

LABOUR MARKETS, LABOUR RELATIONS AND THE STATE:
A COMPARATIVE – HISTORICAL ANALYSIS OF ARGENTINA AND TURKEY,
2001-2015

A THESIS SUBMITTED TO
THE GRADUATE SCHOOL OF SOCIAL SCIENCES
OF
MIDDLE EAST TECHNICAL UNIVERSITY

BY

SÜMERCAN BOZKURT-GÜNGEN

IN PARTIAL FULFILLMENT OF THE REQUIREMENTS
FOR
THE DEGREE OF DOCTOR OF PHILOSOPHY
IN
THE DEPARTMENT OF POLITICAL SCIENCE AND PUBLIC ADMINISTRATION

NOVEMBER 2017

Approval of the Graduate School of Social Sciences

Prof. Dr. Tlin Genoz
Director

I certify that this thesis satisfies all the requirements as a thesis for the degree of Doctor of Philosophy.

Prof. Dr. AyŖe Ayata
Head of Department

This is to certify that we have read this thesis and that in our opinion it is fully adequate, in scope and quality, as a thesis for the degree of Doctor of Philosophy.

Assoc. Prof. Dr. Galip Yalman
Supervisor

Examining Committee Members

Prof. Dr. Fikret Ŗenses (METU, ECON)

Assoc. Prof. Dr. Galip Yalman (METU, ADM)

Prof. Dr. A. Erin Yeldan (Bilkent Uni., ECON)

Assoc. Prof. Dr. Aylin Topal (METU, ADM)

Assoc. Prof. Dr. Aziz elik (Kocaeli Uni., EKO)

I hereby declare that all information in this document has been obtained and presented in accordance with academic rules and ethical conduct. I also declare that, as required by these rules and conduct, I have fully cited and referenced all material and results that are not original to this work.

Name, Last name : Sümercan Bozkurt-Güngen

Signature :

ABSTRACT

LABOUR MARKETS, LABOUR RELATIONS AND THE STATE: A COMPARATIVE – HISTORICAL ANALYSIS OF ARGENTINA AND TURKEY, 2001-2015

Bozkurt-Güngen, Sümercan

Ph.D., Department of Political Science and Public Administration

Supervisor: Assoc. Prof. Dr. Galip Yalman

November 2017, 285 pages

Argentina and Turkey witnessed in 2001 the most devastating economic crises in their recent histories. The post-crisis restructuring processes in these two countries implied important differences in terms of labour policy agendas in particular and development strategies in general. This thesis provides a historically-grounded, comparative analysis of the two post-crisis trajectories from a labour-centred perspective. It critically evaluates various perspectives in labour studies and puts forward an alternative conceptual and analytical framework for the analysis of labour policies in contemporary capitalist societies. It also locates labour policy configurations in Argentina and Turkey between 2001 and 2015 within broader political economic contexts through engaging in dialogue with two ongoing debates, on ‘neo-developmentalism’ and ‘authoritarian neoliberalism’. The study thereby seeks to contribute to the attempts for understanding the variations, transformations and limits of neoliberal labour policy agendas.

Keywords: Labour Policies, Neo-developmentalism, Authoritarian Neoliberalism, Argentina, Turkey

ÖZ

EMEK PİYASALARI, EMEK İLİŞKİLERİ VE DEVLET: ARJANTİN VE TÜRKİYE ÜZERİNE KARŞILAŞTIRMALI-TARİHSEL BİR ÇÖZÜMLEME, 2001- 2015

Bozkurt-Güngen, Sümercan

Doktora, Siyaset Bilimi ve Kamu Yönetimi Bölümü

Tez Yöneticisi: Doç. Dr. Galip Yalman

Kasım 2017, 285 sayfa

Arjantin ve Türkiye 2001 yılında yakın tarihlerinin en yıkıcı krizlerini yaşadılar. Bu iki ülkede kriz sonrası yeniden yapılanma süreçleri, bilhassa emek siyaseti gündemleri, genel olarak da kalkınma stratejileri açısından önemli farklılıklar gösterdi. Bu tez, kriz sonrası iki izleğin tarihsel olarak temellendirilmiş, karşılaştırmalı bir çözümlemesini emek merkezli bir perspektiften sunmaktadır. Emek çalışmalarındaki çeşitli perspektifleri eleştirel bir şekilde değerlendirmekte ve çağdaş kapitalist toplumlarda emek politikalarının çözümlemesi için alternatif bir kavramsal ve analitik çerçeve ileri sürmektedir. Aynı zamanda süregiden iki tartışmayı - 'yeni-kalkınmacılık' ve 'otoriter neoliberalizm' - ele alarak, 2001 ve 2015 yılları arasında Arjantin ve Türkiye'de emek siyaseti düzenlemelerini daha geniş siyasal iktisadi bağlamlar içine yerleştirmektedir. Çalışma böylelikle neoliberal emek siyaseti gündemlerinin çeşitlenmelerini, dönüşümlerini ve sınırlarını anlama çabalarına katkıda bulunmayı amaçlamaktadır.

Anahtar Kelimeler: Emek Politikaları, Yeni-kalkınmacılık, Otoriter Neoliberalizm, Arjantin, Türkiye

ACKNOWLEDGMENTS

This thesis has been written in very hard times for the critical academic community in Turkey. During times of hesitation, disappointment and despair my supervisor, Galip Yalman, has consistently encouraged me in continuing my study and in looking to the future with hope and confidence. I am grateful to him not only for being my mentor during this process and always treating me as a colleague, but also for believing in me, for helping me in restoring my hope for the future and for boosting my enthusiasm for producing critical knowledge. My thesis defense committee members Fikret Şenses, Erinç Yeldan, Aziz Çelik and Aylin Topal meticulously read the final draft of my study and provided constructive feedback to me. I am thankful to them for their critical comments and for helping me enhancing my arguments in the thesis.

I feel very fortunate to have met Andreas Bieler during my six months long study visit to the University of Nottingham in 2011 as a Jean Monnet scholarship holder. I was then trying to shape my thesis proposal and during this preparatory period Andreas mentored me in organizing my thoughts in the form of an academic work. Although the focus of my thesis has changed in time, I learned a lot from him about critical political economy and the importance of collaboration for critical thinking. I would also like to express my gratitude to him for encouraging me to participate in the Marxist reading group at the University of Nottingham, where I found the chance to read important texts (from which I also benefited in my thesis work) and exchange ideas with him, Adam David Morton, Elif Uzgören, Ertan Erol, Max Crook, Cemal Burak Tansel, Peter Cruttenden and Philip Roberts.

The Scientific and Technological Research Council of Turkey (TÜBİTAK) provided the financial support for my research visit to York University. Viviana Patroni kindly accepted to supervise my study for one year and hosted me in CERLAC (the Centre for

Research on Latin America and the Caribbean) at York University between September 2014 and September 2015. I am thankful to her for treating me no different from the PhD students she was supervising. Her friendly attitude made Toronto, the coldest city I have ever lived, a warm place for me. I also would not be able to find my way in Argentina during my field work, if she had not shared her contacts in Buenos Aires with me. Her interest in my study and encouragement was invaluable. I deeply appreciate all her contributions to my work.

I am grateful to Hannes Lacher and Benjamin Selwyn for letting me audit their classes at York University. I have benefited very much from the readings of their courses and class discussions when developing the conceptual and analytical framework of this thesis. I also thank all my interviewees in Buenos Aires for taking their time to share their thoughts with me and for helping me in understanding better the political-economic trajectory in Argentina in the post-2001 period. If Okan Altılar had not accompanied me when conducting the interviews, I could not have managed to realise them with my limited speaking ability in Spanish. I am indebted to him for his support. I would also like to express my gratitude to Hande Ertinas and Özgür Çetinkaya, my dear friends, for hosting me during my stay in Buenos Aires. I felt like I was at home thanks to their warm hospitality.

I have had invaluable inspiration from debates and discussions with many friends. I wish to express my special thanks to Coşku Çelik, Demir Demiröz, Mert Karabıyıkoglu, Özlem Çelik and Ümit Akçay. Şule Dursun has always been there for me through the ups and downs of life. I am deeply indebted to Fırat Duruşan not only for his friendship and emotional support during the writing process but also for carefully reading the whole manuscript and providing insightful comments and contributions. I fully appreciate all he has done for me and I feel very lucky to have him in my life as my best friend and colleague.

Our music group Müptela-i Gam, and my all co-members – Ozan Akdeniz, Murat Küçükarslan, Ilgın Aksoy, Begüm Aykan, Atakan Büke, Cem Gurbetođlu, Gökhan Çađlayan and Onur Alp Uluçay – helped me in refreshing my mind and soul and gave me the energy to continue my work.

Words cannot describe my gratitude to the woman inspired me the most, my mother, Ülkü Sebiha Bozkurt. She is the person who has taught me the true meaning of strength, on which I have been depending in all phases of my life. My dad, Azmi Bozkurt, has been a tremendous support and motivation. I have always been proud of being her daughter. I would also like to thank my second family, Hülya İhsan Güngen, Ahmet Lami Güngen, Zekiye Güngen and Yađmur Çırakođlu, for their love and trust, and for always being just a call away.

I have the good fortune of having Ali Rıza Güngen as my companion in life. His interest, care and love have been constant stimuli. Our endless discussions and his thoughtful and incisive comments and contributions on every chapter have immensely helped me in developing the ideas in this thesis. He has my deepest appreciation, for his enthusiasm, patience and encouragement, without which this thesis would not have been completed. Although the labour of many people, including those I failed to mention by name here, made this thesis possible, I am responsible for all its flaws and shortcomings.

TABLE OF CONTENTS

PLAGIARISM.....	iii
ABSTRACT	iv
ÖZ	v
ACKNOWLEDGMENTS	vi
TABLE OF CONTENTS.....	ix
LIST OF ABBREVIATIONS.....	xiii
CHAPTER	
1. INTRODUCTION	1
2. LABOUR RELATIONS, LABOUR MARKETS AND LABOUR	
POLICIES	9
2.1 Introduction.....	9
2.2 State-Labour-Capital Relations: Foundational Questions and Three	
Main Strands of Thought and Research.....	10
2.2.1 Neo-classical and New Institutional Perspectives	
on Labour	10
2.2.1.1 Flexibility/Rigidity Framework: From Segmentation	
Theory to Struggle against (Bad) ‘Rigidities’	14
2.2.1.2 Labour Markets and Comparative Advantages.....	18
2.2.1.3 Making Sense of the New Institutional Economics	
Turn in Labour Studies	21
2.2.2 Welfare Regimes Approach and Historical Institutionalism:	
Social Protection, (De)commodification and Labour.....	22
2.2.2.1 The State, Labour Market and the Polanyi Question..	23
2.2.2.2 Labour, Social Protection and the Welfare Regimes	
Literature	30

2.2.2.3 Historical Institutionalism: Comparative Policy Studies and the Question of Policy Persistence and Change	34
2.2.3 Commodification of Labour Power, Exploitation and Social Reproduction: Deriving Insights from Critical Labour Studies	37
2.2.3.1 Conceptual and Analytical Framework of the Thesis.....	46
2.3 Making Neoliberal Labour Policy Agendas: From Theory to Strategy and Practice	55
2.4 Conclusion.....	62
3. HISTORICAL BACKGROUND: FORMATION OF LABOUR MARKETS AND LABOUR RELATIONS IN ARGENTINA AND TURKEY.....	64
3.1 Introduction	64
3.2 Labour Markets and Labour Relations in Argentina: From the Formative Period to Structural Adjustment	65
3.2.1 The Formative Period.....	65
3.2.2 ISI, Peronism and Labour.....	69
3.2.3 Dirty War, Structural Adjustment and Labour.....	78
3.2.4 The Neoliberal Thrust, March to Collapse and Labour in the 1990s.....	82
3.3 Labour Markets and Labour Relations in Turkey: From the Formative Period to Structural Adjustment	86
3.3.1 The Formative Period.....	86
3.3.2 Etatism, WWII Years and Labour.....	90
3.3.3 Post-war Restructuring and Labour.....	93
3.3.4 ISI and Labour.....	97
3.3.5 Structural Adjustment, the 1990s and Labour.....	103

3.4	Comparative Insights and Concluding Remarks.....	111
4.	POST-2001 DEVELOPMENT STRATEGIES IN ARGENTINA AND TURKEY FROM A LABOUR PERSPECTIVE.....	120
4.1	Introduction.....	120
4.2	Neo-developmentalism, Labour and the post-2001 Argentine Experience.....	122
4.2.1	Argentina’s Neo-Developmentalist Turn: Recovery in the post-2001 Era.....	131
4.2.2	Labour and the Limits of Neo-developmentalism in Argentina	135
4.3	Authoritarian Neoliberalism and the Post-2001 Turkish Experience.....	140
4.3.1	Economic Recovery and Labour in Turkey in the Post-2001 Era	145
4.3.2	From Democratic to Authoritarian Neoliberalism? Conceiving Contours of Authoritarian Neoliberalism in Turkey	153
4.4	Concluding Remarks.....	159
5.	INDIVIDUAL, COLLECTIVE AND COMPENSATORY LABOUR REGULATIONS IN ARGENTINA AND TURKEY IN THE POST-CRISIS ERA	164
5.1	Introduction.....	164
5.2	An Overview of the Pre-Crisis Labour Reforms in Argentina and Turkey	165
5.2.1	Labour Policies in Argentina in the 1990s.....	165
5.2.2	Labour Policies in Turkey in the 1990s	173
5.3	Labour Regulations in the Post-2001 Era in Argentina.....	180
5.3.1	Individual Labour Regulations.....	180
5.3.2	Collective Labour Regulations.....	183
5.3.3	Compensatory Labour Regulations.....	185

5.4	Labour Regulations in the Post-2001 Era in Turkey	189
5.4.1	Individual Labour Regulations	190
5.4.2	Collective Labour Regulations	198
5.4.3	Compensatory Labour Regulations	200
5.5	Concluding Remarks	205
6.	CONCLUSION	207
	REFERENCES	215
APPENDICES		
A.	SEMI-STRUCTURED INTERVIEW QUESTIONS	252
B.	TABLES AND FIGURES	254
C.	TURKISH SUMMARY/ TÜRKÇE ÖZET.....	261
D.	CURRICULUM VITAE	281
E.	TEZ FOTOKOPİSİ İZİN FORMU.....	285

LIST OF ABBREVIATIONS

AKP	Adalet ve Kalkınma Partisi (Justice and Development Party)
ALMP	Active Labour Market Policy
AUH	Asignación Universal por Hijo (Universal Child Allowance)
CCT	Conditional Cash Transfer
CEIL/CONICET	Centro de Estudios e Investigaciones Laborales/ Consejo Nacional de Investigaciones Científicas y Técnicas (Centre for Labour Studies and Research – National Council for Scientific and Technical Research)
CEPAL	Comisión Económico para América Latina (Economic Commission for Latin America)
CGE	Confederación General Económica (General Economic Confederation)
CGT	Confederación General de Trabajo (General Labour Confederation)
CHP	Cumhuriyet Halk Partisi (Republican People’s Party)
CONICET	Consejo Nacional de Investigaciones Científicas y Técnicas (National Council for Scientific and Technical Research)
CP	Convertibility Plan
CTA	Central de Trabajadores de la Argentina (Argentine Workers’ Central Union)
DİSK	Devrimci İşçi Sendikaları Konfederasyonu (Confederation of Progressive Trade Unions of Turkey)
DNT	Departamento Nacional de Trabajo (National Department of Labour)
DP	Demokrat Parti (Democrat Party)
ECLA	Economic Commission for Latin America and the Caribbean

EPL	Employment Protection Legislation
EU	European Union
FDI	Foreign Direct Investment
GDP	Gross Domestic Product
GNP	Gross National Product
GT	Great Transformation
HAK-İŞ	Hak İşçi Sendikaları Konfederasyonu (Confederation of Just Workers' Unions)
ILO	International Labour Organization
IMF	International Monetary Fund
INDEC	Instituto Nacional de Estadística y Censos (National Institute of Statistics and the Census)
ISI	Import Substitution Industrialization
MEMUR-SEN	Memur Sendikaları Konfederasyonu (The Confederation of Civil Servants' Trade Unions)
MHP	Milliyetçi Hareket Partisi (Nationalist Action Party)
MİSK	Milliyetçi İşçi Sendikaları Konfederasyonu (Nationalist Trade Unions' Confederation)
MÜSİAD	Müstakil Sanayici ve İşadamları Derneği (Independent Industrialists' and Businessmen's Association)
ND	Neo-developmentalism
NIE	New Institutional Economics
NPL	National Protection Law
OECD	The Organization for Economic Co-operation and Development
PEA	Private Employment Agency
PO	Partido Obrero (Left Party)
PSSP	Privatization Social Support Project

REPRO	Programa de Recuperación Productiva (Programme for Productive Recovery)
SEE	State Economic Enterprise
SME	Small and Medium Enterprise
SOE	State-owned Enterprise
SRMP	Social Risk Mitigation Project
TEA	Temporary Employment Agency
TEL	Taller de Estudios Laborales (Labour Studies Workshop)
TİP	Türkiye İşçi Partisi (Workers' Party of Turkey)
TÜRK-İŞ	Türkiye İşçi Sendikaları Konfederasyonu (The Confederation of Turkish Trade Unions)
TÜSİAD	Türk Sanayicileri ve İş adamları Derneği (Turkish Industry and Business Association)
UIA	Unión Industrial Argentina (Argentine Industrial Union)
VoC	Varieties of Capitalism
VoCD-LA	Varieties of Capitalism and Development in Latin America
YPF	Yacimientos Petrolíferos Fiscales (Fiscal Petroleum Fields)

CHAPTER I

INTRODUCTION

In terms of their ways of integration with the global economy and growth strategies they have embarked on, Argentina and Turkey have displayed important historical parallelism. At a broader level, similarities include agricultural export-led growth models pursued during the late 19th and early 20th centuries, import substitution industrialization processes following the Great Depression, which lasted - with different periods and lengths of interruption- until roughly the late 1970s, and structural adjustment programmes started to be carried out via military juntas. Different from the previous stabilization attempts, the latter involved both ‘structural reforms’ targeting the abandonment of ISI strategy together with the affiliated institutional configuration and the transition to an export-led growth model. Reduction of labour costs and creation of a compliant labour force were among the chief priorities, and structural adjustment processes had parallel repercussions for labour markets in these two countries. They were accompanied by declines in real wages and increases in unemployment, informal employment and poverty. After two decades of structural adjustment, and amidst IMF-led disinflation programmes in both, Argentina and Turkey experienced in 2001 the severest economic crises in their recent history.

The post-crisis restructuring processes showed important differences in the two cases. In Turkey, the lack of widespread social mobilization during the 2001 crisis led to the orientation of popular discontent more against politicians/ political parties than the content of policies that were being implemented. This offered greater opportunities to policy makers in the post-crisis period, under the guise of change towards development and more just income distribution, to deepen the neoliberal agenda embarked on by the 1980s. To put in brief terms, the post-crisis policy orientation represented a consolidation of neoliberalism with increasingly authoritarian characteristics in Turkey. On closer

inspection and from a labour centred perspective, authoritarianism and neoliberalism have significantly fed each other, through the systematic prevention of popular democratic empowerment. Thus, the authoritarian repertoire widened during the consecutive Justice and Development Party (henceforth, the *AKP*) governments with a technocratic approach to economic policy making and formal/procedural democratisation, the instrumental character of which became more evident by the *AKP*'s third term in office (2011-2015). The 2001 crisis in Argentina took the form of a crisis of the neoliberal model pursued more ambitiously during the 1990s. Insistence on austerity during the crisis was followed by a massive social uprising, which rendered the restoration of the policy path pursued in the 1990s politically and socially unsustainable in the post-crisis period. Many observers have identified the Argentine post-crisis recovery as a move away from crude neoliberalism to a neo-developmental model, pointing to the strategy of combining export-oriented growth with allocation of more public resources to social spending and social programmes.

This thesis has arisen from my interest in providing an in-depth analysis of the roles played by labour relations and labour policies in these differential post-crisis political-economic re-structuring processes. Its problematic is twofold, both to understand the dynamics underlying the differential labour policy configurations and to locate these differences within a broader political economic context. I particularly focus on the years between 2001 and 2015 and address three major research questions:

1. How differently were labour regulations shaped in Turkey and Argentina in the post-2001 period and what gave rise to these differences?
2. What are the historical legacies of labour market formations and the courses of labour relations in Turkey and Argentina? How did these historical trajectories impact upon the re-structuring of state-labour-capital relations in the post-crisis era?

3. What are the labour policy components of neo-developmentalism and authoritarian neoliberalism respectively in Argentina and Turkey? How do differential labour policy configurations help us explain differences in broader political economic restructuring?

Two methods of gathering information, one is primary the other is complementary, were used in the study: document analysis and semi-structured interviews. For the document analysis, I examined the labour laws and regulations promulgated in each country in the 2001-2015 period, and related reports and statistics released by government institutions and international organizations. I also reviewed the relevant academic literature. To use as complementary sources for the analysis of the Argentine case, I also conducted fifteen semi-structured interviews during my two visits to Buenos Aires, in May 2015 and April-May 2016. The main purpose of these interviews was to carry out ‘process tracing’ for the examination of the case of Argentina¹. The interviewees included representatives from the Ministry of Work, Labour and Employment (on duty during the Kirchner governments), a trade union confederation (Central de Trabajadores de la Argentina, CTA), the largest employer organization (Unión Industrial Argentina, UIA), an independent labour organization (Taller de Estudios Laborales, TEL), the government agency responsible for scientific and technical research on labour and employment (CEIL-CONICET), the Labour Party (Partido Obrero, PO), an activist from the movement of unemployed (*piqueteros*) and academics. The interview questions were designed to understand better

¹ Oisín Tansey (2007: 765) explains the goal of process tracing as “to obtain information about well-defined and specific events and processes, and the most appropriate sampling procedures are thus those that identify the key political actors— those who have had the most involvement with the processes of interest”. He adds that: “The aim is not to draw a representative sample of a larger population of political actors that can be used as the basis to make generalizations about the full population, but to draw a sample that includes the most important political players who have participated in the political events being studied”. I did not need a similar method for the Turkish case as I lived in Turkey for the most part of the time period focused in this study. Also, regarding the interviews, my aim was not to draw a representative sample for the study of the case of Argentina.

the labour policy agenda and processes during the Kirchner governments (for the questions posed see Appendix A).

The major argument of this thesis is as follows in brief: Approaching labour policies in an integral manner so as to incorporate various forms of state involvement in labour relations, has the potential to provide a fruitful ground that will enable us to come to terms with variegated political economic pathways within and away from neoliberalism. Both the historical legacies of the state-labour-capital relations and the gains and concessions of different classes during the post-2001 period moulded neo-developmental and authoritarian neoliberal experiences in Argentina and Turkey respectively. To understand the political economic orientation in these countries, it is of utmost importance to grasp the crystallization of different labour policy agendas. The post-crisis neo-developmental experience in Argentina was marked by ‘disciplining by collective/institutional incorporation’ of both the precarious and unionized segments of the labouring classes in the policy making processes. In contrast, the authoritarian neoliberal configuration in Turkey was characterized by ‘disciplining by unmediated/individual incorporation’, which at the same time implied collective/institutional exclusion of the labouring classes from policy making processes. While the forms of disciplining labour, enabled different scales of capital to avoid giving major concessions to labour in Turkey; both trade unions and the movement of the unemployed forced the governments and different fractions of capital to adopt more institutionalised forms of labour involvement in wage setting, labour policy making and distribution of public revenues in Argentina. Despite these important differences, these cases can be unified in terms of their highlighting of the importance of autonomous, collective involvement of labouring classes in policy making processes, for substantial democratization and a sustainable and progressive exit from neoliberalism.

The thesis is organized into six chapters, including this introduction and the final, concluding chapter that compiles and presents the main findings of the study. Each of the

four core chapters poses minor research questions and provides arguments supporting the main argument presented above. More specifically:

The second chapter seeks to put forward the analytical and conceptual framework that will inform the examination of the labour policy formation and transformation processes in Argentina and Turkey. With this aim it critically evaluates two strands of research that came to shape substantially labour studies from the 1980s onwards: (1) neoclassical and new institutional economics perspectives that have provided the labour related conceptual/theoretical toolbox to neoliberalism as a political project and informed labour policy agendas in many parts of the globe under the guise of scientific/technocratic objectivity and universalism (2) welfare regimes and historical institutionalist perspectives that have predominantly shaped the research field referred to as welfare and social policies. While the former strand approaches the state involvement in labour relations and labour markets as constraint and/or enabler, the latter focuses upon the protective state involvement and handles the labour question in terms of state-individual (worker/citizen) relations. After evaluating these two strands in this chapter I present and discuss the conceptual and analytical framework of the study that will inform the examination of the Argentine and Turkish experiences presented in the remaining chapters of the thesis. In doing this, I engage in a search for an alternative reading of labour policy formation and change that takes into account the incomplete, impure and conflictual character of labour relations and labour markets in contemporary capitalism. For that purpose, I expand on the concepts of (de-) commodification, reproduction and compensation by leaning upon a re-reading of Karl Polanyi's *Great Transformation* and through deriving insights from critical labour studies. My contention is that a critical perspective based on these concepts provides room for a more nuanced analysis of labour reforms in contemporary capitalist societies. I therefore approach labour policies in broad terms in this study as to incorporate various forms of state involvement in individual and collective labour relations and social compensatory state involvement targeting the management of poverty and unemployment. I maintain that these fields should be handled

in an integral manner for a better understanding of the formation and transformation of labour policy agendas and broader political-economic restructurings of labour-capital-state relations. Furthermore, I seek to refrain from the pitfalls of new institutionalist perspectives when incorporating historical legacies to the analysis. These pitfalls I will argue stem from the tendency to reduce historical legacies to institutional legacies and to take the latter as inherently path dependent. I will instead stress upon the importance of examining historical legacies as the transmission of experiences, gains and concessions of different classes.

The third chapter provides a comparative evaluation of the formation of labour markets and the courses of labour relations in Argentina and Turkey throughout the period preceding the main historical focus of the study, i.e., the post 2001 crises era up until 2015. It poses the questions of how labour markets and labour relations were formed in these two cases and how historical legacies have played differential roles in the formation of post-crisis policy agendas. It is argued that the patterns of labour power commodification and the levels of collective experience that workers have historically accumulated signify major differences in the two cases. This impacted upon the capacity of labour movements to survive recurrent stabilization measures, repressive forms of state involvement and the structural adjustment processes; and had serious repercussions for the formation of policy agendas in the post-2001 period.

In the fourth chapter I provide an analysis of the two post-2001 political-economic trajectories with a labour lens by engaging in dialogue with two ongoing debates, on ‘neo-developmentalism’/‘post-neoliberalism’ and ‘authoritarian neoliberalism’. The former questions whether neoliberalism have been transcended or taken a different form in especially (but not only) some Latin American countries including Argentina in the 2000s. The latter addresses how policy making processes have been insulated from actually or potentially hampering popular involvement in various actually existing neoliberal experiences. The contention will be that, as Argentine and Turkish experiences indicate,

transformations in labour relations and regulations should be incorporated as a central dimension in these debates to come to terms better with the political economic turns within and away from neoliberalism. More specifically I will argue that while the Argentine neo-developmental experience represented a departure from neoliberalism in terms of labour policies, the post-2001 era in Turkey witnessed the entrenchment of the neoliberal framework. These two experiences displayed important differences regarding the manners in which labouring classes were attempted to be incorporated in the post-crisis recovery processes. While in Argentina it mainly took a form of ‘disciplining by collective/institutional incorporation’ for both the precarious and the unionized segments of the labouring classes, in Turkey collective/institutional exclusion of labour from policy making processes was combined with ‘disciplining by unmediated/individual incorporation’ the scope of which widened in parallel with the broadening of the neoliberal authoritarian repertoire. By putting the labour policy agendas in a broader political-economic context, this chapter provides a contextual ground for the more detailed examination of labour policy transformations in the following chapter.

The fifth chapter examines the labour reform agendas in Argentina and Turkey in the post-2001 era in more depth by expanding on three channels of state involvement in labour markets and labour relations: policies regulating individual and collective labour relations and compensatory labour policies that aim to control and mitigate the social and political impacts of unemployment and poverty. To set a ground for the analysis of policy changes and continuities in the aftermath of the crises, the chapter begins with a brief assessment of labour policy frameworks in the 1990s and it continues with the evaluation of the post-crisis era. It is argued that all these forms of state involvement in labour relations underwent important transformations but in different manners. Considering the state involvement in individual labour relations, diminishing employers’ burden in labour power reproduction held a more significant place in Turkey. This was attempted to be achieved through the expansion of external flexibility in the labour market and subsidies provided to employers aiming at reducing their non-wage labour costs. The policy

orientation marked by an effort to make the terms of formal employment contracts resemble informal employment conditions as much as possible. Differently in Argentina, terms and conditions of (formal) individual labour contracts were considerably re-collectivised through the revitalization of collective bargaining and the re-operationalization of the Minimum Wage Council. This was accompanied by intensified trade union impact on the policy making processes, whereas the strength of trade unionism remained quite limited in Turkey. As per compensatory state involvement, in both cases, states' undertaking of the social costs of unemployment and poverty intensified. The social movements and protests as well as the way the labour organizations were incorporated into the policy making, however, pushed for wider coverage in Argentina than Turkey, in terms of compensatory state involvement.

During the final stages of the writing process of this thesis, both Turkey and Argentina were undergoing important political transformations. While the former was undergoing a process of political regime transformation under the state of emergency declared in July 2016, the latter was witnessing important shifts in policy frameworks under a new government formed after the November 2015 presidential elections with a political agenda to reawaken neoliberalisation. In both contexts scholars have been striving to make sense of these ongoing political transformations. I believe that a historically grounded comparative analysis of these two trajectories with a focus on changes and continuities in labour policy frameworks in the post-2001 era will contribute to these endeavours.

CHAPTER II

LABOUR RELATIONS, LABOUR MARKETS AND LABOUR POLICIES

2.1 Introduction

This chapter is designed to provide a theoretical and analytical background for the examination of labour policy formations and transformations in Turkey and Argentina in a historically grounded and comparative manner. It is organized in two main sections. The second section following this introduction starts with a critical reading of two strands of research that have predominated studies on the question of state involvement in labour markets and labour relations broadly from the 1980s onwards: (1) the neoclassical and new institutional economics are treated as one strand and (2) the welfare regime approach and historical institutionalist which have been predominant in welfare regimes and social policy literatures are taken as another strand. Two central questions guide the discussion on these perspectives. On the one hand, I address how they conceive the peculiarities of the labour (power) as a commodity and the labour market as a market, i.e., whether it features fundamental differences from other (commodity, financial etc.) markets. And on the other hand, I trace the manners in which the role of the state in the formation and operation of labour relations and labour markets are understood. These two questions belong to different levels of abstraction. The first refers to a higher level and I think is important to take into consideration to understand better the latter, the lower one, which seeks to address how these perspectives approach more concrete and historical forms of labour capital state relations. After critically evaluating them, I present the conceptual and analytical framework of the study, which will inform the examination of the labour policy formation and transformation processes in Turkey and Argentina in the post-2001 period up until 2015, by drawing on a large body of literature that can be referred to as critical labour studies. I explain why and how I situate my comparative examination within this

third strand. The third section of this chapter highlights the practical implications of the theoretical approaches discussed, with regards to the transnational neoliberal policy agenda. By focusing on the labour components, it addresses the question of how and why transnational neoliberal policy agendas have been implemented in distinctive manners in different social settings.

2.2 State-Labour-Capital Relations: Foundational Questions and Three Main Strands of Thought and Research

2.2.1 Neo-classical and New Institutional Perspectives on Labour

As it is the case for many subjects in the social sciences, the disciplinary compartmentalisation has led the issue of labour to be handled in a fragmented manner. Different disciplines have specialised in its particular aspects and relied on particular techniques for examination. Accordingly, labour markets have been the natural playfield of economics and the study of labour processes, labour relations and labour policies have been accepted as inherently belonging to the disciplines of sociology and political science. Yet despite this disciplinary division of labour, it is possible to talk about the increasing dominance of the principles and assumptions of neoclassical economics in labour studies by the 1980s, which came to give its place to a revised neo-classical approach, the new institutional economics (NIE), towards the end of the following decade.

Simply put, labour in neo-classical economics is treated as any other factor of production that is subject to the rules of supply and demand. Being seen as an ordinary commodity, the market for labour is regarded as operating in the same manner as any other market (cf. Fine, 1998: 253). The state enters into picture as mainly a constraint for the well operation of the labour markets in accordance with the rules of supply and demand. The assumption underlying this is the claim that ‘if an economy is left to its own devices, involuntary unemployment can result only out from short-run market readjustments’, thus in the long

run if it is left free of interventions market clears and unemployment disappears (Alexiou and Tsaliki, 2009: 24). Such interventions, it is argued, are responsible for undesired labour market performances since they bring along rigidities and lead to increases in wage and non-wage labour costs. These premises started to predominate studies on labour markets, labour relations and labour policies in a manner crosscutting scholarly works from different disciplines, in parallel with the ascendance of neoliberalism as a political project. A great deal of scholarly attention has been devoted to how different sources of labour market rigidity, such as unemployment benefit entitlements, employment protection laws, wage inflexibilities and collective bargaining schemes adversely impact upon employment and unemployment performance in different countries (Djankov and Ramalho, 2009; Nickell, 1997; Pissarides, 2001; Siebert, 1997). Over the past two decades, studies from the political science discipline have also been proliferated that attempt to understand the dynamics of labour policy changes and continuities in the neoliberal era with reference to labour market rigidities and their alleged sources, namely, the incentive and disincentive structures that condition strategic action and lead to rent-seeking behaviour (see for example, Saint-Paul, 2000). These have encompassed contributions which read labour reform processes with reference to factors such as incentives created by ‘partisan coalitions’ between trade unions and labour parties (Murillo, 2001) or indicators like the preferences and veto points of governing parties and voters (Swank, 2007; Rueda, 2006). There is also an extensive amount of research that identify, examine and criticise ‘populist’ and ‘clientelist’ policies pursued by policy makers as important factors of reform failure².

The emphasis on the need for getting rid of such rigidities has also enhanced by studies pointing out the importance of institutional design to increase labour market flexibility. Sharing the main tenets of the rigidity framework, many contributors have raised doubts

²See Tinios (2010: 10) and Ferrera (2005: 40) as examples of studies that examine the case of Greece by adopting this perspective.

about the possibility of their elimination alone stimulating and increasing employment levels in the long run and argued for activation policies and related institution building (see for instance Guerrazzi and Meccheri, 2012: 196). A parallel tendency has been the growing interest in and research on the employability impacts of active labour market policies and labour market outcomes of flexible work contracts (see Kahn, 2012 for a review).

Increasing academic interest in rigidities and institutional design has much to do with the rise of the New Institutional Economics (NIE), a perspective which was named as such first by Oliver Williamson in 1975 and is inspired by Ronald Coase's original insights on costs of transacting in his 1937 article *The Nature of the Firm* and his 1960 work *The Problem of Social Cost*³. Although different schools have emerged within this perspective, as a shared characteristic, its followers consider institutions as fundamental to economic performance in that they structure the costs of transacting in various manners (see North, 1990; Williamson, 1975). The NIE, more specifically, stresses the importance of transaction costs in economic exchange with a claim that costliness of the exchange process is disregarded by the economic theory, which therefore needs significant modifications (see North, 1990: 27). It calls into question the neoclassical assumptions of 'perfect human rationality, perfect information, and perfect legal enforcement of contracts' (see Kaufman, 2006: 7) and recognise that markets are imperfect and incomplete due to the costs of transacting (North, 1992: 13). Unlike the hypothetical zero transaction cost conditions, the real world transactions, it is argued, involve costs such as 'of measuring the valuable attributes of what is being exchanged and the costs of protecting rights and policing and enforcing agreements' (North, 1990: 27). This school is often identified as a variant of rational choice institutionalism (Thelen and Steinmo, 1992: 10; cf. Aspinwall and Schneider, 2000: 10), which is characterized with methodological individualist

³For an extensive review see Klein (2000).

premises, game theoretic explanations and a focus on institutions as mechanisms structuring actors' strategic interactions that underlie political outcomes (Hall and Taylor, 1996: 942-946; Hay and Wincott, 1998: 954).

The centrality of methodological individualism to this approach also manifests itself in its assessment of non-market relations and institutions on the basis of self-seeking, optimising behavior, i.e. as extensions of market relation⁴ (Fine, 1998: 88; cf. Campbell, 2007: 2; cf. Rodgers, 1992: 584). Yet, the NIE includes a particular emphasis on the roles and potentials of institutions in providing solutions to collective action problems and reducing transaction costs (Thelen and Steinmo, 1992: 10). When functioning effectively, institutions thus can be 'devices for reducing uncertainty, simplifying decision making, and promoting cooperation among human agents so that the costs of coordinating economic and other activities can be lowered' (Furubotn and Rudolf, 2005: 7). As such, institutional design through state intervention is desirable if it enables and facilitates markets to approximate as much as possible the zero transaction cost, perfect or frictionless conditions. In that sense state is essential –to use Douglas North's conception– as an institution acting as a 'third party' (North, 1990: 35) due to the fact that the market does not necessarily generate favourable outcomes.

Emphasis on institution building has become a key component of labour studies as the NIE has gained prominence in the discipline of economics, with its claim to strengthen neoclassical approach with institutional aspects. Apart from this institutionalist incorporation, the NIE, like the neoclassical economics, does not consider labour as

⁴See for instance Douglass North on political markets (1992: 14): "Just as the efficiency of an economic market can be measured by the degree to which the competitive structure, through arbitrage and efficient information feedback, mimics or approximates the conditions of a zero-transaction-cost framework, so an efficient political market would be one in which constituents accurately evaluate the policies pursued by competing candidates in terms of the net effect on their well-being; in which only legislation (or regulation) that maximized the aggregate income of the affected parties to the exchange would be enacted; and in which compensation to those adversely affected would ensure that no party was injured by the action".

qualitatively different from any other commodity, and labour market and state intervention as different from any other market and state intervention⁵ (cf. Fine, 1998: 264). Nevertheless, the incorporation of institutions as central elements in labour studies through NIE has had important implications. As institutions have predominantly come to be conceived as both causes and solutions to labour market imperfections or frictions, state intervention in labour markets has ceased to be seen necessarily as market distorting and therefore unfavourable. Instead, institutional design has come to be regarded as necessary and desirable as long as it aims to eliminate labour market rigidities that cause transaction costs, market imperfections and rent-seeking behaviour. In the words of Bertola (2009: 1):

If markets were perfect, policies would be obviously counterproductive if effective, and would be easily circumvented – hence ineffective – by powerful efficiency-enhancing market transactions. In the real world, policy can address labour market imperfections, such as difficulties in matching demand and supply, and can also foster efficient labour reallocation and consumption smoothing in the presence of financial and other market imperfections.

Since the rigidity/flexibility framework has constituted the key analytical source for this tradition in labour studies and it has informed labour policy agendas during the neoliberal period, it is worth handling its emergence and development in some detail.

2.2.1.1 Flexibility/Rigidity Framework: From Segmentation Theory to Struggle against (Bad) ‘Rigidities’

Originally started in the 1970s as a particular reading of the transformations that the production processes and patterns of employment underwent at labour market and firm

⁵See for instance Bertola (2009: 1): “Imperfections are many in the labour market, as in all markets where highly differentiated goods are traded in conditions of imperfect information”.

levels, the term flexibility came to be incorporated in labour studies as a set of normative goals in parallel to the increasing dominance of neoclassical and new institutional economics. Its use as an identifier of labour market structures and firm strategies is in fact rooted in the research agenda called labour market segmentation studies, which was developed following the publication of Doeringer and Piore's (1971) pioneering work on the operation of 'internal' and 'external' labour markets. Emerged as the 'dual labour market theory' based on dualities such as internal/external, primary/core and secondary/peripheral labour markets characterized respectively by mass and flexible production structures, it transformed into 'segmented labour market theory' as a result of the incorporation of more segments in the analysis (on the basis of different sources of segmentation such as race, gender and age) (Fine, 1998: 81).

Within this framework and with reference to labour market structures, the term flexibility was used to identify and discuss the emergence of a shift from Fordist/mass production which was based on deskilled labour to a new flexible organization of production processes. The term 'flexible specialisation' initiated by Piore and Sabel (1984) was based on an ideal typical understanding of Fordist/mass production and the notion that its crisis stemming from changes in demand and technology was leading to the ascendance of smaller-scale production and more skilled labour (Fine, 1998: 79, Wood, 1989: 22). This argument became a source of academic debate on whether the transformation at issue was that radical and whether more flexible/secondary sectors had the potential to provide better working conditions and economic progress than the old paradigm, as the authors argued (cf. Fine, 1998: 78, 81-82; see Pollert, 1988; Wood, 1989). Developed in parallel to 'flexible specialisation' debate, Atkinson's 'flexible firm' model (1984)⁶ framed flexibilisation as a new employer strategy suitable for the new, flexible firm model and argued that firms were pursuing more flexible strategies in terms of numerical and

⁶See Cappelli and Neumark (2001); Danielle et al. (2009) and Kalleberg (2003) as examples for later studies "testing" the "hypothesis" of this model.

functional characteristics of their workforce (see Wood, 1989: 4-9). This model was constructed with reference to the duality of core-periphery workforce for which firms were supposed to follow different flexibilization strategies (Atkinson, 1984). The main contention was that while core workers constituting a firm's regular, permanent workforce were subject to 'functional flexibility', that is, flexibility within the firm; the 'periphery', i.e. those who were irregularly and insecurely employed, were subject to 'numerical flexibility', that is, they were disposable (Kalleberg, 2003: 157; Pollert, 1988: 47).

Different forms of flexibility understood with reference to firm strategies have been further elaborated on in the literature. Thus, despite being widely associated with the 'easy hire easy fire' principle and 'atypical'/ 'non-standard' work contracts, the term flexibility in fact has been used in various manners. Numerical, functional and wage flexibility are the three most frequently applied categories (Wilthagen and Tros, 2004: 171; Wood, 1989). While numerical flexibility is used to refer to the flexibility of a firm in adjusting the size of its workforce to fluctuations in output, functional flexibility is identified as the ability of a firm to adjust skills of its employees to the changing production techniques and workload; and wage or pay flexibility corresponds to the flexibility of a firm in adjusting labour costs (Wood, 1989: 1). To be more precise, numerical flexibility is associated with flexible firm structuring in hiring, dismissals and contingent work contracts; and functional flexibility is characterised by tools such as team-work, job rotation, multi-skilling, on the job training (cf. Cappelli and Neumark, 2001: 6-7; Sak and Taymaz, 2004: 5) that enhance "the ability of employers to redeploy workers from one task to another" (Kalleberg, 2003: 154). Wage flexibility, often referred to as downward wage flexibility, corresponds to a firm's ability to flexibly set wages and non-wage labour costs (cf. Sak and Taymaz, 2004: 4-5). As empirical observations have shown the existence of other forms of flexibility, new flexibility categories have been put forward. Numerical flexibility for instance is divided into two categories of external and internal (working time) numerical flexibility, the first referring to the flexibility of hiring and firing

and the latter to the flexibility in adjusting the amount of work performed by the employees within a firm by adjusting working time via measures like overtime, part-time work and short-time working (Wilthagen et al., 2003: 4). It is possible to talk about a 'de facto flexibility' that is characterized by non-compliance with labour regulations, i.e., the existence of flexible employment practices despite the presence of restrictive regulations, as in the case of various informal employment patterns (see Cook, 2006: 44). Yet interestingly enough this latter form is usually excluded from the definition of flexibility or it is regarded as an outcome arising from rigidities in the labour market that renders hiring through formal mechanisms costly for employers and discourage them to do so.

Rather than being an academic exercise or advancement, the reformulation and incorporation of the flexibility framework in the form of a set of normative goals by neoclassical and new institutional economics perspectives has had a political importance and far-reaching policy implications. As such, the proliferation of flexibility research has been accompanied by the above mentioned concern with rigidities identified as policies and institutional configurations that constitute impediments to flexibilisation. Their different forms are classified as rigidity of wages, contracts and labour market institutions (Guerrazzi and Meccheri, 2012: 190). Labour market rigidity indexes have been developed to compare and contrast country cases (see Campos and Nugent, 2009) with reference to limitations on the use of fixed-term and temporary work agency contracts, the regulation of working hours, measures such as dismissal protection, parental/maternity leave, health and safety at the workplace and minimum wages (Addison and Teixeira, 2001: 2). Majority of the flexibility research have come to feed the policy concern of enabling and enhancing flexibilisation in labour markets.

Although the ascendance of new institutional economics in labour studies by the late 1990s has been accompanied by a more nuanced stance -compared to the accounts by which labour protective schemes and policies are taken *en masse* as constraints for hiring

and firing decisions of firms, thus, as responsible for negative labour market performance such as high unemployment and labour market segmentation⁷ (see Nickell, 1997, Siebert, 1997)- the core of the argument has not much changed. Increasing number of scholars came to identify some of these regulations as ‘good’ rigidities to be maintained for the well functioning of labour markets due to their efficiency and productivity enhancing roles (Agell, 1999, see also Hall and Soskice, 2001). Accordingly, only the ‘rigidities’ that have transaction cost reducing, market correcting and enabling roles started to be considered as ‘good’/ ‘favourable’. As such, the core of the neoclassical rigidity argument has been kept intact, and its scope has been redefined. In this redefinition, competitiveness, efficiency and productivity have been taken as the benchmarks for good policies and institutional settings. This has also found its expression in the emergence of a more nuanced conception of flexibility, according to which its ‘good’ forms – that enhance productivity and skill formation – are differentiated from directly cost-reduction-oriented forms of flexibility. The former has come to be associated with better firm and national competitiveness.

2.2.1.2 Labour Markets and Comparative Advantages

How labour market performance impacts upon the competitiveness of firms and national economies has been an important concern for the NIE approach and it derived insights from the Varieties of Capitalism (VoC) research on this question. Like the NIE school, VoC paradigm is often identified as a variant of rational choice institutionalism (Hall and Taylor, 1996: 25; Hay, 2005: 110). Although it has a longer past, this paradigm has gained

⁷Labour Market segmentation has predominantly been included in labour studies and policy frameworks as a negative phenomenon to be overcome. The main factor responsible for the prevalence of segmentation has been regarded as strict employment protection legislation (EPL), which it is argued, leads to a separation between an ‘overprotected’, ‘privileged’ core workforce and ‘precarious’, ‘disadvantaged’ peripheral workforce composed of segments such as youth, women and migrants. For examples of studies criticising ‘two-tier’/‘piecemeal’ reforms of EPL that maintained protective firing rules for permanent contracts while at the same time facilitating the use of temporary contracts see Bentolila et al. (2008); Boeri and Garibaldi (2007); Coe and Snower (1997); and European Commission (2010: 117).

prominence in comparative political economy research by the 2000s after the publication of Hall and Soskice's (2001) edited collection of *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage*⁸. The authors provide a firm-centric reading of national political economies and on the grounds of how the latter resolve the coordination problems of the former (Hall and Soskice, 2001: 8)⁹. Two ideal types that they use as central analytical categories are liberal and coordinated market economies, the representative cases being respectively the US and Germany.

While the first cluster, it is argued, is marked by coordination based on market mechanisms, the second is characterized by coordination achieved through non-market means (Howell, 2003: 106; Amable, 2003: 13). The core argument of the VoC research agenda is that different national institutional configurations can provide different comparative institutional advantages to firms in terms of solving their coordination problems (Howell, 2003: 105-108). This framework has found its expression in labour studies through scholarly works examining how 'social protection' as well as labour market institutions and regulations provide different competitive advantages for firms/employers in the two broad types of (liberal and coordinated) market economies. As such, VoC, according to Hall and Soskice, calls for a re-examination of social policy because (2001: vi):

Social policies are often seen as measures that impede the operation of markets, forced on an unwilling business community by labor or the political left. However, [...] many kinds of social policies actually improve the operation of markets and enhance the capacities of firms to pursue distinctive strategies, thereby inspiring active support in the business community.

⁸An evaluation on the VoC similar to the one presented here can also be found in Bozkurt (2011) and Bozkurt (S) (2013).

⁹Although varieties of capitalism literature emerged as and has mostly relied upon a firm centred rational choice institutionalism; the distinction between the coordinated and liberal market economies have been referred to by different institutionalist analysis, regardless of being firm centred (see for example Schmidt, 2007).

Similarly, Estevez-Abe et al. indicate that social protection as governmental policy is crucial since it ‘aids the market by helping economic actors overcome market failures in skill formation’ (2001: 146; see also Mares, 2001: 186). Thus, different from the neoclassical contention, the argument goes on, employee protection schemes rather than necessarily impeding the efficient operation of labour markets, may improve cost effectiveness of firms (Estevez-Abe, 2001: 152-153). It is also stressed that while coordinated market economies tend to deliver a labour force with higher levels of industry- and/or firm-specific skills which bring along more strongly coordinated industrial relations and greater employment security, in liberal market economies the labour force tends to be better equipped with transferable, general (rather than industry or firm-specific) skills (Hall and Soskice, 2001: 24-26, 29-30). Institutional frameworks underlying these differences, the argument goes, provide differential competitive advantages to firms operating in these economies, providing better opportunities for incremental innovation for firms in coordinated market economies and radical innovation for those in liberal market economies (Hall and Soskice, 2001: 41). Similarly, it is underlined by Bassanini and Ernst (2002) that coordinated market economies having coordinated industrial relations regimes¹⁰ and tighter restrictions on hiring and firing tend to have greater technological comparative advantages in high-tech industries (Bassanini and Ernst, 2002).

Common to these contributions from the VoC perspective is the claim that good and bad flexibilities and rigidities should be differentiated according to comparative advantages and disadvantages they engender. In Chapter V, I will argue that premises of this

¹⁰Coordinated industrial relations system is defined as a system where “(i) the wage bargaining system is centralized or coordination among employers and/or trade unions sets a uniform band of wages; (ii) employers and trade unions cooperate as regards to decision-making inside the firm; and (iii) business associations (and/or a tacit code of conduct concerning firm behaviour) have an active role in solving free-riding problems across firms (e.g. training, standard setting, fair competition, basic research)” (Bassanini and Ernst, 2002: 393).

perspective have been influential in the formation of ‘neo-developmentalism’ as a strategy that came to the fore in the Latin American context by the 2000s. The latter has been marked by the argument of the possibility and desirability of national/institutional competitiveness that is based on a path alternative to the Anglo-American liberal market economy model.

2.2.1.3 Making Sense of the New Institutional Economics Turn in Labour Studies

Five important inferences can be made regarding the characteristics and wider impacts of the NIE in labour studies, as the perspective that has represented the mainstream in labour studies by the early 2000s, and during the main historical focus of this study (2001-2015). First, although it is acknowledged that labour markets are imperfect, the benchmark of analysis remains to be perfectly competitive labour markets characterised by zero-transaction cost/frictionless conditions. Accordingly, while their scope is reformulated as to incorporate market-correcting, enabling, i.e., ‘good’ rigidities, the neoclassical view of labour market imperfections and rigidities as deviations is maintained¹¹. Second, labour, labour market and state involvement in labour relations are not regarded as qualitatively different from any other commodity, market and state intervention. As it will be discussed below, the historical institutionalist and critical perspectives in labour studies have developed more systematic accounts on the peculiarities of labour and labour markets. Third, the main methodological premise underlying the neoclassical and NIE schools, i.e. methodological individualism, and their ‘uncritical use of ahistorical and asocial concepts’ (Fine, 1999: 413) lead to an entire neglect of historical, social and non-quantifiable features of labour relations and reform processes. This finds its expression more broadly

¹¹Consider for instance the following evaluation: “[S]ocial policy and labour market regulation cannot in practice reproduce the ideal undistorted, ‘first-best’ configuration that the economy would reach if all markets worked perfectly, because institutions and policies have to contend with the same imperfections that make them desirable: there is only one ‘first-best’, but very many ‘second-best’ situations, characterized by different distortions, and different costs and benefits for various policy interventions” (Bertola, 2009: 6).

in the tendency to exclude capitalism from the analysis through equating it with a sempiternal conception of ‘market economy’ (cf. Streeck, 2010: 27) and thereby to neglect asymmetrical power relations and conflicts involved in labour markets and policy making processes. Fourth, notwithstanding all its drawbacks, the NIE touch on an important aspect of state’s labour market involvement. Unlike the widely shared assumption in the welfare regimes and social policy literatures that will be discussed below, it contends that social and labour market policies cannot be seen as reducing workers’ dependence on the market (Estevez-Abe, 2001: 180). They rather provide not only costs but also benefits (or competitive advantages and disadvantages) for individual firms/employers in various manners (see Mares, 2001; cf. Huo et. al., 2008). Finally, regarding its wider impacts, the new institutionalist turn in labour studies has rendered the analysis more flexible, i.e., more responsive to the varieties and peculiarities of different labour policy configurations (as opposed to the neoclassical theory in its orthodox, pure form). This turn in fact was a response to the huge gaps between neoclassical premises and actually existing neoliberal experiences, their variegated character and impasses and crises they have undergone. I will return to this issue in Section 2.3. below.

2.2.2 Welfare Regimes Approach and Historical Institutionalism: Social Protection, (De)commodification and Labour

Research on social policies and ‘welfare regimes’ have proliferated from the 1980s onwards in parallel to important transformations in labour markets, labour relations and state involvement in them in many parts of the globe. To what extent and how labour relations and labour markets are related to social policies and welfare regimes however are questions that have often been sidestepped in these literatures. I will argue that predominantly in these literatures the labour question is handled in terms of state-worker/citizen relations and with a focus on policies having the alleged aim to protect individuals from the market. Majority of the studies in the field approach this protective

involvement in isolation from (or at best as externally related to) labour relations and labour processes, and therefore remain short of explaining how they are formed and transform. In this section I will focus on two influential perspectives that have substantially shaped the field of welfare and social policy research since the 1980s: the welfare regimes approach developed by Gøsta Esping-Andersen and historical institutionalism.

Different from the neoclassical/NIE strand discussed above, both Esping-Andersen's welfare regime approach and historical institutionalist contributions share the powerful argument of Karl Polanyi that labour is not an ordinary -but a fictitious- commodity and labour markets are 'instituted' orders/processes. Yet, as I will argue in this section, this strand of research has selectively incorporated and transposed Polanyi's dual conception of state involvement in labour markets and labour relations. Before elaborating on how this has been the case, it is worth reconsidering Polanyi's original contribution to labour studies.

2.2.2.1 The State, Labour Market and the Polanyi Question

Fictitious Commodification of Labour and the Formation and Operation of Labour Markets

For Polanyi, the condition for an economy or society to become a 'market economy' or 'market society' is the commodification of land, labour and money. It was through the subordination of land, labour and money to the market mechanism, a market economy, i.e., a self regulating market, emerged. Their commodification marked a turning point, a great transformation, in the history of human kind. This change, that took place at the end of the eighteenth century in England, signalled a complete transformation in the structure of the society and led to the institutional separation of society into an economic and a political sphere (Polanyi, 2001 [1944]: 74). This represented a departure, since no separate

economic institutions existed before, in other words, economic relations were embedded/absorbed in social relations. In his words (Polanyi, 2001[1944]: 74):

Neither under tribal nor under feudal nor under mercantile conditions was there [...] a separate economic system in society. Nineteenth-century society, in which economic activity was isolated and imputed to a distinctive economic motive, was a singular departure.

Polanyi stresses that the markets for 'genuine' commodities had been existent at different levels (local, foreign, and national) before the emergence of a 'one big' self-regulating market, which developed by the extension of market mechanism to the elements of industry, namely, land, labour and money (Polanyi, 2001[1944]: 75-78, 187). Yet, none of these elements of industry -land, labour and money- are ordinary commodities. Different from the 'genuine' commodities their commodity character is 'fictitious' as they are not produced to be sold in the market. Although it is on the basis of this fiction that markets for these commodities are organized on which they are actually bought and sold, their treatment as ordinary commodities through their full subordination to the market mechanism would result in the 'demolition of society' (Polanyi, 2001 [1944]: 76-77).

For him, labour, among other fictitious commodities, has a specific importance. This specificity has both individual and societal bases. Individually speaking, as famously put by him, "the alleged commodity 'labour power' cannot be shoved about, used indiscriminately, or even left unused, without affecting also the human individual who happens to be the bearer of this peculiar commodity" (ibid. 76). In more general-societal terms (ibid.79):

[L]abor is the technical term used for human beings, in so far as they are not employers but employed; it follows that henceforth the organization of labor would change concurrently with the organization of the market system. But as the organization of labor is only another word for the forms of life of the common people, this means that the development of the market system

would be accompanied by a change in the organization of society itself. All along the line, human society had become an accessory of the economic system.

Polanyi's emphasis on the 'fictitious' character of the commodity labour power is rather valuable in understanding the operation of labour markets and the state involvement in this operation. From a Polanyian perspective, the formation of labour markets through labour power's becoming a fictitious commodity in capitalist societies cannot be seen as pure/complete phenomena. Thus, it is because the commodity labour power is inherently impure/incomplete that labour market formations are historical and continuing processes. Having said this, Polanyi's analysis suffers from his uncoupling of labour markets and capitalist labour processes and labour relations. And the same uncoupling characterises the social policy/welfare regimes literature discussed below (cf. Kennedy, 2005: 106-107). As it is underlined above, the central concern of Polanyi in GT is not the commodification of goods and services; but of land, labour and money, a process which in his account underlay the 'Great Transformation'. He cautiously argues that this (fictitious) commodification has nothing to do with Marx's assertion of commodity fetishism, a term developed with reference to the 'genuine' commodities (Polanyi, 2001[1944]: 76). Polanyi in his analysis of 'market societies' takes the 'usual' commodification (of goods and services) as given and disregards the centrality of labour process to it (cf. Postone, 1996: 149). Markets for commodities and labour relations are conceived as externally related, as if the former is not organized on the basis of the latter. In other words, the commodity production and exchange are not regarded by him together with the formation and development of labour markets. This has important implications for his understanding of 'interventionism' in market societies in general and in labour markets in particular.

Embeddedness, Interventionism and Labour Markets

Polanyi's conceptions of 'embeddedness' and 'double movement' have inspired many in identifying the characteristics of different periods in capitalism. Polanyi reads the

trajectory of ‘market economy’ in the 19th and early 20th centuries as a movement commenced with the spreading of the system of self-regulating markets and was met by a countermovement of protectionism rooted in the self-protection of society (Polanyi, 2001[1944]: 147-148, 150). The countermove is associated with the term ‘embeddedness’ and adapted to the reading of the post-war capitalism and the welfare state. As an extension to this, neoliberal period is regarded as a new phase of ‘dis-embeddedness’ which would confront with a societal counter-movement ameliorating the devastating consequences of ‘market fundamentalism’ by embedding it in one way or another. Embeddedness has developed in the hands of the contemporary readers of Polanyi as a fuzzy concept the connotations of which range from the existence of state intervention in the economy (e.g. Block, 2003, always embedded economy) to the particular organization of international order in the post-war period (e.g. Ruggie, 1982, embedded liberalism).

For Polanyi the idea of a self-regulating market and its practice was based upon a dilemma. On the one hand, it ‘could not exist for any length of time without annihilating the human and natural substance of society’ and on the other hand, the measures that society took to protect itself distorted the self regulation and endangered society in another way (Polanyi, 2001 [1944]: 3-4). This is the essence of the ‘double movement’ that marked the history of the 19th century according to him and that eventually culminated in the collapse of the market economy. Those who convey this reading to the post-war re-construction of capitalism and its crisis in the 1970s argue that a new Polanyian double movement was at issue.

The gap between Polanyi’s own construction and these adaptations mainly stem from the differences in the conception of ‘embeddedness’ and state intervention. It is therefore important to clarify how Polanyi used ‘embeddedness’ in relation to the ‘market economy’ and how he distinguished it from interventionism. In fact, embeddedness is a phenomenon which Polanyi uses with reference to economies other than the market economy, where

economic and social relations are organized on the basis of principles other than the motivation of gain, like reciprocity, redistribution and house-holding (Polanyi, 2001[1944]: 48-58). For him, once the market economy was established, the economy ceased to be embedded in these social relations. The latter became subordinated to the rules of the market, i.e., the laws of supply and demand. Interventions for the establishment and maintenance of the market economy as well as those led by the reactions to the spreading of market are not regarded by Polanyi as related to ‘embedding’ markets in society. Thus, although using embeddedness as a substitute for ‘continuous intervention/regulation’ is a very prevalent tendency among the contemporary followers of Polanyi¹², as pointedly underlined by Hannes Lacher (1999a, 1999b, 2007), embeddedness in Polanyi refers to a different, a more specific phenomenon. Lacher’s main contention is that from a Polanyian perspective a re-embedding of the economy would require a ‘complete subjugation of the market’ that could only be achieved through the removal of the commodity character of land, labour and money, i.e., their ‘de-commodification’ (Lacher, 1999a: 315). To put in a nutshell, embeddedness and interventionism refer to entirely different phenomena. The close relation established between them is an ex-post identification that although quite commonly attributed to Polanyi in fact does not belong to him.

Polanyi in GT addresses two categorically different types of interventionism: interventions for the formation and maintenance of the market economy, and interventions come into effect as a product of spontaneous societal self-protection. To be more precise, on the one hand he explicitly indicates that the self-regulating market was formed and

¹²For instance, building on Polanyi’s notion of the impossibility of a self-regulating market, Fred Block (2003: 276) argues that although he did not name it as such and developed thoroughly, Polanyi glimpsed the idea of “the always embedded market economy”. Sharing this reading, Damien Cahill (2011: 486) contends that, as neoliberalism is not self-regulating and state regulation and social processes are constitutive components of it, then we should talk about the existence of the “always embedded neoliberalism”.

maintained through various forms of state intervention. And on the other hand he refers to another form of interventionism, which came as an outcome of spontaneous societal self-protection against the expansion of the market mechanism. Polanyi argues that this countermove was a ‘universal reaction’ (Polanyi, 2001[1944]: 151) and ‘persons belonging to various economic strata unconsciously joined forces to meet the danger’ (ibid. 162). Different from the former type of interventionism, the restrictions on the market economy stemming from the latter were not planned (ibid. 147, 151-154). Furthermore, it was the societal self-protection that endangered the society in another way by distorting the market self regulation¹³. Polanyi is not explicit enough on how this latter form of intervention came into effect, in other words, how societal self protection translated into policies. He rather confines himself to indicate that as opposed to the ‘anti-liberal conspiracy’ of liberals (the argument that restrictions are planned), the collectivist countermove and interventionism were practical and pragmatic (ibid. 151-154), or in his words “laissez faire was planned; planning was not” (ibid. 147). His conception of state involvement in labour markets is also marked by this dual conception of interventionism. According to Polanyi, the formation of a labour market through the extensive commodification of labour, was first hindered and then achieved through intervention. The Speenhamland period in England (1795-1834), during which labour had been systematically hampered from becoming a commodity¹⁴, was closed by the promulgation

¹³Thus, for Polanyi, the spontaneous societal self-protection from the market does not necessarily imply a market balancing or mitigating orientation. Here again, Polanyi holds a different position than the readings of many of his contemporary followers. Thus, after all for him, as much as New Deal and social democracy; fascism, state socialism and the two world wars were products of societal protection, i.e., they were among the defensive spontaneous counter-movements against market fundamentalism. Those who identify the countermovement of the ‘neoliberal’ era – referred to as a new wave of ‘dis-embeddedness’- as the ‘alternative globalization’ movement disregard this dimension in Polanyi (see for instance Evans cited in Burawoy 2010: 302; Stiglitz, 2001: vii). Accordingly, from a Polanyian perspective the ascending nationalist parties/movements in some parts of the Europe, regional wars and even organizations such as ISIS may well be regarded as ‘societal’ countermovements of the period at issue (cf. Burawoy, 2010: 308-309).

¹⁴The Speenhamland System was a system of poor relief that entitled assistance to the poor on the basis of the price of the bread and the size of the family. It is often referred to as aid-in-wages because it subsidized the wages that remained below the subsistence level. See Block and Somers (2003) for an extensive review.

of a New Poor Law (1834) that truly subordinated it to the rules of the market by subjugating the majority of the population to sell their labour. Yet, Polanyi goes on to argue that, another form of intervention emerged immediately. In his words (ibid.87):

[A]most immediately the self-protection of society set in: factory laws and social legislation, and a political and industrial working class movement sprang into being. It was in this attempt to stave off the entirely new dangers of the market mechanism that protective action conflicted fatally with the self-regulation of the system.

As liberals, in Polanyi's account, Marxists also deduce the countermovement from sectional interests by asserting that the 19th century protectionism was a result of class action (ibid. 158-159). Class interests, however, cannot satisfactorily explain the long-run social process since the fate of classes is often determined by the 'needs of society' (ibid. 159-160). It is because the market economy threatened the social interests of different sections of the population, rather than their sectional economic interests, various individuals belonging to different economic strata became part of the countermovement (ibid. 162). The protective movement thus came into existence as an articulation of 'social interests imperilled by the market' rather than class interests (ibid. 169). This conception of society protecting itself from the perils of the market as an undifferentiated totality does not allow establishing links between the societal reactions against the expansion of the market economy and the anti-laissez faire/protectionist intervention. To put it more bluntly, by characterizing the societal self-protection as unplanned, pragmatic and universal, Polanyi leaves unaddressed important questions such as the extent to which and how social reactions or counter-movements were translated into state policies (cf. Burawoy, 2010: 301-302). Similarly, his identification of the factory laws and social legislation as stemming from the spontaneous societal self-protection hardly makes room for an analysis of the particular manners in which the latter led to or translated into the former. The social policy and welfare regime literatures that will be elaborated on below are mainly built upon an understanding of interventionism that gives little or no attention

to the first type of state involvement that Polanyi points out. Furthermore, dominantly in these literatures a particular reading of the second form of state involvement has been relied upon. I will contend that this particular reading has converted Polanyi's idea of spontaneous societal self-protection that is based on a rather holistic understanding of society and that contradictorily finds its expression in the interventions into the operation of the self-regulating market, to an understanding of state involvement protecting individuals (workers or citizens) from the pitfalls of the market mechanism.

2.2.2.2 Labour, Social Protection and the Welfare Regimes Literature

Gosta Esping-Andersen's book *The Three Worlds of Welfare Capitalism* has been among the most influential social scientific works since its publication in 1990. It has indeed become a debate-shaper in the literature on welfare states, social policy and labour market policies. Esping-Andersen bases his framework on different welfare regimes in the advanced capitalist world by leaning upon a term he uses with inspiration from Karl Polanyi: de-commodification. He defines it as "the degree to which [...] [social rights] permit people to make their living standards independent of pure market forces" (ibid.3). It is in that sense, according to the author, citizens' commodity status is diminished by social rights (ibid.3). De-commodification, understood as such, refers to a relation between state (government) and the citizen (individual), through which the former protects the latter vis-à-vis the market¹⁵. Social rights, in other words, are mechanisms through which states protect their citizens from excessive marketization (ibid. 21):

If social rights are given the legal and practical status of property rights, if they are inviolable, and if they are granted on the basis of citizenship rather than performance, they will entail a de-commodification of the status of individuals vis-à-vis the market.

