

# **Turkish Development Strategy and the European Union: Discourses and Strategies of the Trade Unions on Agriculture and Textile Sectors in Turkey on Development**

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## **Introduction**

This paper aims to comparatively analyse the discourse of Turkish textile and agriculture trade unions vis-à-vis Turkey's EU membership bid in particular, development strategies in general; and thus to contribute to the discussion on political economy of development projects from the perspective of labour.

In the following pages, the authors shall try to draw the connections amongst the structure of the economic domain and the politicised interest of social groups/ actors (labour) that participate in this structure, and the patterns of political conflict and discourses that take place within a particular set of domestic landscape. In other words, the analytical framework that will be used adopts a two-way (dynamic) relationship between economic and political structures while the case of trade unions shall be regarded as potential agents in the structure. Turkey's example is taken as a case representing a developing country that followed enthusiastically the economic policy trends in a globalizing world, but somehow formulated its own capitalist development trends as a result of special characteristics of its socio-political landscape.

Some substantial part of the literature focuses upon the link between the economic performance and trade union development (Eichengreen, Iversen, 1999; Flanagan, Moene, Wallerstein, 1995; Nickell, Layard, 1998). However, our focus is to look at certain periods in the political position of trade unions in the economic agenda of developing countries. While our aim is merely to review a discussion over political position of some trade unions (organized within three confederations namely the Türk-İş (Confederation of Turkish Trade Unions), the Hak-İş (Confederation of Turkish Real Trade Unions) and the Disk (Confederation of Revolutionary Trade Unions) in textile and agriculture regarding the question of 'what development strategies Turkey should pursue', we have also tried to detect their perspective on Customs Union, the European Social Model and Turkey's bid for membership.

There is an ample amount of literature on Turkey-EU relations, the history of which traces back to the 1950s. Turkey-EU relations have usually been studied either from an international relations/security perspective (Buzan and Diez, 1999; Bac, 2000; Cizre, 2004, Tank, 2001) or from an economic perspective (Hoekman and Togan, 2005, Hic, 1995), or research has focused on specific policies such as migration (Kirişçi, 2003 and 2003a) or human rights

(Dağı, 2001). More importantly, whereas limited attention has been directed to the role of organized big business (Buğra,1998; Öniş and Türem, 2001; Arat, 1991), there are few academic studies that focus on the role of trade unions in Turkish politics (Keyder, 1987; Sakallıoğlu, 1992, Zürcher, 1995) and the potential role of trade unions about the Turkish membership question has been almost completely omitted.

We have chosen the textile and the agriculture sectors considering the distributional implications of the period after 1980s. For the former, the post-1980 period has created transfer of advantages from industrial capital to finance capital and most of the firms in the textile sector have been accepted as industrial capital. Similarly, the post-1980 adjustment strategy has deteriorated not only the purchasing power but also terms of trade of the agricultural sector. Thus, both of the sectors have been adversely affected from the instruments and policies of the outward-oriented strategy adopted by the 24 January 1980 programme. Other than these economic trends, the textile sector has been directly affected from developments in Turkey-EU relations since the early 1960s through Turkey's involvement in the Customs Union whereas agriculture was excluded. Indeed, throughout the years, the sector has witnessed the state strategies switching from Import Substitution Industrialisation (ISI) to Export Oriented Industrialisation with an average trade rate of 60 percent with the EU. Secondly, textile is one of the leading areas in which Turkey has not given up emphasizing economic integration with the EU despite changes in official development strategies. Thirdly, textile and agriculture are seriously affected by various globalisation processes (such as emerging WTO trends in regulations, financial crises etc.).

Yet, trade unions have been chosen as it was the military regime and then the neo-liberal orthodoxy that not only curtailed the rights and freedoms of unionism but also considerably decreased the political power of trade unions through depoliticizing them and declining the real wages of the workers. Thus, keeping in mind Polanyi's double movement, it is aimed to analyze what the political stance of the trade unions on these sectors is and in which forms it perceived the neoliberal orthodoxy and the EU project. With this aim, we have conducted semi-structured interviews with several trade unions in textile and agriculture. We have tried to ask general questions in regard to what the union representatives think about trade policies in general, the Customs Union in particular, the EU membership prospects, problems that they detect in their sector as a hurdle against the labour's position and finally what they propose Turkey should follow in terms of policies in the labour market.

In the following sections, we will first try to discuss the relationship between the development agendas of Turkish governments and the situation of labour market before proceeding to general outlook of major Confederations' official view in regard to EU membership and economic policies since the

1980s. Researching and presenting the official stance of these confederations was useful for us for several reasons. Firstly, while trying to detect the development vision of textile and agriculture unions we were also aware of the fragmented positions of different unions working in the same sector while being affiliated to different Confederations. Secondly, we wanted to question and compare to what extent Confederations are affecting the particular unions' positions within the context of their special cases they encounter in their own sector. Indeed, interesting enough, unions sharing the same sectors for operations, may tend to share somehow similar views in particular issues. Also, the picture is never complete without discussing in the larger context of pre-dominant hierarchies such as confederation-union relationship. Last but not least, as we shall see in the proceeding sections on textile and agriculture sectors where we will also present the results of interviews we have conducted within a general discussion over major issue-areas in these sectors, it is worth cross-checking these unions views from a general developmental perspective.

### **Development Agendas and Labour in Turkey**

The scholars trace back the history of trade unionism in Turkey to the Ottoman period<sup>i</sup>, when the number of workers was not only limited but also the workers were fragmented in relation to ethnicity and religion (Feroz, 1995; Quataert, 1996; Koç, 1998). Under the single-party rule of 1923-46, the Republican People's Party (RPP) issued the first Labour Code of 1936 and the Societies of Law. These legislations not only banned the strikes, lockouts and establishment of organizations based on social class but also brought compulsory arbitration of labour disputes by the government in parallel with the RPP principle of populism emphasizing the harmony of interests and a classless-unified society.<sup>ii</sup> It was with the multi-party politics in 1945 that the RPP lifted the ban on establishing class based organizations in 1946.<sup>iii</sup> Indeed, the first Unions' Law was enacted in 1947 that permitted the founding of organizations for both workers and employers, albeit outlawing the right to strike and any organic link between unions and political parties. (Hale, 1976: 61) These amendments were followed with the foundation of 600 trade unions and employer associations. Yet, the state retained the power to ban not only the activities of the unions and associations without any judicial proceeding but also their political activity (Sakallıoğlu, 1992: 713).

The RPP power was overthrown by the Democratic Party (DP) in the 1950 elections with the majority support of the Kemalist bureaucratic cadres, industrial bourgeoisie, industrial workers and peasantry (Boratav, Keyder and Pamuk, 1987). The DP led an agriculture focused export regime supported by high mechanisation in rural areas through the Marshall funds which had inflationary effects over the economy. In these circumstances, a shift to import substitution industrialisation as a development agenda led by the bourgeoisie represented the only means of resuming the accumulation process. The interests of middle and large landowners were not threatened at this stage, especially since many of the emerging consumer goods industries such as textiles and food processing created an additional market

for agricultural commodities. However, new economic basis of the Menderes regime was not based over the total consent of social groups and was partially implemented as a response to exchange rate crisis. It was followed by the 1958 “stabilisation programme” imposed by the Western creditor countries, and the military coup of 1960, and accumulation under ISI has resumed only in 1962. Indeed, the intensive, uninterrupted part of ISI drive in Turkey took place between 1963 and 1979.

ISI’s main features involved strict quantitative controls on international trade, overvalued exchange rates, a severe ration in foreign exchange and credit market, existence of public enterprise system. Indeed, State Economic Enterprises (SEEs) were the major tools of the state in pursuit of industrialisation targets. They were strategically placed in such heavy ventures as basic chemicals, fertilizers, petroleum products, machine tools and machinery. Their primary role has been the supply of cheap raw materials and inputs to the private manufacturing sector and to agriculture. The conditions of the system that was based upon artificially low, regulated prices guaranteed industrialists the monopoly profits and rents of a readily available protected domestic market. Industrialists, in turn, had “accepted” the conditions of a general rise in the real wages of manufacturing, and agricultural price-support programme which induced domestic terms of trade to favor agriculture.

