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Turkish Unions in the face of the Crisis of Capitalism

In Turkey, the development of class-consciousness has been slow and inadequate due to many reasons and the union movement could only achieve limited development due to the late and inadequate development of industry vis-à-vis Europe. Although some weak organizational movements were observed from the end of the 19th century, they were prevented by an oppressive approach. It was only in 1947 that the unions had their first recognition and their activities were regulated. The most important factor contributing to the discontinuation of the prohibitions on the union activities was the “democratization” attempts imposed on Turkey, which was eager to integrate with the world restructured in the aftermath of World War II, as a condition to become a member of the United Nations. However, democratization was confined to public statements as the union freedoms were limited by legislation. An understanding of guardianship of the State dominated the unions, which largely organized in the public enterprises in that period when the state economic operations were dominant.

The military coup staged on May 27, 1960 ensured integration of Turkey with the then prevailing conditions of the capitalist system and thus, a national developmentalist model embodying demand-oriented economic policies and an understanding of social state began to be followed. As a requirement of that period, the social rights of the working class were improved in such a manner to ensure the freedom to organize. Although DISK, which was founded in 1967 following the improvements in union rights, demonstrated some positive steps towards hard-line unionism, Türk İş, which was founded in 1952 and has the largest numbers of members in Turkey, has maintained its understanding of unions based on guardianship by the State.

As a reflection of the neo-liberal transformation which took place in the aftermath of the big crisis experienced by capitalism at the onset of the 1970's, the conflicts and confrontations between the classes increased in Turkey, as was the case in many other countries. The Turkish working class movement managed to increase the share by the labor in the national income thanks to its struggle under the leadership of DISK especially in the second half of the 1970's, thus becoming a power preventing neoliberal restructuring of production and the state to the detriment of the laborers. It was impossible to implement neo-liberal policies and overcome the economic crisis suffered by Turkey in 1979 in line with the interests of the capital class in such a setting where the working class gained huge powers .

The coup of September 12, 1980 was staged to ensure integration of Turkish capitalism with the neo-liberal transformation process and help the capitalist class relieve of the effects of the crisis of 1979. The working class movement and, in particular, DISK, were the target of the coup. The coup regime first stopped union activities, arresting workers' leaders and unionists and dissolving DISK as it re-regulated the constitution and laws in such a manner and to such an extent ensuring restriction of union rights and freedoms.

The period when the union rights and freedoms were oppressed by the coup in Turkey coincides with the period in the world when capital accumulation regime was transformed subject to the neo-liberal policies. The shift of production to the peripheral countries upon globalization increased the internal competition within the working class. While the preference of the cheap labor regions as the production areas further weakened the already weak labor rights in such peripheral countries, the rights held by the working class in the central countries were forced into a backward position. The weakening of the economic and political powers of the Eastern Bloc and transformation of the world into a mono-polar system under the control of capitalism have accelerated the regression of the labor rights in the central and peripheral countries subject to the neo-liberal policies from the 1980's in particular.

In the process of the globalization of production and state restructuring tuned to the market conditions, international union organizations such as ICFTU and ETUC adopted a "compromising" approach towards capital and ruling powers rather than struggling in the face of the regression of the acquired rights of the working class¹. The "compromising" approach of the international unions were also supported by the World Bank, OECD and EU and it has finally become a structure effective in the system of industrial relationships in the central and peripheral countries through a number of programs developed under the title "social dialogue". Apart from the oppressive and restrictive setting created by the coup of September 12 against the unions since the 1980's, the "compromising" approach of the international union organizations have also become effective on the union movement.

The aim was turning Turkey into a cheap labor area for international capital through an export oriented economic model by oppressing the working class movement in the 1980's when the coup regime ruled. In addition, social spending was limited by the supply-sided economic policies adopted in this period as the indirect taxes collected from the working class and incentives provided to capital were increased. Real wages declined by 50 % only in the first half of the 1980's as the public services deteriorated. The unions embarked on a process of struggle for the lost rights to protest the declining wages and benefits with the Spring Actions of 1989 which extended to almost all the industries nationwide and the ruling political power was worn down throughout this process, resulting in relative improvements particularly in the real wages.