¹⁵ One important characteristic of Esping-Andersen's work is the almost total absence of capital/employer in the analysis of welfare regimes/states.

De-commodification thus is understood as different from the de-commodification of labour power in the sense of stripping of labour power from the commodity form. It is rather conceived in a distinctive manner as referring to social policies' ability to alleviate individual market dependency. As such, de-commodification can be in harmony with full-employment policies as it was the case for the most de-commodifying welfare regime, i.e., the social democratic/Scandinavian model. Or, the extent to which workers can exercise 'their own choices under the employment contract', such as in the case of paid sickness absenteeism, can be regarded as an indicator for the degree of de-commodification of their 'status' (Esping-Andersen, 1990: 149). This particular interpretation of de-commodification has profoundly shaped the social policy and/or welfare states/regimes literature. Just to illustrate, Juliana Martinez Franzoni in a study where she identifies and examines welfare regimes in Latin America characterizes the formal employment with commodification and the social insurance with de-commodification (2008: 73). I will discuss the term more extensively in the Section 2.2.3.1. below. Here suffice it to say that Esping-Andersen's use corresponds to an understanding of de-commodification mainly as state provision of social welfare and/or services vis-à-vis market provision¹⁶.

Esping-Andersen identifies three welfare regime types on the basis of the degree to which individuals/citizens are emancipated from market dependence (i.e. de-commodified). Liberal, conservative and social democratic regimes are differentiated according to their de-commodification potentials calculated by the author with reference to pensions, sickness and unemployment cash benefits in 18 OECD countries and on the basis of

¹⁶Family in *The Three Worlds of Welfare Capitalism* is just mentioned as another provider, another stake in the welfare mix, without being incorporated as a central element in the analysis. In his later works Esping-Andersen emphasizes more upon the family dimension alongside the two other components of a welfare mix, i.e. the state and the market. See Powell and Barrientos (2004: 84-87) for an evaluation of this change of emphasis in Esping-Andersen's later works. Some of the subsequent contributors to the regime analysis also add a 'community' component to the welfare mix (see for instance Wood and Gough, 2006).

eligibility criteria, conditions of the entitlements and their amounts (see Esping-Andersen, 1990: 49). These measures/programs are thereby evaluated on the grounds of their 'de-commodification scores', which in turn account for the de-commodification potentials of the three regime/state clusters, the liberal being the least de-commodifying, the social democratic being the most and the conservative being in between. Alongside the de-commodification variable, in order to provide explanation for the welfare state/regime variations, Esping-Andersen establishes correlations among several other variables such as legislative and cabinet seat shares of left labour parties, GDP per capita and the percentage of the aged in the population. Differences in the interplay between these variables reflect peculiar configurations of each of the three welfare regime categories.

The Three Worlds of Welfare Capitalism has pioneered a series of comparative studies on state welfare provisions and how differently they have been subject to transformations since the 1970s. Initially (and still dominantly) confined to some 'advanced capitalist countries', the regime framework since the publication of the book has been conveyed to other parts of the world. For instance, a distinct Southern European/Mediterranean model was identified and examined (Ferrera, 1996; Leibfried, 1992). The Bath Research Programme extended the scope of welfare regime analysis to the global south by modifying and reformulating it in terms of the variables used and by incorporating country cases from regions such as East Asia, South Asia, Latin America, and Sub-Saharan Africa in the analysis (Gough, 2001; Wood and Gough, 2006)¹⁷. Most of the critiques of Esping-

¹⁷ As examples to studies evaluating the Argentine case from a welfare regime framework see among others: Barrientos (2004) and Usami (2004). While the former identifies Argentina as a case transforming from 'a conservative-informal' (in the post-war era) to a 'liberal-informal' welfare regime type (in the 1980s and the 1990s); the latter argues that a mild transition took place in Argentina from 'limited conservative and corporatist welfare state' (in the post-war era) to 'market-oriented conservative and corporatist welfare state' (in the 1990s) as a result of the inclusion of some elements of a liberal welfare regime. Studies on the 'welfare regime' of Turkey has also been proliferated from the 2000s onwards. See among others Arin (2002); Buğra and Keyder (2003; 2006) and (Grütjen, 2007). While the former identifies the Turkish case as an example to 'indirect and minimalist' welfare regimes typical of 'less developed capitalist countries', the others extensively discuss the similarities of the Turkish case with the Southern European welfare regime

Andersen's work have addressed the inadequacy of the regime typologies (and added new ones that the original framework does not involve such as those mentioned above); inappropriate placement of countries in the clusters (and relocate them under their 'right' clusters)¹⁸ and/or the variables he used to explain the characteristics and differences among welfare regimes (and added new variables to the original framework)¹⁹. Thus they provide modified versions of it and attempted to further develop and operationalize the welfare regime framework (for a review see Arts and Gelissen, 2002).

As it is discussed above Esping-Andersen's particular reading of Polanyi has significantly shaped the manner in which policy formation and change has been addressed by the subsequent welfare regimes and social policy literatures. Unlike Polanyi, this tradition has paid little, if no attention to the state involvement in the commodification of labour power and the perpetual formation and reconfiguration of the labour markets. Rather they tend to read interventionism mainly on the basis of protectionism. This reading has also been accompanied by a shift of emphasis from society as an undifferentiated totality (in Polanyi) to a society conceived on the basis of its individual components who engage in relations with institutions such as the market, state and family. As such de-commodification is mainly understood as a relation between individual (worker or citizen) and the state, in which the latter performs a protective role vis-à-vis (labour) market risks. Furthermore, welfare regime and social policy analyses, with the impact of historical

category following studies originally locating Turkey within this cluster (see for instance Gough, 1996; Ferrera, 1996).

¹⁸For instance, while Netherlands was located under the social-democratic welfare regime by Esping-Andersen (1990), it was considered by many subsequent contributors as belonging to the conservative (Bismarckian/ continental/corporatist) cluster (Arts and Gelissen, 2002: 149-151).

¹⁹See for instance Powell and Barrientos (2004) which incorporates active labour market policies as a variable in the welfare regime analysis with an aim to further enhance it empirically. For a cluster analysis on welfare regimes in Latin America, which uses 32 indicators on the basis of four dimensions (commodification, de-commodification, de-familiarization and performance) see Franzoni (2008).

institutionalist perspective that has become highly influential in this research field, have been marked by an emphasis on policy continuities over time within countries/regimes and policy variation across countries/regimes. It therefore faces challenges in explaining policy transformations within nations/regimes and cross-national/cluster policy convergences. This mainly stems from that the contributors of this research agenda tend to conceive policy responses as being given in path-dependent manners to some independent and external processes, risks or challenges. The externalization of the relation between these risks/triggers of policy change and the policies and services targeting them makes difficult to understand the complex interplay among them and their transformation.

2.2.2.3 Historical Institutionalism: Comparative Policy Studies and the Question of Policy Persistence and Change

It is not possible to talk, in strict terms, about a shared understanding of labour and labour markets in historical institutionalist studies with regards to the phenomena such as welfare states, social policies, industrial relations and labour market policies and the like. Historical institutionalist contributors in these labour-related fields of research, like the welfare regime approach discussed above, seem to have an agreement upon –following Polanyi- that labour is not an ordinary commodity and labour markets do not operate according to the rules of supply and demand. Historical institutionalist studies on the mentioned labour-related fields have mainly focused on and developed a distinctive account on the question of policy persistence and change, which is characterized by an emphasis on the existence of cross national differences and path-dependent changes in these fields since the late 1970s in the face of common trends and pressures.

Although they share a similar (new) institutionalist ground with the new institutional economics discussed above, it is nevertheless necessary to take into account separately the perspective identified as historical institutionalism. Different from the focus of the former school (and rational choice institutionalism in general) on how institutions shape

strategic actions as constraints or incentive structures, historical institutionalist contributions take as their central concern the question of how differently political action and political outcomes are conditioned by institutional trajectories²⁰. The latter is particularly characterized by the attempt to understand and analyse policy continuities over time within countries and policy variation across countries inductively and through middle-range explanations (rather than grand theorizing) based on intermediate level categories/variables that are employed to examine the intermediate level institutions (see Thelen and Steinmo, 1992).

Historical institutionalism has constituted the ground for numerous studies examining labour market and social policies; and the transformations they have been subject to since the 1970s. Contributors have explicated the extent to which and how these policies tend to be stable vis-à-vis the pressures of change, and choices and capabilities of and constraints faced by governments in relation to triggers of policy transformation. Against the argument that there has been a cross-country convergence due to welfare state retrenchment in the neoliberal period, they have stressed that despite the existence of important global transformations there has been a ‘persistent diversity’ among different social policy/welfare structures (Kitschelt et al., 1999; Pierson, 2001a; 2001b). This, it is argued, is indicative of the path-dependent character of national policy responses that are rooted in path-dependent institutional trajectories of labour markets and welfare states (see Steinmo, 2008: 118; Powell and Barrientos, 2004: 96). As such an important tendency in

²⁰Two leading historical institutionalist scholars identify the main difference among these two types of new institutionalism as follows: “For the rational choice scholar, institutions are important as features of a *strategic context*, imposing constraints on self-interested behavior. [...] Thus political and economic institutions are important for rational choice scholars interested in real-world politics because the institutions define (or at least constrain) the strategies that political actors adopt in the pursuit of their interests. For historical institutionalists the idea that institutions provide the context in which political actors define their strategies and pursue their interests is unproblematical. Indeed, this is a key premise in historical institutional analysis as well. But historical institutionalists want to go further and argue that institutions play a much greater role in shaping politics, and political history more generally, than that suggested by a narrow rational choice model” (Thelen and Steinmo, 1992: 7)

these contributions is to take the sources of institutional transformation as external to institutions themselves. Giuliano Bonoli's (2009) study on the ways in which Western European countries have adapted their employment policies to 'post-industrial labour market risks' provides a good illustration of this tendency (see also Esping-Andersen, 2002; Gallie and Paugam, 2000; Kitschelt et al. 1999; Pierson, 2001a; Pierson, 2001b for similar evaluations). He identifies deindustrialisation and tertiarisation of employment as the two major challenges constituting 'labour market risk structures' and argues that different groups of countries -liberal, continental European and Nordic countries- have responded to these challenges differently by developing new policies in line with their long-standing political economy and welfare state traditions (Bonoli, 2009: 35-36). As a response to de-industrialisation, according to the author, these three groups of countries have pursued three different strategies: liberal countries chose the 'labour market option' as they already had highly deregulated and less rigid labour markets; continental European countries followed the 'labour reduction route'; and Nordic countries developed a strategy based on employment expansion in the public sector (Bonoli, 2009: 41).

As it is the case for Bonoli (2009), historical institutionalist reading of labour policy changes characteristically follows a line of explanation according to which external triggers of transformation (in this case de-industrialization) confront with institutional complementarities and lead to policy adaptation in line with the latter's path dependent characteristics. Accordingly, policy responses are regarded as being given to some independent and external processes, risks or challenges and in path-dependent manners, i.e. in accordance with the characteristics of long-standing institutional complementarities. It is contended that once complementarities are formed, they become more or less fixed and as monoliths they interact with external factors. It is this interaction that condition policy options. As a prominent historical institutionalist scholar pointedly admits (Streeck, 2011: 139):

[W]hile recent analyses of institutional change had made progress in classifying certain formal properties of the processes found to be at work in the real world of contemporary capitalism in general terms, they were unable to speak to the underlying causes of such processes. [...] I suggest that this was because the decline of post-war organized capitalism and its neo-liberal re-formation were treated by institutionalists, including historical institutionalists, as essentially no more than coincidental research material for what was ultimately to be a theory of the general properties of institutions, or of political economies conceived as institutionalized social orders, and the way they change, sidelining historical context and the historical forces that condition when and how and for what purpose particular institutional processes may emerge.

It can be argued that the same criticism applies to the historical institutionalist studies on social and labour policies. Accordingly, historical institutionalist understanding of (labour or social) policy persistence and change, leaves open the important question of how (labour market or welfare state) institutions themselves are formed and transform. In other words, the underlying relations that pave the way to the emergence, ‘acts’ and transformation of institutions are taken for granted. As such the main problem with the term path-dependence is less to do with its emphasis on capitalist diversity (non-convergence) and the importance of historical legacies in subsequent policy formation than its institutional determinism and inadequacy to provide answers to the question of institutional (and therefore policy) formation and change. In the following section, I will present an alternative reading of labour policy formation and change that derives insights from critical labour studies.

2.2.3 Commodification of Labour Power, Exploitation and Social Reproduction: Deriving Insights from Critical Labour Studies

Critical labour studies is a very broad category that can encompass a variety of contributions to the study of labour. In one way or another, the incomplete, impure and conflictual character of labour relations is admitted and examined by the contributions that are referred to here as ‘critical’. In this part, a selective rather than an exhaustive

evaluation is made with a focus on labour policy formation and transformation. Some prominent research agendas which are mainly but not exclusively inspired by the works of Marx and Engels and which directly concern the object of analysis of the present study are discussed. A distinguishing and common character of Marxist perspectives, which constitute a variegated family of schools, is the emphasis on capitalist relations of production as central to the formation and operation of labour markets and labour relations, unlike the neoclassical economics and new institutionalisms discussed above. Commodification of labour power is thus regarded as inseparable from the production of commodities in capitalism and the relations of exploitation and struggles integral to the production processes.

The works of Marx (and Engels) as well as various Marxist schools incorporate rich and multifarious conceptual and analytical tools in relation to labour (power) in capitalism. Compared to other schools of thought, they have provided the deepest and most detailed theoretical accounts on the issue, if not equally so in terms of the concrete analyses. Related agendas range from the value of the labour power as a commodity, relative surplus population, reserve army of labour, socially necessary labour time, formal and real subordination/subsumption of labour, productive and unproductive labour and so on. An exhaustive discussion of these conceptual tools and inferences related to them exceeds the limits of this study. Therefore, with an aim to derive insights for the more specific focus of the present study, I will confine myself to briefly identifying how labour relations, labour markets and state involvement are conceptualized by Marx and some prominent Marxist works and schools directly interested in this question.

This specific focus is of course tied to more general discussions on Marxist state theorizing, i.e., on the nature and operation of the capitalist state. In that respect, the main source of difference in positions/parties lies in the variations in interpreting the institutional separation of the economic and the political (or the market and the state) in

capitalism, and to be more precise, in the ways in which the nature of the state and its relations to economy/society/classes are conceived. Although both labour and state are prominent fields of examination in various Marxist schools, taking labour policies as distinct objects of analysis is hardly a prevalent concern. For the most part, related inferences come mainly as extensions of more generic readings of the state and therefore depend on whether it is identified as an instrument of the ruling class, a neutral terrain, an ideal collective capitalist seeking the long-term general interests of capital, a factor of cohesion in the maintenance of the capitalist relations of production or as the condensation of a relationship of forces between classes and class fractions (see Barrow, 1993; Hay, 1999; Jessop, 1982). Discussions on this level of abstraction and on the basis of identifications ascribed to different positions, such as instrumentalist, structuralist, functionalist and relational, mostly shadow and forestall fruitful inferences relating to the contents of analysis. Therefore, without delving into different perspectives on state-society or political-economic relations in capitalism, I will mainly address how labour power is defined as a specific commodity and how the involvement of state in labour relations and labour markets is conceptualized.

To begin with, the core of Marx's conceptualization of labour within capitalist societies is his differentiation between labour and labour power, i.e., the capacity for labour. It is the labour power, rather than the human being her/himself, that is being sold to capitalists in exchange for wage. The worker in that sense is 'free'. S/he is not herself an asset that is being sold, rather s/he has the 'freedom' to sell her labour power and to withdraw it. In his words (Marx, 1976: 271):

On this assumption, labour-power can appear on the market as a commodity only if, and so far as, its possessor, the individual whose labour-power it is, offers it for sale or sells it as a commodity. In order that its possessor may sell it as a commodity, he must have it at his disposal, he must be the free proprietor of his own labour-capacity, hence of his person. He and the owner of money meet in the market, and enter into relations with each other on a

footing of equality as owners of commodities, with the sole difference that one is a buyer, the other a seller; both are therefore equal in the eyes of the law.

Yet, freedom to choose employers –and this is not overarching in capitalism - does not refer to freedom to choose between selling or not selling one’s labour power. In that sense the freedom in ‘free labour’ is only a formal one, an appearance. What appears as an exchange relation occurring among equal individuals (as parties of an employment contract) is in fact a relation of compulsion. In the words of Jairus Banaji (2003: 88, original emphases): “the ‘freedom’ of free labour is best construed in a *minimalist* sense to mean, *primarily*, the legal capacity (‘autonomy’) required to enter a labour agreement”. The formal freedom of individual worker (as employee) to sell her labour power to the individual capitalist (as employer) in fact masks the subordination of the former to the total/social capital (cf. Banaji, 2003: 80). Thus, labour relation in capitalism, which is a relation of exploitation and subordination in essence, appears as a relation between buyers and sellers as abstract parties of a market transaction. And, it is this appearance, upon which the legal/formal conception of labour relations is based in capitalist societies.

For Marx, as for Polanyi and unlike neoclassical economics and the NIE, labour power is a ‘peculiar commodity’. This peculiarity, i.e., labour power’s difference from ‘genuine’ commodities, stems from both that (1) it is inseparable from the labourer (or to put it in Polanyian terms it is not produced to be sold in the market) who needs to be socially reproduced, and (2) it is the commodity of labour power which creates surplus value under capitalism (cf. Fine, 1998: 251-261). These two sources of the peculiarity of labour power are important to expand upon in order to better understand subsequent contributions provided by critical labour studies. With respect to the former source of peculiarity, Marx argues that labour power –the owner of which is mortal- is a special commodity the perpetuation (i.e., production and reproduction) of which requires, among other things, precreation, sufficient means of subsistence, education or training, health and strength

(Marx, 1976: 274-275). Marx does not elaborate on how and through the involvement of which social relations labour power is produced and reproduced. His focus was more on the manner in which the value of this peculiar – value creating- commodity is determined²¹ and how it is the source of (surplus) value²².

The roles of family and women (unpaid domestic/family labour) have been underlined by various feminist contributors, who have stressed upon and discussed the roles played by them in the production and reproduction of labour power (see among others Beechey, 1977; Humphries and Rubery, 1982; Kuhn and Wolpe, 1978). State involvement has found its place in these discussions, with an emphasis upon the existence of various channels (such as education and health services, unemployment allowances, poor relief, etc.) through which states have assumed some of the costs of (re-)production of labour power (see Beechey, 1977: 57). It is also stressed by various other critical labour scholars that production and reproduction of labour power are social processes that have been differently organized in different social contexts through the involvement of family, community and the state (Peck, 1996: 39- 43; cf. Fine, 1998: 5; cf. Picchio, 1992). Along these lines, as for the production and reproduction of labour power, it is pointedly stressed by Fine (1998) that rather than being secured through the wage relation alone, these complex processes are involved by various other social relations. In his words (1998: 186-187):

There is [...] a difference between labour-power and other commodities, in that it is not labour-power itself which is produced or reproduced by the labour-time required to provide consumption norms. [...] But the value of labour-power, as such, only provides one necessary condition for the reproduction of the labourer—the payment of the wage. In principle, this

²¹The manner in which Marx treated the value of labour power has been subject to important debates and reformulations (see for a review Saad-Filho, 2002; see also Mohun, 1994).

²²An immense literature has been devoted to exploring and discussing Marx's 'labour theory of value' (see Mohun, 1994; Saad-Filho, 2002).

secures, at least in part, the material reproduction of the work-force through the consumption that it allows. But even this primarily takes place outside the direct control of the capitalist employer in social relations which are separate, if not detached, from the accumulation and circulation of capital. In short, even if the value of labour-power does support the reproduction of the labourer, there are other social relations which are essential for this to occur which are not directly or primarily economic—those through civil society, the state and the household.

Regarding the other source of the peculiarity of the commodity of labour power, i.e., the fact that it is the source of surplus value in capitalism, Marx's claim is that the human capacity to labour, the source of use values created, becomes an asset in capitalism and purchased by the capitalist for capital augmentation. In this process, the labourer is only partially paid in exchange for her/his labour power and the products of her/his 'unpaid labour' (i.e. surplus labour) is converted by the capitalist into commodities and capital. This appropriation and materialization of unpaid labour is the source of surplus value (see Marx, 1976: 668-672, 743). Thus, capitalism is a particular mode of production in which the surplus appropriation is achieved mainly through the organization of production processes on the basis of commodified labour power. As such, the main distinguishing feature of the Marxian analysis of labour is its combination of commodification of labour power to the production and exchange of 'genuine' commodities through the labour process. This emphasis is important in that it calls for a treatment of labour processes, labour relations and labour markets as internally related. It also provides a challenge to a tight disciplinary compartmentalization in labour studies and implies that boundaries between sub-disciplines like industrial relations, social policy, labour market studies and the like are arbitrary.

In relation to the formation and operation of labour markets, Marx's distinction between the relative and absolute surplus value, and his identification of and inferences on the surplus population and reserve army of labour in capitalism are of fundamental importance. These formulations in fact reflect how in a distinctive manner labour

processes and labour markets are conceived as internally related. For him, the motive of the capitalists to increase the surplus value generated lead them to pursue two broad strategies²³. First is to increase the amount/time worked per worker through for instance the lengthening of working day. This is referred to as the absolute surplus value. The other category, the increase of which serves the same goal of expanding surplus value, is the relative surplus value. To raise it means to reduce the labour time necessary for the production of commodities through means such as the use of machinery or technology. Increasing productivity of labour and the accompanying rise in the organic composition of capital, i.e., the rise of constant capital over variable capital, paves the way for the formation of a working population redundant for the requirements of capital valorisation, which is identified by Marx as the surplus population²⁴ (see Kennedy, 2005: 100). Thus, the increase in surplus population is underlined by less use of human labour for the production of value.

The population that is surplus to capital accumulation is further divided into four segments by Marx: floating, latent, stagnant population and the paupers (1976: 794-802). The active army and different segments of the surplus population show a pervious character and they fluctuate in size and composition according to the dynamics of capital accumulation (Marx, 1976: 790, 792). Yet, the surplus population is not an anomaly or a market failure as opposed to the case in the mainstream approaches to unemployment²⁵ (cf. Fine, 1998:

²³Marx explicates the production of absolute and relative surplus value in the third, fourth and fifth parts of Volume I of Capital (see Marx, 1976: 283-672)

²⁴In his words: “[I]t is capitalist accumulation itself that constantly produces, and produces indeed in the direct relation with its own energy and extent, a relatively redundant working population, i.e. a population which is superfluous to capital’s average requirements for its own valorization, and is therefore a surplus population” (Marx, 1976: 782).

²⁵Relative surplus population is not confined to the unemployed. It includes various categories of employed. In Marx’s words (1976: 794): “Every worker belongs to it during the time when he is only partially employed or wholly unemployed”. As such it encompasses the segments of the labouring population referred to more recently as informal, precarious and/or casual labour.

195). For Marx, -to use the mainstream terminology- labour markets inherently imply a certain degree of flexibility, and this is ‘necessarily’ so. Thus, capitalist accumulation constantly and necessarily creates a redundant/disposable labouring population, which becomes a lever to it by constituting a readily exploitable mass of human material (a reserve army) to be used according to changing needs of the self-valorization of capital (Marx, 1976: 784, 788). Indeed, what have been identified as different forms of flexibility in labour studies can find their expressions in the distinction between relative and absolute surplus value and in different strategies pursued to increase them. Similarly, the distinction between active army and surplus population (and its different versions) provides a particular reading of the segmentation in labour markets, which has been barred from consideration by the majority of the recent labour market segmentation analyses²⁶.

As it is the case for the social and political processes through which labour power is produced and reproduced, Marx also did not expand on how the increase in surplus population is accommodated through different relations and mechanisms, including the capitalist state. Subsequent contributions attempted to apply Marx’s analysis of labour, which he developed on the basis of general tendencies characterizing the operation of capitalist mode of production, to the geographically uneven and socially and politically mediated processes of commodification of labour power have confronted important difficulties. Accordingly, the fact that commodification of labour power and the wage labour becoming a compulsion for the majority of the population have been uneven historical processes mediated through various mechanisms and relations other than the value creation through capitalist labour process have constituted important complexities for the analysis. This question is for the most part indirectly and implicitly addressed in different Marxist approaches to state. On this matter the non-reductionist perspectives

²⁶For an exception see Neilson and Stubbs (2011), who attempt to map the global composition of the active army and the relative surplus population in the neoliberal era on the basis of the categorization of developed-developing-underdeveloped countries. The authors contend that the majority of labouring population on a global scale has become relatively surplus to the functioning of capitalism (ibid. 450)

have provided a ground for a more refined and nuanced explanations on the involvement of the state in labour relations and labour markets, as their inferences on the capitalist state allows for an understanding of the operation of labour markets and labour relations as contentious, open-ended and impure processes in which states and other social relations are involved through various means²⁷. As aptly pointed out by Marcus Taylor (2007: 538):

The fetish of labour as simply a factor of production—a ready-made commodity to be added to the ingredients of production—must be shed. As both Marx and Karl Polanyi emphasised, labour in commodity form is a fictitious commodity. Its existence not only has to be socially constituted through the separation of workers from alternative means of subsistence; also, specific labour forces have to be socially constructed as resources that can be profitably employed within particular processes of production. This involves a complex conjuncture of contested material, social, and cultural processes. As a consequence, productive activities are not merely embedded in the networked relationships between interrelated firms that compose a commodity chain, they are also embedded in the social fabric of the fragmented relationships between capital and labour within the process of production and in the social reproduction of waged labour in its commodity form, mediated by the household, labour market, and state.

From this brief overview, three general inferences can be derived for the present study. (1) Through various policies, services and measures states are involved in the perpetual (re)commodification of labour power and the organization of labour markets and labour relations. (2) These should not be regarded as fulfilling pre-determined functions, as the functions performed by various state involvements are shaped and conditioned by social struggles. (3) Labour processes, labour markets and state involvement in them should not be treated as externally related. In the following part, I will take these emphases on board

²⁷In fact, even among those who derive the functions performed by the state from the requirements of relations of production, i.e. from the needs for setting the general conditions for and ensuring the reproduction of these relations, there are figures emphasizing upon the lack of pre-determined, ready-made policy responses to the problems and contradictions related to valorization and reproduction, and also of a guarantee that these policies would meet the needs and interests of capital (see Jessop, 1982: 90-106 for a review).

when putting forward the analytical and conceptual framework that will be relied upon in the rest of the study.

2.2.3.1 Conceptual and Analytical Framework of the Thesis

So far, I have discussed how various forms of state involvement in labour relations and labour markets are conceived as labour market distorting/correcting (mainstream labour studies) or de-commodifying/protecting (welfare regime studies) in the existing literature. Yet, how to read highly complex and differentiated forms of state involvement in specific historical and spatial contexts more accurately remains a question to be addressed. This part attempts to provide a framework for analysis of labour policies by deriving insights from the discussion above on contributions by Polanyi and critical labour studies. For any critical analysis of state involvement in labour markets and labour relations, the main challenge is to understand and present the complexities stemming from the fact that although different forms of this involvement appear and institutionalize as external to these markets and relations they are in essence integral to them. To reveal and read inner connections is an important task of and challenge for the critical labour studies. This challenge grows as the wide variety of policies and measures are considered. Indeed, in contemporary capitalist societies, these may encompass a range of regulations relating to health and safety at the workplace, working hours, paid leave, trial periods, sick pay, dismissal procedures, severance pay, social security contributions, pensions, unemployment allowance, vocational training, collective bargaining, cash transfers and the like. This diversified character makes classification inevitable, at least for analytical purposes, and every classification is loaded with a theoretical baggage. As it was discussed above, the rigidity/flexibility framework developed in the mainstream labour studies differentiates between policies and measures according to whether they allow for or hinder greater flexibility for firms and labour markets (i.e. enhance competitiveness, efficiency and productivity). There are also other classifications that categorize labour policies and measures for instance as passive and active, and inclusive and exclusive. The former takes

the potentials of labour regulations in increasing workers' employability as the benchmark for differentiation (see Crouch, 1999: 442-443). The latter is based on an understanding of social inclusion as involvement in the labour market. Instead of these, I will use a distinction that is less frequently relied upon in the literature as the analytical ground of the examination. This classification -used especially in the labour law literature- categorizes labour legislations on the basis of laws regulating individual and collective labour relations. I will add to them a third category to incorporate regulations targeting unemployment and poverty. Before putting forward this analytical distinction, in the following section I will briefly expand on the conceptual framework that will both inform this analytical distinction and guide the examination of post-crisis labour reform processes in Turkey and Argentina.

Commodification, Reproduction and Compensation

As it was indicated above, inspired by Lacher's (1999a, 1999b, 2007) reading of 'embeddedness' in Polanyi, I take 'de-commodification' as a more specific phenomenon. The term in that sense implies the stripping of labour power from its commodity character. Unlike the widespread use of the term in the welfare regime/social policy literature, according to this reading of the term, in order a labour policy or scheme to be regarded as labour de-commodifying it should ensure the beneficiary's subsistence without regard to the (prior or actual) existence of the wage labour relation. Thus, for a labour policy to be labour de-commodifying it requires to meet two criteria at the same time: the subsistence criterion and the wage labour relation criterion. To illustrate, as long as they are tied to one's employment status, policy elements such as pension schemes -no matter how generous they are-, cannot be regarded as labour de-commodifying. Similarly, as long as they do not meet one's subsistence requirements in a permanent manner, the social assistance schemes, no matter how universal they are, cannot be reckoned as labour de-commodifying.

Commodification of labour power is different from commodification of various labour power reproduction mechanisms. In that, the de-commodification of labour power cannot necessarily be achieved through the de-commodification of these mechanisms and policies. For instance, a pension system that is taken under state control will not have labour de-commodifying effects as long as the pension provision is conditional upon the existence of wage relation. As it will be elaborated on in Chapter V, this was the case in Argentina when the pension system, that had been privatized in the 1990s, was taken under state control in the 2000s. By the same token the widespread identification of neoliberal restructuring as labour re-commodifying is misleading, given that the preceding period cannot be regarded as ensuring the de-commodification of labour power as a distinguishing tendency. Even if we consider the social democratic welfare regime of Esping-Andersen in the post-war period which is referred to as the most de-commodifying among other clusters, what was at stake was that various policies characterized as de-commodifying were part of the broader policy agenda of increasing and sustaining high labour force participation (i.e. commodification of labour power). Similarly, for instance, policies such as paid maternity leave and public provision of services such as child and elderly care were introduced to facilitate women's entrance in the labour market (i.e., commodification of their labour power) or keep them as a party in the wage relation (i.e. sustain the commodification of their labour power). Thus, the main rationale or outcome of these policies has not necessarily been to protect individuals (here women) against market risks and/or reduce their reliance on wage relation.

Authors who do not accept the broader conception of the term de-commodification – developed by Esping-Andersen and embraced by the majority of the welfare regime/social policy literature discussed above - have chosen to use terms like 'partial de-commodification' (Lacher, 1999b: 349)²⁸ or 'fictitious de-commodification' (Standing,

²⁸Lacher (1999b: 349) argues with reference to the post-war order that: "inasmuch as there was a 'partial de-commodification' of labour through the welfare state, this must be seen in the context of both the extension

2009: 32). I argue instead that de-commodification should be taken in its narrower sense, i.e., in a way to refer to stripping of labour power from its commodity character. This is necessary not only to enhance labour policy analysis in theoretical terms, but also to make room for and develop labour emancipatory policies. Additionally, not all forms of de-commodification are emancipatory on the part of labour. Indeed, there have been many forms of non-commodified labour prevalent in actually existing capitalist societies, such as unpaid family labour and various forms of bonded or forced labour, which are characterized by exploitation but the absence of wage relation or the ability to sell one's labour power²⁹. Therefore, a distinction between labour emancipatory forms of de-commodification and the others is necessary.

As it is stated above as an inference derived from critical labour studies, in concrete labour commodification processes, states (alongside other social relations such as family and community) in changing forms and degrees have undertaken various direct and indirect roles in the production and reproduction of labour power (both in individual and collective terms). Accordingly, the commodification of labour power and labour relations are not self-contained processes; they are involved by various non-market (non-commodified) relations. Involvement of non-commodified relations within the labour relation does not *necessarily* amount to alter the commodity status of labour. I argue that compensatory mechanisms and state's involvement for the reproduction of labour power are integral parts of the commodification of labour power. Such a perspective takes labour power commodification and labour markets in capitalist societies as incomplete, impure and contentious processes in which the state is involved in various forms (alongside other social relations). State involvement is thus conceived as integral rather than as posterior

and deepening of commodity relations in capitalist society". The author also uses the term 'limited de-commodification' (ibid. 350).

²⁹A growing body of literature examines and discusses the contemporary forms of "unfree", "bonded", "forced" labour (for an extensive review see Strauss, 2012)

and exogenous to labour relations and the formation and operation of labour markets. It is not understood therefore as having the function to abolish the contradictions of these relations or, complement or bring perfection to them.

Historically capitalist states (among other social institutions) have been involved in ‘the continued reproduction of human labour power in commodity form’ (Russell, 1984: 44). This involvement has taken different forms, which range from regulating – setting the terms and conditions of– individual and collective employment contracts; compensating the individual costs of reproducing the labour power (compensation with lowercase ‘c’) and the social costs of unemployment and poverty (Compensation with capital ‘C’); and to disciplining the labour force. In complex-concrete terms these forms have been intertwined in various manners and put into practice through various policy tools. Specific articulations of these forms of involvement and the ways in which they are translated into policies have been conditioned by struggles and compromises between and among classes (and not necessarily on a national scale). This is why the functions fulfilled by them cannot be identified beforehand.

As regards to the first form of state involvement mentioned, over the history of capitalism, states through various laws and measures have regulated the terms and conditions of the employment relation. These have included regulations relating to aspects that range from working hours and dismissals to collective bargaining. The prevalence of the formal-contractual form of this relation has shown significant differences in time and space. And related laws and measures have played different roles in transforming, decreasing or increasing the roles in the reproduction of labour power, depending on the level of collective strength of the parties in this relation.

The term compensation that will be used as a twofold concept in this study, also requires some further elaboration. As a form of state involvement in the organization of labour

markets and labour relations, it is understood here as different from a conception of state intervention having the function to address the market imperfections, frictions or transaction costs (as in the mainstream labour studies); or the role to protect individuals from the adverse effects of the market (as in the welfare regime/social policy literature). For both mainstream and historical institutionalist perspectives ‘compensation’ implies – albeit differently- a posterior and exogenous state intervention. I use the term as referring to: (1) the state’s undertaking of the individual costs of reproducing labour power in changing forms and degrees (compensation with ‘c’). This undertaking may be through different ways such as subsidising wages or employer’s social security contributions and providing health services to employees. (2) the state involvement in the organization of unemployment and poverty (Compensation with capital C), or put in Marxian terms, of the reserve army/surplus labour. (C)ompensatory involvement has been and may be through a variety of policies and measures such as cash transfers to the poor, unemployment allowances, skill formation and improvement by education or training, and the like. I will take this latter form of (C)ompensation as a distinct category alongside the two other components of the analytical distinction put forward below. The term in its latter sense refers to the compensation of the ‘social’ costs emanating from the gap between labour power commodification and employment.

As a last point it might be necessary to clarify the difference between Compensation and social security. The term social security is generally used either narrowly to refer to ‘social insurance’ or in a broad manner as to encompass both forms of compensation depicted above, without acknowledging the important differences between the two. It is a conception shaped under the influence of the notion of state involvement in labour markets and labour relations as mainly protective, i.e., as occurring between individual (worker or citizen) and the state, in which the latter performs a protective role vis-à-vis (labour) market risks. I instead handle here the key component of social security, i.e. pensions conditional upon the existence of a work experience, as part of the individual labour

relations. Non-contributory social pensions and social assistance schemes that are not based on prior work experience are regarded as part of the Compensatory state involvement, in other words as the undertaking of the social costs of unemployment and poverty by the state.

Individual, Collective and Compensatory Labour Regulations

In the labour law literature, national labour legislations are usually classified as individual and collective labour laws and regulations. This classification rests on a formal-abstract conception of labour relation as a contract relation between individual and collective parties. The contract relation between an employer and employee (or a collective agreement between employers and employees) appears as a relation between buyer and seller as abstract parties of a market transaction. As it is stressed above in the section discussing critical labour studies, it is this appearance, upon which the legal/formal conception of labour relations is based in capitalist societies. In fact, these frameworks by setting the terms and conditions of individual and collective labour contracts/agreements, specify the rules and restrictions under which labour power is to be commodified. In this study, I will use this categorization and add compensatory labour regulations as a third component³⁰. As such, policy measures through which states in different forms are involved in labour relations and labour markets will be categorized in three groups: policies regulating individual and collective labour relations, and (C)ompensatory labour policies targeting poverty and unemployment. To be more precise about this analytical distinction and categories:

³⁰For the distinction between individual and collective labour laws and regulations see Cook (2006: 47-51); for an examination of transformation of labour relations in China on the basis of the distinction between individual and collective labour relations see Kai and Brown (2013: 103-104). Sebastián Etchemendy (2004) adds compensatory policies as a third reform dimension to this twofold categorization and, similar to the present study, disaggregates labour policies into three components: individual labour law, collective labour relations and compensatory labour market programmes.

(1) Policies regulating individual labour relations: These encompass policies regulating employment relations between employees and employers as individual parties of a contract. They set the terms and conditions of individual employment contracts such as hiring and dismissal procedures, payments to be made by employers in cases of (unjust) dismissals, hours of work, social security contributions and overtime. In different cases, depending on the degree of prevalence of informal employment practices, individual labour relations have been differently and partially regulated through these policies. State involvement in individual labour relations also include contributory schemes providing income to those who are not able to work because of old age, i.e payments upon the condition of a work experience. To what extent and how individual labour relations are subject to state regulation, and particular ways in which policy measures are formed and transformed reflect power asymmetries between the parties of these relations as collective actors. As such, they may strengthen or weaken terms and conditions of the employment relation on employees' or employers' behalf.

Various forms of labour subsidies introduced in several countries after the 2008 global financial crisis represented a state involvement in individual labour relations in a manner as to reduce employers' share in the reproduction of labour power, by reducing their wage and/or non-wage labour costs. These subsidies contributed in many cases to the expansion of temporary employment patterns by encouraging employers to replace existing workers with new ones having lower costs (see Standing, 2011: 55).

(2) Policies regulating collective labour relations: These cover policies regulating relations between capital and labour as collectivities. Terms and conditions of collective contracts/agreements, rules framing collective bargaining procedures, strikes, lockouts and structures and operations of unions have been prominent components of collective labour regulations. Collective labour relations have historically been important sites of regulation and conflict in capitalist societies (cf. Kai and Brown, 2013: 104).

Organizational strength of workers has had significant impacts upon the formation of individual labour relations and policies regulating them.

As it is the case for individual labour relations (between the employer and employee) collective labour relations (between capital and labour) are also based in capitalist societies on an inherently asymmetrical power relation, in which ‘the concentrated economic power of capital confronts with the far more vulnerable sellers of labour power’ (Hyman, 1989: 25). Thus, in the words of Hyman (1989: 25):

In organising collectively, workers do not disturb an otherwise evenly balanced labour market; normally they do no more than partially counterbalance the dominance which the employer can exercise over employees as individuals, and the impact of ideologies of occupational worth which reflect the interests of privileged social groups.

Trade unions have constituted the major form of labour organization throughout the history of capitalism, with their changing roles, and different degrees of strengths and weaknesses in time and space. They have historically had a dual and contradictory character (cf. Darlington, 2014: 113): on the one hand as collective bodies raising the demands of the workers, contributing to their collective identity formation and confidence and striving for concessions from employers to improve the living and working conditions of their members; and as organizations containing resistance to capitalism and preventing workers’ grievances from becoming a threat to capital accumulation processes through accommodation on the other hand.

(3) Compensatory labour policies: These encompass policies seeking to regulate and control unemployment and poverty through means such as unemployment insurance, cash transfers, direct job creation programmes and vocational training programmes. While, policies regulating individual and collective labour relations relate to those who are part of an existing employment relation, compensatory policies target mainly the surplus

population, i.e. those who are outside of or peripheral to the employment relation. Compensatory state involvement to control and mitigate social and political impacts of unemployment and poverty has taken different forms in time and across countries. The dominant criterion for a variety of programmes that have been initiated in the neoliberal period for these segments of the labour market has been ‘employability’.

Policy changes initiated in one of these categories may have direct or indirect implications in terms of the others. For example, regulations promoting decentralization of collective bargaining may have indirect implications in terms of individual labour regulations such as severance pays or overtime pays. Some policy items may crosscut these categorical distinctions. Changes in the rules of minimum wage setting for instance can be seen as changes targeting individual labour relations as they regulate the terms of minimum wage contract. Yet they can also be regarded among collective labour relations depending on whether they are set as a result of negotiations between representatives of labour and capital. These policies may be encompassing or they may target different categories of firms, workers, regions or sectors. There may also be *de facto* or *de jure* exemptions to otherwise encompassing regulations, such as informal employment and exemptions from social security contributions in the form of hiring subsidies. All in all, these policy categories have been interrelated with each other in distinctive manners and have also been subject to transformations in due course.

2.3 Making Neoliberal Labour Policy Agendas: From Theory to Strategy and Practice

Despite its ostensibly neutral nomenclature and ahistorical way of analysing labour markets, labour relations and related state involvement, the neoclassical and new institutional economics strand in labour studies has been shaped within the context of a historical transformation that capitalism came to undergo worldwide roughly by the mid-1970s. This perspective has provided the conceptual/theoretical toolbox to neoliberalism

as a political project and informed labour policy agendas in many parts of the globe under the guise of scientific/technocratic objectivity and universalism. More specifically, the neoliberal strategy has been characterised by the above discussed understanding of labour markets as any other markets and therefore the idea that institutions and policies ‘distorting’ its operation should be eliminated (cf. Clarke, 2004; cf. Bhattacharya, 2007: 111). Concrete labour policy transformations however have exhibited considerable differences over time and space reflecting neoliberalism’s experimental and flexible character as a policy paradigm (Harvey, 2006: 33-34; cf. Plehwe et al., 2006: 3; cf. Ward and England, 2007: 15). Not only there have been important gaps between neoliberalism as a project and as a set of public policies but also the former has undergone important transformations to provide solutions for the stalemates engendered by the latter in concrete neoliberalization processes. The examination of Argentine and Turkish experiences in this study indicates that transformations in state-labour-capital relations under neoliberalism have been more complex than implied by the arguments of state retrenchment, re-commodification of labour, deregulation and marketization.

Neoliberalism as a project and policy paradigm has loomed large in the academic debate. Here without delving into this extensive literature I will take it mainly as a political project seeking to define the role of the state as enabling the permeation of market principles into the fields until then characterized by non-commodified relations and/or public provision. From a labour-centered perspective, neoliberal strategy has been based on the aspiration to diminish capital’s responsibility as much as possible in individual and social reproduction of labour. To be more precise, externalization and socialization of capital’s labour-related costs has been a core element of neoliberalism (cf. Bhattacharya, 2007). This does not necessarily imply a state retrenchment in these fields. Instead, as aptly pointed out by Bhattacharya (2007: 125) in this framework state’s ‘role in the socialization of the costs of restructuring is being emphasized even more’. As it will be illustrated by the Argentine and Turkish experiences in this study, the implementation of this project in different social settings has been flexible, pragmatic and highly variegated. Yet a

transnational policy agenda framed predominantly by the neoclassical and NIE approaches and articulated through international financial and development agencies have informed this project in general and its labour policy components in particular.

In many developing parts of the globe, structural adjustment programmes were introduced in the late 1970s and early 1980s as a new ‘development paradigm’ and various conditionalities tied to loan agreements continued to shape policy agendas in the subsequent decades. Labour policies came to be regarded as being related to those affecting positively or negatively various forms of flexibility (described above in Section 2.2.1.1.) in the labour markets. And social policies have been confined to programmes and measures addressing the adverse effects of economic restructuring. Neoliberalism as a strategy has promoted not only a distinction between labour market and ‘social’ policies, but also it strived for detaching the latter from economic policy making in general by redefining it as a residual category. Poverty and inequality have taken part within this framework as stemming from ‘the excessive power of unions and the selfish, self-interested behavior of formal sector workers’ (Leiva, 2006: 346) and/or incapacities and vulnerabilities of individuals, thus as unrelated to economic reforms being implemented.

As a political project and informed by aforementioned neoclassical approaches, the attempt to minimize the burden on capital with regards to individual and social reproduction of labour took the form of a policy package. Despite being promoted as a consensual contract, most of the reform elements were imposed with the pretext of regaining the “pre-shock growth path” (Balassa, 1982) for the countries suffering from balance of payments problems and debt crisis. The idea of reliance on market forces as the motor of economic growth and the reduction of state expenditure in general (Fine, 2002) implied restructuring of the state in the post-1980 for many developing countries, with the aim of disciplining collective organizations of labour as well. One of the major implications of the reform outlook has been labour market flexibility, though admitted

retrospectively and gained more prominence in the policy agenda starting from the 1990s onwards.

There is an extensive debate and literature on the roles of International Financial Organizations (IFOs), especially the Bretton Woods Institutions, in different crisis management processes since the 1980s. The most notable framework in that respect was drawn first by John Williamson who coined the term ‘Washington Consensus’ in 1989 and who initiated a long lasting discussion that would be referred to, reconsidered and revised in different crisis episodes. In his article, ‘What Washington Means by Policy Reform’ he described the Washington Consensus as a set of economic policy reforms aimed at recovery from the Latin American crisis of the 1980s on which, he argued, the institutions in Washington had a reasonable degree of consensus (Williamson, 1990). According to Williamson’s original formulation the Consensus encompassed ten policy instruments: fiscal discipline, reducing public expenditures rather than increasing tax revenues (“switching expenditure from subsidies toward education and health -especially to benefit the disadvantaged- and infrastructure investment”), tax reform (broadening the tax base and moderating marginal tax rates), market determined and positive interest rates, competitive exchange rates, import liberalization, eliminating the restrictions on FDI, privatization, deregulation and secure property rights (Williamson, 1990). Alongside “social safety nets (selective state transfers for the needy)” as the eleventh element of the Consensus, Guy Standing mentions labour market flexibility (“decentralized labour relations coupled with cutbacks in protective and pro-collective regulations”) as its twelfth component that ripened over time finding its sharpest manifestation in IMF’s 1999 *World Economic Outlook* (Standing, 2000: 738). Indeed its lack in Williamson’s ‘original formulation’ does not imply that labour market flexibility had been an inconsiderable concern within the prevailing policy paradigm. In an article evaluating the failures of the Washington Consensus, Joseph Stiglitz (2003: 13) indicates that increasing labour market flexibility was one of the elements of reform agenda supposed to lead to better functioning labour markets. Similarly, John Williamson (2003: 5) retrospectively mentions labour

market reforms as the most prominent among the ‘first generation reforms’ that were either neglected or remained incomplete in Latin America in the 1990s. This neglect in his account constituted one of the reasons behind why things went wrong in the region. He states that (Williamson, 2003: 6): “Note that Chile is the country that pushed first-generation reforms the furthest (and that had started them first), although it has to be conceded that even Chile has not done anything to liberalize its labor market”.

As these commentators confirm – the former by accusing flexibilisation framework with going too far (Stiglitz, 2003) and the latter by complaining about inadequate implementation (Williamson, 2003) - to render labour markets more flexible had been one of the concerns within the Washington Consensus Agenda. Yet, it can be argued that until the mid-1990s the issue had been addressed in a more indirect and less systematic and elaborated manner. As it is stressed in an ECLAC publication (Weller, 2001: 13):

Initial reform attempts [...] reflected the expectation that the main positive outcome for the labour market would stem from non-labour market reforms, such as trade and financial reform, or the elimination of the urban bias, as these would remove many of the distortions. Only in the 1990s was mounting emphasis placed on a labour market reform that was geared towards flexibility.

The fact that systematic approach to labour market flexibility gained prominence had to do with the shift in the policy paradigm towards consolidation of market oriented reforms. As noted above in this chapter, institutional design of the markets through state intervention is portrayed as something desirable by NIE scholars, if it enables and facilitates markets to function in better terms. The policy emphasis on institution building and consolidation of market reforms in the late 1990s, refurbished as the new consensus, can be grasped with this light. By the late 1990s, as the East Asian and Latin American crises erupted, a new discussion arose mentioning the emergence of or need for a new consensus, which emphasised the importance of market friendly institution building, social capital, democratic governance, poverty reduction and empowerment (Robison,

2006: 6; Rodrik, 2002). Joseph Stiglitz first attempted to formulate the constituents of the ‘new’ consensus in a detailed manner, and identified the ‘new’ role that should be played by the state as being a ‘complement to markets’ (1998: 24; see also Stiglitz, 2004). A set of ‘second-generation reforms’ were proposed as necessary to complement –rather than to substitute- the first generation reforms (cf. Santiso, 2004: 839). John Williamson (2003: 6) describes the second generation reforms as the reforms that were necessary to be realized in order to take full advantage of the first generation reforms. As also implied by Stiglitz (2004), the post-Washington consensus framework have not encompassed a critique or abandonment of (trade and financial) liberalisation, privatisation and marketization. It has rather stressed upon the implementation failures, problems stemming from inadequate institutionalisation and the need for consolidation. In a parallel fashion, the ‘discretionary’ state interventions have been targeted and the need to build institutions that would render the ‘political discretion’ ineffective have been emphasized. Thus, the new interventionism in general, and the Post-Washington Consensus in particular, has not represented a break with neoliberalism and it has not challenged neoliberalism’s core with its persistent emphasis on the need for free markets (Lapavitsas, 2005: 30-31, 35).

As it is indicated above, flexibilisation of labour market policies and institutions was incorporated in the policy framework in the 1980s in a rather indirect, less systematic manner. A more elaborate and systematic agenda was formed by the mid-1990s, which, while advocating greater flexibility in the labour markets, has emphasized the importance of institutions in enhancing flexibility and productivity. The new agenda had elements different from the former. One of the hallmarks of the ‘augmented’ paradigm has been its emphasis on poverty alleviation and empowerment. Social protection was reformulated as a central *complement* to market-oriented policies that encompass building up efficient risk-management mechanisms for the disadvantaged groups and providing social assistance for the very poor (Walton, 2004: 178). In the words of Michael Walton (2004: 178), then advisor to World Bank on Poverty Reduction and Human Development:

[T]his is far from an old-style redistributive agenda—often advertised under populist auspices in Latin America. Indeed, a recognition of distributional and institutional factors can lead policy in ways that deepen rather than weaken areas associated with a market-oriented approach.

Poverty alleviation instruments and interventions thus have been regarded as complementary to the framework of flexibility promotion. It also attests to the fact that neoliberalization in general and neoliberal policy regimes in specific countries in particular have created new vulnerabilities and reinforced already existing risks that cannot be mitigated by ‘social safety nets’, which the policy makers perceive as requiring attention and state intervention. To put it bluntly, “it is during this period that the mantra of ‘pro-poor growth’ came to dominate the global policy agenda and became deployed by the same global and local institutions for engineering the subversion of inclusivity” (Adesina, 2011: 459).

Critiques have underlined the growth of different forms of insecurity as a negative outcome of increasing flexibility in the labour markets (see for example Standing, 2011)³¹. Critical accounts on neoliberalism have also directed their attention on its labour disciplinary character at the workplace, regional, national and transnational levels which have brought along the weakening of collective strength and bargaining power of workers. They have also underlined that this restructuring has had important consequences for different segments of the labouring classes, leading to greater insecurity in terms of employment and income for the majority. In addition, many critical scholars have

³¹ Standing’s (2011) argument that the drive toward greater flexibility in the labour markets, which amounted to the transfer of risks to the workers and their families, led to the growth of a ‘new dangerous class’, the precariat, has extensively been debated. The term precariat that has become very fashionable in especially sociological analyses of labour markets, is based on a narrow conception of ‘proletarianisation’ and the ‘proletariat’ as referring to a closed category pertained to a specific historical period in the Western industrialized world. To disagree with the argument that precariat is a new class in the making, does not necessarily mean to deny increasing segmentation and hierarchies among the laboring population. See Munck (2013) for a review of the concept in which he raises such a critique by acknowledging that precarity has become a key feature of the working class.

discussed the capitalist diversity and unevenness of neoliberal reforms by employing the concept of variegated neoliberalism (see among others Brenner et al., 2010; Macartney, 2009; Peck and Theodore, 2007). The pragmatic and flexible implementation of neoliberal reforms is also a sign of the mutations of neoliberalism through the impacts of a variety of groups and ideologies contesting its hegemony and influencing its trajectory (Gamble, 2006: 35).

2.4 Conclusion

In this chapter, I have reviewed the important and influential scholarly perspectives on labour policies and labour markets. I have presented a critical reading of the neoclassical and NIE strand as well as the welfare regime literature and historical institutionalist evaluations. The peculiarity of the labour power as a commodity and the state's involvement in labour markets can best be grasped from a critical point of view that underlines the internal relations between labour processes, labour relations, and labour markets. I have emphasized in my review that a critical approach allows for an understanding of labour relations as contentious, open-ended processes in which states are involved through various mechanisms.

I have also presented the conceptual and analytical framework of the study. Departing from the predominant approaches, I conceive state involvement in labour markets as the reconfiguration and maintenance of the commodification of labour power. Hence, I emphasise the necessity of a perspective that considers not only the 'protective' measures by state but also the roles undertaken by the state for the commodification, reproduction, disciplining and incorporation of labour. I use the classification of individual labour regulations and collective labour regulations, drawn out from the field of labour law. I also add the third dimension of compensatory labour regulations and thereby focus also on the state involvement for the management of unemployment and poverty. Such

conceptual fieldwork was necessary for the major objective of this study, i.e. to provide a critical analysis of the differential labour policy configurations in Argentina and Turkey and the post-crisis restructuring of state.

A comparative study of this kind in which two cases are compared over a long time period, necessarily depends on an evaluation of historical forms of labour-capital-state relations. The next chapter will proceed with a discussion of the labour market formation and labour relations from a historical standpoint in each case.

CHAPTER III

HISTORICAL BACKGROUND: FORMATION OF LABOUR MARKETS AND LABOUR RELATIONS IN ARGENTINA AND TURKEY

3.1 Introduction

The aim of this chapter is to provide a comparative evaluation of the formation of labour markets and the course of labour relations in Turkey and Argentina throughout the period preceding the main historical focus of the study, i.e., the post 2001 crises era up until 2015. More specifically the political economic background is evaluated with a labour lens to better understand and incorporate to the analysis the impacts of historical legacies in the formation of labour policy agendas in the 2000s and early 2010s. Two main questions are addressed. First one scrutinises the extent and the ways in which labour markets and labour relations were differently shaped in Argentina and Turkey roughly from the second half of the 19th century onwards. The second one concerns with the possible impacts of historical legacies upon the emergence of divergent paths in the aftermath of the 2001 crises.

This chapter will try to show that, to account for different historical formation of labour markets and labour relations in Turkey and Argentina provides valuable insights for an understanding of the post-2001 labour policy orientations in these two cases, as historical legacies have shaped distinctively the labour reform agendas and regulations in the neoliberal period in general and the post-2001 restructuring period in particular. More precisely, differences in the patterns of commodification of labour power and the courses of struggles, defeats and concessions surrounding the labour relations have impacted differently upon the configuration of more recent channels of state involvement in these fields. Furthermore, the ways in which these countries integrated in the global circuits of

capital accumulation also implied important differences which impacted on the differential formation of labour markets and labour relations. The chapter is organised into four main sections. Following this introduction, the second and third sections address the first question and each respectively traces the major historical transformations in labour markets and labour relations over the past century in Argentina and Turkey. The concluding section deals with the second question. It provides a comparative evaluation and makes inferences about the possible impacts of historical legacies over the formation of the post-2001 labour policy agendas in these countries.

3.2 Labour Markets and Labour Relations in Argentina: From the Formative Period to Structural Adjustment

3.2.1 The Formative Period

Some distinctive characteristics of the formation of a labour market in Argentina stemmed from its being a country of settlement. Argentina as a national political entity was formed in the 19th century through the destruction of indigenous communities and the termination of the inter-provincial wars by the second half of the century (Flichman, 1990: 2-3). Its fertile and abundant uncultivated lands attracted large amounts of capital³² and labour from abroad in an accelerated manner between the late 19th and early 20th centuries, the period referred to as the Argentine ‘golden age’ on account of the rapid agricultural export-led growth. During these decades Argentina became highly integrated in the world economy through the expansion of export-oriented livestock and agricultural production in the *Pampean* region. Adaptation to labour shortages vis-à-vis this rapid agricultural expansion was achieved mainly through immigration policy. It is widely regarded that a labour market was being formed in the country from the mid-19th century onwards. Carlos

³² A large share of capital formation was financed by foreign capital before WWI, about 60% of which was British in origin (Díaz-Alejandro, 1970: 29-30).

Díaz-Alejandro argues that during the second half of the 19th century a considerably *integrated and capitalistic* [sic.] labour market was formed in the sense that ‘workers were hired and fired primarily on economic grounds and labor was able to move freely within and in and out of the country’ (1970: 27); and from the mid-19th century until 1930, subsistence agriculture declined rapidly (ibid. 13-14). Cortés and Marshall (1993: 391) consider the year 1890, with reference to the establishment of the first General Federation of Labour, as an indication of the constitution of a labour market and a labour movement, and as the beginning of the initial stage in the history of state social intervention in Argentina. The late 19th and early 20th centuries until the Great Depression and the coup d’état in 1930 that overthrew the Radical government, were characterised with export-led accumulation based almost exclusively on goods of rural origin (agricultural and livestock products); establishment of some infant industries (such as meat packing); and high labour demand that was met mainly through immigration³³⁻³⁴ (see Cortés and Marshall, 1993: 393-395; Díaz-Alejandro, 1970: 13; Furtado, 1976: 100-106, 109-110; Teubal, 2001: 23-25). The period witnessed a significant expansion of the railway system, owing to British investments, and of the land incorporated in agricultural production³⁵ (Teubal, 2001: 25). As agricultural exports grew, the export-related services like handling, slaughtering and warehousing expanded in places close to ports (Adelman, 1992a: 6). Also, increasing

³³ Díaz-Alejandro (1970: 23-24) reports that between 1857 and 1930 approximately 3.5 million immigrants came to Argentina through overseas transportation predominantly from Italy and Spain. He also adds that during the late 19th and early 20th centuries labour flows were so sensitive to the business conditions in the country and Argentine labour market was closely integrated with those of Europe (ibid. 22). Accordingly, figures for gross emigration were high even in years when immigration considerably increased (ibid. 22). There were also a considerable number of European seasonal workers returning to their countries after participating in the harvest in Argentina (ibid. 22). For European seasonal workers see also Adelman (1992b: 93-97).

³⁴ Notwithstanding this general trend, during the WWI years the inflow of labour into Argentina dropped substantially. The main underlying reason for this was the decline in real wages and therefore the narrowing wage differentials between Argentina and the sending countries (Szuchman, 2006: 320).

³⁵ While the former expanded from roughly 503 kilometres in 1856-1859 to more than 38.000 kilometers in 1925-1929, the latter increased from about half a million hectares in 1872 to more than 25 million hectares in 1925-1929 (Teubal, 2001: 25).

urbanization was accompanied by an expansion in urban transportation and services as well as manufacturing of consumer goods targeting the inhabitants of the cities (ibid. 6). The latter, unlike the larger scale industries concentrating mainly on the refinement of staples, were mainly undertaken by small family enterprises, which occasionally hired a few employees (ibid. 6-9).

Export oriented agriculture and livestock raising were characterised predominantly by large ownership and holdings cultivated by non-owners, leading to a considerable concentration of wealth in the hands of the large landholding class (see Díaz-Alejandro, 1970: 38-39, 157, Furtado, 1976: 70). The traditional peasantry was relatively small and most of the farm labour were provided by tenants and permanent and temporary agricultural labourers (including peons) (cf. Teubal, 2001: 26). Seasonal wage labour (used during seeding and especially the harvest) was prevalent in the fertile (export-oriented) *Pampean* region, and the majority of these ‘disposable, casual’ workers were settled in the city in the off-season and had no solid ties, if at all, to the countryside³⁶ (Adelman, 1992b: 92). At the beginning of the 20th century rural labour had constituted approximately 40% of the total labour force and this ratio declined to about 36% by 1925-29 (Díaz-Alejandro, 1970: 141).

The extensive use of wage labour both in agricultural and non-agricultural production during the period was accompanied by the formation of a considerably large labour market. The main source of labour power for these expanding sectors was immigrant workers, who “came from the ranks of the European proletariat” (Adelman, 1992a: 16).

³⁶ It is important to note here that there were important regional and sectoral differences in the use of agricultural wage labour over the Argentine territory. For instance, during the sugar cane harvest in the plantations owned typically by large landholding families in the Northern parts of the country, seasonal wage labour was mainly provided by Indians who owned their own lands and were engaged in subsistence activities. For further information about the mobilization of highland peasantry for seasonal labour in sugar cane plantations see Rutledge (1977).

Throughout the period between the late 19th and early 20th centuries, trade unions emerged that were influenced by socialist and anarchist ideas conveyed by these immigrant workers from Europe and that raised the demands of workers to improve their working and living conditions (Cortés and Marshall, 1993: 394-395). These labour organizations embodied mainly the railway workers and workers in the field of industry and commerce (Teubal, 2001: 28). Labour struggles came to increase by the early 20th century. The first general strike, which was preceded by several partial strikes, was realized in 1902 (Munck, 1987: 23- 25). It and the strike waves in 1909 and 1910 were immediately followed by rounds of state repression and deportation (Adelman, 1992a: 18-19). Towards the end of the WWI, strike activity was revived and peaked in 1919, the latter being followed by not only state repression but also a right-wing nationalist initiative attacking unions and left-wing political movements (ibid. 20). In the early 20th century state involvement in the regulation of labour relations and labour markets expanded (cf. Cortés and Marshall, 1993: 394-395; Munck, 1987: 27). Although this involvement was mainly repressive in character having the motivation to address the perceived threat of workers' radicalization and militancy, it also included some bare improvements in the working conditions such as the establishment of Sunday as a day of rest and the amelioration of health care (see Cortés and Marshall, 1993: 394-395; cf. Díaz-Alejandro, 1970: 62; Munck, 1987: 27). Furthermore, by the late 1910s the State, through the National Department of Labour (*Departamento Nacional del Trabajo*, DNT) established in 1907, started to involve actively in the settlement of collective disputes as mediator (Adelman, 1992a: 27).

Real wages showed generally an upward trend throughout the period, an important exception being the war years (especially between 1914 and 1917) during which foreign trade and inflow of foreign capital dropped, and unemployment and cost of living increased considerably (Munck, 1987: 32-33). A national education system was also created during this period to ensure the integration of immigrants and the formation of a unified, national labour force (cf. Barbeito and Goldberg, 2007: 189). Mainly restricted

initially to basic education³⁷, the educational system would from the 1930s onwards increasingly incorporate secondary and technical education in parallel to the shift towards an ISI strategy (Barbeito and Goldberg, 2007: 190).

Three important points can be derived from this rough picture of the formation of labour markets and labour relations in Argentina for the purposes of this study: (1) It was predominantly through immigration rather than dispossession of the peasantry that a labour market was initially formed in Argentina³⁸ (2) the use of wage labour came to be prevalent both in agricultural and non-agricultural production roughly from the mid-19th century onwards and the majority of the labour force was settled in urban areas with limited –if not any- access to land and alternative means of subsistence other than wage (3) labour relations took a collective form by the late 19th century owing to higher workers’ mobilization influenced by anarchist and socialist traditions conveyed by immigrant workers. Peronism as a political movement got a foothold on this largely proletarianized and urbanized labour force and through the elimination of the anarchist and socialist impact on workers’ movement and thereby reshaping the practice and codes of labour as a collectivity.

3.2.2 ISI, Peronism and Labour

The Great Depression and the accompanying slump in foreign trade led to the attenuation of agricultural export-led accumulation strategy in favour of a strategy based on the promotion of import substitution of non-durable consumer goods in Argentina (Cortés and

³⁷ It is estimated that as of 1929, nearly 60% of the population aged between six and thirteen years were attending school (Díaz-Alejandro, 1970: 27-28).

³⁸ As Flichman (1990: 4) stresses: “In Argentina when the immigrants came to work the land, the land was already privately held. This led to the development of the leasing system, which allowed the appropriation of the rent by the landlords”.

Marshall, 1993: 395). The orientation towards import substitution, which subsequently led to rapid industrialisation, initially emerged as an ‘induced’ response to the 1930 crisis in the form of reductions in the level of imports (cf. Furtado, 1976: 117). Thus, it was closely tied to the rise of protectionism in the global North, the rapid decline in world agricultural commodity prices and the fall in international demand for Argentina’s exports (see Teubal, 2001: 30). The early transition period (1930-1933) was characterised by massive unemployment and the withdrawal of many previous achievements of workers (Cortés and Marshall, 1993: 395; cf. Díaz-Alejandro, 1970: 125). Also, immigration from Europe almost completely halted. The high labour demand that marked the previous era now gave its way in the early 1930s to a contraction in demand for labour and a labour abundance that would subsequently be absorbed through increasing industrialisation as the import substitution proceeded (Cortés and Marshall, 1993: 396). During 1933-1939 and 1939-1945, the manufacturing output rose respectively by 43 and 23 percent (Díaz-Alejandro, 1970: 103). On the other hand, the agrarian expansion that marked the previous period faltered considerably, leading to a rural stagnation. Diminishing importance of agriculture as a source of employment and income for especially the small tenants and agricultural labourers rendered industry increasingly more attractive for these segments (Teubal, 2001: 32). Starting from the 1930s but mainly by the mid-1940s, increases in internal migration of rural labour to urban areas supported the process in terms of the generation of labour force that would meet the requirements of the rising industrial sector (cf. Cortés and Marshall, 1993: 397; cf. Díaz-Alejandro, 1970: 173).

The period following 1930 towards the end of the 1950s is widely regarded as the easy stage of import substitution industrialization in Argentina characterized predominantly by the manufacturing of non-durable/light consumer goods (mainly foodstuffs and textiles). The industrialization process was sustained through the expansion of subsidies and credit supply; and various protective measures favouring Argentine manufactures including multiple exchange rates and exchange and foreign trade controls (see Adelman, 1994: 67; Furtado, 1976: 172). The period opened by the 1943 coup d’état was characterised by

further expansion of the labour intensive manufacturing sector mainly on the basis of import substitution of non-durable consumer goods (Cortés and Marshall, 1993: 397). Alongside the quantitative expansion, important changes in policy came to the fore. While the ISI strategy pursued in the 1930s had not been ‘redistributive or reformist in any sense’, by 1943-1945 a redistribution of income in favour of the industrial sector and that targeted the expansion of domestic production and consumption came to predominate (Teubal, 2001: 33-36). Real wages increased substantially, which had exhibited a trend of decline during most of the 1930s with wage increases below inflation (James, 1988: 8; cf. Díaz-Alejandro, 1970: 122-124). The rise in wages for industrial workers was 53% between 1946 and 1949 (James, 1988: 11). The period witnessed a considerable transfer of agricultural surplus to industry, at least up until 1951-1952, when agriculture was started to be incentivised again through subsidies and loans targeting agricultural export expansion (Teubal, 2001: 37). The 1943 coup d’état in a sense denoted the substantial weakening of the power of landed classes; and what subsequently came to be identified as Peronism was born on the basis of a temporary alliance between unionised workers and small and medium sized manufacturers demanding protection (Teubal, 2001: 25; Yalman, 1984: 130-131). Also during these years, direct state involvement in productive activities increased substantially through the establishment of new state economic enterprises (such as the state airline, *Aerolíneas Argentinas*) and nationalizations (among others, British railways and the telephone and gas services) (Flichman, 1990: 9).

