

Trouble in paradise: A cautionary tale for big capital in Turkey

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Turkey's ex-Prime Minister, new President Erdogan has been talking about their dreams of turning Turkey into "China of Europe" for long time. Last April, when Economy Minister, Zafer Çağlayan met with foreign investors in London, there he declared with proud that "Labour cost in Turkey is even lower than China" A similar declaration has come from head of Berlin Chamber of Commerce, Eric Schweitzer, long before the Minister Çağlayan. In a meeting with Turkish business community in 2010, Eric Schweitzer told that "Export of Turkey to Germany tripled in last 20 years and Turkey can be China of Europe." these are not just some words said to satisfy the audience.

Industry in Turkey is growing steadily, even in the times, while rest of the Europe was fighting with the outcomes of the economical crisis and its false medicines such as austerity policies. Especially in the manufacturing sectors, it is quite easy to see a shift of investment towards Turkey from Europe. Today, Turkey is the worlds 8th biggest steel producer, in 2011 and 2012, it was the fastest growing one among the first 10 steel producer countries in the world. Almost every major automotive producer has a production plant in Turkey and they are partially shifting production from all over Europe to Turkey. Between 2009-2014, the employment in auto assembly in Turkey, grewed 3,5 times. In first 7 months of 2014, Renault, Hyundai, Toyota plants in Turkey exported 80 percent of their production, Ford exported 75 percent, MAN 85 percent. The biggest export market for these products is still European market eventough there is a declining demand because of the crisis. FIAT which closes production units in Italy, has just declared that they will export 175 000 FIAT Doblo cars from Turkey just to United States until 2021. It is possible to give many more examples like this.

But this profitable business enviroment for capitalists comes with a price for workers. Minimum wage in Turkey is around 330 Euros and minimum wage is not an exception in Turkey, it is quite common even for the skilled workers. According to a recent research, more than 5 million people works with minimum wage. Turkey has the highest death rate in workplace accidents in whole Europe and has the third place in the entire world. According to official statistics, every year more than 1000 people die at work, this is just the official number, many workers are working unregistered so there is no way to know the real number. A civil society organization's research names 1 886 workers who died in workplace accidents only in 2014. And in last few years, as a new phenomenon, "subcontracting" is over-expanding as a new form of precarious work to employ workers with less rights in a same factory. In one factory you can find 5-6 different companies which employs the workers who are doing exactly same job but with different work-conditions.

But this, unsecure, unorganized "cheap labour paradise" of big capital is not enough for them, Government published a document called "National Employment Strategy", in this document it is said that, "the labour costs other than salaries is too high in Turkey, in order to increase employment, the "burdens of the employers" has to be reviewed and new regulations has to be carried out" And some of these new regulations are also explained with details in this document, there are several new laws which are waiting to be enacted, these regulations are; introduction of a regional minimum wage (which means less minimum wage for some regions of the country), severance package fund (which cuts severance package to half) and temporary work agencies

together with all other flexibility measures.

In general, vast majority of the workforce is unorganized, the coverage of the collective bargaining is around 5 percent. This is the lowest unionisation ratio among OECD countries. And majority of these unions are practically “yellow unions” which were not chosen by the unions but assigned to them somehow.

From time to time, there are some uprisings against this “yellow unionism” system. After huge Soma mine massacre where 301 mine workers lost their lives last year, the so-called union which is “organized” in that mine, couldn’t even be able to enter the region for a while because of the reactions of the families of workers. In an interview given by one of the workers from the Soma mine to Al Jazeera, worker tells that “we didn’t choose this union, employer choose it, now employer is in the prison because of the deaths, so the union should be there too”

In 2012, during the collective bargaining negotiations, in order to protest the union which they were forced to join, 1500 Renault workers in one shift stopped production and didn’t left the factory. In order to prevent these workers to meet with other workers in the next shift, Renault management cancelled the next shift. And the other day, they dismissed 35 workers in order to stop workplace actions. Yellow unionism is much wider in the metal sector. According to official statistics there are 1 400 000 workers in metal sector of Turkey, 170 000 of them are members of Turk Metal which was built and strengthen during the years of military junta in Turkey in 1980s. As a short example, in 1978, this union had 12 000 members and Maden İş (DISK affiliate) had around 200 000 members. In 1983, just after the military coup, this Turk Metal union had 130 000 members and Maden İş was closed, all of their members including the workplaces like Renault, Bosch etc. taken from its hands and by force given to Turk Metal.