The 1990's was a period in which the pressures on Turkey to integrate with the neo-liberal order increased. In particular, the influence of the IMF and WB on the Turkish economy increased due to the increasing foreign borrowing to bridge the budget deficits following the crisis of 1994. Thus, as the social spending under the budget was restricted, multi-lateral and bilateral agreements were signed with the international institutions for reshaping the public commodities and services in response to the market conditions. On the other hand, the arrangements entailing

¹ ICFTU supported the Brandt Reports advocating class compromise in the process of globalization under its Declaration of New Delhi in 1981. For detailed information on this subject, refer to: Erdoğan (2006: 248- 252). ETUC, on its Web Site where it defines its basic objective as the development of the European Social Model, says: "ETUC believes that the conditions of workers in negotiations, collective contracts, social dialogue and good working conditions play the key role in improving renovation, efficiency, competitiveness and growth in Europe". Refer to: <http://www.etuc.org/r/2>. Again, on the same site, ETUC notes that it maintains its industrial relationships with the European employers through social dialogue on an EU wide basis. Accordingly, the representatives of workers and employers who are European social partners, jointly work in the European committees and consultative organs for many years.

protectionism were discontinued and import liberalization ensured upon the Customs Union Agreement, which was put into implementation in 1996. In the 1990's, the unions – including DISK which was allowed to operate in 1992 again – adopted a “compromising” understanding under the influence of the international union organizations². Therefore, as the propaganda advocating privatization and marketization gained momentum in this period, the unions failed to develop a clear policy against all these developments and as a result, they did not organize any struggle. Consequently, the union movement could not prevent the costs of the crisis of 1994 from being incurred by the working class.

Turkey stepped into the 2000's with yet another crisis. As part of this crisis, which reached its peak in February 2001, the aim was to entirely institutionalize the Structural Adjustment Programs (SAP's), referring to the “adjustment” to the free market economy, which started in 1980 and gained significant momentum in the 1990's. The SAPs, which were pledged under several international agreements by setting forth the argument on the increasing borrowing requirements following the crisis, started being put into motion rapidly with the slogan, “15 laws in 15 days”. When the AKP came to power with a sweeping majority in Parliament in 2002, this ensured faster and more effective implementation of the SAPs (Ercan, 2003: 26). In this process, while, on the one hand, the control of the economy was transferred to the market by means of “independent” regulatory agencies, on the other hand, Labor Law No 4857, which ensured total flexibility of the working conditions and enabled irregularities to become legitimate, was enacted. Again, significant progress was made over the restructuring of the public sector in line with privatization and marketization policies, as a part of the SAPs.³

As the Turkish economy grew by about 5.9 % in the period between 2003 and 2008 under the influence of the institutions and rules of the market economy (CB, 2009), the increase in productivity realized at approximately 6.1 per cent. The real wages declined by 0.2 per cent despite the increased growth and productivity in this period.⁴ The decline in the real wages was also reflected in the share of the wages in the GNP, and the share of the wages in the GNP, which was 30.7 % in 1999, fell to 26.2 % in 2006⁵. As the wages decreased in this period when growth and productivity increased, unemployment was in the range of 10 % according to TÜİK data and unregistered employment managed to maintain its existence. There have been major losses in the social rights of the workers apart from the declines in their economic rights and working standards in the aftermath of the crisis of 2001. Law No 5510 on Social Insurance and General Health Insurance (SSGSS), which entered into force in April 2008, is the most significant one. Under this law, a restructuring that will reduce health and social security spending and open up the system to the market has been achieved. Thus, the age of retirement has been raised to 65 and health has been turned into a commodity under market conditions through the practice of contributive shares introduced at every stage of treatment in addition to the premiums⁶. Thus, the opportunity of broader sections of society to benefit from the most fundamental social rights has been significantly eliminated (Müftüoğlu and Özgün, 2010: 154).

² *Since the 1990's, the unions in Turkey have organized joint activities based on “social dialogue” particularly through ETUC. MEDA training program is the most important among them.*

³ For a detailed assessment of Labor Law No 4857, refer to: Akkaya (2008: 91-111).

⁴ www.invest.gov.tr, 24.11.2009.

⁵ Retrieved from TÜİK Income Management and GNP Data. Refer to: http://www.tuik.gov.tr/VeriBilgi.do?tb_id=61&ust_id=16 15.02.2010

⁶ For a detailed analysis of SSGSS Law, refer to SES (2009).

The rules of the market economy, which were tried to be institutionalized from 1980 onwards, have attained their target to a large extent thanks to the policies implemented until 2008 uninterruptedly but the process has not yet been completed. The IMF and WB lending agreements, reports prepared by the OECD and the conditions imposed by the EU in the process of Turkey's acquisition of membership have warned Turkey about completing its process of integration with the market economy. As far as such warnings are concerned, completion of the process of marketization of public services and privatizations and the flexibilization of the labor market to such an extent also covering the employment in the public sector have figured high⁷. Introduction of the regulations launched in this scope as a part of the process of acquisition of EU membership, which enjoys substantial support by the unions, has largely affected the struggle of the workers against these regulations. Thus, many practices eroding the working standards and social rights of the working class could be enacted and put into motion without encountering any serious reaction (Müftüoğlu, 2007: 152).