With the coming of the *Justicialista Party* to power under the presidency of Colonel Juan Domingo Perón who was elected in 1946 by getting 54% of the votes³⁹, trade unions extended their organizational strength while at the same time the union structure was centralized and came to be incorporated in the Peronist movement/party/government (Cortés and Marshall, 1993: 397; James, 1988: 11). Indeed, the rule of Colonel Juan

³⁹ Juan Domingo Perón became the Secretary of Labour of the military government in 1943 and was elected as president in 1946.

Domingo Perón (from 1943 when he became the secretary of labour to the 1955 coup d'état which ended his presidency) is widely regarded as a turning point in the history of Argentina in terms of labour relations in general and trade unionism in particular. During this period, the General Confederation of Labour (*Confederación General del Trabajo*, henceforth CGT) – established in 1930- became the single umbrella organization and the oppositional trade unions were suppressed/deactivated (Cortés and Marshall, 1993: 397). The Law of Professional Associations (*La Ley de Asociaciones Profesionales*) that was promulgated in 1945 and that granted monopoly of representation to one organization per industrial sector or economic activity (the so-called *personería gremial*), has marked the union-government relations throughout the decades to come, leading to the centralization of the union structure and the empowerment of the CGT (and affiliated unions) to the detriment of other trade unions (cf. Atzeni and Ghigliani, 2011: 46; Cortés and Marshall, 1993: 397; James, 1988: 10). As Daniel James (1988: 18) succinctly summarises:

Peronism [...] premised its political appeal to workers on a recognition of the working class as a distinct social force which demanded recognition and representation as such in the political life of the nation. This representation would no longer be achieved through the exercise of the formal rights of citizenship and the primary mediation of political parties. Instead, the working class as an autonomous social force would have direct, indeed privileged access, to the state through its trade unions.

The rate of unionization increased unprecedentedly during the period. While it was no more than 20% in 1943, it rose to 30.5% in 1948 and 42.5% in 1954 (James, 1988: 9). Also, for the first time, a large number of public employees became unionized (ibid. 10). Collective bargaining, despite being promoted, was rendered subject to a compulsory state arbitration and a formal approval by the Ministry of Labour (Atzeni and Ghigliani, 2011: 46). In 1953 collective agreements were generalised to all workers in industries in which an agreement is settled. An important characteristic of the period in terms of collective labour relations was the greater incorporation of social clauses in the collective agreements such as sick leave with pay, increments for experience and family allowances

etc. (see James, 1988: 57-58). Thereby, it can be argued that individual labour relations came to be tightly bound up with collective agreements. To be more precise, collective bargaining became the major means through which terms and conditions of individual employment contracts were set. The Perón years also witnessed the strengthening of internal commissions of the shop floor delegates (*comisiones internas*). In the words of James (1988: 57):

The contracts signed in the early years of Perón's first government contained clauses guaranteeing management recognition of the commissions and assuring delegates stability of employment both during and after their terms of office. While their basic function was to oversee the implementation of the contract provisions, by the early 1950s they [internal commissions] had come to assume a wider role of articulating working-class confidence and limiting management prerogatives in the production sphere. They were perceived by employers as a major obstacle to effective rationalisation and the imposition of labour discipline.

Another important institution that contributed to the strengthening of the trade union movement (as well as its links to the Peronist government) was the union administered welfare funds and social services, *obras sociales*. These were formed to provide health services for union members and their families and then widened in scope to include services such as tourism, recreation and life insurance (Cook, 2006: 74). The *obras sociales* have constituted important financial resources for the unions since the Peron years, and in the words of Atzeni and Ghigliani (2011: 47) since then they have been 'an axis of union political exchange with the state'.

The Perón years also witnessed the intensification and extension of the state involvement in individual labour relations. Albeit being limited in scope, compensatory policies targeting the poor were also introduced. As for the former category, laws were enacted - among others- that improve workers' social security; establish labour courts, lay-off compensation, paid holidays and a 13th month wage (Cortés and Marshall, 1993: 397-398). The social security system expanded rapidly until 1955 as to cover the majority of

the employed population (cf. Barbeito and Goldberg, 2007: 191). Both employers' and employees' social security contributions increased substantially, the former being increased more than the latter (see Diaz-Alejandro, 1970: 122). As for the latter (compensatory) channel of state involvement, the poor –as a distinct category - were entitled limited state social assistance which was rather unsystematic and patchy in character (Barbeito and Goldberg, 2007: 192; cf. Cortés and Marshall, 1993: 398).

By the late 1940s the impasses of the ISI strategy pursued intensified as it became increasingly difficult to procure foreign exchange to sustain imports of capital and intermediate goods required by manufacturing⁴⁰ (Cortés and Marshall, 1993: 399). The balance of payment difficulties stemming from the dependency on and inability to procure foreign exchange and increasing inflation led the Peron government to reorient the policy framework. The aim was to create foreign exchange for the amelioration of the balance of payments problems and to control inflation through contractionary measures. This policy pattern characterised the period after the overthrow of Perón in 1955 by a coup d'état until 1973, when a short lived *Justicialista* rule was reconstituted (Cortés and Marshall, 1993: 399). Successive balance of trade and payments difficulties were addressed through stabilization measures that included devaluations transferring income to agriculture and wage reductions leading to contractions in demand and industrial growth (Teubal, 2001: 41). The IMF was actively involved in these stabilization attempts from 1956 onwards, when Argentina joined the institution⁴¹.

⁴⁰ In his book published in 1970, Díaz-Alejandro (1970: 80) mentions the persistent shortage of foreign exchange as the single most important characteristic of Argentine economic history since 1930, with the exception of the war and immediate post-war years.

⁴¹ From 1958 - when the first loan agreement was signed- to 2004 -when Argentina broke off from the IMF- the country became one of the most important clients of the Fund.

The late 1950s and early 1960s witnessed a transition to the ‘difficult’ phase of import substitution based on durable consumer goods and to a certain extent intermediate and capital goods (cf. Marshall, 1980: 43). This reorientation was envisaged in the Second Five Year Plan prepared during the second term of the Perón government (James, 1988: 56). Although towards the end of the Perón rule attempts to attract foreign investment were made with little success, in the late 1950s and early 1960s during the Frondizi (1958-1962)⁴² and Guido (1962-1963)⁴³ governments foreign investment –especially in automotive, metallurgical and petro-chemical industries- increased considerably (Basualdo, 2006: 123; Jenkins, 1991: 197). The change of direction in the ISI strategy during these years was identified with the term *desarrollismo* (developmentalism), through which development was equated with ‘genuine’ industrialization, and foreign capital and foreign investment were framed as essential for industrial deepening (see James, 1988: 107-108; Teubal, 2001: 41). The military dictatorship that ruled the country between 1966 and 1973 (*Revolución Argentina*)⁴⁴, also became a bearer of this development strategy (Teubal, 2001: 40). With reference to the prominence given to foreign capital, Teubal (2001: 40-41) stresses that ‘the redistributive aspects of ISI based on a social pact between labour and the national bourgeoisie, characteristic of Peronism, were not sustained by these governments’. Collective bargaining and trade union activity

⁴² The elections held in 1958 was won by Arturo Frondizi, the candidate of the Unión Cívica Radical Intransigente (UCRI) which was established following a split in the Radical Party. The exiled Perón expressed his support for Frondizi, who a couple of years later his election sidestepped the pact with Perón based on the continuity of the policies favouring workers (Teubal, 2001: 39-39). He remained in office until the 1962 coup d’état.

⁴³ José María Guido was appointed as president by the military cadre which realized the 1962 coup d’état that overthrew the Frondizi government. His presidency continued until the 1963 elections won by the Radical Party candidate, Arturo Umberto Illia.

⁴⁴ The 1966 military takeover was realized under the leadership of Juan Carlos Onganía who remained in office until 1970. Onganía was forced to resign by other chief military officials in 1970 following the widespread discontent against the dictatorship, which had culminated in an uprising by workers and students (known as *cordobazo*) in 1969 across the country and more intensely in provinces such as Córdoba. The military dictatorship continued until the 1973 elections.

was frequently curtailed, especially during the periods of military rule⁴⁵ (Cortés and Marshall, 1993: 399). The share of wages and salaries as percentage of GNP and employee and employer contributions to social security decreased after 1955, income distribution became more unequal, and unemployment re-emerged as an important problem for the first time since the Great Depression (Díaz-Alejandro, 1970: 129-131). In his examination of the income shares going to capital and labour between 1952 and 1972, Epstein (1978: 215-216) shows that the latter's share further decreased during the years when stabilization programmes were carried out. Having said this, the period cannot be regarded as an era of absolute deterioration in working and living conditions. During the Radical Party rule that started in 1963 and terminated by the 1966 coup, some improvements were realized including the introduction of a minimum wage (Cortés and Marshall, 1993: 400). Furthermore, notwithstanding the various measures taken to eliminate -or at best weaken- workers' organizational power, during the *Revolución Argentina* rule lay-off compensation, social security and health care coverage were extended and labour inspection was reinforced (see *ibid.* 400).

The fall of Perón in 1955, his deportation and the ban on the Peronist Party did not diminish Peronism's impact in the Argentine political landscape. Rather, as manifested by the confrontations between Peronists and anti-Peronists and left and right wing Peronists, Peronism not only survived but also continued to dominate the Argentine politics (Grimson and Kessler, 2005: 15; Teubal, 2001: 39). In the post-Perón years the influence of Peronism at the shop floor level and on the trade union movement in general further expanded. Notably under the military junta rule that overthrew Perón, workers were

⁴⁵ It is important to note that from 1930 to the last military intervention in 1976, a recurrent oscillation between military and civilian rules marked the political landscape in Argentina. Between these years six coup d'états were realized, in 1930, 1943, 1955, 1962, 1966 and 1976. The military rules lasted respectively between 1930-1932; 1943-1946; 1955-1958; 1962-1963; 1966-1973; and 1976-1983. From 1930 to 1984, the only elected government that concluded its term without a military intervention was the one established under the presidency of Perón (1946-1952) (Teubal, 2001: 29). Perón was re-elected as president in 1952 elections and remained in office until the 1955 military takeover.

confronted with the threat to lose their previous achievements and engaged in an active struggle on the shop floor as well as broader levels (see James, 1988: 43-71). As James (1988: 63-64) succinctly puts, the offensive against the internal commissions and workers' gains in working conditions led the majority of them to contrast the new era with Peron years and reinforced their identification with Perón and Peronism. In 1955-1956 working days lost in strikes reached over eight million days (Adelman, 1994: 69). Also, despite the existence of important setbacks in workers' living conditions and attempts to diminish the impact of Peronism on the trade union movement, it would be wrong to identify the period between 1955 and 1973 a sheer defeat on the part of the trade unions. Their organizational strength and the control of trade union leadership over the *obras sociales* continued to a large extent (Cortés and Marshall, 1993: 399- 400). At the same time, cleavage between the trade union leadership and rank and file workers frequently came to the surface during the period and intensified in the late 1960s and early 1970s, when workers' concerns at the workplace ran into contradictions with the reconciliatory attempts of the union leaders (Ramos, 2007: 57).

After years in opposition the peronist *Justicialista Party*, won the elections in 1973 under the transient leadership of Hector Cámpora who would soon transfer the duty to Perón following his return from exile. Upon his death in 1974, Isabel Martínez de Peron took and remained in office until the 1976 coup d'état. During this short-term return of Peronism to office, wage increases and some improvements in labour legislation and collective bargaining were recorded (Cortés and Marshall, 1993: 400-401). Also, worker and student militancy increased exponentially and, as it will be discussed below, similar to the case in Turkey disciplining labour became the major priority for the sustainment of capital accumulation. The rise of a Peronist guerrilla group (*montoneros*) and other left militant organizations in the 1970s and the clashes between them and the paramilitary forces called Triple A (Argentine Anti-Communist Alliance) provided a political justification for the 1976 coup. Grimson and Kessler (2005: 15) point out that with its self-

proclaimed mission of ‘saving the country’ the coup was received by the large segments of the population with indifference, if not approval.

When the crisis of the ISI and the political turmoil reached a climax and addressed through military takeover and repression, there was a mature union movement with its different components (at the rank and file and leadership levels) experienced in negotiations, concessions, resistance and backlashes. Peronism, as a union-based political movement, became the major reference point for various forms of collective action. This affiliation and workers’ collective experience of various kinds had important repercussions for the survival of labour movement during the military junta years and after the transition to civilian rule.

3.2.3 Dirty War, Structural Adjustment and Labour

The military cadre that realized the 1976 coup d’état gave the name *Proceso de Reorganización Nacional* (The National Reorganization Process, henceforth *Proceso*) to the restructuring process. In all respects, the junta years (1976-1983) were marked by important transformations in Argentine politics and economy. What distinguished the recurrent stabilization programmes targeting the balance of payments crises and inflation in the previous period (early 1950s-late 1970s) from the restructuring of the economy starting from the 1976 coup d’état until the 2001 crisis was the latter’s involvement of ‘structural reforms’ targeting the abandonment of ISI strategy together with the affiliated institutional configuration and transition to an export-led growth model. The transformation was not a swift one. Rather it was extended over time and was full of interruptions and stalemates. The military junta and the post-junta years under the presidency of Raúl Alfonsín (1983–1989) were in a sense the prelude to the more systematic structural adjustment embarked on in the 1990s, as it was more ambitiously carried out after the introduction of the *Convertibility Plan* in 1991 by the government led by Carlos Menem (see below). Until the Convertibility Plan, notes Teubal (2001: 43):

[T]he adjustments applied by the military and by the Alfonsín administration had been mostly short-term and did not consider some of the more 'structural reforms' that were presumed necessary to restructure the economy in order to make it much more 'market-friendly'.

The economic team led by José Martínez de Hoz between 1976 and 1981, identified the new orientation as the 'New Political Economy', the crux of which was an 'opening' of Argentina into the world economy in accordance with the law of comparative advantages (Smith, 1989: 234). During the 1976-1983 period protective tariffs were reduced, financial reforms leading to real interest rate hikes were realized and an overvalued exchange rate was established (until 1981-1982 devaluations), all contributing to an industrial decay and rise in financial speculation (see Ramos, 2007: 58-59; Smith, 1989: 249-255; Teubal, 2001: 44-45). Consumer goods imports, trade deficit and both public and private foreign debt increased considerably, a large amount of the latter being nationalized through the 1982 bail-out (Adelman, 1994: 74-76). Successive economic teams appointed by the junta regime failed to take inflation under control, as it soared from 100% in 1980 to 344% in 1983 (Adelman, 1994: 77). As succinctly put by Flichman (1990: 11-12) although the economic programme carried out during the military dictatorship:

[...] attracted initially a high level of consensus on the part of the bourgeoisie, its various aspects individually considered were the object of cautious criticism from the very beginning. What made consensus possible was that the programme as a whole could be construed as a programme of 'order', which was to be re-established against the disorder of the last Peronist period.

The reduction of labour costs and creation of a compliant labour force were among the chief components of this "programme of order", which was attempted to be achieved through the extensive use of coercion and repression (cf. Flichman, 1990: 12-13). As first steps in achieving these goals trade union activity was prohibited, labour leaders were subjected to a severe repression and thousands of activists and dissident trade unionists 'disappeared' during the state terror referred to as 'dirty war' (Grimson and Kessler, 2005:

16-17; Teubal, 2001: 43- 44). Throughout the eight years long military dictatorship real wages and the share of wages in GNP fell considerably (Adelman, 1994: 74; Cortés and Marshall, 1993: 401; Flichman, 1990: 14-15; Teubal, 2001: 44). Alongside the curtailment of workers' organizational strength, these ensued from several measures including a wage increase freeze, a reduction in public salaries, the expansion of indirect taxation, the readjustment of the minimum wage in a manner as to diminish the dismissal costs and increase in workers' contribution to social security (see Cortés and Marshall, 1993: 402). Accordingly, both individual and collective labour regulations were weakened to the detriment of workers. Furthermore, while permanent wage employment decreased, self and casual employment expanded during the period (Adelman, 1994: 74; Cortés and Marshall, 1993: 401).

Two factors played important roles in the survival of the labour movement from this repressive political environment. First, low levels of unemployment during the military regime – despite severely deteriorating working and living conditions and political repression - helped to a certain extent the labour movement to maintain its structural power (Féliz, 2014: 53). Second, continuing grassroots activism during the junta years hindered a wholesale retreat of labour from the political scene as a collective actor. In the words of Atzeni and Ghigliani (2011: 49):

*Comisiones internas*⁴⁶, union locals or simply informal, often clandestine, groups of workers, by defending their salaries and rights to work, constantly challenged the regime and its economic policies, contributing to the return of democracy. The legal prohibition of any forms of dissent, employers' despotism and often their acceptance of military repression, left workers alone and at risk in their struggles against employers. Nevertheless, representing a recurrent trend in the history of Argentine unionism – that of the contradictory interaction between grass-roots mobilisations and central leaderships – workers scattered but continuous opposition strengthened coordination and representation at national level.

⁴⁶ For internal commissions see Section 3.2.2.

Indeed, part of the trade union bureaucracy engaged in negotiation and collaboration with the military regime (Pozzi, 1988: 116). Yet, as Adelman (1994: 73) stresses, like the case for the attempts to weaken the union power during the 1960s and 1970s, the *Proceso* rule could not manage ‘to drive the rank and file into docility’ through undermining or incorporating the union leadership. Indeed, labour mobilization did not entirely stop during the junta years. According to a study based on records in five Buenos Aires newspapers, 361 strikes and a similar number of labour protest activities occurred between 1976 and 1980 in Argentina (Fernández, 1985 cited in McGuire, 1996: 131).

Several factors contributed to the collapse of the *Proceso*, including the economic turbulence, the invasion of the Malvinas/Falklands Islands by the junta in 1982 and its defeat in the war with the United Kingdom, and the growing discontent and reactions by workers, trade unions and human rights organizations. When the dictatorship ended and elected leader of the Radical Party, Raúl Alfonsín, assumed the presidency in December 1983 Argentina was in a severe crisis, with hyperinflation, slumped fixed investment, high public deficit and a huge foreign debt⁴⁷. Several unsuccessful attempts were made to address these, including orthodox IMF stabilization measures and more heterodox policies such as the so-called ‘Plan Austral’ that was launched in 1985 with an aim to bring down inflation through price and wage freezes and named as such with reference to the new currency introduced (see Smith, 1989: 269- 281). The Plan proved unsuccessful in bringing down inflation as, initially being taken under control, it soon started to increase rapidly and turned into hyperinflation by 1989.

With the return to civilian rule in 1983 bans on trade union activities were lifted and the new government, towards the end of its term, upon pressures from trade unions reinstated

⁴⁷ Inflation was 344 % in 1983 and reached to 627% in 1984 (Adelman, 1994: 77). By the end of the *Proceso* rule the fixed investment had declined by more than 30 % compared to the average of previous decade, public deficit amounted to more than 11% of the GDP and foreign debt was representing nearly 80% of GDP (Smith, 1989: 270).

free collective bargaining for wages and the tripartite minimum wage commission (Cortés and Marshall, 1993: 403). Yet although during the first years of the Alfonsín government real wages increased slightly, throughout the 1980s the general trend was downward (Teubal, 2001: 44). Also, increases in income concentration, unemployment, informal employment and poverty characterized the period (Cortés and Marshall, 1993: 403). During Alfonsín's term thirteen general strikes were organized by CGT against declining wages and rising income inequalities (Teubal, 2001: 46). Furthermore, an attempt to restructure and 'democratize' the unions confronted with objections by the trade union leadership and was rejected in the Senate dominated by Peronists and several small parties (Smith, 1989: 274). Hyperinflationary spurts and widespread social unrest in 1989 led to the president's resignation five months before the termination of his term (Teubal, 2001: 46). The failure of the stabilization programmes of the 1980s, known as the lost decade, was ascribed to political mismanagement leading to calls for 'deep reforms' (Barbeito and Goldberg, 2007: 193), which would be embarked on surprisingly by the Peronist *Justicialista* party led by Carlos Menem, whose electoral campaign was based on claims around redistributive issues (Atzeni and Ghigliani, 2011: 51; Felder and Patroni, 2011: 270).

3.2.4 The Neoliberal Thrust, March to Collapse and Labour in the 1990s

The decade preceding the 2001 crisis in Argentina witnessed a radical and comprehensive transformation project under the exchange rate-based stabilization programme called the 'Convertibility Plan' (CP). It was introduced in 1991 as a 'technocratic' solution to the soaring hyperinflation and remained in force during the remaining part of Carlos Menem's first term in office (1989-1995) and his second term (1995-1999). The CP drew a new direction to the way of integration of Argentine economy into global capitalism and impacted upon every aspect of capital-labour-state relations. It was based on a currency peg that fixed one peso to one US dollar and prescribed that the central bank foreign currency reserves would back the peso monetary base (Carranza, 2005: 68; Felder and

Patroni, 2011: 262; Frenkel and Ros, 2004: 9). The monetary discipline based on the overvalued currency, together with its companions - fiscal and labour policy adjustments - was presented as the remedy for the soaring hyperinflation and the diminishing competitiveness of Argentine economy. During the 1990s, large conglomerates –referred to as *Grupos Económicos* – grew in strength parallel to the substantial concentration and centralization of capital throughout the decade (Teubal, 2004: 175). Correspondingly, the power of Argentine Industrial Union (*The Unión Industrial Argentina*, UIA), the main organization representing the large-scale capital in Argentina, increased substantially vis-à-vis the General Economic Confederation (*Confederación General Económica*, CGE), the organization representing the small and medium scale capital in the 1990s (Teubal, 2004: 176). Transnational corporations (including those having Argentine origins) increased their involvement in various key sectors of the economy among others the agro-food industry, related services and the banking sector (see Teubal, 2004: 183-184).

The industrial agriculture was expanded as to include the non-Pampean regions of central and northern Argentina (Caceres, 2015: 123). A cost-minimizing technological package, using very limited human labour and consisting of “‘no-till’ farming, transgenic seeds and agrochemicals” came to predominate the agricultural production by the second half of the decade, leading to a further land concentration and greater involvement of trans-national companies (ibid. 124-126).

Privatization was one of the ambitious policy agendas of the 1990s. The 1989 Law of Reform of the State constituted the legal framework for the privatization of key state enterprises throughout the decade, which encompassed more than 30 companies (see Teubal, 2004: 181). Major steps were taken during the first half of the 1990s. By 1994 privatization of the state enterprises in fields such as telecommunications, railways and petroleum were completed (Frenkel and Ros, 2004: 9). The privatization processes led to a transformation, a partial withdrawal, of state’s role as employer (Marshall, 2004: 1), and as elsewhere, they had important labour policy implications not least due to layoffs and

the need to tackle the problem of ‘redundancy management’. Privatization agenda in the 1990s also included the pension system. A social security reform was realized in 1994 which allowed for the partial privatization of the state pension system by establishing a two-tiered scheme. The new scheme restricted the amount of provisions provided by the universal public social security programme to be complemented – depending on the choice of the worker- by either the traditional contributory pension system or privately managed pension funds referred to as the capitalization system (Maletta, 2009: 19). This also contributed to the fiscal deficits, given that a considerable amount of public revenue was transferred to the pension funds while payments to existing pensioners were continued to be made by the state (Maletta, 2009: 3; Teubal, 2004: 182-183).

Manufacturing sector employment fell considerably throughout the decade (by around 20% between 1990 and 2001)⁴⁸, while output per worker in the sector as a whole increased dramatically in the same period (94%) due mainly to the reliance more on labour saving technologies and organization schemes, and greater use of imported inputs in the production processes (Frenkel and Ros, 2004: 18-19, cf. Felder and Patroni, 2011; cf. Sanchez and Butler, 2006: 8-9). Furthermore, the rapid acceleration of unemployment throughout the decade, increasing nonregistered employment (see Table B1 in Appendix B) and rising flexibility for the registered workers (following regulations facilitating the use of fixed-term contracts and decreasing non-wage labour costs for the employers via a variety of policy initiatives discussed in detail in Chapter V) served as disciplinary mechanisms and thereby constituted important factors underpinning the productivity

⁴⁸ According to the Monthly Industrial Survey (MIS) data (compiled by the National Institute of Statistics and Census of Argentina, INDEC), reduction in industrial employment in Argentina between 1990 and 2001 was almost 40% for the whole period (Sanchez and Butler, 2006: 8). However, Sanchez and Butler (2006: 8) indicate that since the MIS data includes mainly the formal employment, it is more plausible to consider the data from the Permanent Household Survey (PHS) which includes both formal and informal employment and according to which the decline in total manufacturing employment corresponded to almost 20% during the same period. Authors state that this difference is an indication of the transformation of a great number of formal jobs into informal ones (Sanchez and Butler, 2006: 8).

increases (cf. Patroni, 2002: 258). The attempt to radically transform the Argentine political economy in the 1990s had pivotal labour policy components. Thus, rather than ‘retreating’, state assumed important roles in the regulation of labour relations and labour markets. These regulations will be presented and discussed in detail in Chapter V. Suffice it to state here that, during the 1990s individual labour regulations aiming at enhancing external and wage flexibility via labour cost reductions; and attempts to organizationally flexibilize collective labour relations gained considerable momentum. However, compensatory policies seeking to mitigate the impacts of increasing unemployment and poverty did not hold a central place in the labour policy agenda.

While the initial years of the Convertibility Programme witnessed high growth rates and a recovery from hyperinflation mainly due to increasing capital inflows, consumption and credit expansion, its vulnerabilities soon came to the fore as these motors of recovery were highly unsustainable (Felder and Patroni, 2011: 266). The major contradictions and long term vulnerabilities of the policy agenda became more salient by the second half of the 1990s as capital outflows followed the crises in Mexico (1994), in East Asian countries (1997) and then in Brazil (1998). The devaluation of the *real* in Brazil (the main trade partner of Argentina) as a response to the 1998 crisis was accompanied by greater trade and fiscal deficits in Argentina, and soaring debt accumulation led to the default in 2001. The government established under the presidency of Fernando de la Rúa (1999-2001) following the elections in 1999 attempted to tackle the crisis by furthering the policy program that was responsible for the crisis itself, i.e., by insisting on the Convertibility Plan and seeking to carry on debt servicing by leaning upon austerity measures (Carranza, 2005: 69). The most prominent manifestation of this was the ‘zero deficit’ policy announced in 2001 that set the availability of fiscal resources as a condition for public spending other than debt service payments. Amidst increasing capital flights, to prevent banks from bankruptcy the de la Rúa government also initiated a measure referred to as *corralito* that imposed restrictions on cash withdrawals from saving accounts and transfers

abroad, which would be lifted in December 2002. Overall, insistence on austerity had important political implications as the social uprising in late 2001 led to a political crisis, resulted in the resignation of de la Rúa, abolition of the convertibility plan and displacement of four presidents in 15 days (Féliz, 2014: 63). The interim government established under the presidency of Adolfo Rodríguez Saá (December 23-30, 2001) after de la Rúa's resignation declared a moratorium on Argentina's external debt on December 23, 2001. The second half of December 2001 witnessed a drop by more than one third of the value of the peso (Grugel and Riggiozzi, 2007: 94). The government established in January 2002 under the presidency of Peronist Eduardo Duhalde ruled the country until the month before the presidential elections held in April 2003. During his term, Argentina abandoned the Convertibility regime. Surprisingly enough, despite the notorious legacy of the 1990s, Carlos Menem slightly surpassed Nestor Kirchner, who won respectively 24% and 22% of the votes in the first round of elections. With the withdrawal of Menem from candidacy before the run-off, Kirchner became the president with a rather limited support.

3.3 Labour Markets and Labour Relations in Turkey: From the Formative Period to Structural Adjustment

3.3.1 The Formative Period

Similar to the Argentine case, the Ottoman Empire in the late 19th and early 20th centuries witnessed an export-led agricultural growth. Commercialization and export orientation in agriculture intensified in the late 19th century in parallel to the construction of railroads and the free trade agreements signed with European countries. Yet the structure of agriculture was substantially different from the former. Small peasant household was the prevalent unit of production in most of the Empire. More precisely, the Ottoman agricultural structure was predominantly characterised by small holdings and non-

commodified family labour in the late 19th and early 20th centuries⁴⁹. Large holdings were rare in Anatolia, prevalent mainly in the Kurdish south-east region and some fertile plains in the south that were opened to cultivation in the 19th century (such as Cukurova) and in the west (such as the Soke plain)⁵⁰ (see Pamuk, 2008: 388-389). Although increasing agricultural commercialization led to the extensive use of wage labour on a seasonal basis in the latter two regions, commercial production was mainly based on small family farms and small tenants cultivating large holdings (Pamuk, 2008: 389).

The 1920s, following the establishment of the Republic in 1923, witnessed an expansion in export oriented agricultural production, encouraged by the favourable international terms of trade and government policies supporting agricultural exports⁵¹ (Margulies and Yıldızoğlu, 1987: 272). Increasing commercialization and export orientation in agriculture led to an increase in small peasants' production for the market. Yet it was not accompanied by an ebbing of small peasantry through widespread dispossession and/or proletarianization. Small holdings remained as the dominant form of land tenure following the foundation of the Republic (see Margulies and Yıldızoğlu, 1987: 270-271). And the use of wage labour continued to be rare in agriculture, exceptions to this common trend being the large holdings in some fertile parts of the Southern and Western Anatolia, mentioned above.

⁴⁹ Until the mid 19th century agricultural lands in the Ottoman Empire legally belonged to the state and peasants had had usufruct rights on the lands they had been cultivating, in exchange for tithe. Private property on land was recognized with the Land Code of 1858 and became gradually entrenched in the decades to come. (see Pamuk, 2008: 388).

⁵⁰ Each of these had a different structure of agricultural production and they underwent different processes of agricultural commercialization. While in the Kurdish south east region agriculture started to commercialize in the aftermath of the WWII, large commercial estates came to be more prevalent in the second and third cases by the second half of the 19th century. Wage labour (mainly seasonal) was used more frequently in the latter two cases. For details see Pamuk (2008: 388-389)

⁵¹ These included the abolishment of the tithe in 1925, various agricultural subsidies, and increase in loans provided by the Agricultural Bank (Margulies and Yıldızoğlu, 1987: 272-273).

Non-agricultural labour force was also quantitatively very limited during the late 19th century and concentrated in some large cities. Thessaloniki, before its annexation by Greece in 1913, had become the host of the largest number of industrial labour force within the entire Ottoman land (Quataert, 1998: 17). Despite the existence of large factories in some parts of the Empire such as Thessaloniki and Istanbul, manufacturing was predominantly small scale in the late Ottoman period (see Quataert, 1998: 21-22). Wage labour was more frequently used in sectors like weaving, transportation (railways) and mining (see Akkaya, 2002: 136; Makal, 1997: 156-160). A significant part of these workers (especially mineworkers) were peasants who were temporarily (for a couple of months) selling their labour power to pay their debts and/or compensate their inadequate rural income (Makal, 1997: 166). Furthermore, the early 20th century witnessed a significant contraction in labour force. The WWI and the following Turkish Independence War between 1919–23, the deportation/emigration of a large segment of the non-Muslim population as part of the nation building process and the population exchange with Greece led to the removal of a large part of the urban labour force, majority of whom had been non-Muslim (Arnold, 2012: 371). Industrial production remained to be characterized predominantly by small scale enterprises in the early Republican period. In 1927 enterprises employing less than four workers made up more than 70% of all industrial enterprises in the country according to the Industrial Census of that year (Işıklı, 1987: 312).

The political environment for workers' movements and organizations can best be described as prohibitive during both the late Ottoman and Early Republican periods. Strikes, worker resistances and unions were often outlawed by the state. Yet, despite the prohibitive state involvement in collective labour relations and although they were rather few in numbers, workers formed organizations and raised their demands for wage increases, decreases in work hours and better working conditions through strikes during the period. According to Makal (1997: 255, 259) an emergent workers' movement can be spoken of by the 1870s, as first strikes were organized in this decade. More than 20 strikes

are known to have occurred until 1908 (Makal, 1997: 260), when a strike wave erupted in the wake of the announcement of the second constitutional monarchy following the so-called Young Turk Revolution. The 1908 strikes were immediately followed by the first direct legal regulation in the field of collective labour relations⁵². First in a temporary form in 1908 and then as a permanent law in 1909, a strike law (*Tatil-i Eşgal Kanunu*) was promulgated. The law, which remained in force in the aftermath of the proclamation of the Republic until the enactment of the first labour law in 1936, had imposed restrictions on strikes and outlawed the unions in sectors providing public services.

A few labour organizations were established in the form of associations for mainly philanthropic purposes before the beginning of the 20th century by mostly Istanbul-based foreigners and non-Muslim capital owners (Karakışla, 1998: 38-39). The first labour organization formed by workers was the Ottoman Labour Association (*Osmanlı Amele Cemiyeti*) which was founded clandestinely in 1894 and was suppressed by the political authority shortly after its establishment (Sencer cited in Karakışla, 1998: 39). The post-1908 period witnessed the formation of several unions (mostly in the form of workers' associations) and political organizations by workers⁵³. However, wars and the repressive political climate did not allow them to expand and even survive. Although socialist ideas, political figures and parties came to have an influence in the workers' movement during the late 1910s and early 1920s they were subject to severe repressions and their impact remained rather limited. Furthermore, contraction in labour force as a result of wars and population movements mentioned above, led to a loss of experience in workers' collective action that had meagrely accumulated in the late Ottoman period (cf. Akkaya, 2002: 137).

⁵² For details regarding the 1908 strike wave and the Strike Law see Karakışla (1998: 32-38) and Makal (1997: 270-280).

⁵³ See Karakışla (1998: 39-45) for details.

Except, to a certain extent, a short period between 1923-1925⁵⁴, the prohibitive and repressive character of the state involvement in collective labour relations continued in the 1920s and 1930s. In that latter respect therefore, it is not possible to talk about a change in policy, let alone a rupture, as a result of the transition from empire to republic.

3.3.2 Etatism, WWII Years and Labour

As it was the case in Argentina, in Turkey as well the Great Depression led to a substantial contraction in foreign trade due to the rapid decline in world agricultural commodity prices and the parallel reduction of the country's capacity to import. Under an authoritarian one-party rule, import substitution on the basis of state-led industrialization and protectionism was commenced in the 1930s as an attempt to address the considerable decreases in foreign trade (see Pamuk, 2008: 387). Agricultural sector also turned inward (ibid. 389). The decade is widely identified as the 'etatist' period in Turkey, with reference to the significant state involvement in the production of manufactured goods through state economic enterprises (SEEs) established mostly in medium-sized provinces and close to raw materials and/or railroad lines (see Arnold, 2012: 373). Industrial production expanded throughout the 1930s. A five-year industrialization plan was prepared in the early 1930s and put into effect in 1934, which targeted import substitution of primarily non-durable consumer goods, an inward orientation in the procurement of raw materials and the establishment of a variety of SEEs and public banks⁵⁵ (see Güralp, 1980: 46; Günce, 1981: 118-119). By the late 1940s there were about one hundred SEEs operating

⁵⁴ In the Izmir Economic Congress, formed by the new government immediately before the declaration of the Republic in 1923, the right to unionize and eight hours work day in non-agricultural sectors were adopted. The Congress also accepted some measures providing for health and safety at workplace (see Kaleağası-Blind, 2007: 290). However, shortly after, in 1925, a law called *Takrir-i Sukun* (Law on the Maintenance of Order) impeded workers' organizations.

⁵⁵ The promulgation of the second five-year industrialization plan was scheduled as 1938. However, it was not put into effect due to the conditions created by the approaching war. It included targets directed more towards the import substitution of intermediate and capital goods (Güralp, 1980: 47; Günce, 1981: 121).

in Turkey (Gülalp, 1980: 45). Production by the SEEs in the etatist period mainly encompassed non-durable consumer goods (such as textiles, sugar and other food processing) and some intermediate goods (like steel, paper, glass and simple chemical products) (Pamuk, 1981: 26). Boratav (2004: 71) calculates that at current prices the share of industrial sector in national income rose from 9.9% in 1929 to 18.3% in 1939. The strategy of promoting export in agriculture in the 1920s shifted in the early 1930s towards the promotion of cereal production (mainly carried out by small and middle farmers) through means such as custom duty increases on imported wheat and a price support programme that allowed the agricultural producers to sell wheat to the state at prices above the market (Margulies and Yıldızoğlu, 1987: 274, 276).

Unlike the case of Argentina, where one of the immediate repercussions of the Great Depression had been the emergence of a large surplus labour that was absorbed subsequently by the growing industrial sector, the scale of unemployment that emerged as an outcome of the crisis remained limited in Turkey (see Bulutay, 1995: 239, 257). This had much to do with the rarity and seasonality of wage labour and the prevalence of owner cultivated small holdings in agriculture. For this reason, in the 1930s the growing industries confronted with difficulties in recruiting a permanent industrial labour force, as labour turnover was high due to excessive circulation of workers between agricultural and industrial works (Arnold, 2012: 371-372). Nevertheless, although reliable data for the period does not exist (Yavuz, 1998: 160), it is possible to argue that parallel to the expanding industrialization the industrial labour force enlarged during the decade.

The prohibitive character of the single party regime of the Republican People's Party (RPP) in terms of collective labour relations found its expression in its declared aim to create a 'classless', coherent society. Accordingly, the first labour law in Turkey that was

promulgated during the etatist period in 1936 banned strikes and lockouts⁵⁶. By another law in 1938 (Law of Associations, *Cemiyetler Kanunu*) class-based organizations were outlawed. Establishing organizations on the basis of class were prohibited until 1946, when the ban was lifted by an amendment made in the Law of Associations. Bans and oppressions substantially forestalled - if not led to an entire elimination of - the activities of the limited number of workers' organizations during the period. A small number of strikes and protests were organized by workers in the 1930s, yet it is hard to talk about large scale labour mobilisations until the end of WWII (see Yavuz, 1998: 172-173).

Although Turkey did not enter WWII, the war conditions and the accompanying military mobilization dramatically shaped the social and economic landscape. The recession caused by declining production and imports was combined with rising inflation (see Boratav, 2004: 83). A considerable deterioration of living conditions for the majority of the population ensued. The loosening (and in some cases the abolishment) of price controls by 1942 was followed by price hikes, black-marketing and speculation (cf. Boratav, 2004: 84). The result was steep increases in revenues gained by both the rural and urban components of merchant capital that would push for a liberal foreign trade regime based on an expanded agricultural production in the post-war period (Margulies and Yıldızoğlu, 1987: 277-278). With an aim to put an end to excessive revenues and finance the increasing defence expenditures, a wealth tax (*The Capital Levy*) was introduced in 1942. In practice, the Capital Levy was collected in a highly discriminatory manner against the non-Muslim minorities. Those who could not pay the tax were sent to labour camps, many were forced to sell their properties and a large number went bankrupt. While the non-Muslim capital owners severely suffered, the war years witnessed in general a considerable wealth accumulation by large landowners and Anatolian-based merchants (see Boratav, 2004: 88, 95; Günce, 1981: 122).

⁵⁶ For further details relating to the 1936 Labour Law and other legal regulations of the etatist period see Yavuz (1998: 163-166).

During the war years, the enrolment of around one million male population into military service amplified the difficulties in labour procurement. One of the attempts to address this was the introduction of ‘waged compulsory work’ with the National Protection Law (NPL) promulgated in 1940. The waged compulsory work scheme was mainly used in the mining sector and especially in *Zonguldak* mines until 1947 (Güzel, 1998: 201, 206). The NPL also rendered invalid various provisions of the 1936 Labour Law. Among others, it allowed for the extension of the workday up to eleven hours (for all workers including women and children) and the abolishment of rest days (see Güzel, 1998; Makal, 1999: 412-419). As such, this emergency regulation prominently contributed to the maintenance of production and profits in both private and public enterprises throughout the war (see Güzel, 1998: 216-218). According to Borotav’s estimates, real wages dropped by more than 50% during the war years (2004: 90). During the same period, however, the state economic enterprises began to provide various social benefits and services to their employees (Arnold, 2012: 371). This according to Arnold (2012: 365-366) should be read as a response to the increasing worker unrest against the harsh working conditions of compulsory labour regime and low wages.

3.3.3 Post-war Restructuring and Labour

The aftermath of WWII witnessed important transformations in Turkish economy and politics, which, as briefly discussed in this section, were accompanied by a labour market restructuring. Following the termination of the war, the first major devaluation in the history of the Republic was made in 1946 and the foreign trade controls were loosened with an aim to increase country’s integration with the world economy (see Boratav, 2004: 98-100). This integration was envisaged to be attained mainly through primary goods exports. The years between 1946 and 1953 witnessed rapid growth, with the expansion of both agricultural and - to a lesser degree - industrial production (ibid. 100-101). Trade deficit also increased rapidly during these years as imports rose more than exports, which could be offset mainly through US aid and foreign credits until 1953 (ibid. 102). The

export growth was particularly high during the first three years of the Democrat Party (DP) government - established following the 1950 general elections- owing to factors like price incentives, increasing mechanisation in agriculture and favourable terms of trade created by the Korean War (Keyder, 1987a: 42-43). By the year 1953, with the recovery in European agriculture, a foreign exchange bottleneck started to emerge as a result of declining exports and difficulties in accessing foreign aid and credit. The DP government attempted to address this through increasing import restrictions and public investments, leading to an expansion in – both public and private - industrial production (Keyder, 1987a: 43). With protectionist policies, industrial capital came to gain considerable strength by the second half of the decade. These years -until 1958- can thus be regarded as a prelude to the ISI strategy that would be pursued more systematically starting from the early 1960s under five-year plans (cf. Boratav, 2004: 107-109; cf. Güralp, 1980: 50). This attempt after a while came to a deadlock, as the government's appeal to short-term borrowing to tackle continuing current account deficits was accompanied by serious repayment problems. Inflation also came to accelerate and reached around 40% in 1958 (Keyder, 1987a: 43). In that year, Turkish Lira was sharply devalued and a stabilization programme framed by an IMF stand-by agreement was adopted.

The transition to multi-party politics in 1946 led governments (both the Republican People's Party government established after the 1946 elections and the Democrat Party government formed following the 1950 elections) to become more responsive to the demands of the rural classes through land distributions -of mainly state owned land- to peasants, and loans and subsidies for agricultural inputs (Gürel, 2011: 205; Pamuk, 2008: 390). These policies were crucial in retaining the weight and significance of small sized farming in agriculture (cf. Gürel, 2011: 205; Margulies and Yıldızoğlu, 1987: 284; Pamuk, 2008: 390). The predominance of owner-cultivated small holdings continued and even

consolidated in the 1950s (Kaymak, 2005: 359; Margulies and Yıldızoğlu, 1987: 283)⁵⁷. Margulies and Yıldızoğlu (1987: 281) stress that the extension of cultivated area through increasing mechanisation became the main thrust of agriculture policy in the 1950s. Indeed, during the decade following WWII, both land under cultivation and mechanization rose substantially. The Marshall aid provided in accordance with the Marshall Plan, the Turkish implementation of which covered the late 1940s and 1950s, played an important role in this process through promoting agricultural mechanisation, productivity increases and highway construction. The number of tractors, 1750 in 1948, reached over 44.000 in 1957 (Gürel, 2011: 203). The land under cultivation expanded by more than 50% in the early 1950s (Keyder, 1987a: 43; Pamuk, 2008: 378). Given the creation of new agricultural lands for cultivation and their distribution predominantly as small holdings, the increasing mechanisation was not immediately accompanied by a full scale dispossession and depeasantisation and the use of human power started to decrease remarkably by the early 1960s (cf. Margulies and Yıldızoğlu, 1987: 284; cf. Gürel, 2011: 204). Yet, the 1950s marked the beginning of a large-scale rural-urban migration that accelerated mainly by the early 1960s, when the land frontier was reached (cf. Keyder, 1987a: 44; Pamuk, 2008: 377-378). From then on, migration started to manifest itself more markedly in parallel to increases in agricultural mechanisation and productivity, high population growth and inheritance regulations that allowed for greater fragmentation of farm lands through the allocation of inherited holdings among family members. This trend led to crucial changes in the composition of urban labour force, as increasing number of rural migrants in search of employment started to settle in large cities. While until then it had been mainly seasonal, by the 1950s rural-urban migration came to assume a permanent character. For the majority of the migrants their continuing access to land and rural income served as subsidies to their urban income (Gürel, 2011: 205). Given the latter's irregular character for many, due to the sporadic employment patterns, the former

⁵⁷ Keyder (1987b: 296) reports that the number of family farms increased from 2.3 million in 1950 to 3.1 million in 1963.

continued to serve as a supplement to subsistence and a means of reproduction of labour power. Keyder (1987b: 297) identifies this phenomenon as a ‘quasi-permanent urbanization process’ for the reason that most of the migrants residing permanently in shanty towns (*gecekondu*) were returning their villages during the harvest. The majority of migrants were involved in this process of ‘proletarianization without dispossession’, yet wage labour –compensated by rural income- was becoming their major source of income, rather than being complementary. It is therefore proper to identify this form as one of the predominant forms of labour power commodification, i.e., proletarianization in urban spaces in Turkey.

The transition to multi party politics in 1946 was also followed by a short-term amelioration of the political environment for the workers’ organizations, as the 1938 Law of Association outlawing class-based organizations was abolished. This was followed by an increase in the number of trade unions. Yet by the 1947 Law of Unions, they were deprived of the instrument of strike and ‘actions against national interest’, as these were specified as reasons for closure. The expansion of the trade unions continued in the aftermath of the 1950 general elections and the first trade union confederation, The Confederation of Turkish Trade Unions (*TURK-IS*) was established in 1952⁵⁸. Yet during the 1950s strikes were not allowed, employer-employee conflicts were subject to a mandatory arbitration process and thereby union activity was tightly controlled by the state (see Kaleağası-Blind, 2007: 292). Despite the existence of a prohibitive and repressive political environment, it would be inapt to take the period as one of inertia on

⁵⁸ Some observers underline that there was a strong influence of US-style unionism on the formation and structuring of *TURK-IS*, which was promoted - in accordance with the US foreign policy during the Cold War period framed around anti-communism - by The International Confederation of Free Trade Unions and the American Federation of Labour through the provision of funds, advertisers and training (Işıklı, 1987: 318- 319; Kaleağası-Blind, 2007: 292; Margulies and Yıldızoğlu, 1984: 16). *TURK-IS* took a conciliatory, collaborative stance vis-à-vis the governments and employers during the following decades. In 1964 it incorporated its bylaw the principle of so-called “non-partisan politics”. In the years to come, public sector workers came to constitute the main membership base of the Confederation.

the part of the labour movement. Thus, the prohibitive legal-political environment did not entirely hinder workers to raise their demands through different channels (for examples see Koçak, 2016).

Towards the end of the decade the authoritarian character of the Democrat Party government came increasingly to the forefront. With its claim to represent the ‘national will’, the party actively sought to destroy the political opposition channels, among others, through restrictive amendments in the Electoral and Press Laws. Furthermore, the devaluation and accompanying stabilization programme targeting the 1958 crisis proved to be inefficacious in addressing the more structural problems surrounding the economy. The experience of other country cases and economic knowhow transmitted mainly through the channels –among others- of international financial institutions were signalling the need for a paradigmatic change for a sounder capital accumulation. This change would be based on an ISI strategy framed with ‘developmentalism’ and ‘planning’. The 1950s were closed with a coup d’état in 1960, which would open a new chapter in the country’s history. A new constitution was drafted reflecting the attempt to initiate a conciliation of interests between labour and the rising industrial capital. Putting aside whether this goal came through or not, the new paradigm had certainly important repercussions with respect to labour markets, labour relations and state involvement in them. The following section provides a brief overview of the second ISI experience in Turkey with a particular focus on these latter aspects.

3.3.4 ISI and Labour

Roughly from 1962 to 1977 an import substitution industrialization strategy was pursued in Turkey mainly on the basis of the production of (both durable and non-durable) consumer goods. Manufacturing of consumer durables, such as household goods and automobile parts, expanded more rapidly than sectors such as textiles and food processing that had been predominant in the 1950s (cf. Margulies and Yıldızoğlu, 1987: 284; Pamuk,

1981: 28). Also, the state economic enterprises came to give more weight to the production of intermediate goods and provided cheap inputs for the expanding industrial sector.⁵⁹ The overvalued exchange rate facilitated capital goods imports and discouraged exportation, and together with favourable tariff barriers it led to a considerable investment in industry (cf. Margulies and Yıldızoğlu, 1987: 284). During the period, the main motor of manufacturing sector growth had been domestic demand expansion rather than export growth (Celasun, 1994: 457). Thus, increasing industrialization was not accompanied by a considerable increase in manufacturing exports. The share of agriculture in GDP decreased gradually during the period and it had a declining yet dominant share in total exports throughout the 1960s and 1970s, exceeding 80% and 60% in these decades, respectively (Pamuk, 2008: 387, cf. Köse and Öncü, 2000: 79). Together with the remittances of Turkish workers abroad that increased substantially in the early 1970s (see fn. 61 below), agricultural exports constituted the main source of foreign exchange required by import substitution (Pamuk, 2008: 387). When these did not suffice to meet the foreign exchange requirements stemming from high import dependency; current account imbalances and balance of payments difficulties emerged. Such difficulties were aggravated towards the end of the 1960s and were addressed through devaluation and an IMF-supported stabilization package, a convenient political setting for the implementation of which could be ensured through the military intervention of 1971 (Boratav, 2004: 128). The sharp devaluation of the Turkish Lira in 1970, together with good weather conditions boosting agricultural production, was followed by a dramatic increase in exports until

⁵⁹ The ISI strategy that was pursued in this period differed in some important respects from the one carried out during the etatist period (see Boratav, 2004: 118-139; Güllalp, 1980: 50-52). The main differences were the composition of imports that were sought to be substituted and the role of the public sector. In this period the ISI strategy increasingly encompassed durable consumer goods in a manner highly dependent on imports in terms of technology and major inputs. The SEEs, while still maintaining a large share in the production of durable consumer goods, came to concentrate more on the production of intermediate goods. The supply of intermediate goods to the private sector at low prices played an important role in the expansion of private industrial and commercial activities. In contrast to Latin American countries in general, and Argentina in particular, foreign investments in the ISI process remained limited in the Turkish case. (cf. Savran, 1987: 143)

1974 (cf. Celasun, 1994: 455; Şenses, 1981: 414). Towards the end of the 1970s however balance of payments difficulties arose again with a considerable rise in inflation (from 15.6 % in 1976 to 63.3% in 1979 (Şenses, 1981: 417)), leading this time to a prolonged crisis covering the years between 1977 and 1980 (see Yentürk, 1999: 89).

The 1960s and 1970s witnessed important developments in terms of the focus of this study. The wave of proletarianization with distinctive characteristics, which -as mentioned above- had already started in the 1950s through large scale permanent migration especially to big cities, substantially accelerated in these two decades. Shrinking agricultural sector and expanding industrial and service sectors led large numbers of peasants to migrate to cities and form squatter settlements in peripheral urban spaces. As such, for increasing number of urban settlers, wage became the major source of subsistence, the main compensation mechanism being the continuing but diminishing rural sources of income. In parallel to the gradual erosion of rural income supplements, as Gürel (2011: 214) stresses, during the 1960s and 1970s “the migrant workers’ chances to exit the labour market by retreating to family farming were increasingly eroded”. This can thus be regarded as a period during which labour power commodification gained momentum. In the face of rapid population growth⁶⁰ and inadequate urban labour demand, expanding labour power commodification brought along increases in unemployment. The latter came to accelerate especially after 1974 when the labour emigration to European countries⁶¹ was halted substantially (cf. Şenses, 1981: 441). The composition of urban employment also underwent important changes with rises in both formal and marginal employment

⁶⁰ Annual average growth of population between 1950 and 1980 was around 2.5 % (Şenses, 1981: 441).

⁶¹ The 1960s and 1970s were also decades during which large scale emigration (about one million workers in total) from Turkey to labour importing West European countries (predominantly West Germany) occurred according to the bilateral recruitment agreements as well through unofficial channels (see Akgündüz, 1993: 173-174). Data from various surveys show that the majority of these emigrants who became wage labourers in West European countries had a non-agricultural employment background before departure and compared to financial reasons/insufficient income, the share of unemployment among the motivations for emigration was rather small (see Akgündüz, 1993: 180).

patterns (Köse and Öncü, 2000: 80). Service sector employment, displaying predominantly informal and sporadic characteristics, increased far more than manufacturing employment (Keyder, 1987a:49). Furthermore, although agriculture remained as the main source of employment, its share in total employment declined from 77% in 1962 to 61.8% in 1977 (Çeçen et al., 1994: 41)⁶².

Individual and collective labour relations and state involvement in them underwent important transformations during the ISI period. Unionization, social wage and social services expanded considerably during this period. Yet, for large segments of the population, family based networks of support in old age and in cases of sickness, disability and unemployment were predominant mechanisms of compensating the loss of income during inactivity. In fact, labour market was displaying a highly segmented character. Informal and sporadic employment patterns were prevalent for a large part of the new urban settlers and the majority of the agricultural labour force was excluded from the below mentioned conditions and entitlements.

As noted above, the 1960s were opened with a coup d'état and a new constitution prepared by the Constituent Assembly. The 1961 Constitution set a favourable framework for social and organizational rights of workers. Turkey was declared a social state and all citizens were entitled to the right to social security. The constitution gave the responsibility to ensure this to the state, so long as the economic and fiscal conditions allow (Talas, 1979: 382). Workers were granted the right to unionize, to strike and to bargain collectively. Two laws promulgated in 1963 regulated the operation of these rights. And a law enacted in 1965 granted civil servants the right to unionize, while depriving them of the right to bargain collectively. Although far from being all encompassing, social security coverage was expanded considerably during the period. Workers gained improvements in their

⁶² For the same years, according to authors' calculations, the share of manufacturing sector rose from 7.2% to 11%. The change for the service sector was from 15.1% to 25.6% (Çeçen et al., 1994: 41).

working conditions and social rights especially in large enterprises (Savran, 1987: 145). Also, in the 1960s and the 1970s (until 1977) real wages increased considerably, except for the years between 1971 and 1973 during which real wages declined by 7% (Gürel, 2011: 215). Workers and labour organizations increasingly engaged in collective action to make use of and expand the framework drawn in the early 1960s on their behalf. As stressed by Şenses (1993: 99), for the first time in the history of Turkey, labour movement emerged as a major force in society during the 1960-1980 period⁶³.

Although the official data is not reliable for the period, the number of unionized workers is known to increase substantially⁶⁴. While there were only 8 strikes in 1963, the number increased to 83 in the following year and more workers were involved in strikes during the 1970s compared to the previous decade (see Table B2 in Appendix B). The number of concluded collective agreements was only 9 in 1963 (covering approximately 9 thousand workers) and it reached 264 in 1964 (covering almost half a million workers)⁶⁵ (see Table B2 in Appendix B). An important factor underlying the increases in unionization and workers' collective action was the establishment of a new trade union confederation in 1967 following the growing dissatisfaction among some *TURK-IS*-affiliated and independent unions against the *TURK-IS* leadership. These dissident trade unions formed the Confederation of Progressive Trade Unions of Turkey, *DİSK*, as an alternative to the reconciliatory, state-dependent unionism of the former. Unlike *TÜRK-İŞ*, *DİSK* was

⁶³ This does not mean to claim that the labour movement that came into prominence in the 1960s and 1970s had no roots conveyed from the past. Indeed, the 1950s witnessed a collective identity formation in the making (see Koçak, 2016). Yet, it would be inapt to argue that the labour movement before the 1960s was already relatively mature and combative.

⁶⁴ It is widely accepted that the number of unionized workers was close to 300,000 in 1960 and exceeded one million by the early 1970s. For the problems of data reliability see Çelik (2004).

⁶⁵ It is important to note that, notwithstanding some exceptional years, the share of public sector workers in total number of workers covered by collective agreements was larger than the share of workers in the private sector throughout the two decades (see Table B2 in Appendix B).

organized mainly in the private sector and it held a more combative stance vis-à-vis governments and employers. The trade union movement became further fragmented in the 1970s as new union confederations were established, the prominent ones being the Nationalist Trade Unions' Confederation (*MISK*) (1970) and the Confederation of Just Workers' Unions (*HAK-IS*) (1976) which respectively had close ties with the Nationalist Action Party and the National Salvation Party.

A massive workers' mobilization in 1970 against an amendment made in the Law of Unions⁶⁶ was followed by a martial law and in 1971 a military memorandum forced the government to resign. Until the elections held in 1973, technocratic–civilian governments backed by the military ruled the country. With the Memorandum, severe restrictions to organizational rights of workers were imposed. An amendment in the constitution deprived civil servants of the right to unionise. The Memorandum was also accompanied by the suppression of representatives of dissident trade unions and socialist/communist parties/movements. Yet the political oppression could not eradicate the oppositional pro-labour mobilization in the country and the years between 1973 and 1980 witnessed a more militant but fragmented leftist movement. The rise of the revolutionary left and the trade union movement had its repercussions in the parliamentary scene as well. A socialist party (Workers' Party of Turkey – *Türkiye İşçi Partisi*- TİP), which was established in 1961 by 12 unionists, won 15 seats in the parliament by receiving 3% of the votes in the 1965 general elections⁶⁷. Except from this very modest success of the TİP, the Republican People's Party, which declared its new political orientation as 'left of centre' by the mid-

⁶⁶ The amendment proposed in the Law of Unions, against which the 15-16 June 1970 demonstrations were organized, disallowed a trade union to continue its nation-wide activity unless it represents at least one third of the workers, registered to the social security institution, in the related branch of activity. It also required a confederation to represent at least one third of all unionized workers, trade unions and trade union federations. The main rationale of this attempt was to weaken the DİSK. The amendment was approved by the parliament and the President, but invalidated by the Constitutional Court in 1972.

⁶⁷ The party was closed down in 1971.

1960s, increased its votes especially in the 1970s (from 33.3 % in 1973 to 42% in 1977). It is argued by many observers that the party's increasing political appeal to workers in urban areas played an important role in this electoral success (Güneş-Ayata, 2002: 104; Keyder, 1987a: 55). Yet this appeal remained rather temporary and did not translate into a long-term organizational and/or political link between the party and organized labour.

A far-right nationalist movement, with its anti-communist discourse and practice, also gained strength in parallel to the increasing and more militant leftist mobilization. The movement embodied both the legal Nationalist Action Party (NAP), which became a partner in the coalition governments in the second half of the 1970s, and an illegal paramilitary organization that was responsible for various bloody actions against the leftist/revolutionary movements⁶⁸. Similar to the case in Argentina, the emergence of leftist guerrilla movements and their increasing militancy against the fascist menace was presented as a justification for the military coup in September 1980, which had the same claim of 'saving the country' as its Argentine counterpart.

3.3.5 Structural Adjustment, the 1990s and Labour

The balance of payments crisis of 1977-1980 was addressed by a stabilization programme having the aim to increase exports. Related measures – notably real exchange rate depreciation, wage compression and expansion of export subsidies– were accompanied by a more systematic/structural adjustment under the guidance of the IMF and the World Bank throughout the 1980s. Although the main framework of the programme was drawn before the 1980 coup d'état and was launched in January 1980 with the government decree referred to as 'January 24 Decisions', the political environment suitable to its implementation was secured via military repression. All political parties were closed

⁶⁸ See Ağaoğulları (1987) for further details about the far-right in Turkey, the NAP and its paramilitary organization.

down, trade union activities were banned, ongoing strikes were broken off and collective negotiations were suspended by the junta regime (1980-1983) (see Çelik, 2010). The most prominent characteristic of the transition process was the suppression of the oppositional forces in general and the dissident segments of the organized labour in particular, which facilitated the political insulation of the reform agenda. The military junta suspended all activities of the *DİSK*, which would be re-founded as late as 1992, and some other smaller confederations. It also incorporated the *TURK-IS* leadership into its ranks⁶⁹. The bans which curtailed the political and associational rights were sustained to a great extent following the official termination of the military rule in November 1983 until the 1987 general elections⁷⁰. As stressed by Nilgün Önder (1998: 50): ‘the new political-institutional structures created by the military regime were to ensure the reproduction of the economic model and that of the authoritarian and exclusionary features of the restructured state beyond military rule’. Accordingly, despite being officially shorter in duration compared to the junta rule in Argentina (1976-1983), the military regime in Turkey left its imprint more markedly on the period after its replacement with a civilian rule.

The structural adjustment process commenced by early 1980 differed in important respects from previous stabilization attempts/programmes targeting recurrent balance of payments difficulties and inflationary pressures. Alongside short-term measures to ensure recovery, structural adjustment, as elsewhere, involved the long-term vision to restructure

⁶⁹ The leadership of the Confederation engaged in close cooperation with the military regime, insomuch that its general secretary served as the minister of social security during 1980-1983 (Şenses, 1993: 106).

⁷⁰ Only three –newly established – parties were allowed to run in the 1983 general elections. Also, the leader of the coup, General Kenan Evren, continued his presidency until 1989. Furthermore, by the 1982 Constitution and other related legal regulations the weight and impact of the military within the ‘National Security Council’ – the advisory board on national security, composed of representatives from government and the Turkish Armed Forces – further expanded in a way to maintain military’s influence in Turkish politics in the aftermath of the junta years.

the economy away from ISI and towards an export-led growth model. The 1980s witnessed trade liberalization and export growth promoted through real exchange rate depreciation and export incentives. The reorganization of the economy from import substitution industrialization to export promotion was also attempted to be realized through cuts in agricultural subsidies⁷¹ and wage compression (see Akyüz and Boratav, 2002: 4). The performance of the Turkish economy in the post-1980 period was identified as a success story by international financial organizations with reference to the GDP and export performance. High rates of GDP and a substantial export growth were recorded between 1981 and 1987, annual averages being 5.6 % and 25 % (in current US dollars) respectively (Celasun, 1994: 453). The share of manufacturing exports in total exports also increased dramatically during the 1980s and reached around 85% towards the end of the decade (Celasun, 1994: 453; cf. Pamuk, 2008: 388). Yet, as it is widely pointed out, the greater capacity utilization rather than an expansion of fixed capital investments was the main motor of export growth during the post-1980 period in Turkey (see Boratav, 2004; Celasun, 1994: 454; Köse and Yeldan, 1998: 51; Yentürk, 1999: 89). Indeed, given their ability to access to cheap labour and generous incentives, large scale capital groups refrained from industrial upgrading attempts (Bekmen, 2014: 53).

Although labour market and labour relations were not issues directly handled in the January 1980 Stabilization Programme, the structural adjustment process had two chief components in these respects (cf. Önder, 1998: 51; cf. Şenses, 1993: 99). First, the export-led accumulation strategy signified the conversion of wages into primarily a production cost. Accordingly, wage compression came to be an important tool of export promotion by restraining domestic demand and increasing international competitiveness through diminishing labour costs for capital. Second, policy makers aimed at the formation of an

⁷¹ Boratav et. al. (1994: 44) stress that in the early 1980s there was a ‘concerted effort to undermine the scope and effectiveness of agricultural support policies which since the 1950s, had been used essentially as a distributional instrument in favor of the large peasant population’.

organisationally weakened and disciplined labour force which would allow for greater wage flexibility. In accordance with these objectives and as a result of corresponding measures, drastic real wage decreases occurred between 1980 and 1988 (see Boratav et. al. 1994: 46). Furthermore, two laws promulgated in 1983 shortly before the general elections, one on trade unions and the other on collective bargaining agreements, strikes and lockouts (Law no: 2821, 2822), guaranteed the maintenance of the restrictive environment for labour organizations and collective action in the aftermath of the transition to civilian rule (see Chapter V for further details).

The production of manufactured goods that came to have considerable weight in total exports, prominently textile and apparel goods, relied heavily on low-wage, non-unionized labour with high incidence of subcontracting and informality (Köse and Öncü, 2000: 84; Önder, 1998: 54). The number of small and medium scale enterprises that were active in these labour intensive production networks and various services increased substantially in the 1980s. Informal employment became highly prevalent in the SMEs, the share of which in total employment rose from 37% in 1980 to 46% in the mid-1990s (Kuş, 2014: 286). Expanding informal employment practices during the decade were systematically tolerated by the policy makers (cf. Köse and Öncü, 2000: 84). As it is acknowledged in an OECD report (1999: 82):

The unregistered sector has expanded further since the mid 1980s, as industrialisation and urbanisation have increased the opportunities for subcontracting, construction, and various types of services. In welcoming greater entrepreneurial activity, the authorities may have been unwilling fully to enforce the social security contribution obligations of newly created firms, thus providing an implicit “labour subsidy”.

The following came to characterize predominantly the labour market and labour relations in the 1980s: wage compression; restrictions on workers’ organizations, labour mobilization and collective bargaining; declining agricultural production and employment; expanding non-registered employment. A labour mobilization broke out

towards the end of the decade as the culmination of the discontent against decreasing real wages and deteriorating living conditions throughout the 1980s. For the first time since the late 1970s workers re-emerged on the political scene as a collective actor through a wave of collective mobilization during the late 1980s and early 1990s. While the years following the termination of the military dictatorship and the transition to the civilian rule—though not ‘democracy’—witnessed very few number of strikes (4 in 1984, and 46 in total between 1984 and 1986), both the number of strikes and workers involved dramatically increased between 1987 and 1991 (see Table B2 in Appendix B). Significant rises in real wages accompanied this revival of labour movement, which took place through a wave of strikes and demonstrations that lasted until 1991 (see Akkaya, 2000: 218-219; Öztürk, 2009: 353-354). Correspondingly, a real wage increase in the manufacturing sector by 51% from 1988 to 1990 was recorded (Demir and Erdem, 2010: 7). This tendency continued roughly until the 1994 crisis, after which real wages started to decrease again (Köse and Öncü, 2000: 82). Following the intensification of collective actions led by these unions, in 1995 a constitutional amendment reinstated civil servants’ right to unionise, which had been removed during the military intervention in 1971 (see Dinler, 2012: 1). This legalisation, however, did not involve the rights to collective bargaining and strike.