In this background, 2014-2016/2017 group collective bargaining negotiations started in metal sector. Unlike many countries, Turkey has only one level of collective bargaining which is the company level, so country or sectoral level collective bargaining doesn’t exist. Group collective bargaining is negotiations of collective bargaining agreement for a series of companies where that union and Metal Employers’ Organization is organized. So for different workplaces, all 3 unions separately negotiate with Metal Employers’ Union. This collective bargaining agreement covers around 120 000 workers in metal sector, this is a small portion of total workforce, only 8,5 percent of the metalworkers in the country. And around 100 000 of these workers are “represented” by Türk Metal and a minority around 12 000 workers by Birlesik Metal İş. That’s why the main force in this so called “group collective bargaining process” is always the biggest yellow union in the country and every year Birlesik Metal Is organizes demonstrations, actions etc during the process in order to effect the agreement which will be signed by other unions. Because in the end, the same agreement will be imposed on them, the metal employers’ association would never sign a different agreement for 12 000 workers when they already signed the agreement for another 100 000 workers.

Everybody was expecting that the collective bargaining process will go on in the same way this year too. First unions gave their proposal for the demands, Birlesik Metal Is demanded an adjustment on the wages of the younger workers, because in general, there is a huge gap between the wages of older workers and young workers in most of the unionized metal workplaces in Turkey. In some cases, a younger worker who does the same job with their older colleague, gets almost half of their salary and since the metal employers’ union always wants to introduce payraises as percentage, this widens the gap, instead of payraises with percentages Birlesik Metal Is demanded different pay rise for different wage groups. There were also some political demands which are not normally part of collective bargaining agreements in Turkey, like lowering the working hours from 48 to 37,5 in a week, and demand for employers to pay the taxes of workers caused by wage increases. For these last two demands, main intention was just to start a public discussion rather than having them

through a collective bargaining agreement.

And during the negotiations, Metal Employers' Union put forward their set of demands; they wanted to introduce further flexibility measures, change the duration of collective bargaining agreement from 2 years to 3 years and no adjustment for low-waged workers. After a few meetings, the biggest union and another very small union signed the collective bargaining agreement as it was proposed by MESS with some minor changes. Employers' took back their demands for further flexibility but insisted on having duration of the collective bargaining agreement as 3 years instead of 2 years which was the usual code of conduct until that time. In order to sell 3 years, they gave a bit better payrise for first 6 months, 9,78 percent which can be considered good for older workers but for low-waged young workers which represents almost 60-70 percent of total workforce in workplaces, this sort of a payrise without any real adjustment doesn't have any meaning.

Türk Metal suddenly signed the agreement and their membership wasn't fully aware of the duration or other details of the agreement, they just announced the payrise for the first 6 months. Afterwards, they tried to avoid any discussion related to collective bargaining agreement. But this agreement draft, created a huge discontent among the Birlesik Metal Is membership, the main objection for most of the workers was the duration of the agreement. Turkey has high inflation rates and rather unstable macroeconomic situation, for majority of the workers, 3 years is too long to predict. Also in every collective bargaining agreement, it is possible to get some adjustment plus the inflation rate, in case of a 3 year agreement it will mean that in every two agreement, workers will loose one agreement which also means loss of some extra adjustments to salary too. Eventough the most visible discontent was seen as the duration of the agreement, the real reason for most of the workers' discontent was that there is no real improvement for the low-waged workers. In the majority of the manufacturing industry in Turkey but especially in the metal sector, there is a huge pay gap between younger workers and older workers. In some cases, a worker who started after 2005 might get almost half of a worker who started before 2000s. This situation creates huge tension for the younger workers. Their wages are so low, they cannot see a future for themselves. Since they cannot live with these wages it doesn't matter too much for them if they loose their jobs neither. They don't have nothing to fear and nothing to loose. This makes them the most militant section of the class. This generation of the workers represents almost 60 percent of the workforce. This might be even more for the Turk Metal's membership which is organized in bigger factories that also has more workforce turnover. So this new generation of workers, would never accept an agreement without any plans to narrow this wage gap. Eventough it wasnot the plan of the union leadership, the base of the union put so much pressure on the organization during the assemblies, Birleşik Metal İş leadership forced to take a strike decision in this collective bargaining period.

But a strike in collective bargaining negotiations with Metal Employers' Association (MESS) is quite different than the strike in a company level. Because since MESS won't sign any different agreement with the union, in that case companies has to resign from their affiliation to MESS and sign individual collective bargaining agreements with the union. This causes another problem, for some big workplaces it might be easier to end their affiliation to metal employers association but smaller ones wouldn't want to do so and in that case for the next collective bargaining round, those workplaces will be left alone and union will have much less influence.

The strike started with a quite success on 29th of January covering 15 000 workers in around 50 factories in all over the country. Even in the first day of the strike, the biggest companies started to resign from their affiliation to Metal Employers' Union and signed bilateral agreements with the union, these companies include multinationals like Alstom, Schneider, Bekaert etc. Then in the second day, Government intervned and Ministerial Cabinet published a Governmental Decree and banned the strike on the base of "national security". Just after the Government Decree, employers declared two days holiday for all the workforce in order to calm down their anger. But this was not

enough to calm down their employees and eventough workers forced to go back to their workplaces, they didn't do any production inside their workplaces. This also ended with extra protocols with these employers plus to Metal Employers' Union's agreement.

But for the majority of the sector, which are workplaces organized by Turk Metal, this low wage problem hasn't been addressed and that anger was waiting there to explode. And in the end of April, Renault workers started to demonstrate in the end and start of each shift. Shortly after these demonstrations started in almost in every automotive workplace in the Bursa region. The main explotion point of these demonstrations was that, Turk Metal signed a better collective bargaining agreement in Robert Bosch company and they signed a much worse one for their workplaces. Bosch contract was better because Bosch workers changed their union 3 years ago and they resigned from this yellow union, Türk Metal and joined another union but afterwards they were forced to go back to Turk Metal by employer after some dismissals and pressures in the workplace. So in order to prevent any discontent and any possible union change again, company and Türk Metal union signed a much better contract there. But what they didn't calculate was that this created much bigger discontent in other workplaces.

On 18th of April, workers started their demonstrations in the end of their shift by chanting "we don't want a union for sale". And after that, in the end and start of every shift they organized demonstrations against Türk Metal union. While these demonstrations are going on with participation of more than half of the workforce, once when workers met with local union president , they told him "you sold us" and he replied "if I sold you, that means I am a good pimp" There are a few points where these demonstrations changed their nature. These comments of local union president is one of these points. After that conversation, entire workforce started to join demonstration. Renault Bursa employs around 4800 blue collar workers, since it is a huge factory, most of the workers doesn't even know each other and there is no proper communication channel between the workers in different departments. That's how internet , especially facebook played a strong role in organizing of these demonstrations. And again with usage of facebook, other workers in Bursa region also organized demonstrations in their workplaces. And Renault workers decided to meet in front of the mosque of industrial zone on 5th of May in order to resign from Türk Metal collectively. There comes the second turning point of the demonstrations, Türk Metal thugs attacked workers when they met to resign from union. One worker was hospitalized, after this attack Renault worker's determination get stronger and workers in other Turk Metal organized workplaces started to have bigger anger against this organization. Workers from Tofaş which is the FIAT subsidiary in Turkey, organized a massive demonstration during their shift against their Türk Metal shop-steward who went in front of Renault to beat up Renault workers. During the demosntration workers were chanting "come here and beat us up too". Shop-stewards of this yellow union, wasn't able to enter the plants since those days.