Regarding the labour situation, the labour was an integral component of the import-substituting industrialization that worked closely with mutual accommodation in labour-capital relations where real wages could be determined through industrial bargaining among industrial bourgeoisie and labour aristocracies (Keyder, 1996: 151). In parallel with the dominance of Keynesian-inspired welfare demand management structure, a consumption role was attributed to the labour. In other words, as the production was conducted towards the domestic market, the real wages was not construed as a production cost, but rather as an instrument that generates production for the domestic capital (Boratav, 2003: 124). In parallel with that not only the number of unionized workers and their solidarity increased but also the trade unions became stronger and politicized thanks to the enhanced liberal-pluralist freedoms and economic and social rights provided by the 1961 Constitution and the 1963 Second Labour Code , known as the “Magna Carta” of the labour movement (Hale, 1976: 63). For instance, it was with the 1961 constitution that the right to strike was recognized. Moreover, in terms of the new distribution and accumulation of capital within the ISI, the economic growth of 1960s proceeded in tandem with the increase of the real wages.

The ISI period has proven to be unsustainable towards the end 1970s, the economy was hit with a major financial crisis (caused by a foreign account deficit). The end of the ISI period has also marked the start of Turkey’s adventure with structural adjustment programmes, coupled with a decision of shift to export oriented-industrialisation. With the backing of five successive structural loans supplied by the World Bank and the IMF between 1980 and 1984, a new economic programme known as the

24 January 1980 programme was adopted, which changed the fundamentals of the macro-management of the Turkish economy as well as a revision of relations amongst social groups we have mentioned above. Indeed, the adoption of the 24 January 1980 programme has generally been defined as “capital’s counter-attack against labour” (Boratav, 2003). Boratav says that the major goal of the structural adjustment programme of the 1980s was changing and redefining policy parameters regulating and shaping income distribution against labour although it was not stated amongst the programme objectives. These policies that flourished with the birth of liberal tendencies, also imposed by the international financial regulatory agencies, challenged the political position of labour unions.

The period starting with the 1980s coincided with an essential change in economic structure. The new economic structure was characterized by liberalization of foreign trade regime supported by a new monetary regime based on gradual elimination of exchange rate controls and anti-inflationary policies and involvement of market forces with downsizing the state role in the economy. The minimal state role in the free market ideal was followed by the launch of privatization programmes. The outward looking trade regime has also required in turn the further flexibility and reduction in labour costs. A change in sectoral priorities had occurred with greater emphasis being given to export-oriented manufacturers such as processed food, textiles, clothing and light-intermediates and also to commercial services especially overseas contracting. Attracting foreign direct investment through maintaining the creditworthiness of the Turkish economy high was one of the central objectives of the programme. The programme was determined to decreasing the inflation through tight monetary controls. Within the strategy, the accumulation and distribution mechanisms of the national economy were left to market forces thus the strategy was embarked on market-allocation of resources (Çakmak and Yeldan, 1994).

After the 12 September 1980 coup, the military promptly declared its commitment to implement the economic programme. The continuity of the new economic policy before and after the coup illuminates that the military regime was instrumental to implement the 24 January programme through suppressing the labour movement by suspending the unionist activities and the political parties, adjudicating the DISK unionists and banning the strikes. The collective bargaining agreements were left to be conducted by the Supreme Council of Judges that would in return guarantee that the wages would be adjusted in accordance with the requirements of the export-led growth strategy without serious resistance from the labour movement (Boratav, 2005: 150).

Concerning the labour situation, contrary to the ISI period, the role of the labour was re-defined as a production cost and labour costs were conceived as an important factor in maintaining the competitiveness of the domestic industry (Onder, 1999: 54). This perception was strengthened through the argument within the 1980 January programme that Turkey could hardly increase exports alongside

the existent high real wages. Thus, the real wages were entitled to drop in order to not only contract domestic demand but also increase the competitiveness of Turkey (Boratav, 1990).

The 1980 regime was antagonistic to the labour movement with accusing the labour for the uprisings and violence in the society. The military regime has suspended the activities of trade unions. The 1982 Constitution<sup>iv</sup> considerably prohibited and restricted the political activities of the trade unions to such an extent that the trade unions were banned from pursuing any political goal, receiving or giving support to political parties or acting jointly with public professional institutions or associations for political ends. The strikes and lock-outs were not permitted and the right to unionize and collective bargaining was forbidden for civil servants. In short, after the 1980 military coup, the position of labour has been defined as de-politicized, de-mobilized, de-radicalized and de-unionized (Sakallioğlu, 1991: 60).

The position of labour as a social actor eroded further in 1994 and 1995, as wages fell sharply following the economic crisis in 1994. In 1994 the average private manufacturing wage was one-half of public manufacturing. Subsequent events (such as the spill over from the Asian and Russian crises in 1997-98, and the earthquakes that hit the industrial heartland in 1999) impacted the economy negatively and restrained real wage growth. The crash in 2001 that induced unemployment to record levels has had a major negative impact on real wages.(Tunalı, 2003) Another outcome is that, in this setting, where wage and salary earners remained numerically much less important than self-employed and unpaid family workers, labour did not really appear as a market commodity (Boratav, Yeldan and Köse, 2000).

Secondly, the gap between public and private wages also started to broaden. The average real manufacturing wages were stagnant in the private sector and declining in the public sector during the non-democratic climate of the early-to-mid 80s. Averages in both the public and private sectors rose sharply during the 1989-91 period with the return of populist policies, as the gap in favour of the public sector widened. Public sector workers experienced additional real wage increases in 1992 and 1993. The gains were severely hampered following the above mentioned crises.

Another outcome of boosting private sector was that it manifested different new forms such as small-scale firms, emergence of flexible production and sub-contracting industries. These forms of production depended in turn over exporting labour-intensive commodities such as textiles, food, garments and leather goods. The unpaid and under-paid labour was encouraged by large-scale manufacturing factories in central economies such as European firms seeking cheap sub-contracting linkages to take over the intensive parts of industrial production (Dedeoğlu, 2004).

By the turn of the millennium, it was clear that the structural reforms that Turkey implemented during the 1980s and 1990s failed to deliver the favourable labour market outcomes (namely decent employment and wage growth) predicted by the proponents of reform. The crash of 2001 crisis raised problems to historic levels which had not been witnessed by the generations born after 1960. By the end of 2000 and the beginning of 2003, the unemployment rates doubled. The rate of unemployment for educated youth (ages 15-24 with high-school education and higher) approached 30 percent. Mid career individuals (those in the 35-54 age group) accounted for more than 25 percent of the 2.8 million unemployed nationwide. In 2002, 65 percent of males and 25 percent of females aged 15 and above had jobs. Agriculture accounted for 35 percent of all employment (Tunali, 2003).

From such a perspective, the following section will focus on the position of trade unions on development and the EU membership perspective. Yet, considering the fragmented structure of trade unionism, the authors find the need to firstly elaborate with a historical overview of trade confederations, as the upper platforms organizing the trade unions. Such a focus enables the analysis with a better scrutiny of not only the fragmented structure of the labour movement in Turkey but also different positions/discourses of the trade unions on textile and agriculture that we have interviewed about development and the EU membership perspective.

### **A Brief Overview of the Trade Union Confederations and their Perspective of Membership**

Before proceeding with a discussion on the political projects and discourses of the trade unions, a brief understanding about the general structure of trade unionism in Turkey is necessary. The fragmented structure of trade unionism seems to have weakened the political power of trade unionism. There is not only more than one trade union among the same confederation with overlapping spheres of influence but also a rivalry among unions organized in the same industrial branches but affiliated with different confederations. This character has also been defined as “union inflation”, numerous unions in the same industrial branch as small and local organizations with a small number of members and limited power for collective bargaining (Hale, 1976: 62).

The earliest confederation organized at the national level, the Türk-İş, was founded in 1952 that was instrumental to institutionalize the cooperation between the state, capital and labour. The Türk-İş has remained the peak confederation with possessing a representational monopoly and an organizational supremacy in consultative boards and regulatory commissions. It has generally been underlined that the chief problem in the Turkish trajectory of unionism has been the relations between trade unions and political parties. The strategy of the Türk-İş had long constituted of supporting particular unionists on individual basis for parliamentary elections that would in return represent the labour perspective in the Parliament (Koç, 1998). Yet, the Türk-İş unionists were fragmented in terms of different party affiliations, for instance different groups among the Türk-İş allied with different political parties.

