

**Philanthropic Activities of Financial Actors:
Banks and Education in Turkey**

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Over the past decade, Islamic Financial Institutions (IFIs) substantially increased their market share in Turkey, and demonstrated an impressive growth rate. In promoting this sector, Turkish entrepreneurs also make a moral claim, suggesting that their profit motivations are justified by a religious concern because wealth generated through *halal* means indirectly helps out the poor and the needy. Yet, though these entrepreneurs frequently invoke religious morals to justify their strategies, Islamic banks are only occasionally engaged in systematic acts of charitable giving. In fact, this relative lack of engagement stands in striking contrast to the corporate philanthropy practices of conventional banks. This paper problematizes this variation. Why do conventional banks in Turkey engage more systematically with social-welfare related philanthropy projects while their Islamic counterparts are less interested in similar activities? The paper *brings the state back in* and argues that the existing framework offers little incentives to businesses in their infancy for a systematic engagement in philanthropy, while those who command higher concentration of capital are encouraged to participate in programs on corporate giving in collaboration with the government.