The late 1980s is widely regarded as a milestone in the trajectory of capitalism in Turkey. As a response to increasing public deficit and inflation towards the end of the decade, all restrictions on financial transactions were repealed in 1989 (Akyüz and Boratav, 2002: 5). The full liberalization of capital account in that year was followed by a vicious cycle of higher interest rates, increasing short-term financial flows, and soaring public debt accumulation throughout the 1990s. The volatile pattern in terms of capital flows that succeeded the capital account liberalization paved the way for consecutive crisis in 1994, 2000 and 2001. Soaring public debt became an important source of this volatility as

interest payments could only be financed through Ponzi financing, i.e, through further debt obtained by ever increasing interest rates on government debt instruments (Boratav et al. 2000: 25; Türel, 2010: 37). It was also indicative of the transfer of resources to capital through skyrocketing interest payments on sovereign debt⁷² and mechanisms such as subsidies and tax policy changes (Cizre-Sakallıoğlu and Yeldan, 2000: 489-490; Yalman and Bedirhanoğlu, 2010: 114).

The first couple of years after the capital account liberalization were marked by considerable increases in capital inflows, real appreciation of currency and widening current account deficits (Akyüz and Boratav, 2002: 10). Shortly after, rapid capital outflows in 1994 followed this transient recovery and was accompanied by a sharp currency depreciation (60% by April) and leaps in inflation and interest rates (Akyüz and Boratav, 2002: 11). A stabilization programme, known as “April 5 Decisions”, was adopted as a response to the 1994 crisis in the same year, which prescribed the tightening of the monetary policy and contraction of domestic demand (Köse and Yeldan, 1998: 57). The programme included public spending cuts and wage freezes leading to a considerable deterioration of the living conditions of labouring classes (Koyuncu and Şenses, 2004: 31). The aftermath of the 1994 crisis witnessed a severe reversal of labour’s gains during the late 1980s and early 1990s (Boratav et.al., 1994: 51; Demir and Erdem, 2010: 7). Thus, compared to 1993, the minimum wage and salaries and wages in the public sector dropped by around 25% in 1995 (Koyuncu and Şenses, 2004: 20). The real wage decrease in the private sector reached around 31% for the same year (ibid.20). Although demonstrations were organized by the trade unions amidst the crisis, parliamentary politics was the main channel through which public discontent was expressed (ibid.32). The Welfare Party, the

⁷² Transfers to large scale, bank holding capital constituted an important part of the excessive sovereign debt accumulation, as they benefited from the opportunity to borrow from abroad at lower interest rates and lend to the government through purchasing government debt instruments at higher interest rates (see Boratav et. al., 2000: 25).

predecessor of the Justice and Development Party (AKP)⁷³, with its motto of ‘Just Order’ propagated the notions of social justice and industrialization in the 1990s and considerably increased its vote in the general elections held in December 1995 and became a coalition partner (Cizre-Sakallıoğlu and Yeldan, 2000: 501; Koyuncu and Şenses, 2004: 32).

A new ‘mini boom and bust cycle’ (Cizre-Sakallıoğlu and Yeldan: 2000: 484) characterized the aftermath of the 1994 crisis, which initially witnessed a massive inflow of capital attracted by high real interest rates and the appreciation of the Turkish Lira; and then the increasing inflation (reached 80-90 % range between 1995-1999) and sovereign debt accumulation proved unsustainable (see Cizre-Sakallıoğlu and Yeldan, 2000: 486; Yeldan, 2006: 199). This time the downfall was also accelerated by the negative impacts of other ‘emerging market crises’ especially the ones in East Asia and Russia (Yeldan, 2006: 199). An exchange rate based disinflation programme to be valid for three years was introduced in December 1999 under the supervision of the IMF. The programme introduced a ‘semi-currency board regime’ that restricted the monetary expansion to increases in the Central Bank’s net foreign assets (ibid. 199-200). It represented a ‘softer’ version of the exchange rate policy that had been in force in Argentina throughout the 1990s (Öniş, 2006: 249-250; Yeldan, 2006: 200). The programme also incorporated policy items aiming at fiscal stabilization, structural reform in fields such as agriculture and pensions, and the regulation of the banking sector (Kibritçiöğlü, 2006: 7; Öniş, 2006: 249-250). The currency appreciation that followed the introduction of the programme fuelled the current account deficit (Öniş, 2006: 250). Furthermore, as the monetary policy was tied to the amount of foreign assets, interest rates continued to be high to attract foreign capital that in turn triggered further speculative capital inflows (Yeldan, 2006: 207). Roughly 14 months after the introduction of the IMF-led stabilization programme Turkey

⁷³ The Justice and Development Party (AKP) formed single party governments since 2002 and won the majority vote in the general elections held in 2011 and two others in 2015 (June and November). It was still the single ruling party at the time of writing (see Chapter IV for further details).

experienced in February 2001 a severe economic crisis that emerged as a massive attack on the Turkish Lira and rapid capital outflows⁷⁴. Thus, as it was the case in Argentina, the 2001 crisis erupted in Turkey amidst an IMF-led disinflation programme. Eventually, the currency peg had to be abandoned and replaced by a floating exchange rate regime in the same month, leading to an immediate 40% depreciation of currency against the US Dollar after the announcement of the decision (Macovei, 2009: 6; Akyüz and Boratav, 2002: 1).

Turkey did not witness profound labour market policy changes during the 1990s. The main law regulating individual labour relations before the 2001 crisis was promulgated in 1971 and remained in force until its replacement with a new law enacted in 2003. Reform elements such as active labour market policies or measures to flexibilise employment contracts did not occupy a prominent place in the policy agenda, despite the fact that these were increasingly promoted as policy items in the international financial and economic circles in the 1990s. Also, throughout the decade, representatives of capital emphasised the need to reduce the non-wage labour costs to improve competitiveness in the world market. The delay in the transfer of reform items such as flexibility had to do with the interaction of multiple factors. On the one hand, the wave of labour mobilisation in the late 1980s and early 1990s rendered such attempts politically costly. Indeed, the decade was marked by the rule of mostly short-lived consecutive coalition governments, which were not able to implement fully the neoliberal policy agendas such as privatisation and (at least in legal terms) flexibilisation of individual labour relations. Put briefly, the wave of anti-austerity labour mobilisation played an important role in the suspension of the entrenchment of the neoliberal agenda. On the other hand, despite the mobilisation of the labour movement and material gains it achieved, the authoritarian legal framework

⁷⁴ The 2001 crisis in Turkey showed the characteristics of a twin crisis, in which a banking crisis (November 2000) was followed by a balance of payment crisis (February 2001) (see Türel, 2010). It is therefore sometimes called as the 2000-2001 crisis to indicate this characteristic. As the real collapse occurred in 2001, in this study this twin crisis will be referred to as the 2001 crisis.

regulating collective labour relations remained mostly intact. Finally, the increase in 'de facto flexibility' stemming from expanding informal employment relations from the 1980s onwards constituted another important characteristic of the labour market. Especially small and medium size firms enjoyed the ultimate 'external numerical flexibility' thanks to widespread informal employment practices that provided room to hire and fire a worker without undertaking most of the related legal responsibilities.

3.4 Comparative Insights and Concluding Remarks

Based on this overview, my contention is that labour market formation processes, patterns of commodification of labour power and the courses of struggles, defeats and concessions surrounding the labour relations differed in major respects in Argentina and Turkey. The following is a brief comparative evaluation of these differences:

The immigration policy was constitutive for the formation of a labour market in Argentina, which was developed earlier and at a swifter pace compared to the case in Turkey. The extensive use of wage labour in both agriculture - that was predominantly characterized by large ownership and holdings cultivated by non-owners - and non-agricultural production roughly from the mid-19th century onwards was accompanied by the formation of a considerably large labour market in the former. Argentina experienced rapid growth based on the export of agricultural products and livestock between the late 19th and early 20th centuries. Furthermore, major part of the labour force was settled in urban areas, the majority of which did not have access to land and means of subsistence alternative or complementary to wage. Agriculture's share of employment substantially declined during the decades following the Great Depression, as agricultural decay and increasing industrialization that accompanied the 'induced' orientation towards import substitution triggered internal migration from rural areas to cities. Despite the rounds of state

repression, owing to higher workers' mobilization influenced by anarchist and socialist traditions conveyed by immigrant workers, labour relations took a collective form at a relatively early stage in Argentina.

The Turkish case witnessed an entirely different trajectory of labour market formation, despite the fact that similar to the Argentine case the Ottoman Empire in the late 19th and early 20th centuries witnessed an export-led agricultural growth. Small peasant household based on non-commodified family labour was the predominant unit of production in most of the Ottoman Empire in the late 19th and early 20th centuries. And this trend continued in the early Republican period. Wage labour was rare in Anatolian agriculture and mainly used on a seasonal basis in some fertile parts of the Southern and Western Anatolia. Increasing commercialization in agriculture was accompanied by an increase in small peasants' production for the market, but it was not followed by the ebbing of small peasantry through widespread dispossession and/or proletarianization. Although an urban labour market concentrated in cities like Thessaloniki and Istanbul was in the making in the late Ottoman period, non-agricultural labour force was quantitatively limited in general. Despite the fact that they were rather few in numbers and confronted with a heavy, prohibitive and repressive state involvement in collective labour relations, workers formed organizations and raised their demands. Yet, wars and population movements in the early 20th century led to a substantial contraction in urban labour force, which was largely composed of non-Muslim workers. This was also accompanied by a loss of experience in workers' collective action.

The formation of an integrated labour market (in addition to a large small peasant population) in Turkey in the Republican era took relatively long time. Similar to the case in Argentina, the Great Depression led to a slump in country's foreign trade and was responded with import substitution. Increasing industrialization, with greater state involvement in the production of manufactured goods in Turkey, was accompanied by an expansion in the non-agricultural labour force, while the agricultural production was

mainly dominated by owner cultivated small holdings. The single party regime was highly prohibitive in terms of workers' collective action. In the face of bans and oppressions only a very small number of strikes and protests were organized by workers during the decade. The WWII years witnessed a severe deterioration of living conditions of the large segments of population in Turkey. Although the industrialization spurt halted substantially, production and profits in both private and public enterprises were sustained owing to decreases in real wages and through measures like a waged compulsory work scheme, the extension of the workday and abolishment of the rest days. Furthermore, a considerable wealth accumulation by large landowners and rural and urban components of merchant capital occurred, which pushed for a liberal foreign trade regime based on an expanded agricultural production in the post-war period.

Increasing integration of the country with the world economy as a primary goods exporter during the post-war years was accompanied by important transformations in terms of labour markets. Although increasing agricultural mechanisation and productivity was not followed by a full scale dispossession and depeasantisation and owner-cultivated small holdings in agriculture continued to be predominant, a large scale permanent internal migration started to manifest itself in the 1950s and gradually accelerated in the decades to come. While until then the rural-urban migration was generally temporary in character and wage labour was mainly a supplement to migrants' rural income, increasingly by the 1950s, migration took a permanent character and migrants' continuing access to land and rural income started to serve as wage subsidies (cf. Gürel, 2011). This became a predominant form of labour power commodification in urban contexts in Turkey in the following two decades and this form left most of the burden of the reproduction of labour to workers and their households. Except from a short-term amelioration of the political environment for the workers' organizations in the aftermath of the transition to multi-party politics in 1946, state involvement in collective labour relations was mainly prohibitive and repressive in character. Notwithstanding that, the expansion of the urban labour force was accompanied by an increase in workers' mobilization and expansion of the trade

union movement.

Unlike the Turkish case, the ISI experience following the Great Depression in Argentina did not undergo an interruption during the WWII. The slump in foreign trade and faltered agricultural expansion and immigration from Europe accompanying the Great Depression led by a wave of internal migration in the 1930s and 1940s through which a considerable part of the rural labour force joined the ranks of the urban proletariat. Further expansion of the labour intensive-industrial capital accumulation was sustained through heavy state involvement through subsidies, credit expansion and various protective measures favouring Argentine manufactures, as well as the policies targeting the incorporation of a considerably large and combative urban labour force. This model of accumulation was based on a slippery alliance between the latter and the rising industrial capital. Trade unions extended their organizational strength while at the same time the union structure was centralized and came to be incorporated in the Peronist movement/party/government through the elimination of dissident trade unions and the anarchist and socialist movements. This incorporation had three important repercussions in terms of labour movement and collective labour relations:

First, measures like *personería gremial*⁷⁵ and compulsory state arbitration and approval in collective bargaining processes led to the formation of a centralized and state-dependent trade unionism. The union administered welfare funds and social services (*obras sociales*) financially strengthened the unions having the monopoly of representation and contributed to the members' welfare. Yet at the same time, they came to be 'an axis of union political exchange with the state' (Atzeni and Ghigliani (2011: 47). Second, with the generalization of collective agreements to all workers in the industry where an agreement is settled and the greater incorporation of social clauses in the collective agreements, collective bargaining became the major means through which terms and

⁷⁵ *Personería gremial*: the monopoly of representation granted to one organization per industrial sector or economic activity.

conditions of individual employment contracts were set. More specifically, through collective bargaining workers could gain concessions from employers, push for wage increases and expand the latter's share in shouldering the costs of labour reproduction. And lastly, the rank and file through the internal commissions of the shop floor delegates (*comisiones internas*) gained considerable strength and became a grassroots force vis-à-vis both the union bureaucracy and employers. In a nutshell, from the mid-1940s onwards capital, state and a highly state dependent trade union structure assumed increasingly important roles in labour power reproduction in the lack of alternative or complementary means of subsistence for the majority of the laboring classes other than wage (unlike the case in Turkey). This was a process shaped through the above mentioned slippery alliance between the labour and rising industrial capital. Tensions immanent in this alliance came to the surface more openly by the late 1940s - when the *Justicialista* government led by Perón was still in power - and throughout the following two decades (until 1973). During this period the successive bottlenecks that the ISI strategy encountered were addressed through stabilization programmes leading to decreases in real wages, rises in unemployment and deterioration of income distribution. Collective bargaining and trade union activity were also frequently curtailed, especially during the periods of military takeover. Nevertheless, trade unions' organizational strength and workers' collective achievements were maintained to a great extent and workers gained some further improvements in their working and living conditions through engaging in various forms of collective action. An important factor underlying this was the emergence of a combative rank and file, that came to have a strong identification with Perón and Peronism, and that had an important capacity to exert influence upon the union bureaucracy.

The ISI experience in Turkey took a course different from Argentina particularly with respect to labour markets and labour relations. The labour market enlarged considerably in the 1960s and 1970s in parallel to the expansion of manufacturing sector with heavy state involvement through various protective measures, subsidies and more weight given by state economic enterprises to the production of intermediate goods and the provision

of cheap inputs for the expanding industrial sector. Rural-urban migration with permanent characteristics – that had already started in the 1950s- gained considerable momentum during these decades. As underlined above, although wage became their major source of subsistence, gradually eroding but continuing rural sources of income served as compensatory mechanisms for a major part of the urban population. Although a considerable part of the labouring classes were not employed under this conditions, given the prevalence of informal and sporadic employment patterns among the new urban settlers as well as the exclusion of various forms of agricultural labour from these provisions, unionisation and state involvement in labour power reproduction through increases in the provision of social wage and services also expanded substantially.

It is mainly by the 1960s for the first time in Turkey, where until then the political environment for workers' organizations and collective actions had been characterized by prohibition and repression, labour movement emerged as a major force in society and started to have a collective influence. In fact, the ISI strategy that was framed along a developmentalist framework and targeted the expansion of domestic market and the formation of a unity of interest between urban workers and the rising industrial capital, contributed to the rise of a labour movement. Workers and labour organizations increasingly engaged in collective actions to make use of and expand the framework drawn in the early 1960s on their behalf. And they achieved important real wage increases and significant improvements in their working and living conditions. The workers' mobilization heightened in the 1970s and especially towards the end of the decade during the crisis of 1977-1980. Obviously during the two decades the workers' movement became more powerful and experienced than before. Yet, when the crisis of the ISI and the political turmoil reached a climax it was a relatively new and fragmented social and political force with a rather nascent rank and file combativeness and strength. Thus, it was

rather fragile and fragmented vis-à-vis a powerful and unified capitalist class⁷⁶. This considerably impacted upon the level of transfer of workers' gains and collective experience to the post-coup period.

To return to the discussion on commodification and reproduction of labour power made in Chapter II, it should be stated here that labour protecting policies and related measures provided by the state; and the concessions gained by labour organizations from capital during the ISI periods in both countries did not, as elsewhere, put constraints on the commodification of labour (or have labour de-commodifying roles) as implied in the welfare regime literature. Rather, state and capital undertook greater part of the costs of reproduction of labour power in various manners, which contributed to the expansion of the labour markets. Comparatively speaking, capital and state bore larger burdens in these processes in Argentina, while in Turkey capital was *more* able to externalize labour related costs onto the workers and their households. Similarly, to consider neoliberal restructuring processes in these two countries as labour re-commodifying would be misleading, since the preceding period cannot be characterised by using the term de-commodification. The search and struggle of capital to free itself from labour related costs intensified in both countries under neoliberalism.

In both Turkey and Argentina, the crises of the late 1970s were addressed through stabilization programmes, the political environment for the implementation of which were secured via military takeovers having the claim to 'save the country'. Different from the previous stabilization attempts, these involved 'structural reforms' targeting the abandonment of ISI strategy together with the affiliated institutional configuration and the transition to an export-led growth model. In both countries, the reduction of labour costs

⁷⁶ As Şenses (1993: 99-100) draws attention, in the face of growing labour militancy in the second half of the 1970s employers formed a number of employers' associations, which adopted a common anti-union stand and demanded restrictions on union activities and wage and non-wage payment restraints.

and creation of a compliant labour force were among the chief priorities. The repression was harsher in the case of Argentina, where thousands of activists and dissident unionists ‘disappeared’ during the state terror referred to as ‘dirty war’. In Turkey as well, the military regime severely suppressed oppositional forces and especially the dissident segments of organized labour. Furthermore, although it lasted shorter than in its Argentine counterpart (1976-1983), the military regime left a marked imprint on the post-coup era, before all else through the promulgation of a new constitution in 1982 that, in the words of Önder (1998: 62), envisaged a ‘strong state’ and a ‘depoliticized society’. In terms of collective labour relations this found its major expression in the restrictive clauses of the new constitution and two laws promulgated in 1983 shortly before the general elections, which remained in force throughout the decades to come. The figures shown in the Table B3 in Appendix B relating to strike activity in the two countries during the years immediately following their ‘democratic’ transitions are emblematic of differences in labour movements’ degree of survival from the military repression.

Unlike the case in Turkey, labour mobilization did not entirely stop during the junta years, partly thanks to the restrained but continuing grassroots activism. The union movement was relatively experienced in negotiations, concessions, resistance and backlashes. Peronism played a crucial role as the reference point for various forms of collective action and the collective experience had important repercussions for the survival and the comeback of labour movement in Argentina to the political scene after the transition to civilian rule. And after the transition to civilian rule the restrictions on trade union activities and collective bargaining processes were lifted. Yet, at the same time the labour market was undergoing a substantial transformation in an accelerating manner in the 1990s under the Convertibility Plan. With the impact of the latter’s radical labour market reform components, wages declined considerably and unemployment, informal employment patterns and poverty increased rapidly. Insistence upon austerity followed by increasing popular discontent by the second half the decade and formation of alternative labour organizations (especially the movement of the unemployed, *piqueteros*). Unlike

the case in Argentina, the implementation of neoliberal policy agendas in the 1990s in Turkey proceeded intermittently. Both the ‘politicisation’ of austerity measures by organized labour and democratic opposition against the anti-democratic political landscape contributed to the deceleration of neoliberal labour policy agendas. Yet, the translation of the mentioned revival into labouring classes’ long-term collective strength and their greater institutional involvement in the policy making processes remained limited.

The forms and density of opposition to neoliberal policies and the political repercussions of the 2001 crises showed important differences in the two cases. In Argentina, a massive social uprising and a political crisis occurred, that resulted in the replacement of four interim presidents in 15 days (Féliz, 2014: 59). Unlike the case in Argentina, the lack of widespread social mobilization during the crisis period in Turkey - except from a limited number of protests mainly involved by shopkeepers and artisans - led to the orientation of discontent more against politicians/ political parties than the policies that were being implemented. Weaker politicization of the policy contents by the popular classes and their organizational representatives accompanied by the widespread espousal of the emphasis on the lack of political will and stability necessary to implement reforms properly as the root causes of the 2001 crisis. In Argentina, in contrast, the content of the reform path pursued throughout the 1990s was politicised and opposed as sharply as politicians and political institutions. As it will be elaborated in Chapter IV and Chapter V, this aspect constituted one of the most important reasons underlying the differences in the post-crisis political economic orientations and the courses of labour reform in the two countries.

CHAPTER IV

POST-2001 DEVELOPMENT STRATEGIES IN ARGENTINA AND TURKEY FROM A LABOUR PERSPECTIVE

4.1 Introduction

In both Argentina and Turkey, neoliberal policies were introduced under the guidance of and political shield provided by military dictatorships, as discussed in the previous chapter. After roughly two decades long neoliberal structuring with different boom-bust episodes, in the late 1990s both were at a crossroads. This did not mean choosing between two options, equally desirable; but rather the necessity to reframe development strategies and the form of integration into the world economy, given the sharp social inequalities and financial fragilities deepened by neoliberal transitions. They were at a crossroads in terms of opting in a particular strategy, which should, in the eyes of policy makers, refer to a form of integration in the global economy, providing international competitiveness and rapid growth. The ways these strategies are (re)framed and implemented, was conceived in different terms by many scholars, and mainly as a form of post-neoliberalism or neo-developmentalism in Argentina and a revived neoliberalism with distinctive characteristics variously associated with populism and/or authoritarianism in Turkey. This chapter will provide a reading of these two post-2001 political-economic trajectories from a labour perspective by also engaging in dialogue with the mentioned conceptions to point out their weaknesses and strengths in grasping the political economic turns within and away from neoliberalism. The related discussion will also serve as a contextual ground for the more detailed examination of labour policy agendas in the following chapter.

When focusing upon the Argentine and the Turkish cases respectively, I will address both neo-developmentalism and neoliberalism by differentiating between two levels of

analysis: strategies/projects on the one hand and processes/practices on the other hand. Distinguishing between these two levels is important not to conflate what is projected and what has translated into actually existing processes/practices⁷⁷. The following sections will portray the neo-developmental turn in Argentina and the neoliberal reconfiguration in Turkey in the post-2001 period. The chapter will also point out the limits of the particular strategies and their ways of handling the labour question.

I will argue that the Argentine neo-developmental experience represented a de-neoliberalisation process (if not a departure from neoliberalism) in terms of labour policies. The post-2001 era in Turkey, unlike the case of Argentina, witnessed the entrenchment of the neoliberal framework, where the crisis rather than representing an ‘organic crisis’ or a ‘crisis of neoliberalism’ (see Akça, 2014: 30 among others) took the form of a ‘crisis in neoliberalism’ (Yalman, 2016: 257). Difference between the two was not only related to the severity of the economic repercussions of the crisis, but more importantly the social reactions emerged amidst the crisis. The massiveness of the latter in the Argentine case, rendered the crisis a crisis of neoliberalism (cf. Feliz, 2015: 71). A neoliberal restoration thereby fell off the political agenda and was renounced, albeit not entirely as discussed below, for the sake of restoring capitalist accumulation. In Turkey, the crisis was not accompanied by a widespread public discontent and the abandonment of the economic programme backed by the IMF that was adopted in the late 1990s and that had the aim to deepen the neoliberal reforms. For a better understanding of both experiences the labour dimension should be incorporated into the analysis as a central element. This chapter provides an evaluation of both ‘development’ trajectories with a labour focus.

⁷⁷ For similar accounts which refer to neoliberalism and post-neoliberalism in such a twofold manner see, *inter alia*, Brenner and Theodore (2002) for neoliberalism; and see, *inter alia*, Grugel and Ruggirozzi, (2012) and Yates and Bakker (2014) for post-neoliberalism.

4.2 Neo-developmentalism, Labour and the post-2001 Argentine Experience

The major characteristics of the political-economic orientation in the Latin American region from the turn of the 21st century onwards have been an important matter of debate. Although there are admittedly important differences across countries, it has been alleged that there emerged a break with ‘crude’ neo-liberalism and an orientation towards a post-neoliberal model, which is often identified as a left turn and/or pink tide. Christopher Wylde (2016: 322) argues that: “Much like Williamson’s phrase ‘Washington Consensus’ captured the global shift in political economy in the 1990s, post-neoliberalism captures the continental shift in Latin American political economy in the twenty-first century”. The term post-neoliberalism is generally used in a generic fashion, in a manner as to encompass many alternative paths away from neoliberalism, and often interchangeably with neo-developmentalism. Many of the accounts of this new model take neoliberalism in its narrow sense and thereby establish a contrast with the latter’s features and policy components aggregated as the ‘conventional orthodoxy’ and/or the Washington Consensus. In that respect, the distinguishing features of neodevelopmentalism is mainly put in terms of a more active state involvement in the economy as opposed to neoliberalism’s ‘market fundamentalism’. Yet, the main challenge for many other commentators remains as to differentiate neo-developmentalism or Latin American post-neoliberalism from neoliberalism understood in a broader sense, i.e., as a strategy modified in time in the face of the stalemates and crises engendered by concrete processes of neoliberalization (as discussed in Chapter II).

For those who take the ‘crude neoliberalism’ as a benchmark, it becomes clear that neo-developmentalism is different from the former primarily due to different roles assigned to the state. As such, it is referred to as a state-led development project aiming at combining growth with social stability and well-being. A leading scholar and an advocate of the

‘national’/new developmentalism⁷⁸ identifies active state involvement in the regulation and stimulation of private investment and innovation in a manner as to enhance a country’s international competitiveness as the core of this strategy which is also combined with a protective approach towards the poor, workers and the environment (Bresser-Pereira, 2009: 34). More importantly for the purposes of this study neo-developmentalism or post-neoliberalism is identified as an attempt to forge a new social consensus or ‘a new pact between society and the state’ (Grugel and Ruggirozzi, 2012: 2-3; Bresser-Pereira, 2009: 9, 17).

This section will briefly identify the main contours of Latin American neo-developmentalism as a model/project before discussing the case of Argentina. In doing so, first of all the focus will be on the manners in which neo-developmentalism is defined with reference to and differentiated from (1) the old Latin American developmentalism of the period roughly between the 1940s and mid-1970s; and (2) neoliberalism that marked the era following the mid-1970s, more specifically the 1990s, in Latin America. These two benchmarks are predominantly used to refine the boundaries of the Latin American post-neoliberalism shaped in the 2000s and early 2010s⁷⁹. In that respect, it is widely

⁷⁸ The term neo-developmentalism is first used by Luiz Carlos Bresser-Pereira in 2003 and developed by many other contributors throughout the 2000s. At a Sao Paulo convention held in 2010 a document titled as ‘Ten Theses on Neo-developmentalism’ was produced and signed by the leading proponents of this development strategy (see Ban, 2012: 3).

⁷⁹ A third benchmark may be regarded as the East Asian experiences of capitalist development – more specifically that of the so-called ‘East Asian Tigers’- from the 1960s onwards. Yet, since the first two are more central to various attempts of framing neo-developmentalism, I will confine myself here with them. For a comparison between the East Asian experiences and the ND see (Bresser-Pereira, 2009). The author argues that, unlike East Asian countries like Korea and Taiwan, Latin American countries were late in abandoning the import substitution model and adopting an export-led one (ibid. 20-21). By the mid-1960s, he claims, when manufacturing industry was no longer infant, the ISI strategy should have been gradually replaced by an export-led model (ibid. 19-20). Also after the late 1980s: “Latin American countries indiscriminately accepted all liberalizing reforms, irresponsibly privatizing public services monopolies, while the Asians were more prudent. In sum, by bowing to the Washington Consensus, Latin American countries interrupted their national revolutions, their nations became disorganized, lost cohesiveness and autonomy, and lost the ability to sustain a national development strategy” (ibid. 15). Yet, albeit being delayed, Bresser Pereira (2009: 33) argues, the ND emerged in the 2000s as a strategy in the region, Argentina being the most prominent concrete experiment, with inspiration from and marked similarities to

stressed that the new model should neither be read as a radical departure from neoliberalism nor as a simple return to the past (Grugel and Riggirozzi, 2012: 2; Yates and Bakker, 2014: 64). I shall discuss below how neo-developmentalism is distinguished from both old developmentalism and neoliberalism on the basis of a new social consensus it has intended to forge. This latter aspect, which is widely regarded as the hallmark of the new model, includes important labour policy emphases that will be addressed below.

First, the new strategy is widely regarded as having some parallelism with, as well as, differences from the model characterising the ISI period, between roughly the 1940s and mid-1970s, in Latin America. The old- developmentalism, in its ideal (i.e. non-degenerated) form, is associated with the Latin American structuralist school and the political economic policy framework drawn within the circles of the United Nations Economic Commission of Latin America (ECLA in English acronym - became ECLAC later with the addition of the Caribbean- and CEPAL in Spanish acronym) founded in 1948 under the leadership of an Argentine economist, Raúl Prebisch. Structuralism (also referred to as *cepalismo*) constituted an important intellectual source for the ISI policies pursued in Latin America. It was characterised by a dual understanding of the international division of labour with periphery and centre having different production structures; the hypothesis of the deterioration of periphery's terms of trade; and the prioritization of industrialization through import substitution as the main strategy to overcome underdevelopment (Grigera, 2014: 195-197). CEPAL has also become a hub for a renewed, neo-structuralist approach mainly by the 1990s and onwards, and provided

that embraced in the East Asian cases. According to this reading, the affinity stems from the fact that both are 'national' as development strategies and are based on an export-led model in which industrial policy is framed to benefit national firms on the basis of the efficiency criterion, i.e., on the condition that they are efficient enough to export (ibid. 21).

theoretical inputs to the neo-developmental policy agenda in the 2000s⁸⁰. The new orientation was characterized by the abandonment of the old emphasis on ISI in favour of export promotion, and a stress on a ‘high road’ to integration in the global economy through productivity increases and innovation combined with social equity, and effective state intervention for ‘systemic competitiveness’, i.e., competitiveness of the entire social system or nation (see Grier, 2014: 203; Leiva, 2008: 3-4; Mahon, 2015: 10-11). The most important characteristic of neo-structuralism can arguably be regarded as the notion of ‘systemic competitiveness’ that calls for a social cohesion/consensus/contract that is based on a national export motive (cf. Leiva, 2006: 340).

Neo-developmentalism as a strategy, like the old developmentalism and Latin American structuralism as its intellectual basis, allegedly adheres to economic nationalism and promotes catching up with developed countries. Yet it implies a different version of the old model that is based, instead of an inward-looking ISI strategy, on an export-led growth model targeting the improvement of national economic competitiveness through enabling and supporting domestic firms to better integrate in the global economy (cf. Ban, 2012: 3). While inefficient protectionism, direct state involvement in production and ‘export-pessimism’ is said to have characterized the old developmentalist experience, neo-developmentalism, it is argued, seeks an export-led growth through active state involvement as an encourager and enabler; and an industrial development sustained by policies/incentives targeted to firms that are efficient enough to export, i.e., that have the potential to compete internationally (cf. Ban, 2012: 3; Bresser-Pereira, 2009: 19-22). Furthermore, according to the proponents of this strategy, neo-developmentalism, unlike

⁸⁰ Neo-developmentalism and neo-structuralism came to be used interchangeably in the Latin American context by the 2000s, although the latter is closely associated with ECLAC and its use in the related literature goes further back in time. In the words of one of the prominent proponents of neo-developmentalism (Khan, 2007: 1074): “Just as Latin structuralism drew inspiration from developmentalism, neo-structuralism, a term now in common use in Latin America scholarship, draws inspiration from what could be termed as neo-developmentalism”.

the distorted version of the old-developmentalism, does not rely on ‘economic populism’ of ‘chronic public deficits’ and it is not complacent about inflation (Bresser-Pereira, 2009: 22-23). In this sense, it can be argued that a selective affinity is established between the old and the new versions, similarities being ascribed more to the claims of the original representatives of the old school and neo-developmentalism than the political practice of old-developmentalism.⁸¹

Second, neo-developmentalism is also differentiated from crude neoliberalism (used interchangeably with the conventional orthodoxy or Washington Consensus) on various grounds. Yet, some continuities are also highlighted. According to Bresser-Pereira, different from the conventional orthodoxy, which he identifies as the ideology of the market vs. the state, new developmentalism is national rather than imported; it does not rely on an ‘irrational faith in the market’; it is pragmatic rather than market fundamentalist; and it acknowledges that the market has important limitations in stimulating investment and innovation and distributing income in more equitable manners (2009: 24-26). Following are among the other important differences drawn between neo-developmentalism and the conventional orthodoxy by Bresser-Pereira (2009: 27-32):

- The former has an affirmative stance towards commercial globalization but a cautious one against financial globalization.
- Neo-developmentalism defends fiscal balance and responsible fiscal practices yet, different from the conventional orthodoxy, it does not take primary surplus as a parameter for fiscal policy.

⁸¹ For sure, there are also observers who find this affinity questionable. For instance, Leiva (2008: 12-13) argues in relation to neostructuralism that it ‘radically breaks with its structuralist intellectual origins by postulating, a priori, a mutually beneficial relationship between global flows, the export-oriented regime of accumulation established by neoliberalism, the growth of Latin American economies, and equity and social development of Latin American societies’.

- Both prioritize macro-economic stability but to attain this neo-developmentalism seeks for moderate interest rates and competitive (floating but managed) exchange rates (to neutralize exchange rates' tendency to overvaluation).
- Neo-developmentalism favours domestic savings over foreign savings since the latter cause exchange rate appreciation and hamper growth.
- Although both the conventional orthodoxy and new developmentalism advocate flexible labour markets, the latter promotes flexibility with protection *a la* northern European countries as opposed to the formers' goal to weaken labour and reduce wages.
- Although the conventional orthodoxy has recently acknowledged the importance of institutions through 'new institutionalism', the latter restricts the role of institutions to guaranteeing property rights as opposed to new developmentalism's goal of direct promotion of economic growth and more equal income distribution.

For the purposes of the present study, the last two points are important to expand upon. Relating to the first aspect, Leiva's discussion on the place of flexibility in the neo-structuralist approach provides valuable insights (Leiva, 2006: 342-345). He underlines that although both neoliberalism and neo-structuralism have promoted labour flexibility, the latter have argued for 'offensive', 'proactive' policies to attain this unlike the formers' inclusion of more 'harmful' policies leading to wage flexibility, external numerical flexibility, internal numerical flexibility and sub-contracting. More precisely, while the former has prioritized (wage and non-wage) cost reductions and the enhancement of employers' ability to hire and fire employees as the major means to increase flexibility, the latter instead has advocated training and skill enhancement as more proactive ways to achieve more flexible labour markets, that would enhance workers' capacity to adapt new technological conditions and global markets. This preference for a 'proactive' flexibility also has to do with the central tenet of neo-structuralism, i.e., 'systemic competitiveness' that would be attained through productivity increases and technological innovation rather

than through cheap labour and low value added exports. To achieve the latter goal associated with neo-developmentalism above, i.e., the goal of promoting economic growth and more equal income distribution, it is argued that state should act as a social consensus builder. Addressing income concentration is found important for crafting a broad national agreement and class cooperation on the basis of competing as a nation⁸² (see Bresser-Pereira, 2009: 4, 30).

In a nutshell, we may argue that labour finds its way into neo-developmental strategy in mainly three forms: (1) as a constituent of new developmentalist/national alliance, (2) a factor of demand and (3) a source of political (in)stability. First, as it is underlined above class conciliation is one of the key emphases of the proponents of national development strategies, which is regarded as important for increasing growth and competitiveness⁸³ (cf. Ebenau, 2014: 104-105). Second, neo-developmentalism's emphasis on policy elements such as increased minimum wages and social expenditures in education, health care, social assistance and social security is linked to the claim that the suppression of wages in developing countries leads to increasing inequality and in turn chronic demand

⁸² Bresser-Pereira argues that unlike neoliberalism that emerged as the ideology of the rentier class and of financial professionals against the poor, workers and the democratic and social state; the new/national developmentalism is based on a national alliance that is being formed among industrialists, workers, government officials and middle-class professionals. But different from the old-developmentalism it does not rely on a bureaucratic, populist discourse that led to irrational and biased practices (Bresser-Pereira, 2009: 16-18).

⁸³ In his critical engagement with the research agenda he calls as 'Varieties of Capitalism and Development in Latin America' (VoCD-LA), which is rooted in the neo-institutionalist and neo-developmental schools and which seeks to analyse and evaluate state-led 'national development strategies' in Latin America, Matthias Ebenau (2014) incisively claims that this perspective suffers from the deficiencies of assessing the nation state as a collective actor and the global economy as an arena of competition between both companies and 'their' nation states. In his words (Ebenau, 2014: 107): "[B]oth conceptually and politically, government appears as the central actor of the political economy. A state-business alliance, in turn, is regarded as fundamental for the pursuit of competitiveness and growth. For its part, labour is only considered insofar as an adequate distribution of rents is assumed to be necessary to secure sufficient internal demand and the stability of the neodevelopmentalist 'social support coalition'. Thus, while VoCD-LA only occasionally exhibits the authoritarian undertones of many of the 'neo-Listian' perspectives on the East Asian developmental states (cf. Selwyn 2009: 162-7), the absence of social and labour conflict is still seen as a hallmark of success of neodevelopmentalist projects".

insufficiencies and weak domestic markets (Bresser-Pereira, 2009: 18, 33). And finally, it is stressed that income concentration in the developing countries should be addressed to prevent political instability that hampers growth (Bresser-Pereira, 2009: 33). What follows from such an understanding of ‘national development’ as ‘national competitiveness’ is the claim, in the words of Leiva⁸⁴ (2008: 6), that:

Instead of radical reforms, Latin America’s massive problems of poverty, inequality, and disappointing economic growth rates can [...] be better addressed by ensuring a more dynamic entry into world markets. On the basis of “reforming the reforms” and improving policy design, international competitiveness, economic growth, social equity, political democracy, and legitimacy can be made to mutually reinforce one another in an ever-expanding virtuous circle.

In that respect, it is worth stressing the uneasy coupling of more equal income distribution and the national export drive. This point has been of key importance to the critiques of neo-developmentalism. Despite the aspirations for a new social alliance, it has been suggested that neo-developmentalism meant the persistence of the basic tenets of neoliberalism, i.e. “plundering of common goods via an extractivist model of development and the super-exploitation of labour” (Feliz, 2014: 61). Indeed, extractivism or neo-extractivism is regarded by critiques as a key feature of the new model, or at least its practice in the Latin American region. While extractivism can broadly be defined as the dependence on primary (petroleum, mining and agro-) exports as the engine of economic growth, neo-extractivism refers to the strategy to rely on extractive activities for financing policies that target the advancement of social well-being and/or the mitigation of poverty (see North and Grinspun, 2016: 1483-1484). Albeit in different terms, it is widely pointed out that the marriage between extractivism and progressive redistribution has been an uneasy one. Thus, many observers of the neo-developmental model, including both

⁸⁴ Although these remarks of Leiva is on Latin American neo-structuralism, it also –arguably- fits the neo-developmental formulation.

fierce critiques and more sympathetic ones, underline the lack of deepening in terms of redistributive policies and their high dependency on the global commodity boom that came to an end roughly by the beginning of the second decade of the twenty first century (see Castorina, 2014; North and Grinspun, 2016; Wylde, 2016).

All in all, assumptions and normative claims involved in neo-developmentalism as a project bears a strong resemblance with the market-friendly state intervention discourse and proximity with the new institutional economics perspective that has shaped the neoliberal project more explicitly from the late 1990s onwards as discussed in Chapter II. Its emphasis on ‘high road’ to global integration and admiration to a more ‘coordinated’ economy or a more ‘socially embedded capitalism’ were also shared by the VoC perspective and incorporated in the neoliberal project. Although the post-2001 restructuring in Argentina was marked by the continuation of various neoliberal policy elements, it would be inappropriate to call this trajectory simply as a renewed neoliberalism, when evaluated against the backdrop of the 1990s and the restructuring of capital-labour-state relations in the post-crisis era. It is therefore necessary to differentiate neo-developmentalism as a project and actually existing neo-developmental experiences, including that of Argentina. This is what I will attempt to do in the remaining parts of this section. I will first discuss the gaps between neo-developmentalism as a project and as a set of policies in Argentina as well as the tensions and contradictions borne by the combination of a developmentalist emphasis and an extractivist orientation. Then I will turn to the question of how transformations in labour relations and state involvement in them shaped the neo-developmental experience in distinctive manners in Argentina.

4.2.1 Argentina's Neo-Developmentalist Turn: Recovery in the post-2001 Era

Argentina's 2001 crisis was a turning point, not only for the country but also for the region and the global political-economic landscape.⁸⁵ Indeed, in terms of its social repercussions it represented the severest example of the wave of emerging market crises, which started in the first half of the 1990s, and the preeminent signifier of the defects engendered by neoliberal experiments in similar countries. The period opened up by the social upheaval in the country that peaked in December 2001 with the motto ¡Que se vayan todos! ('out with them all') is widely regarded as diverging from a crude neoliberalism that more explicitly characterized the 1990s. The most frequently used term for the Argentine 'post-neoliberalism' has been 'neo-developmentalism', discussed above.⁸⁶ Similar to the attempts of drawing the contours of neo-developmentalism and neo-structuralism at a regional level and in more strategic-theoretical terms as discussed in the previous section, the new post-crisis development path pursued in Argentina is also differentiated both from the old developmentalism - characterised with the ISI strategy and populism- and the pre-crisis neoliberal experience under Carlos Menem's presidency. Yet at the same time it is seen as incorporating elements of both.

As it is mentioned above, in the regional context, old developmentalism is associated with the model of political economy framed within the circles of CEPAL roughly between the 1940s and the mid-1970s. Peronism and the post-Peron years until the mid-1970s is regarded as the Argentine version of it (Grugel and Riggirozzi, 2007: 88-89). At the policy level, the main differences underlined in the literature between the old-institutionalist

⁸⁵ Bresser-Pereira (2009: 33) identifies it as 'the requiem of conventional orthodoxy' with reference to the collapse of the project in one of its most faithful followers.

⁸⁶ Many other terms are also used to denote the period at hand. Neo-developmentalism has often been combined or employed interchangeably with attributes such as neo-populism (Vivares et al. 2009), neo-corporatism, new left, and the like. Castorina (2014) prefers the term "democratic neoliberalism".

experience in Argentina and the post-crisis neo-developmental orientation are the latter's adherence to an export-led model, reliance on a competitive (i.e. pro-export) exchange rate policy, a selective protectionism and the promotion of export-oriented industrial activity (Wylde, 2011: 438-439). It is also suggested that like the old developmentalist experience, especially the classical *Peronismo*, new developmentalist agenda was based on an alliance between workers, domestic businesses and the state (Schincarol, 2015: 263) and it included the latter's active involvement in the operation of the market and in the maintenance of social consensus/harmony but this time in a manner compatible with export-oriented growth objectives.

One of the main pillars of the strategy to achieve 'growth with social equity and harmony' was the enlargement of export-tax⁸⁷ revenues and transfers made from them to social programmes and services as well as to agribusiness and export-oriented industrial activities through subsidies (Lustig and Pessino, 2012: 19; Grugel and Rigirozzi, 2012: 9; Wylde, 2011: 438-439). This policy could be maintained without generating important controversies between and among different classes at least during Nestor Kirchner's presidency (2003-2007) thanks to rising global commodity prices and demand for Argentine exports. Massive devaluation of Argentine peso after the crisis was also helpful as well as the subsequent preservation of its competitiveness achieved through the managed floating exchange rate policy pursued.⁸⁸ The government's decision to defer the payment of the external debt until the end of 2005 also contributed to the foreign exchange reserve accumulation (Grugel and Rigirozzi, 2007: 97-98). Furthermore, some of the

⁸⁷ Export taxes were lifted during the 1990s and reinstated short after the crisis, in 2002 during the interim government led by Eduardo Duhalde, under the name *retenciones* and at a rate of 10 per cent for raw material exports and 5 per cent for processed agricultural products. After the hike in the same year to 20 per cent, these taxes continued to form a crucial item in the budgets of Nestor Kirchner government. The rate of tax on soybean exports increased several times and reached 35% in 2007 (Richardson, 2009: 241-243).

⁸⁸ As mentioned by Wylde (2011: 438), "In terms of macroeconomics, the maintenance of a Stable and Competitive Real Exchange Rate (SCRER) was a central policy of the Kirchner administration".

state owned enterprises that had been privatized in the 1990s were nationalized, such as the Argentine Postal Service (in 2003), Argentine Waters (in 2006) and Argentine Airlines (in 2008) (Féliz, 2014: 67). The oil and gas company (YPF), the privatization of which in 1993 had been rather controversial, was partly taken under state ownership in 2012 (51% of the shares) during the second term of Cristina Kirchner's presidency.

Yet, in terms of one the fundamental aspirations of neo-developmentalism, i.e., an export growth that shows diversification with respect to items being exported and that increasingly relies on higher value-added commodities, the Argentine experience displayed important limitations (Grugel and Riggirozzi, 2007: 106; Schincariol, 2015: 282; Wylde, 2011: 444). In the words of Ebenau (2014:109):

Despite a pronounced increase in exports, the quality of the international insertion of Argentinian producers has remained almost unchanged. From 2000 to 2011, the value of total exports has climbed from US\$26.3 to US\$84 billion, while the value of imports rose from US\$25.2 to US\$73.9 billion. However, the greatest increase originated from agricultural products and lightly processed commodities such as crude vegetable oils, soy pellets, etc. Taken together, these continue to account for about 64 per cent of export values and a full 91 per cent of volumes. These activities correspond to the traditional profile of Argentinian exports and are largely based on static comparative advantages.

This characteristic, i.e., the dominant place of primary commodities of agricultural origin in total exports is widely regarded as one of the structural continuities between the neoliberal and neo-developmental experiences in Argentina (Wylde, 2011: 440)⁸⁹. The low ratio of commodities with high added value in the total exports indicate that the rise in the exports did not have the positive effect upon the productive development as

⁸⁹ Furthermore, some policies and principles associated with neoliberalism were not abandoned during the Nestor Kirchner government, like targeting a sound fiscal policy and low inflation (Wylde, 2011: 439-440).

expected by neo-developmentalism. Furthermore, large increases in export volume had mainly to do with the expansion of extractivist methods from the late 1990s onwards, as monoculture (genetically modified soy), open-cast mining, and mega-dam projects widened considerably (Castorina, 2014: 89; see also Cáceres, 2015 and Feliz, 2014: 61). As Castorina (2014: 89) underlines, a process of corporate concentration accompanied this agro-mining boom with greater involvement of multinational corporations (see also Cáceres, 2015).

As it was built upon the neoliberal legacy of the 1990s, alongside the above mentioned continuity in terms of the export profile and extractivist methods, some other policies and principles associated with neoliberalism were maintained during the early recovery period. These included –among others – efforts to keep inflation low and pursue a prudent fiscal policy (Wylde, 2011: 439-440). Having said this, for a nuanced evaluation of the post-2001 transformations in Argentina and the extent to which it diverged from neoliberalism, it is necessary to pay a closer attention to how labour markets, labour relations and state involvement in them were re-shaped. Otherwise, as put by Hector Palomino, ‘all cats are grey in the dark’⁹⁰. Thus, if ‘the main target of neoliberal restructuring has [...] been attacking workers’ capacity to influence accumulation’, rather than putting a specific set of macroeconomic policies into effect (Castorina, 2014: 73), then in this respect alone the post-crisis era in Argentina witnessed important differences from the 1990s. In accordance with this claim, the majority of the people I interviewed, expressed their disagreement with the claim that the post-2001 Argentine trajectory can be identified as a version of neoliberalism. Also, by most of the interviewees, the distinguishing features of the post-2001 period were identified as increases in wages and domestic consumption and the revitalization of institutions formed to incorporate labour in decision making processes, which were deactivated – if not totally eliminated in legal

⁹⁰ Interview in Buenos Aires on May 2, 2016. Hector Palomino was the Director of the Labour Relations Studies in the Ministry of Labour, Employment and Social Security of Argentina between 2006 and 2016.

terms – during the 1990s. This issue will be briefly discussed in the following section and it will be further elaborated on in the following chapter with a deeper focus on labour policies differentiated according to the threefold analytical distinction made above in the Chapter II.

4.2.2 Labour and the Limits of Neo-developmentalism in Argentina

The combined effects of the collapse in 2001 and the legal and de facto changes in working conditions and in the composition of labouring classes in the 1990s characterised by increasing casual and informal working patterns, had important repercussions for the organizational capacities and strength of the labour movement. Trade unions suffered from a contraction in their membership base with increases in informal and casual employment patterns as well as unemployment. The labour movement came to be increasingly fragmented as a result of splits within the trade union movement and of the emergence of labour organizations outside of the traditional trade union base. Yet in the late 1990s different components of the labour movement came to form a concerted opposition against the prolonged austerity through a wide repertoire of action including general strikes and roadblocks. The popular discontent led to the grasp of the problems such as poverty and unemployment in more collective terms, which tended to be identified mainly as individual matters in the 1990s. And this led to a ‘progressive re-composition of the working class’, as succinctly put by Félix (2014: 57), and ‘weakened the possibility of further advancement of the neoliberal project’. Indeed, compared to the previous decade, in the post-crisis era the collective impact and involvement of different segments of the labouring classes in the policy formation widened.

More precisely, as it will be discussed in detail in the following chapter, the decision-making processes relating to the terms of conditions of individual labour contracts were considerably re-collectivised through the revitalization of collective bargaining and the re-operationalization of the Minimum Wage Council (see Etchemendy and Collier, 2007:

380; Felder and Patroni, 2011: 277). Through a labour reform launched in 2004, some of the regulations leading to so-called ‘bad’ forms of flexibility, which were targeting wage and non-wage labour cost reductions, were reversed. Compensatory measures in the form of cash transfers targeting the unemployed in particular and the precarious segments of the labouring classes in general were expanded in the post-crisis era in a manner as to institutionally and selectively incorporate various components of the *piquetero* movement, the movement of the unemployed and precarious workers (see also Chapter V).

Wages also started to recover immediately after the crisis, as improvements in the conditions for the reproduction of the labour force, as Feliz (2015: 80) stresses, became a requirement for political stability. After the crisis, in his words, “socio political distress could no longer be openly repressed; it had to be accepted and channelled in a ‘productive’ way for capital” (Feliz, 2015: 80)⁹¹. Immediately after the crisis peaked and with the impact of lump-sum wage increases following the devaluation of the currency, considerable real wage increases were recorded and tried to be sustained in a controlled manner during the subsequent Kirchner governments⁹². Similar to the case in Turkey (elaborated below) household consumption in current US dollar terms substantially increased in the post-crisis era in Argentina (see Figure B2 in Appendix B). But different from the former, household debt to GDP ratio remained very limited (the highest value being 6.1% in 2013) (see Figure B3 in Appendix B). Especially in sectors where

⁹¹ The representative from the UIA (*The Unión Industrial Argentina*, Argentine Industrial Union - the largest employer organization and the main representative of the large-scale capital in Argentina) identified the 2001 crisis as a disaster that changed the paradigm in Argentina, the possibility to return to which had had to be hindered at all costs in the subsequent period. (Interview with María Victoria Giulietti, Buenos Aires, April 26, 2016. María Victoria Giulietti was then the Head of the Department of Social Policies of the UIA)

⁹² According to the calculations of Massi and Insua (2014:15-16), real wage increases in manufacturing industry from 2003 to 2007 amounted to 56 %. Real wages, however reached pre-crisis level only in 2004, after a rapid decline in 2001-2002. Between 2008 and 2012 productivity increases surpassed real wage increases.

traditional Peronist unionism - represented by the General Labour Confederation (*Confederación General del Trabajo*), CGT)- was dominant, sector-level tripartite collective negotiations – between union federations, respective business federations and the government – led to substantial wage increases for the registered workers in these sectors – given the fact that in Argentina sector-level collective agreements tend to cover all registered workers in the related sector including those non-unionized (Etchemendy and Collier, 2007: 378-379). Furthermore, employment to population ratio increased considerably in the post-2001 period (see Table B1 in Appendix B). Yet, the fall in the rates of informal employment remained limited, which decreased from 42.6% in 2001 to 34.4% in 2012 (see Table B1 in Appendix B).

To put briefly, both trade unions and the movement of the unemployed forced the new government and different fractions of capital to adopt their more institutional forms of involvement in wage setting, labour policy making and distribution of public revenues in Argentina. This led to the integration of large segments of the labouring classes in the post-crisis recovery process by either wage increases or compensatory measures. Yet at the same time it was followed by a process which can be identified as ‘disciplining by collective/institutional incorporation’. The latter came about through two channels. On the one hand, as many observers stress, social transfers (referred to in this study as compensatory labour policies) intended and to a great extent managed to ‘disarticulate’ and incorporate the *piquetero* movement by bringing them into the structures of governance (Grugel and Riggirozzi, 2007: 99; see also Castorina, 2014: 91-95, Sader, 2009: 178). In the words of Castorina (2014: 92), this was achieved through “rewarding ‘loyal’ piqueteros with social programmes, state resources, and state offices for their leaders, and isolating (repressing and prosecuting) those who have been more critical towards the government”, which brought about the reshaping of these organizations along

the lines of ‘K’ and ‘anti-K’⁹³. On the other hand, while the revitalization of collective bargaining and increase in the mobilizational capacity of trade unions (more notably those affiliated to the CGT) contributed to wage gains, these gains remained at a level that allowed the Néstor Kirchner government to meet the inflationary targets and macro-economic policies pursued (Etchemendy and Collier, 2007: 381) This stemmed from the moderation of wage disputes and industrial action and the containment of mobilization after the completion of negotiations (Etchemendy and Collier, 2007: 381). Similarly, Grugel and Riggirozzi (2007: 13) point out that, to convince trade unions in deferring their wage demands for the sake of economic growth was among the central tasks of the government led by Néstor Kirchner; yet although wage demands were largely contained in this period, as the authors anticipated to continue this task wouldn’t be an easy target due to the increasing power of the trade unions.

Herein, it is important to mention the important tensions of the neo-developmental orientation in Argentina that more markedly came to the surface at the outburst of the 2008 crisis and onwards under the two-consecutive presidency of Cristina Fernández de Kirchner (2007-2015). Constraints for ‘growth with more equal income distribution’ manifested itself in a prolonged manner in the aftermath of the global financial crisis. There occurred a sharp contraction in growth in 2009 stemming mainly from deteriorating terms of trade. The bust was followed by an economic boom in 2010 and 2011. In a similar manner to many other economies of the Global South (Turkey included) Argentina experienced lower rates of economic growth from 2012 onwards. At the same time, as it will be portrayed in the next chapter, during Cristina Kirchner governments the compensatory state involvement through cash transfers expanded. The pension system,

⁹³ This orientation was also expressed by the majority of the people I interviewed. For example, Oscar Martínez from TEL stated that: “Both the government in 2002, the Duhalde government, and the Kirchner government pursued policies of differentiation. They gave to some movements, to be able to get votes, and not some others. It was this policy of differentiation that was used to weaken the more combative components of the piquetero movement, those which were politically more radical. [my translation]” (Interview in Buenos Aires, on April 27, 2016).

which had been partially privatized in 1994 with the introduction of the privately managed pension funds, was reunified under a public scheme in 2008. Trade unions became more combatant and raised their wage demands more vibrantly in a context of lower rates of unemployment (see Table B1 in Appendix B) and in the face of rising (and disguised) inflation. To be more precise, the following cracks came to endanger the sustainability of the neo-developmental pact more prominently by the early 2010s:

(1) Rising inflation, which became apparent despite the government attempts to disguise it through the manipulation of data released by the National Institute of Statistics and the Census, *INDEC*, led trade unions to raise their wage demands in the face of stagnating real wages.⁹⁴ (2) Despite the considerable expansion in scope of cash transfers, erosion of their purchasing power due to high rates of inflation also diminished their impact in complementing income (see Felder and Patroni, 2011: 277). The compensatory measures also came to be increasingly problematized by business groups⁹⁵. (3) Deterioration of competitive advantages was accompanied by an increasing discontent of export-oriented capital, especially against the taxes on export earnings and increasing wage demands by organised labour. (4) The announcement by the government in March 2008 of a new scheme of export tax on agricultural products was followed by a strong, unified opposition and an almost four-months-long protests led by four farmers' organizations (Gago and

⁹⁴ It is stated by many observers that, *INDEC* manipulated price indexes (see Schincariol, 2015: 283; Feliz, 2015: 81) due to political pressure and/or reasons. Adriana Marshall expressed during the interview I conducted with her that from 2007 onwards the reliability of *INDEC* data started to be reduced significantly (Interview in Buenos Aires on May 15, 2015). Similarly, Daniel Contartese, who at the time of interview was working as an investigator at the Ministry of Work, Labour and Employment, underlined that the state intervention to *INDEC* data by 2007 put serious doubts about the reliability of the data relating to prices (Interview in Buenos Aires on May 5, 2016).

⁹⁵ The *UIA* representative interviewed within the scope of the present study stressed their concerns about the enlargement of compensatory state involvement. She mentioned the importance of distinguishing between transfers having the aim to incentivize on the one hand and to subsidize on the other hand. While the former, she underlined, was favourable and necessary during the crisis management process, such transfers turned out to be subsidies and generated unfavourable results, like clientelism. Interview with María Victoria Giulietti, Buenos Aires, April 26, 2016.

Sztulwark, 2009: 184-185). Among the responses to this export tax revision attempt, the most influential was the farmers' hoarding of and abstention from selling their products. Although the measure was repealed after the protests and upon its rejection by the Senate, the tension continued.

Turning to the question of the characteristics of the neo-developmental social pact in Argentina, it is possible to argue that a social consensus was forged in the early recovery period on the basis of a neo-extractivist strategy, according to which a considerable part of the taxes on commodity export revenues were converted into social spending (see Table B5 in Appendix B). Also wage increases were tolerated by capital in exchange for concertation in the workplace and to the extent that real wage increases were kept under control. The legacy of the crisis, especially the labour militancy heightened towards the end of the 1990s and peaked in 2000-2001, had much to do with this acceptance. More importantly, different segments of the labouring classes came to be involved in wage setting, labour policy making and distribution of public revenues in more collective/institutional manners. This involvement, which meant a form of 'disciplining by collective/institutional incorporation', implied important differences from neoliberal policy agendas.

4.3 Authoritarian Neoliberalism and the Post-2001 Turkish Experience

The question of how neoliberalism as a project has incorporated a labour dimension was discussed in Chapter II. As it was stressed, labour is mainly regarded as an ordinary commodity and labour market as any other market by the neoclassical and new institutionalist perspective that inform neoliberal policies. With the rise to prominence of new institutional economics that provided an inner critique of neo-classical premises on the basis of market imperfections, state involvement in labour markets came to be understood not only as a constraint but also as a facilitator for the operation of the rules of supply and demand. In that sense, the priority was reformulated as to enhance the so-called

‘good’ forms of flexibility and to get rid of ‘bad’ labour market rigidities referred to as policies and institutional settings that lead to increases in wage and non-wage costs without improving competitiveness, efficiency and productivity.

Yet, given the fact that labour is not an ordinary commodity and labour markets are socially and politically-formed complex sets of relationships, the envisaged policy changes have necessarily implied important transformations relating to the manners in which the social life is organized. Thus, in concrete processes of neoliberal restructuring, labour policy making and implementation, rather than being technical matters, have constituted important political questions addressed in a variety of different manners around the globe. Indeed, the concern with the political viability of neoliberal projects in diverse settings has involved inferences about the manners in which labour markets and labour relations have been (re-)shaped and different segments of the labouring classes have been selectively incorporated. When it comes to neoliberal experiences as concrete sets of policies and processes, the labour dimension has tended to be discussed in the literature in relation to two additional, broader phenomena: populism and authoritarianism. When using these concepts in relation to neoliberalism by leaning upon diverse theoretical frameworks, many observers have dealt implicitly or explicitly with the question of how inclusionary and exclusionary strategies have been moulded together in concrete neoliberal experiences. As both populism and authoritarianism have been among the most contested terms in social sciences and subjects of voluminous literatures, an extensive discussion exceeds the limits of this study. Nevertheless, a brief evaluation of how neoliberalism and its labour components are handled in relation to these terms would be necessary.

The first concern is linked to the question of how neoliberalism or political movements/parties/figures as its bearers have gained popular support. This issue was addressed and widely discussed in the Latin American context with reference to the terms ‘neo-populism’ and/or ‘neoliberal populism’ and figures such as Alberto Fujimori in Peru,

Fernando Collor in Brazil and Carlos Menem in Argentina. Taking populism as a political strategy, i.e., as mainly the use of personalistic, plebiscitarian political tactics by political leaders to gain and maintain popular support, the prominent figures using these concepts stressed that neoliberal policy agendas and populism became compatible with each other in the Latin American context broadly in the 1990s (Weyland, 2001, 2003; Roberts, 1995). The populist element in that sense was used with reference to political leaders' targeting of unmediated/uninstitutionalized support from large numbers of followers, especially the unorganized informal sector and the poor. It was contended that despite being exclusionary against the organized-formal labour, neoliberal populism extended both material benefits and symbolic recognition to the poor segments of the population through giving them greater voice than before (Weyland, 2003: 1112, cf. Roberts, 1995: 115)⁹⁶. Neo-populism is a term also widely used to explain the unmediated support by the masses to the AKP governments (mentioned below). I prefer to read this trajectory from a labour-centred perspective and grasp the post-2001 political economic trajectory in Turkey as the deepening of authoritarian neoliberalism with distinctive characteristics. I argue below that against the background of the legacy of the 1990s—during which the neoliberal project decelerated thanks to the 'politicisation' of both austerity measures and the anti-democratic political landscape—AKP governments in the aftermath of the 2001 crisis engaged in subtler uses of authoritarian techniques while, at the same time, attempting to incorporate different segments of the labouring classes into their political project by individualising their collective agency.

⁹⁶ In doing so, neo-populist leaders, according to Weyland (2003: 1098-1100), benefited from targeted social programmes - which were acceptable for and supported by neoliberal reformers and international financial institutions due to their lower costs and political stability enhancing roles- to strengthen their mass support. For him, political power concentration and an anti-organizational political environment achieved through such an appeal to the masses benefited both neoliberal experts, the IFIs and neo-populist leaders and rendered possible an alliance between them for a while (Weyland, 2003: 1098). Thus, the adaptation of populism to neoliberal reform processes brought along new forms of popular incorporation and social inclusion. Although not all contributors of the debate shared Weyland's contention that this incorporation/inclusion contributed to democratization in the region (Weyland, 2003: 1112), social transfers to the unemployed and precarious segments of the labouring classes are widely regarded as important policy components of neoliberalism populism.

The term ‘authoritarian neoliberalism’ has been coined to characterize different cases including military dictatorships of the transition to neoliberalism; unlawful/illicit and coercive modes of government and the increasing use of constitutional and legal mechanisms to shield neoliberal austerity measures from actual and potential popular opposition. Indeed, neoliberal experiences have involved a wide authoritarian repertoire developed and modified in time and space around the globe. Despite important differences in their scope, repercussions and targets, authoritarian element in all of these experiences has had the rationale to insulate policy making processes from actually or potentially hampering popular involvement. Neoliberal projects’ inability to sustain a consensual political organisation stems from the fact that they have little to offer to large segments of the population other than deterioration in living and working conditions as it has been the case in many contexts where neoliberal precepts translated into a set of policies. Insulating neoliberal policy agendas from alternative projects or oppositional demands therefore has been crucial for achieving economic competitiveness. This is why, in the words of Ayers and Saad-Filho (2015: 597), ‘neoliberalism is incompatible with the expansion of democracy into key areas of social life’.

Compared to neo-developmentalism, to identify the major contours of authoritarian neoliberalism is a more difficult endeavour for two main reasons. The first arises from the lack of its explicit proponents. Indeed, it is an identification relating to a phenomenon that is not explicitly formulated as a project and propagated by academic and political circles whatsoever. Secondly, as various authoritarian forms of governance have been immanent in actually existing neoliberal experiences, it is difficult to decide, on which grounds a particular case deserves to be identified as authoritarian neoliberalism.

The recent revival of scholarly interest in the concept has mainly referred to the constitutionalisation of austerity in Europe in the aftermath of the global financial crisis (Bruff, 2014). As such, its distinctive feature is identified as the rise of ‘rule-based’ coercion in prominence. In fact, the isolation of decision making processes from opponent

political pressures through technocratic policy making have taken many different forms, including: the formation of ‘change teams’ in many ‘developing countries’ within the processes of transition to neoliberalism and related rapid and extensive market reform initiation (see Schneider, 1997; Silva, 1993; Teichman, 1997), creation of specialised government agencies conducting privatisation processes (see Whiteside, 2012), attempts to shield monetary policies from political discretion through central bank independence (see Burnham, 2000) and so on. I will take this rule-based, technocratic form as one among the other prominent authoritarian techniques resorted in neoliberal experiences and add them what I call rule by *fait accompli* and rule by overt coercion. Different from the technocratic policy making, rule by *fait accompli* refers to discretionary, ad hoc measures that after being implemented for a while assume a legal character, i.e., taken under a legal guarantee. Real or purely discursive national/political threats may accompany rule by *fait accompli* and undergird the extraordinary and urgent character of policy measures. Overtly coercive techniques refer to the suppression of oppositional voices and demands, through putting limits against their organizations and collective actions, and backing these limits with police/paramilitary forces. Although these techniques have been intrinsic to various neoliberal experiences, the predominance of one or more of them in neoliberal policy making processes justifies the use of the term ‘authoritarian neoliberalism’.

In the following sections, I will provide an evaluation of the post-2001 neoliberal experience in Turkey by relying upon this broader conception of authoritarianism. I will attempt to map the authoritarian components of Turkish neoliberal experience that would allow a better understanding of the more recent forms it has taken, which has been identified as an ‘authoritarian turn’ by many observers. I will argue that a deeper authoritarianism embedded in the neoliberal experience in Turkey that systematically prevented popular democratic empowerment made possible and indeed paved the ground for the expansion of the authoritarian repertoire in time in a manner as to include outright repression and political discretion more densely. More specifically the contention will be that the labour policy agenda pursued in the post-2001 era has been a key, though not the

only, facet of the authoritarian neoliberal experience in Turkey. This policy agenda was mainly characterised by the collective/institutional exclusion of labouring classes from policy making processes and their ‘disciplining by unmediated/individualized incorporation’ (as consumers, debtors, social assistance recipients, and the like) into AKP’s political project. Before briefly discussing the terms used to denote the political economic transformations in the post-2001 era and their weaknesses, it will be useful to explain the major contours of the post-crisis recovery in Turkey.

4.3.1 Economic Recovery and Labour in Turkey in the Post-2001 Era

As stressed above, like the case in Argentina high rates of growth was sustained in the era following the 2001 crisis until roughly the beginning of the second decade of the millennium in Turkey. Yet, the Turkish experience represented a clearer line of continuity in terms of the embracement of the neoliberal project after the crisis. Accordingly, prescriptions of the IMF-led disinflation programme - introduced shortly before the crisis erupted- steered the economic policy path pursued in the post-2001 era together with the ‘Transition to a Strong Economy’ programme put into effect as a technocratic crisis management formula amidst the crisis⁹⁷. Rather than representing a crisis of neoliberalism (thus unlike the case in Argentina) the 2001 crisis served important opportunities for a more systematic neoliberal recovery by allowing the overcoming of some important bottlenecks for a more stable capital accumulation without transforming the major contours of the strategy. In other words, it was followed by ‘the further entrenchment of the neoliberal policy agenda’ (Yalman, 2016: 256).