In such a context, the Türk-İş declared its “supra-party” policy in its 9<sup>th</sup> Plenary Session in 1964. This signified the independence of the Türk-İş from the political parties and that the Türk-İş refused officially to establish any organic link with the political parties. The Türk-İş explained its policy shift with underlining the need to preserve the unity of labour movement and avoid divisions among unionists emanating from different party affiliations<sup>v</sup> (Koç, 1998; Hale, 1976).

Yet, 1960s witnessed further fragmentation and divisions among the labour movement. After the Türk-İş announced its supra-party politics, the left-wing unionists among the Türk-İş intensified their criticisms on the grounds that the Türk-İş had collaborated with “bosses and American monopolies”, get support from the US and thus lost its idealism and commitment for the working class movement in the name of conducting its supra-party politics. As a culmination of the intensified criticisms, the former unionists among the Türk-İş had founded the Disk in 1967 that would become the second force in unionism until 1980 military coup.

The Disk was not perceived as a threat by the state from 1967 to 1975 as the Disk followed a moderate policy with limiting its relations with the Turkish Workers Party, remaining independent from the Soviet Union influence and supporting the Cyprus peace operation through even calling the workers to contribute to the warfare budget of the state (Koç, 1998). Yet, the Disk would be perceived as a serious threat between 1975 and 1980 by the state with its revolutionary and anti-imperialist orientation, and its support for the establishment of a socialist regime in Turkey through getting the support of the peasants, workers and wage-earners. According to Koç, after 1975, the Disk began to advocate “class unionist” ideology emphasizing its revolutionary/militarized orientation. That is why, the military regime treated the Disk differently through curbing its power, banning its activities and adjudicating/imprisoning the Disk unionists. For instance, although the other confederations would begin to function after 1983, the Disk would remain banned until 1991. (Hale, 1976, Koç, 1998).

The last confederation analyzed within the context of this research, the Hak-İş was founded in 1976 with the support of the religiously-oriented Nationalist Salvation Party to articulate its ideology among the workers. The activities of the Hak-İş would also be suspended by the 1980 military coup. Yet, the Hak-İş could operate without using the right to strike and collective bargaining until 1983 as a repercussion of the orientation of the military regime to conservative and Islamic tendencies in suppressing the left-wing politics. After 1983, the Hak-İş began to fully function. It is interesting to observe that in 1980s, the Hak-İş considerably increased its membership through benefiting from not only the vacuum left by the Disk but also the reactions among the workers to the Türk-İş due to its passivity and closeness to the state (Buğra, 2002: 198).

### **The perspective of the Türk-İş for Membership**

The position and strategy of the Türk-İş towards the EU membership perspective has not been a definite and stable position (Koç, 2004: 105). On the one hand, the Türk-İş assesses the Customs Union as a progressive step and supports the membership of Turkey on equal terms and conditions. According to Salih Kılıç, the General Secretary of the Türk-İş, Turkey belongs to modern Europe and that is why shall maintain its European orientation (Kılıç, 2004: 21). On the other hand, the Türk-İş is also highly sceptical whether the EU would take Turkey as a full member with defining the EU policy towards Turkey as unfair and insincere. The Customs Union has not constituted a guarantee for the membership and Turkey could only benefit from the European Social Model through the membership status (Kostekli, 1999). Moreover, the completion of the Customs Union prior to membership has not only brought forth economic and social risks<sup>vi</sup> through worsening the economy, increasing unemployment, decreasing real wages and the rate of unionization but also has bounded Turkey with the rules of the EU in the prospective process of membership and thus restricted the national sovereignty of Turkey (Türk-İş, 1996).

The Türk-İş has also been sensitive about the reform process with recalling national concerns. In 2001, the Türk-İş presented a report to President Ahmet Necdet Sezer, emphasizing that the EU reform process has intended to revive the Treaty of Sevres to dismember Turkey. Then, the Türk-İş criticizes the decisions of the European Parliament and the demands of the EU on the divided situation of Cyprus, the alleged Armenian genocide, the minority rights, the Patriarchate and the Clergy School in Heybeliada.<sup>vii</sup> The Türk-İş brought forth the necessity to not only follow a “self-respecting” foreign policy in the relations with the EU with protecting the national interests, but also to adopt measures against the negative repercussions of the Customs Union and to protect the national industry and the unitary structure of the Turkish Republic. Finally, the Türk-İş proposes national solutions through exemplifying the Independence War that had already illuminated that democratization can only be achieved through national independence. Moreover, if Turkey finds solutions to its own problems on unemployment and economic development, the EU would welcome Turkey (Türk-İş, 2002).

Regarding the European Social Model, Yıldırım Koç, who worked as the Chairman of Türk-İş during the 1993-2003 period and representative of the Türk-İş to the European Trade Union Confederation (ETUC), argues that the European Social Model can hardly constitute a model for Turkish trade unionism. Firstly, the perception of the EU as an ideal social model disregards the fact that the high working standards, wages and social security guarantees of the European nation states have been assured in national legislations rather than the European *acquis* (Koç, 2004). Secondly, Koç argues that the European Social Model can only be attained through imperialist exploitation by sharing the surplus value acquired from exploiting the developing countries. The European working class has preserved high wage levels and working standards not because of their labour productivity or intense

struggle with the capital but as a return of underpinning the imperialist policies of the European capital. From such a perspective, the nomenclature of the “European Social Model” signifies a more equitable distribution of the European exploitation (Koç, 2006). Last, but not least, Koç has also discredited the European trade unions as the foreign relations of trade unions have been formulated in parallel with the priorities of the international relations of the EU (Koç, 2004). Besides, the European trade unions have resisted neither the instruments of American and European imperialism, in other words the IMF/WB policies towards the developing countries, nor the policy tools such as privatization and sub-contract work (Koç, 2006).

Since 1980s, the social dimension of the state has been constantly eroding that proceeded in tandem with the economic dependency and unequal distribution of income. The inequalities stem from the implementation of the IMF and WB packages that have been shaped around the interests of the international capital. Koç argues that the EU shall not be perceived in isolation from the imperialist strategy of international capital given that, for instance, the EU member states compose 29% of the IMF administration (Koç, 2006: 21). In order to solve the socio-economic problems of the country, there is a need to develop a democratically planned economy that would not only strengthen the social state but also prioritize full employment in its agenda (Kılıç, 2004).

### **The perspective of the Hak-İş for Membership**

The religiously oriented trade union confederation Hak-İş had been closer to the religious discourse that advocated the model of unregulated Islamic economy through mutual justice among capital and labour, goodwill of the Muslim employers and the Islamic principle of fair treatment. For instance, in 1970s, the Hak-İş had articulated the commonality of employer and employee interests in the Muslim brotherhood framework. Moreover, the class antagonisms had been conceived artificial and the capitalism, socialism and communism as alien and materialistic for the Turkish society (Duran and Yıldırım, 2005: 231). It also used to emphasize an anti-Western stance and Eastern-orientation and enthusiasm for the East-Asian economic model. In mid-1990s, one observes a modification on the part of the Hak-İş. Albeit preserving Islamic reference points, the Hak-İş has begun to take a pro-membership stance as it had to adopt the Western institutional and organizational principles of organized interests representation as a trade union (Buğra, 2002: 200).

As regards the membership perspective, the Hak-İş supports the process by emphasizing the need to develop democracy, civil society, social and democratic rights. It can be argued that the Hak-İş perceives the EU bid for membership as a “democratization project”. For instance, Salim Uslu, the General Secretary of the Hak-İş, has also been critical about globalization and the neo-liberal ideology that embodies deregulation, privatization, mobility of capital and contracting the public services that in return trigger informal unemployment, domestic and foreign debts, unequal income distribution and

poverty in Turkey. Yet, regarding the EU membership perspective, the reference points in the Hak-İş have largely been further democracy rather than the “Capital Europe”. Thus, the Hak-İş has not only been strongly in favor of the reform process but also participated to the process through joint projects. Uslu stresses that the membership perspective shall be taken as a “national issue”. Yet, the membership shall be assessed on a rational basis and not be accepted at any cost (Uslu, 2004: 46).

