## Turkey: privatised oil-refinery firm slashes 800 jobs

Sinan Ikinci 1 August 2006

On July 26 management of the recently privatised oil refining company Tupras (Turkish Petroleum Refineries Corporation) announced the first stage of its restructuring plan, which calls for the destruction of 828 jobs (16 percent of its total workforce) nationwide. Before the current retrenchment the company employed nearly 5,000 workers.

As of January 26, 2006, a consortium led by Turkey's Koc Holding—the country's largest conglomerate, which has holdings in many fields, among them energy, auto, retail, telecommunications and defence—and including Anglo-Dutch oil giant Royal Dutch Shell PLC, officially purchased a controlling share (51 percent) of Tupras. The Koc family placed 103rd on the *Forbes* 2005 list of the world's richest people.

In the face of the announcement of the mass job cuts, Petrol-Is (Union of Petroleum Chemical and Rubber Workers of Turkey) simply kept quiet, and even refrained from issuing a statement. This is understandable insofar as the Petrol-Is bureaucracy is a party to this process. Prior to making its latest announcement, the company management negotiated with union leaders and the union's silence is a clear indication of its capitulation to the management retrenchment plans.

There is no doubt that the union is trying to prove its usefulness and flexibility to the new owners of the company. With the next Petrol-Is congress approaching, the bureaucracy is doing everything in its power to demonstrate its readiness to work with the employers.

The Petrol-Is bureaucracy has played a rotten role in misleading Tupras workers in their struggle against privatisation. For example, four years ago the union leadership launched an expensive campaign designed by a private advertisement agency, owned by close friends of the union's president Mustafa Oztaskin, whose central theme was "We don't simply want to limit the discussion on privatisation into two opposing camps saying 'yes' or 'no'. We want to organise a broad and open discussion on privatisation. Turkish public opinion hasn't discussed this issue yet."

The line taken by Petrol-Is with regard to the issue of privatisation was taken directly from the Freedom and Solidarity Party (ODP), which ran an identical "neither 'yes' nor 'no'" campaign regarding Turkey's integration to the European Union.

Nearly a year ago—again through the same advertisement agency—Petrol-Is launched another extremely expensive campaign called "Tupras is Our Future, It Cannot Be Sold Off." Once again, millions were invested in billboards, print and television announcements, etc. When signs of discontent began to emerge among Tupras workers against the union bureaucracy's passive attitude, Petrol-Is conducted a few short strikes (maximum one day) and other protest actions. They were all token efforts without any perspective, so as to be able to say: "We took action against privatisation."

According to an annual list issued by the Istanbul Chamber of Industry, Tupras is the largest single enterprise in the Turkish economy, also topping the list of the 500 biggest industrial companies for 2005. It also operates the seventh largest refinery in Europe.

Since 1996, when Tupras was placed on the block to be privatised, the company has not hired any new personnel. Through attrition the number of workers has gradually decreased over the past decade and this scaling down went hand in hand with the erosion of real wages—thanks again to Petrol-Is and the rest of the Turkish trade union bureaucracy. At the moment

Tupras' workers' salaries are less than half that of their European counterparts, although the local currency (New Turkish Lira) has been overvalued due to an IMFled austerity programme.

There is no doubt that the company will soon hire new workers on the basis of the country's minimum wage—in Turkey the minimum wage is around \$250 per month, although the poverty threshold for a family of four is \$345. In the meantime Petrol-Is bureaucrats live lives of luxury which bear no relation to that of ordinary workers and union members. This is precisely the bureaucracy which the Turkish petty bourgeois "left" declares to be an "alternative" to the austerity policies of the current Turkish government.



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