The Turkish union movement, which entered the crisis of 2001 in a condition deprived of capacity to represent the working class to a large extent, could not resist the process of marketization that followed the crisis and fell into an even more ineffective position. In Turkey, the unions had a substantial role in eroding the economic and social rights of the working class because of their compromise with the capital and governments in this process. And this largely shook the confidence in the unions and as a result, the unions turned into organizations incapable of protecting the workers' rights (Müftüoğlu, 2007: 141)⁸.

2008 Crisis and the Policies Implemented in the face of the Crisis

Turkey attained high growth rates until 2008 thanks to the SAP's implemented following the crisis of 2001 and the capital enjoying higher profit rates led to deferment of the crisis. However, the laboring classes were unable to get a share of the growth in the economy and furthermore, the policies ensuring the growth led to the loss of job securities and social guarantees of the workers, decline in the real wages and further increase in unemployment and poverty. In this period when the capital increased its accumulation through more intensive exploitation of the workers, yet another officially declared crisis took place in September 2008. The crisis of 2008 covers the entire capitalist system unlike the crises experienced by Turkey locally from 1979 onwards.

The crisis, which became apparent along with the production declines suffered by many developed and developing countries from the mid-2008, has led to increases in unemployment along with the shrinkage of the economies and the narrowing down of employment. According to

⁷ Refer to Müftüoğlu (2008) about the policies of flexibility by the OECD, WB and EU aiming at the labor markets.

⁸ It is not possible to isolate the weakness experienced by the Turkish union movement from the condition of the global trade union movement. The unions, which have been structured according to the standardized production relationships of Fordism and national labor markets have become ineffective and weak in terms of the number of their members in the face of the flexibilization of production systems and globalization. In this process, major issues such as union democracy, mobilization capacity of the unions and ideological independence from the employers have also come to the agenda (Albo, 2009a: 124). The unions, which were unable to resist the globalization developing to the detriment of the workers, could not be adequately effective in the face of neo-liberal globalization and it has become weaker in the crises which were subsequently experienced (Guille, 2009: 37). Thus, the losses with respect to the acquired rights of the workers have reached greater dimensions in many countries of the world.

the data released by the World Bank in January 2010, the global product is estimated to have declined at a rate of 2.2 % due to the economic crisis in 2009 as compared to the previous year. The list of the countries suffering shrinkage in their national economies is topped by the USA, Japan and EU countries, which are considered the core countries of capitalism. As the OECD countries, which also include these countries as its members, declined by 3.3 % on an average basis in 2009, the economies of the underdeveloped countries, particularly the Asian-Pacific countries that also include China and India, managed to maintain their growth trend though at a lower level as compared to the previous years. Turkey economically declined by 5.8 % in 2009, becoming one of the top countries suffering the biggest impact of the crisis on their national economies (WB, 2010).

The most striking effect of the shrinkage suffered in the economy following the crisis of 2008 has been the rapid increase in the rates of unemployment. This was to such a dramatic extent that the average rate of unemployment, which fell to the lowest level of 5.7 per cent in the developed economies and EU countries in the last 25 years, jumped to 8.6 % in June 2009 – the highest level in the post-World War II period and thus, there was an increase of 15 million persons in the number of the unemployed (ILO, 2010: 38). The USA tops the list of the countries having the highest increase in the rate of unemployment in the aftermath of the crisis. The rate of unemployment, which was 5.8 % in 2008, rose to about 10 % in 2009. In Japan, the rate of unemployment, which was 3.9 % in 2008, jumped up to 5.6 % in 2009 as the rate of employment in the Euro region realized at 9.4 per cent⁹. In Turkey, the rate of unemployment, which was steadily in the range of 10 % since 2001, rapidly increased to 14 % in 2009 following the crisis of 2008. With this rate of unemployment, Turkey is among the top 5 countries having the highest rates of unemployment.

In Turkey, the government acted in response to the global crisis in line with the policies determined at a global level. In particular, the decisions adopted by G20 Summits held in Washington in November 2008 and in London in April 2009 guided the government's crisis policies, as was the case in other capitalist countries. Following these decisions, there has been no departure from the paradigm of free market disappointing the expectations of some analysts; to the contrary, stricter implementation of the market economy has got under way. However, the policies implemented as a requirement of the market economy have been publicly raised by the rhetoric of “solving the unemployment problem” because unemployment has become a central issue in almost all the countries where there have been greater expectations for a solution to the unemployment issue following the crisis. The emphasis on employment is highlighted by the anti-crisis package of measures prepared by Turkey where unemployment was still a major issue in the pre-crisis period. Therefore, the regulations introduced by the government as a counter-measure against the crisis largely overlapped the demands of the unions¹⁰.

The crisis policies of the government have been in the forms of incentives for capital through support for employment, taxes, loans and investment promotion and the incentives provided to the capital by means of tax supports have become under the following major titles: tax exemptions

⁹ Refer to the Economist, 19.11.2009. The number of workers dismissed as a result the present crisis in the USA totaled 640,000 persons. However, it is observed that 354,000 persons lost their jobs in the European countries as 244,000 persons were made redundant in the Asian-Pacific countries (Financial Times, October 14, 2009).