### **The perspective of the Disk for Membership**

Before 1980 military coup, the Disk possessed a revolutionary and an anti-imperialist orientation and advocated the nationalization of foreign trade regime, an independent foreign policy, withdrawal from the NATO and establishing an independent and socialist regime in Turkey to save the country from underdevelopment, imperialism and the hegemony of foreign capital (Koç, 1998). Thus, it can be argued that until 1980, the Disk was against the Customs Union and integration with then the EC.

Starting from mid-1990s, the Disk has also begun to perceive the EU as a “democratization project”, following a moderate stance towards the EU bid for membership. For instance, just before the completion of the Customs Union, the General Secretary of the Disk, Rıdvan Budak visited the European Parliament to convince the social democrats to support the completion of the Customs Union with Turkey. Yet, this orientation of the Disk has been explained by the Disk unionists on three grounds. Firstly, the Disk underlines that within the context of the internationalization of capital, enhanced competition under globalization and the diminishing role of the state, the labour can only struggle with capital through internationalization and enhancing international cooperation. For instance, the Brussels representative of the Disk, Yücel Top, argues that the social sphere of struggle for rights in the era of globalization should be organized at the international level (quoted in Doğan, 2003: 30). Secondly, the Disk takes the European Social Model as a model for Turkey. Yücel Top argues that neither the ILO nor the national legislations bring adequate protection for the social sphere and workers unlike the EU that presents an opportunity of regional integration. In parallel with that, Budak stresses that the European Social Model shall be appreciated for not only bringing minimum standards but also relying on democracy, social justice, human rights, freedoms and democratic participation for all segments of the society (quoted in Doğan, 2003: 31). Lastly, the Disk highlights that the EU shall not be perceived as “the club of rich countries” with references to the economic aspects of the Union since the EU project contains political and social aspects.

Regarding the economic policies of Turkey and how the EU membership has been conceptualized, Çelebi, the General Secretary of the Disk, stresses that the structural adjustment programmes conveyed through the policies of the IMF and the WB that have devised the system in line with the interests of the international capital. The EU membership perspective has not been isolated from the policies of the international capital as the European integration has been shaped around “Capital

Europe". Thus, both the Customs Union and the Turkey's bid for membership have constituted the means for the re-structuring of capital in Turkey (Çelebi, 2004: 65-6). Although Çelebi underlines that the membership would not be on the advantage of the working class from an economic perspective, it should be maintained for the democratization of Turkey that prompts internalization of European norms. Moreover, globalization can hardly be resisted which in return necessitates governmental and political amendments in parallel with the requirements of globalization (Çelebi, 2004).

### **Textile–clothing (T&C): Labour and trade unions in an export-oriented policy setting**

In this sub-section, emphasis is given to analyze the economic policies and labour market and unionisation in T&C sector. The analysis will be discussed in the light of interview results obtained from questions addressed to the interviewees from the three trade unions namely, the Teksif (Textile, Knitting and Clothing Industry Workers' Union of Turkey), the Tekstil-İş (Textile Workers' Union) and Öz-İplik-İş (The Real Trade Union for Yarn).

The T&C has played an important role in the process of industrialisation (similar to other developing countries). Indeed, the T&C sector that has flourished since the beginning of the Republic was one of the focused-pillars of state-led industrialisation process. For instance, the state-owned Sumerbank was founded in 1933 and played a leading role in the textile sector until 1970s. The production was largely directed towards the domestic market as of 1960, roughly a third of all industrial establishments were producing textiles for domestic markets. In parallel with this production rate, textile workers constituted a large proportion of manufacturing labour with for instance some 33% of total employment within the T&C industry in 1973 (Taymaz, 2002). The majority of these workers were not unionized and earned lower wages. Due to union pressure, real wages for workers in the modern industrial sector increased rapidly and union coverage was extended during the ISI period.

Yet, after Turkey adopted the export-oriented industrialization with the 24 January 1980 programme, the textile sector turned out to be one of the export-generating sectors. Looking at trade figures, the share of T&C in total export revenue doubled from 1980 to 1995 (from 27% to 40%) (Taymaz, 2002). Much of this increase is accounted for by the clothing sector. Since the early 1990s, there seems to be no increase in the share of T&C exports. Incidentally, the proportion of exports to GNP has also remained almost constant since the early 1990s. Yet, the textile sector induced 36,1% of total exports in 1999 and Tan asserts that Turkey has been the largest textile supplier and second largest supplier of apparel for the EU market (Tan, 2000: 7).

Despite the export boom on the textile sector, interviewees from three trade unions remain critical about the export-promoted industrialization. The Teksif, criticized the liberalization of the economic policies as being deficient to promote industrial investment due to the high insurance and taxes,

expensive energy and highly bureaucratic structure that in return triggers unemployment. On the one hand, the Teksif contended that even though the textile exports have been acknowledged as successful for generating exports, production has been conducted through %40 of imported intermediate goods. Thus, the real industrial producers and capital (especially textile and yarn producers) have been adversely affected from importing cheap intermediate clothing material and exporting them after processing. On the other hand, the export-promoted industrialization has not only attracted adequate foreign direct investment but also negatively impacted unionization as the production and thus employment has not been accelerated (Interview with Teksif). Moreover, according to the Teksif, globalization can be relinquished (Polat, 2004). The interviewee from the Tekstil-İs accused globalization in explaining the economic problems of the T&C sector as globalization has triggered informal employment and low wages to become competitive and accelerate exports (Interview with Tekstil-İs). Contrarily, the representative from the Öz-İplik-İş contended that export-oriented industrialization has triggered trade marking in Turkey. Although he had been critical of the state policies for the textile sector with misallocation and scarcity of state promotion, lack of R&D and insufficiency of the state policy in promoting cotton production, he asserted the continuation of the export-oriented economic policy for the sake of trade marking (Interview with Öz-İplik-İş).

Yet, the export boom on textiles generated a rapid increase in imports from Turkey, which as a result, the EU started to impose quantitative restrictions on Turkish exports in 1984. The restrictions on Turkish exports were eliminated after the Customs Union in 1996. Turkey's share in EU countries' clothing imports has increased from about 5.0% in 1991 to 7.4% in 2000. Turkish textile firms have also succeeded in increasing their market share, from 2% in 1991 to 3% in 2000. It is interesting to observe that there is no apparent break in market share trend around 1996 when Turkey joined the Customs Union with the EU (Taymaz, 2002).

As far as the opinion of the trade unions on the Customs Union is concerned, there are differences among the unions. The Teksif policy towards the Customs Union has not been a definite position. On the one hand, the Teksif supports the Customs Union as it has brought competitiveness to the Turkish industry, boosted qualified workforce and triggered new industries in technology and transportation. According to Teksif, the most disadvantaged sector after the completion of the Customs Union has been the textile sector. Yet, albeit the criticisms, the Teksif does not recommend to dissolve the Customs Union at that stage for Turkey (Interview with Teksif). The representative from the Tekstil-İs also accused the Customs Union with being formulated in accordance with the interests/concerns of capital rather than the workers. The Customs Union has paved the way for the Turkish capital to be open to the European market whereas for the workers, it adversely affected the trade unions (Interview with Tekstil-İs). It was the representative from the Öz-İplik-İş who openly underlined that the Öz-İplik-İş has opposed the Customs Union from its inception on the grounds that the Customs Union has

not only hampered industrialization and created problems for the competitiveness of the domestic industry but also adversely affected the foreign trade of Turkey with the 3<sup>rd</sup> countries. Additionally, Turkey has bound up with the decisions of the Union on its foreign trade regime without participating to the decision-making mechanisms. Yet, the Öz-İplik-İş interpreted the EU in isolation from globalization with acknowledging that the economic and social problems of the country have not merely emanated from the Customs Union but rather shall be contextualized within globalization. Moreover, the Customs Union shall be dissolved if the process would not be accompanied with the full membership status (Interview with Öz-İplik-İş).