⁹⁷ The then World Bank vice president Kemal Dervis was appointed as the economy minister to implement the programme presented as the scientific remedy that would save the country from the devastating impacts of the crisis. The technocratic approach of the reform program was embodied in his motto of ‘15 Laws in 15 Days’.

Technocratic insulation of economic policy making from alternatives hold a central place during the early recovery period. This technocratic approach (if not a technocratic rule), took its power to appeal to large segments of the society from international and supranational anchors including the IMF, World Bank and more notably the EU, in economic policy making. The major characteristics of the post-crisis policy path were the implementation of regulatory reforms in various sectors⁹⁸, a tight fiscal policy driven by primary surplus targeting (of 6.5% of GDP), inflation targeting by an independent central bank in charge of maintaining price stability, comparatively high interest rates and an overvalued exchange rate- to sustain easier access to foreign exchange and credit and to maintain (the highly import dependent) export growth (see Yeldan, 2007; Bekmen, 2014). Furthermore, large scale privatizations held an important place in the policy agenda⁹⁹, which – together with real estate and land purchases by foreigners - account for the great part of increase in foreign direct investment by the mid-2000s (Bekmen, 2014: 61; Yeldan, 2007: 9). Although the ratio of public debt to GDP substantially decreased¹⁰⁰ and foreign reserve accumulation increased massively; greater access to foreign funding¹⁰¹, while facilitating the expansion of production, consumption and exports, was accompanied at

⁹⁸ Major steps in this respect were taken immediately before and amidst the crisis, between 1999-2002, through the establishment of ‘independent regulatory agencies’ in the following sectors: banking, telecommunications, energy, public procurement, sugar, and tobacco products and alcoholic beverages (see Sönmez, 2011: 116).

⁹⁹ A considerable part of the state economic enterprises was privatized in the aftermath of the crisis throughout the 2000s, including those in strategic sectors such as Petkim (petro-chemicals), Tüpraş (oil refinery), Tekel (tobacco and salt) and Şeker (sugar) (World Bank, 2010: 1).

¹⁰⁰ The gross public debt fell from 77% of GDP in 2001 to 39% in 2008, which rose to 41% in 2009 (World Bank, 2011a: 139).

¹⁰¹ Availability of cheap external finance with considerably low interest rates and liquidity expansion in the Global North led to capital inflows to many developing countries, including Turkey, throughout the 2000s with the exception of the interruption during, 2008-2009, the height of the global financial crisis (Orhangazi and Özgür, 2015: 2).

the same time by an expansion of private sector foreign debt. The latter, together with the persistently high current account deficits have constituted important fragilities for this accumulation strategy. Thus, the considerable momentum achieved in terms of the integration of domestic industrial capital into global production chains in the 2000s was debt-driven and highly dependent on imports.

In the post-2001 era, keeping labour costs low to achieve better export competitiveness continued to be key for the export-oriented accumulation strategy that was embarked on in the 1980s. Various incentives and subsidies provided to the export oriented capital together with the anti-labour political landscape sustained to a great extent after the coup d'état paved the way for a considerable export growth. In the post-2001 period, productivity increases became central for increasing export competitiveness given the lack of a competitive exchange rate policy (Akçay and Güngen, 2016: 222). It is important to note that as a general tendency the post-crisis 'productivity surge [was] due mostly to labour shedding, rather than increased labour efficiency originating from advances in technology' (Bedirhanoğlu et. al., 2013: 363, see also Yeldan, 2006: 203). Accordingly, employment to population ratio remained substantially lower compared to the 1990s (see Table B1 in Appendix B). The period also witnessed high rates of unemployment and low labour force participation rates (see Table B1 in Appendix B), leading many observers to identify it with the term 'jobless growth' (see Herr and Sonat, 2013: 5; Telli et al. 2006; Yeldan, 2007). Productivity increases were thus sustained mainly thanks to the intensified labour exploitation on the basis of absolute surplus value generation, as illustrated by the comparatively long average weekly working hours in Turkey¹⁰². Yet at the same time, integration into global production chains started to go through sectoral changes, as the share of medium technology sectors like machinery, motor vehicles and basic metals

¹⁰² See Table B4 in Appendix B for average weekly working hours in selected countries, including Turkey and Argentina in selected years.

started to increase in total exports in the 2000s¹⁰³ vis-à-vis the declining share of the traditional export sectors like textile and garments (Bekmen, 2014: 60; Yalman, 2016: 258). Furthermore, the aspiration of shifting the competitive edge of exports from low labour costs to high value-added became a requirement against the background of greater integration of China and India in the global economy¹⁰⁴ (Yaman- Öztürk and Öztürk, 2011: 25). This led to an increase in the demand for skilled labour in the export sectors (by the lead firms) in addition to the continuing centrality of the low labour costs (especially for suppliers and sub-contractors) along the related supply chains and for the economy as a whole. Representative organizations of capital thus intensified their call for policies, including those targeting the creation of a skilled workforce, that would enable greater productivity increases necessary for stepping up manufacturing and exports, without renouncing their demand for further labour cost reducing measures (see Yaman-Öztürk and Öztürk, 2011).

The post-crisis neoliberal recovery under AKP governments was arguably backed by a contradictory class alliance between (different scales of) capital and labouring classes. Similar to the neo-developmental framework and the Argentine experience discussed above, in Turkey as well this alliance was framed around the goal of increasing ‘national economic competitiveness’. Yet, not only the dynamics of export-growth, but also the manners in which the class alliance backing it was formed and the labouring classes were incorporated in it displayed important differences.

¹⁰³ In the words of Yeldan these industries (2007: 8): “use the advantage of cheap import materials, get assembled in Turkey at low value added and then are re-directed for export. Thus, being mostly import-dependent, they have a low capacity to generate value added and employment”.

¹⁰⁴ The goal of making such a competitive leap through production based on higher technology and labour productivity took a central place in various policy documents, including long-term development plans, prepared by the governments during the 2000s (see Oğuz, 2013).

Categorization of capital fractions has been a contested issue in Turkey. Three most frequently and often interchangeably used distinctions are based on religious affiliations (secular vs. Islamic bourgeoisie), geographical locations (Istanbul vs. Anatolian based capital groups) and scale (large vs. small and medium). These categories are also usually paired respectively with TÜSİAD and MÜSİAD as the main representative business organizations, the former being the representative of secular, Istanbul-based, large-scale capital fraction and the latter representing the Islamic/conservative, Anatolian-based and the small and medium scale capital fraction. Although the facts that there are important exceptions that do not fit into these dualities and that there is no one-to-one correspondence between fractions of capital and business organizations are acknowledged and underlined by many observers (see among others Karatepe, 2015; Ozan, 2006) an alternative reading has not got a foothold in the literature so far. Accordingly, notwithstanding the limits and elusiveness of these categories, it can be argued that they are nevertheless found as having an explanatory value. In this study, at the expense of oversimplification, I mainly take scale as the basis of categorization, because it arguably better allows for the differential and harmonious strategies and interests of capital in relation to labour.

In this regard, it can be argued that in the post-2001 period, a low-cost and disciplined labour force has continued to be an important priority for the small- and medium-scale capital to survive and expand in the face of competitive imperatives. Since the 1980s, difficulties in accessing financial resources and dependency on subsidies and incentives by the state permeated the accumulation strategies of the export-oriented small and medium capital – integrated in the global value chains mainly on the basis of subcontracting relations (see Ercan, 2002: 32). Accordingly, they prioritized and pushed for a policy agenda that allow for greater access to financial resources (through lower interest rates and improved credit facilities) and the reduction of their production and labour costs (cf. Yaman- Öztürk and Öztürk, 2011: 33). The large-scale capital groups in

Turkey, which have organized mainly in the form of conglomerates since the 1960s¹⁰⁵ and thus attained considerable diversification in terms of their economic activities, prioritized an economic policy framework that enable them to better access international capital markets, maintain their ability to rollover debt and to lower their import costs. In parallel to their increasing aspiration and requirement to shift their competitive edge towards high productivity and high value-added goods, state support to technology and R&D investments came to hold a more important place among their demands by the 2000s (Yaman- Öztürk and Öztürk, 2011: 33). For this aim they also started to give more prominence to the expansion of the skilled and productive labour force in addition to – not as a substitute for- a low-cost and disciplined labour force. As it will be elaborated on in the following chapter, the attempt to expand the skilled labour force came to be translated into policy mainly after the 2008 global financial crisis as the so-called ‘bad’ forms of flexibility started to be combined more prominently with the ‘good’ ones.

Interest and exchange rates policies pursued and incentives and subsidies distributed by the state continued to be important sites of controversy and struggle among different scales of capital, which were mediated and offset to a great extent successfully during the early recovery period by the AKP government through targeted policies and measures. A disciplined, low-cost and disposable labour force constituted a major nexus for this process of mediation. This provided important rooms for different scales of capital to gain rewards and avoid major concessions against labour. Accordingly, workers’ involvement in this contradictory alliance was through limited rewards and major concessions, in a context where their organizational capacities were systematically curtailed.

¹⁰⁵ Conglomerates are conventionally referred to as ‘holding companies’ in Turkey. These companies, i.e. the large scale capital groups in Turkey, gained greater control over money-capital in the post-1980 period through bank ownership. With reference to their increasing diversification in terms of economic activity, Ercan (2002: 34) stresses that “the concepts of productive capital, money-capital and commercial capital that appear in the total circuit of capital have become meaningless for certain individual capitals or capitalist groups”.

As stressed above, shielding policy making processes from popular impact and involvement has been a core component of the neoliberal project. In Turkey this process was commenced through a military dictatorship and the framework taking labour both individually and organizationally under disciplinary control survived in the aftermath of the transition to civilian rule through the maintenance of various legal/institutional guarantees. In a formally democratic political landscape, labour organizations were consistently denied an autonomous institutional involvement in the policy making processes that directly concerned working and living conditions. This led to what Önder calls as ‘the marginalization of labor representation in the state’ (1998: 64-65).¹⁰⁶ The fact that AKP governments inherited this authoritarian legacy and built upon it is important to take into account for a better understanding of both (1) the involvement of labouring classes in the class alliance formed during the recovery period under highly unfavourable conditions and (2) the subsequent erosion of even the basic features of a functioning democratic polity. I will discuss the latter dimension in the following Section (4.3.2).

As for the first dimension, stagnating real wages, high rates of unemployment and (compared to the pre-crisis era) lower labour force participation rates during the post-crisis era, led to two phenomena to be addressed by the AKP governments: an expanding surplus population and aggravating conditions for workers in terms of reproducing labour power. Gradual increases in social expenditures (see Table B5 in Appendix B) and the credit opportunities¹⁰⁷, together with the overvalued currency expanding the consumption capacity of labouring classes, constituted important policy elements targeting these

¹⁰⁶ It should be reminded that the revival of labour movement in the late 1980s and early 1990s was accompanied by considerable improvements in real wages, which nevertheless eroded in the post-1994 crisis years. The translation of the mentioned revival into collective strength and greater institutional involvement in the policy making processes remained limited.

¹⁰⁷ As real wages in the manufacturing sector stagnated - after the contraction amidst the crisis- during much of the 2000s, increasing expansion of consumer credits and rising household debt became one of the major means of domestic demand expansion (see Karaçimen, 2014).

potentially disruptive problems. As shown in Figure B2 (see Appendix B) household consumption in current US dollar terms substantially increased from 2001 onwards, despite the downward trend in household consumption to GDP ratio (see Figure B1 in Appendix B). Also, the Figure B3 (in Appendix B) indicates that household debt to GDP hiked in the aftermath of the crisis (from 1.9% in 2002 to 22.6% in 2003), underlining the fact that borrowing increasingly contributed to rise in the household consumption.

This also had to do with the fact that the domestic demand expansion became one of the main motors of the post-crisis recovery (see Akçay and Güngen, 2016: 222; BSB, 2008: 83-84) as well as key for a sound fiscal performance given that the share of indirect taxation in public revenues has increased substantially throughout the 2000s (see Arıkboğa, 2013: 69). The latter allowed for greater distribution of resources to capital in the form of subsidies and incentives and also for increases in social expenditures. The AKP governments pre-emptively forestalled the framing of these issues in the policy agendas as *collective* demands. This signified a mode of integration of the labouring classes as mainly consumers, debtors and social assistance recipients, thus *individualised* subjects, in the post-crisis recovery and led to what I call ‘disciplining by unmediated/individual incorporation’.

It was mainly through the transmission of the global financial crisis via export channel, that the model propagated by AKP took a hit. Similar to the case for Argentine primary goods exports, export growth’s dependency to and fragility vis-à-vis changing export market conditions started to manifest itself prominently in Turkey following the crisis (Oğuz, 2013: 205-206; Yalman, 2016: 258). The devastating impacts of the 2008 global financial crisis could be deferred a couple of years thanks to the capital flows from the capitalist centres in 2010-2011. In the post-2008 period, the need to move upper levels in the global value chains through the production of greater-value-added goods and services was more loudly emphasized. Incentives to capital with this particular aim jumped significantly (see Ercan et al, 2016: 193-194). As will be elaborated on in the following

chapter, compensation of employers' labour costs through hiring subsidies, i.e. diminishing their share in the reproduction of labour power, hold a prominent place in labour policy making in the aftermath of the global financial crisis. However, the dependency of economic growth upon capital inflows, declining growth tempo, depreciation of the Turkish lira from 2013 onwards and the unprecedented growth in the dollar-denominated debt of the private sector made it more difficult for the government to sustain a winning coalition.

4.3.2 From Democratic to Authoritarian Neoliberalism? Conceiving Contours of Authoritarian Neoliberalism in Turkey

In terms of the repercussions of this political economy for democratic politics, it is important to note that until the early 2010s—at least until AKP's third term in office and especially the social uprising known as Gezi which commenced in June 2013—it was common to read the Turkish political economic trajectory under AKP rule as a successful model of reconciling Islam, democracy and market economy (see Balkan et al., 2015: 1). Underlying this claim was the impression that the AKP governments achieved a successful balance between democratisation and technocratic economic policy making. The former was mainly associated with the gradual displacement of the military and civilian elite and attenuation of their veto power in policy making processes in favour of societal forces, mainly understood as the electoral majority. Hereby, the argument went, the party put an end to the era of 'tutelary democracy' in Turkey (Esen and Gümüşçü, 2016: 1585).¹⁰⁸ Many scholars, therefore established a positive causal relationship between the high growth performance of the economy and the attempts at insulating economic policy

¹⁰⁸ Search for an end to the military tutelage, drafts of a new constitution, the negotiations with armed Kurdish insurgents to restore peace in the country (democratic opening), the negotiations with the EU were all themes/topics that supported the democratization narrative of both the ruling party and the mainstream accounts, regarding particularly the second term and the first two years of the third term of AKP.

making from discretionary, clientelist or over-politicised modes of governance that allegedly characterised the pre-2001 period.

Those who characterized the first two terms of AKP as a process of democratization came to claim that there has been an authoritarian turn in the country in the early 2010s. The disruption of the system of checks and balances in favour of the incumbent government, increasing fusion of the state and the ruling party, restrictions on human rights and freedom of press and expression, and repression of opposition groups have been highlighted as the manifestations of this turn (Somer, 2016: 482, see also Esen and Gümüşçü, 2016). In a similar manner, the first two terms of the party in office (2002-2007, 2007-2011) is identified by Öniş (2015) as the ‘golden age’ of the AKP rule with reference to the simultaneous maintenance of growth, social inclusion and political inclusion. By 2011, the author claims, all these three characteristics came to vanish. By taking the formal institutional setting as the main basis of analysis, some observers have identified this turn through concepts like ‘competitive authoritarianism’ by arguing that the AKP years prior to the turn witnessed the political empowerment of those social groups which had long been disenfranchised and elected politicians vis-à-vis non-elected veto players (Esen and Gümüşçü, 2016; Özbudun, 2015). Thus, those scholars who rely on a formal/procedural conception of democracy, mainly described with reference to the competitive elections and the principles of separation of powers and checks and balances, have tended to confine the authoritarianism of AKP to its third and fourth terms in office¹⁰⁹.

¹⁰⁹ In its extended versions, control on media and information channels as well as the activities of rent-seeking groups took their places in the broad picture. For example, Somer (2016) argues that in contrast with its premises AKP has failed to fully overcome old-authoritarianism (a different name given to the infamous ‘state tradition’ by the author) that was established in the 1920s and 1930s and have left its imprint on the political landscape during the decades to come, and instead it has undertaken some of its characteristics and created a ‘new authoritarianism’. What was mainly taken over from the old authoritarianism, according to the author, has been the ‘top-down’ logic that constituted the core of the old authoritarianism or in other words the long-established tendency of the political elite to ‘seek political hegemony rather than consensus’ (Somer, 2016: 484, 486). Regarding Somer’s account (and those pointing out an authoritarian turn from early 2010s onwards), it is viable to suggest that characterization of

On a different ground, a mix of policies with a social content, or ‘(neo-) populist’ redistribution targeting the poor has been regarded as important for explaining the persistence of neoliberalism under AKP governments. Some have identified this phenomenon with the term “social neoliberalism” (Dorlach, 2015; Öniş, 2012, 2016).¹¹⁰ Some others have resorted to the term populism to underline the AKP’s appeal to the poor and the disadvantaged and to explain the party’s electoral successes. Neoliberal populism (Karataşlı, 2015, Bozkurt (U), 2013, Yıldırım, 2009, Özden, 2014) and neoliberal-conservative-authoritarian populism (Akça, 2014) have been among the concepts used for describing this appeal and success. Since the central question puzzling the students of Turkish politics has been the consecutive electoral successes of the AKP, critical research has also focused on the notion of hegemony of AKP as a political party, alongside the couplings of authoritarianism and populism. Among those who attempt to provide a critical evaluation of the post-2001 period, it has been prevalent to understand the trajectory of neoliberalism in Turkey as the ‘hegemony’ of Islamists or ‘hegemonic project’ of the ruling party (see Akça, 2014: 30).¹¹¹

authoritarianism of AKP with particular emphasis on clientelistic business networks and party/political practices falls short of delineating the authoritarianism of neoliberalism in full and the continuities with regards to the neoliberal experience in Turkey.

¹¹⁰ The term can be read as an offshoot of pro-poor growth agenda, which emphasizes the inclusion of low-income segments of society in the markets in a way to benefit from the economic growth. Dorlach (2015: 521) stresses that the development path pursued in Turkey in the post-2001 period should be regarded as different from the ‘orthodox neoliberal policy mix that had its heyday in the 1980s’ and it is more proper to name it as ‘social neoliberalism’. The latter is different from regulatory neoliberalism, which admits that efficient markets requires active state involvement and adopts that ‘some social policy is required to win elections or avoid social unrest’ (Dorlach, 2015: 521). The author, in justifying the use of the term social neoliberalism, points out that especially between 2002 and 2009 economic development in Turkey was relatively inclusive, or in other words, pro-poor (Dorlach, 2015: 522, 525; Öniş, 2016). It is ironic that growing household indebtedness and stagnating hourly real wages are relegated to a trivial position to attribute a “social” face to neoliberalism *a la Turca*.

¹¹¹ Neoliberal restoration (not continuity) after the 2001 crisis (which is considered as an organic crisis) is evaluated here as ‘AKP’s hegemonic project’. Although social classes are incorporated in the analysis, this incorporation is on the basis of the party’s social support coalition. This provides a narrow reinterpretation of Gramsci’s concept of hegemony.

Another brand of critical perspective feeds on a Poulantzasian framework. Oğuz (2009, 2013) reads the post-2001 period in Turkey as the continuation and then (following the global financial crisis) the further consolidation of the ‘neoliberal authoritarian state form’ that has been characterising the state-society relations/form of state since the 1980s. By taking the trajectory of the ‘neoliberal authoritarian state form’ in Turkey back to the 1980s and 1990s, she provides a subtler evaluation with reference to the transfer of the management of capitalist contradictions first ‘from the political scene to the state apparatus’ and then to the executive branch through bypassing the parliament in controversial economic policy making during these decades (Oğuz, 2013: 211). Thus, according to this reading the regime’s transformation in line with authoritarian statism had been completed to a great extent before the 2001 crisis and the AKP’s subsequent electoral victory (Oğuz, 2016: 93). From the late 1990s onwards, Oğuz argues (2013: 211-213), the neoliberal authoritarian state form consolidated as centralization of economic policy making was further strengthened and took new forms by the generation of new legal-institutional mechanisms such as ‘independent regulatory agencies’ and advisory bodies composed of representatives from the economic bureaucracy and the representatives of capital. She claims that from the 2010 Constitutional Referendum and the 2011 general elections onwards the evolution of the political regime of Turkey from an authoritarian statism towards an exceptional state form came to be more explicit, which has been marked predominantly by characteristics pertaining to fascism in the aftermath of the general elections held in June 2015 (Oğuz, 2016).¹¹² Despite the contributions by critical scholars, the use of the terms populism, authoritarianism and hegemony may remain insufficient without a proper account of labour market reforms and interventions. My main argument is that an integral and broader conception of labour policy is key to

¹¹² AKP lost its parliamentary majority in the June 2015 elections, followed by a political deadlock and new elections in November 2015. A discussion on the characteristics of the state form and whether or not it came to represent characteristics parallel to fascism after mid-2015 exceeds the limits of this study. Here I confine myself with an evaluation of the major characteristics and changing forms of authoritarian neoliberalism in the aftermath of the 2001 crisis in Turkey.

understanding the changing forms of authoritarianism and its ramifications in the post-2001 era in Turkey.

In addition to this point, a conception of authoritarianism broader than the use by those who read it with reference to a formal/minimal understanding of democracy and therefore suggest an ‘authoritarian turn’ in the early 2010s, is required to grasp the continuity of authoritarian neoliberalism in Turkey. As stressed above, technocratic insulation of economic policy making from alternatives held a central place during the early recovery period. It is ironic that this technocratic policy making was regarded as compatible and even supportive of democratization. But this understanding of democracy marginalises issues relating to securing a livelihood, exploitation and distribution. This form of democracy is the ideal form for neoliberalism and it can be defined as Schumpeterian, according to which, in the words of Boron (2006: 28):

[Democracy is] (...) a set of rules and procedures devoid of specific content related to distributive justice or fairness in society, ignoring the ethical and normative content of the idea of democracy and disregarding the idea that democracy should be a crucial component of any proposal for the organization of a ‘good society’, rather than a mere administrative or decisional device.

This perspective confines democracy to formal-procedural mechanisms and omits its substantive dimensions, which would provide room to alternative societal demands and projects and would lead to higher wages and more public spending. This kind of marriage between a formal procedural understanding of democracy and technocratic policy making that marked the early recovery period in Turkey, should in fact be seen as a form that authoritarian neoliberalism assumed in that period.

By the early 2010s major steps were taken to further strengthen the executive in general and the leader of the governing party in particular. This also implied a shift in the predominant authoritarian technique from a rule-based/technocratic strategy to a more

discretionary one. As the impact of the 2008 global financial crisis became more apparent, AKP attempted to form a monopoly over the content of politics by warding off both parliamentary and extra-parliamentary opposition, rather than seeking to hold an ostensibly non-political/technical stance. In this case, neoliberalism's authoritarian tendencies did not come to the fore 'through the shift toward constitutional and legal mechanisms', as it has been the case for many parts of the Eurozone in the aftermath of the crisis (see Bruff, 2014), but mainly through *de facto* changes which were created and then framed in a legal form through the forced acceptance of what has already changed, or what I call rule by *fait accompli*. This even included the transition to a *de facto* presidential system through the election of Recep Tayyip Erdoğan as president in 2014 with the popular vote and almost total erosion of the separation of powers between legislative, executive and judiciary. By the fourth (November 2015 and onwards) term of the party in office, rule by *fait accompli* came to be combined more intensely with overt coercion and repression against those bound together in a chain of equivalence and identified as opponents of the regime/leader/state. The scope of the latter has widened to encompass roughly half of the population, narrowing the space for a 'populist' appeal which traditionally operated on a conception of 'us' - representing the 'people' in its broadest sense possible- versus 'them' - representing a privileged minority.

To summarize, I underline the need to re-integrate labour policies to the analyses for a proper account of the ruptures and continuities in the Turkish case. I have argued that the authoritarian neoliberal strategy has been marked by 'disciplining by exclusion' for the organised labour, and 'disciplining by unmediated/individual incorporation' for the unorganised and precarious segments of the labouring classes in Turkey. Compensatory

measures in the form of cash transfers were expanded in the post-2001 period in a manner to individually incorporate the precarious workers. Credit expansion, i.e., increased borrowing by working class households, also helped the production of political consent as well as the identification of political stability at the national level with the economic stability at the household level.

By omitting a discussion of labour policy and labour market interventions from political analysis, liberal and mainstream analyses constrain authoritarianism to parliamentary political level and highlight the early 2010s as a turning point. Critical scholars, on the other hand provide contributions, fertile for a class analysis and elaboration of continuities with the post-1980 period. Unless an evaluation of the configuration of individual, collective and compensatory regulations are integrated, however, they face the risk of turning into taxonomists classifying political regimes, hegemonic projects, populisms according to several criteria with weak reference, if not any, to the mechanisms of exploitation and containment of labour.

4.4 Concluding Remarks

This chapter has provided a reading of the post-2001 political-economic trajectories in Turkey and Argentina from a labour perspective. In both countries, high rates of economic growth were sustained in the aftermath of 2001 until roughly the beginning of the second decade of the millennium. Yet, development strategies pursued displayed important differences in terms of their social and political repercussions and - more importantly for the purposes of this study - the manners in which labouring classes were incorporated in the post-crisis recovery processes.

I argued that despite some continuities in terms of the way of integration in the global economy, the post-2001 neo-developmental experience in Argentina signified a departure from neoliberalism with regards to its labour policy components. This departure

was rooted in the concerted opposition developed by different segments of the labouring classes from the late 1990s onwards against the prolonged austerity. The aftermath of the crisis witnessed the widening of their collective impact on and involvement in wage setting, labour policy making and distribution of public revenues. This incorporation took a collective and institutional character mainly because leaving trade unions and the unemployed out of the process of post-crisis capitalist restoration ceased to be an option for the new government and different fractions of capital. It at the same time implied a process of ‘disciplining by collective/institutional incorporation’ for both the precarious and the unionized segments of the labouring classes. On the one hand those segments of the *piquetero* movement close to the Kirchner governments involved in the implementation of compensatory labour policies in various manners, while more oppositional ones were to a great extent isolated and denied access to public resources. On the other hand, the revitalization of collective bargaining, despite leading to considerable real wage increases, was followed by the moderation of wage disputes and the containment of wage demands for the sake of economic growth/systemic competitiveness during much of the 2000s.

One of the backbones of the strategy of crafting a social consensus and class harmony around the goal of competing as a nation, the so-called ‘systemic competitiveness’, was export tax revenues and their translation into social spending as well as subsidies to agribusiness and export-oriented industrial activities. Yet, in terms of one of the main aspirations of neo-developmentalism as a project, i.e., achieving a ‘high road’ to integration in the global economy through the improvement of export competitiveness on the basis of technological innovation and productivity increases, the post-2001 Argentine experience proved to be highly limited. The export growth had to do more with the competitive exchange rate policy pursued that allowed for the expansion of the export volume (mainly of commodities of agricultural origin) in a context of rising global commodity prices and the enlargement of extractivist methods, than a structural re-orientation towards higher value-added activities in manufacturing and services.

Unlike the Argentine case, the post-crisis recovery in Turkey was characterised by a clearer line of continuity in terms of the embracement of neoliberal project. A more ambitious neoliberal policy making followed the crisis during which regulatory reforms, large-scale privatizations, labour market flexibility measures and the like were put into effect. Greater integration of domestic industrial capital into global production chains and accompanying export growth in the post-2001 era was highly import-dependent and debt-driven. Keeping labour costs low and providing subsidies and incentives to export oriented activities were key for maintaining export competitiveness. Although the need for shifting the competitive edge from low labour costs to technological innovation and high value added products and services came to be more loudly pronounced by the representatives of capital towards the end of the decade; a low-cost, disposable and disciplined labour force remained to be central to the model of accumulation. Thus, these two came to be regarded as complementary to each other rather than being substitutes.

I argued in this chapter that the incorporation of labouring classes into the post-crisis recovery under AKP governments displayed important differences from the Argentine case. To take into account the fact that AKP governments inherited and kept almost intact the legal institutional framework that was drawn during the military dictatorship and that took labour under disciplinary control is key for a thorough understanding of this incorporation. The (formally democratic) political environment, where autonomous, collective/institutional involvement of labouring classes in policy making processes was systematically precluded, enabled different scales of capital to avoid major concessions against labour in the post-crisis recovery period. This was achieved thanks to the widening of authoritarian repertoire of the neoliberal experience in Turkey as to include technocratic governance strategies and rule by *fait accompli* in the aftermath of the crisis that expanded the scope for shielding policy making processes from popular impact and autonomous collective involvement. These provided a favourable political ground for lowering labour costs and targeting the potential problems that would otherwise be engendered by high

rates of unemployment and lower labour force participation rates (i.e. an expanded surplus population) through institutionally unmediated/individual incorporation mechanisms. I have identified this phenomenon as ‘disciplining by unmediated/individual incorporation’ because it implies a mode of integration of the labouring classes as consumers, debtors, social assistance recipients, and the like. Increases in social expenditures and policies targeting the expansion of the consumption capacity of the labouring classes – more prominently an overvalued currency and widened credit opportunities- were among the major mechanisms of this form of incorporation.

In Argentina, fragilities created by the dependency of the model of growth on export expansion and taxes on commodity exports started to manifest themselves following the global financial crisis in a prolonged manner. By the early 2010s, it became harder to hold the neo-developmental pact together in a context of rising inflation, increasing wage demands by organized labour and the diminishing role of cash transfers in complementing income. In the aftermath of the global financial crisis, the conflicts between different fractions of capital and labour became much more notable, though it would be precipitous to conclude that Mauricio Macri rule will succeed in moving beyond the model in a rapid manner. In Turkey as well, the global financial crisis constituted a turning point when its long-term impacts are taken into account. Thus, recurrent capital inflows and short-lived economic boom in 2010-2011 were followed by a declining growth tempo. This, together with the depreciation of the Turkish lira from 2013 onwards and the rise in private sector debt in foreign currency rendered it more difficult to maintain a winning coalition. Parallel developments were the further concentration of power in the executive (more prominently in the hands of the leader of the governing party), the expansion of rule by *fait accompli* and intensified appeal to coercive/repressive measures by the third term of AKP in office. I argued that a deeper authoritarianism embedded in the neoliberal experience in Turkey that systematically prevented popular democratic empowerment made possible and indeed paved the ground for this expansion of the authoritarian repertoire in time in a manner as to include overt coercion and political discretion more densely. Therefore, unlike many

other observers, rather than characterising this an ‘authoritarian turn’, I’ve drawn attention to the cumulative characteristics of the authoritarian neoliberal experience in Turkey. Whether this will result in an exceptional form of state remains an open question at the time of writing, the answer of which depends on the social and political struggles in the years ahead. The following chapter will elaborate on labour policy agendas in these two countries in the post-2001 era by using the analytical distinction portrayed in Chapter II.

CHAPTER V

INDIVIDUAL, COLLECTIVE AND COMPENSATORY LABOUR REGULATIONS IN ARGENTINA AND TURKEY IN THE POST-CRISIS ERA

5.1 Introduction

This chapter aims to portray how labour regulations were shaped in these two countries during the post-2001 period until 2015. It begins with an overview of the pre-crisis labour reforms in order to present changes and continuities in the post-crises era. I employ the threefold analytical distinction consisting of individual labour regulations, collective labour regulations and compensatory labour policies, which I presented and discussed in the Chapter II.

Simply put, while individual labour regulations frame the terms and conditions of employment contracts and work-related entitlements, collective labour regulations are related to the organizational/institutional capacities and actions of workers. These rules and restrictions specify on a legal basis the conditions under which labour power is to be commodified. Different from these two, compensatory labour policies refer to the state involvement in the organization of unemployment and poverty.

In the following sections, after briefly evaluating labour reforms in the 1990s in Argentina and Turkey, I will provide a documentation and analysis of post-2001 labour reforms realized in both countries by using this analytical distinction. Conclusion will reiterate the main points and underline the differences between the two labour policy agendas.

5.2 An Overview of the Pre-Crisis Labour Reforms in Argentina and Turkey

5.2.1 Labour Policies in Argentina in the 1990s

As it was evaluated in Chapter III, the 1990s witnessed a radical and comprehensive transformation project under the Convertibility Plan introduced in 1991 as a remedy for the soaring hyperinflation and diminishing competitiveness of the Argentine economy. Labour policy adjustment was one of the major components of the Program. To put it in terms of our threefold categorization, throughout the decade individual and collective labour regulations respectively aiming at enhancing external and wage flexibility via labour cost reductions, and increasing organizational flexibility were attempted to be made. This strategy was rooted in the assumption that lower (wage and non-wage) labour costs would lead to more flexible labour markets which would in turn be accompanied by greater competitiveness, productivity and job creation. On the other hand, the aim to curb the collective/organizational strength of the workers was attempted to be achieved mainly through the incorporation of government-affiliated trade unions into the reform agenda through various mechanisms depicted below. This combination characterized the comprehensive labour reform that the Peronist government led by Carlos Menem embarked on shortly after its establishment. On the other hand, compensatory policies seeking to mitigate the impacts of increasing unemployment and poverty did not hold a central place in the labour policy agenda.

Individual Labour Regulations

Individual labour regulations initiated during the era sought to diminish employers' share in labour power reproduction through repressing wages and reducing their 'non-wage labour costs' in various manners. With an aim to facilitate real wage reductions, wage increases were tied to improvements in productivity and the tripartite bargaining in the determination of the minimum wage was abandoned (Cook, 2006: 76; Felder and Patroni,

2011: 271; Novick and Tomada, 2007: 33). Furthermore, in the same year as the approval of the Convertibility Plan, a new labour law [National Employment Law, *Ley Nacional de Empleo*] was promulgated. The most prominent characteristic of the new law was the introduction of a range of fixed-term contracts that were referred to as ‘promoted’ contracts due to partial or full exemptions from social security contributions they provide to employers (Bronstein, 1997: 14; Burgess, 2010: 217; Cook, 2006: 74; Marshall, 2004: 12). These changes aimed to diminish the non-wage labour costs for employers both by enhancing firms’ external flexibility, i.e., by freeing them entirely or partly from severance pay if the employee worked to term, and by reducing their contributions to employees’ social security via exemptions (cf. Ackerman, 2001: 47; cf. Cook, 2006: 47). These ‘hiring subsidies’, which were expected to increase levels of employment, were expanded in scope in 1995 through another comprehensive labour reform¹¹³. With the 1995 amendments, part-time work and trial period contracts were also provided with explicit legal status (Marshall, 2004: 13)¹¹⁴. Another important component of the 1995 labour reform was the change in the law on small and medium enterprises that set special employment regulations in relation to firms having less than 40 workers and sales below a certain limit by rendering them exempt from various regulations binding other firms¹¹⁵

¹¹³ New forms of temporary contacts and exemptions from social security contributions were introduced by the amendments made in the Labour Law in 1995. These included an ‘apprenticeship contract’ for workers between the age of 14 and 25 (minimum 3 months up to 2 years); and a temporary contract for women, workers older than 40 years, disabled workers and war veterans (minimum 6 months up to 2 years) that included a 50% rebate on social security contributions (Bronstein, 1997: 14-15; Marshall, 2004: 13).

¹¹⁴ The latter was defined as to be maximum 3 months and be extended to 6 months through collective bargaining (Bronstein, 1997: 15; Marshall, 2004: 13). It thus legally rendered employers exempt from social security and unemployment insurance contributions during its term and from the dismissal costs in the case of termination of the employment relation, and thereby provided the opportunity to employers to hire and dismiss workers for the same job on a trial basis (Bronstein, 1997: 15).

¹¹⁵ Some restrictions to the extensive usage of promoted fixed term contracts were set as a result of negotiations during the enactment of the 1991 National Employment Law, such as the need for prior approval through collective agreement before their use and the condition that workers hired through these contracts should be additional to the existing workforce (see Bronstein, 1997: 14; Cook, 2006: 74-75; Marshall, 2004: 12). The 1995 Law on small and medium enterprises ‘freed’ these firms, for instance, from

(Bronstein, 1997: 15; Marshall, 2004: 13). Reductions in non-wage labour costs also extended to all other (formal) employment relations (for particular sectors in 1993 and all regardless of sector in 1995) as employer contributions to the retirement scheme, health care system, family allowances and employment fund were rebated (differently across regions) (Marshall, 2004: 12-13).

Transformations in policies regulating labour contracts, more specifically changes relating to components such as dismissal procedures (i.e., time limits, renewals, advance notice in case of termination and the like), severance pays and trial periods were important terrains of struggle and concession throughout the 1990s. In parallel to the increasing popular discontent, in the second half of the decade, the labour reform agenda became tougher for the policy makers to be carried forward. A labour reform introduced in 1998 reflected to a certain extent the impact of this discontent that came to be articulated through the emerging movement of the unemployed and dissident segments of the organized labour. By this reform, the fixed-term contracts introduced by the 1991 and 1995 labour reform packages were annulled. The amendments encompassed other important gains on the part of the labour such as the reduction of the length of trial period to one month (from 3 months and contrary to the IMF recommendation of 6 months), reaffirmation of *ultraactividad*¹¹⁶ and centralized collective bargaining (Cook, 2006: 80). However, although the ‘promoted’ fixed term contracts were withdrawn, the strategy to reduce labour costs was not abandoned. Instead, the means serving the same strategy were altered through the reductions in the amount of severance pay for new workers hired under permanent contracts (Bertanou and Casanova, 2015: 30; Cook, 2006: 80). The direction

the requirement of approval by collective agreement before the use of temporary contracts (Marshall, 2004: 13).

¹¹⁶ *Ultraactividad* refers to the collective labour regulation according to which a collective agreement’s provisions remain in effect in the absence of new negotiations.

of promotion thus was re-oriented as to incentivize employers hiring on a permanent basis (cf. Ackerman, 2001: 49).

The labour reform agenda that was shaped during the 1990s was also aimed to be brought forward by the government formed following the 1999 elections under the presidency of Fernando De la Rúa (1999-2001). Specifically, some of the highly contentious policy items that could not be included in the previous reform packages were addressed through the labour reform bill, which was prepared by the new government in 2000. The most prominent items were the removal of *ultraactividad* and the decentralization of collective bargaining (Cook, 2006: 93, see also Ackerman, 2001: 55). The reform package enacted in 2000 also expanded the scope of hiring subsidies for employers (see Ackerman, 2001: 50-51; Marshall, 2004: 14). The enactment process of the reform package was highly controversial as it implied a significant attack on trade unions' strength. The bill was approved amidst protests and strikes. Yet, it was soon revealed that some of the senators had been bribed to secure its approval (Cook, 2006: 94). As it will be mentioned below one of the first actions of the government formed after the 2003 elections was to amend this law.

Collective Labour Regulations

The main strategy in terms of collective labour relations in the 1990s was arguably to incorporate organized labour as a facilitator in individual labour reform processes and curbing their power in wage determination. As part of this, collective bargaining clauses were accommodated in individual labour regulations in a manner that they enabled these regulations to be extended to the detriment of the workers. In this regard, for instance, maximum work hours were allowed to be decided by collective bargaining (1991) and small firms were permitted to modify dismissal regulations through collective agreements (1995) (see Burgess, 2010: 217). Furthermore, tripartite bargaining in the determination of the minimum wage was deactivated.

Throughout the decade, confronted with an ambitious labour reform agenda, the main representative of the organized labour, the General Labour Confederation (*Confederación General del Trabajo*, CGT), was engaged in a position oscillating between reconciliation and opposition vis-à-vis different reform components. The Menem administration had important political ties with the CGT, stemming from the historical affiliation of the Peronist Party with the confederation, and to a great extent succeeded in making use of this alliance in pursuing the comprehensive labour reform agenda¹¹⁷. The motivation to protect the Confederation's historical organizational strengths led the leadership of the CGT to hold a concessive orientation vis-à-vis some reform elements. During the 1990s it exerted more pressure against policy items that threatened more directly the union's institutional power and organizational capabilities (Cook, 2006: 63, 81; Felder and Patroni, 2011: 271). Stronger defense by the trade unions of provisions protecting their collective interests, according to Maria Cook (2006: 63), led to a greater degree of change in individual labour regulations than in collective ones in the 1990s. The government's mantra of 'economic emergency' also played an important role in greater concessions by the government-allied trade unions relating to individual labour regulations aiming to lower labour costs (cf. Wylde, 2011: 445).

Furthermore, many government-allied trade unions and union leaders benefited from the ambitious privatization agenda, through shares in privatized state economic enterprises and private pension funds (Feliz, 2014: 55). In fact, the continuing strength of the CGT during the 1990s stemming from its control over the welfare funds (*Obras Sociales*)¹¹⁸,

¹¹⁷ Osvaldo Battistini stressed, during the interview conducted by the author, that Menem government attempted to legitimize policies flexibilizing the labour market by utilizing from the historical relationship with the Peronist movement and the leadership of the CGT (Interview in Buenos Aires, on April 28, 2016. Osvaldo Battistini was a researcher at the University of Buenos Aires, instructor at the General Sarmiento University and investigator at the CONICET at the time of interview.

¹¹⁸ One of the important sources of social and organizational power of the trade unions was the welfare funds and services under their control, *Obras Sociales*, which were formed to provide health services for union members and their families and then widened in scope to include services such as tourism, recreation and life insurance (Cook, 2006: 74). Although, the union control of *Obras Sociales* was attempted to be

collective bargaining ‘monopolies’¹¹⁹ and the industry wide, i.e. centralized, bargaining coverage¹²⁰ (Caraway, 2006: 223) did not translate into the strengthening of rank and file in particular and labouring classes in general in Argentina in the 1990s –given the above mentioned transformations in individual labour regulations. The most ambitious political attempt to diminish the organizational strength of trade unions came with the 2000 labour reform, that was enacted by the de la Rúa government and included clauses restricting the implementation of *ultraactividad*.

The ambitious labour reform agenda in the 1990s was also accompanied by the intensification of cleavages within the labour movement. Alternative organizations emerged and gained strength throughout the period with the claim to represent wider segments of workers. Thus, the conciliatory involvement of the CGT in the reform processes more prominently during the first half of the 1990s was not immune from criticism. The organizational embodiments of these critiques were oppositional labour organizations emerged from within and outside of the Confederation, which had played important roles in the formation of a more confrontational stance against labour reform initiatives on the part of the labour movement in general by the second half of the 1990s (cf. Cook, 2006: 81; cf. Patroni, 2002). Within CGT two different factions emerged: the group closer to the government and referred to as the ‘official CGT’ on the one hand, and on the other hand the one holding a rather oppositional stance, led by Hugo Moyano and known as the ‘rebel’ or ‘dissident’ CGT (Patroni, 2002: 265). Furthermore, a group of more militant unions that split from the CGT in 1992 formed the Central de los

weakened in the 1990s by permitting private firms to operate in the area, this attempt was hindered as a result of CGT opposition (Felder and Patroni, 2011: 271-272). (see also Section 3.2.2)

¹¹⁹ “Collective bargaining monopoly” is used to refer to the regulation which authorized one, the most representative, union to conduct collective bargaining (Caraway, 2006: 225; Cook, 2006: 66).

¹²⁰ It is indicated by Adriana Marshall (1997: 47) that although, in terms of workers covered, industry-wide agreements still continued to be the most usual form during the 1990s, the share of firm-level bargaining tended to rise.

Trabajadores Argentinos (CTA). The CTA expanded its base during the 1990s by incorporating several unions into its ranks as well as different segments of the working class – most notably the unemployed and precarious workers- that remained outside of the traditional union composition despite the fact that their numbers were increasing rapidly (see Cook, 2006: 76, Patroni, 2002: 265-266). These segments formed a variety of organizations and engaged in protests and actions which had been outside of the traditional action repertoire of the organized labour. The most prominent of these actions were the roadblocks performed in an accelerated manner towards the end of the decade and which gave its name to the movement referred to as *Piquetero* movement, or *piqueteros*¹²¹ (see for details Patroni, 2002: 268, Kabat, 2014: 377-378). As it will be indicated below, the *piquetero* movement, which became known as the largest movement of unemployed in the world, had important impacts upon the formation of post-crisis labour reform agenda.

Compensatory Labour Policies

The governments in Argentina in the 1990s launched cash transfer programmes and an unemployment insurance scheme that targeted the impacts of unemployment and poverty. The National Employment Law enacted in 1991 included an unemployment insurance scheme to be funded through the National Employment Fund and financed by a payroll tax (Marshall, 2004: 27). Its coverage remained rather limited throughout the 1990s as only the unemployed workers who contributed to the social security system for at least 12 months over the last 3 years prior to the termination of their contract were defined as eligible (Berg et al., 2006: 144- 145). The programme also excluded workers in

¹²¹ Here it is important to note that, as Viviana Patroni stresses (2002: 269), although the term *piquete* came to be used to connote more commonly the roadblocks in the 1990s, it originally refers to the mechanism hindering the entrance to the workplace during strikes. In fact, roadblocks in the early 1990s were mainly realized by workers, who no longer had workplaces, in areas severely affected by the privatization processes (Patroni, 2002: 269). Therefore *piquetes/roadblocks* can be seen as the creative adaptation by more peripheral segments of workers of a traditional action tool to their more precarious circumstances.

construction, agriculture, household services and public administration (Berg et al., 2006: 145). Between 1995 and 2001 the ratio of beneficiaries to the unemployed revolved around 6% and in 2002 only 8% of the unemployed were paid benefits from the programme (Berg et al., 2006: 146; cf. Marshall, 2004: 34; cf. Felder and Patroni, 2011: 270). Its coverage became even narrower proportionately in the subsequent years despite the decline in the rates of unemployment. According to the estimate in an ECLAC report only 4% of the unemployed were covered by the programme in 2006 (Goldin, 2009: 97).

During the 1990s additional programmes for those segments of the unemployed who did not meet the criteria to be eligible for the unemployment insurance were also created. In this regard, several cash transfer programmes having work obligations in community or state projects were introduced, terminated and reintroduced under different names during the decade (Marshall, 2004: 29). These included six different short-lived programmes implemented between 1993 and 1996 and a workfare programme (*Programa Intensivo de Trabajo*, PIT) that targeted the long term unemployed and in operation between 1993 and 1995 (Berg et. al., 2006: 145; Marshall, 1997: 24).

In total, these programmes reached only about 9% of the urban unemployed (Lodola, 2006: 5). A more extensive workfare programme, the *Plan Trabajar*, was launched in 1996 amidst increasing public discontent and protests realized in some cities that were deeply affected by the privatization processes of state economic enterprises (Lodola, 2006: 5, 17). It included the creation of low-wage community public works for the unemployed with the duration of three to six months (see Lodola, 2006 for details; cf. Patroni, 2002: 260). This programme, in operation until 2001, was wider in terms of coverage compared to its predecessors (Lodola, 2006: 5). However, it remained limited compared to the new and more extensive programme called Programme for Unemployed Heads of Family (*Programa Jefes y Jefas de Hogares Desocupados*, henceforth *Jefes y Jefas*) initiated in 2002 by the interim government as part of the crisis management process. As it will be discussed below, the compensatory involvement of the state became more prominent

within the context of and after the 2001 crisis. Various targeted social assistance programmes implemented in the 1990s remained small scale and fragmented (Barbeito and Goldberg, 2007: 199).

5.2.2 Labour Policies in Turkey in the 1990s

Compared to the Argentine case, a more piecemeal and crisis ridden neoliberal practice marked the 1990s in Turkey, as portrayed in Chapter III. Undermining the organizational power of labour, keeping real wages low and deliberately overlooking increases in the levels of informal employment were the linchpins of the labour policy. After a transient recovery that followed the capital account liberalization, a crisis erupted in 1994 triggered by rapid capital outflows. The crisis and the stabilization programme that was initiated to address it led to substantial deterioration of labouring classes' working and living conditions in the second half of the decade. Different from the case of Argentina, no substantial changes were realized in legal terms to flexibilise employment contracts. In fact, the period after the 1980 coup d'état revealed continuity up until the 2001 crisis in that respect. Reform elements such as active labour market policies or measures to flexibilise employment contracts did not occupy a prominent place in the policy agenda, despite the fact that these were increasingly promoted policy items in the international circles in the 1990s. Two main reasons can be counted for the delayed transfer of such reform items. The first of these was the labour mobilisation in the late 1980s and the early 1990s, which made it politically costly to push further for flexibilisation. The second one was the increase of de facto flexibility resulting from the expansion of informal employment in the 1980s and the 1990s.

Individual Labour Regulations

The main law regulating individual labour relations before the 2001 crisis was promulgated in 1971 and remained in force until its replacement with a new law enacted

short after the 2001 crisis in 2003 (Law no: 1475). Until the promulgation of the new labour law, during the 1980s and the 1990s, no substantial legal amendments relating to individual labour relations had been realized in Turkey with a rationale to enhance external flexibility for the firms. Yet, the increase in ‘de facto flexibility’ stemming from expanding informal employment relations from the 1980s onwards had constituted an important characteristic of the labour market. Thus, especially small and medium size firms enjoyed the ultimate ‘external numerical flexibility’ stemming from widespread informal employment practices that gave them the freedom to hire and fire a worker without undertaking most of the related legal responsibilities.

For the registered employees, the severance pay constituted the major arrangement for compensating income losses due to the termination of employment¹²². The unemployment insurance allowance became a supplement to severance pay after the establishment of the Unemployment Insurance Fund in 1999 (started to operate in 2002). Yet due to the limited scope and coverage of the unemployment insurance, the severance pay remained as the major source of income for the formally employed workers in the case of termination of the employment relation. As elsewhere, since it served as a discouraging factor against layoffs without a just cause, it functioned as a job security. From the perspective of employers, it constituted an important burden and to reduce this cost item was a priority. The prevalence of informal employment practices served as a means to bypass this legal burden for many employers. Moreover, wage underreporting was a frequently used tool to lower the non-wage labour costs, including the severance pay. Increasing the labour turnover (by firing a worker before the completion of the minimum period to be eligible for severance pay) was also another prevalent strategy.

¹²²The termination of employment relation in cases of retirement and compulsory military service has also obliged employers to make severance payments.

The severance pay was introduced in Turkey by the first labour law enacted in 1936 (Law no: 3008). Originally the minimum term of employment to become eligible for the payment was determined as five years and the amount to be paid was set as 15 days' wage for each year worked. After a few amendments in favour of employees realized in the 1950s and 1960s, the labour law promulgated in 1971 (Law no: 1475) specified the minimum term of employment as 3 years and prescribed that the number of days that would be taken as the basis for the calculation of payment can be set as more than 15 by the labour contract. Through an amendment realized in 1975 (Law no: 1927) the 15 days base was increased to 30 days and the minimum number of years worked was decreased from three years to one year. This method of calculation has remained in force ever since (until the time of writing) together with the ceiling to the payment determined by a law enacted during the military regime in 1982 as the monthly pension of the highest paid civil servant.

Despite several attempts by the policy makers to amend the existing regulation in favour of employers, the legal framework regarding the severance pay has remained unaltered during the 1990s. This can be regarded as one of the most important gains on the part of the labour organizations. The struggle on the severance pay framework between representatives of capital and labour has continued after the 2001 crisis. While the former camp has demanded the repeal of the scheme or at least the reduction of its amount through changes in the calculation method, for the latter camp the maintenance of the existing formula has constituted a redline.

Collective Labour Regulations

As it was stressed in Chapter III and Chapter IV, the 1980 coup d'état and the junta regime left a powerful mark on the collective labour relations in the aftermath of the transition to civilian rule in Turkey. The main legal framework regulating the collective labour relations -replaced by a new law in 2012- was based on two laws promulgated in 1983 by

the military regime shortly before the general elections, one on trade unions and the other on collective bargaining agreements, strikes and lockouts (Law no: 2821, 2822). This framework was highly restrictive in terms of the collective actions and the operation of labour organizations. In fact, as stressed by Çelik (2015: 619), '[i]t is possible to state that the coup's especially profound effect on collective labour relations is much more enduring than the coup's other legacies'.

To be more precise, the Law of Collective Bargaining Agreements, Strikes and Lockouts (Law no: 2822) prescribed that in order to become eligible to negotiate a collective bargaining agreement a union had to represent at least 10% of the employees by the sector¹²³ and 50% by the workplace. These legal thresholds imposed important restrictions on the right to collective bargaining and to strike as they hindered the exercise of these rights by thousands of unionized workers who, despite being organized under trade unions were unable to meet the double threshold requirements (see Akkaya, 2000: 214). These restrictions thus constituted an important underlying factor behind the low collective agreement coverage among the unionized workers. Furthermore, the legal framework shaped in the early 1980s formed the basis of a decentralized collective bargaining structure in Turkey as, while trade unions were required to organize on a sectoral basis, sector-level collective bargaining was disallowed (see Uçkan, 2013: 572, 574). Another important component of the early 1980s' collective labour legislation was the restrictions imposed upon the financial autonomy of trade unions. These included –among others- the imposition of an upper limit for membership fees and of government approval for financial contributions from foreign sources (see Şenses, 1993: 101-102).

The Turkish Constitution (1982) and The Law of Collective Bargaining Agreements, Strikes and Lockouts also made a very broad definition of illegal strikes and collective

¹²³ 'Sector' here refers to each of the 28 economic activities defined by the Trade Unions Law (Law no: 2821) as the fields of organization of employee and employer unions.

actions¹²⁴. While legal strikes were specified as strikes organized due to disagreements during the collective bargaining processes with the aim to protect or enhance workers' economic, social and working conditions, the illegal strikes was defined as other forms of strikes listed as 'strikes with political purpose', 'general strikes' and 'solidarity strikes'. Also, 'workplace occupations', 'work slowdowns', 'deliberate productivity decreases' 'and other forms of resistance' were prohibited and rendered subject to the same sanctions as the illegal strikes. The law also allowed the council of ministers to suspend strikes and lockouts for up to 60 days for reasons of national security and public health. Hence the regulation regarding the suspension of strikes and lockouts was subject to flexible reinterpretations depending on the political conjuncture. Furthermore, a large number of workers (with reference to specific occupations and sectors) were banned from holding strikes.

Civil servants were granted the right to establish and become members of unions in 1965. The related regulations however did not grant them the rights to strike and to engage in collective bargaining. After the military intervention in 1971, civil servant unions established from the mid-1960s onwards were closed down and civil servants' right to unionize was removed. In 1995 a constitutional amendment reinstated this right following the intensification of collective actions led by unions that already started to be organized by civil servants in the early 1990s (see Dinler, 2012: 1). This legalization however did not involve the rights to collective bargaining and strike.

Trade unions' capacity to influence policies relating to individual labour relations and compensatory state involvement remained limited. One of the most important reasons for this is that from the 1980s onwards they suffered important membership losses, particularly compared to the 1960-1980 period referred to as the heyday of trade unionism

¹²⁴ See Akkaya (2000: 215-216) for further details.

in Turkey (Uçkan, 2013: 571). Furthermore, alongside the legal and political restrictions discussed above, the deeply fragmented character of the trade union movement played an important role in the overall weakening of trade unionism in Turkey (see Dinler, 2012).

Compensatory Labour Policies

Similar to the case in Argentina, systematic compensatory state involvement addressing unemployment and poverty has mainly been a recent phenomenon in Turkey. Mitigation of the social impacts of the structural adjustment process, in the form of poverty alleviation, started to become a policy concern by the mid-1980s. Yet, throughout the 1980s and 1990s policy initiatives in this regard remained very limited and fragmented. Even during the recurrent crisis and recovery episodes in the 1990s, increasing poverty and inequality did not become subject to systematic state intervention.

An extra-budgetary fund was established in 1986 under the name of ‘Social Assistance and Solidarity Promotion Fund’ to provide in-cash and in-kind social assistance to the poor through 931 Social Assistance and Solidarity Foundations across the country¹²⁵. Yet, even during the 1994 crisis social assistance through the Fund did not become an important policy intervention. Accordingly, 74% of the Fund’s financial resources was transferred to the 1994 General Budget (Koyuncu and Şenses, 2004: 31). Another initiative that can be regarded as a compensatory state involvement in labour relations in the 1990s was the ‘redundancy management’ schemes targeting the displaced workers during privatization processes (see Auer and Popova, 2003). Although a more ambitious agenda marked the aftermath of the 2001 crisis in terms of privatization of state economic

¹²⁵ The executive committees of these foundations have been headed by the governor appointed by the central authority and the majority of their members have been local bureaucrats (Aytaç, 2014: 1218). The number of the foundations increased over the years and reached 1000 as of 2014 (see Sosyal Yardimlar Genel Mudurlugu, “SYDV’lerin Yapisi”, 21.10.2014, <http://goo.gl/zW57mn>, retrieved on 04.08.2014)

enterprises in Turkey, privatization was an important policy concern during the 1990s for consecutive coalition governments. As part of the privatization processes, programmes called ‘Privatization Implementation Assistance and Social Safety Net Project’ and the ‘Privatization Social Support Project’ were respectively implemented in 1994-2000¹²⁶ and 2000-2005¹²⁷ with the financial support provided by the World Bank. These programmes encompassed a range of elements such as career counselling, job placement, small business consulting assistance, job training and temporary work schemes (Auer and Popova, 2003: 22-23). Although the number of workers included remained rather low (see Auer and Popova, 2003: 22-23; World Bank, 2000; World Bank, 2010: iii-iv) these projects with their emphasis on increasing the employability of workers, together with other programmes such as ‘Employment and Training Project’ implemented between 1993 and 2000, signalled the new orientation towards active labour market policies (ALMPs), which became more evident in the aftermath of the 2001 crisis.

Other important changes in relation to compensatory state involvement in the 1990s were the introduction of a programme in 1992, the Green Card Programme, providing health services for those who did not have any health insurance coverage; and the establishment of an unemployment insurance scheme in 1999, which became functional only by 2002 as the first beneficiaries started to get payment from the programme since then.

¹²⁶The World Bank loan for the Privatization Implementation Assistance and Social Safety Net Project was approved in 1994 and made effective in 1995. While the closing date was initially specified as 1998, it was extended to 1999 and the final disbursement was made in 2000 (World Bank, 2000). The loan was also restructured in time and some of its components were cancelled due to the ‘the slow progress in the area of privatization’ (World Bank, 2000: 2-3). The reason for the delay in the transfer of loan after its approval in 1994 is stated in the related World Bank report as the delays in terms of the legal actions required to make the loan effective, including the parliamentary approval of the privatization law (World Bank, 2000: 5). It is also indicated that: “The labor adjustment program was fully developed under the project, but the slow progress in privatization resulted in very low demand for these services” (World Bank, 2000: 5).

¹²⁷ The latter project was extended to be valid between 2005 and 2009 (see World Bank, 2010).

5.3 Labour Regulations in the Post-2001 Era in Argentina

As discussed in the previous chapter, the neo-developmental experience in the post-crisis Argentina, under the presidencies of Néstor Kirchner (2003-2007) and Cristina Fernández de Kirchner (2007-2011 and 2011-2015), witnessed a considerable expansion of production and export of mainly agricultural and agro-industrial (mostly genetically modified soy and its by-products) and mining products (cf. Castorina, 2014: 89; cf. Svampa, 2008: 90). The new exchange rate regime together with the increase in global commodity prices allowed for the export growth. Export taxes, which were highly sensitive to commodity prices, became one of the most important sources of public revenue and social spending. Alongside the allocation of more public resources to social spending (see Table B5 in Appendix B), a considerable part of the measures introduced in the 1990s with an aim to flexibilize the labour market was reversed. The period also witnessed a revival of unionization and collective bargaining. A more equal distribution of income and dialogue among social partners were conceived as factors increasing productivity and competitiveness. I have argued in the previous chapter that the post-2001 era displayed important differences from the previous decade in terms of labour policies implemented. This section aims to portray these policies in more detail. Broadly speaking, different segments of the labouring classes took more part in the formation and implementation of the labour policy agendas. I have labelled this process as ‘disciplining by collective/institutional incorporation’.

5.3.1 Individual Labour Regulations

Recovery of wages that fell dramatically during the crisis became an important concern during the post-crisis period with the premise that wage increases would trigger consumption and in turn more investment and growth (see Novick and Tomada, 2007: 33). In this regard, lump-sum wage increases for the formal workers were set by decrees

in the early recovery period, collective bargaining procedures were restructured (discussed below) in a manner encouraging wage increases and the minimum wage council (and thereby the minimum wage) was re-operationalized (Novick and Tomada, 2007: 33-36; Felder and Patroni, 2011: 277). The initial lump-sum increases in wages partly offset the negative impacts of the increase in domestic prices following the currency devaluation upon the wages of formal workers (Felder and Patroni, 2011: 277). Although from 2003 onwards real wages started to increase compared to the sharp decrease between October 2001 and October 2002 that amounted to around 30 %, the increase remained rather low (on average approximately 10% lower in 2006 than at the end of the Convertibility) (see Damill et al., 2007: 108-110). Also in 2008, the pension system that had been partially privatized in 1994, was reunified on a contributory basis and the capitalization system was abolished (Maletta, 2009: 19).

Reversal of the legal regulations leading to so-called ‘bad’ forms of flexibility that aimed at labour and non-labour cost reductions for the employers held a central place in the post-crisis labour policy agenda. In March 2004, the government led by Nestor Kirchner launched a labour reform package, on the draft of which leading labour organizations – the two CGTs and the CTA- and the key business organization reached an agreement (Cook, 2006: 98). The law had the aim to replace the disputed provisions of the 2000 law introduced during the de la Rúa government (Cook, 2006: 98). Alongside reversing the two prominent transformations realized by the 2000 reform with an aim to enhance organizational flexibility, i.e., the termination of *ultraactividad* and decentralization of collective bargaining, the new law also reduced the maximum length of the trial period contract from six months to three months¹²⁸ (Cook, 2006: 98). It reversed amendments made in 1998 in the method of calculation of the severance pay that had reduced the amount of the compensation paid upon the dismissal of workers with less seniority

¹²⁸ In 1998 the maximum length of trial period was reduced to one month (to be extended to 6 months through collective agreement) (see above).

(Bertanou and Casanova, 2015: 31). The 2004 labour reform also included hiring subsidies for firms with less than 80 workers in the form of social security rebates to be valid for new workers hired (Cook, 2006: 97; Novick and Tomada, 2007: 28).

Although employment subsidies were expanded in the post-2001 period with an aim to compensate employers' labour costs, the main priority in terms of individual labour relations was to keep real wage increase under control, i.e. to forestall 'excessive' wage demands. Within the context of the 2008-9 global economic crisis employment subsidies became more prominent. A programme that was first created in 2002 during the crisis management process of early 2000s called *Programa de Recuperación Productiva* (Programme for Productive Recovery, REPRO) was expanded in 2008, this time within the context of the global financial crisis as an emergency measure. It was a wage and non-wage cost subsidy for the employers in return for their commitment to refrain from laying off workers who were part of the programme. Under REPRO the eligible employers were allowed to deduct the subsidy provided to the workers by the programme from the wages and to pay the social security contributions on the basis of this reduced wage (Bastagli, 2014: 17-18; Féliz, 2014: 70). Furthermore, in 2008 as a crisis measure, cost of hiring new workers for the employers was reduced through a rebate of employer contributions (for the first 24 months of a new labour contact) to the social security system (ILO, 2011a: 2-3).

The strategy of subsidizing employers via decreasing their wage and non-wage labour costs were also pursued through the incorporation of employment subsidies in different programmes aiming to increase 'employability' of workers. In that respect, any employer hiring or training a worker who benefits from schemes like Training and Employment Insurance Programme (*Seguro de Capacitación y Empleo*, SCyE) and Young People's Employment Programme (*Programa de Jóvenes "Más y Mejor Trabajo"*, PJMMY) were permitted (for a definite period of time) to deduct the amount from the worker's salary

that he/she receives from these programmes (see Ministry of Foreign Affairs and Worship of Argentine Republic, 2013: 16-17).

5.3.2 Collective Labour Regulations

The CGT's division into fractions, emergence of a new labour confederation (CTA), the rise of the *Piquetero* Movement and formation of organizations like neighbourhood assemblies in the 1990s led to a considerably diversified organizational composition with regards to the labour movement. Yet the social uprising of the late 2001 that represented the culmination of accumulated public discontent against the crisis management strategies served as a collective leverage. As stressed by Kabat (2014: 379) the precarious segments of the labouring classes raised a concerted demand for a universal subsidy to the unemployed. Indeed, the expansion of cash transfer programmes in the 2000s (if not introduction of a universal programme) addressing categories of workers that remained outside of the traditional trade union coverage had much to do with the formation and rise of different political organizations of unemployed and precarious workers as of the mid-1990s.

Collective labour regulations relating to the formal workers and trade unions also took a course that implied important differences from the 1990s. As it was indicated above one of the first policy initiatives in the recovery period was the revision of the 2000 labour reform realized during de la Rúa's presidency. The changes made in 2004 included the reestablishment of *ultraactividad* and the reversal of the clauses that allow for greater decentralization of collective bargaining. These were among the most contentious reform elements that albeit being on the policy agenda throughout the 1990s had been confronted with strong opposition by the organized labour and could not be realized until 2000. Their reversal thus represented an important step in terms of organizational strength of the CGT. The new law allowed for collective bargaining at different levels on the condition that industry/sector level would set the minimum standards upon which regional, local or

enterprise level agreements would be based (Cook, 2006: 98). Its promulgation was followed by an increase in the collective bargaining coverage among registered workers and the number of agreements made (see Cook and Bazler, 2013: 25-26; Novick and Tomada, 2007: 28). The post-2001 era also witnessed a considerable expansion of unionization. Union density increased from 28.7 % during 1990-1995 and 25.6 % during 1995-2000 to 37.6% during 2000-2006 (see Rios-Avila, 2014: 9).

In the aftermath of the crisis, establishment and maintenance of a consensual ground for collective labour relations became a central priority for the recovery given the legacy of the social conflicts that culminated in the December 2001 uprising. Tripartite ‘social dialogue’ among the representatives of capital, labour and state was encouraged. The CGT, which was reunified in 2004, became a prominent actor as the main representative of the labour in the tripartite dialogue. Yet, cracks in the consensus between the government and the trade unions started to emerge in the first half of the 2010s mainly on the basis of wages. The controversy rooted in the fact that within the context of the global financial crisis, rapid recovery following a short contraction in growth in 2009 was not accompanied by a parallel improvement in wages. Parallel to this, the main focus of conflict became the wage increases demanded by trade union confederations (both CGT and CTA) in the face of higher inflation rates, which was officially released as much lower than estimated by independent institutions¹²⁹. Salary increases for pensioners, extension of family allowances, and increase in the income tax threshold were among other demands raised.