¹⁰ For the government's practices against the crisis of 2008, refer to the Treasury Under-Secretariat, Prime Minister's Office, Republic of Turkey (2009).

and exclusions, tax amnesty for undeclared wealth, debt rescheduling and installments. Besides, temporary reduction was implemented in the indirect taxes charged on consumption for a limited period in order to revive the domestic market. The new incentives system launched as part of the anti-crisis measures comprises three groups – major Project investments, regional and industrial incentives system and overall incentives system. Some of the supports introduced under the new incentives system are the following: Deductions in the corporate and income taxes, Treasury meeting the employer's share of the social security Premium, interest support, allocation of investment location, exclusions from the VAT (Value Added Tax) and customs tax exemption.

Law No 5838 of 18.02.2009 is the first of the arrangements which were dubbed a support for the employment by the government and introduced as a measure against the crisis. Some of the arrangements, which have been introduced under this law, are the following:

- The term of the partial work fund allocation has been increased from 3 months to 6 months and the sum of the fund allocation has been raised from 40 per cent of the minimum wages to 60 % thereof.
- The scope of the incentives provided to the employers employing young people and females under Law No 5763, which was enacted in May 2008 and is known as “Employment Package”, has been expanded and the term for entitlement to the incentives has been extended.
- The insurance coverage of the students employed on a part time basis has been limited to labor accidents and occupational diseases under the amendment to Law No 5510 which is dubbed SSGSS.¹¹

Yet another legal arrangement which highlights the employment target is the “Regulation on the Amendment to the Regulation for the Turkish Employment Agency Workforce Adaptation Services”¹². The arrangements, which have been introduced by this amendment to the regulation, which is also called “Incentives and Employment Package” may be summarized as follows:

120,000 jobless persons will be employed by public schools and health care institutions such as hospitals, etc., for works such as maintenance and repair works, forestation and erosion control and park and garden / yard landscaping for a period of 6 months. These workers will receive TL 3 per hour for 3 or 4 hours of work a day. A worker's total weekly work period shall not exceed 30 hours and wages will be covered by the Unemployment Insurance Fund. Such workers shall be employed through sub-contractors to ensure that they would not have a status as a permanent public worker. Another practice aiming at creating direct employment relates to employment of 100,000 jobless persons, who have high school education or higher education, by private companies under a status as a trainee. Their work period will be 6 months and they will receive wages in the sum of 15 TL on a daily basis during this period and such wages will again be covered by the Unemployment Insurance Fund.

¹¹ Official Gazette, Date / Issue No: 28.02.2009 / 27155.

¹² Official Gazette, Date / Issue No: 19.06.2009 / 27263.

Yet another legal arrangement introduced as a measure against the crisis is the “Law Amending the Law on Unemployment Insurance and Law on Social Insurance and General Health Care Insurance”¹³, which was enacted on 11.08.2009. This law stipulates that the insurance premiums of the employers are covered by the Unemployment Insurance Fund for a certain period of time provided that they would create new employment. In addition, it also stipulates that the Treasury may meet a large portion of the employer’s share of the insurance premiums in return for the employment to be developed through the investments that would be promoted by the government.

It would be possible to assess the regulations aiming at supporting employment in the face of the crisis as the actual implementation of the employment policies that were advocated by the international organizations such as the OECD, WB and EU and employers’ organizations prior to the crisis. As it will be further mentioned in detail below, given the fact that most of the unions regard incentives for capital as a means of protecting employment, it may be argued that these regulations match the demands of the unions. Thanks to these regulations, the burden of employment costs payable by the employers are assumed by the public by being transferred to the Treasury and Unemployment Insurance Fund. In addition, the labor market is rendered flexible by extending employment under temporary and trainee statuses where wages and social security are extremely low. These practices have such a nature and an extent threatening the conditions of those workers who work in permanent positions with job security.

2008 Crisis and the Unions in Turkey

As mentioned above, the unions stepped into the crisis of 2008 having considerable weaknesses due to the reasons stemming from the oppressive legislation and their own structural problems. The different ideologies held by the unions in Turkey were also reflected in the policies they adopted in the face of the crisis. The workers’ and public employee unions sometimes demonstrated individual attitudes against the crisis as they sometimes offered joint proposed solutions or were involved in joint action together with several confederations. Some confederations even acted in collaboration with capital against the crisis. There have been some unions, whose perceptions and reactions have changed over the course of the two years since September 2008 when the crisis was uttered for the first time. DİSK and KESK, which proclaim to be relatively closer to the leftist ideology and oppose the AKP although they persistently advocate the process of acquiring the EU membership, have become the unions, which have had most collaboration against the crisis. On October 28, 2008, DİSK and KESK, together with the TTB (Turkish Union of Doctors), TMMOB (Turkish Chamber of Architects and Engineers) and Çiftçi-Sen (Farmers’ Union), which all opposed the present government, proclaimed their proposed solution in a joint declaration titled “Social Solidarity and Democratization for A Way Out of the Crisis” as follows: “Priority must be accorded to those measures, which promote production and employment, make the job security effective, eliminate injustice over income distribution and protect labor”. In addition, this declaration further noted that “urgent action plans will be developed embracing the broad sections of the society against the crisis”¹⁴.