Yet, especially after the export-oriented industrialization was adopted, the labour market in the T&C sector has become the bulk of globalisation process, displaying today most of particularistic trends of flexible labour markets. The share of private sector employment has been increasing steadily. Yet, it has remained to exhibit the largest manufacturing sector in terms of employment capacity. Indeed, currently the sector accounts for 30-35% of manufacturing employment, 15% of manufacturing value added, and 35-40% of all exports (Seidman, 2004). Moreover, with the Customs Union it has become one of the examples of successfully liberated labour market as this industry relied its success over labour-intensive production coupled with lower wages. The secret of Turkey's competitiveness was thus based upon globalisation of the sector with a large sub-contracting business which also threatened the policy-makers to a great extent due to increasingly competitive position of China's presence in global markets as much as in the EU market. This fact in turn induced many producers (foreign and domestic) to move their business abroad.

As far as the unionisation and the problems in T&C unions are concerned, one could depict that, in regard to 4 million workers whilst only 1 and 1.5 million workers are registered. Indeed, although they vary amongst themselves in terms of representation power, almost all are far from representing the labour in the sector. For instance, with an exception of some unions such as Teksif we have interviewed (affiliated with Türk-iş, indeed a founding member of this very confederation) with approximately 80 thousand members is also considered as a largest unionisation example in the sector. Other ones such as Tekstil-iş affiliated with Disk occupies the third in the representational rank (after Öziplik-iş that is affiliated with Hak-iş and is the 9<sup>th</sup> largest union amongst all trade-unions in the country) and has a competence to sign collective bargaining with 13.000 workers.

A major concern of the T&C sector has been the ongoing liberalization of textiles and clothing industries since the WTO lifted all the quotas (World Trade Organization's Agreement on Textiles and Clothing (ATC) in 2005 for China, who is Turkey's competitor in the EU market. The lifting of quotas for China's products has generated another discussion regarding the competitiveness issue of Turkey. Although the discussion is not merely limited to trade unions, they also constitute an important side of

the discussion. According to Teksif General Secretary Zeki Polat, the “textile crisis of Turkey” is not directly correlated with the emergence of Far-Eastern competitiveness. Rather it should be linked to the large gap between formal and informal markets within the same sector. Indeed, those big companies working in the formal sector are having difficulties in encountering the negative side-effects of competition together whilst the informal sub-sectors are having difficulties in adjusting their wage prices (Polat, 2006). Similarly, the interviewee from the Teksif underlined that the textile sector tries to resist the pressures of competitiveness on its own without any support (Interview with Teksif). As opposed to Teksif, Yusuf Engin from Öz-İplik-İş rejects to acknowledge the existence of a “textile crisis” although the sector has important problems such as the businesses that moved abroad, informal market and rising imports in textile products. He also stresses that state’s decision in decreasing the value-added taxes is not enough to solve the issues altogether, indeed accordingly some other policies are worsening the employment conditions of the labour whilst the trade unions are totally discriminated in involving to discussions (Engin, 2006). The president of Tekstil-Sen, Ayşe Yumlu Yeter adds on the other hand that the so-called textile crisis is a pretext for employers to decrease their employment if not exploit them further. She says that “all crises in the history are excuses for putting labour conditions at risk, diminishing their rights further,” otherwise there is not a textile-crisis per se (Yeter, 2006).

Within the context of the rising problems due to flexible work and informal employment that have been further triggered with the “textile crisis”, the researchers asked whether the European Social Model constitutes a model for the Turkish unionism to solve the problems of unionism. The representative from the Teksif, emphasized that the Teksif has developed close contacts with the ETUC and the European Trade Union Federation: Textiles, Clothing and Leather (ETUF: TCL) and has supported the European Social Charter that emphasizes both the social aspects of globalization and the attainability of the sustainable development only through social development (Interview with Teksif). The interviewee from the Öz-İplik-İş highlighted that the Western form of industrial relations and trade unionism has been different from the Turkish culture. From such a perspective, Turkey shall try to develop its original form of unionism as a synthesis of the former-Ottoman system and the European Social Model. Such a model would not only respect protection of labour but also be in conformity with the Turkish culture (Interview with Öz-İplik-İş).

The researchers also asked the opinion of trade unionists about the membership perspective of Turkey. The Teksif developed a critical perspective, accusing the EU for adding additional political conditions for Turkey on democracy, human rights and minority rights without paying due attention to the socio-economic conditions in Turkey that in return manifests that the EU shall be perceived as a “common market”, within which the mutual trade has been predominant. When asked his opinion about the free movement of workers, the interviewee from the Teksif underlines that the EU detains Turkey since

1963 and finds the impediment of the free movement of workers as unacceptable (Interview with Teksif). Similarly, Polat, the General Secretary of the Teksif, underlines that although the Teksif supports the membership perspective on equal terms and conditions; Turkey should not give concessions from its national policies on the Cyprus issue, the problems in the Aegean Sea and should protect the unitary state structure which has begun to be discussed during the reform process (Polat, 2004). Contrary to the Teksif, the representative from the Tekstil-İs laid the stress on the need to further integrate on the social, cultural and political aspects with the EU with a particular emphasis on the rights of unionism, right to be organized and strike and collective bargaining. He further asserted that the Customs Union would become worthless unless accompanied with political and social dialogue (Interview with Tekstil-İs). Concerning the membership perspective, the interviewee from the Öz-İplik-İş underlined the support of his trade union with referring to the role of the EU in promoting freedoms and democracy and promoting change for the anti-democratic laws in Turkey. He further stressed that the reform process has been constructive for the textile sector as Turkey finds the means to communicate with the EU in raising their objections to the Chinese textile production, conducted through cheap labour and adverse conditions (Interview with Öz-İplik-İş).

Lastly, the interviewees were asked whether the trade unions can propose any alternative for Turkey then the EU membership perspective. The interviewee from the Teksif stressed that the Western orientation of Turkey traces back to Ataturk and that is why Turkey can hardly think of any alternative. Yet, it is not precise whether the EU would accept Turkey as a member or exclude Turkey from the process. Thus, the Teksif proposes to maintain the relations at the current stage as most of the foreign trade of Turkey has been conducted with the European countries (Interview with Teksif). The Tekstil-İs proposed to develop a political system that should respect human rights and internalize the contemporary accomplishment of humanity, as an alternative to the EU perspective (Interview with Tekstil-İs). The representative from the Öz-İplik-İş highlighted that alternative to Turkey's bid for membership, Turkey should develop a multi-dimensional foreign policy with further develop its economic ties with Russia, the West and the East including the Arabic countries (Interview with Öz-İplik-İş).

### **Agriculture: Labour and trade unions in an export-oriented policy setting**

The labour market in agriculture in Turkey has exhibited some particular characteristics in line with changes in the development agendas. In this section we shall try to outline and discuss these characteristics together with interview results we have conducted with Tarım-İş (Turkish Forestry-Soil-Water, Agriculture and Agricultural Workers' Trade Union---affiliated with Türk-İş), Tarım Orman-İş (Trade Union of Agriculture and Forestry), Öz Gıda-İş (The Real Trade Union for Tobacco, Beverages, Food and Allied Workers) and Öz Tarım-İş (The Real Trade Union for Agriculture---all affiliated to Hak-İş).

Looking at the overall picture of the sector since the ISI period, the agricultural labour has been shrinking in the labour statistics steadily since the establishment of the republic. Yet, it is still very large (today constituting one third of employment) compared to other industrialised countries. This facet of rural employment has played a major role in the ups and downs of the overall political vision. Indeed, most political parties had to please first the peasantry to be able to remain in power. This trend has started during the 1950s when peasantry was the majority and continued even in the 1980s as the rural labour constituted 50 percent of the population.

Secondly, even if agriculture's share in total employment has been steadily decreasing, the other sectors were not able to absorb the labour coming from rural areas thus it constituted one major source of unemployment problem in Turkey. The unemployment rates nowadays exhibit a high level, not mentioning the hidden unemployment rates in the countryside. It has generally been underlined that the figures do not reveal the real unemployment rates given the extensiveness of informal employment and self-employment (Auer and Popova, 2003: 11). Amongst the unions we have interviewed, Öz Tarım-ış representative acknowledges it is a sensitive issue but they cannot act like an employment agency.