¹²⁹ See “The Government and Trade Unions: The End of a Honeymoon?”, *The Argentina Independent*, February 15, 2012, <http://goo.gl/JW9pP0> (retrieved on 10.02.2015); “Argentine Unions Anticipate Massive Support and Turnout for Thursday’s National Strike”, *Merco Press*, April 10, 2014, <http://goo.gl/BhXgTQ> (retrieved on 10.02.2015).

5.3.3 Compensatory Labour Policies

The main strategy pursued to incorporate precarious segments of the labouring classes in the recovery programme was to intensify compensatory state involvement through various programmes relieving the devastating impacts of the crisis upon their living conditions. A variety of cash transfer programmes were launched in the post-crisis era having different eligibility criteria and/or obligations such as public work, employability training and schooling of children. Although their counterparts had been created in the 1990s, cash transfer programmes in the 2000s displayed a considerable quantitative expansion. In parallel to this, these segments of the working class became organizationally less powerful in time (cf. Svampa, 2008: 84). In the words of Kabat (2014: 379): “Part of the unemployment movement was co-opted by these programmes, while other fractions were repressed. Consequently, piquetero organisations soon found themselves divided and partially neutralized”.

As it was the case in the 1990s, unemployment insurance remained limited in terms of coverage and benefits in the 2000s. Although it was extended to temporary agricultural workers, the number of workers eligible for the scheme continued to be rather low (Bertranou and Maurizio, 2011: 17). This had much to do with (declined but) high rates of informality throughout the decade, as unemployment insurance is a policy instrument directed towards the unemployed who contributed to the social security system before the termination of their contract, i.e., who employed formally and for a minimum time period specified by the law (Bertranou and Maurizio, 2011: 17). The governments established after the 2001 crisis gave more weight to cash transfer programmes targeting the poor, informally employed and the unemployed who were not eligible to receive unemployment insurance benefits. A set of programmes were designed on the basis of a differentiation between the ‘employable’ and ‘non-employable’ segments of this population, or to put it in Marxian terms between the reserve army and the remaining components of the surplus population. More markedly than in the 1990s, increasing employability via skill formation

was regarded as important prerequisites for improving productivity and competitiveness (see Novick and Tomada, 2007: 38-39).

Within the context of the 2001 crisis, the most prominent crisis management tool aimed at controlling the soaring unemployment and poverty as well as the political turbulence was the *Jefes y Jefas* Programme. It was launched immediately after the December 2001 riots by the interim government led by the appointed president Eduardo Duhalde (January 2002 – May 2003) as an emergency regulation that was designed to mitigate the enormous increase in the rate of unemployment and also the widespread public discontent. It was a cash transfer and a direct job creation programme co-funded by the World Bank and the government¹³⁰, which expanded rapidly as its participants reached at the end of 2002 - when the applications were closed- to 2 million households (Galasso and Ravallion, 2003: 3; Maletta, 2009: 12-13). Unemployed heads of households on condition that their children were attending school and having regular healthcare and they themselves were involved in training activities to enhance their employability were deemed eligible (Goldin, 2009: 98).

A work requirement was also incorporated in the Programme. In return for the cash transfer amounting to 150 pesos per month -corresponding roughly to 50 US \$ and about 28% of the average monthly salary in 2002 (Barbeito and Goldberg, 2007: 200; Maletta, 2009: 13)- the recipients – except from some specific categories- were obliged to work in community productive or services projects between four to six hours per day (Galasso and Ravallion, 2003: 7; Goldin, 2009: 98). About 80% of the *Jefes y Jefas* participants, which roughly corresponded to about 8% of the labour force by 2003, faced such work obligations (Maletta, 2009: 13). The number of programme participants diminished in

¹³⁰ More specifically, Barbeito and Goldberg (2007: 200) report that the financing came from “the national treasury, the reassignment and unification of funding for previous social programmes, a portion of taxes collected on post-devaluation exports, and a loan from the World Bank”.

time as they either became ineligible -as a result of for instance finding a formal job, getting pension or ceasing to have children under 18- or were transferred to other programmes initiated by the governments established after 2003 (Maletta, 2009: 15). Several other programmes were created to include former *Jefes y Jefas* beneficiaries in particular and unemployed and informal workers in general (who were not eligible for the unemployment insurance) during the post-crisis period.

A conditional cash transfer programme called Families for Social Inclusion Programme (*Programa Familias para la Inclusion Social*) targeting the former *Jefes y Jefas* participants, who did not meet the ‘employability’ condition, was launched in 2006. Under the programme the allowances were transferred to families provided that their children attend school and fulfil the vaccination calendar (Goldin, 2009: 98; Lustig and Pessino, 2012: 5). In addition, another large scale conditional cash transfer programme named Universal Child Allowance (*Asignación Universal por Hijo, AUH*) was introduced in 2009 for families with children which did not receive another family allowance and the household heads of which were either unemployed or working informally with low wages (Féliz, 2014: 71; Lustig and Pessino, 2012: 5). This programme, partly funded by the World Bank, set the same requirements with the Families for Social Inclusion Programme as conditions (school attendance and vaccination of children) and it represented a further expansion of conditional cash transfers within the context of the global financial crisis¹³¹.

Several schemes and programmes were also launched by the Ministry of Labour, Employment and Social Security to facilitate the employment of former *Jefes y Jefas* participants who met the employability conditions (Goldin, 2009: 98). These active labour market programmes aiming at employment generation by ‘activating’ the unemployed

¹³¹ According to the World Bank Press Release on the approval of a loan dedicated to the expansion of the programme, the number of children covered by AUH was almost 3.4 million as of September 2010 and the amount of payment per child was 220 Argentine Pesos (US\$ 55) (World Bank, 2011b).

were framed by a plan referred to as “Integral Employment Plan, More and Better Jobs” (Goldin, 2009: 98-100). One of these programmes was the Training and Employment Insurance Programme (*Seguro de Capacitación y Empleo*, SCyE) put into effect in 2006 and extended in coverage within the context of the global financial crisis in 2009 (ILO and OECD, 2011: 2). It provided cash benefits to its participants on condition that they made a job search plan and engaged in activities such as orientation, training and technical assistance for self employment etc. in order to enhance their employability¹³² (Goldin, 2009: 100). Another programme called Youth with More and Better Work (*Programa Jóvenes con Más y Mejor Trabajo*, PJMMT) was introduced in 2009 with an aim to enhance young people’s (aged 18 to 24) employability through their engagement in actions such as training, internship and entrepreneurship (ILO, 2011b: 114-115). These programmes included some characteristics that the *Jefes y Jefas* programme had been subject to criticism on the grounds that it had either lacked or ineffectively included them, such as direction of participants to temporary private jobs, incorporation of apprenticeship or internship programmes and incentives provided for employers if they hire a beneficiary¹³³.

Another important component of compensatory state involvement has been the cash transfers addressing the population that remain outside of the pension system. The coverage of non-contributory pension programmes expanded considerably after 2003 and more notably towards the end of the decade (Lustig and Pessino, 2012: 7, 14-15). In addition to an existing scheme called *Pensiones Graciables y Asistenciales* (Social Assistance Noncontributory Pension) which was providing old age pensions and other

¹³² While approximately 100.000 unemployed were covered by the Unemployment Insurance Scheme in 2010, Training and Unemployment Insurance covered almost 170.000 unemployed in the same year (see ILO, 2011a: 3).

¹³³ See Maletta (2009:17) for an evaluation that regards these characteristics as among the weakness of the programme.

benefits on a non-contributory basis to around 700,000 beneficiaries in 2009; a scheme referred to as *Moratoria Previsional* (Pension Moratorium) was formed in the mid-2000s, that was consisted of contributory and non-contributory pensions paid to the old people who did not contribute or partially contributed to the public pension system and therefore remained outside of its coverage (Lustig and Pessino, 2012: 7). The number of beneficiaries of this scheme increased from 200,000 in 2006 to around 2.2 million in 2009 (Lustig and Pessino, 2012: 7). Urban consumption subsidies (like those on gas, electricity and water) also served as a major compensatory mechanism in terms of reproduction of labour power.

5.4 Labour Regulations in the Post-2001 Era in Turkey

As it was portrayed in the previous chapter, the post-crisis era witnessed high rates of unemployment and low labour force participation rates. The high economic growth performance sustained throughout the 2000s (except from the crises years of 2001 and 2008-2009) did not bring along considerable employment creation. Real wages, after a drop by 22% in 2003 compared to 2000 (Demir and Erdem, 2010: 22) stagnated during much of the 2000s. Furthermore, labour productivity increases mainly stemmed from labour shedding and intensification of work.

State involvement in individual labour relations intensified considerably following the 2001 crisis in Turkey and especially towards the end of the decade and onwards. Major amendments were introduced to diminish employer responsibilities in labour power reproduction through underwriting their non-wage labour costs and increasing external flexibility in the labour market. In fact, transformations realized in the post-2001 Turkey in relation to the policy framework regulating individual labour relations showed a noteworthy resemblance with those realized in Argentina during the 1990s. Furthermore, similar to the trend in Argentina, the scope of social transfers was expanded throughout the 2000s as a remedy against rising poverty and unemployment. Active labour market

policies were carried out alongside the social assistance programmes in an accelerated manner towards the end of the decade and onwards. Finally, the post-crisis policy orientation in relation to collective labour relations in Turkey mainly represented a continuation with the past. Thus, the restrictive legal framework shaped within the context of the military rule in the early 1980s was mostly preserved. In the previous chapter I characterized the main orientation of the post-2001 labour policy agenda as collective/institutional exclusion of the labouring classes from policy making processes and their ‘disciplining by unmediated/individualized incorporation’. This section maps labour market policies realized in the post-2001 in more detail.

5.4.1 Individual Labour Regulations

Enactment of a new labour law was one of the most immediate actions of the AKP government when it came to power following the 2002 general elections. The law promulgated in 2003 superseded the former labour law that had been in force since 1971. The need for greater flexibility and harmonisation with the norms developed by the European Union and the ILO were listed among the justifications for making a new law in its preamble¹³⁴. It was also indicated that the rigid provisions of the previous law had not allowed employers and employees to benefit from flexible regulations during the economic crises, which had led to unlawful *de facto* practices. Aiming to diminish the labour costs of employers and ensure greater flexibility in the labour market, the 2003 Labour Law provided a legal ground to a variety of fixed-term contracts and the part time working scheme. These contracts were rendered particularly attractive for employers due to their exclusion from provisions such as unemployment insurance and severance pay (Demir and Erdem, 2010: 12). The new law also provided employment protection only to those who work in the establishments employing 30 and more employees, while according

¹³⁴ For the Preamble of the Labour Law (Law no: 4857) see <https://www.tbmm.gov.tr/sirasayi/donem22/yil01/ss73m.htm> (In Turkish, retrieved on 19.06.2015).

to the previous law the threshold was 10 and more employees (Taymaz and Özler, 2005: 245).

Re-regulation of the severance pay to the detriment of workers became one of the most controversial components of the labour reform agenda in the 2000s. Various attempts at establishing a Severance Pay Fund were made and withdrawn following reactions from trade unions and sometimes from employer organisations in cases when the expected cost reductions were not found satisfactory.¹³⁵ At the time of writing, amidst the state of emergency which has been in force since it was declared following the failed coup attempt of July 2016, replacing the current system with a severance pay fund remains a top priority for the government.

Another contentious component of the labour reform agenda in the post-2001 era has been the legalisation of temporary agency employment (TEA),¹³⁶ which would further widen the scope for subcontracted employment that has become prevalent during the AKP rule in both private and public sectors. In 2003 and 2009 trade unions managed to prevent two substantial attempts at permitting private employment agencies to perform hiring services

¹³⁵ The method of calculation has been at the heart of the controversy between the representatives of capital and labour in relation to severance pay. While trade unions have insisted on the maintenance of the provision according to which eligible employees are paid the amount corresponding to 30 days wage for each full year worked, the employer representatives have demanded a decrease from 30 to 15 days. In fact, the latter have not consistently pushed for the establishment of a fund. Rather their demand has been the repeal of severance pay or, if this would not be politically feasible in the short term, a decrease in the amount paid through the reduction of the number of workdays that provide the basis for the calculation (from 30 days to 15 days) (Çelik 2012; see also TÜSİAD 2009).

¹³⁶ The distinguishing character of temporary agency employment, or temporary help agency work as it is sometimes referred to, is the existence of three parties involved in the employment relation, one employee and two employers (Kalleberg 2000, pp. 346, 348). The agency as one of the employers professionally provides and hires out employees to other employers. Defined as such, TEAs are different from the intermediary organisations which have been operating in Turkey since the 1990s and which are called private employment agencies (PEAs). The main function of the latter is to serve as intermediary organisations between the employers seeking personnel and employees seeking job, i.e., to provide 'placement services' (Scherer 2006, p. 96). While placement services do not necessarily imply a particular form of employment, the temporary agency work refers to a particular employment relation.

on a professional basis. Although the transformation of private employment agencies from intermediary organisations into TEAs was not realised then, demands by business organisations, the legal ambiguity of their status as well as the operation of several firms as *de facto* temporary employment agencies continued¹³⁷ (Dereli et al., 2006: 25; Hendrickx and Sengers, 2006: 103).

AKP governments during the 2000s and the first half of the 2010s - up until the time of writing - have also engaged in a comprehensive hiring subsidy programme with an aim to boost employment through reducing non-wage labour costs of employers. This intensified markedly from the 2008 crisis onwards. Indeed, hiring subsidies for employers became the major labour market policy response to the global economic crisis and subsidies have extended in number and scope. A variety of these incentives were introduced which cover employers on the basis of the sectors and regions they operate in and the category of employees they hire. These incentives include an across the board reduction of 5 percentage points in employers' contributions to disability, old age and survivor funds which was realised through the promulgation of an Employment Package in 2008.¹³⁸ An important characteristic of the incentives was that despite initially being formulated as temporary, they were extended or replaced by their equivalents¹³⁹.

¹³⁷ Eventually, the relevant amendment was made in May 2016 and the *de facto* situation was repackaged with a legal justification.

¹³⁸ The first major and far-reaching revision of the 2003 Labour Law was realised by a set of legal amendments referred to as the '2008 Employment Package', which also made changes in other related laws such as the Unemployment Insurance Law and Social Insurance and Universal Health Insurance Law.

¹³⁹ Hiring subsidies were further expanded during the state of emergency, this time through an emergency decree declared on February 2017, according to which a social security premium support would be provided to employers to be covered by the Unemployment Insurance Fund, on the condition that they and the workers to be hired meet the specified requirements.

Furthermore, a wage subsidy (The Short-Time Working Allowance) that was legally introduced by the 2003 Labour Law and started to be implemented in 2006 became an important crisis management instrument by 2009 within the context of the global financial crisis. Short-time working schemes were widely used as a crisis measure during the global financial crisis in different parts of the globe with different terms and conditions (see Hijzen and Venn, 2011). In Turkey the 2003 Labour Law prescribed that firms which, as a result of a general economic crisis or *force majeure* and on a temporary basis, considerably shorten the weekly hours worked or partially or entirely suspend their activities can apply for the scheme; and the short term work allowances are paid to eligible workers from the Unemployment Insurance Fund for up to 3 months¹⁴⁰. By amendments made in 2009 and 2010 the maximum duration of the scheme was extended to up to 6 months for the applications between 2008 and 2010 and the allowance was increased by 50% [laws no: 5838, 5951]. Furthermore, in 2011, alongside a reformulation of the method of calculation that allowed for further increases in the amount paid, the scope of the scheme was widened as to include firms affected by sectoral and regional crisis in addition to general economic crisis and force majeure [law no: 6111] (see Caniklioğlu, 2011: 8). The Short-time Working Scheme constituted an important income transfer from state and employees to employers by ensuring the eligible employees to relinquish part of their wages and to get a reduced amount in the form of allowance paid by the state on behalf of employers.

As it was stated above, a variety of hiring subsidies were initiated throughout the post-2001 crisis period, implying a marked intensification within the context of and in the aftermath of the global financial crisis. Since this formed the backbone of the AKP's labour policy response after 2008, I deem it necessary to go over these regulations in a

¹⁴⁰ In 2008 [Law no: 5763] the related article was moved from Labour Law to the Unemployment Insurance Law. In order to be included in the scheme a worker should meet all the eligibility criteria for the unemployment insurance allowance except from the termination of the contract.

more detailed manner. As part of a comprehensive incentive programme including extensive tax rebates, a hiring subsidy in the form of reductions in employers' social security contributions was introduced for employers doing business in the specified provinces in 2004¹⁴¹. Originally designed as a temporary measure to be valid until 2008, it was extended in time and scope¹⁴². Ultimately this subsidy programme expired on 31.12.2012 and upon the demands of the representatives of capital, especially the organization representing the small and medium economic enterprises¹⁴³, a new law was promulgated in May 2013 which re-introduced the former provisions with some amendments (to be valid from 01.01.2013) [Law no: 6486]¹⁴⁴. Alongside the incentives provided according to the spatial criteria, from 2008 onwards hiring subsidies targeting specific sectors were also expanded. Short before the domestic impacts of the global

¹⁴¹ According to the 'Promotion of Investments and Employment Law', in the specified provinces 100% and 80% of the employers' social security contributions (as calculated over the lowest contribution base) to be paid by the firms respectively located in organized industrial zones and the others outside the zones would be assumed by the Treasury until the end of 2008 [Law no: 5084].

¹⁴² The subsidy period was extended to 31.12.2009 in 2009 [Law no: 5838] and then to 31.12.2012 in 2010 [Law no: 5951]. Furthermore, while the size of the firms that could benefit from the incentive had been determined as employing at least 30 workers in 2005 [Law no: 5350], in 2007 the scope of the incentive was widened as the eligibility criteria in relation to firm size was changed as firms employing at least 10 workers [Law no: 5615].

¹⁴³ For the speech of the head of The Union of Chambers and Commodity Exchanges of Turkey, in which he claims for the extension of the subsidy with reference to the demands of SMEs in this direction see <http://tobb.org.tr/Sayfalar/Eng/Detay.php?rid=1947&lst=MansetListesi> (retrieved on 10.07.2015)

¹⁴⁴ The law allowed firms employing 10 or more workers to benefit from a reduction of employer's social security contribution in changing ratios (as calculated over the lowest contribution base) and during different periods of time (up to 6 years and 6 percentage points specified differently in the Council of Ministers' Decree no: 2013/4966) according to the levels of development of the provinces they are located in. It was also provided that this subsidy can be combined with the other, across the board, reduction in employer social security contributions by 5 percentage points that, as it is mentioned below, was introduced by the 2008 Employment Package.

financial crisis became evident; in April 2008 a hiring subsidy was introduced encompassing the employees working in the research and development projects¹⁴⁵.

Another hiring subsidy targeting the large scale and strategic investments¹⁴⁶ was incorporated in a comprehensive investment incentive programme introduced in 2009 as a crisis measure (decree no: 2009/15199). The programme allowed for the compensation of the employers' social security contributions by the Treasury (as calculated over the lowest contribution base) for the firms granted an Investment Incentive Certificate which requires them to meet criteria such as minimum fixed investment amounts specified differently for different regions¹⁴⁷.

Several other hiring incentives were also designed according to the characteristics of employees hired. These included incentives provided to employers in the form of reductions in their social security contributions if they hire individuals with disability¹⁴⁸,

¹⁴⁵ According to the related regulation, 50% of the employer social security contributions would be paid during 5 years from the Ministry of Finance budget. [law no: 5746]

¹⁴⁶ Strategic investments were specified as investments that include the production of export-dependent products and that also meet some other criteria such as the minimum fixed investment amount of 50 million Turkish Liras.

¹⁴⁷ After minor amendments in 2011 (Council of Ministers' decree no: 2011/1597), this hiring subsidy was reformulated in 2012 (law no: 6322; details: Council of Ministers' decree no: 2012/3305) on the basis of a new cluster that classifies different provinces under six categories with reference to their degree of socio-economic development. Hiring subsidies were specified on the basis of this cluster, in varying amounts and for different periods of time according to the place, scale and content of the new investments.

¹⁴⁸ With the 2008 Employment Package, the obligation for firms employing more than 50 workers to employ ex-convicts and terror victims was abolished and the ratio of disabled workers that these firms are obliged to employ was determined as 3%. The Law prescribed that, the full amount corresponding to the share of employers' social security contributions would be assumed by the Treasury. According to the regulation if the employers who do not have this obligation or who employ additional disabled workers to the number they are obliged to, their share of social security contributions would be reduced by 50% and would be transferred by the Treasury to the Social Security Institution on their behalf. [law no: 5763] With an amendment made in 2014 the 50% reduction was increased to 100% to be assumed by the Treasury. [Law no: 6518] The compulsory employment quotas encompassing individuals with disability, ex-convicts and terror victims had long been criticised by the representatives of the capital (see Tunali, 2003: 88). With the 2008 amendments the scope of these quotas was restricted to include only individuals with disability.

young men between 18 and 29, women above 18, unemployment insurance holders and those who have been unemployed for a specified length of time before their recruitment. The 2008 Employment Package constituted a milestone in terms of these incentives targeting specific categories of employees, the provisions of which were further expanded in the coming years. Alongside allowing for non-wage cost reductions for the newly recruited young and woman employees¹⁴⁹, the 2008 Employment Package also included an overall reduction by 5 percentage points in employers' contributions to disability, old age and death funds (from 19.5% to 14.5% of gross wages), to be assumed by the Treasury [Law no: 5763]¹⁵⁰.

Another set of incentives targeting the unemployed was introduced in 2009 as a crisis measure. They included a hiring subsidy for employers who recruit unemployment insurance holders (from 01.10.2009 onwards) in addition to their existing workforce¹⁵¹. Furthermore, the same law prescribed that the employers' social security contributions (as calculated over the lowest contribution base) for employees who were unemployed for at least three months prior to their recruitment in addition to the existing workforce would

¹⁴⁹ This subsidy was provided to employers on condition that they recruit young (aged between 18 and 29) and women (above 18 without an upper age limit) employees in addition to their workforce within the year following the promulgation of the law [Law no: 5763]. Employees were required to be among those who have not worked in a registered manner within the last 6 months. According to the regulation employer social security contributions for these workers (as calculated over the lowest contribution base) would be compensated by the Unemployment Insurance Fund in a gradually decreasing ratio during 5 years. The recruitment period was changed as 2 years in 2009 (Law no: 5838) and thereby the recruitment deadline was extended to June 2010, meaning that employers could only benefit from the subsidy in relation to the eligible workers hired before that date.

¹⁵⁰ Until 2011 employers benefiting from the latter had been disallowed to combine it with other subsidies that included social security contribution reductions. A regulation in 2011 let eligible employers to benefit from the above mentioned 5 percentage points reduction alongside another employment subsidy [Law no 6111].

¹⁵¹ According to the related regulation, a large part of the social security contributions to be paid for the workers, those who meet the criteria, would be undertaken by the Unemployment Insurance Fund for the period which the worker was entitled to receive payment before being employed. [Law no: 5921].

be paid by the Unemployment Insurance Fund for 6 months (the period can be extended by a further 6 months)¹⁵².

In 2011 hiring subsidies targeting the unemployed were further extended in scope and duration. Both the expired subsidies were re-formulated and the new ones were introduced. This policy initiative also implied an orientation of incorporating the informally employed segments of the labour force and those who engage in vocational training in the hiring subsidy programme. Eligible employers for the new subsidy were determined as those who recruit workers – that have not been registered to the social security institution at least during the six months prior to their recruitment- in addition to their existing workforce from the date of promulgation of the law up until 31.12.2015. According to the regulation, the full amount of employers' social security contributions would be undertaken by the Unemployment Insurance Fund during changing periods of time for different categories of workers. The duration of the subsidy was specified differently according to age and sex categories that workers belong to, their vocational training status and whether or not they are registered to the Turkish Employment Agency as unemployed. Longer subsidy periods were determined for the newly recruited women, young people, vocationally trained (on the condition that they are employed in the same field as they are trained) and registered unemployed [law no: 6111]. Furthermore, with the same law, the late payment penalties and interest charges for employers' social security liabilities that had remained unpaid until the specified date were remitted [law no 6111].

In short, the two most important components of the state involvement in individual labour relations during the post-crisis period can be identified as the enhancement of external

¹⁵² While initially this subsidy had been envisaged to encompass new workers recruited until 31.12.2009 (which can be extended to 30.06.2010 by the Council of Ministers), in 2010 this date was extended by one year (and the council of ministers was entitled to further extend the recruitment deadline until 30.06.2011) [Law no: 5951].

flexibilisation in (formal) employment relations and the reduction of non-wage labour costs of employers - not exclusively but mainly - through hiring subsidies. This was also combined with a social security reform realized in 2006, through which the contribution periods were extended and the minimum entitlement ages were increased for men and women¹⁵³. Overall, the policy orientation has implied an effort to make the terms of formal employment contracts resemble informal employment conditions as much as possible. As important steps were taken along these lines in the 2000s, the government also engaged in a half-hearted battle against informality towards the end of the decade, which has brought about only a limited success

5.4.2 Collective Labour Regulations

In a labour market characterised by high rates of unemployment and informal employment, and low levels of labour force participation; and a political environment, which can be described as at best restrictive in terms of workers' collective existence and strength, trade union movement (except from its directly government-affiliated components) have been pushed towards and remained mainly in a defensive position. Their impact in shaping policies that concerned the labouring classes has remained limited. Deterioration in collective and individual labour relations have fed each other. On the one hand, dramatic changes in individual labour relations to the detriment of labouring classes have significantly undermined workers' organisational strength. On the other hand, individual labour policy agendas became easier to be kept out of public deliberation and collective/organisational involvement.

The post-2001 era in Turkey witnessed a considerable decrease in union density, thus an overall deterioration in terms of collective labour relations on the part of the labour. The

¹⁵³ Three insurance funds until then covering private and public sector workers, civil servants and the self-employed workers, were combined under a single institution (Social Security Institution) in 2006.

unionization rate declined from around 20% in the 1980s to 5.4% in 2011 (Çelik, 2015: 628-629). Having said this, it is important to note that a qualitative transformation in terms of trade union membership composition occurred, which is hard to grasp by only looking at the overall unionization trends. To put it briefly, while unionization in the private sector dramatically declined compared to the previous decades¹⁵⁴, trade union membership among public employees increased significantly, mainly because of the new members of the MEMUR-SEN (The Confederation of Civil Servants' Trade Unions), which developed a symbiotic relationship with the governing party (Çelik, 2015: 632-633). Remaining union confederations lost ground either because of harsh government pressure or the inability to compete with the government sponsored unions.

The main legal framework regulating the collective labour relations during the post-2001 era - until its replacement in 2012 - was based on two laws promulgated in 1983 by the military regime, which, as mentioned above, included various clauses restricting the collective capacity of workers to shape and influence labour-related measures and policies. Some changes in the legal framework regulating collective labour relations were made through a constitutional amendment in 2010 (Law no: 5982) and a new law enacted in 2012 (Law no: 6356). Although some minor improvements were made, such as the reinstatement of civil servants' right to collective bargaining in 2010 (with serious restrictions, including the maintenance of the ban on the right to strike) and the simplification of some bureaucratic procedures required for union membership in the law

¹⁵⁴ The unionization data released by the Ministry of Employment and Social Security in July 2017 shows that the number of workers unionized in the private sector increased by about 622 thousand from January 2013 to July 2017. According to DİSK-AR (2017), the main reasons for the increase were (1) the simplification of the bureaucratic procedures required for union membership in 2012 through the introduction of electronic application and (2) the regulation facilitating the collective agreements covering workers in the subcontractor firms in 2014. The official data indicate that the rate of unionization increased to 12% by 2017. Having said this, the actual rate stood at 10.3% when informal workers (about 2.2 million) are included in the calculation (DİSK-AR, 2017). Furthermore, the pro-government HAK-IS [The Confederation of Turkish Real Trade Unions] took the lion's share of the increase (DİSK-AR, 2017).

enacted in 2012 (see Dereli, 2013), the new framework was far from signifying a more 'democratic' approach to collective labour relations. In fact, through the new labour law, further limits to collective bargaining were put in place. While the long-criticised representation thresholds for trade unions to make collective agreements were decreased from 10% to 3% by sector and from 50% to 40% by enterprise, receiving authorisation for collective bargaining was made more difficult for trade unions. Two important reasons underpin this (see Dinler, 2012: 7; Uçkan, 2013: 573). First, there were many trade unions that had the authorisation of collective bargaining in the sector they were organised in, even though they no longer met the membership threshold requirements. Second, the new law redefined the sectors that constitute the fields of trade unions and reduced their number from 28 to 20. This has changed the reference for the calculation of the sectoral threshold to the detriment of several trade unions as it actually increased the number of members they are required to have in order to receive authorisation for collective bargaining. Former restrictions on the right to strike (and lockout) for specific activities and trades such as water, electricity, gas, banking and educational services were also preserved in the new law. It maintained the regulation that allows the Council of Ministers to suspend strikes and lockouts for reasons of national security and public health¹⁵⁵.

5.4.3 Compensatory Labour Policies

Compensatory state involvement in labour relations also gained momentum in Turkey in the post-2001 crisis period. A programme called 'Social Risk Mitigation Project' (SRMP) was introduced immediately after the crisis as a crisis management instrument. It was

¹⁵⁵ The scope of strike deferrals, which *de facto* correspond to strike bans in Turkey, was widened during the State of Emergency that had been declared in July 2016. Despite the fact that the Constitutional Court had repealed the legal regulation regarding bans on strikes in sectors of transportation and banking in 2014, the Council of Ministers utilised decree no. 678 to rule that 'maintaining economic and financial stability' was a sufficient reason to suspend strikes.

based on a loan agreement signed between the government and the World Bank in September 2001 and financially supported and monitored by the latter. The project was planned to be terminated in December 2005 and after the extensions it ended in March 2008 (Zabcı, 2006: 11). Its main objectives were put as “to mitigate the impact of the February 2001 economic crisis on poor households (social risk mitigation) and to improve their capacity to cope with similar risks in the future (social risk management)” (World Bank, 2008: 2). Rapid assistance to the poorest segment of the population, Conditional Cash Transfers (CCT), employability training programs, temporary community employment programs and small loans for income generating activities were determined as its major components (World Bank, 2008). Different from the *Jefes y Jefas* Programme in Argentina, which was also introduced as a crisis measure, SRMP did not involve a work requirement. Its most prominent constituent was the CCT programme that targeted the poorest 6% of the population and transferred cash benefits to households with children and pregnant women provided that they meet the specified basic health, nutrition and/or education related requirements (see Aytaç, 2014: 1217-1218). After the pilot phase, the nationwide implementation of the CCT programme within the scope of the Project started in 2004 and the number of children included continuously increased over the years (Aytaç, 2014: 1218). Although a considerable part of (40%) the financial resources of the Social Assistance and Solidarity Promotion Fund that was rendered responsible for the implementation of the project was transferred to the general budget in 2001 in order to contribute to the public deficit finance (Şenses and Koyuncu , 2007: 215), the Fund¹⁵⁶ and the CCTs became important tools of compensatory state involvement in the coming years. As of 2014 the number of households getting social assistance (including the CCTs, other regular transfers and temporary benefits) was around 3 million (Ministry of Family and Social Policies, 2014: 75).

¹⁵⁶ The Social Assistance and Solidarity Promotion Fund was transformed into a General Directorate under the Prime Ministry in 2004. In 2011 after the establishment of the “Ministry of Family and Social Policies” the General Directorate of Social Assistance and Solidarity was transferred to the new ministry under the name of “General Directorate of Social Assistance”.

As it was indicated above, the privatization of state economic enterprises gained momentum in the aftermath of the crisis, throughout the 2000s. Compared to the one carried out in the 1990s through a World Bank loan, a more comprehensive ‘redundancy management project’ was implemented throughout the 2000s, again with the financial support from the Bank. The Privatization Social Support Project (PSSP) initiated for the period between 2000 and 2005 was extended by a new loan approved in 2005. The Project was completed in 2009. The original objective of the programme is stated in the Implementation Completion Report of the first PSSP as follows (World Bank, 2006: 2):

[T]he possibility of social unrest in backlash to the economic reform program is one of the greatest risks to the reform, and that the PSSP project would be expected to help support the overall privatization and economic reform program and minimize that risk by mitigating adverse effects on the population directly or indirectly affected by the privatization of SOEs.

The major components of the two PSSPs were ‘job loss compensation’, which included the financing of severance and related payments to workers displaced due to privatization, and ‘Labour Redeployment Services’, which corresponded to the services designed to assist their rapid re-entering to the labour market (World Bank, 2006: 3-4). The latter encompassed ALMPs such as job counselling, on-the-job training, institutional training and small business start-up counselling (World Bank, 2006: 7)¹⁵⁷.

The Global Financial Crisis constituted a turning point for a more ambitious initiation of active labour market policies. As indicated above (in Section 5.4.2.), hiring subsidies became a major policy instrument from the 2008-2009 global financial crisis onwards. In that respect, subsidies constituted both a direct state involvement in the individual labour

¹⁵⁷ According to the World Bank Data, approximately 18.000 and 31.000 workers were provided respectively ‘job loss compensation’ and ‘labour deployment services’ during the first term of the PSSP (World Bank, 2006: 6-7).

relations through reducing and assuming part of the labour costs, and a compensatory state involvement as they have been introduced as a tool to increase the employability of the unemployed. In addition to hiring subsidies, a variety of other ALMP schemes have been introduced. Initiatives in this direction intensified by 2009, when new vocational training and internship schemes were introduced as a response to soaring unemployment within the context of the crisis, alongside a temporary public employment programme that created temporary public jobs in fields such as school and hospital renovations and public park refurbishments (see Yeldan, 2009: 5-6). As in many other parts of the globe, the ALMPs have been proposed as remedies for informal employment and labour market segmentation in Turkey together with the policies aiming at non-wage labour cost reductions (cf. Bozkurt and Yalman, 2011: 10).

Another compensatory state involvement was the establishment of an unemployment insurance (UI) system. The UI scheme was introduced at a later time than many other ‘emerging market economies’ in Turkey. The law regulating the terms and conditions of the scheme, The Unemployment Insurance Law, was enacted in 1999 and came into effect in 2002¹⁵⁸. The scheme has been funded through the Unemployment Insurance Fund the fundamental source of revenue of which is the premiums paid by employers, employees and the state. After its promulgation, the UI scheme has undergone important changes as the Fund has been assigned some other roles alongside its primary function. By an amendment included in the 2008 Employment Package a considerable amount of Fund’s revenues (30% of its previous year premium revenues in a manner that can be increased to 50%) was allowed to be used for job placement and counselling services, vocational

¹⁵⁸ A ‘Wage Guarantee Fund’ was introduced by the 2003 Labour Law. The Fund was established as part of the Unemployment Insurance Fund with aim to compensate three months wage receivables of the eligible workers on behalf of the employers who are in payment difficulty due to specific situations like bankruptcy. The Fund is composed of the 1% of the total annual amount paid by employers as unemployment insurance premiums. In 2008 [Law no: 5763] the related article was moved from Labour Law to the Unemployment Insurance Law.

training, public work programmes and labour market research and planning activities. While the 2008 amendment determined the target groups for these services as the beneficiaries of the UI scheme and the unemployed who are registered to the Turkish Employment Agency, with an amendment realized in 2011 these services were redefined and their target was extended as unemployment in general. As such, the above stated part of the Fund's resources was allowed to be expended for services, among others, aiming to improve the employability of the workforce, to enhance skills of the employed for diminishing the risk of unemployment and to orient workers, to different sectors, who are under the risk of being unemployed due to technological changes. Furthermore, with amendments realized in 2008 and 2009, to be valid until 2012, the Fund's interest revenues were allowed to be expended at varying rates for investments within the scope of the Southeast Anatolian Project and other infrastructural investments [law no: 5763, 5921]. As it was indicated above several hiring subsidies introduced to diminish non-wage labour costs of employers have also been covered from the Fund's resources. Accordingly, the functions of the Fund has been widened to encompass several others tasks alongside the provision of unemployment insurance allowance to the unemployed.

In fact, the latter has remained rather limited as the eligibility criteria has been very restrictive, which requires a potential beneficiary to work continuously for at least 120 days and to pay premiums for at least a total of 600 days within 3 years prior to the termination of the contract. By the 2008 Employment Package the amount of unemployment insurance benefit was increased by 40% without any changes in the eligibility criteria. In 2011 [Law no: 6111] the scope of the scheme was extended as to include new categories of workers and to facilitate –despite being practically unfeasible because of the eligibility criteria- the inclusion of part-time workers (see Caniklioğlu, 2011: 2-3).

5.5 Concluding Remarks

This chapter has provided a documentation of labour regulations in Argentina and Turkey in both the pre-crisis era and the post-2001 period. Differences in two labour reform trajectories can be better understood if historical trajectories and the post-crisis development paths are taken into account. I discussed the former in Chapter III and underlined that collective experiences of the labouring classes and their organizational capacity had differential impacts upon the policy formation and the pace of labour market reforms in the post-2001 era. The latter aspect was expanded upon in Chapter IV through the examination of post-crisis development strategies, ways of integration into the world economy as well as means predominantly relied upon for incorporating different segments of the labouring classes and managing social and political discontent. Both countries adjusted to the internationally acclaimed labour reform agenda in a variegated manner.

A closer look at the post-2001 labour policies in Argentina and Turkey reveals that diminishing employers' share in labour power reproduction held a more significant place in Turkey. Accordingly, subsidies provided to employers aiming at reducing their non-wage labour costs and also policies targeting more external flexibility in the labour market were expanded considerably both compared to the pre-crisis period and the Argentine case. In Argentina, alongside the widening of the scope of employment subsidies, policy makers repealed an important part of the measures targeting the flexibilization of the employment contracts. Moderation of wage disputes and keeping wage increases under control became more prominent than wage subsidies within the policy framework. Although informality in the labour market diminished to a certain extent in both, the decline revealed different features in each country. In Turkey, unlike the Argentine case, this was achieved mainly through a transformation in which formal employment relations resembled more and more to informal employment patterns.

While in both cases compensatory state involvement in the management of poverty and unemployment was limited in the pre-crisis period, governments gave much weight to active labour market policies targeting unemployment and cash transfers addressing poverty after 2001. Yet, dynamics underlying the expansions in compensatory state involvement implied important differences. Although in both countries, the 2001 crises were accompanied by political crises, in Argentina it took the form of a crisis of the model of growth pursued in the 1990s. Social protests and the rise of the movement of unemployed rendered extensive policies directed towards these segments of the population as inevitable on the part of the policy makers. In Turkey, instead, the social discontent against the deteriorating living and working conditions of the peripheral segments of the labouring classes channelled mainly through the incumbent punishment in the parliamentary politics. This led to a consistently wider coverage of the related programmes in Argentina relative to Turkey.

In terms of collective labour relations and regulations targeting them, the two trajectories have also shown an important divergence. Although in both, the political fragmentation in the trade union composition have increased, the impacts of trade union confederations in the policy making processes have notably intensified in the post-crisis period in Argentina. Accordingly, collective bargaining and tripartite social dialogue have been revitalized, clauses leading to the decentralization of collective bargaining were reversed and institutions and policy mechanisms like *Ultraactividad* and *obras sociales* have been preserved. In Turkey, the restrictive legal framework in the field of collective labour relations which was shaped in the early 1980s within the context of the military dictatorship have been mostly preserved in the post-2001 period.

CHAPTER VI

CONCLUSION

The main motivation behind this thesis was to understand and explain the differential post-2001 political economic restructurings in Turkey and Argentina with a focus on their labour policy components. More specifically I have sought to address how different forms of state involvement in labour relations were shaped through historical legacies and gains and concessions of different classes during the post-2001 era, and how they contributed to the deepening of neoliberalism with increasingly authoritarian characteristics in Turkey and the formation of a neo-developmental orientation in Argentina. In both cases, neoliberal policies were introduced under the guidance of and political shield provided by military dictatorships. Following roughly two decades long neoliberal restructuring of state-capital-labour relations that proceeded differently in spurts and halts, both Argentina and Turkey witnessed in 2001 the severest economic crises in their recent histories. I have maintained in this study that changes and continuities in labour policies in these two countries in the post-2001 era provide important clues for understanding better the neoliberal project's capacity to renew itself and its limits in terms of its labour reform agenda. These two experiences signify that collective empowerment of labouring classes and their autonomous involvement in policy making processes are of utmost importance for progressive and sustainable pathways away from neoliberalism.

In this thesis, I have attempted to provide an analysis of labour policies by refraining from the major pitfalls of two strands of research that came to shape substantially labour studies from the 1980s onwards. One of the major challenges of the thesis is to provide an analysis of labour policy agendas in a manner as to incorporate highly complex dynamics and to develop a comparative historical analysis, avoiding institutional determinism at the same time. It has also been a challenge to portray the state's involvement in labour markets in

clear terms since regulations in a particular field impact drastically upon the labour relations and mechanisms, which are internally related to the developments within other fields but had to be analytically demarcated for the sake of social scientific inquiry.

I have provided a critical overview of major approaches to labour markets and labour relations in Chapter II. I have maintained that roughly since the 1980s the issue of state involvement in labour relations and labour markets has tended to be handled either within a constraint-enabler dichotomy (by neoclassical and new institutional economics perspectives) or the protective involvement of the state has been focused upon in isolation or external to labour relations and labour markets (welfare regimes and historical institutionalist perspectives). The latter has identified this involvement in terms of state-individual (worker/citizen) relations. I have instead argued that labour policies should be taken in a broad manner and by taking into account various roles it plays in the commodification and reproduction of labour power, the disciplining of the labour force and the compensation of the labour-related costs in both individual and social terms. I have also underlined and tried to show (via examining the Argentine and Turkish cases) that these channels of involvement in labour relations and the operation of labour markets are shaped through struggles, conflicts, conciliations and concessions among different classes, and they therefore should be treated in relational terms. Critical labour studies provide better rooms for such a conception of labour policies. There is of course no ready-made formula to be applied to analyse concrete policy making processes in relational manners. Contributors within this alternative strand however, have provided important concepts that can be used in pursuing such research, focusing on the dynamic configuration of the individual and social reproduction of labour, the state's involvement in both as well as the roles assumed by the organizations of labour and capital.

The relative strength of labour as a collective actor in pushing for greater involvement of state and capital in undertaking the costs of reproduction of labour power may result in an increase of welfare provisions, some of which assume non-commodified forms. In

contrast to analysis in the welfare states literature and historical institutionalism, I have opposed the idea that social policies and/or protective involvement of the state in labour markets amount to de-commodification of labour. Instead I have emphasized that these welfare provisions are compensatory involvements of the state in labour markets. Hence, I have employed a threefold analytical distinction to discuss various features of labour policies and labour market regulations. These three interrelated policy categories in labour-capital-state relations are: (1) policies regulating individual labour relations (2) policies regulating collective labour relations and (3) Social (C)ompensatory labour policies targeting poverty and unemployment.

With regards to the state involvement in labour relations, the main thrust of the neoliberal project has been the externalization of labour-related costs by the capital and transfer of the costs and burdens associated with the reproduction of labour power to working class households. Rather than being a search for a state retrenchment, this has meant the assignment of renewed roles to the state. The implementation of this core policy pushing for the convergence of various trajectories, still, revealed an uneven character across different countries and regions. One of the major reasons of variegation in neoliberalism, yielding hybrid institutional forms and mechanisms for the incorporation of labour has been the differential formation of labour markets and the impact of historical legacies. Chapter III has traced the different ways in which labour markets and labour relations were historically formed in Argentina and Turkey. I have mainly argued that differences in the patterns of commodification of labour power and the courses of struggles, defeats, and concessions surrounding the labour relations in 20th century have impacted differently upon the configuration of the channels of state involvement in these fields in the post-2001 era.

To put in brief terms, the formation of labour markets displayed important differences in Argentina and Turkey. The extensive use of wage labour in both agriculture and non-agricultural production roughly from the mid-19th century onwards was accompanied by

the formation of a considerably large labour market earlier in Argentina than the Ottoman/Turkish case. Parallel to the extensive use of wage labour leading to the formation of a relatively large labour market in Argentina labour emerged as a combative collective actor, influenced by the anarchist and socialist traditions conveyed through the labour migration. Early 20th century was marked by rounds of state repression in the face of strike waves, deportation of dissidents and revival of labour mobilization. As such, the accumulation of collective experience on the part of the labour was more robust and less interrupted than the Ottoman/Turkish case. In the latter, wars and population movements in the early 20th century led to a considerable contraction in the –already limited- use of wage labour in urban areas. This also constituted a major blow to the nascent labour organizations and workers’ collective action experience.

In the aftermath of the Great Depression while rural labour force joined the urban proletariat with the wave of internal migration, expansion of industrial capital accumulation supported policies which targeted the incorporation of the considerably large and combative labour force in Argentina. From the mid-1940s onwards the state and a highly state dependent trade union structure assumed increasingly important roles in labour power reproduction in the lack of alternative or complementary means of subsistence for the majority of the labouring classes (unlike the case in Turkey, where the agricultural structure protracted the formation of an integrated labour market). In Turkey, large scale internal migration manifested itself starting from the 1950s, and despite the first stirrings, severe restrictions and tight controls imposed upon labour organizations remained effective until the 1960s.

Peronism in Argentina, while suppressing alternative organizations, provided further capacity to trade unions through recognition of labour movement as a key actor in the political scene. Labour movement, despite setbacks during military rule of 1976-1983, was successful in keeping its strength thanks to the low levels of unemployment and grassroots activism which contributed to the maintenance of the power of labour

movement in the 1980s. The 1990s was the decade of radical neoliberalisation under the Convertibility Plan, during which a substantial concentration and centralization of capital occurred. Labouring classes suffered from radical transformations in the labour markets as well as large scale privatizations and policies targeting the enhancement of external and wage flexibility via labour cost reductions. The opposition to prolonged austerity that rose in the late 1990s involved both the trade union movement and the organizations of the unemployed and their concerted action turned the crisis into a *crisis of neoliberalism* in 2001. Different from the Argentine experience, an independent labour movement rose to prominence in Turkey by the 1960s, benefiting from the 1961 constitution and the post-1960 political landscape. Although it rapidly became an important actor in the political scene, this was accompanied by only limited institutional incorporation in the policy making. The labour movement could not recover rapidly when faced with the military coup in 1980. It revived towards the end of the decade as a response to the highly deteriorated living conditions led by the wage contraction policies being carried out since the early 1980s. During the 1990s, the neoliberal project decelerated thanks to the ‘politicisation’ of both austerity measures and the anti-democratic political landscape. Yet, the translation of the mentioned revival into collective institutional involvement in the policy making processes remained limited. This differential historical structuring of labour markets and labour relations had important impacts upon the post-2001 experiences.

Neoliberal experiences in both countries were marked by first the coercive impositions of ‘structural reforms’ targeting the abandonment of ISI strategy together with the affiliated institutional configuration and then huge economic instability with devastating social and political effects. Yet, the post-2001 crisis experiences of these countries differed markedly. Chapter IV has elaborated the differences in this period with a specific emphasis on the mechanisms for labour incorporation and states’ involvement in labour markets and labour relations. Neoliberal restoration fell off the political agenda in Argentina as a result of massive social uprising and was renounced for the sake of

restoring capitalist accumulation. This restoration had a developmentalist emphasis and included some important concessions by the capital in its struggle against the labour. In contrast, Turkey witnessed the retrenchment of neoliberal framework, which implied that the 2001 crisis took the form of a *crisis in neoliberalism*.

Export-oriented growth strategies embarked on in both Turkey and Argentina were framed on the basis of the goal of increasing ‘national economic competitiveness’ through the expansion of technology intensive, high value-added production. Yet in both, substantial increases in exports were not rooted in transformations along this aspiration. In Argentina what different observers call as neo-extractivism and re-primarization predominated the economic model, as it was mainly the expansion of primary commodity-based exports that accounted for the post-crisis export boom. In Turkey, a shift in terms of export composition occurred as the medium technology sectors like machinery, motor vehicles and basic metals started to take precedence over sectors like textile and garment in total exports. Yet, the dependency of production on imports increased and led to high current account deficits and considerable rises in private sector foreign debt.

Despite the differences in development strategies, in both Argentina and Turkey new mechanisms of labour incorporation became important components of the post-crisis recovery of growth. Yet these revealed very different characteristics. Promoting domestic consumption was an important component of the post-crisis recovery in both countries. Yet, while in Argentina real wage and social expenditure increases were the main triggers of domestic demand expansion; in Turkey given the real wage stagnation, increases in social expenditure, household debt and the overvalued currency allowing for cheaper imports accounted to a great extent for the increasing domestic consumption.

In Argentina the forms of labour involvement in the class coalition backing the export-oriented growth were taken as institutionalized forms in terms of both the traditionally organized sections of the labouring classes, and the informal workers and the unemployed.

While trade unionism and collective bargaining were revitalized in a manner as to keep real wage increases and the expansion of other work-related entitlements under control; various social programmes targeting the informal workers and the unemployed were introduced, including cash transfers and public work programmes. Consolidation of institutional channels of involvement had important disciplinary effects on the part of the labour movement in general. But this implied mainly disciplining by incorporation. The fresh legacy of the social uprising peaked during the crisis in a sense compelled different fractions of capital to give more concessions to labour in the aftermath of the crisis compared to the pre-crisis, neoliberal period. In Turkey, it was rather the expansion of the inherited authoritarian repertoire which defined the ways of labour incorporation. Institutional impact of labour upon the policy making processes remained quite limited in Turkey. The neoliberal policy agenda in the post-2001 period was rather characterized by the collective/institutional exclusion of labouring classes from policy making processes and their ‘disciplining by unmediated/individualized incorporation’ (as consumers, debtors, social assistance recipients, and the like) into AKP’s political project.

Chapter V documented the labour market regulations in the post-2001 period in both countries. Through various measures, policy makers in Turkey pushed for greater external flexibilization and the reduction of non-wage labour costs of employers. Keeping the restrictive legal framework in terms of collective organization, Turkish authorities at the same time resorted to poverty mitigation strategies and social assistance schemes in line with the internationally acclaimed policies. Despite the similarities in Argentina in terms of the importance attached to active labour market policies and cash transfers, the flexibilization of labour force was much more limited and the capacity of labour organizations in forging the labour regulations was much notable.

Capital, in the neoliberal era, sought reducing labour’s collective capacities, attempted to further flexibilise labour markets and tried to reduce its labour-related costs by appealing to the desire for economic competitiveness. Still, the capital’s neoliberal programme for

labour was not a self-fulfilling prophecy and organizational capacity of labour may put a halt or protract or reverse neoliberal restructuring. As attested by the further slide towards an exceptional form of regime in Turkey and renewed attempts for neoliberalisation in Argentina in the post-Kirchner period, these countries remain, yet again, on the verge of dramatic transformations. These two experiences highlight in distinctive manners the importance of autonomous collective/democratic empowerment for a progressive and sustainable transition *from* neoliberalism.

REFERENCES

Ackerman, M. E. (2001), "Labour Reform in Argentina: A Double Course of Action Change", *The International Journal of Comparative Labour Law and Industrial Relations*, 17(1): 47-61.

Addison J. T. and P. Teixeira (2001) "The Economics of Employment Protection", IZA Discussion Paper Series, No.381.

Adelman, J. (1994), "Post-populist Argentina", *New Left Review*, 203: 65-91.

Adelman J. (1992a), "The Political Economy of Labour in Argentina: 1870-1930", in J. Adelman (ed.), *Essays in Argentine Labour History: 1870-1930*, London: Palgrave Macmillan, pp. 1- 34.

Adelman J. (1992b), "The Harvest Hand: Wage Labouring on the Pampas, 1880-1914", in J. Adelman (ed.), *Essays in Argentine Labour History: 1870-1930*, London: Palgrave Macmillan, pp. 91- 111.

Adesina, J. O. (2011), "Beyond the Social Protection Paradigm: Social Policy in Africa's Development", *Canadian Journal of Development Studies*, 32(4): 454-470.

Ağaoğulları, M. A. (1987), "The Ultrationalist Right", in I.C.Schick and E.A. Tonak (eds.), *Turkey in Transition: New Perspectives*, New York-Oxford: Oxford University Press, pp. 177-217.

Agell, J. (1999) "On the Benefits from Rigid Labour Markets: Norms, Market Failures, and Social Insurance", *The Economic Journal*, 109: 143-164.

Akça, İ. (2014), "Hegemonic Projects in Post-1980 Turkey and the Changing Forms of Authoritarianism", in İ. Akça, A. Bekmen and B.A. Özden (eds.), *Turkey Reframed: Constituting Neoliberal Hegemony*, London: Pluto Press, pp. 13-46.

Akçay, Ü. and A.R. Güngen (2016), *Finansallaşma, Borç Krizi ve Çöküş: Küresel Kapitalizmin Geleceği*, Second Edition, Ankara: Nota Bene.

Akgündüz, A. (1993), "Labour Migration from Turkey to Western Europe (1960-1974): An Analytical Review", *Capital and Class*, 17(3): 153-194.

Akkaya, Y. (2000), "Türkiye'de 1980 Sonrası Emek-Sermaye Arasındaki Bölüşüm Mücadelesinde Grevlerin Yeri", *Toplum ve Bilim*, 86: 211-240.

Akkaya, Y. (2002), "Türkiye'de İşçi Sınıfı ve Sendikacılık –I", *Praksis*, 5: 131-176.

Akyüz Y. and K. Boratav (2002), "The Making of Turkish Financial Crisis", United Nations Conference on Trade and Development, Discussion Paper, no. 158. Available at: http://unctad.org/en/Docs/dp_158.en.pdf

Alexiou C. and P. Tsaliki (2009) "Unemployment Revisited: Empirical Evidence from 20 OECD Countries", *Contributions to Political Economy*, (28), pp. 23-34.

Amable, B. (2003), *The Diversity of Modern Capitalism*, Oxford: Oxford University Press.

Arıkboğa, A. (2013), "Impacts of the Crises on Fiscal Policies in Turkey: A Comparison between 2001 Crisis and 2007-2009 Global Crisis", *Atilim Sosyal Bilimler Dergisi*, 3(1-2): 63-78.

Arın, T. (2002), "The Poverty of Social Security: The Welfare Regime in Turkey", in N. Balkan and S. Savran (eds.), *The Ravages of Neo-Liberalism: Economy, Society and Gender in Turkey*, New York: Nova Science, pp. 73-91.

Arnold C. E. (2012), "In the Service of Industrialization: Etatism, Social Services and Construction of Industrial Labour Forces in Turkey, 1930-50", *Middle Eastern Studies*, 48(3): 363-385.

Arts, W. ve J. Gelissen (2002) “Three Worlds of Welfare Capitalism or More? A State-of-Art Report”, *Journal of European Social Policy*, 12 (2): 137-158.

Aspinwall M. D. and G. Schneider (2000), “Same menu, separate tables: The institutionalist turn in political science and the study of European integration”, *European Journal of Political Research*, vol. 38, pp. 1-36.

Atkinson J. (1984) “Manpower Strategies for Flexible Firms”, *Personnel Management*, 16 (8), pp. 28-31.

Atzeni, M. and P. Ghigliani (2011), “Pragmatism, Ideology or Politics? Unions’ and Workers’ Responses to the Imposition of Neo-liberalism in Argentina”, in G. Gall et. al. (eds.), *The International Handbook of Labour Unions: Responses to Neoliberalism*, Cheltenham, UK: Edward Elgar Publishing, pp. 44-61.

Auer P. and N. Popova (2003), “Labour Market Policy for Restructuring in Turkey: The Need for More Active Policies”, Employment Paper 2003/51, International Labour Office: Geneva.

Ayers A. J. and A. Saad-Filho (2015), “Democracy against Neoliberalism: Paradoxes, Limitations, Transcendence”, *Critical Sociology*, 41(4-5): 597-618.

Aytaç, S. E. (2014), “Distributive Politics in a Multiparty System: The Conditional Cash Transfer Program in Turkey”, *Comparative Political Studies*, 47(9): 1211-1237.

Balassa, B. (1982), “Structural Adjustment Policies in Developing Economies”, *World Development*, 10(1): 23-38.

Balkan, N., E. Balkan and A. Öncü (2015), “Introduction”, in N. Balkan, E. Balkan and A. Öncü (eds.), *The Neoliberal Landscape and the Rise of Islamist Capital in Turkey*, New York, Oxford: Berghahn Books, pp. 1-12.

Ban, C. (2012), “Brazil’s Liberal Neo-developmentalism: New paradigm or Edited Orthodoxy?”, *Review of International Political Economy*, iFirst: 1-34.

Banaji, J. (2003), “The Fictions of Free Labour: Contract, Coercion, and So-called Unfree Labour”, *Historical Materialism*, 11(3): 69-95.

Barbeito, A. C. and L. Goldberg (2007), “Social Policy and Economic Regime in Argentina: Crisis and Retrenchment of Social Protection”, in M. Riesco (ed.), *Latin America: A New Developmental Welfare State in the Making?*, New York: Palgrave Macmillan, pp. 187- 216.

Barrientos, A. (2004), “Latin America: Towards a liberal-informal welfare regime”, in I. Gough, G. Wood and A. Barrientos (eds.), *Insecurity and Welfare Regimes in Asia, Africa, and Latin America: Social Policy in Development Contexts*, Cambridge: Cambridge University Press, pp. 121-168.

Barrow, C. W. (1993), *Critical Theories of the State: Marxist, Neo-Marxist, Post-Marxist*, Wisconsin: The University of Wisconsin.

Bassanini A. and E. Ernst (2002), “Labour Market Regulation, Industrial Relations and Technological Regimes: A Tale of Comparative Advantage”, *Industrial and Corporate Change*, 11(3): 391-426.

Bastagli, F. (2014), “Responding to a Crisis: The Design and Delivery of Social Protection”, Overseas Development Institute (ODI) Working Paper, March 2014, available at: <http://www.odi.org/sites/odi.org.uk/files/odi-assets/publications-opinion-files/8919.pdf>

Basualdo, E. M. (2006), “La Reestructuración de la Economía Argentina durante Las Últimas Décadas de la Sustitución de Importaciones a la Valorización Financiera”, CLACSO, Consejo Latinoamericano de Ciencias Sociales, Buenos Aires. pp. 123- 177.

Bedirhanoğlu, P., Cömert, H., Eren, İ., Erol, İ., Demiröz, D., Erdem, N., Güngen, A., Marois, T., Topal, A., Türel, O., Voyvoda, E., Yalman, G., & Yeldan, E. (2013), “Comparative Perspective on Financial Systems in the EU: Country Report on Turkey”, FESSUD Studies in Financial Systems, No. 11, available at: <http://fessud.eu/wp-content/uploads/2012/08/Turkey-Studies.pdf>

Beechey, V. (1977), "Some Notes on Female Wage Labour in Capitalist Production", *Capital and Class*, 3:45- 66

Bekmen, A. (2014), "State and Capital in Turkey during the Neoliberal Era", in İ. Akça, A. Bekmen and B.A. Özden (eds.), *Turkey Reframed: Constituting Neoliberal Hegemony*, London: Pluto Press, pp. 47-74.

Bentolila S. et al. (2008), "Two-tier Employment Protection Reforms: The Spanish Experience", CESifo DICE Report, 6 (4), pp. 49-56.

Berg J., C. Ernst and P. Auer (2006), *Meeting the Employment Challenge: Argentina, Brazil and Mexico in the Global Economy*, Geneva: International Labour Organization.

Bertola, G. (2009), "Labour Market Regulation: Motives, Measures, Effects", Conditions of Work and Employment Series No. 21, International Labour Office, Geneva.

Bertranou F. and L. Casanova (2015), *Las Instituciones Laborales y el Desempeño del Mercado de Trabajo en Argentina*, International Labour Organisation, Country Office for Argentina.

Bertranou F. and R. Maurizio (2011), "The Role of Labour Market and Social Protection in Reducing Inequality and Eradicating Poverty in Latin America", International Labour Organization and National University of General Sarmiento, Argentina.

Bhattacharya S. (2007), "Vicissitudes of the Relationship between State, Labour and Capital: an Appraisal of Neoliberal Labour Market Reforms in India and Beyond", *Labour, Capital and Society*, 40(1&2): 106-133.

Block, F. (2003), "Karl Polanyi and the Writing of *The Great Transformation*", *Theory and Society*, 32: 275-306.

Block F. and M. Somers (2003), "In the Shadow of Speenhamland: Social Policy and the Old Poor Law", *Politics & Society*, 31(2): 283-323.

Boeri T. and P. Garibaldi (2007) “Two Tier Reforms of Employment Protection: a Honeymoon Effect?”, *Economic Journal*, 117 (521), pp. 357-385.

Bonoli, G. (2009) “Adapting Employment Policies to Postindustrial Labour Market Risks”, in Guigni, M. (ed.) *The Politics of Unemployment in Europe: Policy Responses and Collective Action*, Surrey, Burlington: Ashgate, pp. 35-51.

Boratav, K. (2004), *Türkiye İktisat Tarihi*, Ankara: İmge Yayınevi.

Boratav K., E. Yeldan and A.H. Köse (2000), “Globalization, Distribution and Social Policy: Turkey 1980-1998”, Center for Economic Policy Analysis Working Paper, no.20.

Boratav, K., O. Türel and E. Yeldan (1994), “Distributional Dynamics in Turkey under ‘Structural Adjustment’ of the 1980s”, *New Perspectives on Turkey*, 11: 43-69.

Bozkurt, S. (2013), “Sosyal Politika ve Emek Piyasası Politikaları Çalışmalarının Ana Akımı Olarak Yeni Kurumsalcılık(lar): Türkiye, Yunanistan ve İspanya’da 2000’lerde Gerçekleşen İstihdam Politika Dönüşümleri Üzerinden Bir Değerlendirme”, *Praksis*, vol. 30.

Bozkurt, S. (2011), “The Political Economy of Social and Labour Market Policy Transformation in the European Periphery: A Comparative Examination of Greece, Spain and Turkey”, The University of Nottingham, Centre for the Study of Social and Global Justice, Working Paper Series, WP020, September 2011, available at: <http://www.nottingham.ac.uk/cssgj/documents/working-papers/wp020.pdf>

Bozkurt, S. and G. Yalman (2011) “Case Study: AKP Governments and the Social and Labour Market Policy Transformations in Turkey in the 2000s”, available at: <http://www.emergingcountries.org/pdf/labour%20market.social%20policy.Turkey.pdf>

Bozkurt, U. (2013), “Neoliberalism with a Human Face: Making Sense of the Justice and Development Party’s Neoliberal Populism in Turkey”, *Science & Society*, 77(3): 372-396.

Brenner, N., and N. Theodore (2002), “Cities and the Geographies of ‘Actually Existing Neoliberalism’”, *Antipode*, 34: 349-379.

Brenner, N., J. Pack and N. Theodore (2010), “Variegated Neoliberalization: Geographies, Modalities, Pathways”, *Global Networks*, vol. 10, no. 2, pp. 182- 222.

Bresser-Pereira, L. C. (2009), “From Old to New Developmentalism in Latin America”, *Escola de Economia de Sao Paulo Textos para Discussao*, 193: 1–37.

Bronstein A. S. (1997), “Labour Law Reform in Latin America: Between State Protection and Flexibility”, *International Labour Review*, vol. 136, no.1, pp. 5-26.

Bruff, I. (2014), “The Rise of Authoritarian Neoliberalism”, *Rethinking Marxism: A Journal of Economics, Culture & Society*, 26(1): 113-129.

BSB [Bağımsız Sosyal Bilimciler] (2008), *2008 Kavşağında Türkiye: Siyaset, İktisat ve Toplum*, Istanbul: Yordam.

Buğra, A. and Keyder C. (2006), “The Turkish Welfare Regime in Transformation”, *Journal of European Social Policy*, 16 (3): 211-228.

Bulutay, T. (1995), *Employment, Unemployment and Wages in Turkey*, Ankara: International Labour Office and State Institute of Statistics.

Burawoy, M. (2010), “From Polanyi to Pollyanna: The False Optimism of Global Labor Studies”, *Global Issues*, 1(2): 301-313.

Burgess, K. (2010), “Global Pressures, National Policies, and Labor Rights in Latin America”, *Studies in Comparative International Development*, vol.45, pp. 198–224.

Burnham, P. (2000) “Globalization, Depoliticization and ‘Modern’ Economic Management” in W. Bonefeld and K. Psychopedis (eds.), *The Politics of Change: Globalization, Ideology and Critique*, Hampshire/New York: Palgrave, pp. 9- 30.

Cáceres, D. M. (2015), “Accumulation by Dispossession and Socio-environmental Conflicts Caused by the Expansion of Agribusiness in Argentina”, *Journal of Agrarian Change*, 15(1): 116-147.

Cahill, D. (2011), “Beyond Neoliberalism? Crisis and the Prospects for Progressive Alternatives”, *New Political Science*, 33(4): 479- 492.

Campbell, J. L. (2007) “The Rise and Transformation of Institutional Analysis”, available at: http://laisumedu.org/DESIN_Ibarra/nuevoinst2007/borradores/Campbell.pdf

Campos N. F. and J. B. Nugent (2009) “A New Dataset of Labor Market Rigidity and Reform Indexes for up to 145 Countries since 1960 in Some Cases (LAMRIG)”, paper presented at the IZA Workshop: The Political Economy of Labor Market Reform in Transition and Emerging Economies, Bonn, October 9, 2009.

Caniklioğlu N. (2011), “6111 Sayılı Kanunla İşsizlik Sigortası Kanununda Yapılan Değişiklikler”, *Toprak İşveren Dergisi*, 89: 1-19.

Cappelli P. and D. Neumark (2001) “External Job Churning and International Job Flexibility” NBER Working Paper No. 8111, National Bureau of Economic Research.

Caraway, T. L. (2006), “Freedom of association: Battering ram or Trojan horse?”, *Review of International Political Economy*, 13 (2), pp. 210-232.

Carranza, M. E. (2005), “Poster Child or Victim of Imperialist Globalization? Explaining Argentina’s December 2001 Political Crisis and Economic Collapse”, *Latin American Perspectives*, Iss. 145, 32(6): 65-89.

Castorina, E. (2014), “The Reproduction of Democratic Neoliberalism in Argentina: Kirchner’s ‘Solution’ to the Crisis of 2001”, in S. J. Spronk and J. R. Webber (eds.), *Crisis and Contradiction: Marxist Perspectives on Latin America in the Global Political Economy*, Leiden, Boston: Brill, pp. 73-97.

Celasun, M. (1994), "Trade and Industrialization in Turkey: Initial Conditions, Policy and Performance in the 1980s", in Helleiner G. K. (ed.), *Trade Policy and Industrialization in Turbulent Times*, London and New York: Routledge, pp. 453- 484.

Cizre-Sakallıoğlu, U. and E. Yeldan (2000), "Politics, Society and Financial Liberalization: Turkey in the 1990s", *Development and Change*, 31: 481-508.

Clarke, S. (2004), "Individual and Collective Regulation of Labour Relations", Paper presented at Beijing Labour Law Conference, February 2004, available at: <http://homepages.warwick.ac.uk/~syrbe/pubs/IndividualandCollectiveRegulation.pdf>.