Following this joint declaration, DİSK issued another declaration titled *Social Solidarity Program Against the Crisis*. Under the title, “Macro Policies”, of this declaration, DİSK proposed a

¹³ Official Gazette, Date / Issue No: 11.08.2009 / 27316.

¹⁴ www.disk.org.tr/content_images/DiSKKRiZ.pdf

planning, which would be imperative for the public sector and serve as a guideline for the private sector. In addition, support of domestic production and employment by suspending the Customs Union, encouragement of domestic investment, tax reform and rescheduling of domestic debts were also included in the program. The title, “Social Measures”, of the declaration emphasized the need for allocation of more funds to the households, agriculture and small scale enterprises from the budget, extension of direct income support to the poor and increased share of education and health in the budget. Besides, this declaration also included proposals such as protection and improvement of employment, introduction of facilities for debt payments by the households and reductions in the taxes received from the employees through the introduction of wealth tax (DISK, 2008b).

“Birleşik Metal-İş Sendikası” (A union representing workers employed by the metal industries), which is affiliated with DISK, published a declaration titled *Demands and Struggle Program* apart from DISK on November 3, 2008. After emphasizing that the crisis has actually arisen out of the capitalist system and that therefore, this was the crisis of capital, the declaration advocated that workers must not be forced to pay for the costs of the crisis. It also voiced several other demands such as decreasing the working hours in order to protect employment, a ban on dismissals by preserving the present rights, a ban on flexible types of employment, discontinuation of the practice of transferring resources to the capital from the budget and Unemployment Insurance Fund, cancellation of the interest on credit card debts and dissolution of indirect taxes. The most important difference of this declaration from others is that it called on all pro-labor organizations as well those unorganized sections of the society, to collaborate for achievement of these demands.¹⁵

Protection of employment is highlighted by the report, *Measures Against the Economic Crisis*, issued by the Türk İş, the nationwide confederation of unions, having the largest number of members in Turkey, which gives an impression that it is under the guardianship of the AKP government, in November 2008 and later submitted to the Economic and Social Council later in February 2009. In this report, Türk-İş defends the idea as regards a way out of the crisis that the state must support capital through incentives on condition that the latter would protect employment. In addition, the report calls on the private sector to act responsibly and not to treat the crisis as an opportunity for dismissals. On the other hand, it is suggested that the social state must be strengthened and that the purchasing power of the working class must be increased to get out of the crisis¹⁶.

Similarly, Hak-İş Confederation, which is known for its affinity to the AKP government as well as its conservative Islamist stance, advocated in its Declaration of November 29, 2008, which was titled *Measures Required To Be Taken In Order To Reduce Potential Effects of the Global Crisis on Our Country*, that the crisis could be overcome through close cooperation between the workers and employers. In its report, Hak-İş calls on the employers to consider options such as giving workers leaves, paying them partial wages and receiving partial work fund allocations from the state before deciding to lay off any workers. The section on the suggestions to the government requires that there is a need to infuse the markets and public with confidence and that capital must

¹⁵ www.birlesikmetal.org/etkinlik/etkinlik_2008_3.htm.

¹⁶ www.turkis.org.tr/source.cms.docs/turkis.org.tr.ce/docs/file/ekonomikkriz.pdf

be supported on condition of employment and exports. In addition, there were suggestions for luring private foreign capital into Turkey, sales of forest land closed to construction development and securing an indemnity for undeclared wealth and assets. The report also included recommendations regarding introduction of improvements in the wages of the workers, civil servants and retirees including the minimum wages for the purpose of reviving the domestic market¹⁷.

Türk Kamu-Sen, a union representing workers employed by the public sector, which is known for its nationalist and conservative line, is the union, which made the most interesting suggestions at the onset of the crisis. Its declaration of October 16, 2008 titled *Package of Personal Economic Measures Against the Crisis* contained a number of measures for individual savings such as restraining from buying houses and cars on loans, not converting any assets held by the individuals outside the conventional investment channels into cash for spending, not using credit cards, not buying any durable consumption goods if not necessary, not shopping from the markets and cooking food in the pressure cookers¹⁸. In its declaration issued on October 30, 2008, which was titled *Crisis Is Looming on U¹⁹s*, Türk Kamu Sen offered some suggestions to the government and capital to overcome the crisis. The suggestions to the government to prevent stagnation in the market involve increases in the wages of the population in the low and fixed income brackets, increasing the role of the state in the economy, consumption of domestically produced goods and ensuring social consensus through the Economic and Social Council. The suggestions to the capital are outlined under several titles such as timely payment of the taxes and social security premiums, relinquishment of the understanding of maximum profit with minimum costs, refraining from getting involved in corruption and investing in Turkey. In an apparent departure from the suggestions of other unions, this report by Türk Kamu Sen is noteworthy for its idea advocating “an increase in the domestic market oriented production and promotion of the consumption in the domestic market” under a “national development” approach (Balta, 2009: 84).

The concentration of mass lay-offs on those workers, who were members of unions and enjoyed job security, immediately after the crisis led to the reaction of the labor unions to focus on the protection of employment. In their statements made immediately at the beginning of the crisis, the unions directly communicated their demands to the state for protection of employment. However, it is understood from the initial reactions by the confederations to the crisis save for the declarations by Birleşik Metal İş Sendikası and DISK and KESK in part that the crisis is perceived as a “natural” phenomenon which accidentally broke out throughout the world, and not as a structural consequence of the capitalist system. Given this, the demands of capital and unions overlapped over many issues such as encouragement of capital and partial assumption of labor costs by the state.

The first action staged centrally by the unions in protest of the conditions, which emerged along with the crisis, was the meeting titled *Against the Crisis, Unemployment, Poverty and Price Hikes* held in Ankara on November 29, 2008, which were organized by DISK and KESK under support of TMMOB and TTB. Following this, the major meetings held in protest of the crisis throughout

¹⁷ www.hakis.org.tr/raporlar/krize_rapor-2.pdf

¹⁸ www.kamusen.org.tr/haberler/turkiye-kamu-senden/910-turkiye-kamu-senden-ekonomik-krize-karsi-kisisel-onlem-paketi

¹⁹ www.kamusen.org.tr/haberler/turkiye-kamu-senden/906-ekonomik-buhran-kapimizda

the country were the public demonstrations which were held in Gebze on December 1, 2008, in Adana on January 24, 2009, in Lüleburgaz on January 25, 2009, in Istanbul on February 15, 2009 and in İzmir on March 5, 2009. Among them, the Istanbul meeting of February 15 was the meeting enjoying the largest participation. At this meeting held with participation of the union branch offices in Marmara Region which was hardest hit by the crisis, the organizers included Türk İş apart from DİSK and KESK. Apart from these three confederations, the members of Hak İş, Türk Kamu Sen and Memur Sen took part in most of other protests held locally.

In addition to the actions staged by the unions in order to be effective over the policies to be followed and voice their demands in connection therewith, many actions and boycotts were also organized against the consequences of the crisis. A significant majority of the actions staged in the process that followed the crisis related to the problems in the working life. The justifications for these actions may be listed as mass lay-offs, coercion into flexible and insecure employment, failure to pay wages and prevention of unionization and of collective bargaining rights. The workers, who were not members of any trade unions, also staged some unscheduled and spontaneous actions on similar grounds²⁰. Labor accidents and unpaid wages were the major justifications for actions by the unorganized workers.

The action for work stoppage for 1 day, which was staged by KESK and Türk Kamu Sen on November 25, 2009 is the most effective protest among the actions carried out by the unions upon the reflections of the crisis on the workers. A short time after this action attracting very high participation, which was staged by the employees in the public sector with the demand for a right to have collective bargaining and go on strikes, the workers employed by TEKEL, the state monopolies enterprise, started an action in Ankara to protest their re-employment as per Article 4/C of Civil Service Law No 657, which eliminated their job security and cut their wages by half following the closure of their workplace. TEKEL action which turned into one of the most important actions in the history of Turkish working class was carried out despite the tough attitude and threats of the government, lasting for 78 days. The TEKEL resistance was supported by very different sections of the laboring classes. In addition, many unions in both Turkey and Europe made material and moral contributions to the workers putting up resistance. Although 6 labor confederations operating in Turkey declared their support for the resistance, this resistance carried out against the lack of job security could not be turned into a common cause. However, although the demands of the workers were not met as a result of the resistance, the wages and employment benefits of about 20 thousand workers under 4/c status were relatively improved. In addition, the regulations to be introduced by the government in connection with severance pays and private employment offices that were on the agenda for a long time could not be raised due to the influence of the working class struggles which gained momentum following the TEKEL resistance. On February 22, 2010, the confederations issued a declaration containing demands over many issues ranging from job security, entitlement to severance pays and improvement of the wages to no further consideration of the regulations related to the private employment offices, prevention of flexible work and alignment of the labor laws with the ILO and EU norms (DISK, 2010). This declaration, which proved highly effective in finishing the resistance, was contradictory in the sense that while, on the one hand, a demand was made for alignment of the labor laws with the EU norms, on the other hand, it resisted the government's effort to introduce

²⁰ For a detailed assessment on these actions, refer to (Kaygısız 2010).

flexible working times and private employment offices and discontinue severance pays as required by the EU norms. 4 confederations decided to go on a nationwide strike on May 26, 2010 in case their demands contained in the declaration found by us as contradictory in terms of their contents would not be fulfilled. However, this decision was never implemented and furthermore, in a statement made on August 9, 2010, Tek Gıda İş Union disclosed that all the actions scheduled to raise the demands of the TEKEL workers had been cancelled, making a call on the workers to agree to the 4/C position resisted by the workers for 78 days²¹.

Apart from the actions in connection with the problems, which emerged or deepened in the working life following the crisis, many public protests were also organized over the rights for education, health, accommodation and transport. Although the unions took part in the actions over the health rights, they failed to participate in the public protests by the university students over charges as well as the actions for accommodation rights arising from the urban transformation in particular and protests over the intra-city transport fees.

Apart from the packages of measures and protests against the crisis, Türk İş, Hak İş and Türk Kamu Sen including the employers' organizations TISK, TESK and TOBB jointly organized a campaign, *We Have a Solution to the Crisis*, which was designed to overcome the crisis by increasing consumption. The basic target under the campaign, "Go Out for Shopping" held accordingly is to encourage the social sections in the medium income bracket to consume²². It is highly ironic that the unions representing the working class took part in a campaign encouraging consumption in collaboration with the capital in such a period when mass lay-offs and threats of unemployment were at a peak and wages suffered a decline in real terms. A similarly ironic initiative was by DISK Textiles Workers Union. In a public notice placed by the union with the newspapers, it was noted that TÜSİAD and capital class were the victims of the crisis, making a call for incentives for capital.²³

It may be argued that the perception by the unions in Turkey of the crisis and their proposed solutions were largely parallel to the global union movement, which was also influential on the Turkish unions, as noted at the beginning of this essay. It is observed that as in the case of ITUC, which provided a model of "governance" having a global scale, solutions such as "reviving the overall demand, rescuing companies in the industrialized countries and compensation of the imbalances and inequities caused by the revival measures and creation of a new credit mechanism to allow the developing countries to have easy access to liquidity without exposure to the unfavorable policy conditions" in order to "put an end to the global economic and financial crisis" in cooperation with the governments and capital are proposed so that "an effective global economy" could be developed at the cost of forcing the workers into poverty, lack of security and exploitation at increasing rates.²⁴ ETUC defines the present crisis as a "structural crisis of the model of casino capitalism", not a period of "temporary vulnerability dependent on the conjunctural fluctuations" (ETUC, 2009a). At a conference held in Paris late in May 2009, an agreement was reached on ITUC support for ETUC to call on the business community for social

²¹ Refer to: <http://www.tekgida.org.tr/Oku/2063/Uyelerimize-Ve-Kamuoyunun-Bilgisine>

²² Refer to: <http://www.uretenturkiyeplatformu.org.tr/>

²³ Refer to: <http://www.t24.com.tr/haberdetay/42446.aspx>

²⁴ Refer to: Report titled Recommendation to Shape Up a New Global Compromise for Restructured Growth, Sustainable Development and Adequate Work (ITUC, 2009) submitted by ITUC at the United Nations Conference on "World Financial and Economic Crisis and Its Impact on Development" (New York, June 24 – 26, 2009) and its recommendations to the governments to get out of the crisis at G8 Summit (Italy, 2009) and G20 Summit (London, April 2009).

dialogue and develop this strategy for the purpose of finding a solution to the crisis. Meetings, seminars, press conferences, marches, cultural demonstrations, lobbying activities and protests on Internet which may be conducted to reach the broadest masses to the largest extent possible have been identified as potential methods of protests (ETUC, 2009b).