Thirdly, regarding unionisation problems in agriculture, the rural labour is barely represented within trade unions whose majority are organised within state-owned enterprises producing processed food (such as Öz Gıda-ış and Gıda-ış that is affiliated to DISK) or seeds (for instance the Tarım-ış is organised in state-owned enterprises of Tigem in charge of delivering standardised seeds for farmers) or as in the example of forestry which are directly employed by the state (foresters are in charge of environmental protection of forests who are largely member of Orman-ış affiliated with Türk-ış and Tarım Orman-ış affiliated with Hak-ış).

Amongst the unions we have interviewed Tarım-ış has been fighting for the rural workers' working standards in the private lands for the sake of integrating rural workers within the labour law. However, one needs to acknowledge that it is a difficult task and there is much to be done to be able to talk about unionisation in rural areas. Indeed, the rural Turkey displays different forms which are not always detectable from a standard understanding of enterprise system based upon wage labour. For instance most of this labour is employed as unpaid workers in more than 3 million small and medium sized family farms. Also, in parallel with climatic/environmental factors, the seasonal employment is widespread in the countryside. Tarım-ış has also worked in standardisation issue of working conditions that this labour is exposed to. For instance, the cotton lands in the Mediterranean region mainly rely over seasonal labour whose conditions are usually told to be worse than share croppers' that work on the basis of output. Another characteristic of this market is that, farmers, who would

otherwise be underemployed or unemployed, take employment in small undertakings that search for unskilled work in which written contracts have been accepted as unnecessary and unfamiliar (Hale, 1976: 66-7).

On the other hand, once the agriculture is taken into consideration as an economic sector contributing to the general economic growth, the picture is not very positive either. Not only the productivity levels are lower than the other European Union member countries, but also considering the intersectoral productivity and income differences between agriculture and the rest of the economy, it is clear that most of the poorest people in the country earn their living in the agricultural sector today (Pamuk, 2006). The counter argument has also been relevant that agriculture absorbs unemployed workers that became redundant in other sectors mostly in industrial ones (Auer and Popova, 2003: 4). Thus, a large part of the current agricultural labour force consists of undereducated men and women for whom the urban sector offers limited opportunities.

Another important factor in agriculture's position compared to other sectors in the economy is that, the export-oriented industrialisation resulted with lowering terms of trade starting from 1980s which in turn worsened the economic conditions of rural livelihoods. Additionally, as a result of the privatisation programmes that governments have been pursuing in accordance with Stand-by agreements, several state-owned enterprises operating in food processing industry are either sold or about to be sold. As it comes to these programmes' effects over the unionisation in the country, all unions' representatives that we interviewed described this process as a growing obstacle for the organisation efforts of these unions. For instance, the Tarım-ış representative noted that in several factories of Tigem that are recently privatised, not only the new employer are threatening their employees against becoming affiliated with unions but also those that have already become members are increasingly shy in pursuing collective means for bargaining such as going to strikes. Accordingly, the most active period of the Tarım-ış in terms of going for strikes was during the period of 1990 and 1995 (following the financial crisis).

In the meantime, the sector poses some other issues in regard to Turkey-EU relations since the early times of the Customs Union. Not only the EU institutions consider the large Turkish rural economy as a problem for integration, but also according to the present conditions of the Customs Union industrial goods and processed products containing wheat, sugar and milk (such as chocolate, ice-cream, baby food, pasta etc.) are included in the quota exemptions. According to a recently published report (Çakmak and Eruygur, 2007), the EU membership will induce the Turkish state to adopt further liberalisation in the sectoral trade whilst if Turkish agricultural products are involved in the Customs Union the amount of trade on dollar basis with the EU will be diminished. On the same hand, the consumer prices will increase within the domestic market considerably, coupled with higher food

safety standards. The exports of agricultural products that were on average 2 billion 264 million dollars between 2002 and 2004 and are prospected to reach 3 billion 564 million dollars in 2015.

Concerning the trade policy agendas of Turkey, some of the unions interviewed stressed they do not have a particular view regarding this question. However, they all stressed that they are actively engaged in ameliorating the position of the labour they are representing. What these unions' stance regarding the Customs Union was also asked and as observed their vision in regard to these issues are differing from one to the other. Once Customs Union question is taken as a separate issue from the membership bid, the representatives of Öz Tarım-iş said it had challenged the organisation efforts of the trade unions. Accordingly, getting organised has become more difficult after the Customs Union because it brought the trade liberalisation process which has also caused further Foreign Direct Investment flows and raised the rate of private investment in the economy. However, the Öz Tarım-iş representative stressed that in line with their confederation, they support Turkey's membership bid. In the meantime, amongst other affiliates of Hak-iş we interviewed, Tarım Orman-iş and Öz Gıda-iş representatives claimed the Customs Union is a necessary pillar of the Turkish-EU relations, if the state is to pursue an integration policy. On the other hand, the Tarım-iş representative was more critical of the Customs Union as she stressed the trade deficit problem that Turkey has been encountering.

In regard to Turkey's prospects in joining the EU and things to be done in the sector of agriculture, Öz Tarım-iş representative pointed out that Turkey has still much to do for instance in terms of getting prepared for the Common Agricultural Policy. "We have developed a project of organic agriculture but it is not enough". Like other Hak-iş unions, Öz Tarım-iş is one of the unions that actively participate in policy making in Turkey through the 6<sup>th</sup> framework programme. Unlike Hak-iş unions, Türk-iş' Tarım-iş seem to not approve unions being engaged in the EU projects as they believe it would hamper union's bargaining position.

As a response to the EU membership question as a political project, Tarım-iş representative said certain issues that are raised by the EU authorities as a condition for accelerating the membership talks are unacceptable. She noted, even if Turkey joined one day the EU, the outcomes for the labour and the country in general will not be that happy. In other words, Tarım-iş representative noted that they are in line with Türk-iş' position in regard to membership prospects. On the other hand, Öz Tarım-iş, Tarım Orman-iş and Öz Gıda-iş representatives stressed that the membership project is a necessary process within which Turkey should pose its own needs, thus does not need to adopt all conditions.

Once the EU social model was asked, unions' representatives have also taken different stances. For instance, whilst Tarım-iş representative noted there is no fixed model of unionism to be adopted in all

countries, she stressed that depending over social and historical context, each country should develop its own structure. She noted the social model of relations in the EU could also be criticised from a stand view of labour interests. Indeed, accordingly, the employers and labour sit on the same side of the table against the state which in return could have negative repercussions over the bargaining power of the labour himself. On the other hand Öz Tarım-iş representative said the EU social model should be adopted in Turkey and there will be many benefits stemming from this approach, once this model is used in the neoliberal era. Öz Tarım-iş representative noted that in the Turkish context there exist the “Social Council” to fulfil a similar role between labour, employer and the government. However, accordingly, it is too institutionalised to be able to adopt a flexible and bottom-up approach. They accept that in the agriculture, the representation issue is even more problematic once the bottom-up approach is expected to be developed due to the fact that the enterprises are small-scaled it is hard to get organised. For instance, “it is not easy to get organised amongst tomato producers unlike tomato puree producers that could be organised within a factory”.

In regard to the effects of post-1980s policies in the economy, the representative of Tarım-iş said it resulted with de-politicisation amongst labour. Accordingly, for instance the labour in Tigem state enterprises has lost its courage to stand along the Tarım-iş following the strikes in the 1995 and following the anti-climate for letters of intend for the IMF backed stand-by agreements. Whereas Hak-iş’s Tarım Orman-İş and Öz Gıda-iş representatives suggested seeing the “liberating” side of developments such as emergence of sub-contracting, flexible labour market etc. They claim unions have an active role to play in that respect, such as in the example of Kardemir (steel company) privatisation that was sold to Hak-iş who currently employs 7000 people. Accordingly, “such an occasion would not emerge if neoliberal policies were not pursued by the state.” Indeed, they said “hak-iş does not claim that the markets should totally be deregulated and flexible without any rules, only new rules should be formed.” In other words, these unions does not see any problem in getting engaged in newly emerging gaps formed because the state is retiring from its business it used to fulfil during the ISI period. On the other side of the coin we observe unions willing to undertake the capital’s role which in turn leads us to question what kind of social dialogue they are pursuing as a political vision.

