectual history narrated by Hirschman and underlying the triumph of capitalism and the nation-state system. I therefore find Hirschman's framework very helpful, especially for a context of political contestation defined by problems of capitalist underdevelopment, nation-building and anti-systemic movements, rather than the more regular theoretical frameworks for understanding business interests. It is worth noting that there is also other work which makes use of this framework, in a way supportive of the *doux commerce* thesis, for a study of political Islam which is claimed to be moderated by Islamic business interests in Turkey (see Jang, 2005). Similarly, we see the use of the *doux commerce* thesis in studies of ethnic tolerance (see Jua, 2013). Therefore, Hirschman's framework seems potentially fruitful for discussing a topic at the intersection of economic interests and ethnic conflicts.

3 The share of the south-eastern regional development programme, GAP, in total public investments increased from 5.9 per cent in 2002 to 14.2 per cent in 2010, with a significant increase by 2008 (GAP-BKİB, 2010, p. 5). Public investments in Diyarbakır notably increased in the second term of AKP rule: the investments in Diyarbakır increased seven-fold from 2007 to 2012, while total investments across the country doubled for the same period (Kalkınma Bakanlığı, 2012, pp. v–vi).

4 The AKP period witnessed the growth of the construction sector across the country, partly thanks to new opportunities for public procurement for urban transformation projects. The number of construction firms in Diyarbakır nearly tripled in this period (Yüksel, 2011, p. 450).

5 Based on fieldwork.

6 See, for instance, 'Diyarbakır anlattı, Ankara dinledi, Erdoğan yine duymak istemedi' (*Bianet*, 9 April 2008); 'Başbuğ Diyarbakır'da konuştu; seçtiği STK'lerden destek istedi' (*Bianet*, 5 September 2008); and 'Gül'den Diyarbakır'a: Sivri dilli olunmamalı' (*NTV*, 19 June 2009).

7 See, for instance, Kutbettin Arzu's (the then president of the Diyarbakır Chamber of Commerce and Industry) call for the PKK to lay down arms: 'Örgüt koşulsuz silah bırakmalı' (*Milliyet*, 21 August 2005). See also Mehmet Kaya's (the then president of the Chamber) statements concerning the government policies, 'Güneydoğu: Paket bizi uçuracak' (*Taraf*, 29 May 2008) and see Galip Ensarioğlu's (the then president of the Chamber) call for the AKP to include Öcalan in the negotiations: 'Öcalan gayriresmi yollardan muhatap alınabilir' (*Bianet*, 24 July 2009).

8 See Oral Çalışlar, 'İyi Kürt, kötü Kürt' (*Radikal*, 24 September 2010) and Cengiz Çandar, 'İyi Kürtlerin Nevruz'u, kötü Kürtlerin Newroz'u' (*Radikal*, 20 March 2012).

9 My translation, see 'Hiçbir şart altında OHAL istemiyoruz' (*Evrensel*, 7 April 2006).

10 My translation, see 'Bölgede yeni burjuva sınıfı oluşuyor' (*Milliyet*, 25 August 2010).

11 The rivalry over the Chamber became most evident as a result of the local business community's press statement supporting the AKP in the 2010 Constitutional Referendum, an activity that drew strong criticisms from the pro-Kurdish party and the PKK. See ''Evet' diyen Diyarbakırlı işadamlarından, Demirtaş'a yanıt' (*Milliyet*, 23 August 2010).

12 Apart from the Chamber, the most active and visible business leaders have been the leaders of GÜNSİAD (*Güneydoğu Sanayici İş Adamları Derneği* – South-eastern

Association for Industrialists and Businessmen) and DİSİAD (*Diyarbakır Sanayici ve İş İnsanları Derneği* – Association for Industrialists and Businessmen of Diyarbakır), see Table 1. The former is an umbrella association for the south-eastern region, with its headquarters in Diyarbakır, while the latter is a local Diyarbakır association and a member of the former. They are affiliates of the national association TÜRKONFED (*Türk Girişim ve İş Dünyası Konfederasyonu* – Turkish Confederation of Entrepreneurship and Business World), which is led by large business enterprises with a secular outlook. DİGİAD (*Diyarbakır Girişimci İşadamları Derneği* – Association for Entrepreneurial Businessmen of Diyarbakır) is an affiliate of TUSKON (*Türkiye İşadamları ve Sanayicileri Konfederasyonu* – Confederation of Businessmen and Industrialists of Turkey), and MÜSİAD (*Müstakil Sanayici ve İşadamları Derneği* – Association for Independent Industrialists and Businessmen) is the local affiliate of the national association with the same name; both national associations are connected to Islamic movements. As for DİYAD (*Diyarbakır İşadamları Yapı Derneği* – Construction Association of Diyarbakır Businessmen), it is a relatively new association, without links to national associations and known to be close to the Kurdish movement.

13 Based on data obtained from the Diyarbakır Chamber of Commerce and Industry (for the period 2006–2010), author's e-mail communication, 7 June 2011; and author's interview with Expert 1 (names undisclosed for ethical reasons), *Diyarbakır Chamber of Commerce and Industry*, Diyarbakır, 4 April 2011.

14 Based on the author's interview and later e-mail communication with Expert 2 (for the period 2009–2011), *Karacadağ Development Agency*, Diyarbakır, 7 June 2011.

15 Based on data obtained from the Chamber of Commerce and Industry (for the period 2006–2010), author's e-mail communication, 7 June 2011; author's interview with Expert 1, *Chamber of Commerce and Industry*, Diyarbakır, 4 April 2011; and the online data of SODES (*Sosyal Destek Programı* – Programme for Social Support) for the period 2008–2011. Retrieved from http://www.sodes.gov.tr

16 In the years 2009 and 2010, over two thousand local firms benefited from these supports. Diyarbakır had a share of 7.9 per cent of total support, while Istanbul's share, the largest in the country, was 12.8 per cent (KOSGEB, 2010, p. 35–46).

17 The Gülenists are believed to be the plotters of the summer 2016 coup attempt. Their relations with the AKP government have become increasingly tense, especially since 2013. In the past, the AKP and the Gülenists (not mutually exclusive networks) appeared to be cooperating in the power struggle against the secularist Kemalists. It seems that they started fighting against each other when they overwhelmingly took over the state apparatus from the Kemalists. The details of this recent history are, however, yet to be revealed.

18 The Chamber's members and voluntary associations did not generally voice any opposition to the leaders' political activities, except in the case of the 2010 Constitutional Referendum when Galip Ensarioğlu, the then chair of the Chamber, held a press conference together with other leaders to express support for the referendum on behalf of the local business community. However, the chair of a new and smaller voluntary business association (DİYAD), who was previously involved in the Kurdish movement, criticized this declaration of support on behalf of the community.

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