Conclusion

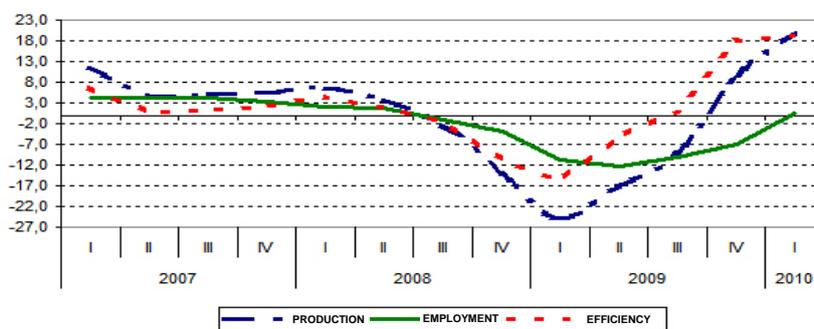
Although some improvement can be observed in the growth rates in the global economy in the two years elapsing from the beginning of the crisis, the deterioration in the working and living conditions of the workers, particularly employment, continue increasing. The rate of unemployment, which was 10.3 per cent in Turkey in September 2008 when the crisis broke out, rose as high as 16.2 per cent in February 2009 and its 2009 average was 14 per cent (TÜİK, 2009b). According to the statistics for May 2010, the rate of unemployment realized at about 11 per cent (TÜİK, 2010). It is observed that the rate of unemployment had a considerable decline on the basis of the statistics for May 2010 as compared to 2009. This is due to two major reasons. The first reason is the significant place in the Turkish labor market, which is held by the sectors such as agriculture and tourism having seasonal effects on employment. In this context, unemployment is relatively lower in spring and summer months in Turkey whereas it again rises in winter months. Another factor for the decrease in unemployment on the basis of the latest data is that under the pressure of unemployment, workers involuntarily agree to poorly paid jobs lacking any security. The methods of employment such as jobs offered under statuses like trainees and temporary workers and employment of sub-contractors as encouraged by the programs supported by the governmental policies are perceived by the employers as a method of procuring cheap labor force.

The production, which sharply declined upon the crisis, started picking up in the first quarter of 2009 thanks to the incentives provided to capital through such implementations aiming at a reduction in labor costs, which meant lower insecure income for the laboring classes, and exceeded the 2007 level in the first quarter of 2010. However, the increase in employment has remained limited while the production rapidly increased thanks to all the implementations lowering labor costs and incentives provided to capital (Figure 1). Lack of an increase in productivity is the most important factor for this. Industrial investments, which are one of the factors that would ensure increased productivity, have not increased throughout the process of the crisis²⁵. The increase in the labor productivity has had major impact on the increased productivity from the first quarter of 2009 although the required capital investment has not realized and no new employment was created. This is because capital has dismissed large numbers of workers on the pretext of the crisis and forced the workers they continued employing to work more intensively for lower wages by using the threat of making them redundant otherwise. Thus, a lower number of workers have achieved a production increase at a more intensive work tempo having less wages and security. Capital, which has had the opportunity to achieve production much more cheaply thanks to the increased labor productivity in the production process, has been offered with yet another major opportunity to increase their profits thanks to the governmental incentives aiming at helping the employers get rid of the burden of employment on them. Thus, capital has not only

²⁵ In 2009, imports of industrial investment goods declined by 23.5 per cent (TÜİK, Foreign Trade Statistics, December 2009). On the other hand, the imports of machinery and equipment which totaled 36.4 billion Dollars in 2008 fell to 29.3 billion by registering a decline of 19.5 per cent (Treasury Under-Secretariat, Economic Presentation, February 15, 2010).

pulled itself out of the effects of the crisis to a large extent but also managed to turn the crisis into an opportunity.

FIGURE 1
Production, Employment and Efficiency by the Manufacturing Industry
(Change in Per Cent As Compared to the Same Period of the Previous Year)



Source: <http://www.tisk.org.tr/gostergeler.asp?id=528> (As accessed on 22.08.2010)

The crisis has created an opportunity for capital to voice with a higher tone a demand for the supply-oriented arrangements which it has been considering inadequate. In particular, many arrangements have been made in order to meet the demands for a flexible labor market. At present, a large number of workers have been laid off purely on the excuse of the crisis in many countries as the policies of flexible work and lower wages have become commonplace through the use of the increasing pressure of unemployment.

As emphasized by Albo (2009b), although the present neo-liberal policies and free market economy are no longer considered favorable, capital and governments exert efforts to restructure neo-liberalism on the basis of capitalist profitability through the policies jointly developed by them in cooperation. Due to their compromising attitudes for many years, the union structures throughout the world are neither so combative to challenge capital nor willing to develop political agendas and alternative approaches in the face of the crisis. And this leads to the weakness of the unions to represent the laboring classes as well as their ineffectiveness to intervene with the process of capitalist development.

Parallel to the global union movement, the union movement in Turkey has failed effectively to resist the processes such as marketization, precarization of work, etc. The recommendations by the unions against the crisis have become to such an extent and nature supporting the economic policies prepared in line with the interests of capital, thus contributing to the imposition of the costs of the crisis on labor, let alone preventing the transfer of the costs of the crisis to labor. However, as in many other countries, the struggle by labor has continued despite the unions and as a result, public protests for which the unions had to claim responsibility have been carried out.

Putting aside the arguments on whether capitalism has overcome its crisis, the crisis continues for workers at further depths. In this process, whether the workers would be finally able to overcome their crisis by getting out of the vicious circle of unemployment and poverty depends on the power they would generate through class struggle. In terms of class struggle, whether the unions would continue their compromising approaches or head for struggle upon a “push” by the working class would be decisive.

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