### **Conclusion-Trade unions: critical and/but fragmented?**

This research analysed the opinion of trade unions on textile and agriculture sectors about development with a particular emphasis on how the EU membership has been conceived by the labour. On the basis of the findings of this research, we argue that albeit facing similar problems on sectoral basis, the trade unions interviewed can hardly develop a common stance as their positions and strategies have remained to be in line with general positions of the upper confederations. Thus, confederations' political stand seems to be strong enough at the last instance on these unions' political views concerning for instance the question of the EU membership and effects of the Customs Union over labour market organisations. It is notable that the trade unions have developed a critical stance vis-à-vis globalisation and the export-promoted industrialisation. More importantly, most of the trade unions have perceived the Customs Union as a project that further liberalised the economy with negative repercussions for the labour. Thus, they conceived the Customs Union within the context of globalisation rather than from a development perspective. Whilst some of the trade unions openly criticised the repercussions of the Customs Union for worsening the industrial development and the labour market within the context of globalisation, others referred indirectly to globalisation when asked about the Customs Union.

Indeed, the question of trade unions and their political stand in development projects pursued by states is a tricky question for several reasons. During the ISI period of 1960s and 1970s, the labour was integrated to the economic policies in parallel with the Keynesian-inspired welfare demand management structure, where the labour was attributed a consumption role within the protected domestic economy. The export-oriented industrialisation policies adopted in the post-1980 period have construed labour as a production cost, playing a major role in the competitiveness of the industry. Hitherto, the position of labour as a social force and political actor has been eroded within the context of the new neo-liberal orthodoxy by de-politicisation, de-mobilisation and de-unionisation. Moreover, the trajectory of unionism has been accused of “making wage unionism” (Koç, 1998) or “being imprisoned into a narrow economic approach” (Çelebi, 2004) as if economics and politics are two separate entities. The trade unions have also been adversely affected from flexible labour markets and privatization that have not only decreased unionisation but also accelerated the problems of subcontracting and informal work. In relationship to this fact, the country's EU bid is found by some as an indirect means to deal with certain issues whilst others have adopted a thoroughly critical position against changes in policies.

In addition to the problems generated by the neo-liberal policies for the labour market such as deregulation, de-representation and de-unionisation, the highly fragmented structure of unionism in Turkey, defined as “union inflation” further complicates the picture. Whereas all trade unions have been sceptical about the neo-liberal policies, globalisation, deregulation and privatisation, they could

not develop a unified stance against their problems, the EU membership perspective or the European Social Model.

Regarding the membership perspective, the findings of this research illuminate that there are two orientations among the trade unions confederations. The first group including the Hak-İş and the Disk has perceived Turkey's bid for membership as a "democratisation project". In substantiating that argument, the European Social Model has been construed as an "ideal and alternative model" that will enhance unionist rights and freedoms and working standards. This group substantiates their argument with referring to the decreased welfare expenditures and erosion of nation state through globalisation. Within this group, the reference points have been democracy, human rights and the reform process rather than the "Capital Europe".

The other perspective, represented by the Türk-İş, has criticised the EU policy as a detaining strategy embedded in the imperialist strategies of the international capital. From such a perspective, neither the EU has intended to take Turkey as a member, nor can democratization be consolidated through the reform process. This group is also highly critical about the European Social Model that has been attained through the consent of the European trade unions to the imperialist projects of European capital for sharing the surplus value added through imperialism and exploitation. Moreover, the European integration has been devised as "Capital Europe" in parallel with the interests of the European capital. Thus, the reference points of the Türk-İş have been national security and national sovereignty and it has been concerned with a probable dismemberment of Turkey during to the EU reform process. For this group, Turkey should consolidate its democracy and develop its economy through a democratically planned economy and national independence.

Within the context of this fragmented position/strategy of the confederations, the trade unions in the textile sector can hardly develop a united front on development and the membership perspective although they face with similar problems. The Teksif-affiliate of the Türk-İş is critical of the export-promoted industrialization due to lack of investments to the industry and unemployment. Similarly, for the Tekstil-İş-Disk affiliate, globalisation has triggered informal employment and low wages for the sake of competitiveness. Quite contrarily, albeit the criticisms to the industrial policy of the state, the Öz-İplik-İş-Hak-İş affiliate has acknowledged the value of trade-marking.

Regarding the Customs Union, whilst the Tekstil-İş-Disk affiliate reads the Customs Union as formulated in the benefit of capital and Öz-İplik-İş-affiliated with Hak-İş has openly opposed the completion of the Customs Union from the start. The researchers also asked the opinion of interviewees for the European Social Model. The Teksif underlined its support to the model with an emphasis on the social aspects of globalisation, whereas the Öz-İplik-İş stressed that the industrial

relations of Turkey have been different from the European one. Rather than adapting the European Social Model, Turkey should develop a synthesis between the former Ottoman trade unionism-the Ahi system and European Social Model. About the membership perspective, the Teksif-Türk-İş affiliate underlines that the EU has put additional conditions on Turkish membership with emphasizing national and political concerns about the reform process and adding that they favour membership on “equal terms and conditions”. The Teksif conceives the EU as an economic integration model without political reference points. Contrarily, the Tekstil-İş-Disk affiliate referred to the need to further integrate with the EU on political, social and cultural aspects, an argument in line with the Disk perception of the EU as a “democratization project”. Similarly, the Öz-İplik-İş-affiliated with the Hak-İş also emphasized the political aspects and its support for the reform process for the sake of democratization that has been triggered through the membership perspective.

Concerning the trade unions on agricultural sector, it is possible to detach a similar trend of fragmentation. Although the trade unions organized in the agriculture sector also face similar concerns about unemployment, unionization and standardisation problems, rural workers’ working standards, lowering terms of trade that have been accelerated starting from 1980s export-oriented industrialisation, open economy led through the IMF-backed stand-by programmes together with the privatisation. Yet, it can hardly be argued that they develop a common stance regarding liberalisation, the Customs Union, Turkey’s EU bid or the European Social Model.

Regarding the Customs Union, the trade unions organized at the agricultural sector possessed different positions. Whilst the trade unions affiliated with the Hak-İş supported the Customs Union as an important step in Turkey’s EU bid, the Tarım-İş, the Türk-İş affiliate, emphasized the trade deficits of Turkey accelerated with the completion of the Customs Union. Similarly, about the membership of Turkey, the unions affiliated with Hak-İş underlined the need to further reform the agriculture sector to fulfil the requirements of Common Agricultural Policy, the Tarım-İş, affiliated with Türk-İş is even sceptic about the joint projects developed with the EU as restricting the bargaining power of Turkey. As far as the membership perspective is concerned, the Tarım-İş possessed a more critical stance in line with the Türk-İş, contrary to the supportive position of the unions affiliated with the Hak-İş. Likewise, the Tarım-İş is more sceptical about whether the European Social Model has paid due attention to the interests of labour, whilst the unions affiliated with the Hak-İş underpinned the positive role of the Model to handle the negative repercussions of the neo-liberal era. Similarly, the unions in the agriculture sector, affiliated with the Hak-İş underlined that liberalisation can hardly be denied and unions have a role to play in this respect.

Hence, the trade unions can hardly develop a common stance and jointly defend their concerns about development, unemployment, de-unionization, subcontracting and informal work and the negative

repercussions of deregulation, privatisation and further liberalisation as long as they remained fragmented on the basis of the political positions and discourses of their upper confederations. Yet, the concerns of the trade unions should be adequately discussed in the membership process as not only the textile and agriculture have remained to be two crucial sectors for industrialisation and employment but also for the sake of democracy to be literally consolidated.

### **Trade Union Leaders Interviewed in May-July 2007**

Mete Bayındır, Teksif Press Consultant.

Muharrem Kılıç, Tekstil-İs General Secretary and Head of the Department of International Relations.

Murat İnanç, General Secretary of the Öz-İplik-İş.