Coe D. T. and D. J. Snower (1997) "Policy Complementarities: The Case for Fundamental Labour Market Reform", *IMF Staff Papers*, 44 (1), pp. 1-35.

Cook, M. L. (2006), *The Politics of Labor Reform in Latin America: Between Flexibility and Rights*, Pennsylvania: The Pennsylvania State University Press.

Cook, M. L. and J. C. Bazler (2013), "Bringing Unions Back In: Labour and Left Governments in Latin America", Cornell University ILR School Working Paper, April 2013.

Cortés, R. and A. Marshall (1993), "State Social Intervention and Labour Regulation: The Case of the Argentine", *Cambridge Journal of Economics*, 17: 391-408.

Crouch, C. (1999), "Employment, Industrial Relations and Social Policy: New Life in an Old Connection", *Social Policy and Administration*, 33(4): 437-457.

Çeçen, A.A., A. S. Doğruel and F. Doğruel (1994), "Economic Growth and Structural Change in Turkey, 1960-88", *International Journal of Middle East Studies*, 26(1): 37-56.

Çelik, A. (2015), "Turkey's New Labour Regime under the Justice and Development Party in the First Decade of the Twenty-First Century: Authoritarian Flexibilization", *Middle Eastern Studies*, 51(4): 618-635.

Çelik, A. (2012), “Kıdem Tazminatında Hükümet-Sermaye İttifakı”, BİRGÜN, 19.07.2012, available at: <http://www.birgun.net/haber-detay/kidem-tazminatinda-hukümet-sermaye-ittifaki-4355.html>

Çelik, A. (2010), “Sendikal Haklar: Uluslararası Çalışma Hukuku ve Türkiye’nin Uyumsuzluğu” in S. Çağlar (ed.), *Disiplinlerarası Yaklaşımla İnsan Hakları*, İstanbul: Beta, pp. 255-331.

Çelik, A. (2004), “Türkiye’de Sendika Üyeliği ve Sendikalaşma İstatistikleri”, *İş Gücü: Endüstri İlişkileri ve İnsan Kaynakları Dergisi*, 6(2).

Damill M., R. Frenkel and R. Maurizio (2007), “Macroeconomic Policy Changes in Argentina at the Turn of the Century”, in M. Novick, C. Tomada, M. Damill, R. Frenkel and R. Maurizio (eds.), *In the Wake of the Crisis: Argentina’s New Economic and Labour Policy Directions and Their Impact*, Geneva: International Labour Organization, pp. 51-129.

Danielle et al. (2009) “The Effects of Institutional and Organizational Characteristics on Work Force Flexibility: Evidence from Call Centers in Three Liberal Market Economies”, *Industrial and Labor Relations Review*, 62(4), pp. 573-601.

Darlington, R. (2014), “The Role of Trade Unions in Building Resistance: Theoretical, Historical and Comparative Perspectives”, in M. Atzeni (ed.), *Workers and Labour in a Globalised Capitalism: Contemporary Themes and Theoretical Issues*, Hampshire and New York: Palgrave Macmillan, pp. 111- 138.

Demir, F. and N. Erdem (2010) “Labour Market Performance after Structural Adjustment in Developing Countries: The Interesting but not so Unique Case of Turkey”, Valencia, L.K. B.J. Hahn (eds.), *Employment and Labor Issues: Unemployment, Youth Employment and Child Labour içinde*, New York: Nova Science, pp. 1-37.

Demircan, E. (2012), “İstihdam ve İşgücü Piyasası Raporu”, Karacadağ Kalkınma Ajansı, Diyarbakır.

Dereli, T. (2013), “6356 Sayılı Yeni Sendikalar ve Toplu İş Sözleşmesi Kanunu: Genel Bir Değerlendirme”, *Çalışma ve Toplum*, 2013/1: 41-64.

Dereli T., K. Sengers and P. Donders (2006), “Flexibilisation and the Formal and Informal Labour Markets’, in R. Blanpain (ed.), *Flexibilisation and Modernisation of the Turkish Labour Market*, Kluwer Law International, Alphen aan den Rijn, pp. 13–28.

Díaz-Alejandro, C. F. (1970), *Essays on the Economic History of the Argentine Republic*, New Haven and London: Yale University Press.

Dinler, D. S. (2012), “Trade Unions in Turkey”, Fredrich Ebert Stiftung Country Trade Union Report, Berlin/Germany.

DİSK-AR [Confederation of Progressive Trade Unions of Turkey Research Institute] (2017), *Sendikalaşma ve Toplu İş Sözleşmesi Raporu (2013-2017)*, available at: <http://disk.org.tr/2017/08/disk-ar-sendikalasma-ve-toplu-is-sozlesmesi-raporu/>

Djankov, S. and R. Ramalho (2009) “Employment Laws in Developing Countries”, *Journal of Comparative Economics*, 37: 3-13.

Doeringer P. and M. Piore (1971), *Internal Labor Markets and Manpower Analysis*, Lexington, Massachusetts: Health.

Dorlach, T. (2015), “The Prospects of Egalitarian Capitalism in the Global South: Turkish Social Neoliberalism in Comparative Perspective”, *Economy and Society*, 44(4): 519-544.

Ebenau, M. (2014), “Comparative Capitalisms and Latin American Neo-developmentalism: A Critical Political Economy View”, *Capital & Class*, 38(1): 102-114.

Epstein, E. C. (1978), “Antiinflation Policies in Argentina and Chile Or, Who Pays the Cost”, *Comparative Political Studies*, 11 (2), 211-230.

Ercan, F. (2002), "The Contradictory Continuity of the Turkish Capital Accumulation Process: A Critical Perspective on the Internationalization of the Turkish Economy", in N. Balkan and S. Savran (eds.), *The Ravages of Neo-liberalism: Economy, Society and Gender in Turkey*, New York: Nova Publications, pp. 21-39.

Ercan, F., F. Yusufi-Yılmaz and D. Gültekin-Karataş (2016), "Yeni Türkiye'nin Değişen Devlet ve Sermaye İlişkilerini Teşvik Politikaları Üzerinden Okumak", in T. Tören and M. Kutun (eds.), *"Yeni" Türkiye? Kapitalizm, Devlet ve Sınıflar*, İstanbul: SAV Yayınları, pp. 128-205.

Esen B. and S. Gümüşçü (2016), "Rising Competitive Authoritarianism in Turkey", *Third World Quarterly*, 37(9): 1581-1606.

Esping- Andersen G. (2002), *Why We Need a New Welfare State?*, Oxford: Oxford University Press.

Esping-Andersen, G. (1990) *The Three Worlds of Welfare Capitalism*, Princeton, New Jersey: Princeton University Press.

Estevez-Abe M., T. Iversen and D. Soskice (2001), "Social Protection and the Formation of Skills: A Reinterpretation of the Welfare State", in P.A. Hall and D. Soskice (eds.), *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage*, Oxford: Oxford University Press, pp. 145-183.

Etchemendy S. (2004), "Repression, Exclusion and Inclusion: Government-Union Relations and Patterns of Labor Reform in Liberalizing Economies", *Comparative Politics*, 36 (3), pp. 273-290.

Etchemendy S. and R. B. Collier (2007), "Down but not Out: Union Resurgence and Segmented Neocorporatism in Argentina", *Politics & Society*, 35(3): 363-401.

European Commission (2010), *Employment in Europe 2010*, Directorate-General for Employment, Social Affairs and Equal Opportunities, European Commission, Brussels.

Felder R. and V. Patroni (2011) “Austerity and Its Aftermath: Neoliberalism and Labour in Argentina”, *Socialist Studies*, 7(1/2): 259- 281.

Féliz, M. (2015), “Limits and Barriers of Neodevelopmentalism: Lessons from the Argentinean Experience, 2003-2011”, *Review of Radical Political Economics*, 47(1): 70-89.

Féliz, M. (2014), “The Neo-Developmentalist Alternative: Capitalist Crisis, Popular Movements, and Economic Development in Argentina since the 1990s”, in S. J. Spronk and J. R. Webber (eds.), *Crisis and Contradiction: Marxist Perspectives on Latin America in the Global Political Economy*, Leiden, Boston: Brill, pp. 52-72.

Ferrera M. (2005), “Democratisation and Social Policy in Southern Europe: From Expansion to ‘Recalibration’”, UNRISD Working Document, May 2005.

Ferrera, M. (1996) “The ‘Southern Model’ of Welfare in Social Europe”, *Journal of European Social Policy*, 6 (1): 17-37.

Fine, B. (2002), “Neither the Washington nor the Post-Washington Consensus: An Introduction”, available at: <http://www.networkideas.org/featart/sep2002/washington.pdf>

Fine, B. (1999) “A Question of Economics: Is it Colonizing the Social Sciences?”, *Economy and Society*, 28 (3), pp. 403-425.

Fine, B. (1998) *Labour Market Theory: A Constructive Reassessment*, London and New York: Routledge.

Flichman, G. (1990), “The State and Capital Accumulation in Argentina”, in C. Anglade and C. Fortin (eds.), *The State and Capital Accumulation in Latin America*, vol. 2, London: Palgrave Macmillan, pp. 1-31.

Franzoni, J. M. (2008), “Welfare Regimes in Latin America: Capturing Constellations of Markets, Families, and Policies”, *Latin American Politics and Society*, 50(2): 67-100.

Frenkel R. and J. Ros (2004), "Unemployment, Macroeconomic Policy and Labor Market Flexibility: Argentina and Mexico in the 1990s". CEPAL LC/W.8, October 2004.

Furtado, C. (1976), *Economic Development of Latin America: Historical Background and Contemporary Problems*, Second Edition, Cambridge: Cambridge University Press.

Furubotn E. G. and R. Rudolf (2005) *Institutions and Economic Theory: The Contribution of the New Institutional Economics*, Ann Arbor: The University of Michigan Press.

Gago, V. and D. Sztulwark (2009), "Notes on Post-neoliberalism in Argentina", *Development Dialogue*, 51: 181-190.

Galasso E. and M. Ravallion (2003), "Social Protection in a Crisis: Argentina's *Plan Jefes y Jefas*", World Bank Policy Research Working Paper 3165, November 2003.

Gallie, D. and S. Paugam (2000) "The Experience of Unemployment in Europe", in Gallie, D. and S. Paugam (eds.), *Welfare Regimes and Experience of Unemployment in Europe*, Oxford: Oxford University Press, pp. 1-22.

Gamble, A. (2006) "Two Faces of Neo-liberalism", in R. Robison (ed.) *The Neo-Liberal Revolution: Forging the Market State*, London/New York: Routledge, pp.20-35.

Goldin A. (2009), "Labour Flexibility and Worker Security: An Argentine Perspective", in Weller J. (ed.), *Regulation, Worker Protection and Active Labour Market Policies in Latin America*, Santiago: United Nations Economic Commission for Latin America and Caribbean (ECLAC), December 2009, pp. 89- 110.

Gough, I. (1996), "Social Assistance in Southern Europe", *South European Society and Politics*, 1: 1-23.

Gough I. (2001), "Globalization and Regional Welfare Regimes: The East Asian Case", *Global Social Policy*, 1(2): 163-189.

Griera, J. (2014), "Conspicuous Silences: State and Class in Structuralist and Neostructuralist Thought", in S. Spronk and J. R. Webber (eds.), *Crisis and Contradiction Marxist Perspectives on Latin America in the Global Political Economy*, Leiden, Boston: Brill, pp. 193-210.

Grimson A. and G. Kessler (2005), *On Argentina and the Southern Cone: Neoliberalism and National Imaginations*, New York, London: Routledge.

Grugel J. and M. P. Riggirozzi (2012), "Post-neoliberalism in Latin America: Rebuilding and Reclaiming the State after Crisis", *Development and Change*, vol. 43, no. 1, pp. 1-21.

Grugel J. and M. P. Riggirozzi (2007), "The Return of the State in Argentina", *International Affairs*, 83 (1): 87-107.

Grütjen, D. (2007), "The Turkish Welfare Regime: An Example of the Southern European Model? The Role of the State, Market and Family in Welfare Provision", *Turkish Policy Quarterly*, 7(1): 111-129.

Guerrazzi M. and N. Meccheri (2012) "From Wage Rigidity to Labour Market Institution Rigidity: A Turning Point in Explaining Unemployment?", *The Journal of Socio-economics*, 41: 189-197.

Gülalp, H. (1980), "Türkiye'de İthal İkamesi Bunalımı ve Dışa Açılma" *METU Studies in Development*, 7(1-2): 127-149.

Günce, E. (1981), "Türkiye'de Planlamanın 'Dünü' – 'Bugünü' – 'Yarını'", *METU Studies in Development*, Special Issue: Türkiye'de Planlı Gelişmenin Yirmi Yılı, 1960-1980, pp. 117-132.

Güneş-Ayata, A. (2002), "The Republican People's Party", *Turkish Studies*, 3(1): 102-121.

Gürel, B. (2011), "Agrarian Change and Labour Supply in Turkey: 1950-1980", *Journal of Agrarian Change*, 11(2): 195-219.

Güzel, M. S. (1998), “İkinci Dünya Savaşı Boyunca Sermaye ve Emek”, in D. Quataert and E. J. Zürcher (eds.), *Osmanlı'dan Cumhuriyet Türkiye'sine İşçiler: 1839-1950*, translated by C. Ekiz, İstanbul: İletişim Yayınları, pp. 197-224.

Hall P. A. and C. R. Taylor (1996), “Political Science and the Three New Institutionalisms”, MPIFG Discussion Paper, 96/6, pp. 1- 32.

Hall P. A. and D. Soskice (eds.) (2001), *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage*, Oxford: Oxford University Press.

Harvey, D. (2006) ‘Neo-liberalism and the Restoration of Class Power’, in David Harvey (ed.) *Spaces of Global Capitalism: Towards a Theory of Uneven Geographical Development*, London: Verso. pp.7-68.

Hay, C. (1999), “Marxism and the State”, in A. Gamble and T. Tant (eds.), *Marxism and Social Science*, London: Macmillan, pp. 152-174.

Hay C. (2005), “Two Can Play at that Game... or Can They? Varieties of Capitalism, Varieties of Institutionalism”, in D. Coates (ed.), *Varieties of Capitalism, Varieties of Approaches*, New York: Palgrave, pp. 106-121.

Hay C. and D. Wincott (1998), “Structure, Agency and Historical Institutionalism”, *Political Studies*, XLVI, pp. 951-957.

Hendrickx, F. and K. Sengers (2006), “The Implementation of Flexible Work Provisions in the Labour Act”, in R. Blanpain (ed.), *Flexibilisation and Modernisation of the Turkish Labour Market*, Kluwer Law International, Alphen aan den Rijn, 81–118.

Herr H. and Z. Sonat (2013), “The Turkish Neoliberal Unshared Growth Regime of the Post-2001Period”, World Economics Association (WEA) Conferences, No. 4, Neoliberalism in Turkey: A Balance Sheet of Three Decades, October 28-December 16.

Hijzen A. and D. Venn (2011) "The Role of Short-time Work Schemes during the 2008-09 Recession, *OECD Social, Employment and Migration Working Papers*, No.115, OECD Publishing.

Howell C. (2003), "Review: Varieties of Capitalism: And Then There Was One?," *Comparative Politics*, vol. 36, no.1, pp. 103-124.

Humphries, J. and J. Rubery (1982), "The Reconstitution of the Supply Side of Labour Market: The Relative Autonomy of Social Reproduction", *Cambridge Journal of Economics*, 8: 331-346.

Huo J., M. Nelson and J.D. Stephens (2008), "Decommodification and Activation in Social Democratic Policy: Resolving the Paradox", *Journal of European Social Policy*, 18(1): 5-20.

Hyman, R. (1989), *The Political Economy of Industrial Relations: Theory and Practice in a Cold Climate*, London: Macmillan Press.

ILO (2011a), "The 2008-2009 International Crisis: Impacts, Policies, and Challenges for a New Growth Stage with Employment in Argentina", ILO Notes, June 2011, Geneva: International Labour Organization.

ILO (2011b), "Responding to economic crisis with social security", Chapter 10 in *World Social Security Report: Providing Coverage in Times of Crisis and Beyond*, Geneva: International Labour Organization, pp. 105-120.

ILO and OECD (2011), "Argentina: G20 Country Policy Brief", G20 Meeting of Labour and Employment Ministers, September 26-27, Paris.

Işıklı, A. (1987), "Wage Labor and Unionization", in I.C.Schick and E.A. Tonak (eds.), *Turkey in Transition: New Perspectives*, New York-Oxford: Oxford University Press, pp. 309-332.

James, D. (1988), *Resistance and Integration: Peronism and the Argentine Working Class, 1946-1976*, Cambridge: Cambridge University Press.

Jenkins, R. (1991), "The Political Economy of Industrialization: A Comparison of Latin American and East Asian Newly Industrializing Countries", *Development and Change*, 22: 197-231.

Jessop, B. (1982) *The Capitalist State: Marxist Theories and Methods*, Oxford: Martin Robertson.

Kabat, M. (2014), "From Structural Breakage to Political Reintegration of the Working Class: Relative Surplus Population Layers in Argentina and their Involvement in the Piquetero Movement", *Capital & Class*, vol. 38, no. 2, pp. 365-384.

Kahn, L. M. (2012) "Labor Market Policy: A Comparative View on the Costs and Benefits of Labor Market Flexibility", *Journal of Policy Analysis and Management*, 31(1), pp. 94-110.

Kai, C. and W. Brown (2012), "The Transition From Individual to Collective Labour Relations in China", *Industrial Relations Journal*, 44(2): 102-121.

Kaleağası-Blind, P. (2007), "A New Actor in Turkish Democratization: Labor Unions", *Turkish Studies*, 8(2): 289-311.

Kalleberg, A. L. (2003) "Flexible Firms and Labor Market Segmentation: Effects of Workplace Restructuring on Jobs and Workers", *Work and Occupations*, 30 (2), pp. 154-175.

Kalleberg, A.L. (2000), "Non-standard Employment Relations: Part-time, Temporary and Contract Work", *Annual Review of Sociology*, 26: 341-365.

Karaçimen, E. (2014), "Financialization in Turkey: The Case of Consumer Debt", *Journal of Balkan and Near Eastern Studies*, 16(2): 161-180.

Karakışla, Y. S. (1998), “Osmanlı Sanayi İşçisi Sınıfının Doğuşu: 1839-1923”, in D. Quataert and E. J. Zürcher (eds.), *Osmanlı'dan Cumhuriyet Türkiye'sine İşçiler: 1839-1950*, translated by C. Ekiz, İstanbul: İletişim Yayınları, pp. 27-54.

Karataşlı, Ş. S. (2015), “The Origins of Turkey's ‘Heterodox’ Transition to Neoliberalism: The Ozal Decade and Beyond”, *Journal of World Systems Research*, 21(2): 387-416.

Karatepe, I. D. (2015), “Türkiye’de Devlet, Burjuvazi ve Yatırım Teşvikleri”, in H. Mihci (ed.), *Finansallaşma, Devlet ve Politik İktisat*, Ankara: Nota Bene, pp. 251-278.

Kaufman, B. E. (2006), “The Impossibility of a Perfectly Competitive Labor Market”, Working Paper 06-04, Andrew Young School of Policy Studies Research Paper Series.

Kaymak, M. (2005), “Tarihsel Perspektifle Küçük Üreticilik ve Sanayileşme: Fransa ve Türkiye Üzerine Karşılaştırmalı Bir İnceleme’ in F. Ercan and Y. Akkaya (eds.), *Kapitalizm ve Türkiye I: Kapitalizm, Tarih ve Ekonomi*, Ankara: Dipnot, pp. 335-368.

Kennedy, P. (2005) “Social Policy, Social Exclusion and Commodity Fetishism”, *Capital & Class*, 29(1): 91-114.

Keyder C. (1987a), “The Political Economy of Turkish Democracy” in I.C.Schick and E.A. Tonak (eds.), *Turkey in Transition: New Perspectives*, New York-Oxford: Oxford University Press, pp. 27- 65.

Keyder C. (1987b), “Economic Development and Crisis: 1950-1980”, in I.C.Schick and E.A. Tonak (eds.), *Turkey in Transition: New Perspectives*, New York-Oxford: Oxford University Press, pp. 293- 308.

Khan, S. R. (2007), “WTO, IMF and the Closing of Development Policy Space for Low-Income Countries: A Call for Neo-developmentalism”, *Third World Quarterly*, 28(6): 1073-1090.

Kibritçioğlu, A. (2006), “The Labour Market Implications of Large-Scale Restructuring in the Banking Sector in Turkey”, MPRA Paper, no.2457, May 10.

Kitschelt et al. (1999), “Convergence and Divergence in Advanced Capitalist Democracies”, in H. Kitschelt, P.Lange, G. Marks and J.D. Stephens (eds.), *Continuity and Change in Contemporary Capitalism*, Cambridge: Cambridge University Press, pp. 427-460.

Klein P. G. (2000), “New Institutional Economics” in B. Bouckear and G. De Geest, (Eds.), *Encyclopedia of Law and Economics*, Cheltenham: Edward Elgar Publishing, pp. 456–489.

Koçak, M. H. (2016), “50’leri İşçi Sınıfı Oluşumunun Kritik Bir Uğrağı Olarak Yeniden Okumak”, in A. Makal, A. Çelik and M. H. Koçak (eds.), *Sınıf, Sendika, Siyaset: Türkiye Emek Tarihinden Kesitler*, Ankara: İmge Kitabevi Yayınları, pp. 91-111.

Koyuncu, M. and F. Şenses (2004), “Kısa Dönem Krizlerin Sosyoekonomik Etkileri: Türkiye, Endonezya ve Arjantin Deneyimleri”, ERC Working Papers in Economics 04/13, available at: <http://www.erc.metu.edu.tr/menu/series04/0413.pdf>

Köse A. H. and A. Öncü (2000), “İşgücü Piyasaları ve Uluslararası İşbölümünde Uzmanlaşmanın Mekansal Boyutları: 1980 Sonrası Dönemde Türkiye İmalat Sanayi”, *Toplum ve Bilim*, 86: 72- 90.

Köse A.H. and E. Yeldan (1998), “Dışa Açılma Sürecinde Türkiye Ekonomisinin Dinamikleri: 1980-1997”, *Toplum ve Bilim*, 77:45-67.

Kuhn, A., & Wolpe, A. (1978), (eds.) *Feminism and Materialism: Women and Modes of Production*, London: Routledge and Kegan Paul.

Kuş, B. (2014), “The Informal Road to Markets: Neoliberal Reforms, Private Entrepreneurship and Informal Economy in Turkey”, *International Journal of Social Economics*, 41(4): 278-293.

Lacher, H. (2007), “The Slight Transformation: Contesting the Legacy of Karl Polanyi”, in K. Agarten and A. Bugra (eds.), *Market Economy as a Political Project: Reading Karl Polanyi for the 21st Century*, London: Palgrave, pp. 49-66.

Lacher, H. (1999a), "The Politics of the Market: Re-Reading Karl Polanyi", *Global Society*, 13(3): 313-326.

Lacher, H. (1999b), "Embedded Liberalism, Disembedded Markets: Reconceptualising the Pax Americana", *New Political Economy*, 4(3): 343-60.

Lapavistas, C. (2005) "Mainstream Economics in the Neoliberal Era", in *Neoliberalism: A Critical Reader*, A. Saad-Filho and D. Johnston (eds.), London: Pluto Press, pp. 30-40.

Leibfried, S. (1992), "Towards a European Welfare State: on Integrating Poverty Regimes in the European Community", in Z. Ferge and J. E. Kolberg (eds), *Social Policy in a Changing Europe*, Frankfurt am Main and Boulder, Colorado: Campus Verlag/ Westview Press, pp. 245-80.

Leiva, F. I. (2008), "Toward a Critique of Latin American Neostructuralism", *Latin American Politics and Society*, 50 (4): 1-25.

Leiva, F. I. (2006), "Neoliberal and Neostructuralist Perspectives on Labour Flexibility, Poverty and Inequality: A Critical Appraisal", *New Political Economy*, 11(3): 337-359.

Lodola, G. (2006), "Popular Protest and Clientelar Nets in Argentina: Federal Distribution of "Plan Trabajar" [Emergency Employment Programme] (1996-2001), translated from Spanish by Marta Ines Merajver , *Desarrollo Económico (Buenos Aires)*, 1(SE), 1-18.

Lustig, N. and C. Pessino (2012), "Social Spending and Income Redistribution in Argentina During The 2000s: The Rising Role Of Noncontributory Pensions", Serie Documentos de Trabajo, Universidad del CEMA: Área: economía, No. 499.

Macartney, H. (2009), "Variegated Neo-liberalism: Transnationally Oriented Fractions of Capital in EU Financial Market Integration", *Review of International Studies*, vol. 35, pp. 451-480.

Mahon, R. (2015), "Integrating the Social into CEPAL's Neo-structuralist Discourse", *Global Social Policy*, 15(1): 3-22.

Makal, A. (1999), *Türkiye’de Tek Partili Dönemde Çalışma İlişkileri: 1920-1946*, Ankara: İmge Kitabevi Yayınları.

Makal, A. (1997), *Osmanlı İmparatorluğu’nda Çalışma İlişkileri: 1850-1920*, Ankara: İmge Kitabevi Yayınları.

Makovei, M. (2009), “Growth and Economic Crisis in Turkey: Leaving Behind a Turbulent Past”, Economic Papers, no. 386, European Commission, Economic and Financial Affairs, available at:
http://ec.europa.eu/economy_finance/publications/publication16004_en.pdf

Maletta, H. E. (2009), “ILO Role in Economic and Financial Crises: Lessons from the 2002 Argentine Crisis and Its Aftermath”, ILO International Programme on Crisis Response and Reconstruction, Employment No.4, Geneva.

Mares, I. (2001), “Firms and the Welfare State: When, Why and How Does Social Policy Matter to Employers”, in P.A. Hall and D. Soskice (eds.), *Varieties of Capitalism: The Institutional Foundations of Comparative Advantage*, Oxford: Oxford University Press, pp. 184- 212.

Margulies, R. and E. Yıldızoğlu (1987), “Agrarian Change: 1923-1970”, in I.C.Schick and E.A. Tonak (eds.), *Turkey in Transition: New Perspectives*, New York-Oxford: Oxford University Press, pp. 269-292.

Margulies R. and E. Yıldızoğlu (1984) “Trade Unions and Turkey's Working Class”, *MERIP Reports*, 121: 15-31.

Marshall, A. (2004) “Labour Market Policies and Regulations in Argentina, Brazil and Mexico: Programmes and Impacts”, ILO Employment Strategy Papers, 2004/13.

Marshall, A. (1997), “State Labour Market Intervention in Argentina, Chile and Uruguay: Common Model, Different Versions”, *Employment and Training Papers*, No.10, Geneva: International Labour Organization.

Marshall, A. (1980), "Labour Markets and Wage Growth: The Case of Argentina", *Cambridge Journal of Economics*, 4(1): 37-60.

Marx, K. (1976), *Capital Volume I*, London: Penguin.

Massi, M.F. and F. B. Insua (2014), "La Dinámica Salarial en la Industria Argentina (2003-2012): Un Estudio sobre la Productividad como Límite Superior", paper presented at the Conference: VII Jornada de Economía Crítica, Facultad de Ciencias Económicas (UNLP), La Plata, Argentina, October 16-18. DOI: 10.13140/2.1.3729.2329.

McGuire, J. W. (1996), "Strikes in Argentina: Data Sources and Recent Trends", *Latin American Research Review*, 31(3): 127- 150.

Ministry of Foreign Affairs and Worship of Argentine Republic (2013), "Investment Incentives: Advantages of Investing in Argentina Today", April 2013, available at: http://prosperar.gov.ar/userfiles/incentives_-_april_2013.pdf

Ministry of Family and Social Policies (2014), 2014 Activity Report [in Turkish], available at: <http://goo.gl/KeRdRI>

Mohun, S. (1994), "A Re(in)statement of The Labour Theory of Value", *Cambridge Journal of Economics*, 18: 391-412.

Munck, R. (2013), "The Precariat: A View from the South", *Third World Quarterly*, 34(5): 747-762.

Munck, R. (1987), "Cycles of Class Struggle and the Making of the Working Class in Argentina, 1890-1920", *Journal of Latin American Studies*, 19(1): 19-39.

Murillo, M. V. (2001) *Labor Unions, Partisan Coalitions, and Market Reforms in Latin America*, Cambridge: Cambridge University Press.

Neilson, D. and T. Stubbs (2011), “Relative Surplus Population and Uneven Development in the Neoliberal Era: Theory and Empirical Application”, *Capital & Class*, 35(3): 435-453.

Nickell, S. (1997) “Unemployment and Labor Market Rigidities: Europe versus North America”, *The Journal of Economic Perspectives*, 11: 55-74.

North, D. C. (1992), *Transaction Costs, Institutions, and Economic Performance*, San Francisco, California: International Center for Economic Growth Press.

North, D. C. (1990), *Institutions, Institutional Change and Economic Performance*, Cambridge: Cambridge University Press.

North, L.L. and R. Grinspun (2016), “Neo-extractivism and the New Latin American Developmentalism: The Missing Piece of Rural Transformation”, *Third World Quarterly*, 37(8): 1483-1504.

Novick M. and C. Tomada (2007), “Argentina 2003-2006: Economic Growth with Decent Work, A New Model for Latin America”, in M. Novick, C. Tomada, M. Damill, R. Frenkel and R. Maurizio (eds.), *In the Wake of the Crisis: Argentina’s New Economic and Labour Policy Directions and Their Impact*, Geneva: International Labour Organization, pp. 1-49.

OECD (1999), *OECD Economic Surveys Turkey 1998-1999, Special Feature: Reforming Social Security*, Paris: OECD Publications.

Oğuz, Ş. (2016), ““Yeni Türkiye’nin Siyasal Rejimi””, in T. Tören and M. Kutun (eds.), *“Yeni” Türkiye? Kapitalizm, Devlet ve Sınıflar*, İstanbul: SAV Yayınları, pp. 81-127.

Oğuz, Ş. (2013), “Turning the Crisis into an Opportunity: Turkish State’s Response to the 2008 Crisis”, in B. Karaagac (ed.), *Accumulations, Crises, Struggles: Capital and Labour in Contemporary Capitalism*, Münster: LIT Verlag, pp. 193- 218.

Oğuz, Ş. (2009), “The Response of the Turkish State to the 2008 Crisis: A Further Step in Neoliberal Authoritarian Statism: The Crisis, Interdisciplinarity and Alternatives”, paper

presented in the Third International Research Workshop of the International Initiative for Promoting Political Economy, September 14-15, METU, Ankara, available at: <http://citeseerx.ist.psu.edu/viewdoc/download?doi=10.1.1.456.2446&rep=rep1&type=pdf>

Önder, N. (1998), “Integrating with the Global Market: The State and the Crisis of Political Representation, Turkey in the 1980s and 1990s”, *International Journal of Political Economy*, 28(2): 44-84.

Öniş, Z. (2016), “Democracy in Uncertain Times: Inequality and Democratic Development in the Global North and Global South”, *METU Studies in Development*, 43: 317-336.

Öniş, Z. (2015), “Monopolising the Centre: The AKP and the Uncertain Paths of Turkish Democracy”, *The International Spectator*, 50(2): 22-41.

Öniş, Z. (2012), “The Triumph of Conservative Globalism: The Political Economy of the AKP Era”, *Turkish Studies*, 13(2): 135-152.

Öniş Z. (2006), “Varieties and Crises of Neoliberal Globalisation: Argentina, Turkey and the IMF”, *Third World Quarterly*, 27(2): 239-263.

Orhangazi, O. and Özgür G. (2015), “Capital Flows, Finance-led Growth and Fragility in the Age of Global Liquidity and Quantitative Easing: The Case of Turkey”, PERI Working Paper Series, no. 397, Political Economy Research Institute, University of Massachusetts Amherst, pp. 1-25.

Ozan, E. D. (2006), “Sermaye Örgütlerini Nasıl Çözümlemeli: Bir Çerçeve Girişimi”, in D. Yılmaz, F. Akyüz, F.Ercan, K.R.Yılmaz, Ü.Akçay and T. Tören (eds.), *Kapitalizm, Küreselleşme, Azgelişmişlik*, Ankara: Dipnot, pp. 221-232.

Özbudun, E. (2015), “Turkey’s Judiciary and the Drift toward Competitive Authoritarianism”, *The International Spectator*, 50(2): 42-55.

Özden, B. A. (2014), “The Transformation of Social Welfare and Politics in Turkey: A Successful Convergence of Neoliberalism and Populism”, in İ. Akça, A. Bekmen and B.A. Özden (eds.), *Turkey Reframed: Constituting Neoliberal Hegemony*, London: Pluto Press, pp. 157-173.

Öztürk, Ö. (2009), “Türkiye’de Sendikal Mücadele, Sermaye Birikimi, MESS ve Koç Holding”, *Praksis*, 19: 337-361.

Pamuk, S. (2008), “Agriculture and Economic Development in Turkey, 1870-2000”, in P. Lanis and V. Pinilla (eds.), *Agriculture and Economic Development in Europe since 1870*, Oxon: Routledge, pp. 375-396.

Pamuk, S. (1981), “Political Economy of Industrialization in Turkey”, *MERIP Reports*, 93: 26-32.

Patroni, V. (2002), “Structural Reforms and the Labour Movement in Argentina”, *Labour, Capital and Society*, vol. 35, no.2, pp. 252-280.

Peck, J. (1996), *Work-place: The Social Regulation of Labour Markets*, New York: Guilford Press.

Peck, J. and N. Theodore (2007), “Variegated Capitalism”, *Progress in Human Geography*, vol. 31(6): 731-772.

Picchio, A. (1992), *Social Reproduction: The Political Economy of the Labour Market*, Cambridge: Cambridge University Press.

Pierson, P. (2001a), “Introduction: Investigating the Welfare State at Century’s End”, in P. Pierson (ed.), *The New Politics of the Welfare State*, Oxford: Oxford University Press, pp. 1-14.

Pierson, P. (2001b), “Post-Industrial Pressures on the Mature Welfare States” in P. Pierson (ed.), *The New Politics of the Welfare State*, Oxford: Oxford University Press, pp. 80-104.

Piore, M. and C.Sabel (1984) *The Second Industrial Divide: Possibilities for Prosperity*, Basic Books: New York.

Pissarides, C.A., (2001) “Employment Protection”, *Labour Economics*, 8: 131–159.

Plehwe, D., B. Walpen and G. Neunhöffer (2006), “Introduction: Reconsidering Neoliberal Hegemony”, in D. Plehwe, B. Walpen and G. Neunhöffer (eds.), *Neoliberal Hegemony: A Global Critique*, London/New York: Routledge. pp.1-24.

Polanyi K. (2001) [1944], *The Great Transformation: The Political and Economic Origins of Our Time*, Boston: Beacon Press.

Pollert A. (1988) “Dismantling Flexibility”, *Capital&Class*, vol.12, pp. 42-75.

Postone, M. (1996), *Time, Labor and Social Domination: A Reinterpretation of Marx's Critical Theory*, Cambridge: Cambridge University Press.

Powell M. and A. Barrientos (2004), “Welfare Regimes and the Welfare Mix”, *European Journal of Political Research*, 43: 83-105.

Pozzi, P. A. (1988), “Argentina 1976-1982: Labour Leadership and Military Government”, *Journal of Latin American Studies*, 20 (1): 111-138.

Quataert, D. (1998), “Giris”, in D. Quataert and E.J.Zurcher (eds.), *Osmanlı'dan Cumhuriyet Türkiye'si'ne İşçiler: 1839-1950*, translated by C. Ekiz, İstanbul: İletişim Yayınları, pp. 13-26.

Ramos, M. P. (2007), *La Economía Política Argentina: Poder y Clases Sociales: 1930-2006*, Buenos Aires: Fondo de Cultura Económica.

Richardson, N. P. (2009), “Export-Oriented Populism: Commodities and Coalitions in Argentina”, *Studies in Comparative International Development*, 44: 228-255.

Rios-Avila, F. (2014), "Unions and Economic Performance in Developing Countries: Case Studies from Latin America", The Levy Economics Institute Working Paper No.787, pp. 1-47.

Roberts, K. M. (1995), "Neoliberalism and the Transformation of Populism in Latin America: The Peruvian Case", *World Politics*, 48(1): 82-116.

Robison, R. (2006) "Neo-liberalism and the Market State: What is the Ideal Shell?", in R. Robison (ed.), *The Neo-Liberal Revolution: Forging the Market State*, Basingstoke: Palgrave, pp. 3-19.

Rodgers, G. (1992) "Institutional Economics, Development Economics and Labour Economics", *The Pakistan Development Review*, 31(4), pp. 581-605.

Rodrik, D. (2002), "After Neoliberalism, What?", presentation at the BNDES seminar on "New Paths of Development," Rio, September 12-13, 2002.

Rueda, D. (2006) "Social Democracy and Active Labour Market Policies: Insiders, Outsiders and the Politics of Employment Promotion", *British Journal of Political Science*, 36 (3): 385-406.

Ruggie, J.G. (1982), "International Regimes, Transactions, and Change: Embedded Liberalism in the Postwar Economic Order", *International Organization*, 32(2): 379-415.

Russell, B. (1984), "The Politics of Labour Force Reproduction: Funding Canada's Social Wage, 1917-1946", *Studies in Political Economy*, 14: 43-73.

Rutledge, I. (1977), "The Integration of the Highland Peasantry into the Sugar Cane Economy of Northern Argentina: 1930-1943", in Duncan K. and I. Rutledge (eds.), *Land and Labour in Latin America: Essays on the Development of Agrarian Capitalism in the Nineteenth and Twentieth Centuries*, Cambridge: Cambridge University Press, pp. 205-228.

Saad-Filho, A. (2002), *The Value of Marx: Political Economy for Contemporary Capitalism*, London, New York: Routledge.

Sader, E. (2009), “Postneoliberalism in Latin America”, *Development Dialogue*, 51: 171-179.

Saint-Paul G. (2000) *The Political Economy of Labour Market Institutions*, Oxford: Oxford University Press.

Sak G. and E. Taymaz (2004) “How Flexible are Small Firms? An Analysis on the Determinants of Flexibility”, Paper presented at the ERF Eleventh Annual Conference, 14-16 December 2014, Beirut, Lebanon.

Sanchez G. and I. Butler (2006), “Market Institutions, Labor Market Dynamics and Productivity in Argentina during the 1990s”, Inter-American Development Bank Research Network Working Paper, March 2006.

Santiso, C. (2004) “The Contentious Washington Consensus: Reforming The Reforms in Emerging Markets”, *Review of International Political Economy*, 11 (4): 828-844.

Savran, S. (1987), “1960, 1971, 1980: Toplumsal Mücadeleler, Askeri Müdahaleler”, *11. Tez*, 6: 132- 168.

Scherer, S. (2006) ‘Non-standard Employment: Experiments in Regulation at the Local Level in Germany’, in I. Regalia (ed.), *Regulating New Forms of Employment: Local Experiments and Social Innovation in Europe*, Routledge, London and New York, pp. 84–109.

Schincariol, V. E. (2015), “Ten Years of Economic Recovery in Argentina (2003-2013): An Assessment of ‘Neo-developmentalism’”, *Agrarian South Journal of Political Economy*, 4(3): 259-288.

Schmidt, V. (2007), "Bringing the State Back Into the Varieties of Capitalism and Discourse Back into the Explanation of Change", Center for European Studies Program for the Study of Germany and Europe Working Paper Series.

Schneider, B. R. (1997) "Big Business and the Politics of Economic Reform: Confidence and Concertation in Brazil and Mexico", in Maxfield, S. and B. R. Schneider (eds.) *Business and the State in Developing Countries*, Ithaca and London: Cornell University Press.

Şenses, F. (1993), "Turkey's Labor Market Policies in the 1980s against the Background of Its Stabilization Program", in A. Eralp, M. Tunay and B. Yesilada (eds.), *The Political and Socioeconomic Transformation of Turkey*, Westport, CN: Praeger, pp. 97-109.

Şenses, F. (1981), "Short-term Stabilization Policies in a Developing Economy: The Turkish Experience in 1980 in Long-term Perspective", *METU Studies in Development*, 8(1-2): 409-452.

Şenses, F. and M. Koyuncu (2007) "Socioeconomic Effects of Economic Crises: A Comparative Analysis of the Experiences of Argentina, Indonesia and Turkey", Köse, A. H. F.Şenses and E.Yeldan (eds.), *Globalisation as New Imperialism: Reconstruction of the Periphery içinde*, New York: Nova Science, pp. 197-223.

Siebert, H. (1997) "Labour Market Rigidities: At the Root of Unemployment in Europe", *Journal of Economic Perspectives*, 11 (3): 37-54.

Silva, E. (1993) "Capitalist Coalitions, the State, and Neoliberal Economic Restructuring: Chile, 1973-88", *World Politics*, 45(4): 526-559.

Smith, W.C (1989), *Authoritarianism and the Crisis of Argentine Political Economy*, Stanford, California: Stanford University Press.

Somer, M. (2016), "Understanding Turkey's Democratic Breakdown: Old vs. New and Indigenous vs. Global Authoritarianism", *Southeast European and Black Sea Studies*, 16(4): 481-503.

Sönmez, Ü. (2011), “The Political Economy of Market and Regulatory Reforms in Turkey: The Logic and Unintended Consequences of Ad-hoc Strategies”, *New Political Economy*, 16(1): 101-130.

Standing, G. (2011), *The Precariat: The New Dangerous Class*, London and New York: Bloomsbury Publishing.

Standing, G. (2009), *Work After Globalization: Building Occupational Citizenship*, Cheltenham and Northampton: Edward Elgar Publishing.

Standing G. (2000) “Brave New Worlds? A Critique of Stiglitz’s World Bank Rethink”, *Development and Change*, 31: 737-763.

Steinmo, S. (2008) “Historical Institutionalism”, in Della Porta, D. & M. Keating (eds.), *Approaches and Methodologies in the Social Sciences: A Pluralist Perspective*, Cambridge: Cambridge University Press, pp. 118-138.

Stiglitz, J. (2004), “The Post Washington Consensus Consensus”, *The Initiative for Policy Dialogue*, available at:
http://policydialogue.org/files/events/Stiglitz_Post_Washington_Consensus_Paper.pdf

Stiglitz, J. (2003), “Whither Reform? Towards a New Agenda for Latin America”, *CEPAL Review* 80, pp. 7-37.

Stiglitz, J. E. (2001), *Foreword to The Great Transformation: The Political and Economic Origins of Our Time*, Boston: Beacon Press, by Karl Polanyi.

Stiglitz, J. (1998), “More Instruments and Broader Goals: Moving Toward the Post-Washington Consensus”, *The 1998 WIDER Annual Lecture* (Helsinki, Finland), January 7, 1998, pp. 1-46.

Strauss, K. (2012), “Coerced, Forced and Unfree Labour: Geographies of Exploitation in Contemporary Labour Markets”, *Geography Compass*, 6(3): 137-148.

Streeck, W. (2011), "Taking Capitalism Seriously: Towards an Institutional Approach to Contemporary Political Economy", *Socio-Economic Review*, 9: 137-167.

Streeck, W. (2010), "E Pluribus Unum? Varieties and Commonalities of Capitalism", *MPlfG Discussion Paper*, 10/12, Max-Planck-Institut für Gesellschaftsforschung, Köln.

Svampa, M. (2008), "The End of Kirchnerism", *New Left Review*, vol. 53, pp. 79- 95.

Swank, D. (2001), "Political Institutions and Welfare State Restructuring: The Impact of Institutions on Social Policy Change in Developed Democracies", in P. Pierson (ed.), *The New Politics of the Welfare State*, Oxford: Oxford University Press, pp. 197- 237.

Szuchman, M. D. (2006), "Imagining the State and Building the Nation: The Case of Nineteenth Century Argentina", *History Compass*, 4(2): 314-347.

Talas, C. (1979), "Sosyal Ekonomi", S Yayınları, Sevinç Matbaası: Ankara.

Tansey, O. (2007), "Process Tracing and Elite Interviewing: A Case for Non-probability Sampling", *PS: Political Science & Politics*, 40(4): 765-772.

Taylor, M. (2007), "Rethinking the Global Production of Uneven Development", 4(4): 529-542.

Taymaz, E. and S. Özler (2005), "Labor Market Policies and EU Accession: Problems and Prospects for Turkey", in Hoekman B. M. and S. Togan (eds.), *Turkey: Economic Reform and Accession to the European Union*, Washington: The International Bank for Reconstruction and Development / The World Bank.

Teichman, J. (1997) "Mexico and Argentina: Economic Reform and Technocratic Decision Making", *Studies in Comparative International Development*, 32(1): 31-55.

Telli C., E. Voyvoda and E. Yeldan (2006), "Modelling General Equilibrium for Socially Responsible Macroeconomics: Seeking for the Alternatives to Fight Jobless Growth in Turkey", *Metu Studies in Development*, 33: 255-293.

Teubal, M. (2004), "Rise and Collapse of Neoliberalism in Argentina: The Role of Economic Groups", *Journal of Developing Societies*, vol. 20, no. 3-4, pp. 173-188.

Teubal, M. (2001), "From Import Substitution Industrialization to 'Open' Economy in Argentina: The Role of Peronism", in J. Demmers, A.E. Fernández Jilberto and B. Hoogenboom (eds.), *Miraculous Metamorphoses: The Neoliberalization of Latin American Populism*, London: Zed Books, pp. 22-59.

Thelen K. and S. Steinmo (1992), "Historical Institutionalism in Comparative Politics", in S. Steinmo, K. Thelen and F. Longstreth (eds.), *Structuring Politics: Historical Institutionalism in Comparative Analysis*, Cambridge: Cambridge University Press, pp. 1-32.

Tinios, P. (2010), "Vacillations around a Pension Reform Trajectory: Time for a Change?", Hellenic Observatory Papers on Greece and Southeast Europe, GreeSE paper no. 34, The Hellenic Observatory, London School of Economics and Political Science, London, UK

Tunalı, İ. (2003), "Background Study on Labour Market and Employment in Turkey", Report prepared for the European Training Foundation, June 27, available at: [http://statik.iskur.gov.tr/tr/dis_iliskiler/BSTfinal%20report%20_27\[1\].June.2003_.pdf](http://statik.iskur.gov.tr/tr/dis_iliskiler/BSTfinal%20report%20_27[1].June.2003_.pdf)

Türel, O. (2010), "Türkiye'de 1994, 2001 ve 2008-9 Ekonomik Krizlerinin Karşılaştırmalı Analizi", *Ekonomik Yaklaşım*, 21(75): 27-75.

TÜSİAD (2009), "İstihdam Üzerindeki Yüklerin Hafifletilmesi Bağlamında Kıdem Tazminatı Muessesesi ve İşsizlik Sigortası Hakkında TÜSİAD Görüşü", 14.04.2009, available at: http://www.tusiad.org.tr/_rsc/shared/file/Kidem-Tazminati--Issizlik-Sigortasi--TUSIAD-Gorusu-Final-4Mayis09.pdf

Uçkan, B. (2013), "Two Steps Forward, One Step Back, or Vice Versa: The New Legal Framework of Collective Labour Relations in Turkey", *Transfer*, 19(4): 569-579.

Usami, K. (2004), "Transformation and Continuity of the Argentine Welfare State: Evaluating Social Security Reform in the 1990s", *The Developing Economics*, 42(2): 217-240.

Vivares A., L.D. Echenique and J. Ozorio (2009), "Argentina: Reforming Neoliberal Capitalism", in G. Lievesley and S. Ludlam (eds.), *Reclaiming Latin America: Experiments in Radical Social Democracy*, London, New York: Zed Books, pp. 199-215.

Walton, M. (2004) "Neoliberalism in Latin America: Good, Bad or Incomplete?", *Latin American Research Review*, 39 (3): 165-183.

Ward K. and K. England (2007), "Introduction: Reading Neoliberalization", in K. England and K. Ward (eds.), *Neoliberalization: States, Networks, Peoples*, Oxford: Blackwell Publishing, pp. 1- 22.

Weller, J. (2001) *Economic Reforms, Growth and Employment: Labour Markets in Latin America and the Caribbean*, United Nations Economic Commission for Latin America and the Caribbean.

Weyland, K. (2003), "Neopopulism and Neoliberalism in Latin America: How much Affinity?", *Third World Quarterly*, 24(6): 1095-1115.

Weyland, K. (2001), "Clarifying a Contested Concept: Populism in the Study of Latin American Politics", *Comparative Politics*, 34(1): 1-22.

Whiteside, H. (2012) "Routinize, Institutionalize, Depoliticize: How Global Privatization Policies are Implemented Locally in Canada", paper presented at the Canadian Political Science Association 2012 Annual Conference.

Williamson, J. (2003) "Overview: An Agenda for Restarting Growth and Reform", in P. Kuczynski and J. Williamson (eds.), *After the Washington Consensus: Restarting Growth and Reform in Latin America*, Institute for International Economics, Washington/United States, pp. 1-19.

Williamson, J. (1990), “What Washington Means by Policy Reform”, available at: <http://time.dufe.edu.cn/wencong/washingtonconsensus/whatwashingtonmeans.doc>.

Williamson, O. (1975) *Markets and Hierarchies: Analysis and Anti-Trust Implications*, Glencoe: Free Press.

Wilthagen T. and F. Tros (2004) “The Concept of ‘Flexicurity’: A New Approach to Regulating Employment and Labour Markets”, *Transfer: European Review of Labour and Research*, vol. 10, pp. 166-186.

Wilthagen T. et al. (2003) “Towards ‘Flexicurity’?: Balancing Flexibility and Security in EU Member States”, Paper presented in the 13th World Congress of the International Industrial Relations Association (IIRA) Berlin September 2013.

Wood G. and I. Gough (2006), “A Comparative Welfare Regime Approach to Global Social Policy”, *World Development*, 34(10): 1696-1712.

Wood, S. (1989) “The Transformation of Work?”, in S. Wood (ed.), *The Transformation of Work? Skill, Flexibility and the Labour Process*, London & New York: Routledge, pp. 1-43.

World Bank (2011a), “Reducing Public Debt: Turkey,” Country benchmarks prepared for Golden Growth: Restoring the Lustre of the European Economic Model, Indermit S. Gill and Martin Raiser (eds.), Available at: http://siteresources.worldbank.org/ECAEXT/Resources/258598-1284061150155/7383639-1323888814015/8319788-1324485944855/15_turkey.pdf

World Bank (2011b), “Argentina/World Bank: Social Protection Programs Expand to Benefit Children”, Press Release, March 10, 2011, available at: <http://goo.gl/mz0eIS>

World Bank (2010), “Implementation Completion and Results Report, Turkey: Second Privatization Social Support Project”, Report No: ICR0000902, May 12, World Bank: Human Development Sector Unit.

World Bank (2008), "Implementation, Completion and Results Report On a Loan In the Amount of US\$500 Million to the Republic of Turkey for a Social Risk Mitigation Project", June 26, 2008, Human Development Unit: World Bank, available at: http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2008/08/06/000333038_20080806015943/Rendered/PDF/ICR3060ICR0P071closed0August0402008.pdf

World Bank (2006), "Implementation Completion Report, Turkey: Privatization Social Support Project", Report No: 34931-TU, June 20, World Bank: Human Development Sector Unit.

World Bank (2000), "Implementation Completion Report, Turkey: Privatization Implementation Assistance and Social Safety Net Project", Report No: 20417, May 9, World Bank: Private and Financial Sector Development Unit.

Wylde, C. (2016), "Post-neoliberal Development Regimes in Latin America: Argentina under Fernandez de Kirchner", *New Political Economy*, 21(3): 322-341.

Wylde, C. (2011), "State, Society and Markets in Argentina: The Political Economy of *Neodesarrollismo* under Néstor Kirchner, 2003-2007", *Bulletin of Latin American Research*, 30(4): 436-452.

Yalman, G. L. (2016), "Crises as Driving Forces of Neoliberal 'Trasformismo': The Contours of the Turkish Political Economy since the 2000s", in A. Cafruny, L. S. Talani and G. P. Martin (eds.), *The Palgrave Handbook of Critical International Political Economy*, UK: Palgrave Macmillan, pp. 239-266.

Yalman, G. (1984), "Gelişme Stratejileri ve Stabilizasyon Politikaları: Bazı Latin Amerika Ülkelerinin Deneyimleri Üzerine Gözlemler", İ. Tekeli et. al. (eds.), in *Türkiye 'de ve Dünyada Yaşanan Ekonomik Bunalım*, Ankara: Yurt Yayınları, pp. 83-164.

Yalman G. L. and P. Bedirhanoğlu, (2010), "State, Class and the Discourse: Reflections on the Neoliberal Transformation in Turkey", in A. Saad-Filho and G. Yalman (eds.), *Economic Transitions to Neoliberalism in Middle-Income Countries*, Oxon: Routledge, pp. 107-127.

Yaman- Öztürk, M. and Ö. Öztürk (2011), “Türkiye Sanayi Stratejisi Belgesi Üzerine Gözlemler”, *Memleket, Siyaset, Yonetim*, 6 (15): 24- 52.

Yates, J. S. and K. Bakker (2014), “Debating the ‘Post-neoliberal Turn’ in Latin America”, *Progress in Human Geography*, 38(1): 62-90.

Yavuz, E. (1998), “Sanayideki İşgücünün Durumu: 1923-1940”, in D. Quataert and E. J. Zürcher (eds.), *Osmanlı’dan Cumhuriyet Türkiye’sine İşçiler: 1839-1950*, translated by C. Ekiz, İstanbul: İletişim Yayınları, pp. 155-195.

Yeldan, E. (2009) “Turkey’s Response To The Global Crisis: An Initial Assessment of the Effects of Fiscal Stimulus Measures on Employment and Labor Markets”, available at: http://www.bilkent.edu.tr/~yeldane/2009ILO_G20CountryBrief_Turkey.pdf

Yeldan, E. (2007), “Patterns of Adjustment under the Age of Finance: The Case of Turkey as a Peripheral Agent of Neoliberal Globalization”, PERI Working Paper Series, no. 126, Political Economy Research Institute, University of Massachusetts Amherst, pp. 1-24.

Yeldan E. (2006), “Neoliberal Global Remedies: From Speculative-led Growth to IMF-led Crisis in Turkey”, *Review of Radical Political Economics*, 38(2): 193-213.

Yentürk, N. (1999), “Short-term Capital Inflows and Their Impact on Macroeconomic Structure: Turkey in the 1990s”, *The Developing Economies*, 37(1): 89-113.

Yıldırım, D. (2009), “AKP ve Neoliberal Popülizm”, in İ. Uzgel & B. Duru (Eds.), *AKP Kitabı: Bir Dönüşümün Bilançosu*, Ankara: Phoenix, pp. 66–107.

Zabcı, F. (2006), “A Poverty Alleviation Programme in Turkey: The Social Risk Mitigation Project”, *South East Europe Review for Labour and Social Affairs*, 1: 109-125.

APPENDICES

APPENDIX A

SEMI-STRUCTURED INTERVIEW QUESTIONS

1. How do you evaluate the overall changes in labour policies in Argentina during the post-2001 crisis period in comparison to the ‘convertibility’ era? Do you think that the transformation was mild, radical or there was no major change in terms of the general orientation at all?
2. Do you think that popular opposition was a factor that considerably impacted upon the course of the post-crisis settlement? If yes, how? If no, why not?
3. In your opinion what is the most important/path changer policy item in relation to labour/employment in Argentina in the post-crisis period?
4. What do you think has been the major problem regarding the operation of labour markets in Argentina during and in the aftermath of the 2001 crisis?
5. How do you evaluate policies/policy changes regulating employment contracts (such as those relating to dismissal regulations, working hours, overtime pay, social security contributions by employers and employees etc.) in the post-crisis era?
6. How do you evaluate the relations between trade unions and the Kirchner governments/labour market policy making processes?
7. What is your opinion about the employers’ power/strength vis-à-vis the trade unions in that period (2001-2015) and their impact on policy formation and implementation processes?
8. How can the impact of actors on policy formation and implementation processes other than the CGT or other trade unions be evaluated?

9. How do you evaluate the policies, measures, programmes targeting unemployment and poverty in the post-2001 crisis period?
10. Do you think that international organizations such as IMF, World Bank or UN branches (such as ILO, ECLAC) have had roles in shaping post-crisis labour policies in Argentina?
11. Do you think that the post-2001 crisis period in Argentina can be regarded as neoliberal?
12. Do you agree with the claim that the Argentine economy was not severely affected by the global financial crisis of 2008-2009?
13. How do you evaluate the impact of the global financial crisis upon the labouring classes/the labour market?
14. Is there any important change in labour policy orientation during and after the global financial crisis?
15. How would you periodise the post-2001 crisis era in Argentina?

APPENDIX B

TABLES AND FIGURES

Table B1. Selected Labour Market Indicators: Turkey and Argentina

		1990	1995	2000	2001	2005	2008	2009	2011	2013	The latest available	Year
Labour Force (total, million)	ARG (1)	13.09	14.41	15.44	15.73	17.79	18.15	18.47	18.59	19.22	20.05	2016
	TUR (1)	19.66	20.93	21.42	21.78	22.35	23.76	24.7	26.65	27.88	29.86	2016
Labour Force Participation Rate	ARG (2)	57.6	58.1	57.9	58.1	62.2	60.9	61.2	60.1	60.6	61	2016
	TUR (2)	56.8	53.4	48.8	48.6	46.1	46.5	47.6	49.5	49.8	50.3	2016
Labour Force Participation Rate, Male	ARG (3)	78.7	76.2	73.2	72.6	75.5	74	73.9	74.5	73.8	72.6	2014
	TUR (3)	79.7	77.8	73.7	72.9	70.6	69.2	69.4	71	70.9	71.2	2014
Labour Force Participation Rate, Female	ARG (3)	29.1	41.3	44.1	43.2	49.6	48.4	49.1	48.3	47.9	47.8	2014
	TUR (3)	34.2	30.9	26.6	27.1	23.3	24	25.5	28.4	30.3	30.2	2014
Sectoral Composition of Employment, Agriculture	ARG (4)	0.4	0.6	0.7	0.8	1.1	1.2	0.7	3.1	0.6	0.5	2014
	TUR (4)	46.9	43.4	36	37.6	29.5	22.1	21.6	22.8	21.6	19.7	2014
Sectoral Composition of Employment, Industry	ARG (4)	31.6	27	22.7	21.9	23.5	23.9	23.1	25.3	23.7	24	2014
	TUR (4)	20.7	22.3	24	22.7	24.8	27.4	25.9	27.1	27	28.4	2014
Sectoral Composition of Employment Services	ARG (4)	67.6	72	76.2	76.9	75.1	74.4	75.6	70.8	74.8	74.7	2014
	TUR (4)	32.4	34.3	40	39.7	45.8	50.4	52.6	50.1	51.5	51.9	2014
Employment to Population Ratio	ARG (3)	46.6	43.7	49.5	46.4	55.2	56.4	55.7	56.4	56.2	55.2	2014
	TUR (3)	52.1	50	46.7	45.6	41.5	41.7	41.2	45	45.9	45.5	2014
Unemployment rate	ARG (5)	7.4	17.5	15.1	17.4	11.6	7.9	8.7	7.2	7.1	6.3	2015
	TUR (6)	8.5	8.1	7	8.9	10.6	11	14	9.8	9.7	9.9	2014
Informal Employment	ARG (7)	-	36.5	42.1	42.6	46.6	37	36.2	34.3	-	34.4	2012
	TUR (8)	55.6	49.2	50.6	52.9	48.1	43.5	43.8	42	36.7	33.4	2016
Labour Productivity	ARG (9)	100	127.3	130.2	129.3	127.2	133.2	134	143.6	140.6	135.9	2015
	TUR (9)	100	105.2	119.1	112	144.5	157	150.3	158.9	162.4	165	2015

Sources:

(1) The World Bank (2) ILO, Key Indicators of Labour Market Dataset, ILO Estimates (3) ILO, Key Indicators of Labour Market Dataset, National Estimates (4) ILO, Key Indicators of Labour Market, note: Employment in Agriculture figure for the year 2011 for Argentina is unusually high because of the geographic limitation of the database in this particular year. (5) CEPAL Statistics, available at: http://interwp.cepal.org/cepalstat/Perfil_Nacional_Economico.html?pais=ARG&idioma=spanish (6) Republic of Turkey Ministry of Development, Note: 2014 data for Turkey is from Turkstat new series (7) Centro de Investigacion y Formacion de la republica Argentina (CIFRA), Informe de Coyuntura no 12 (8) Data for the years before 2005 are taken from SEAL (available at <http://seal.atilim.edu.tr/turkiyede-kayit-disi-istihdam>), post-2000 data are taken from the Republic of Turkey Social Security Institution (9) ILO, Key Indicators of Labor Market, Conference Board estimates

Table B2. Strikes and Collective Agreements in Turkey (1963-2000)

	Number of Strikes	Number of Workers Involved	Number of Workdays not Worked	Number of Collective Agreements	Number of Workers Covered by Collective Agreements (Thousands)		
					Public	Private	Total
1963	8	1,514	19,739	96	3	6	9
1964	83	6,640	238,261	1,078	264	173	437
1965	46	6,593	336,836	872	122	50	172
1966	42	11,414	430,104	1,152	159	175	334
1967	101	9,499	350,037	2,339	110	79	189
1968	54	5,289	174,905	1,332	254	164	418
1969	77	12,601	235,134	1,429	108	136	244
1970	72	21,156	220,189	1,516	335	216	551
1971	78	10,916	476,116	1,443	189	154	343
1972	48	14,879	659,362	1,603	278	148	426
1973	55	12,286	671,135	1,921	250	193	443
1974	110	25,546	1,109,401	1,724	427	175	602
1975	116	13,708	668,797	1,893	91	209	300
1976	58	7,240	325,830	2,408	221	255	476
1977	59	15,682	1,397,124	2,173	369	221	590
1978	87	9,748	426,127	2,225	280	204	484
1979	126	21,011	1,147,721	2,914	266	48	314
1980	220	84,832	1,303,253	1,813	237	93	330
1981	0	0	0	647	358	107	465
1982	0	0	0	3,221	728	442	1,170
1983	0	0	0	991	174	87	261
1984	4	561	4,947	1,185	147	193	340
1985	21	2,410	194,296	2,721	648	272	920
1986	21	7,926	234,940	2,667	349	359	707
1987	307	29,734	1,961,940	2,343	641	282	923
1988	156	30,057	1,892,655	2,454	248	381	629
1989	171	39,435	2,911,407	2,725	631	198	829

Table B2. (Continued)

	Number of Strikes	Number of Workers Involved	Number of Workdays not Worked	Number of Collective Agreements	Number of Workers Covered by Collective Agreements (Thousands)		
					Public	Private	Total
1990	458	166,306	1,466,550	1,954	279	205	484
1991	398	164,968	3,809,354	5,030	631	459	1,090
1992	98	62,189	1,153,578	1,783	270	181	451
1993	49	6,908	574,741	3,809	734	334	1,068
1994	36	4,782	242,589	1,513	86	142	228
1995	120	199,867	4,838,241	2,357	509	257	766
1996	38	5,461	274,322	1,871	281	234	516
1997	37	7,045	181,913	2,056	626	216	842
1998	44	11,482	282,638	1,867	95	125	219
1999	34	3,263	229,825	2,286	545	283	828
2000	52	18,705	368,475	1,646	103	105	209

Sources: Strike data: Turkish Statistical Institute, Statistical Yearbooks, various years. Collective Agreements Data: Ministry of Employment and Social Security. Note: The collective agreements of 1981, 1982 and 1983 are concluded by the Supreme Arbitration Board under the Act 2364 respecting the Renewal of Collective Agreements in Case of Social Necessities.

Table B3. Strikes in Turkey and Argentina after the Transition to Civilian Rules

	TURKEY			ARGENTINA		
	Number of Strikes	Number of Workers Involved	Number of Workdays not Worked	Number of Strikes	Number of Workers Involved	Number of Workdays not Worked
1984	4	561	4,947	495	8,459,192	16,521,182
1985	21	2,410	194,296	333	4,248,248	8,296,518
1986	21	7,926	234,940	582	11,236,940	23,170,963
1987	307	29,734	1,961,940	470	5,980,507	13,372,628
1988	156	30,057	1,892,655	443	7,443,344	33,593,112

Sources: Turkey: Turkish Statistical Institute; Argentina: Consejo Técnico de Inversiones, La Economía Argentina, Yearbooks for 1984-1993, cited in McGuire (1996: 144).

Table B4. Weekly Working Hours in Selected Countries (Mean weekly hours actually worked per employed person)

	2004	2010	2015
Argentina	41	40	38
Belgium	36	37	37
Chile	43	40	39
China	48	47	47
France	37	37	36
Germany	37	36	35
Greece	42	41	41
Indonesia	40	40	41
Italy	39	37	36
Malaysia	47	47	45
Mexico	NA	43	42
Spain	39	38	37
Turkey	49	48	47
United Kingdom	36	36	36
United States	39	38	39

Source: ILOSTAT **Note:** The latest data for Argentina belongs to the year 2014 and for China 2013; the first datum for China is of 2005

Table B5. Public Social Expenditure as Percentage of GDP in Turkey and Argentina

	Turkey	Argentina
1999	12.3	21.8
2000	10.3	21.8
2001	10.7	22.4
2002	11.8	19.9
2003	13	19.4
2004	13.3	17.7
2005	13.4	18.5
2006	13.3	19.2
2007	14.4	20.9
2008	14.8	21.8
2009	17.3	26.0
2010	16.2	24.8
2011	16	25.6
2012	16.7	27.1
2013	17.4	28.3
2014	17.7	28.1

Sources: for **Argentina:** MECON (Ministerio de Hacienda y Finanzas Públicas) database; for **Turkey:** OECD Statistics and Ministry of Education-National Education Statistics **Notes:** for **Argentina:** social expenditures include expenditures in the following fields: education, culture, science and technology, health, drinking water and sewage, housing and urban planning, promotion and social assistance, social security, employment programs and unemployment insurance and family allowance. for **Turkey:** social expenditures include pension payments, health, family benefits, active labour programmes, unemployment compensation and severance pay, cash benefits for immigrants/refugees. Education expenditures in percentage of GDP are taken from National Education Statistics published annually by the Ministry of Education and added to the social expenditures listed above.