But these demonstrations were disturbing employers more and more and they were thinking of measures to stop these actions. At first, they tried to threaten workers and in Renault company management they distributed a letter to workforce, telling that "their demonstrations are disturbing work-peace and constuting a crime and they will be dismissed if they go on these actions" These threats caused some worries among the Renault workers, especially since these workers knew that 30 workers were dismissed in 2012 just because they protested against this yellow union. They were all feared from dismissal and after that they started to discuss this issue between each other. And they decided if someone's card won't work when they enter the shift then all the workforce leave the plant and they will wait in the factory yard. For several days, workers were waiting in front of the factory until last service bus arrives and they were going inside the plant all together. Finally, on the 6th of May night shift, when the workers from 24.00-08.00 shift arrived, cards of some workers didn't work and after that entire shift left the plant and the workers from other shifts and from neighboring

factories who are ending their shifts started to come in front of Renault and they all waited in the factory yard. Around 04.00 am, company management made a declaration to around 2 000 workers, telling that dismissed workers will be reinstated, everybody is free to join or not to join any union they want and there won't be any dismissal because of unionisation and they asked for 15 days to give a promise about the payrise issue. After this declaration, all the workers turned back to production but this showed them how strong they are and they can act jointly and give them more self-confidence and courage.

In the mean time, demonstration continued almost in every factory organized by Türk Metal in Bursa region and workers massively resigned from this yellow union. On 13th of May, Renault management declared all the workforce that, on 14th of May before every shift General Manager will organize a meeting with the workers and every shift asked to arrive earlier for this meeting. First workers from 08.00-16.00 shift joined the meeting and General Manager of the company told workers, "There will be no payraises and if there will be another work-stoppage workers will be dismissed" Workers protested this and turned back to their jobs. When workers from 16.00-24.00 Shift arrived to factory, they didn't join the meeting and in the end of their shift at 00.00 when the next shift arrived, they didn't leave the plant and the next shift didn't go inside. Since then, workers from 16.00-24.00 shift are still inside the plant and there are no production going on.

In the next day, workers from Tofaş (FIAT) joined them and they also stopped production by not leaving the plant. Afterwards, workers from other workplaces like, Mako Magnetti Marelli, Johnson Controls, Coşkunöz joined them which are suppliers for auto industry in Bursa. In a week, these wildcat strikes against the yellow union and for extra payraises started in automotive factories in other cities too. Ford and Türk Traktör (Case New Holland) joined them too.

These demonstrations and strikes, are all spontaneously developed and there is a very weak communication between the workers from different factories, they mainly communicate through their facebook postings. This creates too much confusion and space for manipulation by the employers. Renault workers are probably the best organized ones among all these workers, in each UET (small production units in Renault language, consists of around 20 workers more or less) there is one representative and then there are departments which consists of UETs, in each department there is one spokesperson for each shift, there are 3 shifts so there are 3 spokesperson in each department but among these 3 there is one department spokesperson. There are 8 departments so there are 8 representatives/spokesperson. After a while company forced to accept these representatives and they started to negotiate with them. Governor of Bursa met with these representatives and company gave them some offers several times. Each time these representatives, went back to their plant and explained the offer and asked workers whether they accept this or not. In the meantime, threats for dismissal and arrest has been used too. Renault and Tofaş management applied to prosecutors office for criminal charges against these workers and department spokespersons were taken to prosecutor's office for their testimonies. Even under this pressure, until now, workers haven't gave into these threats. Because of work-stoppage in Renault Bursa, Renault factories in Flins and Le Mans, Dacia Romania and probably Spain will be effected and they would stop too. This situation puts Renault management in a difficult position, right now they cannot produce any Renault Clio 4 which is one of the best selling models of the company. That's why Renault management, is ready to give whatever the workers want but Metal Employers' Association wouldn't let them to do so because in that case they have to change the collective bargaining agreement in all workplaces.

Similar kind of actions previously happened in 1998 against state sponsored fascist yellow union Türk Metal at that time company managements managed to contain the situation with some false promises to workers and mass dismissals afterwards. This time, workers seem to learn a lot from their past experiences, at first they didn't let company to dismiss any of their colleagues and also

they managed to built a strong wildcat strikes and factory occupations movement around the country.

Of course, companies on the one hand try to make sure that their production goes on and also on the other hand would look for ways to contain this situation and restore the previous established order in the metal industry. They would know that they have to find a middle ground with their workers right now but in the middle term they would also try to repress workers again through dismissals of leaders of this movement, trying to bring back Türk Metal or to built another yellow union. But there is also one more thing which is clear, after this point, whatever the outcome will be from these demonstrations, it is clear that new young futureless metal workers generation are taking the stage now and their successfull experience would make sure that nothing will be the same again.

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