Osman Yıldız, Advisor to the General Secretary of the Hak-İş

Settar Aslan, the General Secretary of the Tarım Orman-İş and the former General Secretary of the Öz Gıda-İş

Erdem Dokur, Industrial Relations Expert of the Öz Tarım-İş

Canan Koç, International Relations Expert of the Tarım-İş

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<sup>i</sup> During the Ottoman period, trade and artisans’ associations, guilds and unions were established mostly in construction, mining and public sectors. Yet, during the Ottoman years, most of the workers employed in the industrial sectors had composed of non-Muslim population. For instance, in 1914, the Ottoman population was 18,5 million with 15 million Muslims. Yet, the number of workers was 14,1 thousand, and just the 15% workers were Muslims. Besides, the wage-earner Turkish population was mostly working in the civil service and preferred to distinguish themselves from workers. For the development of trade unionism during the Ottoman years, please see Ahmad, Feroz (1995), “The Development of Class-Consciousness in Republican Turkey, 1923-45”, in Quataert, Donald and Zurcher, Erik Jan (eds.), *Workers and the Working Class in the Ottoman Empire and the Turkish Republic 1839-1950*, (London: I.B. Tauris); Quataert, Donald (1996), “The Social History of Labour in the Ottoman Empire: 1800-1914”, in Goldberg, Ellis Jay, *The Social History of Labour in the Middle East*, (Boulder: Westview). and Koç, Yıldırım (1998), *Sendikacılık Tarihi [The History of Trade Unionism]*, Türk-İş Eğitim Yayınları, No. 1, Ankara.

<sup>ii</sup> Scholars refer to varying reasons for the incapability of the emergence of a working class movement under the single-party regime. Koç contends that after the war, the number of workers declined due to the losses in the war and as the organized non-Muslim workers (Armenian and Greek workers) left the country. Ahmad argues that as the industrial base was underdeveloped, the state filled the vacuum in the economy through etatist policies which in return renders the development of organized labour movement more difficult as the workers had to organize against the “state”. The scholars also refer to the discontent of Kemalists to tolerate any ideological alternative, either right or left, that would challenge the major rhetoric of populism. For instance, according to Günseli and Bilginsoy, under the single party-rule, the Republic emphasized the harmony of interests of all citizens regardless of class, ethnicity or religion. In parallel with that Sakallıoğlu emphasizes that among the six principles of the RPP, the populism and etatism not only provided the ideological basis to settle the conflict potential between capital and labour but also limited the development of labour and capital organizations and interest-group politics based on class. Please see Koç, Yıldırım (1998), *Sendikacılık Tarihi [The History of Trade Unionism]*, Türk-İş Eğitim Yayınları, No. 1, Ankara.; Ahmad, Feroz (1995), “The Development of Class-Consciousness in Republican Turkey, 1923-45”, in Quataert, Donald and Zurcher, Erik Jan (eds.), *Workers and the Working Class in the Ottoman Empire and the Turkish Republic 1839-1950*, (London: I.B. Tauris).; Berik, Günseli and Bilginsoy, Cihan (1996), “The Labour Movement in Turkey: Labour Pains, Maturity and Metamorphosis”, in Goldberg, Ellis Jay, *The Social History of Labour in the Middle East*, (Boulder: Westview).; Sakallıoğlu, Umit Cizre (1992), “Labour and State in Turkey: 1960-80”, *Middle Eastern Studies*, Vol. 28, No. 4.

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<sup>iii</sup> Both the internal and the structural developments were inductive for such a shift on the part of the RPP Government. In internal politics, the social forces of small-private sector industrialists, that benefited from the RPP's capitalist-oriented etatism in the last three decades on the one hand and the larger farmers and the small-town merchants that took the advantage of the black market operations during the Second World War began to ask for a more liberal programme. Moreover, with the introduction of the competitive party system, the political weight of the working class had increased. At the structural level, Turkey attempted to take a part in the Western camp, to not only get credits from the newly founded international organizations under the US hegemony, but also for security reasons.

<sup>iv</sup> The 1982 Constitution, the Unions Act of 2821 and the Collective Labour Agreements, Strikes and Lockouts Act of numbered 2822 considerably curbed the trade union rights through not only restricting the establishment of new trade unions but also constraining the right to strike and easing the close of trade unions. The Law re-administer the right to collective bargaining and obliged the trade unions to represent 10% of all workers in that particular branch and 51% of workers in that particular workplace for collective bargaining. It also made joining a trade union more cumbersome and bureaucratic through bringing the certification from notary with five copies as obligatory. The Law did not bring any protection for the workers' dismissal due to membership to a trade union. For a more detailed analysis, please see Margulies, Ronnie and Yildizoglu, Ergin (1984), *Trade Unions and Turkey's Working Class*, *MERIP Reports*, No. 121, pp. 15-20+31.

<sup>v</sup> According to Koç, the above-party politics shall not be read as a rupture from politics since the TÜRK-İŞ aimed to take the advantage of economic growth in favor of the working class through keeping all political parties at arm's length and supporting particular unionists to be elected to the Parliament. Similarly, according to Hale, it can hardly be argued that the TÜRK-İŞ was apolitical as it developed tactics to materialize political objectives such as promoting elections of unionists to the Parliament, pressuring political parties and government authorities for political ends through negotiations and punishing deputies through individual propaganda and impeding their re-election to the Parliament. (Koç, 1998; Hale, 1976; Margulies and Yildizoglu, 1984).

<sup>vi</sup> The TÜRK-İŞ emphasizes the probable difficulties of Customs Union prior to membership. Firstly, Turkey would be bound up with the decisions of the EU regarding the Customs Union without participating to the decision-making mechanisms. On the one hand, Turkey would align to the foreign trade regime of the EU towards the third countries and the Common External Tariff that would in return not only make Turkey dependent to the EU on foreign trade but also oblige Turkey to the agreements that give concessions to the developing country, as if Turkey has been a developed country giving trade concessions to the developing world. On the other hand, the export incentives would be either suspended or decreased to the EU level that would in return decrease exports, accelerate the foreign trade deficits and thus foreign borrowing. Secondly, the Turkish industry would become vulnerable to the competitive European firms and be open to the world market. Thus, the uncompetitive sectors, especially the weak and vulnerable small and medium sized enterprises would be shut down that would in return trigger unemployment, decrease national income and weaken the trade unions. Adversely, as Turkey is not an EU member, it would be isolated from the special EU funds to support the small and medium sized enterprises. Thus, opening the Turkish market to pure competition through the Customs Union would adversely affect employment. It would not only trigger subcontract and flexible work but also create new social problems that would in return provoke marginal groups and societal struggle. Thirdly, Turkey would lose an important item on its public revenue with the elimination of customs tariffs. Thus, Turkey, that already compensates the losses of its public revenue through the unequally distributed direct consumer taxes, would increase the tax burden on the part of the wage-earners and consumers and thus the Customs Union would worsen the income disparities. The TÜRK-İŞ also underlines that the EU has not fulfilled its obligations on financial assistance and free movement of Turkish workers. For a more detailed analysis, please see TÜRK-İŞ (1996), "Türkiye-Avrupa Birliği İlişkileri ve Gümrük Birliği", TÜRK-İŞ Araştırma Merkezi, Ankara.

<sup>vii</sup> Firstly, it has been underlined that the EU elucidates Turkey in Cyprus as "occupier" and that the EU policy towards the membership of the Greek Cyprus has constituted an infringement of international law. Secondly, the European Parliament asks Turkey to accept the alleged Armenian genocide and interprets the rejection as an obstacle against membership. Thirdly, the EU policy towards the minorities in Turkey has constituted ethnic separatism as not only the EU demands of local administration reform in the name of further democratization aims to give administrative autonomy to divide the country, but also the European Parliament even named the Southern Anatolia as "Kurdistan". Fourthly, the EU backs the Greek side regarding the problems in the Aegean Sea and threatens Turkey through underlining that the borders of Greece constitute the boundaries of the EU as well. Fifthly, the EU demands Turkey to declare the Patriarchate as ecumenical and to open the Clergy School in Heybeliada that was the war academy of the Greek expansionism. Finally, the EU underpins the implementation of the IMF policies in Turkey.