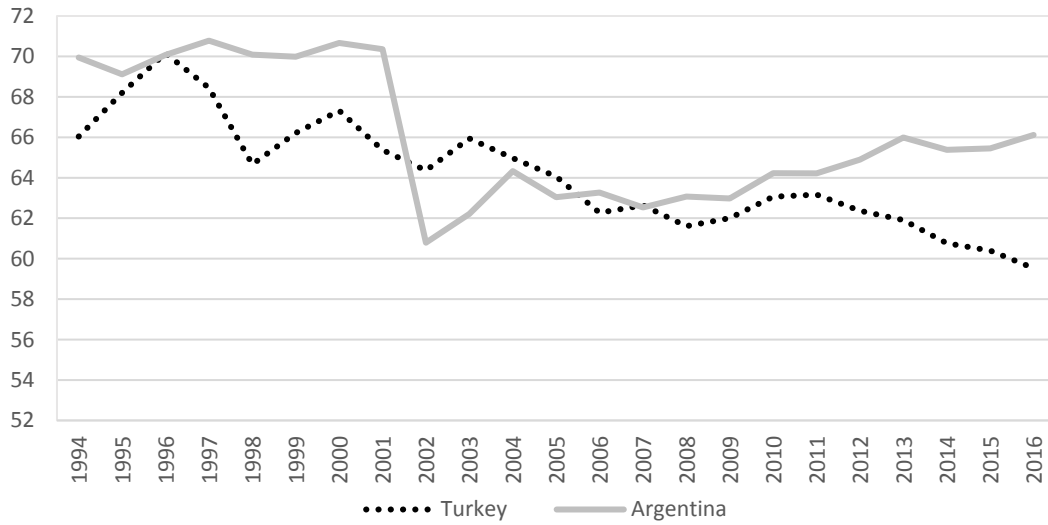


Figure B1. Household Consumption as percentage of GDP
 Source: The World Bank

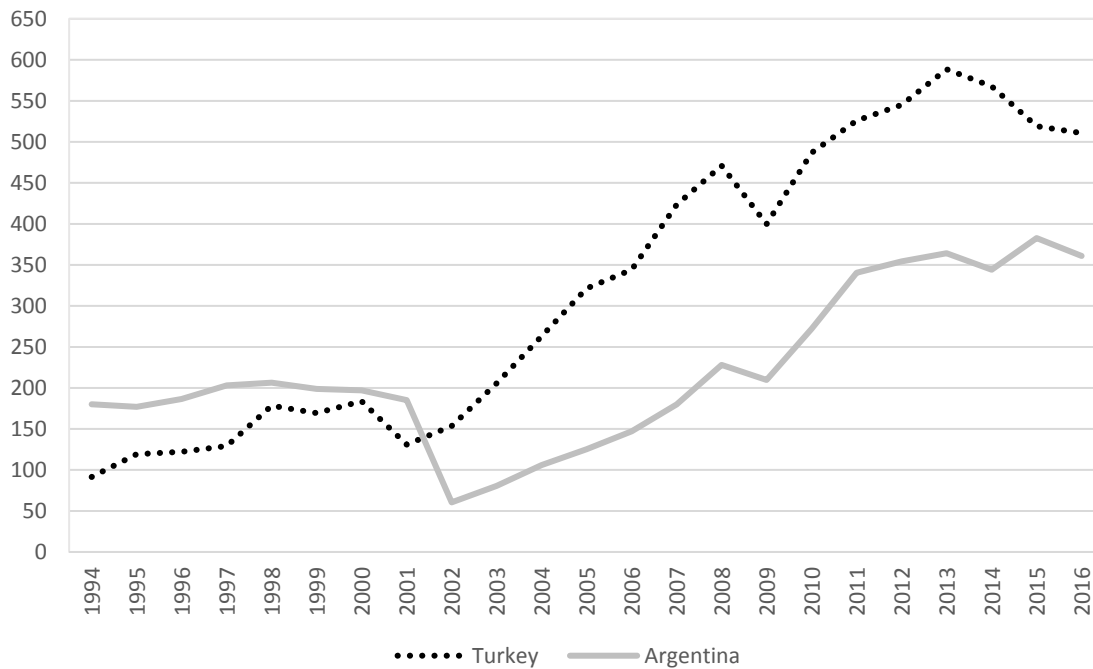


Figure B2. Household Final Consumption Expenditure, current USD (Billion)
 Source: The World Bank

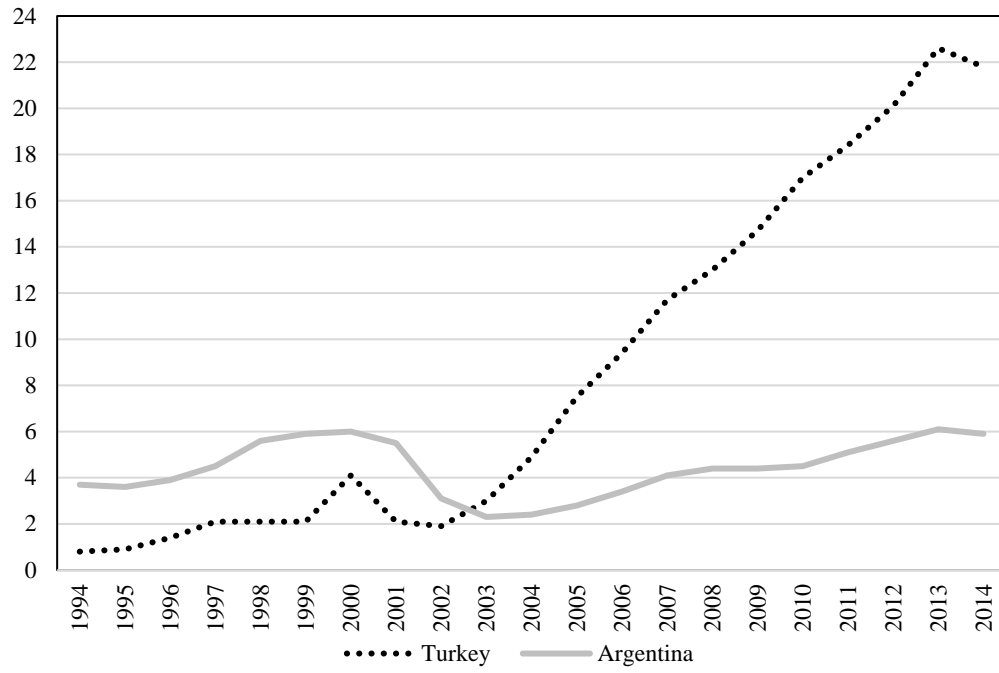


Figure B3. Household Debt to GDP (%)
 Source: The Bank for International Settlements

APPENDIX C

TURKISH SUMMARY/ TÜRKÇE ÖZET

EMEK PİYASALARI, EMEK İLİŞKİLERİ VE DEVLET: ARJANTİN VE TÜRKİYE ÜZERİNE KARŞILAŞTIRMALI-TARİHSEL BİR ÇÖZÜMLEME, 2001- 2015

Arjantin ve Türkiye askeri darbelerin eşliğinde girişilen ve farklı iniş ve çıkışlar sergileyerek 1980’ler ve 1990’lar boyunca uygulanan neoliberal yapısal uyum politikalarını takip eden şekilde, 2001 yılında yakın tarihlerdeki en şiddetli ekonomik krizlere sahne oldular. Bu çalışmada bu iki ülkenin kriz sonrası politik-ekonomik yeniden yapılanma süreçleri emek ilişkileri ve emek politikalarına odaklanılarak incelenmektedir. 2000’lerin başlarında gerçekleşen ve 1990’lara damgasını vuran gelişmekte olan ülke krizlerinin birer örneğini oluşturan bu iki krize verilen toplumsal tepkiler önemli farklılıklar göstermiştir. Arjantin örneğinde krize verilen tepkiler bir toplumsal ayaklanma biçimini almış ve kriz 1990’lar boyunca radikal biçimde uygulanan neoliberal modelin krizine dönüşmüştür. Birçok gözlemci 2001 sonrası Arjantin deneyimini kaba neoliberalizmden uzaklaşma ve yeni-kalkıncı bir yönelim olarak nitelendirmektedir. Türkiye’de ise 2001 krizi sürecinde ortaya çıkan toplumsal hoşnutsuzluk uygulanan neoliberal politikalarla ziyade temel olarak siyasetçilere/siyasal partilere yönelmiştir. Arjantin örneğinden farklı olarak kriz neoliberalizmin krizi olmaktan ziyade neoliberalizm içi bir kriz biçimini almıştır. Toplumsal tepkilerin büyük ölçüde parlamenter düzlemle sınırlı kalması, kriz sonrasında politika yapıcılara 1980’lerde girişilmiş olan neoliberal politika gündemini derinleştirmek bakımından önemli fırsatlar sunmuştur. Kriz sonrası dönemde zamana yayılan bir biçimde otoriter neoliberal politika dağarcığı çeşitlenmiştir. ‘Popüler-demokratik güçlenme’nin (popular democratic

empowerment) sistematik olarak engellenmesi yoluyla otoriterizm ve neoliberalizmin birbirini beslediği bir yapılanma söz konusu olmuştur.

Bu çalışma temel olarak 2001-2015 arası Arjantin ve Türkiye deneyimlerini şu temel sorulara cevaplar arayarak çözümlenmektedir: (1) 2001 sonrasında emek düzenlemeleri arası farklılıklar ve bu farklılıklara yol açan temel etmenler nasıl anlaşılmalıdır? (2) Emek piyasalarının ve emek ilişkilerinin tarihsel olarak oluşumu ve şekillenışı ne gibi farklılıklar sergilemiştir? Söz konusu tarihsel farklılıklar devlet-emek-sermaye ilişkilerinin kriz sonrası şekillenişini nasıl etkilemiştir? (3) Arjantin ve Türkiye örnekleri özelinde yeni-kalkıncılık ve otoriter neoliberalizmin emek politikası bileşenleri nelerdir? Emek politikaları arası farklılıklar, daha geniş anlamda farklı siyasal- iktisadi yeniden yapılanma süreçlerinin oluşumuna ne şekilde etki etmiştir?

Bu sorulara cevaplar oluşturmak üzere yürütülmüş olan araştırma kapsamında iki temel bilgi edinme yöntemi kullanılmıştır: doküman analizi ve yarı yapılandırılmış görüşmeler. Doküman analizi kapsamında her iki ülkede 2001-2015 döneminde gerçekleştirilmiş olan emek ilişkili yasal düzenlemeler ve hükümetler ve uluslararası kuruluşlar tarafından yayınlanmış olan rapor ve istatistikler incelenmiştir. Ayrıca ilgili ikincil literatür kapsamlı bir değerlendirmeye tabi tutulmuştur. Çalışma kapsamında, ‘süreç takibi’ (process tracing) amacıyla Buenos Aires/Arjantin’de Mayıs 2015 ve Nisan-Mayıs 2016’da 15 yarı yapılandırılmış görüşme gerçekleştirilmiştir. Görüşmeciler anahtar siyasal aktörler arasından seçilmiş ve hükümet yetkilileri, emek ve sermaye kuruluşları temsilcileri ile akademisyenlerden oluşmuştur.

Çalışmanın temel argümanı özetle şöyledir: emek politikalarına – devletin emek ilişkilerine farklı müdahil olma biçimlerini içerecek şekilde- bütüncül olarak yaklaşmak, neoliberalizm içi ve dışı siyasal iktisadi yönelim çeşitliliğini anlamak konusunda verimli bir zemin oluşturmaktadır. Devlet-emek-sermaye ilişkileriyle biçimlenen tarihsel miras ve 2001 sonrası dönemde farklı sınıfların edindiği kazanımlar ve verdikleri ödümler,

Arjantin ve Türkiye’de sırasıyla yeni-kalkınmacı ve otoriter neoliberal deneyimlere şekil vermiştir. Bu iki ülkedeki 2001 krizi sonrası söz konusu olan siyasal iktisadi yönelim farklılıklarını anlamak için emek politika gündemlerinin nasıl şekillendiğini analiz etmek gerekmektedir. Yeni-kalkınmacı Arjantin deneyiminde, çalışan sınıfların hem güvencesiz hem de örgütlü kesimlerinin disipline edilmesi, politika yapma süreçlerine ‘kolektif-kurumsal’ olarak dahil edilmeleri yoluyla gerçekleşmişken, Türkiye’deki otoriter neoliberal yapılanma emekçi sınıfların kolektif-kurumsal dışlanması ve ‘aracısız-bireysel’ içerilme yoluyla disipline edilmeleri ile karakterize olmuştur. Bunun bir uzantısı olarak, kriz sonrası Arjantin’de hem sendikalar hem de işsizler hareketi, farklı sermaye fraksiyonlarını emeğin ücret oluşumuna, emek politikası formasyonuna ve kamu kaynaklarının dağıtım süreçlerine kurumsal mekanizmalar yoluyla dahil edilmesini kabullenmeye zorlamışken, Türkiye örneğindeki şekilleniş farklı ölçekteki sermaye kesimlerinin emekçi sınıflara büyük tavizler vermekten kaçınmasına olanak tanımıştır. Bu iki ülke deneyimi, farklı biçimlerde de olsa, neoliberalizmden sürdürülebilir bir çıkış yaratmak ve özsel demokratikleşme (substantial democratisation) bakımından emekçi sınıfların politika yapma süreçlerine özerk ve kolektif biçimde dahil olmasının önemine işaret etmektedir.

Tez giriş ve sonuç bölümleri dahil toplam altı bölümden oluşmaktadır. Girişi takip eden ikinci bölüm tezin kavramsal ve analitik çerçevesini ortaya koymakta ve bu amaçla alternatif teorik yaklaşımları eleştirel bir değerlendirmeye tabi tutmaktadır. Bu bölümde öncelikle, kabaca 1980’lerden itibaren emek çalışmalarını önemli ölçüde biçimlendirmiş olan iki ana teorik damar – neoklasik ve yeni kurumsal iktisat okulları ile refah rejimi literatürü ve tarihsel kurumsalcı yaklaşım – ele alınmış, ardından eleştirel emek çalışmaları olarak nitelendirebilecek alternatif yaklaşımın temel vurgularından yola çıkarak çalışmanın kavramsal ve analitik çerçevesi ortaya konmuştur. Aynı bölümde ayrıca neoliberalizm-emek ilişkisi ve bu ilişkinin küresel düzlemde ve tarihsel olarak geçirdiği dönüşüm incelenmiştir. Üçüncü bölüm, Arjantin ve Türkiye’de emek piyasalarının oluşumunu ve emek ilişkilerinin şekillenişini karşılaştırmalı ve tarihsel

olarak analiz etmektedir. Bölümün temel amacı bu iki ülkede ortaya çıkan tarihsel miraslar arası farklılıkları ve bunların 2001 krizleri sonrası emek politikası yapılanmalarını hangi şekillerde etkilediğini ortaya koymaktır. Aşağıda kısaca özetleneceği gibi Arjantin ve Türkiye’de emek piyasaları birbirlerinden oldukça farklı şekillerde oluşmuş ve emekçi sınıfların kolektif deneyim oluşturma ve bunları kriz sonrası döneme aktarma biçim ve dereceleri önemli farklılıklar sergilemiştir. Tezin dördüncü bölümü kriz sonrası siyasal iktisadi yapılanmaların emek perspektifinden bir okumasını yapmaktadır. Yeni kalkınmacılık ve otoriter neoliberalizm kavramları emek politika bileşenlerine odaklanılarak incelenmekte ve bu bağlamda Arjantin ve Türkiye deneyimlerinin temel özellikleri irdelenmektedir. Çalışmanın beşinci bölümü, ikinci bölümde tarif edilen bireysel-kolektif-telafi edici emek düzenlemeleri sınıflandırmasını temel alarak, 2001 sonrası emek politikalarının bir dokümantasyonunu yapmakta ve kriz öncesi döneme kıyasla söz konusu olan önemli farklılıkları, bir başka deyişle emek politikaları açısından yeni olanı, ortaya çıkarmaktadır. Altıncı ve son bölüm tezin temel bulgularını özsel bir biçimde sergilemekte ve bu iki ülke deneyiminin daha genel anlamda emek politikası oluşum ve değişim süreçleri ve demokratikleşme açısından işaret ettiği çıkarımların altını çizmektedir.

Neoliberal emek politikası gündemlerine hakim şekilde yön vermiş olan neoklasik ve yeni kurumsal iktisat okulları temelde emeği başka metalden, emek piyasalarını diğer piyasalardan ve emek ilişkilerine devletin dahil oluşunu da genel olarak devlet müdahalesinden ayrı konumlandırmamaktadır. Emek piyasalarının devlet müdahalelerinden arındırılması ölçüsünde emek arz ve talebinin birbirini dengeleyeceği varsayımı neoklasik iktisadın temel varsayımlarından birisini oluşturmuştur. Bu varsayım en temel ifadesini esneklik/katılık analiz çerçevesinde bulmuştur. Buna göre emek politikaları emek piyasası katılıklarına yol açanlar ve emek piyasalarını esnekleştirmeye yönelik olanlar olarak sınıflandırılmaya başlanmış ve bilimsel/teknokratik nesnellik iddiasıyla birincilerin terk edilmesini salık veren politika gündemleri oluşmaya başlamıştır. Neoklasik iktisadi kurumların önemine ilişkin bir vurguyla içeriden eleştiriye

tabi tutan yeni kurumsal iktisat okulunun 1990'ların sonlarından itibaren yükselişe geçmesine paralel olarak, devletin ve kurumların piyasanın işleyişine olan kolaylaştırıcı etkisi vurgulanmaya başlanmıştır. Bu, devlet müdahalesinin emek piyasalarının işleyişinde kategorik olarak olumsuz etkiler yarattığı vurgusunun terk edilmesini ve 'iyi' ve 'kötü' esneklik/katılık biçimleri arası ayrımlar yapılmaya başlanmasını beraberinde getirmekle birlikte, neoklasik iktisadın temel tezlerinin terk edilmesine yol açmamıştır. Aksine bu okulun modifiye edilmiş bir versiyonu olan yeni kurumsal iktisat, esneklik/katılık çerçevesini korumuş ve işlem maliyetlerini azaltan, piyasanın işleyişinde düzeltici ve kolaylaştırıcı etkileri olan katılıkları 'iyi' katılıklar ve –benzer şekilde– firmaların ve ülkelerin rekabet edebilirliğine olumlu etki eden esneklik biçimlerini 'iyi' esneklik biçimleri olarak tanımlamaya başlamıştır. Bir başka deyişle, esneklik/katılık çerçevesinin özünü değil kapsamını yeniden tanımlamıştır. Emek piyasalarının –aslında genel olarak piyasaların– mükemmel olmayan yapısı teslim edilmişse de analizin temel referans noktası tam rekabet eden emek piyasaları olmuş, kusur ve katılıklar normalden sapmalar olarak değerlendirilmiştir. Emek çalışmalarında hakim bir konum edinmiş olan bu teorik damar, benimsediği yöntemsel bireyciliğin bir uzantısı olarak, emek ilişkilerinin ve politikalarının tarihsel, sosyal ve sayısallaştırmaya uygun olmayan başka özelliklerini göz ardı etmektedir (krş. Fine, 1999: 413). Neo-klasik ve yeni kurumsal iktisat çerçeveleri emek piyasalarının ve emek politikası oluşum süreçlerinin üzerine inşa olduğu asimetrik güç ilişkilerini, ihtilaf, oydaşma ve çatışmaları anlamada kullanılabilecek bir çerçeve sunmamaktadır. Emek gücünün metalaşması etrafında şekillenen ilişkileri ve bunların geçirdiği dönüşümleri anlamak için daha derinlikli bir bakış açısına ihtiyaç bulunmaktadır.

Tarif edilen ana akım perspektifin iddiasının aksine, hem Karl Polanyi üzerinden tarihsel kurumsalcı yaklaşımın ve refah rejimi literatürünün, hem de eleştirel emek çalışmalarının benimsediği/vurguladığı gibi emek gücü mübadele amacıyla üretilmiş sıradan bir meta değildir. Polanyi'nin (2001[1944]) *Büyük Dönüşüm* eserinde altını çizdiği gibi, emek hayali bir metadır ve emek piyasaları bir dizi toplumsal ilişkinin ve devletin dahil olması

ile şekillenen ilişkiler bütünüdür. Bu çalışmada ele alınan ikinci teorik damar emek piyasalarının isleyişinin özgünlüklerine işaret ederek emek çalışmalarının ana akımından ayrılsa da, temelde korumacı devlet müdahalelerine odaklanmakta ve bu müdahaleleri emek ilişkilerinden izole şekilde veya onlara dışsal olarak tanımlamaktadır. Bu çalışmada bunun temel nedeninin, Polanyi'nin iki yönlü devlet müdahalesi kavramsallaştırmasının seçici bir biçimde yorumlanmasından kaynaklandığını iddia ediyorum. Polanyi *Büyük Dönüşüm* eserinde kategorik olarak birbirinden farklı iki müdahalecilikten bahsetmektedir. Bunlardan ilki piyasa ekonomisinin oluşumunu ve idamesini sağlamaya yönelik planlı devlet müdahaleciliği iken, diğeri piyasa mekanizmasının genişlemesi karşısında kendiliğinden, plansız şekilde oluşan toplumsal öz-korunma davranışının bir sonucu olarak ortaya çıkan devlet müdahaleciliğidir. Sosyal politika ve refah rejimleri literatürleri birinci tip müdahaleciliği görmezden gelmiş ve çoğunlukla ikinci tip müdahaleciliğin belirli bir yorumunu benimsemişlerdir. Bu yorumda Polanyi'nin holistik bir toplum anlayışı üzerinde temellendirdiği kendiliğindenci toplumsal öz-koruma fikri, bireylerin devlet tarafından korunması anlamında bir müdahaleciliğe tahvil edilmektedir. Bunun en belirgin ifadelerinden birisi Gøsta Esping-Andersen'in *Refah Kapitalizminin Üç Dünyası* (1990) başlıklı eserinde Polanyi'den ilhamla kullandığı meta-dışlaştırma kavramıdır. Kavram yazar tarafından, emek gücünün meta formundan çıkması olarak değil, devletin/sosyal politikaların bireylerin piyasaya olan bağımlılığını azaltma kabiliyetine işaret edecek şekilde kullanılmıştır. Bu anlamda emek gücünün yeniden üretiminde rol oynayan ve bireylerin emek piyasalarına girişlerinin ve emek güçlerini ücret karşılığı satmaya devam etmelerinin koşullarını oluşturan politikalar ironik şekilde meta-dışlaştırma kavramı ile nitelendirilmektedir. Polanyi'nin hayali meta olarak emek kavramsallaştırmasını ve emek piyasalarının arz-talep yasaları uyarınca işleyen piyasalar olmadığı vurgusunu paylaşan tarihsel kurumsalcı yaklaşım, emekle ilişkili araştırmalarda temel olarak politika süreklilikleri ve dönüşümleri sorununa odaklanmaktadır. Farklı tarihsel kurumsalcı çalışmaların paylaştığı ortak zemin, 1970'ler sonrasında ülkeler arası politika yapma biçimlerinin kurumsal mirasların bir uzantısı olarak ve onları yansıtan şekilde farklılaştığı olmuştur. Bir başka deyişle, kurumların izlek bağımlı (path-

dependent) olma özelliği benzer küresel eğilim ve baskılar karşısında ülkelerin farklı ulusal politika tepkileri vermesi ile sonuçlanmıştır. Kurumsal indirgemecilik ve değişim dinamiklerini kurumlara dışsal olarak düşünme eğilimi, tarihsel kurumsalcılık okulunu, kurumların ve politikaların geçirdiği dönüşümleri açıklamada yetersiz kılmaktadır. Bunun emek politika analizleri bakımından yansımaları emek piyasalarının ve emek ilişkilerinin nasıl oluştuğuna ve değiştiğine dair soruların cevapsız kalmasıdır.

Özet olarak, ilk teorik damar, emek politikalarını kısıtlama/kolaylaştırma zemininde değerlendirirken, ikinci damar koruyucu devlet müdahalelerine odaklanmakta ve emek sorununa devlet-birey (vatandaş, işçi) ilişkileri çerçevesinde yaklaşmaktadır. Alternatif olarak bu tezde, emek politikalarını incelerken emek ilişkilerinin ve emek piyasalarının tamamlanmamış, saf olmayan ve ihtilafli yapısını dikkate alan bir yaklaşım geliştirilmektedir. Çalışma bu amaçla, hem Karl Polanyi'nin *Büyük Dönüşüm* eserinin bir yeniden okumasını yaparak hem de eleştirel emek çalışmalarından çıkarımlar devşirerek, metalaşma/meta-dışlaştırma, yeniden üretim ve telafi kavramlarını yeniden ele alarak irdellemektedir. Bireysel ve kolektif emek ilişkilerine devletin dahil olmasını ve yoksulluk ve işsizliği yönetmeye yönelik telafi edici devlet müdahalelerini birlikte analize dahil etmek suretiyle, emek politikalarını geniş açıdan ele almaktadır.

Eleştirel emek çalışmalarının ayırt edici özelliği kapitalist üretim ilişkilerini emek piyasası ve emek ilişkileri ile ilgili değerlendirmelerin merkezine yerleştirmeleridir. Böylelikle emek gücünün metalaşması, meta üretimi süreçlerinin ve üretim ilişkilerine içkin olan sömürü ilişkileri ve mücadelelerin ayrılmaz bir parçası olarak görülmektedir. Buna göre emek gücü iki açıdan özel bir metadır (krş. Fine, 1998: 251-261). Öncelikle bu meta emekçinin kendisinden ayrı bir varlığa sahip olmadığı için (Polanyici terimlerle söylenecek olursa piyasada satılmak için üretilen bir meta olmadığı için) toplumsal olarak yeniden üretilmelidir. İkincisi, bir meta olarak emek gücü meta üreten bir metadır, diğer bir deyişle kapitalizmde artı değer kaynağıdır. Bu çalışmada, Marksist ve feminist literatürün katkılarından yararlanarak, emek politikalarını devletin emek gücünün

metalaşmasında üstlendiği roller üzerinden okuyorum. Meta-dışılaştırma kavramını ise Hannes Lacher'in (1999a, 1999b, 2007) Polanyi okumasından esinlenerek dar anlamda, yani emek gücünün meta formundan sıyrılması anlamında kullanıyorum. Böyle bir okuma devletin emek gücünün üretiminde ve yeniden üretiminde üstlendiği tarihsel rolleri, emek gücünün (meta-dışılaştırmasının değil) metalaşmasının bir unsuru olarak değerlendirmeyi beraberinde getirmektedir. Gerçekten de tarihsel olarak kapitalist devletler (aile, topluluk gibi diğer toplumsal kurumlarla birlikte) 'insan emek gücünün meta formunda devamlı şekilde yeniden üretilmesi' (Russell, 1984: 44) süreçlerine dahil olmuşlardır. Bu dahil oluş, bireysel ve kolektif iş sözleşmelerinin hüküm ve koşullarını belirli bir bağlayıcılığa kavuşturmak, emek gücünün bireysel yeniden üretim maliyetlerini ve işsizlik ve yoksulluğun toplumsal maliyetlerini telafi etmek ve işgücünü disipline etmek gibi birbirinden farklı biçimler almaktadır. Bu çalışmada bu kavramsal alet çantası yanında, emek düzenlemelerinin incelenmesinde üçlü bir analitik ayrım kullanılmaktadır. İş hukuku literatüründe yaygın şekilde kullanılan bireysel ve kolektif emek düzenlemeleri ayrımına, işsizliği ve yoksulluğu düzenlemeyi ve kontrol etmeyi hedefleyen telafi edici emek politikaları eklenmekte, ve emek düzenlemeleri geniş anlamda ele alınmaktadır.

Daha önce, neo-klasik ve yeni kurumsal iktisat okullarının neoliberalizme emekle ilişkili kavramsal/teorik girdiler sağladığından bahsetmiştim. Ana akım yaklaşımın temel varsayımları bir proje olarak neoliberalizme ve 1980'ler itibariyle dünyanın geniş bir bölümünde emek politikası gündemlerinin oluşumuna yön vermiştir. Emek merkezli bir çerçeveden neoliberal strateji emeğin bireysel ve toplumsal yeniden üretiminde sermayenin sorumluluğunun mümkün olduğu kadar azaltılması amacı üzerinde temellenmiştir. Daha açık bir ifadeyle sermayenin emekle ilişkili maliyetlerinin dışsallaştırılması ve toplumsallaştırılması neoliberalizmin merkezi bir unsuru olagelmiştir (krş. Bhattacharya, 2007). Bu, devletin söz konusu alanlardan geri çekilmesini değil, yeni roller üstlenmesini beraberinde getirmiştir. Ayrıca, somut politika dönüşümleri, neoliberalizmin deneysel, pragmatik ve krizlerle şekillenen karakterine paralel olarak, coğrafyalar arası önemli farklılıklar sergilemiştir. Bu çalışmada incelenen Arjantin ve

Türkiye örneklerinin de işaret ettiği gibi, neoliberal dönemde devlet-emek-sermaye ilişkilerinin geçirdiği dönüşümler ‘devletin geri çekilmesi’, ‘emeğin yeniden metalaşması’, ‘kuralsızlaştırma’ ve ‘piyasalaşma’ gibi kavramlarla ifade edilenden çok daha karmaşık özellikler sergilemiştir.

Neoliberalizme geçiş süreçlerinin emek politikaları açısından yansımalarını karşılaştırmalı olarak değerlendirmek için emek piyasalarının ve emek ilişkilerinin tarihsel şekillenme farklılıklarını hesaba katmak gerekmektedir. Bu nedenle bu çalışma Arjantin ve Türkiye örneklerini kapsamlı bir tarihsel değerlendirmeye tabi tutmaktadır. Tarihsel mirasların hangi şekillerde 2001 krizleri sonrası döneme aktarıldığını çözümlenmek, bu çalışmanın temel olarak odaklandığı zaman dilimi olan 2001-2015 arası emek politikalarının farklılıklarını anlamak bakımından anahtar bir öneme sahiptir. Yukarıda değinildiği gibi, tarihsel kurumsalcı yaklaşım tarihsel mirasları kurumların mirasına indirgemekte ve ikinciyi özsel olarak izlek bağımlı olarak okumaktadır. Ben bu çalışmada tarihsel mirasları, farklı sınıfların deneyim, kazanım ve ödün aktarımı olarak okuyor, böylelikle kurumsal indirgemecilikten kaçınmayı hedefliyorum.

Arjantin ve Türkiye’de emek piyasaları ve emek ilişkileri tarihsel olarak birbirinden oldukça farklı şekillenmiştir. Görece bütünleşmiş bir emek piyasası Türkiye’de Arjantin’e kıyasla daha geç ve zamana yayılmış olarak oluşmuştur. İkinci örnekte, Avrupa’dan doğru gerçekleşen kitlesel emek göçünün etkisiyle hem tarımda hem de tarım dışı üretimde ücretli emek 19. YY’ın ortalarında yaygınlık kazanmıştır. Ayrıca emek ilişkileri görece erken bir dönemde kolektif bir biçim almaya başlamıştır. Emek piyasalarının oluşumu açısından iki ülke arasındaki en önemli farklılık tarımsal üretim yapıları arası farklılıklardan kaynaklanmıştır. Arjantin’de büyük toprak sahipliği ve toprak sahibi olmayan sınıfların işlediği toprak yapısı hakimken, Osmanlı/Türkiye örneğinde tarımsal üretimin temel birimi küçük toprak sahibi hanelerdir. Selanik ve İstanbul gibi şehirlerde oluşmakta olan bir kent emek piyasasının varlığı söz konusu ise de, hem tarımda ücretli emek kullanımı oldukça sınırlıdır, hem de erken 20.YY’a damgasını vuran savaşlar ve

nüfus hareketleri ücretli işgücünün önemli ölçüde azalmasına neden olmuştur. 1929 Büyük Buhranı'nı takip eden yıllarda Arjantin'de tarımın istihdam içindeki payı büyük bir düşüş yaşamış ve ithal ikameci yönelim sonucu artan sanayileşme kırdan kente bir göç dalgasını tetiklemiştir. 1940'ların ortalarından itibaren –güçlü fakat devlete bağımlı olarak gelişen sendikal hareketin de etkisiyle- devlet ve sermaye emek gücünün bireysel ve toplumsal yeniden üretiminde giderek artan roller üstlenmeye başlamıştır. Türkiye'de ise ithal ikameci sanayileşme deneyimi İkinci Dünya Savaşı'nın başlamasıyla birlikte önemli bir kesintiye uğramış, 1950'lerin sonlarına kadar tarımsal ürünlere dayalı serbest bir dış ticaret rejimi benimsenmiştir. Geniş kapsamlı bir iç göç dalgası 1950'den itibaren gerçekleşmeye başlamış ve farklı bir metalaşma biçimiyle karakterize olmuştur. Göçmen işçilerin büyük çoğunluğu için zamanla ücret temel geçim kaynağı haline gelse de, azalmakta olan fakat devam eden kırsal gelir kaynakları telafi edici mekanizmalar görevi görmüştür. Bu emek gücü metalaşma biçimi emek gücünün yeniden üretimi bakımından işçilerin ve hanelerinin büyük yükler sırtlanması sonucunu beraberinde getirmiştir.

Emeğin kolektif bir aktör haline gelişi bakımından Arjantin ve Türkiye örnekleri önemli ölçüde farklılaşmaktadır. Arjantin'de Peronist hareketin, alternatif emek örgütlerini büyük ölçüde tasfiye ederek, 1940'ların ortalarından itibaren yükselişi, bir dizi korporatist kurum ve düzenlemenin – mücadeleci bir kentli işgücü ve yükselen sını sermayenin oluşturduğu kaygan bir ittifak zemininde – ortaya çıkışını beraberinde getirmiştir. Türkiye örneğinde ise emek hareketi ilk defa 1960'lar itibariyle önemli bir toplumsal/siyasal aktör haline gelebilmiştir. İki on yıl boyunca kolektif olarak güçlenmesine rağmen emek hareketinin politika yapma süreçlerine kurumsal dahil oluşu sınırlı kalmıştır.

İthal ikameci sanayileşme dönemleri her iki ülkede de devletin ve sermayenin emek gücünün yeniden üretiminde artan roller oynamasına sahne olmuştur. Fakat koruyucu devlet düzenlemeleri ve sermaye tarafından emekçi sınıflara verilen tavizler – başka yerlerde olduğu gibi – emeğin metalaşmasını sınırlandıran (veya refah rejimleri literatürünün kavramlarıyla emeği meta-dışılaştırıran) roller oynamamıştır. Aksine devlet

ve sermaye kesimlerinin emeğin yeniden üretiminde daha büyük roller üstlenmesi emek piyasalarının genişlemesine olanak tanımıştır. Karşılaştırmalı olarak bakıldığında Arjantin örneğinde bu yük paylaşımında devletin ve sermayenin ağırlığı Türkiye örneğinden daha fazla olmuştur. Benzer şekilde her iki ülkedeki neoliberal yeniden yapılanma süreçlerini – bir önceki dönem meta-dışlaşmayla karakterize edilemeyeceği için – emeğin ‘yeni-den-metalaşması’ süreçleri olarak okumak uygun görünmemektedir. Bunun yerine, neoliberal dönemde sermayenin emekle ilişkili maliyetlerinden sıyrılmaya çalışmasının ve becerisinin öncesine kıyasla artmış olmasından bahsetmek daha uygundur. Bununla birlikte, neoliberal yeniden yapılanma süreçlerindeki bir dizi paralellığe rağmen emek ilişkileri ve politikaları bakımından Arjantin ve Türkiye örnekleri önemli farklılıklar sergilemiştir. Bu farklılıkları anlamak 2001 sonrası yeniden yapılanma süreçleri arasındaki farklılıkları anlamak bakımından büyük önem taşımaktadır.

Kısaca ifade edilecek olursa, her iki ülkede de yapısal uyum programları askeri darbeler eşliğinde uygulamaya konmuştur. Önceki on yıllarda çeşitli aralıklarla alınan istikrar önlemlerinin aksine, yapısal uyum süreçleri, ithal ikameci sanayileşme stratejisinin ilgili kurumsal yapılanma ile birlikte terk edilmesini ve ithalat yönelimli büyüme modeline geçişi hedefleyen ‘yapısal reform’ uygulamalarını içermiştir. Bu bağlamda her iki ülkede de emek maliyetlerinin azaltılması ve uysal bir işgücü yaratılması önemli öncelikler haline almıştır. Askeri darbeler, emek örgütleri ve rejim muhaliflerinin şiddetli baskılara maruz kaldıkları dönemler olmuştur. Arjantin örneğinde askeri rejim dönemi Türkiye’ye kıyasla daha uzun (1976-1983) sürmüş, binlerce aktivistin ‘kaybolduğu’ bir ‘kirli savaş’ olarak tarihe geçmiştir. Türkiye’de daha kısa sürmekle birlikte (1980-1983) askeri rejim darbe sonrası döneme daha fazla damgasını vurmuş ve ‘sivil’ yönetimlere geçiş otoriter yönetim biçiminin dönüşmesini beraberinde getirmemiştir. Kolektif emek ilişkilerinin darbeler ve darbeleri takip eden dönemdeki seyri iki ülke arasında önemli farklılıklara işaret etmektedir. Arjantin’de emek hareketi cunta yılları boyunca büyük bir darbe almış olsa da, devam eden taban aktivizmi sayesinde, bir aktör olarak gücünü koruyabilmiş ve bunu darbe sonrası döneme aktarabilmiştir. Bu durum emek hareketinin neoliberal yapısal

uyum gündemine Türkiye örneğine kıyasla daha deneyimli bir şekilde maruz kalmasını beraberinde getirmiştir. Kolektif deneyim oluşturma noktasında Peronizm önemli bir referans noktası oluşturmuş ve emek hareketinin hem darbe sürecinde ayakta kalmasında hem de sivil yönetime geçişte bir aktör olarak yeniden ortaya çıkmasında etki sahibi olmuştur. Arjantin’de darbe sonrası sendikal faaliyetlerin işleyişine getirilmiş olan kısıtlar büyük ölçüde kaldırılmışken, Türkiye’de hem darbe anayasası hem de darbe döneminde çıkarılan kısıtlayıcı kolektif emek düzenlemeleri emeğin örgütlü bir aktör olarak yeniden ortaya çıkması önünde büyük engeller oluşturmuştur.

Neoliberal dönemde emek piyasalarında yaşanan dönüşümler açısından Arjantin ve Türkiye örnekleri benzer eğilimler göstermiş, her iki ülkede de yapısal uyum süreçlerine reel ücret düşüşleri ve işsizlik, yoksulluk ve kayıt-dışı çalışma biçimlerinde artış eşlik etmiştir. Arjantin’de 1990’lar neoliberalizmin daha sistematik ve radikal bir biçimde uygulandığı yıllar olmuştur. Sermayenin yoğunlaştığı ve merkezileştiği ve büyük ölçekli özelleştirmelerin gerçekleştiği bu yıllar emekçi sınıflar açısından ücret ve yaşam koşulları açısından önemli bir gerilemeye tekabül etti. Kemer sıkma politikalarına olan tepkiler 1990’ların ortalarından itibaren alternatif emek hareketlerinin (özellikle de *piquetero* hareketi olarak nitelendirilen işsizler hareketinin) oluşmasına zemin hazırladı. 1990’ların sonlarından itibaren yükselişe geçen ve neoliberal politikalara karşı birleşik bir tepki örgütleyen sendikal hareket ve işsizler hareketi 2001 krizini neoliberalizmin bir krizine dönüştürdüler. Bir başka deyişle, yükselen toplumsal hoşnutsuzluk, yoksulluk ve işsizlik gibi problemlerin bireysel olmaktan çok kolektif olarak tarif edilmesini beraberinde getirdi ve emekçi sınıfların farklı kesimlerinin bu problemler etrafında yeniden birleşmesi neoliberal projenin devam ettirilmesi önünde önemli bir engel teşkil etti (Féliz, 2014: 57). Arjantin örneğinden farklı olarak Türkiye’de emek hareketi darbe sonrasını izleyen dönemde daha sınırlandırıcı bir yasal/siyasal ortamla karşı karşıya kalmış ve ancak 1980’lerin sonuna doğru – ücret ve yaşam koşullarındaki gerilemelere tepki olarak – bir canlanma yaşamıştır. Bu canlanmaya kabaca 1994 krizine kadar önemli ücret artışları eşlik etmiştir. Ayrıca 1990’lar Türkiye’si neoliberal projenin – hem kemer sıkma

politikalarına hem de anti-demokratik siyasal yapılanmaya verilen tepkilerin bir uzantısı olarak – gerilemesine sahne olmuştur. Fakat, 1990’ların ortalarına kadar süren emek hareketi canlanışının ve bu sayede edinilen kazanımların, emekçi sınıfların politika yapma süreçlerine kolektif-kurumsal dahil olması bakımından yansıması sınırlı olmuştur. Ayrıca 1994 krizi itibariyle 1980’lerin sonlarından beri sağlanmış olan reel ücret kazanımları tersine dönmeye başlamıştır. Türkiye’de 2001 krizine verilen tepkilerin izlenen politikalarından çok onların uygulayıcısı olan politikacılara ve siyasal partilere yönelişi, yukarıda da ifade edildiği gibi, krizi neoliberalizmin krizi olmaktan ziyade, neoliberalizm içi bir krize dönüştürmüştür (Yalman, 2016: 257).

Buna paralel olarak kriz sonrası Arjantin’in yeni-kalkınmacı deneyimi emek politikaları açısından neoliberalizmden bir uzaklaşma sergilemişken, 2001 sonrası Türkiye’si neoliberal çerçevenin genişlemesine sahne olmuştur. Bu iki deneyimi daha iyi anlamak için emek politika bileşenleri arası farklılıkları değerlendirmek büyük öneme sahiptir. Arjantin deneyimiyle başlayacak olursak, öncelikle tıpkı bir proje olarak neoliberalizmi somut uygulamalarından ayırt etmiş olduğumuz gibi, bir proje olarak yeni-kalkınmacılığı da Arjantin deneyiminden ayırt etmek gerekmektedir. Bir proje olarak yeni-kalkınmacılık – özellikle piyasa dostu devlet müdahalesine olan vurgusu dikkate alındığında – bu çalışmanın ikinci bölümünde etraflıca tartışılmış olan neoliberal projenin 1990’ların sonlarına doğru büründüğü biçimle önemli paralellikler arz etmektedir. Benzer şekilde kriz sonrası Arjantin deneyiminde, neoliberal politikaların radikal bir uygulamasına sahne olmuş olan 1990’larla devamlılıklardan bahsetmek mümkündür. Bu devamlılıklar arasında, temel olarak ilksel (ağırlıklı olarak da tarımsal) ürünlere dayalı ihracat yönelimli bir büyüme modelinin devam ettirilmesi (Wylde, 2011: 440), ihracat artışlarının 1990’larda yaygınlaşmaya başlayan çekip-çıkarmacı (extractivist) yöntemin genişleyen biçimde kullanımına dayalı olması ve sermaye yoğunlaşmasının artması (Castorina, 2015: 89; ayrıca bkz. Cáceres, 2015 ve Feliz, 2014: 61) sayılabilir. Fakat genel olarak devlet-emek-sermaye ilişkilerinin geçirdiği dönüşümler dikkate alındığında kriz sonrası Arjantin

deneyimini basitçe yenilenmiş bir neoliberalizm olarak değerlendirmek uygun görünmemektedir.

Kısaca değinmek gerekirse, Arjantin’de kriz sonrası ekonomik toparlanmanın temel dinamiklerini, yeni döviz kuru rejiminin ve küresel meta fiyatlarındaki yükselişin olanak sağladığı ihracat artışı, dış ticaret dengesi ve mali dengede iyileşmeler oluşturdu. Hükümetin ihracat vergilerini artırması ve vergi gelirlerindeki artışın önemli bir kısmını hem ihracat yönelimli sanayi sektörlerine hem de sosyal harcamalara transfer etmesi (Lustig and Pessino, 2012: 19; Rigirozzi and Grugel, 2012: 9; Wylde, 2011: 438-439, ayrıca bkz. EK B, Tablo B5), işsizlik oranlarında kaydedilen düşüş, kayıt dışı istihdam oranlarında azalma (bkz. EK B, Tablo B1) ve ücret artışları¹⁵⁹ kriz sonrası toplumsal oydaşmanın zeminini oluşturdu. Bu oydaşma, yeni kalkınmacılığın alamet-i farikası olarak kabul edilen sistemsal rekabet edebilirlik (systemic competitiveness) şiarıyla, Nestor Kirchner’in başkanlığı süresince (2003-2007) sınıflar arasında önemli ihtilaflar yaratmadan devam edebildi. Ne var ki, ileride kısaca değinileceği gibi, 2008 küresel finansal krizini takip eden yıllarda bu oydaşmayı ayakta tutan tutkal dağılma emareleri göstermeye başladı.

Daha önce neoliberalizmin emek politika bileşenleri açısından en belirgin özelliğinin emeğin yeniden üretiminin hem bireysel hem de toplumsal maliyetlerini üstlenmek konusunda sermayenin yükünü hafifletmeye yönelik politikalar olduğundan bahsedilmişti. 2001 sonrası Arjantin deneyimi bunun tersine hem devletin hem de sermayenin çeşitli fraksiyonlarının, söz konusu bakımdan yükünü artıran politikalara sahne olmuştur. Emekçi sınıfların farklı kesimlerinin kriz sonrası ekonomik toparlanma sürecine dahil olması temelde ücret artışları ve telafi edici mekanizmalar yoluyla

¹⁵⁹ Fernández ve Insua (2014:15-16)’nın hesaplamalarına göre 2003-2007 yılları arasında imalat sanayiindeki reel ücret artışları %56 düzeyinde oldu. Fakat reel ücretler kriz öncesi seviyelere, 2001-2002’de kaydedilen keskin düşüşün ardından, ancak 2004 itibarıyla ulaşabildi. 2008-2012 yılları arasında ise üretkenlik artışları ücret artışlarını gölgede bıraktı.

olmuştur. Fakat bu aynı zamanda ‘kolektif/kurumsal içerme yoluyla disipline etme’ anlamına gelmiştir. Bunun iki kanalla gerçekleştirilmeye çalışıldığı iddia edilebilir. İlk olarak sosyal transferler olarak nitelendirilen telafi edici mekanizmalar işsizler hareketini büyük ölçüde parçalamıştır. Hareketin çeşitli bileşenleri, yönetime sadakatleri ölçüsünde ödüllendirilip yönetim süreçlerine entegre edilirken, hükümete muhalif olanlar izole edilmiştir (Grugel and Riggirozzi, 2007: 99; ayrıca bkz. Castorina, 2014: 91-95 ve Sader, 2009: 178). Diğer taraftan toplu pazarlık mekanizmasının canlanması ve sendikaların hareket kabiliyetinin artışı önemli ücret kazanımlarını beraberinde getirmiş olsa da, bu kazanımlar, ücret anlaşmazlıklarının ılımlaştırılmasını ve toplu görüşmeler sonrası mobilizasyonun sınırlandırılmasını beraberinde getirmiştir (Etchemendy and Collier, 2007: 381). Gerçekten de, Grugel ve Riggirozzi’nin (2007: 13) altını çizdiği gibi, Néstor Kirchner hükümetinin en önemli hedeflerinden birisini, ücret artışı taleplerini ekonomik büyümenin gerekleri nedeniyle ertelemeleri konusunda sendikaları ikna etmek oluşturmuştur.

2008 Küresel finansal krizini takip eden yıllarda, Cristina Kirchner başkanlığındaki (2007-2015) iki dönem suresince, büyüme stratejisinde önemli çatlaklar meydana geldi. Şu gelişmeler 2010’larla birlikte artan şekilde yeni kalkınmacı oydaşmanın sürdürülebilirliğini tehdit eder hale geldi: (1) Enflasyon artışları ve durgunlaşan reel ücretler karşısında sendikalar ücret taleplerini yükselttiler. (2) Nakit transferlerinin kapsamı önemli ölçüde genişlemiş olsa da, yüksek enflasyon oranları nedeniyle satın alma güçlerinin erimesi telafi mekanizmaları olarak etkilerini azaltmaya başladı. (3) Özellikle ihracat yönelimli sermaye çevreleri, rekabet avantajlarının erimeye başladığı kriz sonrası süreçte, sosyal transferleri ve artan ücret taleplerini giderek yoğunlaşan şekilde sorunsallaştırmaya başladılar. (4) Mart 2008’de açıklanan ve ağırlıklı olarak tarımsal ürünleri kapsamına alması öngörülen ihracat vergisi artışları, hükümet karşıtı muhalefetin birleşmesini ve yaklaşık dört ay sürecek bir çiftçi/tarım sektörü protestosunu beraberinde getirdi. Bu ihracat vergisi revizyonu girişimine tepki olarak tarım üreticileri ürünlerini stoklarda bekletme ve satmama eylemi gerçekleştirdiler. Uygulama tepkiler sonucu

kaldırıldıysa da gerginlik ilerleyen yıllarda devam etti. Başka bir deyişle, modelin süreğen ihracat artışına bağlı yapısı, küresel koşulların giderek daha az elverişli olduğu 2008 sonrası dönemde, toplumsal sınıflar arası gerilimlerin artmasını beraberinde getirdi. Nihayetinde Kasım 2015 seçimlerinde neoliberal bir programla ve özellikle enflasyonu düşürme vaadiyle Mauricio Macri başkan olarak seçildi.

Türkiye örneğine gelecek olursak, Arjantin'den farklı olarak, kriz sonrası dönem Türkiye'de, teknokratik bir ekonomi politikası yapma biçiminin erken aşamalarda hakim kılındığı, düzenleyici kuruluşların ve yapısal reformların önem kazandığı, büyük çaplı özelleştirmelerin gerçekleştirildiği ve emek piyasasını esnekletirmek yönünde uygulamaların ivmelendiği bir dönem olmuştur. Neoliberal projenin uygulaması kriz öncesi doneme kıyasla derinleşmiş ve otoriter repertuarın giderek genişlemesi söz konusu olmuştur. Bu çalışmada emek-merkezli bir perspektiften yola çıkarak 2001 sonrası Türkiye deneyimini kendine özgü karakteristikleri olan otoriter neoliberal bir yapılanma olarak okuyorum. Bu deneyim otoriter tekniklerin kullanımının çeşitlenmesine ve emekçi sınıfların, kolektif kimliklerinin bireyselleştirilmesi yoluyla, içerilmelerine sahne olmuştur.

Otoriter neoliberalizm kavramı 2008 Küresel ekonomik krizini takiben Avro bölgesinde hakim olan demokratik mekanizmaların değersizleştirilmesi ve kural-temelli kemer sıkma politikalarının hakim hale getirilmesi süreçlerine referansla yakın zamanda sıklıkla kullanılmaya başlanmıştır (bkz. Bruff, 2014). Ben bu çalışmada kural-temelli/teknokratik siyaset yapma biçimini neoliberal deneyimlerde yaygınca kullanılan üç otoriter teknikten birisi olarak ele alıyorum. Diğer iki tekniği ise oldu-bittiyle yönetme (rule by *fait accompli*) ve aleni zorla yönetme (rule by overt coercion) olarak nitelendiriyorum. Teknokratik siyaset yapma biçiminden farklı olarak, oldu-bittiyle yönetme, ihtiyari tedbirlerin fiilen bir süre uygulandıktan sonra yasal zemine kavuşturulmasına tekabül etmektedir. Aleni zorla yönetme ise muhalif taleplerin kolektif olarak ifade edilmesi önüne engeller koyulması ve bu taleplerin zor yoluyla bastırılması anlamına gelmektedir.

Bu üç yönetim tekniđi bir dizi somut neoliberal lke deneyimine ikin olmuř olsa da, bunlardan bir veya daha fazlasının politika yapma srelerine hakim olması durumu ‘otoriter neoliberalizm’ adlandırmasını gerekli kılmaktadır. Kriz sonrası Trkiye rneđinde, ekonomik toparlanmanın erken dnemlerinde teknokratik bir ynetim tekniđinin baskın hale gelmesinden, ve bunun 1980’lerden devralınan řekilde kolektif demokratik glenmeyi sistematik olarak engelleyen politikaların devam ettirilmesi ile birlikte, otoriter repertuarın zamanla geniřlemesinin zeminini hazırladıđından bahsedilebilir. Bu geniřleme, 2010’lar itibariyle oldu-bittiyle ynetme ve aleni zorla ynetme tekniklerinin daha yođun bir řekilde kullanılması ile karakterize olmuřtur. Bu tezde emek politikası gndeminin bu otoriter neoliberal deneyimin nemli bir bileřenini oluřturduđunu iddia ediyorum.

Bu iddiayı biraz amak gerekirse, 2001 sonrası Trkiye’inde emek retkenliđinin emek maliyetleri dřk tutularak artırılması ve ihracat ynelimli ekonomik faaliyetlerin teřvik edilmesi rekabet edebilirliđin srdrlmesi iin merkezi olma zelliđini korumuřtur. Bu birikim modeli iin dřk maliyetli, kolayca atıl kılınabilecek ve yeniden ise kořulabilecek, disipline edilmiř bir iřgc byk nem arz etmiřtir. Buna paralel olarak kriz sonrası dnemde yařanan retkenlik artıřları – Ek B’deki Tablo B4’te gsterilen olduka uzun ortalama alıřma saatlerinin de iřaret ettiđi zere- temel olarak mutlak artı deđerin artırılması, yani emek smrsnn yođunlařması ile sađlanmıřtır. Aktif iřgc bakımından uzun ortalama alıřma saatleri devamlılık gsterirken, 1990’lara kıyasla istihdamın toplam nfusa oranı ve iřgcne katılım oranları azalmıř, iřsizlik oranları yksek seviyelerde seyretmiřtir (bkz. EK B, Tablo B1). Bu durum bir dizi gzlemciyi, kriz sonrası donemi ‘istihdamsız byme’ dnemi olarak nitelemeye sevk etmiřtir (bkz. Herr ve Sonat, 2013: 5; Telli vd. 2006; Yeldan, 2007). İhracat ynelimli sermaye kesimlerine sađlanan teřvikler ve bađımsız emek rgtlenmelerinin faaliyet alanını kısıtlayan politik ortam, hatırı sayılır bir ihracat bymesi kaydedilmesini mmkn kılmıřtır. Gerekten de, 2000’li yılların formel olarak demokratikleřen siyasal ortamında, emek rgtlerinin, yelerinin alıřma ve yařam kořullarını ilgilendiren politika yapma

süreçlerine, bağımsız ve kurumsal mekanizmalarla dahil olmaları engellenmiş, demokratikleşme adımlarının kapsamı dışında tutulmuştur. Bir yandan emekçi sınıfların kolektif/kurumsal olarak dışlanması söz konusu olurken, öte yandan aracısız-bireysel (yani tüketiciler, kredi sahipleri/borçlular ve sosyal yardım alıcıları) olarak içermelerini sağlayan bir dizi uygulama hayata geçirilmiştir. Bu yapılanma, farklı ölçeklerdeki sermaye gruplarının emekçi sınıflar karşısında önemli tavizler vermesinin önüne geçmiştir. Bir başka deyişle, sermaye, emek gücünün bireysel ve toplumsal yeniden üretim maliyetlerini dışsallaştırmak konusunda daha geniş bir oyun alanına sahip olmuştur.

Bununla birlikte, 2001 sonrası hükümetler, durgun seyreden reel ücretlerin, yüksek işsizlik oranlarının ve görece düşük işgücüne katılım oranlarının beraberinde getirdiği iki potansiyel problemle, artık nüfus problemi ve emek gücünün yeniden üretiminin koşullarının kötüleşmesi problemi ile, baş etmek için çeşitli stratejiler geliştirdiler. Bunlar arasında sosyal harcamaların (bkz. EK B, Tablo B5) ve kredi olanaklarının artırılmasını¹⁶⁰ saymak mümkündür. Bu uygulamalar, aşırı değerli kur politikasının da etkisiyle, emekçi sınıfların tüketim kapasitelerini artıran bir rol oynamıştır. Kriz sonrası toplumsal oydaşmanın kabaca 2010'lara değin bu dinamikler üzerinde inşa olduğu iddia edilebilir. Türkiye'de, Arjantin örneğine benzer şekilde, 2008 küresel finansal krizinin etkilerinin 2010'lara uzanan şekilde zamana yayılması söz konusu oldu. Krizin etkisiyle önde gelen ihracat pazarlarındaki koşulların değişmesi, ekonomik büyümenin sermaye girişlerine bağlı yapısı, düşen büyüme temposu, TL'nin 2013 sonrası değer kaybetmeye başlaması ve özel sektörün döviz borçlarında meydana gelen hatırı sayılır artış, hükümet açısından bu toplumsal oydaşma zemini olağan yollarla sürdürmeyi güçleştirdi. Paralel bir eğilim olarak 2010'lar Türkiye'si, yürütmenin daha da güçlenmesine ve kural temelli/teknokratik

¹⁶⁰ Karaçimen'in (2014) etraflıca tartıştığı gibi, tüketici kredilerindeki genişleme ve artan hane halkı borçları 2000'li yıllarda iç talep genişlemesinin önemli bir aracı olmuştur.

yönetim stratejisinin yerini giderek oldu-bittiyle ve aleni zorla yönetme tekniklerine bırakmasına sahne oldu.

2001 sonrası Arjantin ve Türkiye deneyimleri, geniş politik ekonomik düzlem bakımından yukarıda tarif edilen farklılıklarına paralel olarak, emek düzenlemeleri açısından da önemli farklılıklar arz etmişlerdir. Bu çalışmada söz konusu farklılıklar bireysel, kolektif ve telafi edici emek düzenlemeleri ayrımı kullanılarak analiz ediliyor. Özet olarak ifade etmek gerekirse, bireysel emek ilişkilerine devletin dahil olma biçimleri bakımından, işverenlerin emek gücünün yeniden üretiminde üstlendikleri yükün azaltılması Arjantin örneğine kıyasla Türkiye’de daha önemli bir yer tutmuştur. Bu amaçla başvurulmuş temel politika araçları, emek piyasasında dışsal esnekliğin (işe alım ve işten çıkarma koşullarının esnekliğinin) artırılması yönünde politikalar ve işverenler için ücret-dışı emek maliyetlerinin azaltılmasını hedefleyen sübvansiyonlar olmuştur. Genel politika yönelimine formel istihdam biçimlerinin mümkün olduğu ölçüde kayıt-dışı istihdam koşullarına yaklaştırılması hedefi damgasını vurmuştur. Arjantin’de ise formel iş sözleşmelerinin hüküm ve koşulları, toplu sözleşme mekanizmasının yeniden canlandırılması ve Asgari Ücret Konseyi’nin yeniden işler hale getirilmesi yoluyla, büyük ölçüde yeniden kolektifleştirilmiştir (bkz. Etchemendy ve Collier, 2007: 380; Felder ve Patroni, 2011: 277). 2004 yılında çıkartılan yeni İş Yasası ile ‘kötü’ esneklik biçimleri olarak nitelendirilen, ücret ve ücret dışı maliyetleri azaltmaya yönelik, bir dizi uygulama yürürlükten kaldırılmıştır. Emek politikası oluşum süreçlerinde sendikaların rol ve etkisi Arjantin’de Türkiye’ye nazaran çok daha yoğunlaşmıştır. İkinci örnekte, 1980’lerin başlarında askeri cunta rejimi altında yürürlüğe konmuş olan kolektif emek düzenlemeleri büyük oranda korunmuştur. Sınırlandırıcı yasal/kurumsal çerçeve emek örgütlerinin politika yapma süreçlerindeki rol ve etkisini kısıtlayan roller oynamıştır. Telafi edici devlet müdahaleleri bakımından da iki ülke arasında kriz sonrası önemli farklılıklar ortaya çıkmıştır. Her ikisinde de devletin işsizlik ve yoksulluğun toplumsal maliyetlerini üstlenmedeki rolleri artmakla birlikte, Arjantin’de işsizler hareketinin önemli bir aktör

haline geliŒi, bu alanları hedefleyen programların daha kapsamlı bir yapıya kavuŒmasını beraberinde getirmiŒtir.

Bu alıŒmada, Arjantin ve Trkiye’de 2001 krizleri sonrası politik-ekonomik yeniden yapılanma srelerinin emek-merkezli karŒılaŒtırmalı bir analizi sergilendi. Bu iki lke deneyimi arası farklılıklar emek iliŒkilerinin ve emek politika gndemlerinin hem neoliberalizm uygulamaları arası farklılıkları hem de neoliberalizmden ayrılma deneyim ve potansiyellerini anlamada merkezi bir nemde olduđuna iŒaret etmektedir.

APPENDIX D

CURRICULUM VITAE

PERSONAL INFORMATION

Surname, Name: Bozkurt-Güngen, Sümercan
Nationality: Turkish (TC)
Date and Place of Birth: 10 December 1983, Ankara
Marital Status: Married
Email: sumerjan@gmail.com

EDUCATION

Degree	Institution	Year of Graduation
MS	METU, Political Science and Public Administration	2008
BS	Hacettepe University, Political Science and Public Administration	2005

WORK EXPERIENCE

Year	Place	Enrollment
2011-2017	METU, Department of Political Science and Public Administration	Research Assistant

SCHOLARSHIPS

2014-2015 - The Scientific and Technological Research Council of Turkey (TUBITAK) PhD Research Scholarship (Research at the Centre for Research on Latin America and Caribbean, York University, Toronto/Canada)

2011- Jean Monnet Scholarship (Research at the School of Politics and International Relations, University of Nottingham, Nottingham/UK)

FOREIGN LANGUAGES

Advanced English, Upper Intermediate Spanish, Lower Intermediate German

PUBLICATIONS

Journal Article:

Bieler, A., S. Bozkurt, M. Crook, P. Cruttenden, E. Erol, A. D. Morton, C. B. Tansel, and E. Uzgören (2016), “The Enduring Relevance of Rosa Luxemburg's The Accumulation of Capital”, *Journal of International Relations & Development*, 19 (3): 420-447.

Bozkurt, S. (2014), Crisis and Search for Political Alternatives in Southern Europe: SYRIZA, Indignados and Five Stars Movement”, *METU Studies in Development*, 41: 483-504.

Bozkurt, S. (2013), “Sosyal Politika ve Emek Piyasası Politikaları Çalışmalarının Ana Akımı Olarak Yeni Kurumsalcılık(lar): Türkiye, Yunanistan ve İspanya’da 2000’lerde Gerçekleşen İstihdam Politika Dönüşümleri Üzerinden Bir Değerlendirme”, [“New Institutionalism(s) as the Mainstream of Social and Labour Market Policy Studies: An Examination of Employment Policy Transformations in the 2000s in Turkey, Greece and Spain”], *Praksis*, 30-31: 199-220.

Chapter in a Book:

Bozkurt S., F. Cok, and T. Şener, (2015), “Government Perspectives on Civic and Political Participation of Youth and Women in Turkey: Deriving Insights from Policy Documents”, in Barrett M. and B. Zani (eds.), *Political and Civic Engagement: Multidisciplinary Perspectives*, London: Routledge, pp. 420-435.

PAPER PRESENTATIONS

Bozkurt-Güngen S. (2016), “Labour Market Reforms and Variegated Trajectories within Neoliberalism: Turkey and Argentina”, paper presented at the 34. Latin American Studies Association International Congress (LASA2016), May 27-30 2016, New York.

Bozkurt-Güngen S. (2015), “Crisis Management, Politics of Labour Reform and Variegated Trajectories within Neoliberalism: A Comparative Inquiry into two Waves of Crisis Experiences”, paper presented at the PhD Dissertation Workshop in Global Political

Economy, The Balsillie School of International Affairs, April 22-24, Waterloo, Ontario/Canada.

Bozkurt-Güngen, S. (2014), “Politics of Anti-austerity and Search for Alternatives in the Southern Europe: Syriza, Indignados and 5-Stars Movement”, Paper presented at The International Conference on Financialisation, Crisis, Social Protests and Development Alternatives in Southern Europe, 14-15 February 2014, METU, Ankara-Turkey.

Bozkurt, S. (2013), ‘Clumsy Politicians’ vs. ‘Intelligent Technocratic Design’? Crisis, Reform and the Meaning of Politics in Southern Europe’, paper presented at the 11th European Sociological Association Conference, 28-31 August, Turin-Italy.

Bozkurt, S. (2013), “Politically-Sensitive” Labour Market Reforms and Technocratic Crisis Management Strategies in Greece and Italy”, paper presented at the 14th Mediterranean Research Meeting, organised by the Mediterranean Program of the Robert Schuman Centre for Advanced Studies at the European University Institute, 20-23 March, Mersin-Turkey.

Çok, F. Bozkurt, S., Şener, T. (2012), Mapping the Varieties of Perspectives on Civic and Political Participation of Youth, Women and Minorities/Immigrants in Turkey, Paper presented at the 2nd International Multidisciplinary Conference of Political and Civic Participation, 16-17 April, Surrey-UK.

Bozkurt, S. (2011), Ülke Özgünlüklerini Büyük Resmin İçinden Okumak: 2000’ler Türkiye’sinde Sosyal Politika ve İstihdam Politikaları Donuşumleri Uzerine Karsilastirmali Bir Degerlendirme [Reading National Peculiarities through the Big Picture: A Comparative Examination of Social and Employment Policy Transformations in Turkey in the 2000s], Paper presented at the 12th Social Sciences Conference organised by the Turkish Social Sciences Association, 14-16 December, METU, Ankara-Turkey.

Çok, F., Şener, T., Bozkurt, S., Şen, M., Yasav, H., and Ataman, A. (2010), “Images and Experiences of Social and Political Participation”, Paper presented at the CRONEM Conference, 29-30 June, Surrey-UK.

RESEARCH PROJECTS

2015- 2016: Researcher in the Turkish team for the Researching Arab Mediterranean Youth: Towards a New Social Contract (SAHWA) Project, funded by the European Union's Seventh Framework Programme for Research under Grant Agreement No: 613174.

2013- 2014: Researcher in the Parliamentary System in Turkey Research Project/ Legislation Group, conducted by The Public Administration Institute for Turkey and the Middle East (TODAİ), funded by the Ministry of Development.

2010: Project Assistant in the Turkish team for the Process Influencing Democratic Ownership and Participation (PIDOP) Project, funded by the European Union's Seventh Framework Programme for Research under Grant Agreement No: 225282.

2007-2008: Project Assistant in the Conservative Politician Profile in Turkey Research Project, conducted by Assoc. Prof. Dr. Mustafa Sen, Sociology Department of the Middle East Technical University, funded by The Scientific and Technological Research Council of Turkey (TÜBİTAK).

APPENDIX E

TEZ FOTOKOPİSİ İZİN FORMU

ENSTİTÜ

Fen Bilimleri Enstitüsü	<input type="checkbox"/>
Sosyal Bilimler Enstitüsü	<input checked="" type="checkbox"/>
Uygulamalı Matematik Enstitüsü	<input type="checkbox"/>
Enformatik Enstitüsü	<input type="checkbox"/>
Deniz Bilimleri Enstitüsü	<input type="checkbox"/>

YAZARIN

Soyadı : Bozkurt-Güngen
Adı : Sümercan
Bölümü : Siyaset Bilimi ve Kamu Yönetimi

TEZİN ADI (İngilizce) : “Labour Markets, Labour Relations and the State: A Comparative - Historical Analysis of Argentina and Turkey, 2001-2015”

TEZİN TÜRÜ : Yüksek Lisans Doktora

1. Tezimin tamamından kaynak gösterilmek şartıyla fotokopi alınabilir.
2. Tezimin içindekiler sayfası, özet, indeks sayfalarından ve/veya bir bölümünden kaynak gösterilmek şartıyla fotokopi alınabilir.
3. Tezimden bir (1) yıl süreyle fotokopi alınmaz.

TEZİN KÜTÜPHANEYE TESLİM TARİHİ: